

# Chambers Mean Business

Small and medium-sized enterprises (SMEs) have been key drivers of economic recovery in other European countries, and the same can be true in Bosnia and Herzegovina.

“In post-war Germany , as in many other European countries, economic recovery was secured on the back of small and medium-sized enterprises,” High Representative Christian Schwarz-Schilling said today during a meeting with the directors of chambers of commerce from BiH.

“As a former manager of a medium-sized company, I know the challenges that this kind of company faces, and I also know that to meet these challenges, businesses need effective representation,” the High Representative said.

“In Germany , chambers of commerce play a robust and constructive role in lobbying on behalf of businesses – getting the attention of law-makers, cutting red tape and encouraging businesses to share with each other their experiences and expertise. I believe the chambers in BiH can do the same.”

Today’s meeting, which was chaired by Principal Deputy High Representative Larry Butler, was attended by BiH Foreign Trade Chamber President Mahir Hadziahmetovic, Federation Chamber of Commerce President Avdo Rapa, RS Chamber President Mladen Micic and other chamber representatives.

Until the system of mandatory membership (and compulsory payment of membership dues) was abolished at the Entity level through a Bulldozer reform in 2004, all registered companies in BiH automatically had to pay for the upkeep of the chambers. Since 2004 the Entity chambers have had to persuade companies that membership is worthwhile. The RS Chamber has been able to maintain its membership (and its income) by introducing a quality management system and offering companies

an expanded range of services.

Today's meeting explored ways in which the lessons learned by the RS Chamber can be applied by the other chambers in BiH in order to improve their capacity and competitiveness. The decision to join a chamber should primarily be led by the chamber's ability to advocate the interests of its members (though mandatory membership, where prescribed by law, must clearly be respected).

All participants agreed that the chambers of commerce in BiH can become a more effective voice for the expanding the SME sector, which is beginning to provide new jobs. It would be able to do this at a much faster rate, however, if the business community could lobby the authorities more effectively to enact and implement further reforms to improve the business environment.