



## CARDS

### Country

Bosnia and Herzegovina

### Implementation period

2002-2004

### Funding

€3 million

### Results

Helped companies create new jobs for returning refugees.

### Coordinator

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## Helping re-establish returnees

### Creating jobs

Throughout Bosnia and Herzegovina many people remain refugees, unable to return to the homes they abandoned during the war. Despite the improving situation, many are discouraged from returning by the lack of employment opportunities, meaning that their income would not be sufficient to rebuild their home or find a new one.

If refugee return policies are to be sustainable, it is essential that new companies and jobs are created, and that training and skills to help returnees obtain new jobs are made available.

Through its CARDS programme, the EU set up the Quick Impact Facility (QIF) in Bosnia and Herzegovina in 1999. This provided grants and loans, both directly to small firms and start-ups, and through local authorities and non-profit organisations. In three years, QIF helped 85 firms, creating over 2,100 new jobs. Now the programme is back, offering further support in the country.

### Covering the country

QIF has five regional offices, covering the whole of Bosnia and Herzegovina, as well as its headquarters in Sarajevo. The opportunities have been publicised throughout the country by the local staff, and calls for proposals are published in local and national media. The response has been overwhelming, with 8,500 information packs handed out following a call for proposals in March 2003, and over 7,500 expressions of interest received.

### Routes for support

The QIF provides three different forms of support: The first is via grants which may be given directly to small firms (with fewer than 20 employees) and to start-ups. The grant should enable the employment of between four and 20 additional staff, and may cover the purchase of new equipment to enable this.



The second is for international non-profit organisations working on CARDS funded refugee return projects in the country. These may apply to the QIF for additional funds to support small firms with which they are working. Such organisations must fund part of the grant themselves.

Finally, grants may go to local authorities in priority areas for return, or to public agencies which work with local authorities in the economic development field. These grants are generally intended to build capacity in the organisation to promote local economic development.

One major problem in the country is the lack of entrepreneurial and business experience, particularly among the returnees. If the employment created is to be sustainable, there needs to be opportunities for the training of management skills.

For example in Modrica, the QIF has funded the establishment of an 'Incumbent Centre' for SMEs. This centre provides a resource for local small firms, offering training and advice, and acts as a focus for networking amongst them. As part of the set-up, the staff was able to visit a similar centre set up previously in Slovenia to study their methods and activities. The staff in Modrica have already created a register of all the small firms in the area, and introduced their services to them.

### **Building the economy**

QIF looks to be as significant a support tool in its second phase as in its first. The importance of economic development in Bosnia and Herzegovina cannot be under-estimated for the country's future. It is critical to create an environment in which micro-enterprises can flourish, leading to sustainable job creation. The importance of economic development in returnee communities lies not only in creating the jobs needed, but in supporting the wider rehabilitation of the country.