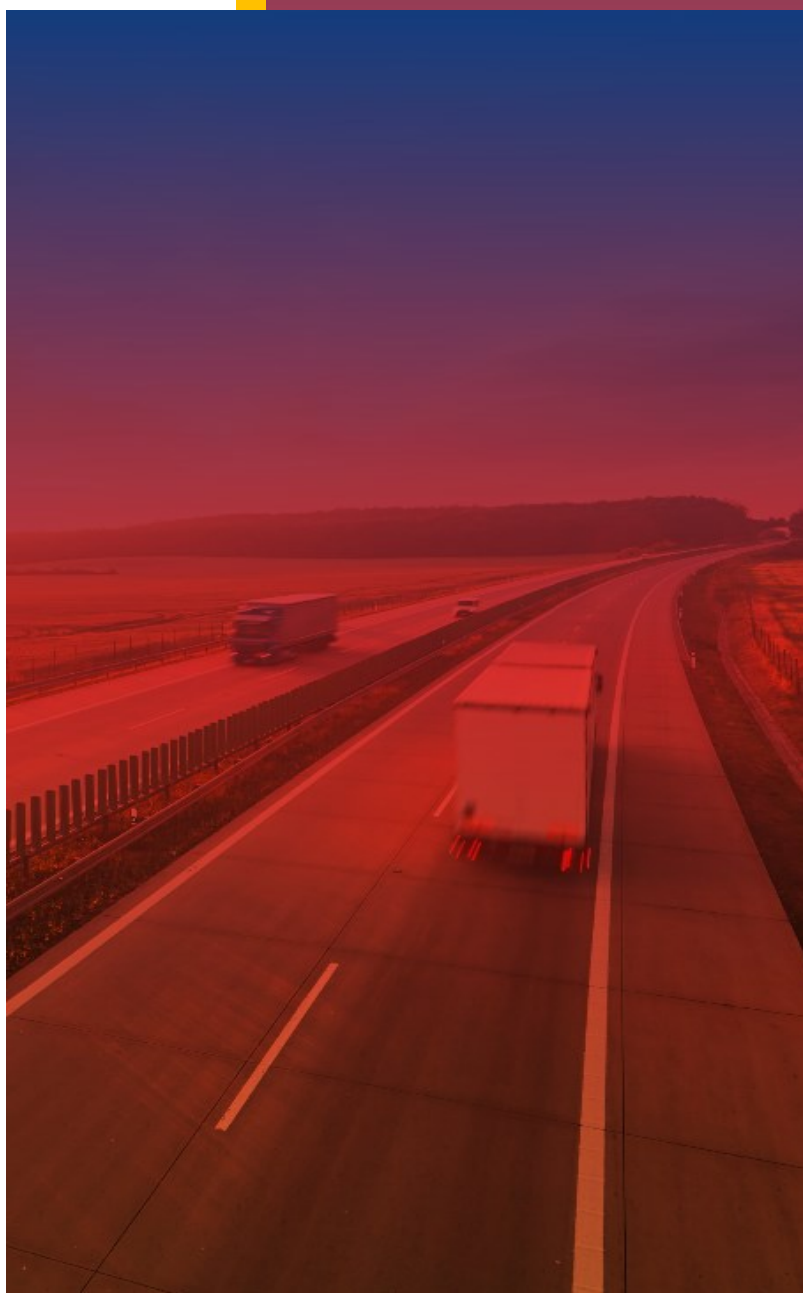


## INPUTS FOR THE MEETING OF THE EU-WB6 BUSINESS PLATFORM



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## ABBREVIATIONS

<b>AEOs</b>	Authorized Economic Operators
<b>AI</b>	Artificial Intelligence
<b>BCPs</b>	Border Crossing Points
<b>BESS</b>	Battery Energy Storage Systems
<b>B&amp;H</b>	Bosnia and Herzegovina
<b>CABs</b>	Accredited Conformity Assessment Bodies
<b>CBAM</b>	Carbon Border Adjustment Mechanism
<b>CCPs</b>	Common Crossing Points
<b>CEFTA</b>	Central European Free Trade Agreement
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>CRM</b>	Common Regional Market
<b>DESI</b>	Digital Economy and Society Index
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>EU</b>	European Union
<b>FDIs</b>	Foreign Direct Investments
<b>FTA</b>	Free Trade Agreement
<b>GAWB</b>	Green Agenda of the Western Balkan
<b>GDP</b>	Gross Domestic Product
<b>HDI</b>	Human Development Index
<b>ICT</b>	Information and communication technology
<b>MRPs</b>	Mutual Recognition Programs
<b>NTB</b>	Non-tariff barriers
<b>NTM</b>	Non-tariff measures
<b>PVs</b>	Photovoltaics
<b>QI</b>	Quality infrastructure
<b>RAPEX</b>	European Rapid Alert system for non-food dangerous products
<b>RCC</b>	Regional Cooperation Council
<b>R&amp;D</b>	Research and Development
<b>SAA</b> s	Stabilization and Association Agreements

**SMEs** Small and Medium Enterprises

**SPS** Sanitary and phytosanitary

**SQAM** Standardization, quality assurance, accreditation, and metrology

**TBT** Technical barriers to trade

**TG** Thematic Group

**WB6 CIF** Western Balkans 6 Chamber Investment Forum

## FOREWORD

**WB6-EU Business Platform** was established in 2020 with the aim to bring together WB6 businesses and decision makers to discuss the problems and opportunities from everyday life of businesses on regular bases. Such dialogue not only serve to seek administrative, regulatory and policy solutions, but also help the business communities in the Western Balkans to better understand the European Union, its laws and policies and help them prepare for the integration in the Single Market.

WB6 CIF jointly with DG NEAR will organize a high-level event that ensures a continued and structured dialogue between EU decision makers and the WB6 business community represented by the WB6 CIF Business Council (currently Business Council consists of 21 successful companies from all 6 Western Balkans economies, list of companies can be found below).

The event will bring together EU officials, business representatives and other relevant stakeholders to bring forth a number of initiatives and through the dialogue with decision makers ensure political support for their implementation. In addition, these events serve to convey the message to the public in the Western Balkans and the EU that enlargement creates direct benefits for companies and citizens of the acceding countries. On a less political level, identified problems and opportunities are pushed up on the agenda of the administration and discussed further in additional consultations with Western Balkan SMEs in the respective sectors.

Having in mind the main strategic documents that are related to these topics – [Growth Plan for Western Balkans](#), new adopted Common Regional Market Action Plan 2025-2028 and WB6 Leaders Declaration on CRM 2025-2028, inputs from WB6 CIF Thematic Groups should include needs and proposals from related business sectors to be presented in the joint document.

***Business Platform meeting will take place in Brussels, on 27 March 2025 when the inputs from WB6 CIF Business Council and Thematic Groups will be addressed in front of the European Commission (relevant Directorates and regional organizations).***

## LIST OF WB6 CIF BUSINESS COUNCIL MEMBERS

CHAMBER	COMPANY NAME	WEBPAGE
<b>UNION OF COMMERCE AND INDUSTRY OF ALBANIA</b>	Balfin Group	<a href="http://www.balfin.al">www.balfin.al</a>
	Agna Group	<a href="http://www.agnagroup.com">www.agnagroup.com</a>
	Infosoft Group	<a href="http://www.infosoftgroup.com.al">www.infosoftgroup.com.al</a>
<b>FOREIGN TRADE CHAMBER OF BOSNIA AND HERZEGOVINA</b>	Lukavac Cement	<a href="https://lukavaccement.ba/.ba">https://lukavaccement.ba/.ba</a>
	Mikroelektronika a.d	<a href="http://www.mikroelektronika.net">www.mikroelektronika.net</a>
	EZ Group Busovača	<a href="http://www.tisal.ba">www.tisal.ba</a>
	Kolektor	<a href="http://www.kolektor.com">www.kolektor.com</a>
<b>KOSOVO CHAMBER OF COMMERCE</b>	Devolli Corporation	<a href="http://www.devolicorporation.com">www.devolicorporation.com</a>
	ALBI Group	<a href="http://www.albigroup.com">www.albigroup.com</a>
	Mabetex Holding	<a href="http://www.mabetex.com">www.mabetex.com</a>
	BUÇAJ	<a href="http://www.bucaj-ks.com">www.bucaj-ks.com</a>
	Viva Fresh	<a href="http://www.vivafresh-rks.com/en/home/">www.vivafresh-rks.com/en/home/</a>
<b>CHAMBER OF ECONOMY OF MONTENEGRO</b>	VOLI	<a href="http://www.volivasvoli.com">www.volivasvoli.com</a>
	TREBJESA	<a href="http://www.pivaratrebjesa.com">www.pivaratrebjesa.com</a>
	PORTO NOVI	<a href="http://www.portonovi.com">www.portonovi.com</a>
	Gray International	<a href="#">The Best of Montenegro</a>
<b>ECONOMIC CHAMBER OF MACEDONIA</b>	Alkaloid	<a href="http://www.alkaloid.com.mk">www.alkaloid.com.mk</a>
	M6/Tikves	<a href="http://www.tikves.com.mk">www.tikves.com.mk</a>
<b>CHAMBER OF COMMERCE AND INDUSTRY OF SERBIA</b>	Milsped Group	<a href="http://www.milsped.com">www.milsped.com</a>
	NELT Group	<a href="http://www.nelt.com">www.nelt.com</a>
	Elixir Group	<a href="http://www.elixirgroup.rs">www.elixirgroup.rs</a>

Name of the TG/sector

**GREEN TRANSITION AND ENERGY EFFICIENCY**

**TG participants:**

**TG Group coordinator:** **Kristina Kuzeska**, Economic Chamber of North Macedonia

**Ada Guven**, Union of Chambers of Commerce and Industry of Albania

**Jovana Đurić Vrhovac**, Foreign Trade Chamber of Bosnia and Herzegovina

**Muela Ibrahimimi**, Kosovo Chamber of Commerce

**Milena Rmuš**, Chamber of Economy of Montenegro

**Radman Šelmić**, Chamber of Commerce and Industry of Serbia

**Background of the sector**

By endorsing the Green Agenda of the Western Balkan (GAWB) at the Summit in Sofia in 2020, the region has committed to aligning with the European Green Deal's ambition to active carbon neutrality by 2050, and its key elements. The GAWB is based on 5 main pillars:

- Decarbonization and climate resilience;
- Circular economy;
- Depollution: air, water & soil;
- Sustainable food systems & rural areas;
- Biodiversity: protection & restoration of ecosystems.

As such, green transition and energy efficiency is directly related to progress on implementing GAWB. However, three years have passed from the endorsement of the Agenda, and we cannot claim that implementation is at a pivotal stage - the transition process is still facing significant challenges, especially bearing in mind the great energy crises that occurred in 2022. The region has a high dependency on coal, which dominates the energy mix, contributing to environmental degradation. Despite this, WB6 companies recognize the need for a transition to greener energy sources and more sustainable practices, since the **main investments in green energy come from the private sector**, specific examples could be the high penetration of PVs installed by the industry and the decarbonization of the industrial processes especially considering the upcoming CO2 taxes.

The region has seen some progress in adopting renewable energy sources such as wind, solar, and hydropower, with a growing number of small and medium-sized enterprises (SMEs) operating in these sectors. However, this figure remains relatively small in comparison to the overall number of businesses and employees in energy-intensive industries, such as coal and steel production, where energy efficiency improvements are more limited.

Energy efficiency remains a key issue, particularly in industries such as **construction, manufacturing, and agriculture**. Most of the buildings in the WB6 are energy-inefficient, and industries often lack modern,

energy-saving technologies. The **lack of qualified professionals and the slow pace of technology adoption** are significant barriers. Additionally, the regional movement of the **labour force** in green technologies and energy efficiency is limited due to inconsistent qualifications, certification processes, and mobility regulations across WB6 countries.

Limited mobility of professionals in green technologies and energy efficiency, along with inconsistencies in qualification recognition, continues to hinder the green transition in the WB6. The Regional Cooperation Council (RCC) supports efforts to address these gaps through mobility agreements, facilitating the recognition of professional qualifications and diplomas across the region. By improving labor market access for skilled workers, these initiatives can help accelerate the adoption of energy-efficient technologies and strengthen key sectors such as construction and renewable energy.

### **Identification of Problems and Untapped Opportunities**

#### ➤ **Policy and Regulatory Issues:**

- **Fragmented Energy Policies:** There is no cohesive regional policy framework for energy efficiency and the green transition, resulting in disparate and sometimes conflicting regulations between WB6 countries. This creates uncertainty and hampers cross-border cooperation and investment in renewable energy projects. The economies of WB6 are among the nine contracting parties of the Energy Community. The Energy Community is actively supporting the Western Balkans by facilitating regulatory harmonization, providing technical assistance, and promoting policy alignment with EU energy and climate goals.

- **Slow Implementation of EU Alignment:** While the WB6 countries are working towards EU accession, **progress on aligning with EU environmental and energy standards remains slow**. Not all of the WB economies have adopted the laws addressing climate issues and aligned with EU directives related to energy. This affects businesses looking to operate regionally and in the EU market and has significant implications for their readiness to comply with the EU's Carbon Border Adjustment Mechanism (CBAM). Several WB6 countries have yet to adopt comprehensive climate legislation and fully align with EU energy and environmental standards. This lack of alignment complicates the region's ability to trade freely with the EU, as CBAM compliance might require robust national carbon pricing mechanisms. Through initiatives such as the Energy and Climate Plan (NECP) development, the Regional Energy Market integration, and the implementation of the Clean Energy Package, the Energy Community is working to enhance regional cooperation and create a more predictable investment environment for renewable energy projects.

- **Limited Financial Incentives:** **Access to funding for green transition projects is limited**, with few dedicated programs for SMEs or startups in renewable energy and energy efficiency sectors. This funding gap hinders industrial decarbonization, as many energy-intensive industries rely on outdated technologies that are both carbon-intensive and inefficient. Without **targeted financial support**, these industries struggle to invest in modern, low-emission technologies essential for reducing carbon footprints. Decarbonizing industrial processes, such as upgrading to energy-efficient machinery or adopting clean technologies, requires substantial investment. SMEs, often excluded from large-scale funding programs, face **barriers to securing necessary capital**.



➤ **Human Capital and Skills Shortage:**

- Lack of Skilled Labor: The demand for professionals with expertise in green technologies and energy efficiency is growing, but the **supply of skilled workers remains low**. This shortage is exacerbated by **limited vocational training and educational programs** focused on practical green skills in the region. Graduates often lack practical experience and struggle with real-world problem-solving in the industry. Their academic training tends to focus more on theoretical knowledge, leaving them underprepared for the challenges encountered in the professional sector. Enhancing work-based learning programs, internships, and industry partnerships could bridge this gap and improve their readiness for the labor market. Moreover, there is a pressing need for increased financing to support such initiatives and a **regulatory shift to incentivize collaboration between educational institutions and businesses**. Policy changes are essential to ensure that curricula are better aligned with industry needs, fostering a more seamless transition from academia to the professional world. This would not only equip graduates with the necessary skills but also contribute to overall economic growth.

To bridge this gap, it is essential to enhance work-based learning programs, internships, and industry partnerships, as well as to increase financial support and regulatory incentives for stronger collaboration between educational institutions and businesses. Efforts within vocational education and training (VET), supported by initiatives such as those led by the European Training Foundation (ETF), contribute to better aligning curricula with labor market needs. This would improve workforce readiness and accelerate the development of key sectors in the green economy.

- Intra-Regional Mobility Barriers: Although there is reciprocity among the WB6 countries in terms of recognizing qualifications and credentials, significant procedural obstacles remain, particularly in sectors like energy. These challenges include **complex and varied processes for recognizing engineering qualifications**, as well as the licensing of companies involved in energy sector activities such as construction, supervision, and design. The **procedures for acquiring these licenses differ greatly** between countries, creating barriers to the free movement of professionals and hindering the effective deployment of skilled workers. The lack of harmonized standards across the region further exacerbates talent shortages in key sectors, particularly in energy and infrastructure. To address this, there is a need for streamlined recognition procedures and stronger regional cooperation on qualification and licensing standards to improve mobility and skill-sharing across the WB6. Regional initiatives have acknowledged the need to facilitate labor mobility, including efforts to improve the recognition of professional qualifications. While some progress has been made through processes coordinated by relevant regional organizations, such as the RCC, full implementation remains a work in progress. Further harmonization of procedures and stronger cooperation on certification and licensing standards are essential steps toward enhancing mobility and skills exchange across the WB6.

➤ **Opportunities:**

- Renewable Energy Development & BESS: The Western Balkans has significant untapped potential in renewable energy sources such as solar, wind, and hydropower. A key opportunity lies in integrating these renewables with **Battery Energy Storage Systems (BESS)**. BESS can help stabilize the grid, store excess renewable energy, and release it when demand peaks, addressing intermittency issues associated with solar and wind. Electricity market coupling is an important process for further development and

integration of the regional market and then with the EU Single market. Market coupling enables the optimization of electricity generation and consumption across borders, ensuring a more efficient use of stored renewable energy. This approach not only supports the integration of renewable energy into the region's grid but also improves energy security and helps reduce dependence on coal. By utilizing BESS in a coupled market system, the region could accelerate its transition to a low-carbon economy and increase the resilience of its energy system.

- Energy Efficiency in the Industrial Sector: Retrofitting industries and buildings to improve energy efficiency offers substantial opportunities to reduce emissions and operational costs. This is particularly important in energy-intensive sectors like manufacturing and construction, where significant energy savings can be achieved through the adoption of modern technologies and practices. Collaboration between the private sector and academia is critical in driving these changes, as it can lead to the development and implementation of innovative solutions that optimize energy use. By focusing on cleaner production processes and sustainable materials, industries can reduce their carbon footprint while remaining competitive.

In addition, integrating a clean supply chain approach helps ensure that every stage of production, from raw materials to finished products, follows environmentally sustainable practices. This not only enhances energy efficiency but also meets growing consumer demand for eco-friendly products.

Moreover, the upcoming CO<sub>2</sub> tax policies, particularly under the EU's Carbon Border Adjustment Mechanism (CBAM), will incentivize industries to adopt cleaner technologies. Companies that fail to reduce their emissions will face higher costs when trading with EU markets, making it increasingly essential for industries in the WB6 region to modernize and reduce their carbon intensity.

By **fostering stronger links between industry, academia, and government and aligning with global carbon pricing mechanisms**, the region can improve its industrial energy efficiency, reduce emissions, and capitalize on economic opportunities tied to the green transition.

- Regional Cooperation: Collaborative regional initiatives could help create economies of scale, increase investment in clean technologies, and support the exchange of expertise and knowledge across the WB6 countries. Strengthening cooperation across the WB6 region can enable shared access to clean energy resources, allowing more effective energy trading and the integration of renewable sources. By harmonizing energy policies and investing in cross-border energy infrastructure, the region can unlock economies of scale, improve grid stability, and accelerate the green transition. This collective approach could also attract international investments, enhance energy security, and make the region a more competitive player in the European energy market.

While these challenges persist, the framework to address them already exists through the Energy Community, which supports policy alignment, regional electricity market development, and investment in clean energy. Its mechanisms allow WB6 countries to gradually integrate their energy systems with EU standards, but successful implementation of reforms remains crucial to accelerating the green transition and attracting international investments.

- **Recommendations regarding previously stated problems or opportunities:**

➤ **business community requests for WB6 Governments:**

- Harmonization of Regulations: Governments in the Western Balkans should strive for a more **cohesive regional regulatory framework for renewable energy and energy efficiency**. This would promote regional cooperation, create a unified market, and attract cross-border investments, which are essential for achieving sustainable energy goals. Aligning regulations can also improve the region's competitiveness on the European market.
- Financial Support and Incentives: It is crucial for **governments to introduce targeted financial incentives**, such as subsidies, tax and customs relief, and grants, specifically for businesses investing in green technologies, renewable energy, and energy efficiency projects. Such financial tools would help reduce the initial cost barriers for SMEs and large enterprises adopting cleaner technologies.
- Policy Continuity and Long-Term Vision: Governments need to implement **clear, long-term strategies for the green transition**, ensuring policy consistency and stability. This will provide businesses with the predictability necessary to plan investments in renewable energy, energy efficiency, and decarbonization. Additionally, this continuity is vital to building confidence among private sector stakeholders and encouraging long-term investments in green solutions. While all WB6 countries have shown commitment to the green transition, **the depth and implementation of their strategies vary**. Ongoing efforts, supported by regional initiatives like the Green Agenda for the Western Balkans, aim to enhance policy consistency and stability across the region.

➤ **business community requests for regional organizations:**

- Facilitate Knowledge Exchange: Facilitate platforms for exchange of best practices, innovations, and technologies in green energy and energy efficiency across the WB6 region. Facilitating this exchange will enable businesses to benefit from the collective knowledge of the region and adopt more efficient, cost-effective green technologies.
- Coordinated Training Programs: Regional initiatives must focus on developing specialized skills in green technologies and energy efficiency through cross-border training programs, certifications, and vocational education. The region's businesses are facing a shortage of skilled labor in green technologies, and a coordinated effort in education can close this gap.
- Regional Green Infrastructure Projects: Encouraging **joint regional investments in renewable energy projects**, will not only boost energy production but also reduce the region's dependence on fossil fuels. This cooperation could also improve grid stability and create economies of scale for energy transition projects, benefiting all WB6 countries.

➤ **business community requests to the EU:**

- Support for Energy Transition Policies: EU officials should assist WB6 governments in aligning their energy and environmental policies with EU standards. This could include providing technical expertise, as well as facilitating access to EU funding mechanisms for green projects. Support

from the EU is critical for ensuring that the WB6 region remains on track with its commitments under the European Green Deal and the Green Agenda.

- Facilitate Green Financing Mechanisms: EU institutions should work towards **improving access to green financing for SMEs** in the region. This could include the establishment of dedicated funds or financial instruments to support the green transition. As **SMEs are often excluded** from large-scale funding programs, targeted financial support for smaller businesses in the renewable energy and energy efficiency sectors is essential for enabling their participation in the green transition.
- Enhance Labor Mobility and Recognition of Skills: EU support for harmonizing vocational qualifications across WB6 countries would ease labor mobility and allow businesses to access a broader pool of skilled professionals. Streamlining certification processes and establishing common standards for green technologies would help address the skilled labor shortage and foster a more integrated regional labor market, particularly in energy and sustainability sectors.

*These recommendations aim to address the current challenges facing the Western Balkans in its green transition while capitalizing on the region's vast potential for renewable energy development, energy efficiency improvements, and regional cooperation. By fostering collaboration between governments, regional organizations, and EU institutions, the WB6 region can accelerate its journey toward carbon neutrality and sustainable economic growth.*

*In summary, while the green transition and energy efficiency sectors in the WB6 hold significant potential, a coordinated approach, increased investment, and improved policy alignment—supported by the Energy Community—are essential to unlock this potential and facilitate regional economic development.*

Name of the TG/sector	QUALITY INFRASTRUCTURE
<b>TG participants:</b>	<p><b>TG Group coordinator: Dušan Stokić</b>, Chamber of Commerce and Industry of Serbia</p> <p><b>Uarda Stafsula</b>, Union of Chambers of Commerce and Industry of Albania</p> <p><b>Tijana Muhamedagić</b>, Foreign Trade Chamber of B&amp;H</p> <p><b>Ylli Dallku</b>, Kosovo Chamber of Commerce</p> <p><b>Sashka Velkov</b>, Economic Chamber of North Macedonia</p> <p><b>Marga Kokovic</b>, Chamber of Economy of Montenegro</p> <p><b>Business sector representatives:</b></p> <p><b>Bernard Čuljak</b>, TT Kabeli Ltd., Široki Brijeg, B&amp;H</p> <p><b>Gordana Bajić</b>, director, Bureau of Metrology of Montenegro</p>

### Background of the sector

Technical regulations and standards serve to assure key policy objectives such as environmental and health protection. At the same time, they assure that goods and services traded in the global market adhere to certain minimum quality standards as well as interoperability between goods from different markets, thereby removing trade barriers. Well-harmonised technical regulations and standards can facilitate cross-border trade by reducing uncertainty and increasing trust among market participants. The national Quality Infrastructure (QI) system is **important to ensure that adopted regulations and standards are implemented by firms** and it consists of national standards body, national accreditation body, national metrology institute, conformity assessment bodies and market surveillance authorities.

Improvements in QI systems have the potential to further boost trade with the European Union as well as intra-regional trade in the WB6 region. **Although trade volumes have doubled over the past decade, reaching more than EUR 50 billion with the Western Balkans, WB6 economies' openness to trade remains low given their size, level of development and geographic location.** In addition to improving trade with the European Union, adopting European QI standards can also help improve intra-regional trade in WB6.

The Western Balkans 6 continue to adapt their technical regulations to the *acquis*, as defined in their national integration plans. However, progress in the area of free movement of goods has been regarded mostly as limited in the European Commission's recent reports. While all economies report that the technical regulations are aligned in their priority sectors, there continue to be gaps in alignment in both the harmonised and non-harmonised areas.

The adoption of European standards continues to grow in the WB6 region and, with the exception of Kosovo, all economies have adopted more than 80% of the CEN-CENELEC standards. With the exception of Bosnia

and Herzegovina, all WB6 economies have aligned their national standardisation legislation with the European Regulation on Standardisation (1025/2012). As of March 2022, North Macedonia's and Serbia's national standards bodies are full members of CEN-CENELEC and Albania's, Bosnia and Herzegovina's, and Montenegro's bodies are affiliate members.

The number of accredited conformity assessment bodies (CABs) in WB6 region is growing. This means that the possibilities for firms seeking to get their products, services or processes certified are growing. This lowers barriers to implementing standards, particularly for SMEs, which may not be able to seek certification abroad or in another region. However, **matching the accreditation demands of this growing number of CABs with sufficient experts can be difficult, particularly for small economies.**

The Western Balkan economies were granted autonomous trade preferences in 2000 (extended in 2020 until the end of 2025). The autonomous trade preferences allow unlimited and duty-free access for almost all Western Balkan exports to the European Union. Exceptions are wine, sugar, baby-beef and certain fishery products, which are subject to preferential tariff quotas. The European Union is the most important trading partner of each of the WB6 economies, and **four of the six economies export more than 60% of their goods to the European Single Market. The main EU imports from the Western Balkans are machinery and equipment (24.9%), base metals (11.4%), and chemicals (10.0%).** Since requirements for manufactured goods are more stringent than for other goods, the trade composition shows that standards and technical regulations have an above-average relevance for trade between the Western Balkans and the European Union, which also underlines the importance of facilitating SMEs' access to relevant standards in the Western Balkan economies.

*(Source: OECD (2022), SME Policy Index: Western Balkans and Turkey 2022: Assessing the Implementation of the Small Business Act for Europe, SME Policy Index, OECD Publishing, Paris, <https://doi.org/10.1787/b47d15f0-en>)*

### Identification of problems and untapped opportunities

- Different level of compliance of technical regulations and accompanying quality infrastructure in the 6 economies of the Western Balkans, as well as different level of transposition and application of EU technical regulations in each of WB6 economies;
- Recognition of Results of Conformity Assessment of Industrial Products;
- Efficient use of quality infrastructure resources and services (accreditation, standardization, metrology, conformity assessment);
- Available and reliable information, advisory services and guidelines for the preparation of producers/exporters for putting their products on the Regional and EU market;
- Reliable list/register of consultants, recommended by the government officials or Chambres;
- technical barriers to place **CE marking** product in the Region due to unharmonized rules;
- lack of financial support for testing, certification, consulting;
- high costs of testing and certification (in order to test the safety and technical characteristics of the product, usually, they have to be sent to the notified body or accredited laboratory of the country to which they intend to export the product);

- Import of products (mainly from the Far East) of suspicious quality and safety that often lack the appropriate conformity mark, required declaration, documentation, certificates or test reports;
- Level of awareness, knowledge and benefits on standards and technical regulations implementation in WB6 business community should be considerably improved, especially for SMEs.

**Recommendations regarding previously stated problems or opportunities:**

➤ **business community requests for WB6 Governments:**

- ✓ Harmonization and implementation of EU technical regulations and rules within the WB6;
- ✓ Certificates and testing results/reports, are accepted in WB6 Region, if they are in compliance with relevant EU regulations and international and EN (harmonized) standards;
- ✓ Strengthening market surveillance infrastructure and capacities to fight against placing unsafe industrial products on the market; Continual exchange of information with European Rapid Alert system for non-food dangerous products (RAPEX);
- ✓ Optimizing utilization of quality infrastructure resources; Common use of quality infrastructure, i.e. establishment of EC approved and recognized CABs within the WB6 for the most frequent CE marking goods that are exported from the Region to EU Single market (based on the comprehensive analysis of goods and QI capacities in the region);
- ✓ Strengthening promotion of the use of standards for business competitiveness (highlighting the key benefits of implementing international and European product standards – case studies, examples of economic benefits);
- ✓ Streamlining of customs procedures in the Region to perform laboratory testing (Review the conditions for the intra-regional temporary export of goods for the purposes of necessary testing);
- ✓ Strengthening capacities of students on the standards and standardization practice through education and students practice programs.

➤ **business community requests for regional organizations:**

- ✓ **Intra-regional comparative analysis of the level of WB6 compliance** with EU Technical regulations and standards;
- ✓ Further **improvement of Joint Regional CE marking Digital Platform** with all necessary information, procedures, instructions regarding intra-regional technical regulation (upgrade of the recently launched Regional CE marking Digital Platform and established in 2024.). During 2024, an online CE marking platform was developed. CE marking platform is an online application created to help manufacturers from WB6 economies to identify which European New Approach Directives are potentially applied on their industrial products, using a set of questionnaires. Based on the answers on questionnaires, one consultative report on all potentially applicable European New Approach Directives, as well as Regulations, harmonized

standards, notified bodies, etc. important in the realization of process of CE marking, for all WB6 markets, as well as EU market, is created and generated. Part of the CE marking platform is also a knowledge base, containing important questions & answers in the field of CE marking and New Approach, as well as detailed instructions for users. CE marking platform is a tool to facilitate manufacturers to import and export to Single market and all WB6 markets, using their own language;

- ✓ Development of relevant and **reliable list of consulting organizations/persons** to assist preparation for CE marking, as a part of Joint Regional CE marking Digital Platform;
  - ✓ **Identification of CABs (conformity assessment bodies) within the WB6 Region** with the relevant and available capacities for product certification and/or testing of industrial goods and completion of procedures for NANDO database membership;
  - ✓ **Development of instruments of financial support** primarily for entrepreneurs, micro and SMEs (large companies should not be automatically excluded) for the costs of testing their goods and certification of products, protection of trade mark, intellectual property rights, participation on international fairs, etc.;
  - ✓ **Exchange of information and experiences between businesses** in the Region while emphasizing the economic advantages of applying technical regulations (Study visits, Focus groups, Conferences, etc.);
  - ✓ **Education** of all stakeholders (business community, students, consumers) through camps/workshop about the importance of CE marking, additional value for product, more competitive product, safer product for users and environment.
- **business community requests for the EU:**
- ✓ **Technical and financial support** the upgrade of the advanced WB6 CABs (equipment, methods, staff trainings) to fulfil the requirements for membership in the NANDO data base of notified bodies in EU;
  - ✓ Establishment of **Regional Fund to support entrepreneurs, micro and SMEs** (large companies should not be automatically excluded) with transparent rules and criteria for financial support to the most feasible entrepreneurial and business ideas/products for the EU market



Name of TG/sector	HUMAN CAPITAL
<b>TG participants:</b>	<p><b>TG Group coordinator: Mladen Perazić</b>, Chamber of Economy of Montenegro</p> <p><b>Uarda Stafsula</b>, Union of Chambers of Commerce and Industry of Albania</p> <p><b>Mirza Konjo</b>, Foreign Trade Chamber of B&amp;H</p> <p><b>Besim Mustafa</b>, Kosovo Chamber of Commerce</p> <p><b>Natasa Janevska</b>, Economic Chamber of North Macedonia</p> <p><b>Mirjana Kovačević</b>, Chamber of Commerce and Industry of Serbia</p>

### Background of the sector

Current events in society, science, economy, technical and technological changes, development of information sciences, necessarily require constant adaptation and innovation of work in all spheres of life. An educated population is the key factor in the development of every country, and human resources are the most important resource of the economy. In the modern economy, development of new knowledge and skills, as well as the acceptance of the idea of lifelong learning are serving as a basis for the further development of economy and society as a whole. These processes have certain advantages, such as the use of new technologies, open market competition, but also limitations that are reflected in the demographic and age structure of the population of European countries, including the countries in the region.

According to the Human Development Report 2021/2022 published by the United Nations Development Program (UNDP), the Western Balkan economies were in the category of economies with high human development for several years in a row. The **Human Development Index (HDI)** represents a summary measure of long-term progress in three basic dimensions of human development: a long and healthy life, access to education and a decent standard of living. When it comes to the economies of the Western Balkans in the category of very highly developed economies, Montenegro with the value of this index of 0.832, is in 49th place out of a total of 191 countries and territories, and other countries in the region are ranked well as well, Serbia (63rd place with an index of 0.802). Other economies in the region are in the category of high development per person: Albania (67th place and index 0.796), Bosnia and Herzegovina (74th place with index 0.780) and North Macedonia (78th place with index 0.770) and Kosovo (87th place with index 0.787).

It should be pointed out that the economies of the Western Balkans are facing **challenges regarding a large depopulation, as a result of migration and aging** of the population. According to the study from 2022: [\*“Studies on obstacles and opportunities for doing business in the region-Study no.4 Demographic crisis with an emphasis on youth”\*](#) done by the WB6 Chamber Investment Forum, it is estimated that economies of Western Balkan will lose a large percent of its total population by the end of the century.

The business sector plays as the engine of changes in society. Therefore, the development of knowledge and investment in human capital enables both companies and national economies to constantly improve their products and services while maintaining competitiveness on the world market.

Investing in education enables more adequate application of new technologies and innovations. Ten years ago, some of today's most sought-after occupations on the labor market did not even exist. A survey of the largest business social network LinkedIn, which included 259 million profiles found on this network, showed the greatest growth in demand for new occupations such as IOS and Android developers, i.e. mobile application developers, followed by social network specialists and data processing specialists and large database architects. There is also a growing need for bio-informaticians (synthetic biology experts), virtual security specialists (control and prevention of crime on the Internet), distance learning consultants (a modern version of a mentor who uses modern methodology to transfer and check the knowledge of his students and students), specialists in integrated digital media, an expert in energy from renewable sources...

In Europe, 18.4 million people are still unemployed, including 3.7 million young people. At the same time, 40% of employers in Europe reported difficulties in finding employees with the necessary skills. The lack of qualified workers is considered one of the main challenges for entrepreneurs according to the [28th annual edition of the EUROCHAMBRES Economic Survey \(2021\)](#).

### **Identification of problems and untapped opportunities**

The importance of bigger involvement by the business community in human development is reflected above and needs to resolve challenges:

- better harmonizing the field of education with the needs of the labor market for the benefit of all citizens.
- encouraging the process of reducing unemployment,
- reduction of depopulation and emigration
- the development innovation and human resources as a basis for the development of the market economy  
application of new technology.

### **Recommendations regarding previously stated problems or opportunities**

#### ➤ **business community requests for WB6 Governments:**

- ✓ Development of dual education in the VET system and in higher education\*: Circumstances, conditions and measures regarding vocational education vary in different countries, but one thing is common: In recent years, more and more people have realized the importance of vocational education, practical training of students and the opportunities offered by the dual education system for increasing youth employment. The conclusions approved by the European Commission and the Council of Europe on combating youth unemployment convey unequivocal messages that the **dual system must be the central pillar of European vocational education** and that its further promotion and development is needed. The aim of this process is to strengthen work-based learning and cooperation between education and the business world. The development of professional education and the dual system enables the state and the economy to share responsibility and costs, recognizing in this process a common interest. Realization of dual education is done at the school and company

level. Another important feature of the dual system of education is that it gives an opportunity to the student to socialize and adapt in a real work environment. Surveys of employers indicate that university graduates do not have enough practical education after graduating from higher education institutions. It will help students to faster adopt to new technology.

*\*A dual education system is currently implemented in the region, but it requires further development. In the context of higher education, this dual education system is still in its early stages. The EU-funded DUALMON project is one initiative that has introduced this model to higher education in Montenegro through EU and regional cooperation (<https://www.dualmon.ucq.ac.me/>).*

**Free retraining training for unemployed persons organized by National employment agencies.** Employment agencies to organize free retraining training for unemployed persons.

- ✓ Digitization of learning methods and inclusion of ethics values and transversal skills in the educational process and curricula. Today, young people spend several hours a day on mobile devices. Our educational institutions should include more digital technologies as methods of knowledge transfer and learning through games. Research conducted among employers through the chambers (not published) has shown that while knowledge and skills are important, ethical behavior and values are crucial for being a good worker. Through all levels of education, the values of honesty, sincerity, solidarity and respect for diversity should be promoted to students. In addition, [the 29th annual edition of the EUROCHAMBRES Economic Survey \(2022\)](#) showed that transversal (soft) skills will account for two-thirds of all jobs by 2030 and contribute to productivity growth and companies' sustainability. In that regard, transversal skills such as teamwork, responsibility, punctuality, respect for superiors, critical thinking, problem-solving, creativity, and innovation; communication skills, leadership skills, and decision-making abilities; skills and abilities to learn independently and how to learn throughout life to easily adapt to changes should be part of the curricula at all educational levels.

➤ **business community requests for regional organizations**

- ✓ Harmonization/equalization of educational programs for VET and Higher education: In order to facilitate the mobility of the labor force in the region and to recognize the qualifications for which employees are educated, it is proposed to standardize educational programs. A good example can be the ERI SEE projects that worked on the creation of common occupational standards\* for certain VET curricula (a locksmith is a locksmith in both Montenegro and Bosnia and Herzegovina). In this way, the process of recognizing educational documents would be facilitated and the flow of labor would be regulated more easily.

*\* The ERI SEE coordinated the development of regional occupational standards in the Western Balkans 6: Albania, Bosnia and Herzegovina, North Macedonia, Kosovo\*, Montenegro, and Serbia. In partnership with chambers of commerce and VET agencies, four occupational standards were created within the TO REGOS project using a shared methodology. Five economies adapted these standards nationally, but in Serbia, the working group faced challenges due to incomplete national legislation, preventing adoption. These regional standards later informed the creation of national qualification standards across all six economies. In the subsequent EQET SEE project, two additional occupational standards, along with accompanying regional qualification standards and teaching materials, were developed. Again, five economies adopted the regional standards, while Serbia's working group struggled to finalize legislation necessary for adoption. Ultimately, these regional standards facilitated the development of both regional and national qualification standards through collaborative working-group meetings.*

- ✓ The development of a platform that will first inform the business community and raise awareness of the importance of caring for employees and then be used to measure employee satisfaction in companies and institutions in order to promote corporate social responsibility and the well-being of the workplace towards employees and the attractiveness of work in the region, in purpose to reduce emigration from region. The platform can initially contain information on various internationally adopted standards (such as SA 8000 is an internationally recognized certification standard that encourages organizations to develop, maintain and implement socially acceptable practices in the workplace) or examples of good practice within the development of a well-being environment, etc. Following the high turnover trend, lacking of quality workforce and demographic challenges on the labor market, companies in the region are looking towards adapting global and European practices when it comes to their human resources policies. One of the practices that are viewed as positive and necessary is to actively measure employee satisfaction and because of that it could be very useful to develop a platform that could be used safely and productively in companies. These policies are also part of the quality system, which measures employee satisfaction. Also, in recent years, the UNICEF project for the promotion of business policies tailored to children and families in companies has been implemented in the region.

Name of the TG/Sector	TRANSPORT
<b>TG participants:</b>	<p><b>TG Group coordinator:</b> Kristina Ćosić, Foreign Trade Chamber of Bosnia and Herzegovina</p> <p><b>Uarda Stafsula</b>, Union of Chambers of Commerce and Industry of Albania</p> <p><b>Aleksandar Mitrovic</b>, Chamber of Economy of Montenegro</p> <p><b>Arta Haziri</b>, Kosovo Chamber of Commerce</p> <p><b>Biljana Peeva-Gjurikj</b>, Economic Chamber of North Macedonia</p> <p><b>Vesna Djordjevic</b>, Chamber of Commerce and Industry of Serbia</p>

### Background of the sector

Since all the economies in the WB are small and open, a developed transport industry is an imperative for increasing trade flows (both domestically, regionally and globally) and improving its level of competitiveness. Efficient movement of goods and services is particularly important for landlocked economies (B&H, Kosovo, North Macedonia and Serbia), but also for the economies with access to sea (Albania, Montenegro).

The **average share of Transport and Warehouse in GDP** in the Western Balkan countries (WB6) was 3,5% (2021), as data for some countries are missing for more recent years. More realistic base is pre-Covid level (2019), which shows somewhat larger size of Transport & Warehouse sector in GDP –average of 3,7% for WB6 countries. Compared to EU-27 countries, where average share is 5,2% (2022), there is a gap of around 50%, which shows a significant potential for growth of the transport sector in WB6 countries.

**Total number of employees** in the Transport and Warehouse in WB6 economies is 338.200 (2022) and they represent around 5,0% of total employees in WB6.

### Identification of problems and untapped opportunities

The problems and difficulties in doing business of transport companies existing within the WB6 are very similar. General problems identified are:

- the **lack of professional drivers because of low salaries** (compared to EU countries), fewer and fewer people can withstand the stress that this occupation brings, violation of work/life balance and limited space for private life;
- the **lack of bilateral permits** for transport having as a consequence high cost, barriers in supply chains,
- **long waiting time on border crossing points** (BCPs) for border procedures, and
- the **length of stay of professional drivers in the Schengen area**– *initiative letter has already been sent on behalf of the CIF WB6 Managing Board to the EC highlighting the vital role of professional drivers in sustaining the trade and transport relations between the Western Balkans and the EU.*

### Recommendations regarding previously stated problems or opportunities

- **business community requests for WB6 Governments:**
  - ✓ Improve customs and tax cooperation within WB6 and between WB6 and EU,
  - ✓ Improve cooperation between border crossing agencies, and
  - ✓ Liberalize transport market of the WB6 region by **eliminating transport permits for third countries.**
- **business community request for the EU:**
  - ✓ In order to preserve economic activities with the European Union at the required level, **eliminating restrictions on the stay of professional drivers in the territory of the European Union (Schengen) is imposed as one of the priority issues.** The restriction on staying up to 90 days in any period of 180 days in the territory of the European Union puts professional drivers in international road transport in a position where they can perform work activities for approximately six months of the year, which is economically unprofitable for both drivers and their employers, and makes this occupation increasingly unattractive. This practically halved the efficiency of the driving staff employed with the employers from WB6 region engaged in international transport of goods and passengers. This is particularly specific with drivers from the countries with external EU borders, where itinerary, i.e. time spent at work is mainly performed in the EU territory. Extending the restriction of 90 days or its abolition (for professional drivers only) would to a large extent impact the efficiency of the transport of goods and passengers throughout Europe, and would have positive effects on the entire economy and tourism.

Name of the TG/Sector

**TRADE OF GOODS AND SERVICES**

**TG participants:**

**TG Group coordinator: Belma Alihodžić**, Foreign Trade Chamber of Bosnia and Herzegovina

**Uarda Stafsula**, Union of Chambers of Commerce and Industry of Albania

**Shpresa Vokshi**, Kosovo Chamber of Commerce

**Miljan Šestović**, Chamber of Economy of Montenegro

**Aneta Dimovska**, Economic Chamber of North Macedonia

**Aleksandar Radovanović**, Chamber of Commerce and Industry of Serbia

**Background of the sector**

➤ Macroeconomic overview of WB6 countries:

	GDP, USD bn	Share in WB6 GDP, %	Population m	Share in WB6 population, %	GDP per capita, USD
<b>Albania</b>	18,9	14%	2,8	16%	6,803
<b>Bosnia and Herzegovina</b>	24,5	18%	3,2	19%	7,585
<b>Kosovo</b>	9,4	7%	1,8	10%	5,351
<b>Montenegro</b>	6,1	4%	0,6	4%	9,894
<b>North Macedonia</b>	13,6	10%	2,1	12%	5,591
<b>Serbia</b>	63,5	47%	6,8	39%	9,394
<b>Total WB</b>	<b>136</b>	<b>100%</b>	<b>17,2</b>	<b>100%</b>	<b>7,905</b>

➤ WB6 trade regime: an overview

Within the WB6 region, trade in goods takes place under the amended Central European Free Trade Agreement (**CEFTA**, in effect since 2007)

- CEFTA covers both trade in goods and services
- Envisages liberalization of trade in goods
- Provides for convergence of trade-related rules, esp. TBT/SPS
- Bases on the Pan-Euro-Mediterranean preferential rules of origin and on transitional rules

- Established a dispute settlement mechanism

Thanks to Stabilization and Association Agreements (SAAs) with the EU and the aim to become EU members, all WB6 economies gradually approximate their trade-related legislation with the EU acquis, thereby progressively unifying it among themselves. However, the **alignment has not been completed**.

updated 21.10.2024.

#### INTRA REGIONAL TRADE

Exports, mil EUR	2016	2017	2018	2019	2020	2021	2022	2023
Albania	240,4	302,2	397,9	417,3	390,2	561,9	684,6	730,5
Bosnia and Herzegovina	710,8	913,4	993,5	971,0	859,5	1.228,1	1.683,2	1.591,1
Kosovo 1244	144,3	183,0	173,5	164,8	210,7	278,4	333,6	343,5
Montenegro	146,8	152,5	160,8	185,8	165,0	188,8	291,7	326,6
North Macedonia	541,9	586,7	646,5	741,4	636,9	817,6	1.002,5	1.049,8
Serbia	2.801,4	3.070,8	3.229,7	3.040,0	2.985,3	3.894,8	4.818,9	4.715,0
<b>WB6 TOTAL</b>	<b>4.585,5</b>	<b>5.208,5</b>	<b>5.601,8</b>	<b>5.520,3</b>	<b>5.247,7</b>	<b>6.969,6</b>	<b>8.814,5</b>	<b>8.756,5</b>

The full **implementation of the Common Regional Market (CRM)** remains a top priority for businesses in the region. Despite significant delays in implementation, the **priorities outlined in the CRM Action Plan remain crucial for the regional business community** – and businesses expect tangible progress in crucial areas. Therefore, **expediting the ratification and implementation of agreements** and decisions concerning trade in goods and services, which have already been finalized on technical level, **is imperative** to see visible shifts related to the issues selected as the Key Priority Areas. As such, it is of the outmost priority to accelerate ratification and implementation of these adopted agreements and decisions (including recognition of AEOs, e-commerce, parcel delivery and geo-blocking etc.), but also to harmonize other laws and regulations to facilitate regional cooperation.

In previous years, The Western Balkans have made some advancements towards the Common Regional Market requiring further steps to deepen their ties with the EU.

#### ➤ Identification of problems and untapped opportunities

- Non-tariff barriers:

[MONITORING OF THE IMPLEMENTATION OF THE COMMON REGIONAL MARKET ACTION PLAN- Economic analysis and key performance indicators study done by WB6 CIF in 2022](#), showed the **existence of substantial trade barriers**. The two largest non-tariff barriers to trade within WB6 are:

- I) **Procedural obstacles at customs**, incl. access to information, release and clearance of goods:
- II) **Product safety requirements, incl. sanitary and phytosanitary measures (SPS)** and technical barriers to trade (TBT).

The survey indicates that **SPS constitute the key trade barrier for agro-food, mostly animal products, wine and juices, but chemical products** are also strongly affected. The most frequent SPS



issues are products' identity and quality and import authorisation. **TBT constitute the main barrier for industrial products, primarily in machine building.** In TBT, conformity assessment and traceability information are the most frequent issues mentioned.

CEFTA aims to reduce trade barriers by facilitating recognition programs, but there are **no mutual recognition agreements related to TBT and SPS** among parties and with the EU so far.

### Recommendations regarding previously stated problems or opportunities

General objectives:

- *Strengthening regional cooperation with the EU to support integration and development goals*
- *Achieving full EU membership as the ultimate objective*

*Free movement of goods and free movement of services are two of seven initial priority areas for improving integration with the EU single market. The integration promises substantial economic benefits for the region and would ensure a broad level-playing field amongst enlargement countries.*

#### ➤ **business community requests for WB6 Governments:**

- ✓ **Simplifying and accelerating the flow of goods on green corridors within the WB6 region** which will reduced waiting time of freight vehicles at crossings within the region; improved infrastructure at crossings; Joint control of passenger and cargo vehicles – shortening/simplifying procedures, reducing costs and speeding up the flow of goods and passenger, facilitating mutual trade in the region; increasing the competitiveness of companies and valorization of 24/h working hours of inspection services.

*Recommendation: resolve issues related to trade procedures; improve transparency.*

- ✓ **Removing non-tariff barriers:** measures which will bring more effective mechanism of resolving trade disputes between the Parties.

*Recommendation: further align with the EU norms and practices as the common denominator to reduce SPS/TBT; conclude mutual recognitional agreements for conformity assessment procedures and certificates.*

- ✓ **Implementing Mutual Recognition Programs (MRPs)** implementation for all industrial and agricultural products and implementation of existing MRPs which will facilitated movement of industrial goods through reduced formalities (e.g. acceptance of certificates and testing results), cutting red tape and trade related costs, improved security and safety, optimization of procedures; facilitated movement of agricultural goods through reduced formalities (e.g. acceptance of certificates and testing results) and improved security and safety in trade and cutting red tape and trade related costs; optimization of procedures; shorter waiting times at BCPs/CCPs; and reduced formalities (e.g. acceptance of testing results) and improved security and safety in trade without hampering trade flows; optimization of procedures; shorter waiting times.

- ✓ **Enabling the use of the EU models of veterinary certificates in the region** which will increase using of the EU models of veterinary certificates.
- ✓ **Implementing of automated system of export and import and customs authorizations** - Electronically submission of customs declarations and requests for various simplifications and approvals (including AEO).
- ✓ **Harmonising regulations and fostering and cooperation with the EU** bring benefits for domestic entrepreneurs, who will manufacture, import and export products without additional costs of conformity assessment and technical barriers. Facilitated access of local producers to the market of the EU and neighbouring countries, and also to international markets.
- ✓ **Promoting Trade in services** – by facilitating free movement within the WB.
- ✓ **Implementing actions to accelerate cross-border e-commerce** improve delivery-quality and streamline return of goods in case of complaints.
  - **business community requests for regional organizations:**
- ✓ **Removing non-tariff barriers:** measures which will bring more effective mechanism of resolving trade disputes between the Parties; Elimination of all non-tariff barriers and refraining from introduction of non-tariff barriers; Fully operational CEFTA Register/Database of non-tariff barriers (NTB)
 

*Recommendation: further align with the EU norms and practices as the common denominator to reduce SPS/TBT; conclude mutual recognition agreements for conformity assessment procedures and certificates.*
- ✓ **Additional improvement of the exchanged data:** Functionality of the [SEED+ system](#); Recognition of export certificates with qualified digital signatures and seals; Elimination of physical documentations (printed version) and transition to fully electronic export documents accompanying the SPS shipment; Digital signing of issues certificates; improvement of quality and structure of data from the phytosanitary certificate.
  - **business community requests for the EU:**

Technical and financial support the upgrade next tasks:

- ✓ **Simplifying and accelerating of the flow of goods on green corridors with the EU** which will reduce waiting time of freight vehicles at crossings within the region; improved infrastructure at crossings; Joint control of passenger and cargo vehicles – shortening/simplifying procedures, reducing costs and speeding up the flow of goods and passenger, facilitating mutual trade in the region; increasing the competitiveness of companies and valorization of 24/h working hours of inspection services.
 

*Recommendation: resolve issues related to trade procedures; improve transparency; join the European common transit system.*
- ✓ **Implementing Mutual Recognition Programs (MRPs)** implementation for all industrial and agricultural products and implementation of existing MRPs which will facilitate movement of

industrial goods through reduced formalities (e.g. acceptance of certificates and testing results), cutting red tape and trade related costs, improved security and safety, optimization of procedures; facilitated movement of agricultural goods through reduced formalities (e.g. acceptance of certificates and testing results) and improved security and safety in trade and cutting red tape and trade related costs; optimization of procedures; shorter waiting times at BCPs/CCPs; and reduced formalities (e.g. acceptance of testing results) and improved security and safety in trade without hampering trade flows; optimization of procedures; shorter waiting times.

- ✓ **Implementing of automated system of export and import and customs authorizations** - Electronically submission of customs declarations and requests for various simplifications and approvals (including AEO).
- ✓ **Implementing actions to accelerate cross-border e-commerce** improve deliver-quality and streamline return of goods in case of complains.

Name of the TG/Sector	TOURISM
<b>TG participants:</b>	<p><b>TG Group coordinator:</b> Darko Pehar, Foreign Trade Chamber of Bosnia and Herzegovina</p> <p><b>Uarda Stafsula</b>, Union of Chambers of Commerce and Industry of Albania</p> <p><b>Rejhane Bajrami</b>, Kosovo Chamber of Commerce</p> <p><b>Sanja Marković</b>, Chamber of Economy of Montenegro</p> <p><b>Daniela Mihajlovska Vasilevska</b>, Economic Chamber of North Macedonia</p> <p><b>Tijana Maljković</b>, Chamber of Commerce and Industry of Serbia</p>

### Background of the Sector

The tourism sector in the Western Balkans region (WB6) has demonstrated significant growth and resilience in recent years. This is supported by data from the first nine months of 2024, reflecting a robust recovery following global challenges. The six Western Balkans, collectively represent a unique and diverse tourism offer, based on rich cultural heritage, stunning natural landscapes, and increasing regional cooperation.

*This report highlights the collective strengths and challenges of the WB6 region's tourism sector. By leveraging regional cooperation and addressing identified issues, the WB6 economies can position themselves as competitive and sustainable tourism destinations on a global scale.*

#### Key Regional Data:

- Total number of registered tourism companies: Approximately 10,500.
- Number of employees: Over 250,000, with notable interregional mobility.
- Licenses: Harmonized approach to processes, aimed at simplifying procedures and encouraging cross-border collaboration.
- Human resources challenges: Persistent shortage of skilled labor, exacerbated by emigration trends and insufficient training programs.

The region's tourism offering is characterized by its diversity, including the Adriatic coast, mountainous terrains, historical landmarks, and culinary traditions. However, regional branding and integrated marketing strategies remain underdeveloped, representing untapped potential for growth.

### **Statistical Overview of Arrivals and Overnight Stays in WB6**

The WB6 tourism sector recorded significant growth, with a total of 12 million arrivals and 30.4 million overnight stays in the first nine months of 2024.

Economy	arrivals (millions)	share of WB6 arrivals (%)	overnight stays (millions)	share of WB6 overnight stays (%)
Albania	1.5	12%	2.8	9%
Bosnia& Herzegovina	1.3	10%	3.2	10%
Kosovo	0.8	6%	1.5	5%
Montenegro	2.5	20%	12.5	41%
North Macedonia	1.1	9%	2.8	9%
Serbia	2.8	22%	7.2	26%
<b>TOTAL WB6</b>	<b>12.0</b>	<b>100%</b>	<b>30.4</b>	<b>100%</b>

#### Statistical Overview for WB6 (January-September 2024 vs. 2023)

- Tourist Arrivals:
  - 2024: 12.5 million (18% increase compared to 2023).
- Tourist Overnight Stays:
  - 2024: 30.4 million (15% increase compared to 2023).

#### **Identification of problems and untapped opportunities**

##### ➤ **Problems:**

1. Policies and Administrative Barriers:
  - Lack of harmonized visa policies for tourists outside the EU visiting WB6.
  - Complex border procedures limiting the seamless movement of tourists and goods.
2. Human Capital Shortages:
  - High employee turnover due to the competitive EU labor market.
  - Inadequate vocational training programs for tourism professionals.
3. Infrastructure Gaps:
  - Limited connectivity among WB6 economies, particularly in transport infrastructure.
  - Insufficient investment in digital infrastructure for tourism promotion.
4. Lack of Regional Branding:
  - Absence of a unified WB6 tourism identity.
  - Fragmented marketing efforts reducing global visibility.

➤ **Untapped Opportunities:**

1. Adventure and Eco-Tourism:

- Pristine natural landscapes provide a competitive edge for adventure tourism and eco-initiatives.

2. Cultural Heritage Routes:

- Shared historical and cultural landmarks that can be promoted through cross-border itineraries.

3. Diaspora Engagement:

- Leveraging the significant diaspora population for tourism promotion and investment.

4. Digital Transformation:

- Implementation of smart tourism initiatives to enhance visitor experiences.

**Recommendations regarding previously stated problems or opportunities**

➤ **business community requests for WB6 Governments:**

- ✓ Establish a unified visa policy for tourists outside the EU.
- ✓ Simplify border procedures to facilitate easier cross-border travel for tourists.
- ✓ Invest in vocational training programs tailored to the needs of the tourism sector.
- ✓ Develop integrated infrastructure projects to improve interregional connectivity.

➤ **business community requests for regional organizations:**

- ✓ Launch a joint initiative to brand WB6 tourism.
- ✓ Promote cultural heritage routes and adventure tourism across WB6 economies.
- ✓ Support capacity-building programs for local tourism stakeholders.
- ✓ Enable the creation of a regional tourism database for data-driven decision-making.

➤ **business community requests for the EU:**

- ✓ Provide technical and financial support for regional tourism infrastructure projects.
- ✓ Assist in aligning WB6 tourism policies with EU standards.
- ✓ Support and co-finance promotional campaigns targeting global markets.
- ✓ Facilitate knowledge exchange programs between WB6 and EU tourism stakeholders.

Name of the TG/Sector	INVESTMENTS AND ACCESS TO FINANCE
<b>TG participants:</b>	<p><b>TG Group coordinator: Besim Mustafa</b>, Kosovo Chamber of Commerce</p> <p><b>Amir Hujčić</b>, Foreign Trade Chamber of Bosnia and Herzegovina</p> <p><b>Slavica Pavlović</b>, Chamber of Economy of Montenegro</p> <p><b>Antoneta Manova Stavreska</b>, Economic Chamber of North Macedonia</p> <p><b>Igor Kronja</b>, Chamber of Commerce and Industry of Serbia</p>

### Background of the Sector

Investment and access to finance are critical drivers of economic growth and business development within the Western Balkans Six (WB6). However, the region continues to face significant challenges in ensuring equitable access to funding, particularly for small and medium-sized enterprises (SMEs). Despite ongoing efforts to harmonize financial regulations and create an investment-friendly environment, businesses across WB6 still encounter obstacles such as high collateral requirements, complex administrative processes, and insufficient access to alternative financing options.

According to regional data, SMEs represent a substantial portion of the business ecosystem in WB6, accounting for more than 99% of enterprises and employing a significant share of the workforce. However, a lack of financial literacy, difficulties in securing loans, and inconsistent regulatory frameworks hinder their ability to grow and innovate. Cross-border investments also remain limited due to fragmented financial policies and the absence of unified investment platforms.

Efforts are being made to address these issues through regional programs and partnerships. The Regional Guarantee Fund, SME Finance Facilitation Centers, and Investment Readiness Programs are key initiatives that aim to improve financial access and literacy. Additionally, a Digital Investment Platform is planned to connect businesses with potential investors, fostering a more inclusive and transparent investment environment.

### Identification of problems and untapped opportunities

#### Problems

Identified Problems: The WB6 region faces several challenges related to investment and access to finance that hinder economic growth and limit business opportunities. The key problems identified include:

- SMEs struggle to meet the collateral demands imposed by financial institutions, restricting their access to credit and limiting their ability to scale.

- Venture capital, equity funding, and fintech solutions remain underdeveloped, leaving businesses with few options beyond traditional banking.
- The varying financial regulations across WB6 countries create barriers to cross-border investments and financial transactions.
- Lack of Financial Literacy: Many businesses lack awareness of available funding options and struggle to present viable investment proposals.

### **Untapped opportunities and recommendations**

Despite the challenges, the WB6 region has several opportunities to enhance investment and access to finance. These opportunities, if leveraged effectively, can contribute to a more dynamic and competitive economic environment.

#### **Key opportunities include:**

- Digital Investment Platforms: A centralized digital platform could connect investors with regional businesses, streamlining investment processes.
- Cross-Border Financial Harmonization: Aligning financial regulations with EU standards could increase investor confidence and promote cross-border funding opportunities.
- Public-Private Partnerships: Collaborative investment in infrastructure, technology, and renewable energy could drive sustainable economic growth.
- Regional Skilled Workforce Mobility: Strengthening workforce mobility within WB6 will attract investors looking for skilled labor.

#### **Recommendations**

To address these challenges and capitalize on the opportunities, the following recommendations are proposed:

##### **➤ For WB6 Governments:**

WB6 governments play a crucial role in implementing strategic reforms and supportive policies to enhance investment and access to finance. They can create a more favorable business environment by addressing regulatory challenges and providing targeted support for SMEs. Key recommendations for WB6 governments include:

- Harmonize financial regulations across WB6 to simplify investment processes and promote regional financial integration.
- Establish an SME Finance Facilitation Center to guide businesses in accessing grants and preparing loan applications.
- Develop tax incentives and financial support mechanisms for businesses investing in innovation and digital transformation.
- Promote financial literacy programs tailored for SMEs, ensuring they understand funding opportunities and investor expectations.
- Strengthen legal and regulatory frameworks to support investment and create a more conducive business environment.



➤ **For Regional Organizations:**

Regional organizations are very important for working together across borders and for encouraging investment in the WB6 region. By working together on financial plans and supporting business growth, they can help to fill funding gaps and encourage the economy to grow in the region. The most important suggestions for regional organizations are:

- Create and manage a Regional Guarantee Fund to lower collateral barriers and support SME financing.
- Develop a digital investment platform showcasing business opportunities, funding sources, and regional investment trends.
- Organize regional investment forums to connect businesses with investors and financial institutions.
- Encourage collaboration between WB6 financial institutions to develop alternative financing models, such as venture capital funds and fin-tech solutions.
- Facilitate regional skilled workforce mobility to meet investor needs and support labor market flexibility.

➤ **For EU Officials:**

The European Union's ongoing support is vital for getting WB6 financial systems up to EU standards and boosting regional investment opportunities. By encouraging cross-border cooperation and offering technical help, EU officials can help integrate WB6 economies into the wider European market.

Key recommendations for EU officials include:

- Support WB6 financial institutions in adopting best practices from EU financial markets to improve credit availability and investment security.
- Provide technical assistance in aligning WB6 financial regulations with EU standards to facilitate easier cross-border investments.
- Increase funding for SME capacity-building initiatives to enhance their readiness for investment and expansion.
- Promote EU-WB6 investment partnerships to attract more European investors to the region.
- Facilitate access to EU funding and financial instruments for businesses, improving their ability to integrate into the European economy.

Name of the TG/Sector	DIGITAL TRANSFORMATION AND IT
<b>TG participants:</b>	<b>TG Group coordinator:</b> Jelena Jovanovic, Chamber of Commerce and Industry of Serbia  <b>Uarda Stafsula</b> , Union of Chamber of Commerce of Albania  <b>Senad Hromić</b> , Foreign Trade Chamber of Bosnia and Herzegovina  <b>Gent Dushi</b> , Kosovo Chamber of Commerce  <b>Nada Rakočević</b> , Chamber of Economy of Montenegro  <b>Mihajlo Donev</b> , Economic Chamber of North Macedonia

### Background of the Sector

Digital technologies and in particular the internet are transforming our world and we want to make the WB6 single markets fit for the digital age – moving from 6 digital single markets to a single one.

Up until now, WB6 citizens and businesses have often faced barriers when using online tools and services. These barriers mean that consumers have restricted access to some goods and services, businesses cannot reap all benefits from digital transformation, and governments and citizens cannot fully benefit from this. The WB6 Digital Single Market opens new opportunities, as it removes key differences between online and offline worlds, breaking down the barriers to cross-border online activity.

The WB6 Digital Single Market as part of the seven priority actions for integration into the EU's single market defined in the Growth Plan, is made up of three policy pillars:

1. *Improving access to digital goods and services*
2. *An environment where digital networks and services can prosper*
3. *Digital as a driver for growth*

Integrating the Western Balkans into the pan-European digital area by providing broadband internet access for the vast majority of households, aligning with EU Digital Single Market principles and practices, coordinating data protection approaches, introducing mutual recognition of trust services, and embarking on new challenging practices, such as Artificial Intelligence, smart cities, high-performance computing, etc, is needed. Unleashing the potential of the digital economy in the WB6 would facilitate exchanges of goods and services and intensify trade by enabling more products and services to be exported to more markets, often by younger firms. The internet is also reducing transaction costs, offering an avenue for the WB6 to accelerate their integration within the region, as well as with the EU and other developed markets. To

integrate the Western Balkans into the pan-European digital space, the **region needs to remove obstacles to e-Commerce, introduce interoperability and mutual recognition of electronic identification schemes across the Western Balkans, and upgrade digital infrastructure**. More specifically, by implementing actions in the priority area of a Regional Digital Area, the WB6 shall seek to:

**TARGET 1 WB6:** A digitally skilled population and highly skilled digital professionals.

- 80% of adults with basic skills
- 300 000 employed ICT specialists in the WB6 – while more women should take up such jobs

**TARGET 2 WB6:**

Digital transformation of businesses

**Tech up-take:** 40% of WB6 companies using Cloud, AI, or Big Data

**Innovators:** grow scale-ups & finance to have Unicorns

**Late adopters:** more than 70% of SMEs reach at least a basic level of digital intensity

*‘digital intensity’ means the aggregated value attributed to an undertaking, on the basis of the number of technologies it uses, against a scoreboard of various technologies, in line with DESI;*

**TARGET 3 WB6:**

Secure and sustainable digital infrastructures

**Connectivity:** Gigabit for everyone

**Data - Edge & Cloud:** 100 climate-neutral highly secure edge nodes

**Security:** All sectors WB6 compliant

*‘edge nodes’ means distributed data-processing capacity connected to the network and located close to or in the physical endpoint where the data is generated, which offers distributed computing and storage capabilities for low- latency data processing;*

**TARGET 4 WB6:**

Digitalization of public services

**Key Public Services:** 100% online

**e-Health:** 100% of citizens have access to medical records online

**Digital Identity:** 100% of citizens have access to digital ID

*‘key public services’ means essential services provided by public entities to natural persons in their major life events and to legal persons in their professional life-cycle;*

### Improving access to digital goods and services

	Albania	Bosnia and Herzegovina	Kosovo	Montenegro	North Macedonia	Serbia	EU aug	WB6 aug
<b>SMEs with at least basic level of digital intensity</b>	32	32	24	48	26	42(53) <sup>1</sup>	55	35
<b>Electronic information sharing</b>	36	26	17	38	15	22	38	24
<b>Social media</b>	16	14	83	33	13	16	29	23
<b>Big data</b>	10	4	6	15	13	4	14	7
<b>Cloud</b>	21	7	12	20	10	22(37) <sup>2</sup>	34	16
<b>Artificial intelligence</b>	4	2	5	3	10	1	8	3
<b>ICT for environmental sustainability</b>	55	54	52	61	59	58	66	56
<b>e-Invoices</b>	18	19	9	44	7	19 (100) <sup>3</sup>	32	17
<b>SMEs selling online</b>	18	20	22	23	9	26 (28.7) <sup>4</sup>	19	21
<b>e-Commerce turnover</b>	7	8	4	13	6	4	12	6
<b>Selling online cross-border</b>	5	7	3	16	1	3	9	4

### Artificial intelligence

Global ranking	Economy	Total score	Government pillar	Technology sector pillar	Data & infrastructure pillar
89	Albania	43.26	42.53	31.97	55.28
117	Bosnia and Herzegovina	36.49	27.82	31.68	49.86
	Kosovo				
78	Montenegro	47.15	40.21	35.53	65.70
83	North Macedonia	45.40	39.55	33.89	62.77
57	Serbia	55.57	74.29	37.13	55.30

<sup>1</sup> [https://ec.europa.eu/eurostat/databrowser/view/isoc\\_e\\_dii/default/table?lang=en&category=isoc.isoc\\_e](https://ec.europa.eu/eurostat/databrowser/view/isoc_e_dii/default/table?lang=en&category=isoc.isoc_e)

<sup>2</sup> [https://ec.europa.eu/eurostat/databrowser/view/isoc\\_cicce\\_use/default/table?lang=en&category=isoc.isoc\\_e.isoc\\_eb](https://ec.europa.eu/eurostat/databrowser/view/isoc_cicce_use/default/table?lang=en&category=isoc.isoc_e.isoc_eb)

<sup>3</sup> From 1<sup>st</sup> January 2024 e-invoice is mandatory for all enterprises

<sup>4</sup> [https://ec.europa.eu/eurostat/databrowser/view/tin00111/default/table?lang=en&category=t\\_isoc.t\\_isoc\\_e](https://ec.europa.eu/eurostat/databrowser/view/tin00111/default/table?lang=en&category=t_isoc.t_isoc_e)

*Source: Government AI Readiness Index 2023*

➤ **Identification of problems and untapped opportunities**

1. Different level of compliance of ICT regulations and accompanying telecommunication infrastructure in 6 economies of the Western Balkans, as well as different level of transposition and application of EU ICT regulations in each of WB6 economies (NIS2 directive, AI framework...);
2. Unavailability of analysis and monitoring of high-quality digital economy statistics, building on EU's DESI and Digital compass for WB6 economies;
3. Non-existence of regional interoperability framework;
4. Non-existence of mutual recognition of trust services between the European Union and WB6 economies;
5. Lack of programs to support SMEs' digitalization and boost the take up of cyber security and AI.

➤ **Business community requests for WB6 Governments, regional organizations and EU officials:**

1. Establish support to strengthen capacities in cyber security in essential sectors;
2. Establish support in research and development of AI and related technologies in line concerning fundamental human rights;
3. Technical and financial support to establish AI Office for WB6 economies;
4. Scale up programs to support SMEs' digitalization and boost the take up of cyber security;
5. Boost collaboration between the European Commission and WB6 to establish mutual recognition of trust services;
6. Intensify efforts to align with the EU Interoperability Directive (EU) 2016/797 to ensure compatibility of information systems and processes within its territory and with WB6;
7. Undertake regional activities to improve availability, analysis and monitoring of high-quality digital economy statistics, building on EU's DESI and Digital compass;
8. Complete the alignment of the ICT policy regulatory framework with the EU;
9. Professional licenses/certificates recognition.

Name of the TG/Sector	INTERNATIONALIZATION
<b>TG participants:</b>	<p><b>TG Group coordinator: Milica Brasanac</b>, Chamber of Commerce and Industry of Serbia</p> <p><b>Uarda Stafsula</b>, Union of Chamber of Commerce of Albania</p> <p><b>Tarik Kovač</b>, Foreign Trade Chamber of Bosnia and Herzegovina</p> <p><b>Besim Mustafa</b>, Kosovo Chamber of Commerce</p> <p><b>Jelena Adžić</b>, Chamber of Economy of Montenegro</p> <p><b>Vlatko Stojanovski</b>, Economic Chamber of North Macedonia</p>

### Background of the sector

WB Internationalization is a broad term mainly covering **the presence of domestic companies on foreign markets**, which includes expanding an existing business, maintaining a presence in the supply chain and exploring foreign markets for the first time. WB companies face challenges in different areas, tackling issues such as export (transportation, customs delays, border crossings), legal (unknown regulations, trade agreements, compliance with legal standards), cultural (language, business practices), market knowledge, access to finance and domestic policies.

Exports in goods and services, mn EUR	2018	2019	2020	2021	2022	2023
<b>WESTERN BALKANS 6</b>	<b>47,239</b>	<b>50,541</b>	<b>44,041</b>	<b>58,745</b>	<b>76,652</b>	<b>82,211</b>
Albania	5,506	5,834	4,424	6,497	8,891	10,683
Bosnia and Herzegovina	8,044	7,997	6,631	9,228	12,046	11,572
Kosovo*	1,929	2,059	1,470	2,662	3,425	3,829
Montenegro	1,964	2,121	1,045	2,034	2,989	3,443
North Macedonia	7,453	8,059	7,226	8,666	10,619	10,971
Serbia	22,344	24,472	23,246	29,658	38,681	41,712

**Source:** The Vienna Institute for International Economic Studies (wiiw)

The main exporting destination for WB companies stays EU, but with decreasing share of total exports which decreased by 3,4 % since 2018. Key export sectors include automotive components, textiles, metals, and agricultural products.

Share of exports in goods in EU27 in total, %	2018	2019	2020	2021	2022	2023
<b>WESTERN BALKANS 6</b>	<b>69.6</b>	<b>68.9</b>	<b>68.6</b>	<b>67.8</b>	<b>67.9</b>	<b>66.5</b>
Albania	75.9	76.3	74.7	72.2	73.4	71.8
Bosnia and Herzegovina	72.2	72.3	72.4	72.8	73.6	73.0
Kosovo*	27.5	33.2	34.4	31.1	33.9	32.3
Montenegro	43.1	37.0	37.6	31.1	30.3	36.1
North Macedonia	80.3	78.5	77.5	77.3	78.3	78.7
Serbia	65.4	64.8	65.2	64.4	64.1	62.0

*Source: The Vienna Institute for International Economic Studies (wiiw)*

Export of WB economies has increased in value but that does not necessarily mean that the presence of domestic companies on foreign markets has increased, having in mind also foreign direct investments oriented policies of WB economies. Having a strategic approach for the export/internationalization of businesses is imperative for success, which most or all of our economies do not have, whilst having SAAs, FTAs, regional organizations, and EU support projects that could boost the process and give added value. In the Western Balkans sphere political disputes are a significant (negative) factor for the internationalization of businesses. Due to the proximity and other factors, Western Balkans SMEs first choice would be European Market, but lack of institutional support for enhancing SMEs competitiveness for demanding markets such as EUs could be crucial issue.

➤ **Identification of problems and untaped opportunities**

• Export (logistics and infrastructure issues)

Although there has been progress in improving transport, logistics, and communication networks, infrastructure gaps remain in certain parts of the region, limiting the speed and efficiency of cross-border operations and increase the cost and time of moving goods to international markets. Inefficient Customs Procedures and bureaucratic delays and inefficiencies at border crossings and customs offices slow down trade and increase costs for exporting companies. Waiting times at BCPs with EU countries represent huge logistics issue, where waiting time of trucks with goods sometimes goes up to 24-48 hours.

• Access to finance

Banks perceive micro and small enterprises as risky clients, for which they incur high administrative costs relative to the small amounts of credit, and not only the cost of credit represents the a problem, but also the fact that only small number of banks offer loans for entrepreneurs with a business history of less than 24 months. Visibility of funding opportunities is also an issue and often only the process of applying for available EU funds and grants by itself can be complicated and too costly for SMEs.

• Domestic policies

Policies of WB economies for attracting FDIs and offering subsidies to them is the focus that should be shifted to more subsidies for domestic producers. The important point is raising the question of export insurance to reduce the risks associated with international trade.

- Political instability

From the perspective of internal WB internationalization, often political tensions represent a significant challenge for our business community, and not only internally but it can also deter foreign investors and trading partners, reducing opportunities for export growth. On top of that political instability complicate integration efforts with the EU and other international organizations.

- Legal and Regulatory Barriers

The legal systems in the Western Balkans are often not fully aligned with international standards, which can create challenges when companies try to enter foreign markets. Inconsistent or outdated regulations can make it difficult to navigate international trade, intellectual property rights, or contract enforcement.

- Market knowledge

Companies may not understand the specific needs, preferences, and trends in target markets, leading to mismatched products or services. Lack of knowledge about foreign regulations, standards, and certifications can result in non-compliance, delays, or rejection of exports. Differences in language, business practices, and cultural norms can hinder effective communication and relationship-building with foreign buyers. Many SMEs lack the resources or expertise to conduct thorough market research, resulting in poor market entry strategies.

### **Recommendations regarding previously stated problems and opportunities**

- **business community requests for WB6 Governments:**

- ✓ Continue fostering regional integration through different initiatives, mainly focusing on the creation of a larger, more competitive market, through Common Regional Market Action Plan. Resolve political tensions and address unresolved political conflicts through dialogue and diplomacy.
- ✓ Governments to accelerate alignment with EU standards to access the EU market more easily and leverage EU support, utilize funding programs to support economic development and institutional reforms.
- ✓ Governments to adjust state policies and to balance the focus between FDIs and SMEs, which was also recommended from large corporations present in WB, lack of domestic supplies also hinders their chain and business.
- ✓ Increase competitiveness of domestic suppliers by increasing and transferring technological knowledge
- ✓ Develop and adopt regional strategies for export – export strategies could ensure more competent entry and placement of products and services in more demanding markets, building up on the export policy documents in each of the economies. An untapped opportunity is that export strategy will strengthen and strategically define export goals and potentials, improve WB presence in EU markets through appropriate orientation of WB foreign networks and strategic consolidation of support programs for WB companies.



- ✓ Boost innovation and R&D Investment – allocate more resources to research and development, particularly in high-tech industries. Collaboration with Universities can be beneficial, strengthening partnerships between businesses and universities to drive innovation and skills development.
- ✓ Support and fund domestic investments – out of all investments only 10% are coming from domestic private capital, and in developed states this number is up to 3 times higher. Provide a better business environment for domestic investments ensuring fair treatment of foreign and domestic investors which if increased could lead to the sustainable economic development of WB economies. Introduce tax reliefs for industry activities where is applied modern technology, so that they could develop and invest further in modern technologies that are giving higher added value.
  - **business community requests for regional organizations:**
  - ✓ Continue fostering regional integration through different initiatives, mainly focusing on the creation of a larger, more competitive market, through Common Regional Market Action Plan. Resolve political tensions and address unresolved political conflicts through dialogue and diplomacy.
  - ✓ Provide programs for SMEs that will give them an opportunity to observe how European companies operate, focusing on key areas such as production, quality control, sustainability and regulatory compliance. Provide accurate data on foreign market requirements.
  - ✓ Develop and adopt regional strategies for export – export strategies could ensure more competent entry and placement of products and services in more demanding markets, building up on the export policy documents in each of the economies. An untapped opportunity is that export strategy will strengthen and strategically define export goals and potentials, improve WB presence in EU markets through appropriate orientation of WB foreign networks and strategic consolidation of support programs for WB companies.
  - **business community requests for EU officials:**
  - ✓ Continue fostering regional integration through different initiatives, mainly focusing on the creation of a larger, more competitive market, through Common Regional Market Action Plan. Resolve political tensions and address unresolved political conflicts through dialogue and diplomacy.