

WB EDIF

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19

Annual Report

WB EDIF is an EU-funded initiative aimed at improving access to finance for small business owners in the 7 economies of the Western Balkans.

WB EDIF leverages upon the expertise of 27 international, regional and local market players including representation from the economies themselves.

WB EDIF is mobilising approximately EUR 650m of financing and support for small and medium sized enterprises (SMEs).

WB EDIF

Western Balkans Enterprise Development and Innovation Facility

Annual Report

Data as of 31 December 2019



Foreword



Colin Wolfe
Head of Unit, Western Balkans

Regional Cooperation
European Commission
Directorate General for
Neighbourhood & Enlargement
Negotiations (DG NEAR)



Read the OECD's latest
SME Policy Index 2019
- Western Balkans and
Turkey:



A new edition of the Western Balkans Enterprise Development and Innovation Facility (WB EDIF) Annual Report is now available. I want to share the main achievements of the platform in 2019. I trust this will also be a solid base to confront the huge difficulties the region now faces from the Covid-19 crisis, and to constitute a platform for future recovery.

2019 was an important year for the WBEDIF. We successfully brought the Facility under the umbrella of the Western Balkans Investment Framework (WBIF). With this, we can ensure more socio-economic impact – and a basis for recovery – through coherence between (a) investments in infrastructure and (b) private sector support. Moreover, we can better align our support with the strategic priorities for the region, all the more necessary at this time. WB EDIF members are now part of a larger structure, contributing more collectively to the perspectives of the Western Balkans region.

Since 2012 we have supported **113 000 jobs**. We have provided financial or technical support to **5 400 SMEs**. In 2019 the following stands out for me:

1 WB EDIF held its second **Business Forum** in May 2019 in Sarajevo. The event was hosted by the EBRD in the margins of its Annual Meeting. It was attended by more than 250 representatives of the public and private sector, Chambers of commerce, financing institutions and bilateral donors – from the EU, the region and beyond. At the event, the OECD launched its **SME Policy Index for the Western Balkans and Turkey 2019**.

2 **The Western Balkans Summit** (July 2019, Poznan) was a showcase of our work: a social media campaign was much welcomed, and marketing materials were made available at the dedicated stand. In Poznan the European Commission also committed **a further EUR 20m** to our funding. This contribution will support phase II of two ongoing technical assistance programmes: the World Bank's **"EU REPARIS"** and the European Bank for Reconstruction and Development **"Advice for Small Businesses"**. We expect those programmes to contribute to the recovery, with support to ca. **800 companies** and **sustaining 32 000 jobs** in the region.

3 We also benefited from the **EUR 10m EU contribution to the Guarantee Facility for Youth Employment**. This generated important interest and market uptake by the regional financial intermediaries, and is on course to generate **EUR 85m in loans** for SMEs supporting youth employment. We want this initiative to provide opportunities for the young people in the region to get back on their feet – to develop skills, and businesses now that it is most needed.

4 With the two WB EDIF **equity funds**, pioneers in the region, we now have investments of ca. **EUR 53m in 41 companies** from seed to start-up to expansion stage. A to-up is envisaged for both funds, again important as the economic prospects are rebuilt.

5 We also worked substantially on **visibility and communication** in 2019. The new WB EDIF brochure **"From nest to sky"** was presented during the summer, and the **updated WB EDIF Success Stories booklet** was re-published, including a number of case studies. We also promoted a **new WB EDIF video**. We will look to adapt these to the circumstances we now all face.

View WB EDIF's latest
"From nest to sky" brochure:



In summary, our collective efforts substantially contributed to the economic path of the whole Western Balkans region, in 2019. In the changed situation of 2020, we will continue to further strengthen and boost private sector support as a vehicle for recovery, and further work ahead to prosperity and economic integration – important steps on the road to the EU.

In achieving all this, I would like to thank all the WB EDIF beneficiaries, the financing partners and the donors for their continued hard work during 2019. Let us confront 2020 strong together, in a concerted effort to overcome crisis and build a viable future.



Photo from the WB EDIF Business Forum 2019

Mission

WB EDIF was launched in 2012 with the purpose of providing financing and business support to SMEs in the Western Balkans. By supporting SMEs and the infrastructure surrounding them, WB EDIF contributes to the overall growth and development of the Western Balkans economies themselves.

WB EDIF leverages upon the expertise and capabilities of its partners, each of which offers key know-how and experience in the region.

Building the future of SMEs in the Western Balkans

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Partners and Investors

WB EDIF brings together key market players to create a platform for dialogue and a toolbox of instruments.



WB EDIF: The platform approach



WB EDIF was conceived as a platform upon which to launch both financial products as well as capacity building measures to crucially target SMEs at all stages of development, from pre-seed and seed all the way to more developed SMEs seeking expansion capital.

In launching such an ambitious project, it was vital to involve a multitude of International Financial Institutions (IFIs), as well as bilateral partners to build on their expertise, as well as to bring in the local and regional perspective by sharing ownership with representation from the economies themselves.

This mixture gave rise to the WB EDIF 'platform' or 'Umbrella' as further illustrated above.

Since WB EDIF is a platform, it can evolve over time and easily adapt to new market conditions or thematic areas of focus, whereby instruments and support measures can be approved jointly by the representative partners for inclusion under the umbrella, where these are considered to be of strategic importance.

*This designation, used throughout this publication, is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Key Figures

WB EDIF at a glance

€295M Total funding resources

resulting in

€760M Potential available financing to SMEs via WB EDIF's financial instruments

500 Support Projects

providing complementary soft measures

Dozens of workshops, conferences, seminars and competitions organised for the benefit of hundreds of SMEs, policy makers, trainers, consultants and other market players

7

Beneficiary economies

27

WB EDIF Partners

ENIF, ENEF
GF
Competitiveness Programme

Financial Instruments

Progress as at 31 December 2019*

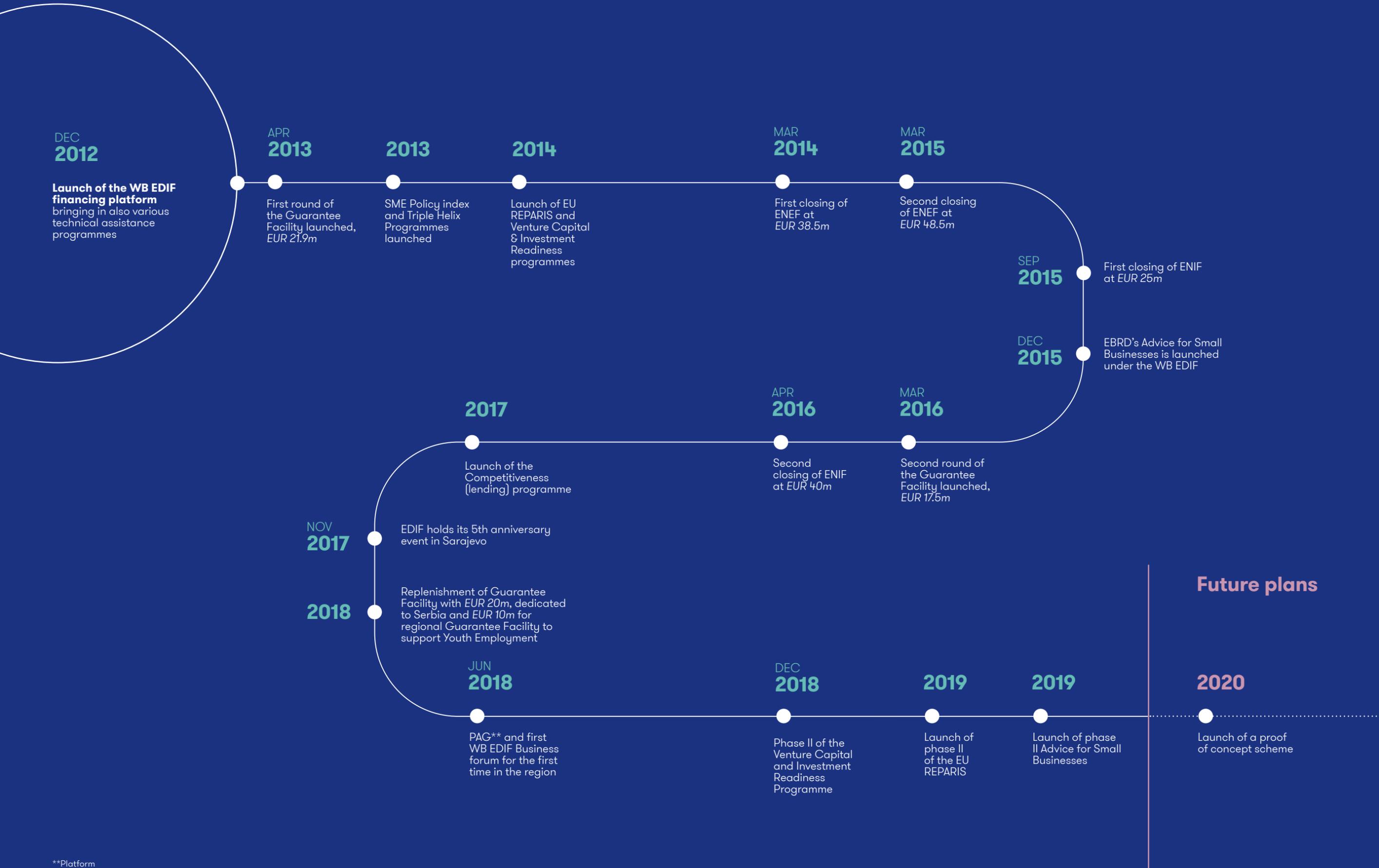


5,390 SMEs supported



112,705 Jobs supported

7 years of WB EDIF



**Platform Advisory Group

Pillars

Pillar 01

Equity

The Enterprise Innovation Fund
The Enterprise Expansion Fund

ENIF

The Enterprise Innovation Fund

Watch our ENIF story



ENIF is one of two equity investment funds which constitute WB EDIF's Equity instrument pillar. It is a stand-alone venture capital fund with EUR 41.4m available for investments in innovative SMEs in the Western Balkans (the "WB region").

Stage focus

ENIF invests in companies from early stage to later stage across a spectrum, from very early revenue through companies with established revenues and close to profitability. ENIF also has a dedicated seed pocket for investments in the most promising seed stage, pre-revenue companies. The majority of the funds are to be invested in SMEs with tickets ranging EUR 500k – EUR 1.5m, however without limiting the possibility for follow-on investments as well as the overall profit-oriented character of ENIF.

Sector focus

ENIF targets innovative SMEs in all technology sectors with potential for high growth. In addition, the Fund envisages paying special attention to the ICT sectors (software, consumer electronics, mobile technologies, Internet and media, etc.) due to their high innovation potential in the WB Region.

Geographical focus

ENIF focuses on the Western Balkans economies, i.e.: Albania, Bosnia & Herzegovina, North Macedonia, Kosovo, Montenegro, Serbia and Croatia. All of the Fund's investments will be in SMEs (as per EU definition).

Capital Deployment

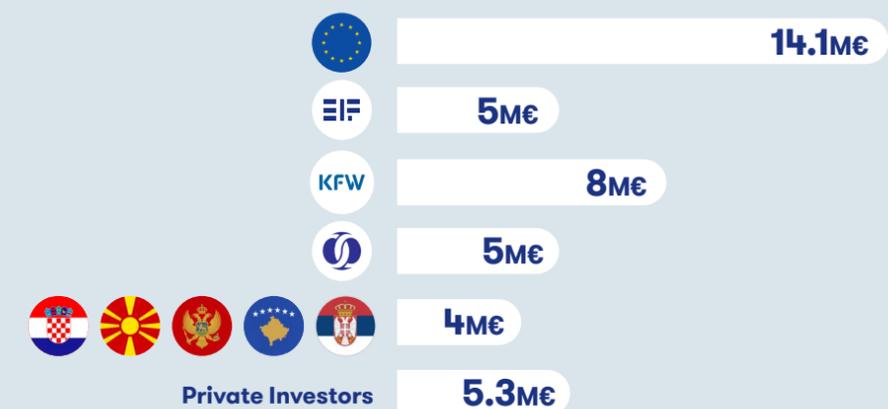
ENIF's Manager, South Central Ventures ("SCV"), expects to build a diversified portfolio of around 20-25 companies from the entire WB geography. The average investment per company should be in the range of EUR 1 – 1.5m (provided in several tranches), targeting a stake at entry of 20-30%.

Seed Pocket

ENIF will dedicate an amount of EUR 1.5m to be invested exclusively in 15-20 seed companies across the entire WB Region. Together with the Seed Pocket, the total number of companies to be supported through ENIF is expected to be 35-45.

Investors

41.4M€



Progress so far

By December 2019 ENIF's portfolio is composed of 27 companies, out of which 16 are start-ups and 11 seed capital investments (for a total disbursed directly from the Fund around EUR 26.8m). ENIF's aggregate capital commitment invested in portfolio investments stands at 63% of the committed capital. During the reporting period the Fund manager screened 274 and signed 6 new deals.

The ENIF team also continued to work with the expat community of Serbian tech entrepreneurs living in the US or in the EU, as well as the Bosnian diaspora, whereas all product development of the companies is taking place in the Western Balkans (knowledge transfer).

During the reporting period 6 new deals were finalised: 3 in Serbia, 1 in Croatia, 1 in Kosovo and 1 in Montenegro.

The fund contributes to the emergence of the regional equity market and plays important role in stimulating the growth of start-ups and digital companies - one of the main EU priorities for the Western Balkans;

The SCV team participated in a number of pitching and investment readiness events, start-up competitions and conferences, also as a member of the jury. The team also cooperates with members of the Start-up Europe network.

Name	Economy	Stage of Focus	Commitment
Drytools / Alchemy cloud	Serbia	Seed	€500K
City Expert	Serbia	Start-up	€1.5M
WorkPlus	Serbia	Seed	€500K
Agrivi	Croatia	Start-up	€1.8M
Letz / MarkO*	North Macedonia	Seed	€100K
Bulb	Croatia	Start-up	€2M
Cognism	North Macedonia	Start-up	€2.389M
CUBE	Serbia	Start-up	€1.125M
InPlayer	North Macedonia	Start-up	€2.705M
VirtusVita	Serbia	Start-up	€800K
Hunch Insights	Serbia	Seed	€500K

*The company discontinued its operations in December 2017

Name	Economy	Stage of Focus	Commitment
Sentinel Marine	Croatia	Start-up	€900K
Tradecore	Serbia	Start-up	€2M
MoreStudio (LittleDot)	Croatia	Seed	€300K
Name	Economy	Stage of Focus	Commitment
Your Home Online (Habiplace)	Croatia	Seed	€368K
Content Insights	Serbia	Start-Up	€1.59M
ConveyIQ	Serbia	Growth	€2.486M
CustomSell	North Macedonia	Start-Up	€481K
Agremo	Serbia	Start-Up	€515K
Neti	North Macedonia	Seed	€200K
DaiBau (eMajstor)	Croatia	Start-Up	€450K
Om3ga solutions (Daktilograf)	Montenegro	Seed	€30K
Molo	Serbia	Start-up	€490k
LeanPay	Serbia	Start-up	€1m
LabBox	Kosovo	Start-up	€200k
AdScanner	Croatia	Seed	€1m
Videobolt	Serbia	Start-up	€500k
Uhura	Montenegro	Seed	€400k

27

Active companies

26.8M€

Total investment

5

Western Balkans economies covered



Case Study AdScanner

Next generation TV technology in Croatia

Financed by the Enterprise Innovation Fund

TV is still extremely relevant. Not only is TV spend not going down, it is also still a largely untapped source of data for cross-screen advertising intelligence and targeting.

On the other hand, today, TV measurement is still the same as it was in the 90s: not quick enough, not transparent enough and not precise enough. Advertisers today demand to be able to measure across screens from a single pool of audience IDs as well as retarget someone online, based on their TV activity.

AdScanner pioneers this disruption with proprietary technology and data. A unique offer built around three core disciplines, offered to advertisers, agencies, broadcasters and publishers:

- 1 AdScanner Ad Harvesting: Video recognition algorithm, automatically identifying TV ads with class-leading precision
- 2 AdScanner Audience Measurement / "TV Cookies": Building segments and audience groups based on audiences' TV behavior
- 3 AdScanner Cockpit: A bespoke dashboard, front-end and backbone, integrating and visualizing all data for all clients

AdScanner launched its Cockpit in the Austrian and Croatian markets in 2017 and is currently expanding across Europe. Over the last three years, in total, more than 60 advertisers, agencies and broadcasters have been using AdScanner's solutions. Thus, since 2017, AdScanner was able to double its revenue twice in a row and is on track to continue this positive trend in 2020.



ENIF invested in AdScanner in 2019 to strengthen their sales team in Europe and have been part of their Strategic Advisory board which also includes industry-leading minds from Facebook and GroupM. The current key focus is on a full market entry in Germany, which is also the reason why a German subsidiary was established and is operational since January 2020.

Watch our ENEF story



The Enterprise Expansion Fund

ENEF is the second of two investment funds which constitute WB EDIF's Equity instrument pillar. ENEF provides equity, quasi-equity and to a limited extent debt funding to private companies incorporated or investing in projects to be implemented in the Western Balkan Region.

ENEF aims to further expand established SMEs with a high potential to grow in the Western Balkans to support their further expansion by improving their access to finance.

Investment portfolio

The Fund aims to create an investment portfolio of approximately 15-25 companies, with deals ranging from EUR 1.0m to EUR 7.0m in all sectors of the economy.

Eligible companies

The Fund will invest at least EUR 15.0m in Eligible Companies that:

- qualify as "SMEs" under the Commission Recommendation 2003/361 and
- are incorporated or primarily active in the EU or a country qualifying as a candidate or potential candidate for EU accession.

Private Sector focus

The Fund will invest only in private sector enterprises (i.e., enterprises that are not:

- more than 50% directly or indirectly owned and/or
- controlled by the state in which such enterprise operates or any political subdivision or agency thereof).

ENEF has a fund size of EUR 48.5m, which is being further leveraged in a proportion 1:1 by pari passu co-investments from the EBRD through its Direct Financing Framework (DFF) on a deal-by-deal level.

In 2018 certain changes were introduced to the Fund's Investment strategy in order to make the rules more conducive for more rapid and diverse investments in line with the Fund's market focus.

Investors



ENEF Portfolio

Name	Economy	Stage of Focus	Commitment
Viva Fresh	Kosovo	Growth	€5.85M
Krajina Klas	Bosnia & Herzegovina	Growth	€1M
Delmax	Serbia	Growth	€900K
Cermat	North Macedonia	Growth	€2.25M
Gamma Line	Serbia	Growth	€650K
Pula Regeneration	Croatia	Start-up	€5M
RS Pension Fund	Bosnia & Herzegovina	Start-up	€371K
APM	Albania	Growth	€1.4M
Santefarm	Kosovo	Growth	€750K
BG Reklam	Serbia	Growth	€560K
Meridian	Kosovo	Growth	€1M
Florian	Croatia	Growth	€5M
Bel Medic	Serbia	Growth	€1.5M
Makprogress	North Macedonia	Growth	€600K

One more company was approved for investment in 2019 and is due to be signed in early 2020 in Bosnia Herzegovina.

14

Companies

53.6M€

Total investment

including DFF co-investment

6

Western Balkans economies covered



The Enterprise Expansion Fund

Interview with the EBRD



Claudio Viezzoli

Managing Director for SME Finance & Development at EBRD

Speaking to Claudio Viezzoli, we learn more about the Enterprise Expansion Fund, its impact and future plans in the Western Balkans.

Can you tell us more about ENEF investment activity in the region?

As a financial instrument of the WB EDIF toolkit, ENEF has been very active across the six Western Balkan economies and Croatia. The EBRD acts as an investment adviser to ENEF, with a management team of nine bankers based in and covering the whole region. To date, ENEF has engaged with more than 900 local enterprises to assess the validity of their business cases. Such widespread market coverage has so far

translated into 16 investments for a total of over EUR 50m, half of which is covered by ENEF and the rest by a parallel EBRD investment. From retailers to medical clinics, ENEF investee companies stand out for their high-growth potential, as well as for the innovative approach of their management. The EBRD and ENEF provide each of these enterprises with extensive pre- and post-investment advisory to not only increase their turnover and revenues, but also improve their corporate governance, financial management and ESD responsibility.

How has the venture capital market in the region evolved over the last years?

While efforts to strengthen the venture capital market in the region have gained momentum these past few years, there is still more work to be done. SMEs in the Western Balkans have access to credit mainly through banks, whereas other forms of capital financing remain extremely limited. The WB EDIF is a critical player in this context, committed to closing this gap and helping build a prosperous economy. We at the EBRD are proud to support many of the instruments we have collectively created under or harnessed to the WB EDIF. These include the venture capital Enterprise Innovation Fund (ENIF) that finances promising early-stage businesses; the Competitiveness programme, which fosters adoption of EU standards through credit lines; the EBRD's Advice for Small Businesses programme that has so far provided over 3,000 local SMEs with business know-how and helped created over 5,000 new jobs. ENEF steps in to help companies who at that critical phase where a lack of funding hinders their growth.

What are the main challenges for small business owners in the region?

SMEs are essential to the economic advancement of the region, but that pool of entrepreneurial talent remains largely untapped. Unfavorable regulatory conditions, limited access to finance and skills development are structural issues of a business environment hampering SMEs' productivity, growth and competitiveness. By easing access to finance and capacity building, ENEF helps create the necessary conditions for small businesses to thrive and unleash their full potential.

The spread of COVID-19 has created rapidly deteriorating market conditions that will impact small businesses across the Western Balkans. The WB EDIF and all of its instruments, including ENEF, have a critical role to play. While senior debt financing is still readily available for better clients of local commercial banks, the supply of customised debt, quasi-equity and equity financing is likely to decrease because of a contraction in economic activity. Thus, it will be essential to continue supporting companies requiring these financial instruments by continuing to deploy investments under the WB EDIF, while expanding into ENEF 2.

How does the Advice for Small Businesses programme complement ENEF activities and more broadly the WB EDIF?

Finance alone often cannot meet the many challenges small businesses face. ENEF investments are therefore increasingly integrated with advisory projects through the EBRD's Advice for Small Businesses programme. Our industry experts work with our clients to address their specific business needs in a variety of areas, from governance to marketing. SMEs' access to know-how will become even more important and valuable as the private sector adjusts to new ways of working, relying on shorter and more localised supply chains and introducing other operational changes. The EBRD and ENEF will be very well positioned to provide such support to investee companies though the available advisory programmes that we are continuously adapting.

Pillar 02

Loan guarantees

The Guarantee Facility was initially funded with EUR 21.9m in 2013 (“WB EDIF GF I”) and was further topped up with a replenishment of EUR 17.5m contracted in 2015 (“WB EDIF GF II”).

The Guarantee Facility

The WB EDIF Guarantee Facility (“GF”) serves to provide a capped guarantee for SME loans via the participating commercial banks in the WB territories whereby such SMEs can obtain a loan to cover financing for investment and working capital of up to EUR 500k.

Additional windows

In December 2017, an **additional funding of EUR 20m** was contracted to increase access to, and availability of, finance **for SMEs in the Republic of Serbia** (“WB EDIF GF Serbia”). The related Call for Expression of Interest was published on 23 February 2018. Five banks have been selected under the WB EDIF GF Serbia, providing up to EUR 180m of loans to the Serbian market.

In December 2018, an **additional funding of EUR 10m** was contracted to **support Youth Employment** lending in the Western Balkans Beneficiary Economies (“WB EDIF GF Youth Employment”), which could provide **up to EUR 85m of loans to SMEs**. The Call for Expression of Interest was published in March 2019 and five banks have been selected. WB EDIF GF Youth Employment is a dedicated Youth Employment window to improve access to finance for SMEs in all Western Balkan Beneficiary Economies with a view to support youth employment in the region. This instrument can also be **combined with a liquidity line provided by the EIB** at favourable conditions to enhance access to finance specifically for those SMEs committed to create employment and/or offer training opportunities for young people in the Western Balkans.

Expected benefits

Expected benefits aim to improve on the overall investment climate and in particular:

- Multiplier effect of the guarantees, thus leveraging new SME lending
- Transferred benefits for SMES including longer loan maturities, lower cost of borrowing and reduction of collateral requirements

EU Funding



Leveraged into



Supporting

3,478
SMEs

Guarantee Facility I

WB Economy	Bank	Supported loan volume	Guarantee Cap
Albania	ProCredit	€20M	€3.4M
Bosnia & Herzegovina	ProCredit	€20M	€3.3M
Croatia	Raiffeisen	€20M	€2.7M
Kosovo	ProCredit	€14M	€3.2M
Montenegro	CKB	€7.9M	€1.4M
Serbia	UniCredit	€30M	€5.2M
Total		€117.9M	€19.2M

6
Agreements

1,497
SMEs



97%
Utilisation

118M€

Guarantee Facility II

WB Economy	Bank	Supported loan volume	Guarantee Cap
Albania	Raiffeisen	€17M	€3.0M
Kosovo	ProCredit	€35M	€5.2M
Montenegro	CKB	€20M	€3.5M
North Macedonia	ProCredit	€10M	€1.0M
Serbia	ProCredit	€25M	€3.5M
Total		€107M	€16.2M

5
Agreements

1,232
SMEs



99% **107M€**

Guarantee Facility Serbia

Bank	Supported loan volume	Guarantee Cap
Banca Intesa	€60M	€6.0M
Komercijalna banka	€19.95M	€1.7M
Procredit	€60M	€6.0M
Raiffeisen	€20M	€1.7M
UniCredit	€25M	€3.0M
Total	€184.95M	€18.4M

5
Agreements

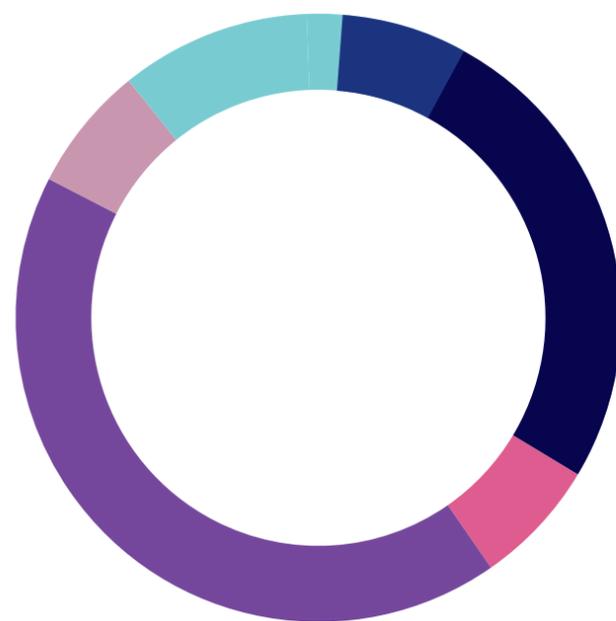
749
SMEs



67%

Breakdown by sector

Aggregate for GF I, GF II and GF Serbia



39%
Wholesale and retail trade, repair of motor vehicles and motorcycles

28%
Manufacturing

7%
Agriculture, forestry and fishing

6%
Transportation and storage

7%
Construction

13% Other

- 2.4%** Accommodation and food service activities
- 2.1%** Information and Communication
- 1.8%** Professional, scientific and technical activities
- 1.7%** Administrative and support service activities
- 0.6%** Human health and social work activities
- 0.6%** Water supply, sewerage, waste management and remediation activities
- 0.6%** Mining and quarrying
- 0.5%** Education
- 0.4%** Other service activities
- 0.4%** Electricity, gas, steam and air conditioning supply
- 0.4%** Real estate activities
- 0.05%** Arts, entertainment and recreation
- 0.04%** Financial and insurance activities
- 0.02%** Public administration and defence; compulsory social security
- 0.02%** Activities of households as employers; undifferentiated good and services-producing activities of households for own use

Case Study

Vukovic Medical Group

Expanding private medical services in Serbia

Financed by the Guarantee Facility for Serbia

The Vukovic Medical Group was founded in 2017 with the aim of setting up a hospital and expanding the range of healthcare services offered by Poliklinika Vukovic (established in 2007).

Today, the Group offers services in more than 25 specialised medical fields. "Our practice began as a small doctor's office and, over time, has grown and developed", explains Jasna Vukovic. "We hired more doctors and staff, and turned into a polyclinic. We are the very first private clinic in the Vojvodina region and still the only private clinic in the area."

In Serbia, medical services are largely dispensed by the public healthcare system, although the government has recently been making changes to favour private healthcare more than in the past. "A growing number of patients turn to private healthcare institutions. It's important that the private sector is able to complement the public healthcare offer. We have better equipment and try to offer a more efficient and dedicated service," explains Jasna, adding that patients travel from as far as Croatia to access quality medical services.



To accommodate growing demand, the Vukovics decided to move to larger facilities, covering 2500m², with two operating theatres and brand new equipment. To pursue this expansion, they obtained an EIF-guaranteed loan from ProCredit Bank. "It's quite simple really: If it hadn't been for this help, we would not have been able to carry out our expansion plans," Jasna says. "We would not have given up on the idea, but I have to admit that nothing would have happened without ProCredit Bank." The expansion, once complete, will allow the Vukovics to hire up to 15 additional staff, creating jobs in the region.

The Regional SME Competitiveness Support Programme constitutes the first lending instrument deployed under the recently added 'Lending Pillar' of WB EDIF.

The Competitiveness Programme

WB EDIF is in a continued evolution. Where and when needed, new SME-focused tools are developed to work in a synergetic way with the already existing instruments. As a response to the market needs, the EBRD developed the Regional SME Competitiveness Support Programme.

The Programme mobilises resources from the Regional IPA II resources via WB EDIF and the National IPA II Programmes. Through WB EDIF, EUR 15m is provided by the EU for the grant component of the Programme in support of up to EUR 70m from the EBRD for lending to local commercial banks and credit institutions in the economies of the Western Balkans for on-lending to local SMEs. The action complements and adds a regional dimension to the ongoing national SME competitiveness support programmes in Bosnia and Herzegovina, Kosovo, North Macedonia and Serbia.

The specific objectives of the Programme include:

- improving SMEs' access to finance in order to introduce EU standards through the provision of financing and investment incentives as a grant element to the loan, and
- increasing the awareness and knowledge of SMEs about the benefits of compliance with EU standards.

Programme components

- 1 Dedicated credit lines to partner financial institutions ("PFIs") for on-lending to SMEs in support of investments that lead to improvement of their overall competitiveness and align them with the EU Priority Directives.
- 2 Investment incentives for SMEs.
- 3 Technical assistance provided by a project consultant to market, implement and monitor the Programme and a verification consultant to verify the technical implementation of the investments by sub-borrowers before the incentives are paid.

Lending component
provided by EBRD

Grant component
provided by EU

70M€

15M€

Case Study

Delibasic Poliuretani

EBRD and EU support mattress producer in Bosnia & Herzegovina

Progress so far

At the end of 2019, a total of EUR 45m was signed under the WB EDIF-funded Programme with four PFIs in Bosnia and Herzegovina (UniCredit Bank Banja Luka, UniCredit Bank Mostar, Intesa San Paolo Bank and Sparkasse Bank) and two PFIs in Serbia (Banca Intesa Belgrade and Unicredit Bank Serbia). Programme consultants have been selected by EBRD and have been supporting the action across Western Balkans.

The national SME Competitiveness Support Programmes, which run in parallel, allowed the deployment of EUR 55m via two PFIs in Kosovo and four in North Macedonia at year-end 2019. In late December 2019, the new national SME Competitiveness Support Programme was signed for Serbia, which will target deployment of additional EUR 50m to SMEs in the country.

In 2020, under WB EDIF, an estimated further total lending volume of EUR 15m is expected to be signed with five PFIs across Western Balkans countries. Those deals will complement operations supported under the national programmes.



45M€

Financed by the Competitiveness Programme

For Avdo Delibašić, it might not have seemed that he was travelling on a path to a successful business future back in 1996 in post-war Bosnia and Herzegovina.

Before the war, he worked in a company specialised in foam production. When the war ended, he saw an opportunity to translate the skills he honed into a private business of his own. Fast forward ten years and Mr Delibašić had established his enterprise Delibašić Poliuretani, one of the leading foam mattress producers in the country. Today, Mr Delibašić's daughter, Beadisa Delibašić, is the company's General Manager, overseeing the operations of a business employing more than 110 people. When the company aimed to better position its brand in the Bosnian market as a high-quality line, the EBRD's Advice for Small Businesses programme - supported by the European Union and Sweden - recognised the mattress producer's efforts and assigned it an advisory project tackling key business areas from e-commerce to organisational structure.

The EBRD also supported the mattress producer with a €125,000 loan issued by a partner bank Intesa Sanpaolo Bank, part of a credit line, supported incentive grants from the EU. The company used the loan to improve product quality and safety, increase production capacity, improve environmental protection (through increased energy efficiency and decreased waste generation in the production process) and improve occupational health and safety.



The investment enabled Delibašić Poliuretani to introduce high-quality control standards and to establish itself as a strong local brand, which can compete with international producers. The financial support also delivered results now visible across the entire country. Delibašić Poliuretani supplies mattresses to many Bosnian homes and also to many hotel chains in Sarajevo and elsewhere.

Pillar 04

Support Services

Expected benefits

The projects brought under the Advisory & Support Services Pillar to date, as well as the structure to be brought by the Pillar Manager, allow for clear interaction among the Platform Advisory Group (PAG) members to prioritise and focus efforts on a set of targeted policy interventions that would be both feasible for the governments and most impactful for innovative and high-potential SMEs. Such reforms would also be expected to support beneficiaries in the implementation of key reforms and improvements to the regulatory framework for the build-up of the venture capital ecosystem.

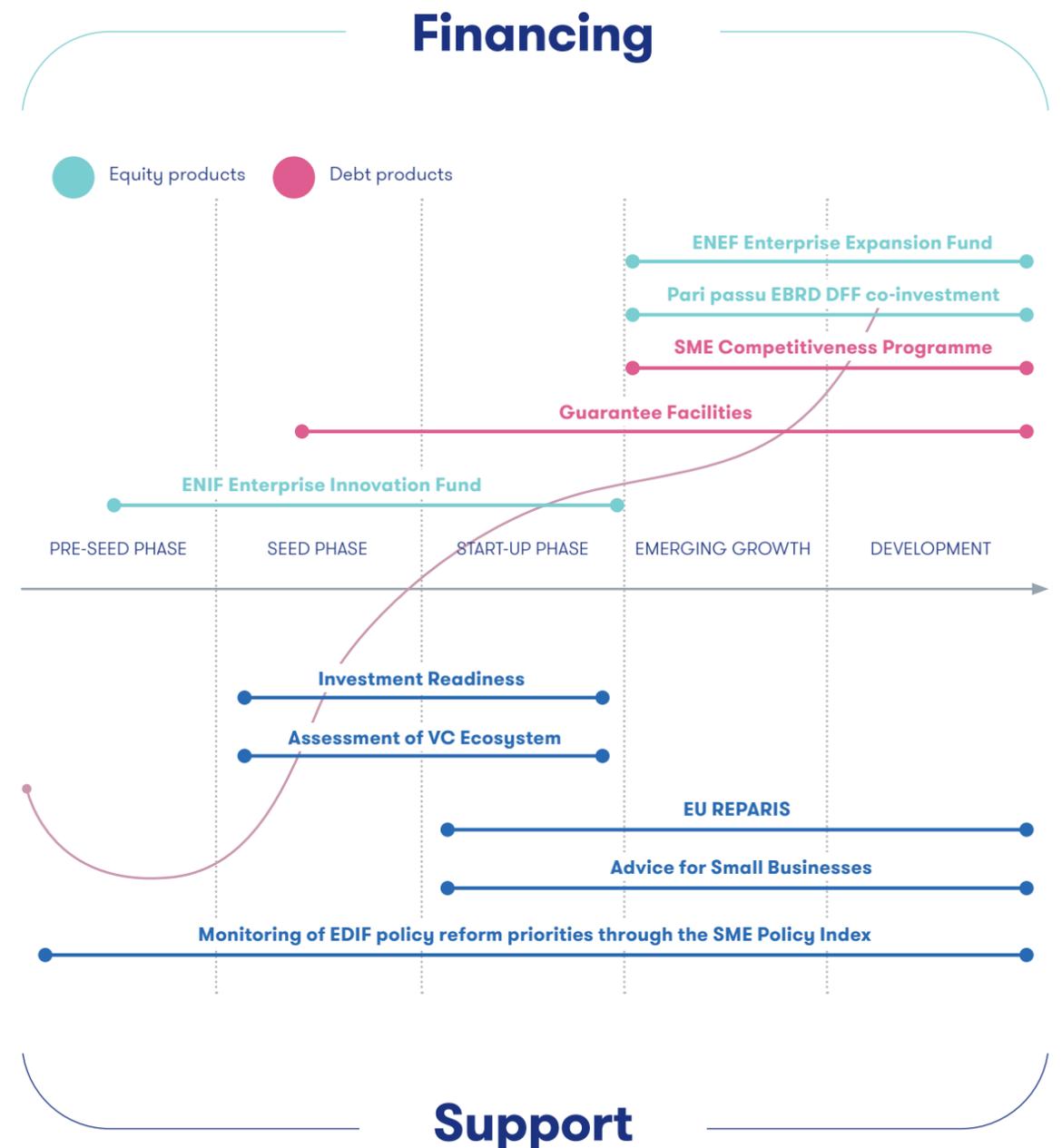
In order to offer a holistic approach to private sector development, WB EDIF also houses a wide range of support mechanisms, which work together with the financial instruments to enhance the emergence and growth of innovative and high-potential SMEs in the region.

The support services pillar acts in a horizontal manner, and given that the public supply of equity capital cannot be the only response to gaps in the financial market, this pillar supports the further development of the regulatory framework for innovative and high-potential SMEs and aims at stimulating the build-up of the venture capital and in general of the innovation ecosystem.

Direct support to end beneficiaries is also part of the Support Service Pillar. A dynamic entrepreneurial environment creates conditions for successful starts-ups and developments of competitive firms that create new jobs and strengthen economic and social cohesion. Western Balkan businesses still fall short of the EU countries in terms of quality, equipment, efficiency and innovation.

The Pillar also supports the WB EDIF financial instruments in their operations, whilst in parallel ensuring complementarity and synergies across the various products and initiatives of the entire WB EDIF platform.

Covering the whole SME development life cycle through financial and support pillars



Overview of projects

EU REPARIS

The objective of EU REPARIS is to support implementation of corporate financial reporting frameworks in line with EU standards to promote enhanced availability, transparency and reliability of financial information.

Advice for Small Businesses

The EBRD's Advice for Small Businesses provides advisory support to innovative and high-potential SMEs helping them build their capacity, attract and utilize investment in order to develop, expand and grow, and thus become genuine catalysts for their local economies.

Venture Capital and Investment Readiness

The Venture Capital Ecosystem aims to build a framework for the assessment of and recommendations for reforms and a tailored TA programme. Investment Readiness encompasses design, implementation and evaluation of the pilot Western Balkans MAP programme and generation of a pipeline of projects to be taken up by potential investors.

SME Policy Index

SME policies in the six Western Balkan economies and Turkey are regularly monitored through the SME Policy Index since 2006. It aims to improve entrepreneurship and domestic capacity to implement reforms relevant to SME competitiveness. Based on the Small Business Act for Europe, the assessment takes into account multiple dimensions, including innovation, access to finance and internationalisation.

EU-REPARIS

Let your numbers work for you: transparent and reliable financial information

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CFRR 
Centre for Financial Reporting Reform



Economies



Project purpose

The objective of EU-REPARIS is to promote financial transparency and an improved business and investment climate by supporting implementation of corporate financial reporting frameworks in line with the EU standards in the countries of Southeast Europe.

Project status as at December 2019

- Under EU REPARIS, activities focused on finalizing existing streams of activities across EU-REPARIS. A newsletter on EU-REPARIS activities was circulated in early 2019.

- Under the regional pilot component for SMEs financial reporting and access to finance, a study on bank lending practices towards SMEs in Serbia, and an empirical study about SME financing were finalized and disseminated in April 2019 to SMEs in collaboration with the Chamber of Commerce of Serbia. The dissemination took place in three locations: Nis, Novi Sad and Belgrade for about 50 SMEs and accounting practices.

- Under the bridge project under the REPARIS initiative, two financial reporting community of practice events gathered senior-officials of the Ministries of Finance, executives from the public oversight system and the accounting profession from the WB6 to exchange countries experience in developing monitoring systems over quality of external audits, and good practices for aligning laws on accounting and auditing with the EU acquis. The events took place in July and December.

- In end-December, technical on-line modules for training accountants and financial management consultants on investment readiness for SME owners/managers were delivered. A companion guide is being published.

Expected project outcomes

EU-REPARIS aims to support countries in comprehensive reforms of financial reporting frameworks. Sound financial reporting practices in line with international practices are promoted at the regulatory level, in the accounting profession and in the business community. Accounting and auditing laws are being more closely aligned with EU requirements and international standards, including through introduction and implementation of international financial reporting and auditing standards.

Advice for Small Businesses

Supporting enterprises with advice to best attract and utilise their investment

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EBRD
European Bank for Reconstruction and Development

Economies



Project purpose

The overall objective of EBRD Advice for Small Businesses (ASB) is to facilitate access to high quality business advice to SMEs which have high potential for growth, export and innovation including SMEs receiving financing under WB EDIF at the pre- and post-investment stage. The programme also aims to provide an access to business and sector development activities, as well as trainings for local consultants. ASB combines advisory services with capacity building measures. All advisory services, provided under the programme have a cost share component in order to ensure sustainability of the intervention and retain beneficiary companies' commitment and ownership of the projects. The regional Advice for Small Businesses Programme under WB EDIF is complemented by smaller, but similar national programmes.

Project status as at December 2019

Under WB EDIF funding, 60 advisory projects were supported throughout the reporting period; 56 of which were local consultancy and 4 international advisory projects. Beneficiaries are well represented across all sectors, the majority operating in the metals/machinery (16%), wholesale/retail (14%) and food & beverages industries (11%). Some 219 projects under the WB EDIF programme were evaluated in 2019 (evaluation methodology based on the OECD DAC criteria): 91% of the evaluated projects have been rated as highly successful or successful. The total number of projects implemented since the inception of the Programme under WB EDIF is 614 projects – 547 local consultancy and 67 international advisory projects*.

Under WB EDIF, a total of 35 market development activities were delivered by the end of 2019 – 20 trainings with over 350 local experts or SMEs trained and 15 sector development activities gathering over 450 attendees. Eight SMEs, also supported under WB EDIF, have become ENEF clients. EBRD ASB is also complementary with the newly established SME Lending Facility (Competitiveness programme) as well as ENIF.

Expected project outcomes

Business advice and industry expertise will be primarily offered to SMEs in the region. Local providers of advice and consultancy services will receive professional development opportunities and industry know-how will be transferred to SMEs through the dissemination of best practices and successful business models. The programme has entered in its second phase in December 2019 and will be implemented over the course of next 6 years.

Project purpose

The World Bank has been working with several Western Balkan beneficiaries in order to:

- create the right legislative framework for the creation of private equity and venture capital funds.
- design, implement and evaluate the impact of the pilot Investment Readiness Programme, Pioneers of the Balkans, to help innovative firms get access to equity finance.

Project status as at December 2019

The World Bank is embarking on the Second Phase of the Investment Readiness Programme. Based on completed detailed interviews and focus groups with investors and companies in the Western Balkans, the programme focus will be expanding market reach through e-commerce and other means.

The World Bank and Deloitte are in the process of agreeing on the communications campaign for the call for applications. A first draft of the curriculum is also being prepared. The treatment group will consist of 100-200 competitively selected companies, who will undergo investment readiness training focused on expanding their market reach beyond their existing markets, using e-commerce and other tools. In addition, the World Bank is closely coordinating with its country-based teams working on entrepreneurship projects. Thus, the second phase of Pioneers of the Balkans is expected to leverage projects totalling at least EUR 50m.

In Albania, technical advisory was provided on a legal reform under a broader capital market reform. In particular, the TA task was to “Review and develop legislation, and supervisory framework for Investment Funds sectors and corporate bonds”. As result of this legislative assessment, AFSA is finalizing two draft laws (new investment funds law and securities market law) and the two laws were expected to be adopted by mid-April 2020.

In North Macedonia, an assessment was conducted of the venture capital ecosystem, with a view to (i) providing recommendations for its alignment with the international practice (and particularly the rules provided under the Alternative Investment Fund Manager Directive (AIFMD) regime applicable to member states of the European Union) and (ii) encouraging the development of private equity and venture capital (PEVC) in North Macedonia through both the raising of domestic capital and mobilization of international funding in private companies of North Macedonia.

Expected project outcomes

The randomized control trial methodology used in this Investment Readiness Programme will help donors, clients, entrepreneurship intermediaries and companies, measure the effectiveness of training and technical assistance provided to innovative entrepreneurs looking to expand markets.

Venture Capital and Investment Readiness

Becoming ‘investment ready’: the path to success

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World Bank

Economies



*As funding for the ASB programme came to a close in 2019, the programme was implemented using various sources of funding. ASB is to enter its new phase under WB EDIF in January 2020.

Project purpose

Small Business Act for Europe contributes to private sector development in the Western Balkans, by monitoring the implementation of Small Business Act for Europe (SBA) principles and enhancing the capacity to implement reforms related SME competitiveness.

Project status as at December 2019

In the first half of 2019, the content review of the SME Policy Index: Western Balkans and Turkey 2019 publication was completed successfully with strong involvement of a wide range of stakeholders including, but not limited to, ministries, chambers of commerce and EU delegations in the Western Balkans. Subsequently, the publication was launched on May 9th in Sarajevo, Bosnia and Herzegovina as part of the Western Balkans Enterprise Development and Innovation Facility (WB EDIF) SME Forum in co-operation with the EBRD and ETF. Launching the publication together with WB EDIF members created synergies among the work carried out by different IFIs, and positioned the SME Policy Index as the policy document guiding the platform's future work on SMEs in the Western Balkans.

In the second half of 2019, following this regional launch, the OECD team organized a total of 7 in-country launch meetings in the Western Balkans, where they presented the key economy-specific findings and recommendations of the SME Policy Index to local policymakers and relevant stakeholders. Whenever possible, the publication and its findings were also promoted in different regional events, such as the Economic Conference Montenegro, both held in Budva, in October 2019.

Over 3 700 copies of the publication (including economy profiles) and 1 000 pocketbooks have been distributed since May 2019. The publication has been also downloaded more than 3 500 times. Besides, the OECD has developed two promotional tools, an animated video and a pocketbook, providing an approachable guide to the full SME Policy Index. The video was uploaded on Youtube, and gained nearly 1 500 views between May-October 2019.

Moreover, in the last quarter of 2019 the OECD team started with the preparations to initiate the third cycle of the Competitiveness Outlook assessment. Taking also into consideration the findings of the SME Policy Index, the team embarked on reviewing the assessment frameworks to better reflect the priorities of the Western Balkans governments and WB EDIF platform

Small Business Act for Europe

Benchmarking as the gold standard for measuring development

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OECD
Organisation for Economic
Co-operation and
Development

Economies



Expected project outcomes

The following outcomes are expected:

- the finalised assessment of the SBA principles' implementation and its key results under the SME Policy Index: Western Balkans and Turkey 2019 publication.
- enhanced capacity of the policy makers to design and implement better SME policies.

Prospective Analysis of the SME Sector



A new study entitled Prospective Analysis of the SME sector in the Western Balkans was prepared, consultants selected by EIB, and implementation launched in 2018.

The study aims to examine the effectiveness of the financial instruments used by SMEs, their main financial needs in the coming years and the main non-financial obstacles to their growth. The objective is to provide key elements for a prospective analysis, from both a macro and microeconomic point of view, of the SME sector in the Western Balkans, which represents an important part of their private sector.

This analysis aims to provide useful elements to support decision-making processes specifically for EU Accession economies. In particular, it should offer useful elements to assess how the credit policy instruments allocated by the EU can be used to better support the private sector development of the WB6 countries.

An Inception Report was received in the first half of 2019, proposing scope and methodology for the action. As access to some critical data was delayed, appropriate actions were undertaken to ensure access rights for processing the documentation. Work on the study resumed at year end 2019 and continues in 2020.

The World Bank's Investment Readiness report Interview



Mario Guadamillas

Practice Manager
Finance, Competitiveness & Innovation
Global Practice, World Bank Group

Good ideas sit at the core of innovation. But in order to become “investment ready”, a company needs to also fine tune its investment proposition. The World Bank’s programme offers just this; via a combination of training, mentoring, master classes, and networking - to give companies their very best chance of obtaining important financing.

Can you tell us more about the World Bank’s Investment Readiness report and its impact on the region?

The first phase of the programme conducted in 2018-19 provided technical assistance to start-ups to help them become more investment-ready. We conducted a five-country randomized experiment that tests the impact of an investment readiness program. Firms then pitched their ideas to independent judges. The program resulted in a 0.3 standard deviation increase in the investment readiness score. Two years later, the average impacts on firm investment outcomes are positive. Larger and statistically

significant impacts on receiving outside funding occur for smaller firms, and for firms with lower likelihoods of otherwise being funded. The key objective of the current, second phase is to assist firms to to expand market demand, thereby supporting growth prospects and increasing their attractiveness and readiness for investment. This focus resulted from feedback that a key barrier was lack of market traction, a customer base limited to the market potential of their own countries.

How do you evaluate the venture capital market development and companies’ investment readiness over the last years?

While some new funds in the region have opened (notably in Croatia), others, especially angel groups, have slowed or stopped activities. The example of South Central Ventures, financed in part through ENIF as well as via private limited partners (LPs) has shown that it is possible to deploy financing to innovative companies. However, interviews with companies and recent ecosystem analyses show that significant financing gaps remain. Analysts estimate that 1000+ companies in the Western Balkans ecosystem are seeking funding, and the ecosystem on the whole has drawn increasing financing in absolute terms. The number of companies is estimated to have grown more quickly than the financing available, and there is a particular lack of funds focusing on, and with managers knowledgeable about the region. The gap is particularly acute in smaller countries, where a high percentage of growth-oriented startups is self-financed (bootstrapped). In terms of investment readiness, more services are available to companies than in recent years, but no careful analysis has been undertaken to determine whether such services are making a difference. The second phase of the Pioneers of the Balkans project will provide important evidence on the potential of specific instruments to help companies become more investable.

The second round of the “Pioneers of the Balkans” is on its way. Can you tell us more about your plans?

The second round will assist firms to expand market demand, thereby supporting growth prospects and increasing the investment readiness of entrepreneurs in Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro, and Serbia. The World Bank team has engaged Deloitte to support coordination and management of the project. They will support companies in the expansion of market demand and collect data to help understand the impact of the program. The Bank will also conduct an impact evaluation. The call for the applications was planned for late March, but will be delayed given the current Covid-19 global pandemic.

You have recently published a report “Western Balkans: Diversification and Regional Integration of Financial Sector to Support Growth”. What are the main takeaways?

The report suggests opportunities for the Western Balkans economies to benefit more from the financial sector and its responsiveness to the needs enterprises, entrepreneurs and society.

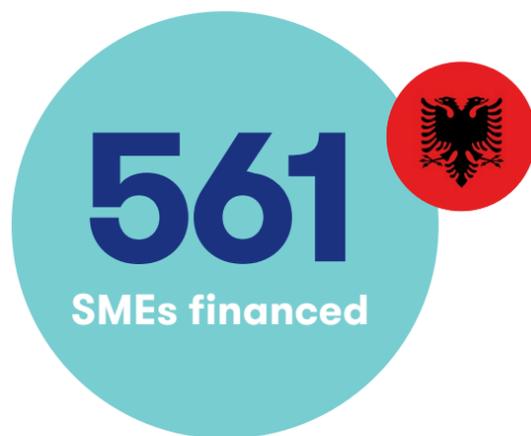
- strengthening effectiveness of government policies and support programs;
- increasing access to finance through credit channel;
- expanding provider, product and funding diversity;
- Enable innovation and digitalization of financial services;
- ensuring responsible financial access; and
- increasing availability of long-term finance.

Read more about the World Bank’s Investment Readiness report



Beneficiary Overview

Albania



Pillar 1 Equity Instruments

Enterprise Innovation Fund (ENIF)

Under the Enterprise Innovation Fund, South Central Ventures, acting as Investment Manager of the ENIF, has been actively sourcing pipeline in Albania and to date does not have investments in the portfolio.

Enterprise Expansion Fund (ENEF)

Under the Enterprise Expansion Fund, EBRD, acting as Investment Advisor to the ENEF, has been actively sourcing pipeline in Albania and, to date, committed EUR 1.4m to one company:

- **APM:** a local manufacturers of fabricated metal products serving both the domestic and export markets.

The total committed via ENEF, including the EBRD's co-investment, to Albanian companies' amounts to EUR 2.80m.

Pillar 2 Guarantee Instruments

Guarantee Facility I

Under the Guarantee Facility I, EIF signed a total portfolio of EUR 20m with ProCredit Bank Albania in December 2013. ProCredit Bank Sh.A. Albania was able to provide a total of EUR 19.67m of loans at preferential conditions to 464 SMEs in Albania for an average loan amount of EUR 38,400 and average maturity of four years.

Guarantee Facility II

Under the Guarantee Facility II, EIF signed an agreement with Raiffeisen Bank Sh.A. Albania for a total portfolio volume of EUR 17m in December 2016. As of 31 December 2019, Raiffeisen was able to provide a total of EUR 15.9m of loans at preferential conditions to 96 SMEs in Albania for an average loan amount of EUR 147,500 and average maturity of two years. EIF has seen a much faster uptake of the second edition of the instrument, which can be attributed to the Financial Intermediaries learning curve in deploying such products, as well as increased market readiness.

Pillar 3 Lending Instruments

In 2017, a Lending Pillar was added to WB EDIF's structure to enable the implementing partners IFIs to develop new SME lending instruments. The EBRD's SME Competitiveness Programme is the first to be implemented under this Pillar. In Albania, the EU/EBRD SME Competitiveness Programme is supported by EU under the IPA II. In Albania (regional funds), two PFIs have expressed interest in joining the Programme for an expected total lending volume of up to EUR 7m. The loans are expected to be signed in 2020.

Pillar 4 Support Services

With funding from the WB EDIF, the **EBRD's Advice for Small Businesses (ASB)** in Albania provided support to 12 projects - 11 local consultancy projects and 1 international advisory projects, during 2019. In addition, one ASB client supported through WB EDIF has also become an ENEF client and received external finance.

The **Small Business Act (SBA) assessment** that is led by the OECD supported Albania in improving SME policy-making and enhancing the capacity of its policy makers to address related challenges. More than 100 policy-makers and practitioners participated in various OECD events that helped them implement the recommendations under the last SBA Assessment. Around 550 copies of the publication were disseminated to the relevant stakeholders.

The **World Bank Investment Readiness Programme** team engaged on the Capital Markets reform agenda in Albania, preparing an assessment of legislative gaps in the area of capital markets, including venture capital and private equity funds, and used EDIF resources to support the review of the assessment and further assistance for legislative change.

Under the **World Bank's EU-REPARIS** initiative, activities are organized on a regional basis with regular participation of the various stakeholders of Albania; two workshops to that effect were organized in 2019 to discuss progress in implementing accounting and auditing frameworks. A face to face event on financial information readiness to apply to Venture Capital/Private Equity funds was delivered in collaboration with the Chamber of Commerce to SMEs in the fall. An assessment on the support of SMEs by the accounting profession was prepared. Under a companion project, the World Bank help advance financial reporting reform through technical assistance and institutional capacity building. International standards for financial reporting and auditing have been adopted. Legal frameworks have been substantially aligned with EU requirements. The profession is a fully accredited member in international associations (two professional bodies are full IAC members). Many other areas of reform are underway. An assessment on Albania has been published in 2020 (Report on the Observance of Standards and Codes).

Breakdown by sector**



50%

Wholesale and retail trade
Repair of motor vehicles
and motorcycles



17%

Manufacturing



8%

Agriculture, forestry
and fishing

6.9%	Construction
5.6%	Transportation and storage
3.0%	Accommodation and food service activities
2.5%	Other service activities
1.4%	Electricity, gas, steam and air conditioning supply
1.4%	Human health and social work activities
1.3%	Professional, scientific and technical activities
0.9%	Information and Communication
0.6%	Administrative and support service activities
0.5%	Mining and quarrying
0.2%	Real estate activities
0.2%	Activities of households as employers; undifferentiated good and services-producing activities of households for own use
0.2%	Public administration and defence; compulsory social security
0.09%	Education
0.07%	Arts, entertainment and recreation

**sector split covers loans under the Guarantee Facilities, as well as equity investments under ENIF and ENEF.

36.9M€
Total financing

+1.4m€
co-invested
through
EBRD's DFF

Bosnia and Herzegovina



Pillar 1 Equity Instruments

Enterprise Innovation Fund (ENIF)

Under the Enterprise Innovation Fund, South Central Ventures, acting as Investment Manager of the ENIF, has been actively sourcing pipeline in Bosnia and Herzegovina and to date does not have investments in the portfolio.

Enterprise Expansion Fund (ENEF)

Under the Enterprise Expansion Fund, EBRD, acting as Investment Advisor to the ENEF, has been actively sourcing pipeline in Bosnia and Herzegovina and to date has committed EUR 1.37m to two companies:

- **Krajina Klas:** a bakery specialised in the production and retail of fresh and frozen bread, pastries and other bakery products.

- **Voluntary pension fund:** the first voluntary pension fund management company.

The total committed via ENEF, including the EBRD's co-investment, in Bosnian companies amounts to EUR 2.74m.

Pillar 2 Guarantee Instruments

Guarantee Facility I

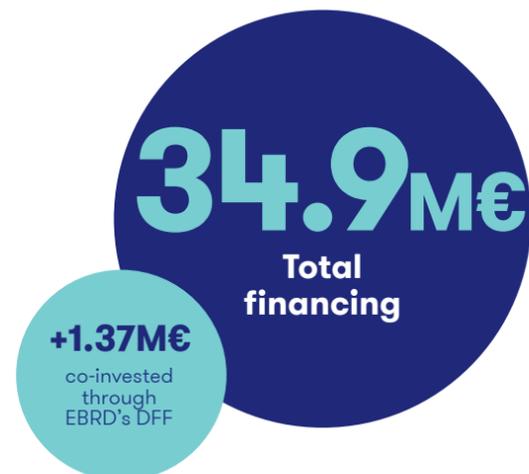
Under the Guarantee Facility I, EIF signed a total portfolio of EUR 20m with ProCredit Bank d.d. in December 2013. ProCredit Bank d.d. was able to provide a total of EUR 20m of loans at preferential conditions to over 142 SMEs in Bosnia and Herzegovina for an average loan amount of EUR 134,200 and average maturity of 4.2 years.

Under the **Guarantee Facility II**, EIF did not sign any agreement with financial intermediaries in Bosnia and Herzegovina.

Pillar 3 Lending Instruments

In 2017 a Lending Pillar was added to WB EDIF's structure to enable the implementing partners IFIs to develop new SME lending instruments. The EBRD's SME Competitiveness Programme is the first to be implemented under this Pillar. In BiH, the EU/EBRD SME Competitiveness Programme is supported by EU under IPA II (regional funds).

Following the signature in December 2017 of the Delegation Agreement with the EU providing grant funding in support of the Programme, implementation activities commenced in Bosnia and Herzegovina in 2018. As of end 2019, four transactions totalling EUR 20m were signed with local PFIs UniCredit Bank banja Luka, Unicredit Bank Mostar, Intesa Sanpaolo Bank and Sparkasse Bank, with total amount of EUR 13,588,680 on lent to 65 SMEs.



Pillar 4 Support Services

With funding from WB EDIF, during 2019, the **EBRD's Advice for Small Businesses (ASB)** in Bosnia and Herzegovina provided support to 17 projects, with 16 carried out through local consultancy and 1 through international advisory. In addition, two market development seminars on the topic of Strategic Positioning of Logistics were organised in Banja Luka and Sarajevo, gathering 87 SMEs. One more BiH-based SME was accepted to the Blue Ribbon programme during 2019, bringing the total number of Blue Ribbon companies in BiH to three.

The **Small Business Act (SBA)** assessment that is led by the OECD supported Bosnia and Herzegovina in improving SME policy-making and enhancing the capacity of its policy makers to address related challenges. More than 200 policy-makers and practitioners participated in various OECD events that helped them implement the recommendations under the last SBA Assessment. Around 850 copies of the publication were disseminated to the relevant stakeholders.

Under the **World Bank's EU-REPARIS** initiative, activities are organized on a regional basis with regular participation of the various stakeholders of BiH; two regional workshops to that effect were organized in 2019 to discuss progress in implementing accounting and auditing frameworks. A face to face event on financial information readiness to apply to Venture Capital/Private Equity funds was delivered in collaboration with the Chamber of Commerce to SMEs in the fall. Country-level activities included consultations and policy discussions to help advance the agenda of public oversight and quality assurance, as well as convergence with EU requirements. A draft law on accounting and auditing for the Republika Srpska entity was prepared and comments were provided by the World Bank team to the Ministry of Finance.

Breakdown by sector**



38%

Wholesale and retail trade
Repair of motor vehicles and motorcycles



32%

Manufacturing



13%

Transportation and storage

5.3% Agriculture, forestry and fishing

2.5% Construction

2.3% Electricity, gas, steam and air conditioning supply

1.7% Financial and insurance activities

1.6% Human health and social work activities

1.5% Information and Communication

1.4% Administrative and support service activities

0.3% Other service activities

0.2% Accommodation and food service activities

0.1% Professional, scientific and technical activities

Croatia

Pillar 1 Equity Instruments

Enterprise Innovation Fund (ENIF)

Under the Enterprise Innovation Fund, South Central Ventures, acting as Investment Manager of the ENIF, has been actively sourcing pipeline in Croatia and to date has committed EUR 6.58m to seven companies:

- **Agrivi:** development and sales of the farm management software.
- **Bulb:** Next-Generation Solutions for Management of Telecommunication Services.
- **eMajstor/DaiBau:** platform as a service where contractors (construction workers) have their personal listing, while investors search them according to their preferences for a particular project.
- **Sentinel Marine:** a leading smart solution for recreational boats in the Adriatic, with a vision of “Building IoT at sea”.
- **More Studio:** SaaS platform providing parents with expert medical advice for child by consulting top medical experts online.
- **Your Home Online:** digitisation of the entire property market by creating truly self-contained property ecosystem based around a network of online property profiles.
- **AdScanner:** Data and cockpit solutions for increased transparency, control and speed in TV advertising



Enterprise Expansion Fund (ENEF)

Under the Enterprise Expansion Fund, EBRD, acting as Investment Advisor to the ENEF, has been actively sourcing pipeline in Croatia and to date has committed EUR 10m to two companies:

- **Trgovacki Centar Max Stoja d.o.o. (ex - Pula Regeneration Centre):** retail and entertainment centre.
- **Florian:** wood producer, a subsidiary of Italy's Florian Group.

The total committed via ENEF, including the EBRD's co-investment, to Croatian companies amounts to EUR 20m.

Pillar 2 Guarantee Instruments

Guarantee Facility I

Under the Guarantee Facility I, EIF signed a total portfolio of EUR 20.00m with Raiffeisenbank Austria in April 2015. Raiffeisenbank was able to provide a total of EUR 17.72m of loans at preferential conditions to 89 SMEs in Croatia for an average loan amount of close to EUR 182,700 and average maturity of 3.4 years.



Pillar 4 Support Services

The EBRD's Advice for Small Businesses (ASB)

in Croatia is supported outside of the WB EDIF platform.

Breakdown by sector**



25%

Wholesale and retail trade
Repair of motor vehicles and motorcycles



23%

Information and Communication



23%

Manufacturing



16%

Administrative and support service activities

- 3.4% Construction
- 3.0% Transportation and storage
- 2.5% Agriculture, forestry and fishing
- 2.4% Accommodation and food service activities
- 0.6% Professional, scientific and technical activities
- 0.3% Other service activities
- 0.3% Water supply, sewerage, waste management and remediation activities
- 0.2% Education
- 0.2% Electricity, gas, steam and air conditioning supply

**sector split covers loans under the Guarantee Facilities, as well as equity investments under ENIF and ENEF.



Pillar 1 Equity Instruments

Enterprise Innovation Fund (ENIF)

Under the Enterprise Innovation Fund, South Central Ventures, acting as Investment Manager of the ENIF, has been actively sourcing pipeline in Kosovo and to date has committed EUR 200k to one company:

- **LabBox:** an ed-tech product that offers a fun learning experience in technology for kids of ages 6+.

Enterprise Expansion Fund (ENEF)

Under the Enterprise Expansion Fund, EBRD, acting as Investment Advisor to the ENEF, has been actively sourcing pipeline in Kosovo and to date has committed EUR 7.6m to three companies:

- **Viva Fresh:** a supermarket retail chain operating across the country with plans for expansion into North Macedonia.
- **Santefarm:** the largest pharmaceutical distributor in Kosovo with 30% market share.
- **Meridian:** Meridian Group is a leading distribution and convenience retail group.

The total committed via ENEF, including the EBRD's co-investment, to Kosovar companies' amounts to EUR 15.2m.

Pillar 2 Guarantee Instruments

Guarantee Facility I

Under the Guarantee Facility I, EIF signed a total portfolio of EUR 20m with ProCredit Bank Sh.A in Kosovo in December 2013. ProCredit Bank Sh.A. Kosovo was able to provide the entire envisioned portfolio of EUR 19.97m of loans at preferential conditions to 228 SMEs in Kosovo for an average loan amount of EUR 82,500 and average maturity of 3.4 years.

Guarantee Facility II

Under the Guarantee Facility II, EIF also signed an agreement with ProCredit Bank Sh.A in Kosovo for a total portfolio volume of EUR 35m in December 2016. As of December 2019, ProCredit Bank Sh.A. Kosovo was able to provide a total of EUR 34.69m of loans at preferential conditions to 318 SMEs in Kosovo for an average loan amount of EUR 94,900 and average maturity of 2.5 years. EIF has seen a much faster uptake of the second edition of the instrument, which can be attributed to the Financial Intermediaries learning curve in deploying such products.

Pillar 3 Lending Instruments

In 2017 a Lending Pillar was added to WB EDIF's structure to enable the implementing partners IFIs to develop new SME lending instruments. The EBRD's SME Competitiveness Programme is the first to be implemented under this Pillar. In Kosovo, the EU/EBRD SME Competitiveness Programme is supported by EU under the IPA II (national funds).

Following the signature on 20 December 2017 of the Delegation Agreement with the EU providing grant funding in support of the Programme, implementation activities commenced in Kosovo in 2018. As of end-2019, two transactions totalling EUR 25m were signed with local PFIs under the Programme. Banka Per Biznes signed EUR 5m loan in November 2018 comprised of two tranches and Procredit Bank signed EUR 20m in December 2018 comprised of three tranches with total amount of EUR 10,119,775 on lent to 34 SMEs.

Pillar 4 Support Services

During 2019, the **EBRD's Advice for Small Businesses (ASB)** with assistance from WB EDIF supported four local consultancy projects in Kosovo.

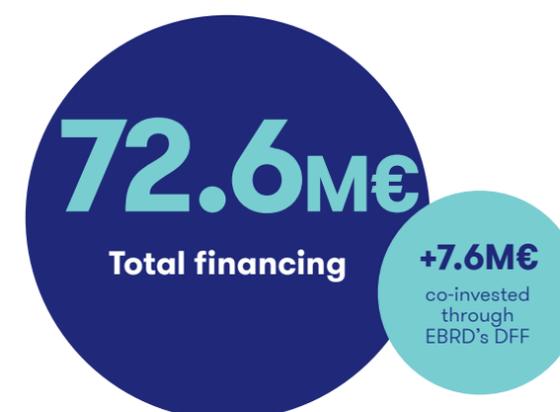
The **Small Business Act (SBA)** assessment that is led by the OECD supported Kosovo10 in improving SME policy-making and enhancing the capacity of its policy makers to address related challenges. More than 150 policy-makers and practitioners participated in various OECD events that helped them implement the recommendations under the last SBA Assessment. Around 600 copies of the publication were disseminated to the relevant stakeholders.

Under the **World Bank's EU-REPARIS** initiative, activities are organized on a regional basis with regular participation of the various stakeholders of Kosovo. Two workshops to that effect were organized in 2019 to discuss progress in implementing accounting and auditing frameworks.

A face to face event on financial information readiness to apply to Venture Capital/Private Equity funds was delivered in collaboration with the Chamber of Commerce to SMEs in the fall.

Country-level activities included consultations and policy discussions to help advance the agenda of public oversight and quality assurance, as well as convergence with EU requirements. A report on the gaps of current laws and regulations on Accounting and Auditing was prepared that identifies further gaps with EU Directives and Regulations.

Under a companion project, the accounting and auditing mandate for Public Oversight, and in particular Quality Assurance, in Kosovo was expanded and the capacity of the audit oversight body was supported including by developing manuals and procedures.



Breakdown by sector**



54%

Wholesale and retail trade
Repair of motor vehicles
and motorcycles



23%

Manufacturing



7%

Construction

3.3%	Agriculture, forestry and fishing
2.7%	Accommodation and food service activities
1.8%	Professional, scientific and technical activities
1.3%	Administrative and support service activities
1.3%	Transportation and storage
1.3%	Information and Communication
1%	Human health and social work activities
1%	Education
0.4%	Water supply, sewerage, waste management and remediation activities
0.4%	Electricity, gas, steam and air conditioning supply
0.4%	Mining and quarrying
0.1%	Other service activities
0.08%	Financial and insurance activities
0.08%	Arts, entertainment and recreation

**sector split covers loans under the Guarantee Facilities, as well as equity investments under ENIF and ENEF.

Montenegro

Pillar 1 Equity Instruments

Enterprise Innovation Fund (ENIF)

Under the Enterprise Innovation Fund, South Central Ventures, acting as Investment Manager of the ENIF, has been actively sourcing pipeline in Montenegro and to date has committed EUR 430k to two companies:

- **Daktilograf/Om3ga Solutions:** a speech-to-text converter based on their proprietary voice recognition engine intending to primarily help journalists transcribe their interviews and help with transcripts of board meetings of big corporations in Slavic languages.

- **Uhura:** software which helps financial institutions speed up review and decision-making processes by using an AI platform that streamlines the process of analysing and drafting contracts and agreements.

Enterprise Expansion Fund (ENEF)

Under the Enterprise Expansion Fund, EBRD, acting as Investment Advisor to the ENEF, has been actively sourcing pipeline in Montenegro and to date does not have investments in the portfolio.

Pillar 2 Guarantee Instruments

Guarantee Facility I

Under the Guarantee Facility I, EIF signed a total portfolio of EUR 7.9m with Crnogorska Komercijalna Banka AD (CKB) in 2014. CKB was able to provide a total of EUR 7.86m of loans at preferential conditions to over 321 SMEs in Montenegro for an average loan amount of EUR 23,300 and average maturity of 2.3 years.

Guarantee Facility II

Under the Guarantee Facility II, EIF signed a second agreement with CKB for a total portfolio volume of EUR 20m in December 2016. As of 31 December 2019, CKB was able to provide a total of EUR 19.83m of loans at preferential conditions to 620 SMEs in Montenegro for an average loan amount of EUR 25,700 and average maturity of 2.2 years. EIF has seen a much faster uptake of the second edition of the instrument, which can be attributed to the Financial Intermediaries learning curve in deploying such products.

Pillar 3 Lending Instruments

In 2017 a Lending Pillar was added to WB EDIF's structure to enable the implementing partners IFIs to develop new SME lending instruments. The EBRD's SME Competitiveness Programme is the first to be implemented under this Pillar. In Montenegro, the EU/EBRD SME Competitiveness Programme is supported by EU under the IPA II (regional funds).

Pillar 4 Support Services

Utilizing WB EDIF funding, nine local consultancy and one international advisory projects were supported during 2019 in Montenegro under the **EBRD's Advice for Small Businesses (ASB)**. The ASB team in Montenegro cooperated with the Ministry of Economy to create the Lifelong Entrepreneurial Learning Strategy 2020-2024. In addition, three workshops were organised under the "Promoting Sustainable Agrifood Value Chains through Linkages with Tourism" project with FAO, reaching some 200 participants. ASB in Montenegro organised a Succession Planning workshop gathering 26 SMEs.

The **Small Business Act (SBA)** assessment that is led by the OECD supported Montenegro in improving SME policy-making and enhancing the capacity of its policy makers to address related challenges. More than 100 policy-makers and practitioners participated in various OECD events that helped them implement the recommendations under the last SBA Assessment. Around 550 copies of the publication were disseminated to the relevant stakeholders.

Under the **World Bank's EU-REPARIS** initiative, activities are organized on a regional basis with regular participation of the various stakeholders of Montenegro. two workshops to that effect were organized in 2019 to discuss progress in implementing accounting and auditing frameworks.

A face to face event on financial information readiness to apply to Venture Capital/Private Equity funds was delivered by the World Bank in collaboration with the Chamber of Commerce to SMEs in the fall.

Country-level activities included consultations and policy discussions to help advance the agenda of public oversight and quality assurance, as well as convergence with EU requirements. A report on the gaps of current laws and regulations on Accounting and Auditing was prepared that identifies further gaps with EU Directives and Regulations. A draft Law on Accounting is being prepared for 2020.

Breakdown by sector**



47%

Wholesale and retail trade
Repair of motor vehicles
and motorcycles



10%

Manufacturing



10%

Construction

9.4% Accommodation and food service activities

9.4% Transportation and storage

3.8% Professional, scientific and technical activities

2.7% Agriculture, forestry and fishing

2.3% Information and Communication

1.6% Administrative and support service activities

1% Water supply, sewerage, waste management and remediation activities

1% Mining and quarrying

1% Other service activities

1% Real estate activities

0.5% Human health and social work activities

0.3% Finance and insurance activities

0.2% Arts, entertainment and recreation

0.1% Education

**sector split covers loans under the Guarantee Facilities, as well as equity investments under ENIF and ENEF.

28.1M€
Total financing

943
SMEs financed

North Macedonia



Pillar 1 Equity Instruments

Enterprise Innovation Fund (ENIF)

Under the Enterprise Innovation Fund, South Central Ventures, acting as Investment Manager of the ENIF, has been actively sourcing pipeline in North Macedonia and to date has committed EUR 4.86m to five companies:

- **Letz:** an Artificial Intelligence (AI) powered app to boost productivity in the workplace.
- **Cognism:** an end-to-end sales-acceleration solution that provides sales organisations with a more efficient way to prospect.
- **InPlayer:** the next generation video and digital asset monetisation platform that works with the largest media and technology companies in the world.
- **CustomSell:** a solution helping eCommerce merchants to increase revenue by creating automated marketing campaigns and offering automated “marketing skills”, strengthening their marketing teams.
- **NETi:** a search engine filtering algorithm for safer internet browsing, and mobile and e-mail security for businesses.

Enterprise Expansion Fund (ENEF)

Under the Enterprise Expansion Fund, EBRD, acting as Investment Advisor to the ENEF, has been actively sourcing pipeline in North Macedonia and to date has committed EUR 2.85m to two North Macedonian companies:

- **Cermat:** a leading producer of ice cream and other frozen goods in North Macedonia.
- **Markprogres:** one of North Macedonia’s major confectioners, specialising in a wide assortment of sweets, snacks, grains and health food.

The total committed via ENEF, including the EBRD’s co-investment, to North Macedonian companies’ amounts to EUR 5.7m.

Pillar 2 Guarantee Instruments

Guarantee Facility II

Under the Guarantee Facility II, EIF signed an agreement with ProCredit Bank AD Skopje for a total portfolio volume of EUR 10m in December 2016. At of December 2019, ProCredit Bank AD Skopje was able to provide a total of EUR 10m of loans at preferential conditions to 53 SMEs in North Macedonia for an average loan amount of EUR 162,000 and average maturity of 4.5 years.

Pillar 3 Lending Instruments

In 2017 a Lending Pillar was added to WB EDIF’s structure to enable the implementing partners IFIs to develop new SME lending instruments. The EBRD’s SME Competitiveness Programme is the first to be implemented under this Pillar. In North Macedonia, EU/EBRD SME Competitiveness Programme is supported by the EU under the IPA II (national funds). Following the signature with the EU in December 2017 implementation activities commenced in 2018. As of end 2019, four transactions totalling EUR 30m were signed with local PFIs. Ohridska Banka signed a EUR 10m loan in June 2018 comprised of two tranches; Sparkasse Bank signed a EUR 10m in November 2018 comprised of three tranches; Komercijalna Banka Skopje signed a EUR 5m in December 2018 comprised of two tranches; and Procredit Bank signed a EUR 5m facility comprised of one tranche, with a total amount of EUR 18.8m on lent to 81 SMEs.

Two additional PFIs have expressed interest in joining the programme for an expected total lending volume of up to 6m. The loans are expected to be signed in 2020.

Pillar 4 Support Services

In 2019, utilizing WB EDIF funding, the EBRD’s **Advice for Small Businesses (ASB)** in North Macedonia provided advisory support to 11 SMEs through local consultancy projects. Furthermore, two sector development activities were organised in 2019 gathering in total around 80 SMEs and local consultants who developed their knowledge and understanding of Franchising and Lean manufacturing principles. One of two companies who are members of the EBRD’s Blue Ribbon Programme has received financing through ENEF. The other enterprise is expected to get into financing stage in the upcoming period.

The **Small Business Act (SBA)** assessment that is led by the OECD supported North Macedonia in improving SME policy-making and enhancing the capacity of its policy makers to address related challenges. More than 100 policy-makers and practitioners participated in various OECD events that helped them implement the recommendations under the last SBA Assessment. Around 550 copies of the publication were disseminated to the relevant stakeholders.

Under the **World Bank’s EU-REPARIS** initiative, activities are organized on a regional basis with regular participation of the various stakeholders of North Macedonia; two workshops to that effect were organized in 2019 to discuss progress in implementing accounting and auditing frameworks.

A face to face event on financial information readiness to apply to Venture Capital/Private Equity funds was delivered in collaboration with the Chamber of Commerce to SMEs in the fall.

Country-level activities included consultations and policy discussions to help advance the agenda of public oversight and quality assurance, as well as convergence with EU requirements. An assessment of an Accounting Professional Body was provided to the North Macedonian authorities. A report on the gaps of current laws and regulations on Accounting and Auditing was prepared that identifies further gaps with EU Directives and Regulations. The translation of International Financial Reporting Standards (IFRS) dates back to 2009, hence impeding the application of IFRS for Public Interest Entities.

Breakdown by sector**



35%

Information and Communication



30%

Wholesale and retail trade
Repair of motor vehicles and motorcycles



15%

Manufacturing

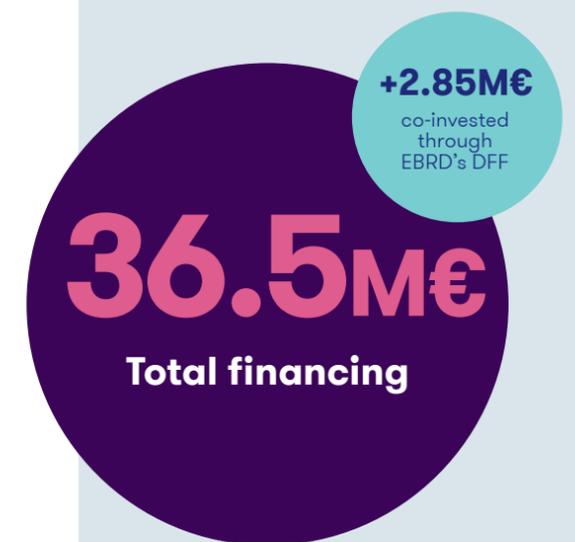
9% Transportation and storage

8% Construction

1.1% Agriculture, forestry and fishing

0.6% Administrative and support service activities

0.3% Professional, scientific and technical activities



**sector split covers loans under the Guarantee Facilities, as well as equity investments under ENIF and ENEF.

Serbia

Pillar 1 Equity Instruments

Enterprise Innovation Fund (ENIF)

Under the Enterprise Innovation Fund, South Central Ventures, acting as Investment Manager of the ENIF, has been actively sourcing pipeline in Serbia and to date has committed EUR 12.35m to 13 companies:

- **Drytools/Alchemy:** business as a software & project management tools for speciality chemicals industry.
- **CityExpert:** platform for publishing real estate opportunities.
- **WorkPlus:** productivity monitoring software for companies.
- **CUBE:** a business information and credit risk service company.
- **Hunch Insight:** an Ad-tech SaaS technology company for automated, optimised, and personalised ads.
- **Virtus Vita:** a global dialysis & travel organization.
- **Tradecore:** fintech startup that builds innovative tools for the retail trading and broader financial services industry.
- **Content Insights:** a company providing software to help web editors.
- **Agremo:** an analysis platform for better crop management.
- **Molo:** SaaS platform for the boating industry.
- **LeanPay:** consumer financing Fintech start-up.
- **Videobolt:** an online video-making platform.
- **ConveyIQ:** an HR tech company, providing talent communication and recruitment optimisation software.

Enterprise Expansion Fund (ENEF)

Under the Enterprise Expansion Fund, EBRD, acting as Investment Advisor to the ENEF, has been actively sourcing pipeline in Serbia and to date has committed EUR 3.61m in four companies:

- **Delmax:** a truck and car parts distributor and retailer.
 - **Gomma line:** a producer of rubber and plastic parts for the automotive industry.
 - **BG Reklam:** a company designing, developing and manufacturing permanent point-of-sale materials.
 - **Bel Medic:** Serbian private healthcare provider.
- The total committed via ENEF, including the EBRD's co-investment, in Serbian companies amounts to EUR 7.22.

Pillar 2 Guarantee Instruments

Guarantee Facility I

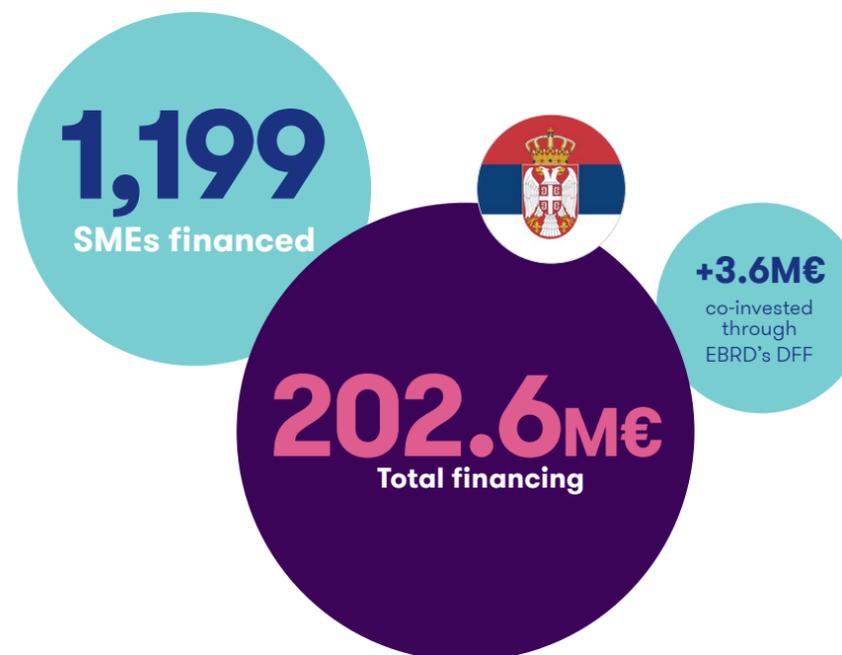
Under the Guarantee Facility I, EIF signed a total portfolio of EUR 30.00m with UniCredit Bank Serbia JSC Belgrade in August 2014. UniCredit Bank Serbia JSC Belgrade was able to provide a total of EUR 29.56m of loans at preferential conditions to over 253 SMEs in Serbia for an average loan amount of EUR 106,700 and average maturity of 2.3 years.

Guarantee Facility II

Under the Guarantee Facility II, EIF signed an agreement with ProCredit Bank a.d. Belgrade for a total portfolio volume of EUR 25m in December 2016. As of December 2019, ProCredit Bank a.d. Belgrade was able to provide a total of EUR 25m of loans at preferential conditions to over 143 SMEs in Serbia for an average loan amount of EUR 158,200 and average maturity of 3.9 years. EIF has seen a much faster uptake of the second edition of the instrument, which can be attributed to the Financial Intermediaries learning curve in deploying such products.

Guarantee Facility Serbia

Under the Guarantee Facility Serbia, EIF signed five agreements with Banca Intesa, Komercijalna Banka, Procredit Serbia, Raiffeisen Bank Serbia and UniCredit Bank Serbia. Procredit Serbia was able to provide a total of EUR 54.9m of loans at preferential conditions to 238 SMEs in Serbia for an average loan amount of EUR 209,600 and average maturity of 3.4 years. Raiffeisen Bank Serbia was able to provide a total of EUR 2.87m of loans at preferential conditions to over 22 SMEs in Serbia for an average loan amount of EUR 130,600. Raiffeisen Bank Serbia was able to provide a total of EUR 19.3m of loans at preferential conditions to over 207 SMEs in Serbia for an average loan amount of EUR 90. Banca Intesa was able to provide a total of EUR 42.6m of loans at preferential conditions to 283 SMEs in Serbia for an average loan amount of EUR 148,000. Komercijalna banka was able to provide a total of EUR 2.2m of loans at preferential conditions to 33 SMEs in Serbia for an average loan amount of EUR 64,000. Unicredit banka was able to provide a total of EUR 3.2m of loans at preferential conditions to 10 SMEs in Serbia for an average loan amount of EUR 320,700.



Pillar 3 Lending Instruments

In 2017 a Lending Pillar was added to WB EDIF's structure to enable the implementing partners IFIs to develop new SME lending instruments. The EBRD's SME Competitiveness Programme is the first to be implemented under this Pillar. In Serbia, the EU/EBRD SME Competitiveness Programme is supported by EU under the IPA II (regional funds). As of end-2019, two transactions totalling EUR 25m were signed with local PFIs. Bance Intesa Belgrade signed a EUR 15m loan in June 2019 comprised of three tranches and Unicredit Bank signed a EUR 10m line in July 2019 comprised of two tranches with total amount of EUR 7,016,117 on lent to 16 SMEs.

One additional PFI has expressed interest in joining the programme for an expected lending volume of up to EUR 10m whilst Banca Intesa Belgrade is projected to add an additional line totalling EUR 15m. These loans are expected to be signed in 2020. This funding will be boosted by another EUR 50m of EBRD lending in the country under the new Serbia SME Competitiveness Support Programme supported by the EU under IPA II (national funds), signed in late December 2019.

Pillar 4 Support Services

Through WB EDIF funding, EBRD's **Advice for Small Businesses (ASB)** in Serbia provided advisory support to six projects during 2019, out of which five were local consultancy projects and one an international advisory project. One more company from Serbia was awarded a membership in the EBRD's Blue Ribbon programme, reaching four companies in the Programme. Furthermore, one ASB and Blue Ribbon client has reached the financing stage and received support through ENEF.

The **Small Business Act (SBA)** assessment that is led by the OECD supported Serbia in improving SME policy-making and enhancing the capacity of its policy makers to address related challenges. More than 100 policy-makers and practitioners participated in various OECD events that helped them implement the recommendations under the last SBA Assessment. Around 550 copies of the publication were disseminated to the relevant stakeholders.

Under the **World Bank's EU-REPARIS** initiative, activities are organized on a regional basis with regular participation of the various stakeholders of Albania; two workshops to that effect were organized in 2019 to discuss progress in implementing accounting and auditing frameworks. Other activities in 2019 focused on finalizing existing streams of activities across EU-REPARIS.

Breakdown by sector**

A study on bank lending practices towards SMEs in Serbia, and an empirical study about SME financing were finalized and disseminated April 2019 in collaboration with the Chamber of Commerce of Serbia, for about 50 SMEs and accounting practices. An assessment on the support of SMEs by the accounting profession was prepared. Initial assessments reviewing SMEs financial management practices in Serbia based on surveys and roundtables were finalized.

A face to face event on financial information readiness to apply to Venture Capital/Private Equity funds was delivered in collaboration with the Chamber of Commerce to SMEs in the fall. Under a companion project, new laws on Accounting and Auditing were officially adopted in Parliament on October 10, 2019 and came into effect on January 1, 2020.

A new study entitled Prospective Analysis of the SME sector in the Western Balkans was prepared, consultants selected by EIB, and implementation launched in 2018. An Inception Report was received in the first half of 2019, proposing scope and methodology for the action. Implementation resumed in late 2019.



34%

Manufacturing



30%

Wholesale and retail trade
Repair of motor vehicles
and motorcycles



9%

Agriculture, forestry and
fishing

8.8%	Information and Communication
6.4%	Transportation and storage
6.0%	Construction
2.5%	Administrative and support service activities
1.8%	Professional, scientific and technical activities
1.0%	Accommodation and food service activities
0.8%	Water supply, sewerage, waste management and remediation activities
0.7%	Mining and Quarrying
0.6%	Education
0.5%	Real estate activities
0.2%	Human health and social work activities
0.07%	Other services activities
0.02%	Arts, entertainment and recreation

**sector split covers loans under the Guarantee Facilities, as well as equity investments under ENIF and ENEF.

To find out more, please visit
www.wbedif.eu

