

FINAL NARRATIVE REPORT

1. Project Description

Name of beneficiary of grant contract: WB6 Chamber Investment Forum CIF

Name and title of the contact person: Darko Lazarov, PhD., consortium representative

Name of partners in the action: International Institute for Business Analysis – IIBA Skopje and BizBi Solutions DOOEL Skopje

Name of project participants: Darko Lazarov, Nikola Duduloski, Diona Zhubi, Dragan Cvetanovic, Emilija Miteva-Kacarski, Danco Dimkov, Ivana Boshkovic, Aleksandar Konatar, Aleksandar Smokvarski

Contract title: Mapping the existing and prospective supply chain participants in WB6 countries

Contract number: CN 2019/408-715/TD11

Start date and end date of the reporting period: 1st of June, 2021 – 15th of December, 2021

Target countries or region: Western Balkans – Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro, and Serbia

2. First phase (mapping existing and potential WB6 suppliers and multinational companies from automotive industry)

Having in mind the Term of Reference requirements for the automotive industry and the very short dead line of the preliminary results of the auto industry mapping, the consortium started with the project activities since 1st of June, first day of the project. At the first day of the project consortium members had a meeting and divided the task among themselves. International Institute for Business Analysis (IIBA) was in charge for kick-off meeting with the project manager and the company responsible for creating the online platform, for the purpose of finalizing the DCP plan. After coordination with the representative of the Bosnian IT company (Page) responsible for developing the online market access platform and going through each single requirement in the online platform the DCP was finalized and a draft questionnaire was created.

The second member of the consortium BizBi Solutions was responsible for compiling a list of basic data on companies in automotive industry for all 6 Western Balkan countries including name of the company, email, telephone, address, contact person, and other relevant information.

In the first phase, general research and market analyses for identifying and mapping the potential suppliers from WB 6 region was carried out in order to create a unified database with as much as possible potential WB6 suppliers in automotive industry. For creating the database, the

consortium partners IIBA and BizBi Solution were using desk research method by cross-referencing all online available data from various sources such as: databases from sectoral associations within the WB6 Chambers, databases from other regional and international business associations and clusters, databases from WB6 State institutions (Statistical offices, PRO (Public Revenue office) and other public institutions) agencies, ministries, and relevant reports published by these organizations.

In the same time IIBA was in coordination with the project manager for creating the text for the email inviting companies to answer the questionnaire and also assigning a person for each of the WB6 economies responsible to answer any question companies might have regarding the questionnaire.

For the purpose of better explaining the importance of the questionnaire to the companies and avoid any issues that might arise because of the language barrier of the receiver of the email, the text for the body of the email was translated from English into all WB6 languages. However, since the deadline for mapping the automotive industry was very short, and because most of these companies are either FDIs or export companies, the consortium, in coordination with the project manager has decided that the questionnaire will not be translated from English to all WB6 languages at this stage of the mapping of the automotive industry. At the end of the first week the questionnaire was finalized and consisted of 48 questions in total, divided in nine segments.

In the first week of the project IIBA has contacted preselected external experts/contact persons in each of the WB6 countries which needed to help in contacting companies in order to remind them about the questionnaire and guide them thorough out the process. Also the external experts and economic chambers of each WB6 country added additional companies to the previous created database.

In cooperation with the office of CIF in Italy, the questionnaire was sent through the Lime survey platform. After the initial publishing of the questionnaire and analysis of the first several responses the consortium has performed additional technical improvements of the questionnaire in order to avoid or minimize any ambiguities regarding specific questions.

After sending the emails to all 1000+ companies from the database inviting them to participate in the survey we noticed that around 30 emails bounced back, meaning that those companies did not receive the email or it was immediately flagged as spam email and deleted. All of these companies were contacted by phone and informed of the situation and asked to participate in the survey.

By 26th of June the consortium has mapped **224 companies from automotive industry** in total which divided by country is:

1. Serbia – **155 companies**,
2. Bosnia and Hercegovina – **34 companies**,
3. North Macedonia – **31 companies**,

4. Kosovo – 2 companies,
5. Montenegro – **1 company**, and
6. Albania - **1 company**.

The database with the relevant data (contact information – Name and Surname of company administrator, Position within the company, e-mail address, phone number; company information – Company name, Company address, Company ID, Year of establishment, Number of employees, Company sector, Company type; Production capacities data – Key applied technologies, production capacities in tons, euros, liters or other, position in the supply chain, Number of countries to which company exports, the largest exporting markets/countries, Percentage of exports from total sales, Utilization of production capacities; Financial data – Total income, total expenses, net profit/loss per year; Product information – Product Name and HS code according to the International Harmonized Classification System of UN – Comtrade; Certificate information – Certificate Name, Name of Publisher, Data Valid from – to) for all 224 companies in excel document was adopted according to the Bosnian IT company (Page Sarajevo) requirements in order to be suitable for transfer on the platform. Once the first draft version of the platform was active, companies profile was created based on the collected data for the companies from automotive industry.

2. Second phase (mapping existing and potential WB6 suppliers and multinational companies from agrofood and light manufacturing)

The consortium partners immediately after the completion of the first phase of the project and collection of relevant data for mapped companies from automotive industry by conducting a survey using the Lime survey platform, have started activities to collect contact information for potential companies from agrofood and light manufacturing as a target sectors within the project. In the process of collecting contact information were involved the selected external experts for each Western Balkan country. They had the obligation to create a database with email addresses and phone contact for potential companies that would be interested in joining the project by creating their own company profile on the Market Access online platform created by WB6 CIF that allows them more easily to build market network and create opportunities for integration into regional and global supply chains, as well as search for potential trading partners.

In the process of collecting contact information for potential companies from agrofood and light manufacturing, databases with mailing list were created for more than 20.000 companies from all counties in WB6 region. Most of these companies are from Serbia, Macedonia, Bosnia and Herzegovina and Montenegro, while other part from Kosovo and Albania. The majority part of mailing lists and companies' contact information coming from agro sector, food sector, some sectors within the light manufacturing such as plastic and rubber, machinery sector, metal processing sector, electronic and electric sector. Simultaneously with the process of gathering contact information for potential WB 6 companies, the IIBA team have organized several

trainings for selected experts from each country in order to present the protocols previously defined by WB6 CIF regarding the content of the discussions with the representatives of identified companies who were contacted directly by phone call. The protocols themselves contained the information that the selected experts from individual countries should present to the representatives of the companies regarding the project itself, the potential benefits for the companies by creating a company profile on the platform and of course a brief guide on how to easily access the platform and create their own profile by filling in the necessary information and data about them and their company.

At the same time, a short guide was prepared in pdf format which explains in detail all the steps for registering and creating a profile on the platform. The guide itself has been translated into all 6 languages for easier understanding by potential companies from each WB6 country.

In the same time with the process of collecting contact information (e-mails and contact information) for potential WB 6 companies from the targeted sectors and conducting trainings for selected experts in individual WB6 countries, the IIBA team led by the main expert in the project, prof. Darko Lazarov, worked together with the team from WB6 CIF and representatives of the Bosnian IT company - Page to improve the functionality of the platform. Within this process, several online meetings were organized at which certain proposals and suggestions were presented by IIBA – Skopje in order to improve the structure and functionality of the platform in the part of the supply chain module.

Finally, after two months of work by the whole team and coordination between all involved parties, the final version of the platform was developed and released in early September, which created the opportunity to send emails to all potential WB6 companies for which contact information were provided. A text email was prepared in all 6 languages with information about the project implemented by WB6 CIF, the platform and the benefits of using it, as well as a link from the platform itself. An integral part of the e-mail was the previously prepared manual and guide with a detailed overview of all the steps on how to register and create an profile.

After sending the emails to the potential WB6 companies (more than 20.000 companies), the selected and trained experts / interviewers as part of the IIBA team as a lead partner in realization of the project activities started with direct phone calls to the representatives of the potential participants/companies interested in creation own profile. During the phone call surveys, the interviewers themselves offered logistical support to the companies for direct registration and creation of a profile on the platform with the possibility of sharing the necessary data on the basis of which the IIBA team will further help the companies to create their profile. Some of the companies directly created their profiles on the platform, while the other part shared their company data with the interviewers, whereas, the same data were adjusted in an excel spreadsheet in accordance with the requirements of the Bosnian IT company for easier data transfer and profile creation for those companies on the platform.

By 15th of December the consortium lead by IIBA - Skopje has mapped **2.104 companies** from the **targeted sectors** (automotive industry, agrofood sector, and light manufacturing) **in total** including some companies from circular economy as a horizontal sector. The largest part of the mapped WB6 existing and potential suppliers are companies from **light manufacturing (1.140 companies in total)**, **700 companies** from **agrofood sector**, while **264 companies** are from **automotive industry**.

Below you can find the distribution of companies by individual countries and sectors:

1. Serbia – **750 companies** in total (156 companies from agro sector, 403 companies from light manufacturing and 191 companies from automotive industry)
2. Bosnia and Hercegovina – **320 companies** in total (99 companies from agrofood sector, 187 companies from light manufacturing and 34 companies from automotive industry)
3. North Macedonia – **474 companies** in total (239 companies from agrofood sector, 204 companies from light manufacturing and 31 companies)
4. Kosovo – **120 companies** in total (12 companies from agrofood sector, 106 companies from light manufacturing and 2 companies from automotive industry)
5. Montenegro – **415 company** in total (177 companies from agrofood sector, 232 companies from light manufacturing and 6 companies from automotive industry) and
6. Albania - **25 companies** in total (17 companies from agrofood sector and 8 companies from light manufacturing)

More than **100 companies** from the total mapped companies within the targeted sectors are **Multinational companies** interested in engaging the WB6 suppliers. Additionally, there are 8 multinational companies outside of WB6 countries which are part of the platform.

For all multinational companies it has been collected additional information regarding the procedure for introducing local suppliers into the procurement system which is very useful guidance for local WB6 suppliers interested in starting cooperation with the multinational companies by engaging in their supply chains.

All the companies that have created their own profiles on the platform have offered **2360 products** and **880 services** within the targeted sectors in accordance with the HS Code for products and NICE classification for services.

All companies, products and services are visible on the platform and they can be found at the following link: <https://www.market-access.wb6cif.eu>

3. Third phase (mapping clusters from WB6 in the targeted sectors)

As part of the project, IIBA – Skopje team led by prof. Darko Lazarov mapped clusters and business associations from the targeted sectors within WB6 region. A total of **38 clusters** were

mapped, out of which **20 clusters** from **agrofood sector**, **3 clusters** from **automotive industry**, **13 clusters** from **light manufacturing** and **2 clusters** from **circular economy**.

Below you can find the distribution of the clusters by countries:

1. Serbia – **13 clusters** in total (5 clusters from agrofood sector, 6 clusters from light manufacturing, 1 cluster from circular economy and 1 clusters from automotive industry)
2. Bosnia and Hercegovina – **5 clusters** in total (1 cluster from agrofood sector, 3 clusters from light manufacturing and 1 cluster from automotive industry)
3. North Macedonia – **11 clusters** in total (6 clusters from agrofood sector, 2 companies from light manufacturing, 2 clusters form circular economy and 1 cluster from automotive industry)
4. Kosovo – **1 cluster** from **light manufacturing**
5. Montenegro – **4 clusters** from **agrofood sector**
6. Albania – **3 clusters** in total and the Regional Development Agency- SME (3 clusters from agrofood sector and 1 public agency)

The list of mapped clusters by sectors and countries with detailed information for each individual entity can be seen in the excel spreadsheet attached to this email.