

ŽENA U BIH EKONOMIJI:

DANAS I' SUTRA

WOMEN IN THE BOSNIAN ECONOMY: PRESENT STATUS AND FUTURE STRATEGIES

10-11 NOVEMBAR/NOVEMBER 1998

ZENICA

ORGANIZATOR/ORGANISATOR:

DELPHI INTERNATIONAL

SPONZORI/SPONSORS:



HUNT ALTERNATIVES

DELPHI INTERNATIONAL

STAR, MEET and IGP Projects

Women in the Economy of BiH: Present Status and Future Strategies

DAY ONE

NOVEMBER 10, 1998

ZENICA, BOSNIA & HERZEGOVINA

TUESDAY, NOVEMBER 10, 1998 – WELCOME TO ZENICA

- | | |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8 30 AM – 9.30 AM | REGISTRATION
<i>Dom Penzionera Main Lobby</i> |
| 10.00 AM | OPENING PLENARY
Welcoming Remarks
<i>Main Hall Lower Level</i>

Anamaria Golemac, Delphi International
Natasa Goronja, Delphi MEET Project |
| 10 20 AM | The Importance of Women in the Bosnian Economy
Silvana Maric, Hidrogradnja |
| 10 40 AM | Economic Status of Women Research Survey Results
Mirsada Muzur, Prism Research Group |
| 11 00 AM | Women and Privatization in BiH
Mariann Kurtz, USAID Privatization Program |
| 11 15 AM | COFFEE BREAK – Main Hall Foyer, Lower Level |
| 11.30 AM | Women in Economic Development Success Stories from the Field |
| 11 35 AM | Microcredit Seida Saric, Women for Women in Bosnia |
| 11 50 AM | Employment Strategies Renata Mondrapa, ICMC |
| 12 05 PM | Women in Business Gordana Maksimovic,
PP SAS NEVEN Transport Services |
| 12 20 PM | Income-Generating Projects Sabiha Hadzimiratovic,
Drina Association and Duska Divcic, ADRA |

Women in the Bosnian Economy
Present Status and Future Strategies

PAGE 2

TUESDAY, NOVEMBER 10, 1998

- 12:40 PM "Women and Advocacy" Nedzma Džananović, Delphi International and Hikmeta Selesković, IFES
- 1 15 PM – 2 45 PM LUNCH – Main Hall Dining Room, Lower Level
- 3.00 PM – 6 00 PM **BREAKOUT DISCUSSION SESSIONS**
- Microcredit – 3rd Floor Lounge Area
Local Facilitator Nežira Nalić, BOSPO
International Facilitator Wanjiku Kibui,
Women's World Banking
- Income Generating Projects – Lower Level
Local Facilitator Duska Divčić, ADRA and
Sabiha Hadžimuratović, Driina Association
International Facilitator Elsie Chang,
Delphi Income Generating Project
- Women in Business – 2nd Floor Lounge Area
Local Facilitator Klelija Balta, Promo International
International Facilitator Prof Tea Petrin,
University of Ljubljana
- Employment Training and Placement – 4th Floor Lounge Area
Local Facilitator Amira Bradarac,
Employment Bureau, Zenica
International Facilitator Susan Fertig-Dykes,
World Vision
- 6 00 PM – 7 00 PM **FREE TIME**
- 7.00 PM **NETWORKING RECEPTION – Main Hall, Lower Level**
"Creating Women's Networks" Fran Close, President
American Business Women International
- 8 00 PM **DINNER – Main Hall, Lower Level**

DAY TWO
NOVEMBER 11, 1998

WEDNESDAY, NOVEMBER 11, 1998

7 30 AM – 8 30 AM **BREAKFAST – Main Hall, Lower Level**

8 30 AM – 11.00 AM **BREAKOUT DISCUSSION SESSIONS (Continued)**

All locations and facilitators for Breakout Discussion Sessions are the same as for Day One

11 00 AM – 11 30 AM **COFFEE BREAK**

11 30 AM – 12 30 PM **WOMEN'S FAIR – Main Lobby Area**

12 30 PM – 1 45 PM **LUNCH –Main Hall, Lower Level**

2 00 PM – 2 30 PM **CONCLUSIONS OF BREAKOUT SESSION RESULTS**

Women in Business Klelija Balta, Promo International
Income-Generating Projects Duska Divcic, ADRA
Employment Training and Placement Amira Bradarac, Employment
Institute in Zenica
Microcredit Nejira Nalic, BOSPO

2 30 PM – 4 30 PM **DONOR ROUNDTABLE DISCUSSION**

Future Strategies for Women's Economic Development in BiH
Moderator Dr Emira Tanovic-Mikulec, UNDP Gender Initiative

Bruna Alessandra, IDP
Didier Fau, OHR
Sarah Forster, World Bank
Eddie Gedalof, UNHCR/Bosnian Women's Initiative
Brian Kurtz, USAID
Goran Todorovic, Bosnian NGO Foundation

Present Status and Future Strategies

2 30 PM – 4 30 PM

GOVERNMENT ROUNDTABLE DISCUSSION (Continued)

Future Strategies for Women's Economic Development in BiH

Moderator Dr Emira Tanovic-Mikulec, UNDP Gender Initiative

Government Panel Members

Zdravko Mijovic, Enterprise Development Agency of Banja
Luka

Hatidza Dimac, Ministry of Finances-Federation of BiH

Dr Ejup Ganic, President of Federation of BiH

Aisa Tomasev, Assistant on Women Issues to President Ganic,
Federation of BiH

4.30 PM – 4 40 PM

“Preview of 1999 UNHCR and Bosnian Women's Initiative
Activities” Eddie Gedalof, UNHCR/Bosnian Women's
Initiative

4 40 PM – 4 50 PM

“Working Together for a Better Future” Nejira Nalic, BOSPO

CONFERENCE SPONSORS:

*We wish to thank the following donors for their generous contributions
which made this conference possible.*

The Bosnian Women's Initiative of UNHCR

USAID

Hunt Alternatives

DELPHI INTERNATIONAL

Income Generating Project

1015 15th St NW Washington DC 20036 Tel/Fax (202) 898-0950/842-0885 Email ac@delphi-int-org
Sarajevo 71000 Obala Kulina Bana 4 Telephone 387-71-207-067 Telephone/Fax 206-961
Email delphint@bih.net.ba

Fact Sheet on Income Generating Projects

What is an income generating project?

International donors agencies provide grants for the initial funding to start income generating micro-enterprises and thus create employment and revenues for vulnerable people in economically challenged situations. Income generating projects (IGPs) are not humanitarian assistance. IGPs are a means for individuals and associations/non-governmental organizations to contribute toward their own economic stability.

UNHCR's Bosnian Women's Initiative (BWI) has been a primary donor for income generating activities in BiH. Since the inception of BWI in September 1996, over a 100 income generating projects have been approved.

General categories of income generating projects include

- Food Production
- Food Processing/Conserving
- Livestock Distribution/Small Animal Husbandry
- Micro-businesses such as hair salons, laundromats, tailoring shops, cafes, etc
- Training programs such as teaching computer or language skills
- Light industry such as furniture upholstery, textile factories, clothing production, etc

Income generating activities are usually carried out by an association or non-governmental organization (NGO). When the income generating projects reach a level of sustainability with ongoing net profits, a portion of the profits are usually contributed back to the association or NGO to support the organizations.

Key success factors for sustainability of IGPs are

- Advance market research to determine a real demand for the goods or services that the income generating project is planning to produce
- Careful selection of a project coordinator with management and team-building skills
- Careful selection and training of beneficiaries/employees
- Continuous project monitoring
- Realistic project budgeting
- Strong marketing and advertising plan

(Continued on reverse side)

NGO outlook on income generating activities

In the October 1998 Bosnian NGO Foundation survey, "The Third Sector in BiH" it was interesting that of the 109 organizations that participated in the study, 45,87% responded that in the future "they would like to work on income generating projects "

When asked the question about where NGOs saw the basis of their financial support coming from in the future, 42,20% responded that they saw their financial support "coming from ongoing projects that generate a profit "

Status of NGOs and their income generating projects

LEA/LINK, through the International Rescue Committee's NGO Development Project, continues to work on a draft NGO law to protect the status of NGOs in Bosnia-Herzegovina and to clarify the registration and tax requirements

For more information or technical assistance about income generating projects

Please contact Elsie Chang Team Leader, Delphi International Income Generating Project in Sarajevo at (387-71) 207-067, fax (387-71) 206-961 or email at delphint@bih.net.ba

Zene u BiH ekonomiji

Danas i sutra

Lista ucesnica

Number	Contact Name	Organization/Title	Town	Entity	Telephone	Code
1	Alagic Ermina	Electro Konjic	Konjic	FBiH	088 726 441	E
2	Alikadic Asja	Stope Nade	Konjic	FBiH	088 727 171	E
3	Andzic Jelena	Fondacija Nova Bosna	Sarajevo	FBiH	071 445 097	E
4	Atlic Amra	Vesta	Tuzla	FBiH	075 243 197	E
5	Avdic Birnasa	Biro za zaposljavanje	Zenica	FBiH	072 25 107	E
6	Bajrovic Amela	Malteser	Breza	FBiH	071 763 560	M
7	Balta Klelija	Promo Int	Tuzla	FBiH	075 230 520	B
8	Basagic Edina	ICMC	Bihac	FBiH	077 331 039	M
9	Basic Elvira	Merhamet	Maglaj	FBiH	074 813 202	E
10	Bina Sadina	World Vision	Tuzla	FBiH	075 238 648	M
11	Binic Vanesa	UNDP	Sarajevo	FBiH		B
12	Bogdan Aida	Zenska akcija VIDRA	B Luka	RS	078 18 534	M
13	Bradarac Alma	Biro za zaposljavanje	Zenica	FBiH	072 25 107	E
14	Buha M Ljiljana	Solidarnost za jug	Trebinje	RS	089 226 683	IGP
15	Campbell Allison	Delphi International	Washington	INT		
16	Chuck James	Knitting Nations Together	Sarajevo	FBiH	071 535 896	IGP
17	Chang Elsie	Delphi International	Sarajevo	FBiH	071 206 961	IGP
18	Chavarrina Isela	UNHCR	Bihac	FBiH	077 331 758	E
19	Civcic Dragica	Udruzenje zena IZVOR	Zvornik	RS	076 587 304	IGP
20	Close Fran		Sarajevo	FBiH		speaker
21	Cosic Zahida	Unikom	Zenica	FBiH	072 22 281	E
22	Dinec Marijana	Forma F	Posusje	FBiH	088 680 863	B
23	Divcic Duska	ADRA facil	B Luka	RS	078 49 456	IGP
24	Djogic Vesna	Private Pharmacy	Konjic	FBiH	088 726 641	B
25	Dobos Manuela	W4W	Sarajevo	FBiH	071 206 611	E
26	Draskovic Slavica	Phare IDP	Sarajevo	FBiH	071 290 106	E
27	Dzananovic Nedzma	Delphi International	Sarajevo	FBiH		AD
28	Dzozic Nurdzihana	Zena 21	Sarajevo	FBiH	090 147 009	IGP
29	Dzumhur Jasminka	Municipality	Konjic	FBiH	088 726 474	IGP
30	Dzumhur Jasna	Center for legal Rights	Zenica	FBiH	072 24 920 0	B
31	El Zoghbi Mayada	ICMC	Bihac	FBiH	077 331 039	M
32	Gilipovic Vesna	Studentska Organizacija	Foca	RS	073 576 669	E
33	Galic Jelica	Zdravo da ste	B Luka	RS	078 63 362	M
34	Gasparrini Nadia	SCAO	Ustikolina	FBiH	073 224 120	E
35	Goronja Natasa	Delphi	Sarajevo	FBiH	071/211-601	M
36	Habibija Amila	Radio Konjic	Konjic	FBiH	088 726 267	B
37	Hadziahmetovic Edina	Phare IDP	Sarajevo	FBiH	071 211 590	E
38	Hadzic Dijana	AIBI	Sarajevo	FBiH	071 212 112	E
39	Hadzic Jasna	Private Business	Zenica	FBiH	072 412 31	B
40	Hadzic Munira	BOSFAM	Tuzla	FBiH	075 250 066	IGP
41	Hadzihuseinovic Samira	Delphi International	Sarajevo	FBiH	071 206 961	IGP
42	Hadzimiratovic Sabiha	Drina facil	Gorazde	FBiH	073 457 761	IGP
43	Haman Mujesira	Udruzenje zena TUZLA	Tuzla	FBiH	075 282 030	IGP
44	Hasanbegovic Azra	Zena BiH	Mostar	FBiH	088 550 339	B
45	Hodzic Emira	LI Woman	Livno	FBiH	080 202 166	IGP
46	Horvat Sanja	AIBI	Sarajevo	FBiH	071 212 112	M
47	Ikanovic Zineta	Bospo	Tuzla	FBiH	075 283 429	M
48	Ivankovic Spomenka	PP Stari Most	B Luka	RS	078 61 375	B
49	Jasovac Zorica	Trebinje	Trebinje	RS	089 20 308	B
50	Julacic Valentina	Udruzenje zena NADA	Bjeljina	RS	076 403 011	B
51	Jovanovic Desa	Care Intl	B Luka	RS	078 11 593	B

52	Jovovic Sadmira	Fondacija Nova Bosna	Sarajevo	FBiH	071 445 097	E
53	Jukic Nermira	Federalna Zena	G Vakuf	FBiH	070 265 483	IGP
54	Kajtas Maja	Centar Ljepote	Mostar	FBiH	088 550 339	B
55	Karajko Suada	Municipality	Travnik	FBiH	072 811 124	IGP
56	Kibui Wanjiku	INT FACILIT	int	INT	SEE E-MAIL	M
57	Kisic Vesna	U Z Antonija	Bugojno	FBiH	070 42 407	E
58	Kokanovic Marina	Savez Samostalnih Sind	Zagreb	INT	385146 55 026	E
59	Koprivica Kapor Mirjana	V Gruda, Trebinje	Trebinje	RS	089 25 571	IGP
60	Krivokuca Jasminka	Udruzene zene	B Luka	RS	078 68 202	IGP
61	Kukic Biljana	AUP	Travnik	FBiH	072 813 398	IGP
62	Kunosic Ferizovic Amila	Office of lawyers in TU	Tuzla	FBiH	075 237 169	E
63	Kunosic Vlajic Mevlida	Taldi	Tuzla	FBiH	075 250 045	M
64	Kurtz Mariann	USAID	Sarajevo	FBiH	667 900	B
65	Kutnjak Vlatka	Profosa	Zagreb	INT	38514612049	B
66	Lepir Bozana	Udruzene zene	B Luka	RS	078 756 308	E
67	Loncar Alisa	Malteser	Livno	FBiH	080 200 197	B
68	Lucic Biljana	Fondacija Nova Bosna	Visegrad	RS	053 681 881	M
69	Majdov Jadranka	World Vision	Doboj	RS	074 41 665	M
70	Maksimovic Gordana	Private Business	Celinac	RS	078 851 137	B
71	Mandic Slava	Nada	Cajnice	RS	073 885 523	IGP
72	Matic Silvana	Hydrogradnja	Sarajevo	FBiH	071 472 324	B
73	Markota Ivana	Zena 47	Drvar	FBiH	080 820 193	B
74	Mejdandzic Marija Maja	Center for Economic Dev	G Vakuf	FBiH	088 494 802	M
75	Midzic Nisveta	Plavi Most	Bihac	FBiH	077 229 154	M
76	Milavic Jasminka	Sunrise	Sarajevo	FBiH	071 667 813	M
77	Milicevic Jadranka	Zene zenama	Sarajevo	FBiH	071 524 353	E
78	Mrvelj Silvana	Forma F	Posusje	FBiH	088 680 863	IGP
79	Muminagic Adnana	AUP	Travnik	FBiH	072 814 050	B
80	Nalic Nejra	Bospo, FACILITATOR	Tuzla	FBiH	075 283 429	M
81	Nikolic Slavojka	Fortuna	Boljanic	RS	074 693 035	IGP
82	Olsson Katarina	Kvinna till Kvinna	Sarajevo	FBiH	071 201 612	E
83	Osmanagic Refika	Plavi Most	Bihac	FBiH	077 229 154	M
84	Pahor Ivana	LID Federation	Sarajevo	FBiH	071 200 630	M
85	Penic Iva	Krojacki salon	Livno	FBiH	080 201 952	B
86	Peric Milica	Femina	Bjeljina	RS	076 403 042	M
87	Perko Tanja	IOM	Sarajevo	FBiH	071 656 436	E
88	Perkovic Ivana	Udruzenje zena NADA	Bjeljina	RS	076 403 011	IGP
89	Pestovic Olga	Stope Nade	Sarajevo	FBiH	071 665 595	B
90	Petkovic Zorana	Udruzenje zena IZVOR	Zvornik	RS	076 588 437	B
91	Petrin Tea	Ekonomski Fakultet	Ljubljana	SLO		B
92	Prodanovic Danyjela	Mercy Corps	Doboj	RS	054 42 654	IGP
93	Radoncic Lejla	NPA	Tuzla	FBiH	075 216 783	IGP
94	Radulovic Radinka	Udruzene zene	B Luka	RS	078 18 250	IGP
95	Raso Ljiljana	Zene zenama	Tomislavgrad	FBiH	080 50 081	E
96	Rimac Ruzica	Viktorija	Livno	FBiH	080 203 649	IGP
97	Ristanovic Nina	Mercy Corps	Brcko	RS	056 204 908	IGP
98	Rizvic Amira	Koplast	Travnik	FBiH	072 815 971	E
99	Runic Radmila	Care Intl	B Luka	RS	078 11 593	M
100	Sabanovic Jasmira	Anima	Gorazde	FBiH	073 224 019	IGP
101	Salaj Milica	Amica	Tuzla	FBiH	075 250 627	IGP
102	Salkic Bahra	BOSFAM	Tuzla	FBiH	075 250 066	B
103	Sarajlic Sadzida	Fondacija Nova Bosna	Sarajevo	FBiH	071 445 097	B
104	Saric Seida	W4W	Sarajevo	FBiH	071 206 611	M
105	Schweighofer Britta	Malteser	Bihac	FBiH	077 332 194	E
106	Sehic Lejla	Amica	Tuzla	FBiH	075 250 609	B
107	Seleskovic Hikmeta	IFES	Zenica	FBiH	072 410 302	AD

108	Selimovic Almira	Krajiska Suza	Sanski Most	FBiH	079 82 562	E
109	Seoane Monica	MPDL	Mostar	FBiH	088 323 980	IGP
110	Sesar Radmila	Zena 21	Sarajevo	FBiH	071 205 949	E
111	Simic Anja	MPDL	Mostar	FBiH	088 323 980	IGP
112	Simic Anka	Lastavica	Pancevo	INT	381 13 353 613	IGP
113	Singer Slavica	NOA	Zagreb	INT	38514612049	M
114	Sisic Dzenana	Seherzada	Maglaj	FBiH	074 813 338	IGP
115	Sljivo Enisa	Mercy Corps	Tuzla	FBiH	075 250 560	M
116	Slote Cressida	Delphi International	Sarajevo	FBiH		AD
117	Smailhodzic Sedina	Drina	Gorazde	FBiH	073 457 761	IGP
118	Stanisic Sanja	Lastavica	Pancevo	INT		IGP
119	Stankovic Fuada	Faculty of Law	Novi Sad	INT	38121469456	B
120	Tankosic Darinka	Kikinda	Kikinda	INT	381 20 22 424	M
121	Teufikovic Dzezida	Radio Kameleon	Tuzla	FBiH	075 250 055	E
122	Tihic Aida	Bosnia Vita Tuzla	Tuzla	FBiH	075 252 483	M
123	Tiric Azra	ZZPO	Tuzla	FBiH	075 280 036	IGP
124	Todic Ankica	Udružene zene	B Luka	RS	078 34 975	B
125	Topcagic Indira	Stope Nade	Sarajevo	FBiH	071 665 595	M
126	Vejzovic Hedija	Bosnia Vita Tuzla	Tuzla	FBiH	075 252 483	M
127	Veraja Vesna	Private Business	Trebinje	RS	089 21 885	B
128	Vidovic Gordana	Buducnost	Modrica	RS	074 880 200	IGP
129	Wilson Leesa	Delphi	Sarajevo	FBiH	071/211 601	M
130	Zukanovic Ramiza	Prijateljice	Konjic	FBiH	088 755 223	IGP

Legenda IGP projekti koji donose dobit

M mikrokreditiranje

B biznis

E strategije za zaposljavanje

IGP Income generating projects

M microcredit

b business

e employment strategies

Women in the BH Economy:

Present Status and Future Strategies

Biographies of Presenters and Speakers

Ms Elsie Chang

Ms Chang is the Team Leader of the Delphi International Income Generating Project funded by the Bosnian Women's Initiative program. The Income Generating Project provides business consulting services to Federation and Republika Srpska women's associations that are engaged in income generating activities. The technical assistance is on topics such as marketing, business management, strategic planning, NGO capacity building, financial records and accountancy.

Ms Chang has worked for many years in other transitional economies as a business consultant for small, medium and large multinational corporations in China, Russia, and Kyrgystan. Ms Chang is also a founder of a women's NGO, the International Network for Enterprise and Trade, which was a network association of American and Russian business women-owned microenterprises. Her prior experience includes five years as a political consultant in Washington, DC working with Members of the United States Congress and Senate.

Ms Chang was a delegate to the Fourth United Nations Conference on Women in Beijing, China and presented a workshop on "Women, Leadership, and Power." She served on the Virginia Board of Directors of the National Association of Female Executives and is a founder of the Asia Pacific American Women's Leadership Institute.

She earned a Master's degree in International Business Management from the American Graduate School of International Management.

Ms Fran Close

Ms Fran Close is the President and CEO of American Business Women International, a nonprofit organization supporting women involved in international trade.

Honored in the United States, the United Kingdom and New Mexico for her leadership of women in small and medium-sized entities and minority-owned companies, Ms Close has been selected by the Department of Commerce to lead a high-tech trade mission to Southeast Asia in 1999.

Ms Close has a corporate background in marketing and business development. She has served on the presidents' staffs of two large Fortune 500 companies—Sara Lee and American Hospital Supply Corporation (later merged with Baxter).

During the 1990's, Ms Close led the American expatriate business groups (over 420 U.S. companies) in the Northwest part of the UK.

Close's advocacy is reflected in her service to community, children and family either leading or serving in such organizations as the Red Cross Disaster Fund, Gifted Children's Education Program, Junior Women's League, National Women's Political Caucus, Nuestros Pequeños Orphanage (Mexico), Hispanic CEO Roundtable, Hispano Chamber of Commerce, Women's Royal Volunteer Service (U.K.), and the Shelter for Underprivileged Women and Children.

Ms Duska Divcic

Ms Divcic is the project manager and a business consultant with the NGO "ADRA" in Banja Luka, which has successfully implemented more than nine income generating projects funded by UNHCR/BWI. She is also working in the same capacity with the newly formed Banja Luka's citizen association "Tango" also funded by UNHCR/BWI. This cooperation has yielded four new projects giving employment opportunities to women of Banja Luka. Previously, she worked as an executive judge for eight years and as part of the France pour Skopje Team as an independent project manager.

Ms Divcic has participated as a speaker at the UNHCR Conference in Geneva, in October 97, on the subject of women's employment opportunities in post-war countries. Results of the project created by Ms Divcic presented at the World Bank's seminar in Vogosca, were considered among the best in BiH.

Ms Divcic graduated from the Faculty of Law in Belgrade.

Ms Nedzma Džananović

Ms Džananović works with Delphi International as the project assistant for STAR Project. She works on establishing and maintaining intensive contacts with local women's NGOs. Ms Džananović also acts as the resource and consulting person for these NGOs.

Ms Džananović has facilitated workshops throughout BiH, which have included work on media, prevention of domestic violence, advocacy and organizational development.

Ms Džananović is a senior at the Faculty of Political Science in the University of Sarajevo.

Ms Anamaria Golemac

Ms Anamaria Golemac is currently working as the Conference Coordinator with Delphi International. Her previous experiences include working as the Information Officer in the Election Supervision Branch, OSCE, during the 1998 Elections in BiH, as well as the post of Campaign Coordinator for Seattle's Wilderness Coalition. During her studies in Virginia she organized public speeches and concerts raising money for Bosnian refugee camps in Germany and Austria.

Ms Golemac graduated from the College of William and Mary in Williamsburg, Va. in December 1997. She has also attended Philosophy Faculty, University of Sarajevo.

Ms Natasa Goronja

Natasa Goronja is a part of Delphi's Microenterprise Empowerment and Education Team. She has been involved in the field of microfinance since her graduation in 1997. Natasa studied International Relations and Development Economics at the College of William and Mary, Virginia. During her studies in the United States she became a member of Rotary International and through that business association helped raise funds for Bosnia and Herzegovina by giving public speeches.

Ms Sabiha Hadžimuratović

Ms Hadžimuratović is a director and founder of 'Sarajevska Tribina' – News Agency and Multicultural Center in Sarajevo. She was a correspondent in North Africa and the Russian Federation for Radio and TV Sarajevo, during the early 1990's.

Ms Hadžimuratović is a founder of the Women's Association 'DRINA' in Gorazde. Her work with women's issues started in the 1980s when she was president of the Women's Association in Gorazde. Ms.

Hadzimiratovic was also a president of the Women's Association of Yugoslavia in Iraq-Baghdad 1985-1988 and the president of the Bosnian Women's Association in Moscow 1994-1995

She is a graduate of MUSTANSIRIYA University in Baghdad with a degree in psychology

Ms Wanjiko Kibui

Ms Kibui is a native of Kenya and is a certified public accountant. For several years, she served as a financial manager for the largest women's MFI in Kenya Six years ago, she joined Women's World Banking as the regional director for Africa. Women's World Banking is a global network of women's microfinance institutions, which engages in policy work and provides technical assistance to improve access to financial resources for low-income women entrepreneurs throughout the world.

Ms Mariann Kurtz

Ms Kurtz is a Principal Consultant for Pricewaterhouse Coopers LLP and serves as Deputy Chief of Party for the USAID Privatization Project in Bosnia and Hercegovina. Ms Kurtz has provided technical assistance, strategy development and training related to privatization for the past eight years to Central Europe and the CIS

Ms Kurtz has worked on privatization and private sector development initiatives in Poland, Ukraine, Russia, Bulgaria, Krygystan, Kazakhstan, Moldova, India, Pakistan and countries of East Africa She has worked on the Bosnia privatization program since 1996 Her range of experience includes strategy development and capacity-building for privatization program design and implementation, industry sector analysis enterprise-specific strategic and financial analysis, enterprise valuation and restructuring; investor search and transactions negotiation, and small and medium business development initiatives

Ms Kurtz earned a Master's degree in Management from the Northwestern University, G L Kellogg Graduate School of Management.

Ms Silvana Maric

Ms Silvana Maric is Business Development and Marketing Division Manager in Hidrogradnja Co Ms Maric has over 10 years of experience in project design, engineering and execution of hydrotechnical and other civil engineering projects She is technical coordinator of all projects related to reconstruction and development of Sarajevo, project manager as well as national expert of feasibility studies and business development, international relations and marketing.

Ms Maric has participated in several conferences on reconstruction and development of Sarajevo, including the Women Conference 1996, Investment Forum Sarajevo 1997 and Nexus Program St. Louis 1997

Ms Maric graduated from the University of Sarajevo Bosnia and Herzegovina, Faculty of Civil Engineering, Hydrotechnical Department

Ms Mirsada Muzur

Ms Muzur is co-owner and Managing Director of Prism Research. Ms Muzur has established Prism in February 1996 Prism Research is a BiH public opinion, market, media and social research agency Prism provides research services to a broad range of international organizations and missions, and international enterprises Her clients include the OSCE, OHR, World Bank Mission to BiH, USAID, and others

The mission of Ms Muzur's Prism Research Group is the provision of reliable professional research about the society, the media and the market in Bosnia and Hercegovina This information will assist in defining

current status, identifying needs and tracking changes over time for the public, NGO and commercial sector

Ms Muzur completed her economics degree at the University of Melbourne Australia.

Ms Nejira Nalic

Ms Nejira Nalic started her career in NGO management, by establishing the Women's association, "Red Lily" She then moved on to work with Danish Save the Children and then Danish Refugee Council In 1995 Ms Nalic became the director of BOSPO BOSPO has since developed into one of the leading microfinance institutes in BiH, which has lent to over 2 400 low-income displaced and local women in the Tuzla-Drina Canton with with a consistent 100% repayment rate BOSPO also has an information/legal center which works in both the RS and Federation Nejira currently has a staff of 48 employees and is recognized as a leader in Bosnian NGO management.

Ms Tea Petrin

Ms Petrin currently teaches at the Faculty of Economics, University of Ljubljana. Her teaching experiences and lectures abroad include University of California at Berkley; University of Massachusetts at Lowell, Cornell University and Louisiana State University

Ms Petrin served as an advisor to the Government of Slovenia for nine years in different capacities She was a trainer (resource person) at various FAO/REU international workshops on rural development and lecturer at the FAO/REU Working Party on Women and the Agricultural Family Sessions

Ms Petrin has served as a country Vice President of the European Council for Small Business and a Chairman of the Board of the International Incubator Network.

Ms Petrin graduated from University of Ljubljana with a Ph.D in Economics

Ms. Seida Saric

As director of Women for Women in Bosnia Seida Saric is putting her accumulated experience in social work and financial management to work. She administers the microcredit-lending and the skills-training programs (RenewLS) Her main responsibility is to reach the greatest number of poor women through both programs and to lead the organization to self- sustainability

Ms Hikmeta Seleskovic

Ms Seleskovic is working as a Voter Education Trainer for the International Foundation for Election Systems Her duties include fieldwork in Zenica-Doboj and Middle Bosnia Cantons as well as participation in the development of voter education materials, distributed throughout IFES area of responsibility

Ms Seleskovic has worked as a Chief Engineer for Heat Treatment of Materials, as well as a teacher on a part-time basis in the technical high school in Zenica

Ms Seleskovic is graduate of Faculty of Metallurgy in Zenica

Legal-regulatory environment for entrepreneurship in FBiH

The first step in the realization of your entrepreneurial idea is registration of a company under a name that will enable you to gain legal status and become an equal part of the business environment

If you are just starting, the simplest form of organization is sole proprietorship – d j l (enterprise type with limited responsibility, where the founder is one person) In order to register in that legal form, you need to fulfill the following criteria

- 1 The starting capital can not be lower than 1000 DM, or equal amount in the local currency on the date of the decision to register
- 2 Make a charter that contains the following
 - Name of the founder
 - Business activity/sector
 - The founding capital (total amount, distinguished by type and way of deposit)
 - Management type (hiring, authorities, responsibilities, and firing)
 - Internal structure
 - The period of existence and steps for liquidation
 - Other questions of importance for running of the business
 - Changes to the charter to found the enterprise

In addition to this form of organization, the Enterprise law allows more complicated types, such as

- Shareholder society
- Limited liability company
- "Komanditno" enterprise
- Shareholders' "komanditno" enterprise
- Partnership with unlimited liability – d n o

For each of these forms there are prescribed ways of forming and the necessary capital for start up (10 000 to 20 000 DM) and an assumption that there are a few founding partners

Regardless of the option you choose, your legal status will give you the following advantages

- 1 Reduce the tax on revenue for newly founded enterprises in the first year in the amount of 100%, in the second year – 70%, and 30% in the third year, under the condition that your business operates for 5 years from the founding date
- 2 If you do business within the "free zones", you do not pay this tax for the first five years
- 3 If you are reinvesting your income back into your own productive activity, the tax obligation is reduced for the whole amount of investment. For those investing back into their own activities, the reduction can be up to 75% of taxable income
- 4 You are exempt from paying tax if more than 50% of your employees are handicapped

Newly founded enterprises are not considered to be those founded by merging, or splitting of an already existing company, nor by proprietor transformation or capital

structure change You cannot receive these benefits if you are restarting a business in the same sector within three years of closing a prior business,

Tax on profit is 30% for the whole area of the Federation There is also a 10% service tax, as well as tax on volume of goods, the rate being dependant on the tariff group the goods belong to

The tax authorities submit a bill to each business for profit tax on a monthly basis It must be paid monthly, up to eight days from the end of the month Nonpayment in that period results in a process of forced payment from the tax payer's account to the tax account

The second important tax are taxes and contributions paid on personnel salaries The total obligation currently amounts to 81% of the net salary, the most important parts being

- 1 salary tax
- 2 obligatory contributions, based on the gross salary, and those are
 - pension and handicap insurance – 17% on the employee's salary (paid by the employer on behalf of the employee) and 7% on the total paid out salaries (paid by the employer)
 - health insurance – 13% on employee's salary and 5% on the total paid salaries for the business owner
 - unemployment insurance – 2% from employee's salary and 1% on all salaries paid out, to be paid by the business owner

The accounting and payment of personnel tax must be performed monthly

In this outline we have tried to briefly present what are the obligations, but also advantages if you choose to make your entrepreneurial idea into a reality We need to note, once again, that this information is subject to change in accordance with the process of the economic transition that is undergoing in our country

Briefing Paper

WOMEN IN MICROFINANCE

Microcredit lending is an aspect of development finance that grew out of a need to provide low-income entrepreneurs with the capital necessary to start or expand their own businesses. Two examples from the most well-known organisations in the field are the Grameen Bank in Bangladesh (which has made over 3 million loans to poor, women, with an average loan size of \$150) and Banco Sol in Bolivia (which has made over 500,000 loans to the poor, with an average loan size of \$500). Traditionally, the main clients of microfinance programs are women, both because they make up the majority of the world's poor and also because they have proven to be the best clients, in terms of repayment, around the world.

Over the last 15 years, many new institutions providing micro loans have appeared. Now, there are thousands of microfinance institutions all around the world, in both developing and developed nations. Microlending today is performed by village banks, credit co-operatives, non-governmental and governmental organisations, and even commercial banks. One thing that is unique about microcredit is that it empowers low income entrepreneurs by treating them as valid banking clients, rather than as poor "beneficiaries". Microfinance is not humanitarian aid. Microentrepreneurs are expected to return the loan and pay interest on it. In order to facilitate the lending process, most microfinance institutions do not require traditional collateral, but peer guarantees or other forms of guarantees which are appropriate to low-income entrepreneurs. An important aspect of microfinance is that by charging interest on lending activities, microfinance institutions begin to earn enough money to cover their own costs. In this way, sustainable development institutions are created which can provide financial services to poor entrepreneurs over the long term.

Because microfinance has proven to be an effective tool in helping to alleviate poverty, in the recent years there has been a strong surge of development funding and the formation of many organisations that provide microfinance. At the Global Microcredit Summit held two years ago, more than 1000 people and organizations from around the world decided to work together

within the framework of their institutions to reach 100,000,000 of the world's poorest families with microloans to assist them reach out of poverty

Microfinance has proven to be extremely successful in the countries of Eastern Europe and the Newly Independent States, as they experience their economic transitions from planned to market economies. There is practically no country in this region where microcredit does not exist. Like a plant that refuses to give up once its' seed has reached the ground, it seems to be viable even in the countries where it is strictly illegal. In Federal Republic of Yugoslavia, where loan providers are not even allowed to charge interest, there are three NGOs functioning. From Albania, a country that went through violent political turmoil and continues to be unstable, colleagues report that the repayment rate during most violent periods had only dropped to 95%. In other countries in our region, NGOs not-for-profit organisations are not allowed to provide microcredit, so they've registered as for-profit businesses (Fundusz Mikro – Warsaw). Even in states where providers have to pay extremely high taxes, such as Russia, some institutions are nearing sustainability.

In Bosnia and Herzegovina there are 33 microfinance institutions, seven of which concentrate solely on working with women. These are ICMC and Plavi Most in Bihac, Vrelo in Mostar, Zdravo da Ste in Banja Luka, Femina in Bijeljina, Women for Women in Sarajevo, and Bospo and BOSVITA in Tuzla. Loans disbursed by these organizations range in size from 500 to 5,000 DM. Together, they have made more than 6500 loans to date. Overall, over 17,000 micro loans have been disbursed cumulatively by all practitioners in Bosnian and Herzegovina, with nearly 100% repayment rates. Despite the fact that women represent almost two-thirds of the population, only one third of these loans has gone to BH women entrepreneurs.

Despite the lack of a legal framework for microfinance in BiH, the number of microloans disbursed is rapidly growing, poor microentrepreneurs are receiving better services, organisations' portfolios are beginning to be expressed in millions of US dollars, and some are beginning to reach a level of profitability that is enabling them to become truly financially sustainable.

11/6/88

microcredit programs in b&h

NBZR, Modrica (074/819-460)	2,933	19 2 21 6% fiksna	665	Gradacac, Brcko Srebrenik, Gracanica Odzak	nezaposleni u urbanim sredinama zene	individualna	do 1 godine
Plavi Most, Bihac Ramiza Velic (077/229 154)	1 700	28% opadajuca	1909	Bihac area	nezaposleni, zene, dem. vojnici	solidarna grupa	6 mjeseci
Sunrise, Sarajevo Jasminka Milavic (071/667 813)		20 4% fiksna	827	Sarajevo	dem. vojnici, raseljena lica izbjeglice	individualna	8 mjeseci
TALDI, Tuzla Mevlida Kunosic-Vlajic (075/ 259 118 or 250-045)			25				
Vrelo Mostar Devleta Balalic (088/551 775)	2 700	14% usluga 16% trgovina	646	East mjesecitar Kohnic	nezaposleni zone dem vojnici	solidarna grupa	do 1 godine
Zene za zene, Sarajevo Seida Saric 071/206-611)	1 000	10% fiksna	383	Vogosca Ilijas	siromasne zene iz ruralnih sredina	solidarna grupa	do 1 godine
WorldVision, Richard Reynolds, Sarajevo	8 000	1 3 1 8% mjesečno	993	Tuzla Zenica, Sarajevo	najsromasniji od ekonomski aktivnih ljudi	individualna	do 18 mjeseci
Organizational Information	Avg Loan Size	Ann. %	Loans to Date	Geographic Coverage	Target Pop.	Method	Loan Term
Republika Srpska							
Benefit, Lukavica Mira Nenadovic (071/ 671 235 fax 671359)	4 500	21 8% fiksna	327	Lukavica, Pale, Sokolac	dem. vojnici, invalidi rata, zene	individualna	do 1 godine
CARE International, Banja Luka Doug Pearce (078/ 43 213)	1 334	24% opadajuca +1%provizija	1100	Banja Luka, Brcko	ugrozeni ekonomski aktivni ljudi	solidarna grupa i individualna	do 18 mjeseci
Femina, Bijeljina Milica Peric (076/ 403-042)	1 500	14% fiksna	77	Bijeljina	zene niskih primanja	solidarna grupa	12 mjeseci
NRC, Banja Luka Rabija Jordamovic, (079/ 83 609 / 83 907)	5 000 do 50 000	11% fiksna	5	Kljuc, Banja Luka Sanski mjesecit, Prjedor	raseljena lica povratnici	solidarna grupa i individualna	36 mjeseci 6 mjeseci grace period
Pilva, Sipovo Djuro Markovic, (070/71 203)	2 000	15 to 20% fiksna	204	Sipovo	proizvodnja	individualna	do 18 mjeseci
Synergia, Banja Luka Damir Miljevic (078/49 290)	up to 10 000	do 36% opadajuca	233	Banja Luka Laktasi Gradiska Celinec	dem. vojnici, pocinjanje biznisa, id	individualna	do 1 godine
World Vision, Doboj (074/ 41 665)	7 000	24% fiksna	580	Doboj Region	nezaposleni, dem. vojnici	individualna	do 1 godine
Zdravo da Ste, Banja Luka Jelica Galic (078/18 105)	2,000	16% fiksna	117	Prjedor Doboj Banja Luka	zene, raseljena lica izbjeglice	individualna	8-12 mjeseci
<i>za dodatne informacije Delphi International MEET Project at 071/ 211 601</i>		Total RS	2643				
		Total Federation	14876				
		Total	17519				

11/6/98

microcredit programs in b&h

Name of the organization organizacije	Ime	Avg loan Prosjeck kredita	Ann. % God kamata	Loans to Date--Br kredita	Geographic Coverage Geografski region	Target Pop Ciljana populacija	Method Metodologija	Loan Term Rok otplate
Citizens' Associations Self-help Funds (UMB) (CASHF) (Ibrahim) Isic (075) 642-044 fax c/o IRC, Tuzla	Vahida	2,244	12% fiksna + 10%	464	Tupovici, Pribava Babunovici	seoska populacija		6-18 mjeseci
ALDI, Gorazde Fenda Soflic (073/ 226-456)		3,392	14% fiksna	431	Gorazde	urbani nezaposleni dem. vojnici	individualna	3-12 mjeseci
AMK, Posusje (088/ 680 704)			14% fiksna	540	Grudo, Ljubuski, Posusje		individualna	
BOSNIA VITA, Tuzla Jasmina Dukic, (075/252-483), (075/210-473)		1 531	12% fiksna+ 5% admin provizija (za zene Podrinje) 21%+5%provizija (ostali)	940	TPK canton	zene Istocne Bosne	individualna	6-12 mjeseci
Bospo Tuzla Nejira Nahic (075/ 283-429)		1 150	15% fiksna	2055	Tuzla Zivnice, Lukavac	zene niskih primanja	solidarna grupa	up to 8 mjeseci
Business Centre Travnik (072/818 101)		5 200	20-4% fiksna	550	Travnik	Travnik	individualna	up to 18 mjeseci
CRS Sarajevo Zoran Bozic (071/205 827)		1 854	24% fiksna Kakanj 15% fiksna Busovaca	175	Busovaca Kakanj	mali preduzetnici	seoske banke i kreditne udruge	up to 6 mjeseci
Enterprise Development Agency, Brcko Gene Neill (076/205 554)		10 000	12% fiksna	21	Brcko Gornji Rahic, Brcko Ravne	proizvodnja	individualna	up to 12 mjeseci
ICMC, Bihac Mayada El Zoghbi (077/331-039)		1 650	15% fiksna + 3%provizija	866	Una Sana kanton Zenica	zene niskih primanja	solidarna grupa	3-12 mjeseci
La Benevolencija, Sarajevo Boris Kozanjakin (071 205737)		8,100	12% fiksna	226	Sarajevo kanton	mali preduzetnici	individualna	do 1 godine
LOK, Nusret Causevic Sarajevo (071/666-633) Zenica (072 419 237)		4 000	10%provizija	1128	Sarajevo Zenica & Jablanica	dem.vojnici, raseljena lica povratnici	individualna	10 mjeseci
LORI, Orasje (076/713 836)		4 100	14-20%fiksna	198	Orasje	dem. vojnici raseljena lica	individualna	10 mjeseci
Lutheran World Federation, Katica Hajrulahovic, Sanski Most (079/81 710) Katarina Otosson, Prijedor (079/12 804)		8 500	18% fiksna	35	Una Sana kanton, Prijedor	mali radionice, poceci biznisa, itd	individualna	12-18 mjeseci
Maltheser, Dirk Lahme Breza (071/763 560)		2 500	15% fiksna	25	Breza	nezaposlena raseljena lica	individualna i solidarna	do 24 mjeseci
Microenterprise Bank, Sarajevo (071/ 232 172)		7 417	24-36% opadajuca	771	Sarajevo kanton, Bihac		individualna	3-10 mjeseci
Mercy Corps, Tuzla Pam Esler (075/ 222 420/ 230 560)		3 200	18% fiksna + 0-5%provizija	1003	TPK i Ze-Do kanton	dem. vojnici, invalidi rata, zene	individualna	do 1 godine

FINAL REPORT

IGP

- Recommend that donors be flexible about the current cost/beneficiary guideline of 1000 DM per beneficiary, especially in the case of project that require expensive equipment, and a small labor force
- Recommend that donors include overhead expenses for limited period to increase the likelihood of sustainability
- Request from donors written a document that transfers ownership of right of use equipment after the successful completion of the projects
- The aspiration of this forum is to be able to recommend to donors the new projects ideas and not have the projects enforce upon them
- Better inform NGOs about projects cycles (deadlines, selection committee meeting, etc) It is necessary to expedite the decision-making process
- Expedite creation of a NGOs law and subsequent changes to the tax code to protect NGOs and IGPs
- Registration expenses and employment taxes should be included in the budget of each project
- Reduce taxes for NGOs and IGPs to reasonable levels Currently social benefit range from 50-96%
- Request that donors pressure municipal authorities to help NGOs and their projects, either through the donation of business space or by reducing the rent for a period of one to three years for example
- Create a strong network of IGPs, of experienced as well as newly formed IGPs, in order for them to exchange best practices Donors could cover organizational and travel costs of these meetings This could also promote cross IEBL dialogue between NGOs and IGPS

Women in the Economy of BiH

FINAL REPORT

WOMEN IN BUSINESS **ISSUES**

- Women's economic participation as well as their economic vitality is an important and instrumental part of Bosnian and Herzegovian economic success. Even though women were active participants in the pre-war economy, their status has deteriorated since the war. Lack of employment places for women only, as well as a return to more traditional values has deepened the gap between men and women.
- In order for women to reach their economic potential, participants of this conference asked to be more informed about their rights in the process of privatisation, and voiced the pressing need for education (i.e. small team of women business consultants) and tolerance through economic projects.
- Finance sources: donation, loans, economic aid, guarantee funds, private venture capitalist - "business angels" as well as information regarding economy in BiH, have not been as easily accessible to women in BiH as they were to men. This is mainly because there are neither traditional educational institutions nor other specialised educational institutions that would provide guidance for women.
- Financial problems are an additional burden on women actively participating in economy, and one of the major obstacles to their success. High interest rate, 7,13-18% to donors and up to 20% to the banks (no grace period), high participation interest (up to 50%) and non-existence of medium credit loans (nothing between 10 000-300 000 DM) makes even those few existing business opportunities inaccessible. Non-existent bank system, especially in rural areas, lack of collateral and guarantee that is 150% greater than overhead cost are additional barriers to successful business development in BiH.
- Conference participants therefore recommended the creation of a new institute specialised to provide support for small businesses. The government's role would be to provide these services for free. Participants also requested that provided education agrees with global economic strategy and that the government be the one who will co-ordinate this education. Donors were asked to supply information in regard to help focusing on targeted groups (single mothers, retired, housewives, etc.) and to support new educational programs as well as networking among women entrepreneurs.

RECOMMENDATIONS

- The solution can be found in the creation of a single law regarding registrations of business throughout BiH and simplification of business registration process, especially where we have foreign investors.

- Implementation of OHR (Mr Westerdorp's) law regarding foreign investments and fiscal politic-laws on BiH level (corresponding implementation of tax breaks in both entities) would also bring on significant changes in economic development of BiH and its stabilisation
- Radical change of retirement and health insurance laws, changing laws regarding health and retirement insurance (changing work age for women 55-60-65) would clarify economic status of women Acquiring these new laws would also control monopolistic behaviour on the market and public monopoly in the goal of achieving healthy competition and developing market economy
- Creation of the Ministry for Small and Medium Business within the Ministry of Agriculture, on the BiH and RS level would be an answer to issues mentioned during the conference The Ministry could supervise the creation of the fund for subvention of interest, guarantee funds, business for credit risk, creation of credit lines beneficial to small business and bank departments/branches specialised in dealing with small business along with creation of contracts between state and small business (20%)
- Government should also provide the support for the domestic production and set quality standards for production Participants requested that donors support the development of diversification financial sector that would finance the private sector This should include technical help, su-financing (credit lines, guarantee funds, leasing business and business for credit risk They requested support from donors pertaining to production of quality products, its marketing in EU, as well as presentation and promotion of these products

The above-mentioned changes participants and donors both agreed, can not be accomplished without the presence of women in decision-making positions and without presence of women's groups Therefore, the presence of 30% women at all levels of the government, existence of NGOs and other support groups for women in business as well as advocacy groups for women entrepreneurs are essential instruments for further development of economy and improvement of women's economic status in BiH

Women in the Economy of BiH _____ **FINAL REPORT**

EMPLOYMENT STRATEGIES **ISSUES**

System of professional education and training in BiH is faced with a unique post-war situation, especially in regard to reintegration of certain groups of population (demobilised soldiers, families of deceased soldiers, people on the list of waiting and women) Professional training is considered to be a priority when the aim of helping and enabling women to return to employment market is mentioned War has destroyed BiH industry and fiscal infrastructure, and traditional methods of employment are not efficient anymore New employment strategies as well as new legislation for equal opportunities are needed to help resolve the current situation Almost half of the population lives in rural areas, which are less developed than the cities The overall socio-economic and political status of the rural, and to some extent even the urban population, is low

Women undoubtedly represent a part of BiH population that requires *AD HOC* help Employment training should now be oriented more on self-employment and small business development, thus effectively preparing women, who are in some cases, the sole providers in their families, to enter employment market According to the Federal Statistics Bureau reports from September of 1998, women make 48%, or 4 100, of total unemployed population, which is 3 3% increase on last year Evidence shows that out of 213 842 persons on the waiting list, 92 538 are women Some of the women, especially widows or single mothers are entering the work force for the first time, so the urgency to open private or family enterprises, or women's co-operatives is notable To enable women to have dependable as well as appropriate employment, women should have access to education in centres for professional education and their training should lead to qualifications for jobs that are currently most desirable

RECOMMENDATIONS

There is a great need for professional training in BiH, an evident need to change the way of thinking about market economy and especially about self-employment and other possibilities for creation of new jobs Another shortage in the education system in BiH is a lack in re-education and training in rural entrepreneurship Clearly defined state policy, drafting measures of active policies for women's employment, and compliance with existing laws and immediate adoption of regulations concerning women's employment were just some of the recommendations that participants of this discussion group put forward to donors Long-term language training and capacity building of local NGOs which would train and assist employment of women along with planned education adjusted to market needs, stabilisation of the ownership relations and social policy in Federation and RS are certainly steps towards progress Co-ordination of tax policies in Federation and RS will certainly stimulate new job openings and business development

Women in the Economy of BiH

FINAL REPORT

MICROFINANCING

During the two-day conference in Zenica, the Microfinance discussion group raised twelve issues

- a *Methodology* (delinquency, guarantee)
- b *Business Plan* – necessity for additional education
- c *Legal environment for MFI* (absorption of foreign capital, fund raising, internal regulatory procedures), different types of MFIs
- d *Marketing/ expansion strategies*
- e *Financial sources and new loan products*
- f *Geographic coverage*
- g *Outreach to the poorest and most disadvantaged*
- h *Self-sustainability*
- i *Microcredit association* (MFI network, coordination)
- j *Targeted population*
- k *How to encourage women*
- l *Functioning in 2 entities*

In further discussion of the group participants felt that issues could be classified in two ways Those pertaining to internal questions, referring to individual organization, and external questions, those affecting MFI community in BiH

INTERNAL QUESTIONS	EXTERNAL QUESTIONS
<ul style="list-style-type: none">• Methodology• Expansion• New loan products• Outreach to the poorest• MFI networks• Self-sustainability• Fund raising	<ul style="list-style-type: none">• Legal environment• Economic environment• Financial resources

This forum was not, according to the participants, the place on where the internal questions should be discussed External questions, they felt would be more efficiently answered

- Legal environment- as there is no legal framework for the functioning of MFIs in BiH In fact, all of the MFIs that have no contract with LID are providing microfinance services illegally and by doing so can accept repercussions from financial police

Women in the Economy of BiH

FINAL REPORT

- Economic environment-this question affects work of MFIs in a few different ways First, unrealistically high taxes for small business entrepreneurs makes it almost impossible for the borrowers to run their business legally Besides registration fee and tax on volume, entrepreneurs are forced to work in very poor economic environment that makes it hard to sell their products and repay their loans So, the question of inadequate economic environment is not only negative for entrepreneurs but for MFIs as well
- Financial resources-the question of fund raising is still most important for all of the MFIs in BiH, because none have reached the level of self-sufficiency So far, the agencies are divided into those that have contracts with LID and those that do not Since the WB/LID policies have changed even some of those that have contracts, are now faced to do the fundraising for themselves The additional issue is the one facing those organizations that continue to work in the areas where there was a LID agency The cut-off of funds to these agencies by the LID is likely to cause delinquency and will definitely increase the demand for loans to the other agencies in the area

The other important issue raised in this group was an occasional lack of coordination by donors The effects that this has caused so far have been are non-coverage of certain geographical areas, whilst at the same time the occurrence of overlapping in already covered areas Uninformed donors have made many mistakes in past such as founding incompetent organizations This does disservice to the client, the other organizations that provide financial services in the area, and misrepresents microfinancing in general This kind of work can prevent donors from investing in BiH in future, because they may start to think that all of the BiH entrepreneurs are poor repayers of debt

SUGGESTIONS

The group proposed a unified MFI law that will promote the high practice standards and that it will be honored in both entities This is especially important for those MFI covering all BiH The group requested from both donors and government the passing of such law in near future This law should cover the areas of MFI's engagement in both saving and lending (who can provide what, credit limits, supervision, and transformation of MFIs/NGO to the banks) and it should provide better donor coordination of the organization's founding development MFI discussion group recommends and demands from the government to set realistic tax policies that will encourage entrepreneurs to promote employment and help people overcome the poverty