

# **Principal Deputy High Representative Don Hays Visits Small and Medium-Sized Enterprises**

The Principal Deputy High Representative, Don Hays, on Monday visited two successful postwar start-up companies which have become profitable and created jobs by identifying and exploiting niche markets.

The object of Ambassador Hays' visit, to a furniture manufacturer in Hadzici and a producer of dental supplies in Sarajevo, was to identify the challenges faced by small and medium-sized enterprises (SMEs) in Bosnia and Herzegovina. SMEs are viewed as primary engines of economic growth as the BiH economy moves away from its prewar dependence on industrial conglomerates.

Speaking to reporters during his visit, the Principal Deputy High Representative noted that banks are as yet not playing their proper role in promoting SMEs, and it is essential for a Single Market within BiH that an efficient and accessible corporate register (allowing banks and corporate customers to assess accurately a company's credit-worthiness) be established. Furthermore, a quality and safety certification system at the State level to facilitate exports must be a priority if SMEs are to succeed in BiH and thus expand employment opportunities.

Ambassador Hays noted that, "Job creation will come about only when banks and investors operate comfortably as long-term partners of entrepreneurs."

Ambassador Hays also identified a need to introduce more

practical elements to vocational training courses, so that high-school graduates and technical-course graduates do not have to be trained from scratch when they start work in their chosen field. Training costs add a burden on new employers which is proportionately heavier for SMEs.

SMEs have called for the speedy implementation of a Single Economic Space in BiH, which will make it easier to manufacture and sell products and deliver services in both Entities, thus giving companies much better opportunities to develop their markets, increase sales and create more jobs. Free-trade agreements which have been signed by BiH and its neighbours will further enhance this process, by making BiH exports cheaper and therefore more competitive in other countries in the region.