



## Document Title

# Local Innovation Action Plans (Project Region: **Bosnia and Herzegovina, Prijedor**)

## Document Type

# Project Output

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## **1. LIST OF ABBREVIATIONS**

AR – Augmented Reality

FBI – Forest-based industries

FORESDA – Forest-based cross-sectoral value chains fostering innovation and competitiveness in the Danube Region

HR – Human resources

ICT – Information and Communication Technologies

LIAP – Project Output 3.2 Local Innovation Action Plan

R&D – Research and Development

R&D&I – Research, Development, and Innovation

SME – Small and medium-sized enterprises

TS – Transnational Strategy (Project Output 3.1 Transnational Strategy on Cross-sectoral Level)

VR – Virtual Reality

## **2. EXECUTIVE SUMMARY**

The Local Innovation Action Plan (O.3.2) for Prijedor Region has been developed as a result of the process of developing the Transnational Strategy (O.3.1), adopted within the project “Forest-based cross-sectoral value chains fostering innovation and competitiveness in the Danube Region” (FORESDA). The LIAP is based on a methodology shared among 13 partner organizations of the Danube Region. It is an operative extension of the TS, which implies a set of local actions and measures, focused on improvement of business environment for FBI, with a special accent on cross-sectoral innovation processes.

This LIAP defines priority needs of FBI in the Prijedor Region, primarily in context of transnational networking, which is considered as a crucial tool for implementation within the FORESDA project. It sets priority issues which will be addressed on the basis of the expertise and experiences of the FORESDA consortium, utilizing financial and non-financial resources available within the FORESDA project.

The LIAP has an additional specific significance, because it addresses challenges of local FBIs beyond the FORESDA framework. It will be used as a tool to tackle local issues in relation to the FBIs, influencing the base for strategic planning for the local and regional wood and furniture industry. In this context, the aim of LIAP implementation is to raise the relevance of strategic framework with proposals of specific measures and projects for integration in the current local strategic framework – Development Strategy of City of Prijedor 2014 – 2024.

### **3. METHODOLOGY**

The following LIAP for improved technology transfer and innovation processes in SMEs of the forest-based sector is defined specifically for the project region of Prijedor, as one of the deliverables of the FORESDA project ([Interreg Danube Transnational Programme](#)). All LIAPs should be developed in coherence with the Transnational Strategy, another output of the same project, which aims to improve the framework conditions for forest-based cross-sectoral value chains and describes how the PPs expect jointly to address identified needs with respect to the regional innovation systems, with a focus on cross-sectional aspects. The LIAPs on the other hand, should specify the concrete implementation – activities, timeline, responsibilities, measurable objectives - of the Transnational Strategy in each region. The methodology applied in of the elaboration of the LIAP is adjusted to the local context of FBI in the Prijedor region, primarily taking into account:

- the needs expressed by the involved SMEs and Wood and furniture Cluster “Drvo-PD” Prijedor,
- the needs identified by PREDA in the introductory phase of the FORESDA project, and
- the official strategic framework defined by the Development Strategy of City of Prijedor 2014 – 2024.

#### **4. PROJECT REGION/COUNTRY CONTEXT**

Forestry and wood industries have a special and strategic importance for the Prijedor Region and for the Republic of Srpska. Both sectors generate about 16% of the total processing industry output and 17% of the total manufacturing industry export, and employ 19% of the total number of workers employed in the manufacturing industry. The wood industry generates the largest surplus in processing industry's foreign trade.

Traditionally, forestry resources available in the region are considered as one of the main competitive advantages and good potential for the development of local and regional forest-based value chains. According to the estimation of the regional cluster of wood and furniture industry "DRVO-PD", regional forest-based industries dispose with over 300.000 m<sup>3</sup> of annual cut in local forests (public and private), with dominant share of hardwood species. Forests are managed in line with FSC standards. With locally available and internationally recognized quality of the raw material, the potential for the development of forest-based value chains and branding is significant. Yet, the wood primary production industry and the wood manufacturing sector are not linked functionally, and therefore, the quality raw material is often exported without any added value. Low profitability of companies is a major problem that hampers development potentials.

In terms of wood processing activities (activities of sawmills), present quantities of wood material are considered as not sufficient, considering the level of installed local wood processing capacities and increasing demand for wood biomass. In terms of furniture production, available raw wood material would be considered as sufficient if the local companies are connected in value chains more intensively.

Companies are primarily focused to get business contracts which will bring them a status of reliable supplier. This kind of business philosophy does not provide opportunity for added value creation, nor the need for research, development of innovation, marketing, branding, etc. Gaps are present in terms of design, marketing and branding. Design is recognized to be a primary need but design culture is generally

on the low level. Relationships between local designers and the productive sector still need to be developed.

The lack of capacities for innovation on the local level leaves local companies with not too many options. Most of the companies do not have a department for research and development. Companies are usually able to control individual components of innovation with an emphasis on process and less on product innovation. Consequently, potentials for cross-sectoral cooperation are still not considered as development priorities, in spite of the growing awareness on their importance. Awareness of the local actors on the potential in cross-sectoral value chains development (other “traditional” sectors; creative and cultural industries and tourism) is on the low level. Generally, ICT is making strong advancement (VR/AR apps/software, design tools and platforms, etc.) as the base for intensive “interference” of ICT-based technologies and creative industries in “traditional” sectors. Support in connecting of creative-industry-based and free-lance communities with traditional sectors, including FBI, is not developed. However, regional FBI are interested and in need for ICT-based management solutions, resulting in financial effectiveness, more efficient production processes, shorter decision making, etc.

Additionally, there is a general lack of qualified workers. The educational system is traditional. A process of reforms in education system has been initiated, with the objectives to:

- establish missing functional links with local economy,
- provide more practical skills and know-how to students,
- close the gaps in terms of modern educational approaches, technologies applied and motivation for R&D&I.

## **5. FOCUS, OBJECTIVES AND IMPACTS**

The Transnational Strategy on Cross-sectoral Level addresses the identified needs for further development and increase of R&D&I activities with respect to the regional innovation systems. Stakeholders from Prijedor region were actively involved in the process of strategic planning as members of the regional working group and participated to relevant workshops and events organized during 2017. With the adoption of the Transnational Strategy, a new process was initiated on the local level: the planning of the LIAP for the Prijedor region.

Bases for elaborating LIAP were the following:

- Priorities and recommendations determined by the Transnational Strategy,
- Inputs and proposals of the local stakeholders and members of working groups established in the framework of the FORESDA project,
- Coherence with the local strategic framework, primarily Development Strategy of City of Prijedor 2014 – 2024.

The LIAP for the Prijedor region has a two-folded purpose:

- 1) To collect and articulate the needs of regional FBI on sectoral and cross-sectoral level on a longterm basis, and in line with the Joint Transnational Strategy and the local strategic framework;
- 2) To define future actions and interventions of support to FBI within the framework of FORESDA project and relevant local strategic framework - Development Strategy of City of Prijedor 2014 – 2024



### **5.1. IDENTIFICATION OF ALL PRIORITY NEEDS**

Priority needs of regional FBI are structured in line with the methodology of the Transnational Strategy, which recognizes four priority areas for interventions:

- Priority area 1 - Image & Lobbying, targeting the need to improve the image of FBI, which is generally considered as conservative, traditional (old-fashioned) and connected with the emerging environmental and climate issues, neglecting the strategic importance of the sector for trade balance and an enormous potential for development of local sectoral and cross sectoral value chains;
- Priority area 2 - Policy & Legislative Support, targeting the need to secure coherent and consistent legal and strategic framework for FBI, across the different authority levels – from local to state-level;
- Priority area 3 – Funding & Business Environment, targeting the challenge of enhancing existing and building of new business culture and norms, including cross-sectoral approach within FBI, through the set of local actions and measures involving crucial actors and stakeholders;
- Priority area 4 – Education & Human Resources, as the most delicate priority area in FBI, because of the substantial mismatch between the knowledge and skills gained throughout formal education and the level required by the industry and innovation processes. Image of the FBI, as well as the current position of local companies in local, regional and global value chains, aggravate initiatives focused on innovations and cross-sectoral cooperation. Establishing of cross-sectoral connections should be supported and facilitated.

Specification of identified needs per priority areas is presented in the following table:

Priority area	Identified needs for the Prijedor Region
<b>1. Image &amp; Lobbying</b>	<ul style="list-style-type: none"> <li>• To promote positive effects of FBI on the performance of local economy in terms of export orientation, trade balance surplus, employment, etc.</li> <li>• To promote sustainable exploitation of forest resources and decreasing quantities of illegal cutting.</li> <li>• To promote the potential for production of added-value products in FBI – high quality products in furniture, construction and other related industries, as well as the existing local and regional value chains (branding strategy).</li> <li>• To raise attractiveness of FBI by promoting cross-sectoral dimension and development potential of FBI from the aspect of various target groups – SMEs, individual professionals, youth (students), end-users of FBI products.</li> <li>• To promote the potential and benefits in conventional and non-conventional uses of wood-based materials, resources and products in local community.</li> </ul>
<b>2. Policy &amp; Legislative Support</b>	<ul style="list-style-type: none"> <li>• To identify and analyse leading regions and communities in the Danube area and beyond, in terms of policies and legislative framework supporting FBI.</li> <li>• To enhance local and regional policies and legislative framework for FBI and innovation in line with the best practices applied in the Danube area and beyond (including the transfer of know-how and experiences).</li> <li>• To develop local and regional policies supporting the increase of sustainable consumption and applications related to FBI.</li> <li>• To create more transparent and applicable methods and tools for distribution of forestry products (primarily logs).</li> <li>• To enhance energy efficiency policies involving biomass and wood waste in line with the Local Sustainable Energy Action Plan.</li> </ul>
<b>3. Funding &amp; Business Environment</b>	<ul style="list-style-type: none"> <li>• To identify and analyse best practice regions and communities in the Danube area and beyond, in terms of funding &amp; business environment.</li> <li>• To secure continuous enhancement of competitiveness of SMEs in FBI.</li> <li>• To strengthen capacities for innovation development (development of added-value and innovative products).</li> <li>• To expand the market through innovative business models and concepts of cross-sectoral cooperation, primarily with ICT sector, creative industries and other “traditional” sectors of economy.</li> <li>• To secure favourable funding schemes for financing of innovative/add-value activities in relation to FBI.</li> </ul>
<b>4. Education &amp; Human Resources</b>	<ul style="list-style-type: none"> <li>• To secure constant increase of the quality of human resources (youth, women, unemployed persons and staff of local FBI) required by FBI, in terms of traditional competences and crosssectoral trends.</li> <li>• To involve scientific expertise and R&amp;D in development processes of regional FBI.</li> </ul>

## **5.2. IDENTIFICATION OF NEEDS TO BE ADDRESSED IN THE FRAMEWORK OF FORESDA**

The following section describes the needs to be addressed in the framework of FORESDA in the project region Prijedor, in line with the priority areas of the JTS on improving the framework conditions for forest-based cross-sectoral value chains. FORESDA activities will be coordinated with the activities which will address identified needs within other relevant strategic frameworks (primarily Development Strategy of City of Prijedor 2014 – 2024). The regional agency PREDA will have a main coordinating role in the process. Specific needs per determined priorities which will be addressed within FORESDA, including the description of planned methodology, are presented in the following table.

<b>Priority area</b>	<b>Needs planned to be addressed within FORESDA</b>
<b>IMAGE &amp; LOBBYING</b>	<ul style="list-style-type: none"> <li>To raise the attraction and image of local and regional FBI, taking the experiences and “lessons learned” of FORESDA project partners into account.</li> </ul>
<b>POLICY &amp; LEGISLATIVE SUPPORT</b>	<ul style="list-style-type: none"> <li>To initiate changes in local and regional policies and legislative in favour of FBI, with the reference to the exchange of knowledge, experiences and “lessons learned” of relevant FORESDA project partners and accompanied institutions.</li> </ul>
<b>FUNDING &amp; BUSINESS ENVIRONMENT</b>	<ul style="list-style-type: none"> <li>To initiate cross-sectoral cooperation, primarily focusing on ICT, creative industries and other relevant processing industries, with the purpose to develop local and transnational cross sectoral value chains and expand the market for FBI.</li> </ul>
<b>EDUCATION &amp; HUMAN RESOURCES</b>	<ul style="list-style-type: none"> <li>To secure constant increase of the quality of human resources (youth, unemployed persons and staff of local FBI) required by FBI, in terms of traditional competences and cross sectoral trends.</li> <li>To involve scientific expertise and R&amp;D in development processes of regional FBI.</li> </ul>

### 5.3. OBJECTIVES AND EXPECTED IMPACTS

The following section describes the objectives and expected impacts related to the needs described in previous section.

OBJECTIVES	EXPECTED IMPACTS
<b>Priority 1. Image &amp; Lobbying</b>	
<b>To improve the image of FBI – to establish regional brand</b>	<ul style="list-style-type: none"> <li>• Market recognition of regional FBI</li> <li>• Increase of crucial indicators for FBI – number of companies number of employees, level of income and export values</li> </ul>
<b>To raise attractiveness of wood based products</b>	<ul style="list-style-type: none"> <li>• Increase of the market share of FBI products (construction, interior/exterior solutions, etc.)</li> </ul>
<b>Priority 2. Policy and Legislative support</b>	
<b>To create and adopt policies in favour to consumption of wood, as a renewable natural resource</b>	<ul style="list-style-type: none"> <li>• Increase of the market share of FBI products (construction, interior/exterior solutions, etc.)</li> <li>• Increase of supply quantities for local heating plant (biomass)</li> <li>• Increase of the quantity of renewable energy resources</li> </ul>
<b>Priority 3. Funding &amp; Business Environment</b>	
<b>To stimulate/attract investments in FBI</b>	<ul style="list-style-type: none"> <li>• Increase of crucial indicators for FBI – number of companies number of employees, level of income, and export values, value of assests</li> </ul>
<b>To identify and foster sectoral and cross sectoral value chains involving FBI</b>	<ul style="list-style-type: none"> <li>• Number of cross sectoral value chains and processes</li> <li>• Increase of crucial indicators connected to cross sectoral value chains and processes</li> </ul>
<b>To raise competitiveness of FBI</b>	<ul style="list-style-type: none"> <li>• Increase of indicators for FBI – productivity and profitability</li> <li>• Increase of sales / distribution network</li> </ul>
<b>Priority 4. Education &amp; Human Resources</b>	
<b>To raise the level of technical competences in FBI</b>	<ul style="list-style-type: none"> <li>• Number of technical experts available to SMEs in FBI (production, marketing, technical maintainance, product development, design, etc.)</li> </ul>
<b>To raise the level of competences in application of modern technologies in FBI</b>	<ul style="list-style-type: none"> <li>• Number of instruments/tools of new technologies used in local SMEs</li> <li>• Level of relevance of utilization of modern technologies for key indicators (income, export, etc)</li> </ul>

#### **5.4. LINKS WITH OTHER FORESDA OUTCOMES**

The LIAP for Prijedor Region is fully coherent with the scope of FORESDA and activities planned in the framework of the project. The LIAP is leaned on the project methodology and outcomes created within FORESDA.

On the technical level, communication actions planned in the LIAP for the Prijedor Region will maintain the same scope and communication channels established within FORESDA. Thematically, the LIAP has recognized the transnational challenge and the need to improve the image of FBI, to promote wood-based products as eco-friendly, to support innovation development in FBI by sectoral and cross-sectoral approach. Planned promotion and branding activities will be based on the transnational exchange of experiences with relevant partners from the FORESDA consortium and its extended network. Furthermore, analysis and recommendations on the subject of local support policies and measures will be largely based on inputs provided by FORESDA project partners.

The methodology, which was shared and simultaneously applied by the whole partnership, made the LIAP for the Prijedor Region compatible on the transnational level and part of Transnational Strategy which will be implemented within FORESDA.

A significant part of the LIAP for the Prijedor Region will be pilot actions, proposed, and adopted within FORESDA – development of co-working spaces, a cluster in-house fair, forestry tourism initiatives and fostering of cross-sectoral connections of FBI. Pilot actions follow the logic of FORESDA, with the focus on creation of new value chains as the result of facilitated support actions, which will connect FBI to IT and creative industries. Coherence is also in capacity building actions within FORESDA, which will enhance local capacities and business environment for FBI and IT/creative industries.

## 6. ACTIONS AND SCHEDULE

The following section contains information on the planned actions/projects corresponding with the previously identified needs, objectives and expected impacts of the respective LIAP. The timeframe for the implementation of actions is limited to the FORESDA project duration, which means until 30<sup>th</sup> June 2019. Brief descriptions of the planned actions are to be found in the following table:

Title of the Action	Brief Description / Rationale
<b>Priority area 1 – Image &amp; Lobbying</b>	
1.1. Collect transnational (AT, HR) practices and experiences in planning and implementation of public campaigns focused on improving the image of the FBI	The FORESDA consortium is a relevant source of experiences and practices devoted to the image improvement of FBI. Most of the organizations from the consortium directly address the challenge to change the image of FBI on a daily basis, or have direct links with the instances in their respective regions and countries. Purpose of the action is to collect information on the content and outcomes of relevant public campaigns in the Danube area, and use lessons learned for future references, primarily in line with the specifics of West Balkan countries.
1.2. Create a proposal for a regional campaign for improving of the image of FBI	Based on collected transnational experiences and local inputs and specifics of Prijedor region and country in general, a proposal of public image campaign, which will include utilization of social networks, will be drafted and communicated to relevant instances (ministries, local authorities, etc.).
1.3. Integrate a proposal for development of a branding strategy for regional FBI in the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	Branding remains great unused potential for regional FBI to raise the market recognition of local SMEs and their products. Regional FBI has certain characteristics, such as the quality of wood species, tradition, heritage, etc., which could be used as the base for developing and implementation of branding strategy. Development of a branding strategy for regional FBI will be proposed to be integrated in local strategic framework.
<b>Priority area 2 – Policy &amp; Legislative</b>	
2.1. Collect transnational practices in policy making in favour to FBI	The FORESDA consortium is a relevant source for collection of information with regards to policy making and legislative on regional and national levels in the Danube area. Purpose of the action is to analyse policies and legislative framework, created to support FBI and increase utilization of wood-based products as eco-friendly. Centre of the attention will be on regional policies in Austria (Steirmark) and other regions identified in the process.

2.2. Integrate the establishment of forestation plants for biomass in local strategic framework (Development Strategy of Prijedor 2014 – 2024)	Region of Prijedor, as the Danube area in general, is in emerging need for utilization of renewable sources of energy. Particular focus is on the wooden biomass, which is the basic source of energy for central heating facility in Prijedor. Consequently, planning of local forestation plants, which will increase availability of wooden biomass, is the subject of interest for local authorities.
<b>Priority area 3 – Funding &amp; Business Environment</b>	
3.1. Define baseline indicators (2017) of regional FBI (income, profit, value of assets, export)	In order to establish an objective evaluation of local and regional policies, and to estimate influence of regional and global trends on local FBI, baseline indicators of regional FBI will be established on the bases of official statistic data (financial reports of local FBI companies).
3.2. Establish and equip co-working spaces in Prijedor	In line with the planned methodology, a co-working infrastructure will be set in Prijedor, gathering critical mass of local experts and talents in IT. Co-working will be physical space with available tools and equipment, which will enable and foster initiatives implying cooperation between FBI and IT sectors.
3.3. Facilitate cross-sectoral connections & cooperation	With co-working infrastructure set next to Agency PREDA, Regional Wood and Furniture Cluster “DRVO-PD” and other relevant subjects, cross-sectoral connections and processes will be facilitated in order to bring and initiate innovation development for regional FBI. PREDA and Cluster will facilitate communication between FBI, other traditional sectors and particularly IT and creative industries.
3.4. Propose and implement joint services for regional FBI (In-house fair)	The applied methodology, implying established cross-sectoral connections and initiatives, will be tested through pilot activities, including an in-house fair of local FBI companies. The i-house fair will be organized on the basis of cross-sectoral initiatives, implying dominant use of IT/creative industries tools and skills in development of the content for local companies.
3.5. Support standardisation processes in FBI	Local companies are dominantly SMEs with emerging need for standardisation of internal processes as an element for raising of their competitiveness. Within FORESDA, official initiatives will be proposed for support to standardisation of FBI companies within existing lines of support provided by the City of Prijedor.
<b>Priority area 4 – Education &amp; Human Resources</b>	
4.1. Propose the establishment of a Wood Centre Prijedor as part of the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	Wood and furniture industry is a traditional sector of local economy, with still underused potential in terms of available raw material and local know-how. On a long run, in order to maintain and raise significance of the sector, regional wood and furniture industry needs strong supporting physical and non-physical infrastructure, gathered around thematic wood centre as a project of strategic relevance. The Wood Centre Prijedor should offer missing physical infrastructure for secondary vocational education, facilities for research and development initiatives, pool of experts in FBI, funds for HR



	capacity building, founders support to relevant initiatives, etc.
4.2. Establishment of a Pool of Experts for FBI	Within FORESDA, for the reference of future initiatives, process of listing of relevant experts in FBI will be initiated. The list will serve as a repository file, which will be used for identification and engagement of relevant experts for the themes in direct relation to FBI (technical/technological issues, organization, marketing, sales, innovation, cross – sectoral potentials, trends, etc.).
4.3. Secure funds to support trainings for development of HR in modern technologies in FBI	Within FORESDA, process of planning of financial resources, which purpose is to secure content for development of HR for modern technologies in FBI, will be initiated. Intention is to create local practice of reserving relevant financial resources for these purposes.

The estimated time-frame and dynamics of measures and actions planned within the LIAP for the Prijedor Region are presented in the following table:

<b>ACTIONS &amp; SCHEDULE → Timeline</b> ↓ <b>Action Description</b>	<b>Project Period 3</b> <b>(1-6/2018)</b>		<b>Project Period 4</b> <b>(7-12/2018)</b>		<b>Project Period 5</b> <b>(1-6/2019)</b>	
	<b>1-3</b>	<b>4-6</b>	<b>7-9</b>	<b>10-12</b>	<b>1-3</b>	<b>4-6</b>
<b>Priority area 1 – Image &amp; Lobbying</b>						
1.1. Collect transnational (AT, HR) practices and experiences in planning and implementation of public campaigns focused on improving the image of the FBI						
1.2. Create a proposal for a regional campaign for improving of the image of FBI						
1.3. Integrate a proposal for development of a branding strategy for regional FBI in the local strategic framework (Development Strategy of Prijedor 2014 – 2024)						
<b>Priority area 2 – Policy &amp; Legislative</b>						
2.1. Collect transnational practices in policy making in favour to FBI						
2.2. Integrate the establishment of forestation plants for biomass in local strategic framework (Development Strategy of Prijedor 2014 – 2024)						
<b>Priority area 3 – Funding &amp; Business Environment</b>						
3.1. Define baseline indicators (2017) of regional FBI (income, profit, value of assets, export)						
3.2. Establish and equip Co-working space in Prijedor						
3.3. Facilitate cross-sector connections & cooperation						
3.4. Propose and implement joint services for regional FBI (In-house fair)						
<b>Priority area 4 – Education &amp; Human Resources</b>						
4.1. Propose the establishment of a Wood Centre Prijedor as part of the local strategic framework						



## 7. KEY IMPLEMENTATION STEPS

Project co-funded by the European Union Funds (ERDF and IPA)

	<ul style="list-style-type: none"> <li>Disseminate and promote co-working to attract target group beneficiaries</li> </ul>
3.3. Facilitate cross-sector connections & cooperation	<ul style="list-style-type: none"> <li>Organize matchmaking events to connect local FBI and IT/Creative industries</li> <li>Support collaboration on joint cooperation initiatives</li> </ul>
3.4. Propose and implement joint services for regional FBI (In-house fair)	<ul style="list-style-type: none"> <li>Draft concept of In-house fair</li> <li>Attract local SMEs from FBI and support their active involvement</li> <li>Secure logistics</li> <li>Support local SMEs in development of IT/Creative industry content</li> </ul>
<b>Priority area 4 – Education &amp; Human Resources</b>	
4.1. Propose the establishment of a Wood Centre Prijedor as part of the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	<ul style="list-style-type: none"> <li>Draft the proposal of activities for establishment of Wood centre in Prijedor.</li> <li>Submit the proposal to local authorities</li> </ul>
4.2. Establishment of a Pool of Experts for FBI	<ul style="list-style-type: none"> <li>Create online survey for registration of experts.</li> <li>Collect data on experts on the level of FORESDA consortium</li> <li>Establish a repository file</li> </ul>
4.3. Secure funds to support trainings for development of HR in modern technologies in FBI	<ul style="list-style-type: none"> <li>Collect information on required themes of interest for local SMEs and identify funding opportunities.</li> <li>Organize trainings and events within FORESDA</li> </ul>

## 8. RESPONSIBILITIES

Title of the Action	Responsible subjects
<b>Priority area 1 – Image &amp; Lobbying</b>	
1.1. Collect transnational (AT, HR) practices and experiences in planning and implementation of public campaigns focused on improving the image of the FBI	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> </ul>
1.2. Create a proposal for a regional campaign for improving of the image of FBI	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> </ul>
1.3. Integrate a proposal for development of a branding strategy for regional FBI in the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> <li>• City of Prijedor</li> </ul>
<b>Priority area 2 – Policy &amp; Legislative</b>	
2.1. Collect transnational practices in policy making in favour to FBI	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> </ul>
2.2. Integrate the establishment of forestation plants for biomass in local strategic framework (Development Strategy of Prijedor 2014 – 2024)	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• City of Prijedor</li> <li>• Central heating facility Prijedor</li> </ul>
<b>Priority area 3 – Funding &amp; Business Environment</b>	
3.1. Define baseline indicators (2017) of regional FBI (income, profit, value of assets, export)	<ul style="list-style-type: none"> <li>• PREDA</li> </ul>
3.2. Establish and equip Coworking space in Prijedor	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• City of Prijedor</li> </ul>
3.3. Facilitate cross-sector connections & cooperation	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> <li>• Creative industries</li> <li>• Local SMEs in FBI</li> </ul>
3.4. Propose and implement joint services for regional FBI (In-house fair)	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> <li>• Creative industries</li> <li>• Local SMEs in FBI</li> </ul>
<b>Priority area 4 – Education &amp; Human Resources</b>	
4.1. Propose the establishment of a Wood Centre Prijedor as part of the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> </ul>
4.2. Establishment of a Pool of Experts for FBI	<ul style="list-style-type: none"> <li>• PREDA</li> <li>• Wood and furniture Cluster “DRVO-PD”</li> <li>• FORESDA Consortium</li> </ul>
4.3. Secure funds to support trainings for development of HR in modern technologies in FBI	<ul style="list-style-type: none"> <li>• PREDA</li> </ul>

## 9. TARGET GROUPS AND STAKEHOLDERS

Title of the Action	Target groups (T) and Stakeholders (S)
<b>Priority area 1 – Image &amp; Lobbying</b>	
1.1. Collect transnational (AT, HR) practices and experiences in planning and implementation of public campaigns focused on improving the image of the FBI	(T): FBI (S): Wood and furniture Cluster “DRVO-PD”, Chamber of Commerce, Ministry of industry, energy and mining; City of Prijedor
1.2. Create a proposal for a regional campaign for improving of the image of FBI	(T): FBI (S): Wood and furniture Cluster “DRVO-PD”, Chamber of Commerce, Ministry of industry, energy and mining RS; City of Prijedor
1.3. Integrate a proposal for development of a branding strategy for regional FBI in the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	(T): FBI (S): Wood and furniture Cluster “DRVO-PD” ; City of Prijedor
<b>Priority area 2 – Policy &amp; Legislative</b>	
2.1. Collect transnational practices in policy making in favour to FBI	(T): FBI, City of Prijedor (S): Wood and furniture Cluster “DRVO-PD”, Chamber of Commerce, Ministry of industry, energy and mining RS
2.2. Integrate the establishment of forestation plants for biomass in local strategic framework (Development Strategy of Prijedor 2014 – 2024)	(T): City of Prijedor (S): Central heating facility Prijedor
<b>Priority area 3 – Funding &amp; Business Environment</b>	
3.1. Define baseline indicators (2017) of regional FBI (income, profit, value of assets, export)	(T): City of Prijedor, Wood and furniture Cluster “DRVO-PD” (S): City of Prijedor, Chamber of commerce, Ministry of industry, energy and mining RS.
3.2. Establish and equip Coworking space in Prijedor	(T): City of Prijedor, Wood and furniture Cluster “DRVO-PD” (S): Creative industries, IT experts, FBI, Vocational schools, Forestry faculty Banja Luka
3.3. Facilitate cross-sector connections & cooperation.	(T): Wood and furniture Cluster “DRVO-PD” (S): Creative industries, IT experts, FBI
3.4. Propose and implement joint services for regional FBI (In-house fair)	(T): Wood and furniture Cluster “DRVO-PD” (S): Creative industries, IT experts, FBI
<b>Priority area 4 – Education &amp; Human Resources</b>	
4.1. Propose the establishment of a Wood Centre Prijedor as part of the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	(T): City of Prijedor, Wood and furniture Cluster “DRVO-PD” (S): FBI, Vocational schools, Forestry faculty Banja Luka, Independent experts in FBI
4.2. Establishment of a Pool of Experts for FBI	(T): City of Prijedor, Wood and furniture Cluster “DRVO-PD” (S): FBI, Vocational schools, Forestry faculty Banja Luka, Independent experts in FBI
4.3. Secure funds to support trainings for development of HR in modern technologies in FBI	(T): City of Prijedor, Wood and furniture Cluster “DRVO-PD” (S): FBI, Vocational schools, Forestry faculty Banja Luka, Independent experts in FBI

## 10. RESOURCES AND BUDGET

Title of the Action	Implementation steps
<b>Priority area 1 – Image &amp; Lobbying</b>	
1.1. Collect transnational (AT, HR) practices and experiences in planning and implementation of public campaigns focused on improving the image of the FBI	<ul style="list-style-type: none"> <li>• <b>Human:</b> 600 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Physical:</b> 150 EUR (Cost off telephone, internet, office supplies etc)</li> <li>• <b>Financial:</b> 500 EUR (from FORESDA budget for travel and accommodation)</li> </ul>
1.2. Create a proposal for a regional campaign for improving of the image of FBI	<ul style="list-style-type: none"> <li>• <b>Human:</b> 400 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> </ul>
1.3. Integrate a proposal for development of a branding strategy for regional FBI in the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	<ul style="list-style-type: none"> <li>• <b>Human:</b> 200 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Financial:</b> 400 EUR (from FORESDA budget for external expertise – preparation of the proposal of Development of Branding strategy for regional FBI)</li> </ul>
<b>Priority area 2 – Policy &amp; Legislative</b>	
2.1. Collect transnational practices in policy making in favour to FBI	<ul style="list-style-type: none"> <li>• <b>Human:</b> 600 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Physical:</b> 150 EUR (Cost of telephone, internet, office supplies etc.)</li> <li>• <b>Financial:</b> 300 EUR (from FORESDA budget for external expertise – preparation of the proposals of local measures and policies to foster usage of wooden products in local community)</li> </ul>
2.2. Integrate the establishment of forestation plants for biomass in local strategic framework (Development Strategy of Prijedor 2014 – 2024)	<ul style="list-style-type: none"> <li>• <b>Human:</b> 200 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Financial:</b> 400 EUR (from FORESDA budget for external expertise – preparation of the proposal of local forestation policies for biomass)</li> </ul>
<b>Priority area 3 – Funding &amp; Business Environment</b>	
3.1. Define baseline indicators (2017) of regional FBI (income, profit, value of assets, export)	<ul style="list-style-type: none"> <li>• <b>Human:</b> 700 EUR (Staff Cost of PREDa form PREDa funding for perform and support the planned activities)</li> <li>• <b>Financial:</b> 1200 EUR of PREDa funding and FORESDA budget for purchase of database of financial data</li> </ul>
3.2. Establish and equip Coworking space in Prijedor	<ul style="list-style-type: none"> <li>• <b>Human:</b> 600 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Physical:</b> 18000 EUR (Cost of Coworking space telephone, internet, office supplies, 3D printer, Notebook, Audio-Video studio, etc.)</li> <li>• <b>Financial:</b> 17300 EUR from FORESDA budget for: <ul style="list-style-type: none"> <li>- external expertise – Development of concepts for the</li> </ul> </li> </ul>

	<p>pilots (Enteriour design) – 2300 EUR</p> <ul style="list-style-type: none"> <li>- Infrastructure and works (small scale) – 9000 EUR</li> <li>- Set of Furniture – 1500 EUR</li> <li>- Set of Tools and devices – 2000 EUR</li> <li>- Set of IT hardware and software – 1500 EUR</li> <li>- Set of Office equipment – 1000 EUR</li> </ul>
3.3. Facilitate cross-sector connections & cooperation	<ul style="list-style-type: none"> <li>• <b>Human:</b> 600 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Physical:</b> 450 EUR for meeting room (min.3 events),</li> <li>• <b>Financial:</b> 8000 EUR from FORESDA budget for: <ul style="list-style-type: none"> <li>- External expertise and services - Awareness raising on cross sectoral potential</li> <li>- External expertise and services - Support to collaborative networks</li> <li>- External services - Catering for meetings and workshops with local and regional stakeholders (SMEs, Creative Community, R&amp;D institution, Policy makers, etc)</li> <li>- External services - Equipment and logistics rental</li> </ul> </li> </ul>
3.4. Propose and implement joint services for regional FBI (In-house fair)	<ul style="list-style-type: none"> <li>• <b>Human:</b> 600 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Physical:</b> 200 EUR (Cost off telephone, internet, office supplies etc)</li> <li>• <b>Financial:</b> 7000 EUR from FORESDA budget and private funding for: <ul style="list-style-type: none"> <li>- Travel and accommodation</li> <li>- External services - Catering</li> <li>- External expertise and services in the field of digital marketing</li> <li>- External expertise and services in the field of interior decoration (for home fairs / individual interventions)</li> </ul> </li> </ul>
<b>Priority area 4 – Education &amp; Human Resources</b>	
4.1. Propose the establishment of a Wood Centre Prijedor as part ofin the local strategic framework (Development Strategy of Prijedor 2014 – 2024)	<ul style="list-style-type: none"> <li>• <b>Human:</b> 200 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Financial:</b> 400 EUR (from FORESDA budget for external expertise – preparation of the proposal for establishment of Wood centre in Prijedor</li> </ul>
4.2. Establishment of a Pool of Experts for FBI	<ul style="list-style-type: none"> <li>• <b>Human:</b> 500 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Physical:</b> 75 EUR (Cost off telephone, internet, office supplies etc.)</li> </ul>
4.3. Secure funds to support trainings for development of HR in modern technologies in FBI	<ul style="list-style-type: none"> <li>• <b>Human:</b> 300 EUR (Staff Cost of PREDa from FORESDA budget and PREDa funding for perform and support the planned activities)</li> <li>• <b>Physical:</b> 200 EUR (Cost off telephone, internet, office supplies, meetings room, etc.)</li> <li>• <b>Financial:</b> 1200 EUR from FORESDA budget for: <ul style="list-style-type: none"> <li>- External expertise and services in the field modern technologies in FBI</li> <li>- External services - Catering</li> </ul> </li> </ul>

## **11. COMMUNICATION ACTIVITIES**

The regional working groups established at specific points within FORESDA will be the main channels of communication and dissemination of information (on group and individual bases), since they already gather all relevant local and regional bodies and institutions. Their involvement in the process of elaborating of the LIAP significantly shaped the structure of the LIAP and the actions proposed, but their role in local and regional FBI context might conclusively determine the outcome of its implementation.

Characteristics of actions planned in the LIAP demand active involvement of institutions, whose representatives are members in FORESDA regional working groups. Generally, with two groups of subjects, it is necessary to maintain open communication channels – Beneficiaries of LIAP Actions (as primary group) and Policy/Decision makers (as secondary group).

Beneficiaries of LIAP actions will be business-supporting organizations (including Regional Wood and furniture Cluster “DRVO-PD” and Regional Chamber of Commerce and Industry Banja Luka – branch office Prijedor), individual SMEs (primarily active in FBI and creative industries), vocational education institutions, R&D institutions and the co-working community. Regular communication will be maintained through regular informing (formal and non-formal mailing, dialogues, discussions, etc.), organization of thematic meetings and events and joint initiatives and interventions. Apart from business supporting organizations, participation will be open also to individual SMEs in FBI.

Policy-/decision-makers, as members of FORESDA regional working groups, will have open access to outputs and outcomes of LIAP actions and FORESDA project in general, which will enable potential replication, dissemination and acceleration of measures undertaken. This is the particular case of Ministry of industry, energy and mining RS, as formal ASP in FORESDA. City authorities of Prijedor will use the

implemented measures and proposals for enhancement of local strategic framework in the process of formal revision of Development Strategy of City of Prijedor 2014 – 2024.



## 12. RISK ANALYSIS

DESCRIPTION OF POSSIBLE RISK	PROBABILITY OF OCCURRENCE	IMPACT	REMEDIAL ACTIONS
Feedback on interest for cooperation between FBI and local IT sector below expectations	0.1	0.6	Organization of thematic events to promote the potential and initiate cooperation
City of Prijedor does not accept the proposal of branding strategy for FBI for integration in local strategic framework	0.1	0.7	Secure the support of regional FBI and accompanied business support organization
City of Prijedor does not accept forestation projects for integration in local strategic framework	0.05	0.7	Secure the support of local Heating company
Denying the proposal for forming the Wood Centre Prijedor	0.2	0.7	Plan of the proposal in phases on a long run
City of Prijedor not interested to fund capacity building actions for HR	0.2	0.7	Secure co-funding resources, primarily from individual SMEs and business supporting organization (cluster, chamber, etc.)

### 13. APPENDIX I: LIAP B&H (PREDA) - TABLE OVERVIEW

LOCAL INNOVATION ACTION PLAN	TIMELINE						OBJECTIVES	TARGET GROUPS	BUDGET (EUR)
	Project period 3		Project period 4		Project period 5				
	1-3	4-6	7-9	10-12	1-3	4-6			
Priority area 1 – Image & Lobbying									
1.1. Collect transnational (AT, HR) practices and experiences in planning and implementation of public campaigns focused on improving the image of the FBI							To improve the image of FBI – establish regional brand  To raise attractiveness of wood based products	Target Groups: FBI Stakeholders: Wood and furniture Cluster “DRVO-PD”, Chamber of Commerce, Ministry of industry, energy and mining; City of Prijedor	1250,00
1.2. Create proposal of regional campaign for improving of the image of FBI								Target Groups: FBI Stakeholders: Wood and furniture Cluster “DRVO-PD”, Chamber of Commerce, Ministry of industry, energy and mining RS; City of Prijedor	400,00
1.3. Integrate proposal for development of Branding strategy for regional FBI in local strategic framework (Development Strategy of Prijedor 2014 – 2024)								Target Groups: FBI Stakeholders: Wood and furniture Cluster “DRVO-PD” ; City of Prijedor	600,00
Priority area 2 – Policy & Legislative									
2.1. Collect transnational practices in policy making in favour to FBI							To create and adopt policies in favour to consumption of wood, as a renewable natural resource	Target Groups: FBI, City of Prijedor Stakeholders: Wood and furniture Cluster	1050,00

								“DRVO-PD”, Chamber of Commerce, Ministry of industry, energy and mining RS	
2.2. Integrate establishment of forestation plants for biomass in local strategic framework (Development Strategy of Prijedor 2014 – 2024)								<b>Target Groups:</b> City of Prijedor <b>Stakeholders:</b> Central heating facility Prijedor	600,00
<b>Priority area 3 – Funding &amp; Business Environment</b>									
3.1. Define baseline indicators (2017) of regional FBI (income, profit, value of assets, export).							To stimulate/attract investments in FBI  To identify and foster sectoral and cross sectoral value chains involving FBI  To raise competitiveness of FBI	<b>Target Groups:</b> City of Prijedor, Wood and furniture Cluster “DRVO-PD” <b>Stakeholders:</b> City of Prijedor, Chamber of commerce, Ministry of industry, energy and mining RS	1900,00
3.2. Establish and equip Coworking space in Prijedor								<b>Target Groups:</b> City of Prijedor, Wood and furniture Cluster “DRVO-PD” <b>Stakeholders:</b> Creative industries, IT experts, FBI, Vocational schools, Forestry faculty Banja Luka	35900,00
3.3. Facilitate cross- sector connections & cooperation								<b>Target Groups:</b> Wood and furniture Cluster “DRVO-PD” <b>Stakeholders:</b> Creative industries, IT experts, FBI	9050,00

3.4. Propose and implement joint services for regional FBI (In-house fair)								<b>Target Groups:</b> Wood and furniture Cluster "DRVO-PD" <b>Stakeholders:</b> Creative industries, IT experts, FBI	7800,00
<b>Priority area 4 – Education &amp; Human Resources</b>									
4.1. Propose Establishment of Wood centre Prijedor for integration in local strategic framework (Development Strategy of Prijedor 2014 – 2024)							To raise the level of technical competences in FBI  To raise the level of competences in application of modern technologies in FBI	<b>Target Groups:</b> City of Prijedor, Wood and furniture Cluster "DRVO-PD" <b>Stakeholders:</b> FBI, Vocational schools, Forestry faculty Banja Luka, Independent experts in FBI	600,00
4.2. Establishment of Pool of Experts for FBI								<b>Target Groups:</b> City of Prijedor, Wood and furniture Cluster "DRVO-PD" <b>Stakeholders:</b> FBI, Vocational schools, Forestry faculty Banja Luka, Independent experts in FBI	575,00
4.3. Secure funds to support trainings for development of HR for modern technologies in FBI								<b>Target Groups:</b> City of Prijedor, Wood and furniture Cluster "DRVO-PD" <b>Stakeholders:</b> FBI, Vocational schools, Forestry faculty Banja Luka, Independent experts in FBI	1700,00

## 14. APPENDIX II: FORM FOR PROJECT PROPOSALS

PROJECT PROPOSAL FORM	
<b>Strategic objective:</b> (to which strategic objective(s) the project contributes to ?)	<b>Sectoral goal(s):</b> (to which sectoral goal(s) the project contributes to ?)
<b>Title of the project proposal:</b>	
<b>Justification and short description of the project:</b>	
<b>Project objective(s):</b>	<b>Target group(s):</b>
<b>Expected results:</b>	<b>Indicators:</b>
<b>Main activities:</b>	<b>Period of implementation:</b>
<b>Main risks:</b>	<b>Estimated value of the project:</b>
<b>Status of the project:</b> a) Ready for implementation b) Feasibility Study c) Technical documentation and initial analysis completed d) Project proposal e) Project idea f) _____	<b>Sources of financing/co-financing:</b>
<b>Partner(s):</b>	<b>Responsible organization(s):</b>