

## **Report on BACID Activity**

### **Equal Opportunities - Gender Equality**

#### **Podgorica, Montenegro**

ECIKS in cooperation with the Business Women Association Montenegro worked during a three-day event intensively with participants on the BACID project: „Equal Opportunities - Gender Equality." ECIKS hired Mag. Gerhard Sabathiel, a well known expert from Austria, with vast experience in the Western Balkans region and also the relevant topic.

The event was carried out in the period from 11th to 13th September 2017, at the premises of the City of Podgorica, Montenegro. The workshop/training focused on support for female entrepreneurs in Montenegro. In total the event had 8 institutions/companies and 10 participants over 3 days.

For details on the Agenda please refer to Annex 1 to this Report. A list of participants is attached as Annex 2 to this Report.

Our local partners organised the event according to our agreement and worked with us together with the participants.

Introduction speeches at the beginning of the event have been given by Mr. Vladimir Rajcic, City of Podgorica, Mrs. Lubica Kostic, President of Business Women Association of Montenegro and Mr. Gerhard Sabathiel.

The event was organised in the way of a mixture of lessons and discussions on the one hand and work on concrete business ideas of the participants on the other. The presentations covered the following topics:

- Keynote Starting Up your Business
- SME Business Development
- SME Financing Introduction
- SME Financing Instruments

For details to the presentation material please refer to Annex 3 - 6 to this Report.

Additionally to the presentations and discussions we worked individually with participants on their actual business needs.

## Introduction

The Association of Business women of Montenegro is a non governmental association supporting business women by offering theoretical know how and expertise as well as organising events for exchange of experience and networking.

Although women make up 50.6% of the population of Montenegro only 9,6% of the registered businesses and companies are owned by women.

Main shares of active business entities owned by women are seen in the areas of social protection (38.5%), employment (22.2%), advertising, market research (21.5%), environmental cleaning (33.3% ), health care (20.8%), support activities in financial services and insurance (22%) and other personal service activities (16.3%).

The Employers Union of Montenegro (UPCG) conducted in 2012/2013 a survey of women in business and management in Montenegro on a sample of 103 companies, according to the methodology of the International Labor Organization (ILO). The result of the survey shows that women are most present at middle level of management positions (53.3%), whereas in all other levels of management positions, male colleagues are represented with a higher percentage than women. The average representation of women in management boards is 28.2%. In 81% of companies that have a supervisory Board, the presidential function is performed by a chairman, compared to only 19% by a chairwoman.

The following gives a short summary and description of some of the actual business ideas and needs that have been discussed during the event with the participants:

## **1. Color Ing LLC**

The company is a small family business consisting of 3 people in management and 5-30 workers depending on actual projects and business portfolio. The company is mainly focused on innovative, energy-saving, environment- and user-friendly products and technologies for the protection, refurbishment and maintenance of buildings. They also have a close cooperation with JUB Group from Slovenia.

The company wants to expand the business, but has serious HR issues – firstly in order to expand they need additional administrative capacity to support the existing team and secondly, they face serious difficulties in finding local workers. For a sustainable business growth the company needs to do some changes in the existing structure and operational processes. Clear responsibilities shall be defined and a professional focus should be on sales activities.

From an investment perspective the company plans to invest in a sales area separated from the administrative office, some renovation in the existing office space, an upgrade of the IT equipment and software and finally some marketing activities to support sales activities and business growth. Additionally a Van car is needed for transportation of material to construction sites (currently outsourced). In total the planned amount of investment is approximately EUR 50.000,-, starting with EUR 10.000,- to buy a used Van car.

## **2. Sofranac Fish Production**

Mrs. Sofranac has started a small family business together with her husband in the production of fish, especially carp, marinated in olive oil. Today the business is run on a part time basis. Anyhow, she is interested and working on the expansion of the business. The raw material is bought from local fishermen, produced manually in the private house and the ready product is sold to local restaurants and hotels mainly ordering by phone.

The area is recognised for its fish specialities as until a few years ago in the close town of Crnojevics there was a well known fish factory producing smoked and specially marinated carp.

Mrs. Sofranac is currently working on a business plan for expansion. She has plans to introduce a special brand focused on “Good food from Montenegro”. Customers are very interested and are waiting for the product. The biggest issue for the expansion is the availability of sufficient raw material. The output of the production leaves 70% of the raw material as waste. We discussed that this waste could be used as pet food for example in order to increase the efficiency of the production.

The next important step is to upgrade the production to receive an official certificate and improve the production process to be more efficient. Therefore some investment is needed in the current location, estimated to be around EUR 10.000,-.

The municipality of Podgorica has offered some space in an industrial zone including some benefits, such as exemption of utility fees for some time. Sales should be widened to restaurants, hotels and also souvenir shops as the product could be attractive as a present from Montenegro also having in mind the brand idea “Good Food from Montenegro”. Anyhow, this step would need additional investment of up to EUR 50.000,-. We also discussed that the Montenegro Investment Fund could support the investment with a credit line for up to EUR 10.000,- without interest rate and for the remaining amount 2%pa interest rate. Mrs. Sebek from the Montenegro Directorate for SMEs offered her support with the preparation of the necessary documentation.

### **3. MAS Code LLC**

MAS Code is a small PR agency based in Podgorica run by Mrs. Kostic. Her business is well established and positioned on the market already. The business is based on long term agreements mainly focused on governmental institutions, public companies and NGOs. Mrs. Kostic also arranged a short report about the event on local TV that is attached electronically to this Report.

#### **4. Olivmont BAR**

The area of Bar is famous for its olive trees up to 2.200 years old. Mrs. Babic inherited 300 olive trees. The sales of just olives was not an attractive business and therefore she decided to start the production of soaps produced of olive oil.

Over the years she has spent a lot of time experimenting always with the goal to produce a high quality soap with natural ingredients. The main ingredient is olive oil from the olive trees from groves around Bar. All the soaps are cold processed, which means that the olive oil and all the other ingredients keep all the essential elements. One of the most important element is Vitamin E as it has anti aging features. The soaps contain no additives, but apart from the olive oil also other oils that help nourishing and hydrating the skin.

The production today is still manual and therefore every soap is a unique piece. Today the soaps are sold to local hotels and souvenir shops in BAR.

We have discussed the idea to develop for her olive soap a brand as a high quality natural product from Montenegro. The next steps for business growth should be to intensify the sales in hotels and souvenir shops. As a following step it is planned to start exporting the products.

From the investment side Mrs. Babis is searching for a house to separate the soap production from her private home. Additionally she plans to hire 2 more people to support the planned business expansion covering especially sales activities.

#### **5. MyDestination Montenegro**

MyDestination is a tourist brand that has been created in 2006, today with representatives in more than 100 destinations around the globe. The idea of the business is to cooperate with local travel experts, who shall contribute with local market expertise and insight information. Additionally the local partners shall provide travel guides, articles and insider tips for travellers for the specific location.

Mrs. Lazarevic is in negotiations with MyDestination to become the local partner for Montenegro. She has a tourist background working in a tourist agency at the moment. The project is at the very beginning and she is currently

in the phase of collecting information and evaluating the market and concrete business opportunity.

Mag. Gerhard Sabathiel

## **Annexes**

Annex 1: Agenda of the 3 day seminar/workshop

Annex 2: List of Participants

Annex 3: Keynote Starting Up your Business

Annex 4: SME Business Development

Annex 5: SME Financing Introduction

Annex 6: SME Financing Instruments

Annex 7: TV Report on Event in Podgorica

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## Some Pictures taken during the Event

