



National Report

Bosnia & Herzegovina



Table of Contents

Introduction	4
Legislative and institutional framework for social entrepreneurship	6
Policy initiatives for youth on active citizenship and social entrepreneurship	8
Opportunities for social entrepreneurship for youth	11
Challenges for social entrepreneurship for youth	16
The role of local government and educational institutions in supporting youth social entrepreneurship	20
<i>Local enterprises to enhance social well-being</i>	20
Recommendations for support mechanisms and educational/training resources for young people to get involved in social entrepreneurship	25
<i>Support mechanisms</i>.....	25
Conclusion.....	28
References	32
Annexe	33

***Best practices and initiatives in active citizenship
and social entrepreneurship among youth33***



Introduction

The National report on social entrepreneurship and active citizenship for youth in Bosnia and Herzegovina synthesises findings from comprehensive desk and field research conducted throughout the country.

The desk research component focused on gathering foundational data on:

- **Legislative and Institutional Framework:** Examined existing laws and regulations related to social entrepreneurship in BiH, highlighting the decentralised governance structure and entity-specific legislation.
- **Policy Initiatives:** Reviewed current policy initiatives aimed at promoting active citizenship and fostering social entrepreneurship among youth.
- **Best Practices:** Identified examples of successful initiatives and programmes within BiH that demonstrate effective strategies in social entrepreneurship.
- **Stakeholder Mapping:** Mapped out key stakeholders involved in youth engagement, social entrepreneurship, and active citizenship initiatives across BiH.

The field research phase incorporated direct feedback and insights from participants:

- **Focus Group Analysis:** Conducted with three participants, providing qualitative insights into perceptions, attitudes, and

aspirations regarding social entrepreneurship among youth in BiH.

- **Surveys:** Distributed to 25 youth and 26 youth workers across BiH, the surveys gathered quantitative data on their knowledge, experiences, and perspectives on social entrepreneurship.

The youth survey targeted respondents primarily aged 25-30 from cities including Sarajevo, Tuzla, Zenica, and Brčko. Key findings include:

- **Knowledge of Social Entrepreneurship:** 44% of respondents admitted to not being sufficiently familiar with the concept of social entrepreneurship, while 24% indicated some level of knowledge. Despite this, a significant 80% of respondents have not been involved in enterprises based on social ventures.
- **Motivation for Involvement:** Despite limited knowledge and practical experience, the majority expressed a strong motivation to join social enterprises driven by their desire to address societal issues.
- **Future Involvement:** Looking ahead, 68% of respondents expressed uncertainty about their involvement in social entrepreneurship over the next five years, reflecting the challenges faced by youth in BiH.

The survey targeting youth workers, who typically serve as programme coordinators, counsellors, and educators, revealed:

- **Familiarity and Importance of Education:** Most youth workers, with an average of over 7 years of experience, are familiar with the concept of social entrepreneurship. They emphasise the

critical role of education in preparing youth for social entrepreneurship endeavours.

- **Interest in Networking:** A significant majority of youth workers expressed a keen interest in joining a network focused on social entrepreneurship, highlighting their commitment to enhancing their impact and collaboration in this sector.

All participants exhibited a strong interest and eagerness to deepen their understanding of social entrepreneurship. Specifically, there was a consensus regarding the potential of social entrepreneurship to address pressing societal challenges faced by youth in BiH.

Legislative and institutional framework for social entrepreneurship

Bosnia and Herzegovina boasts one of the world's most intricate and compelling political systems, characterised by its decentralised structure and diverse governance entities. Below is an overview of the legislative framework that governs this complex political landscape.

BiH is comprised of three main administrative units:

Federation of BiH: Governed by a decentralised system consisting of 10 cantons, each further divided into numerous municipalities.

Republika Srpska: Operates under a more centralised governance structure, administratively divided into municipalities and cities.

District Brčko: Functions as a self-governing special district.

Each level of governance—from national to municipal—holds the authority to draft and adopt laws, strategies, and action plans tailored to their specific needs and priorities.

Despite the absence of a comprehensive National Law on Social Entrepreneurship, both entities within BiH have made significant strides in enacting legislation at their respective levels:

- **Social Entrepreneurship Laws:** In 2021, Republika Srpska adopted its Law on Social Entrepreneurship, while the Federation of BiH drafted a similar law in 2023, pending adoption. These laws define social entrepreneurship, its objectives, and the registration process for enterprises wishing to operate as social enterprises. They also establish Social Entrepreneurship Councils in each entity, tasked with formulating strategies and action plans in collaboration with relevant ministries.
- **Benefits for Social Enterprises:** Both laws offer incentives such as exemptions from certain taxes and fees for registered social enterprises. They also stipulate that a minimum of 51% of profits can be distributed to owners if a profit-based company transitions to a social enterprise.

Several other laws complement the framework for social entrepreneurship in BiH:

- **Laws on Persons with Disabilities:** Focus on enhancing employment opportunities for disabled individuals.

- **Laws on Small and Medium Enterprises:** Aim to foster entrepreneurship and craft skills among the population.
- **Law on Public-Private Partnership:** Facilitates collaborative efforts between public and private sectors to address societal challenges effectively.
- **Laws on Associations and Foundations:** Allow NGOs and civil society organisations to engage in economic activities, provided that profit is not their primary goal.

The legislative landscape of Bosnia and Herzegovina reflects a concerted effort to integrate social entrepreneurship into broader societal and economic development strategies. As BiH continues to navigate its complex political structure, the evolution of these laws and strategies will play a crucial role in shaping the future of social entrepreneurship and inclusive economic growth across the country.

Policy initiatives for youth on active citizenship and social entrepreneurship

Fractional institutional support and policy initiatives

The absence of a comprehensive legislative and institutional framework for social entrepreneurship at the national level significantly impacts the development and efficiency of policy initiatives aimed at promoting active citizenship and social entrepreneurship among youth. In Bosnia and Herzegovina, a national strategy for youth is still lacking, even though there are youth strategies at the entity levels and in the Brčko District.

A strategy serves as a guiding document outlining mechanisms and methodologies for policy implementation. However, in Bosnia and Herzegovina, only Republika Srpska, one of its entities, has adopted a Youth Policy. The absence of a national youth policy hinders the establishment of an independent body capable of consistently monitoring and evaluating the organisations responsible for implementing youth strategies, such as Youth Councils.

This challenge is echoed by youth workers, who highlight the lack of financial support as a major obstacle for youth social entrepreneurship. Field research further indicates that while young people are aware of available opportunities, these are inadequate for launching social enterprises. Institutional support is limited to internships, with no systematic approach to education in social entrepreneurship or provision of mentorship opportunities.

Non-inclusive local community support

Additionally, the support provided by local communities is not tailored to the specific needs of youth. It tends to focus on strategy-driven goals that lack a foundation in systematic research on youth needs. Local communities frequently overlook youth strategies when formulating their own strategies and action plans, resulting in a mismatch between community support and the interests of young people.

Local initiatives are predominantly centered around environmental issues and eco-focused projects, leaving limited opportunities for youth to pursue their entrepreneurial ideas. However, social entrepreneurship, a concept that can be applied to a wide range of

topics, includes examples of successful social enterprises addressing environmental concerns.

(Mis)conception of social entrepreneurship and lack of networking opportunities

Field research analysis suggests that youth in Bosnia and Herzegovina are not well-acquainted with the concept of social entrepreneurship and remain largely focused on traditional, profit-based entrepreneurial ventures.

How familiar are you with the concept of social entrepreneurship?

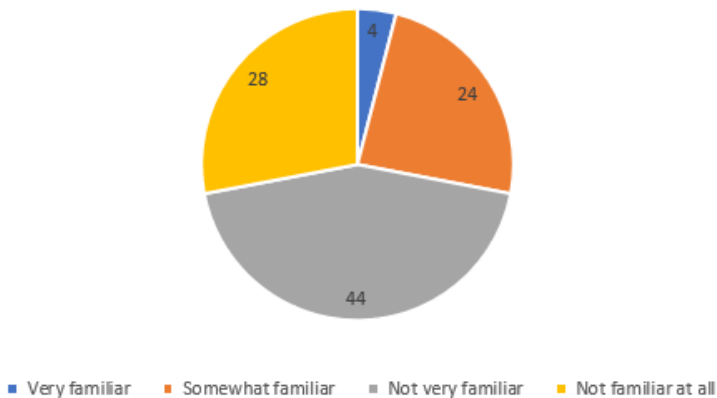


Figure 1 Familiarity of young people with social entrepreneurship

The lack of institutional support and policy initiatives for social entrepreneurship is indicative of the poor understanding of the concept among youth. According to a survey of youth workers, one of the key challenges in establishing social enterprises is the lack of business skills. However, young people feel that they need more practical skills and

experience, especially soft skills like communication. While hard skills, such as business planning, are available through various educational programmes, the real gap lies in the practical application of these skills. To truly foster social entrepreneurship, there needs to be a greater focus on providing youth with opportunities to develop and apply both hard and soft skills in real-world contexts.

Another critical aspect is the lack of networking opportunities among youth, which could be addressed through targeted policy initiatives and corresponding strategies. Young people have expressed that networking with peers could spark various ideas and initiatives, providing a valuable platform for sharing knowledge and experiences. While there are youth clubs, hubs, and centres in place, these often lack the necessary educational and practical opportunities for young people to learn about social entrepreneurship. By enhancing these spaces with resources and programmes focused on social entrepreneurship, youth can gain the skills and connections needed to drive innovative projects and initiatives.

Opportunities for social entrepreneurship for youth

Non-governmental sector as a catalyst for social entrepreneurship

In Bosnia and Herzegovina, social entrepreneurship remains unregulated at the national level. As a result, its greatest potential for growth lies within the non-governmental sector. The number of non-governmental civil society organisations (NGOs) in BiH has been increasing exponentially, creating numerous initiatives for youth to engage in various aspects of civic life.

NGOs play a crucial role in responding to society's needs and requirements. They often serve as a window into new trends and technologies, particularly concerning EU accession. Furthermore, the non-governmental sector operates across the entire country, including both large cities and rural areas. Legislatively, NGOs have an advantage in conducting social entrepreneurship activities, as they are not-for-profit organisations with simpler registration procedures compared to profit-based enterprises or companies.

However, for social entrepreneurship to thrive, the non-governmental sector must form alliances with both the private and public sectors. The combined efforts of these three sectors would create an optimal ecosystem for social entrepreneurship, driving innovation and addressing community needs more effectively.

Both youth and youth workers in BiH believe that there are opportunities for youth in social entrepreneurship, which has as well been backed up by the two best practices examples singled out in the desk research report.

The best practice examples present two strong initiatives for youth, composed of a series of events offering training on entrepreneurship, focusing on hard skills such as business planning and other important entrepreneurial skills. The projects, which have ultimately evolved into self-sufficient and self-running programmes still offer youth with opportunities for mentorship and support for young people willing to start their own business.

As to different institutional opportunities, youth seem to rely mostly on the non-governmental sector. They claim that the public institutions are

over-crowded and old dated, and they lack the initiatives which could satisfy the needs of the youth in contemporary times. On the other hand, non-governmental sector lacks the support from the public institutions and various levels of governance, specifically in providing financial support and resources.

Enhancing youth engagement through a comprehensive support – private, public and non-governmental

Youth workers from the NGO sector emphasise the necessity of comprehensive educational opportunities for young people. These should be complemented by professional staff in public institutions who are capable of initiating, implementing, and following up on various youth-related projects and initiatives. An overarching strategy to promote social entrepreneurship, specifically highlighting its possibilities, is also essential.

Mentorship and local community support for youth have as well been singled out, while for youth workers it would be beneficial to form a networking group for sharing ideas and experiences.

International experts have as well been listed, specifically in regard to organising educational sessions, where an experience of an international expert could provide with an opportunity for young people to get acquainted with the latest trends in the market.

And finally, a collaboration between a public, private and an NGO sector has as well been given priority as an initiative which would effectively improve the work of youth workers. This would of course have to include a greater support from the governance level particularly

in terms of financial means, as well as networking with the private sector in providing mentorship opportunities.

The youth in Bosnia and Herzegovina have primarily highlighted the type of support they need, as opportunities for social entrepreneurship are quite scarce. When asked to name successful social entrepreneurs, many admitted they were unfamiliar with any, largely due to the absence of a database of social enterprises and the lack of promotion for such ventures.

Given the lack of a national law, strategy, or action plan for social entrepreneurship, it is understandable that opportunities are limited. Most youth believe that the greatest support for aspiring social entrepreneurs would come from financial grants and investments, as well as workshops and training sessions. Mentorship programmes and legal and administrative support are also seen as beneficial. However, without effective promotion and a single point of contact for youth regarding social entrepreneurship, even the best mechanisms may fail to be properly utilised.

Youth workers are focused on providing educational resources and workshops, given the limited opportunities due to the non-existent legal and regulatory framework for social entrepreneurship. They offer training sessions on various fields relevant to social entrepreneurship, emphasizing skill development and self-confidence. Their work is primarily evaluated through surveys and feedback from youth participants.

What types of support do you provide to young social entrepreneurs? (Select all that apply)

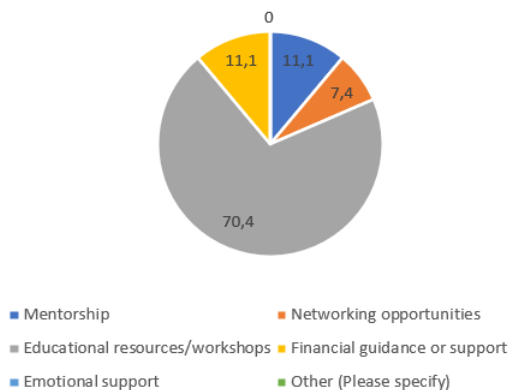


Figure 2 Types of support that youth workers provide to young social entrepreneurs

However, without a centralised point of contact, these evaluations are used only for internal purposes, limiting the broader impact and follow-up activities. Establishing a well-promoted, centralised resource for youth social entrepreneurship could significantly enhance the effectiveness and accessibility of support mechanisms.

Challenges for social entrepreneurship for youth

Market survival and financial sustainability

The challenges for social entrepreneurship in Bosnia and Herzegovina are pervasive across all segments of society and its governance structure. A major impediment is the absence of a national Law on Social Entrepreneurship. While laws exist at the entity level in Republika Srpska and Brčko District, the lack of such legislation in the Federation of BiH results in unequal opportunities for social entrepreneurship across the state.

What are the top three challenges you believe youth face when starting social entrepreneurial ventures?

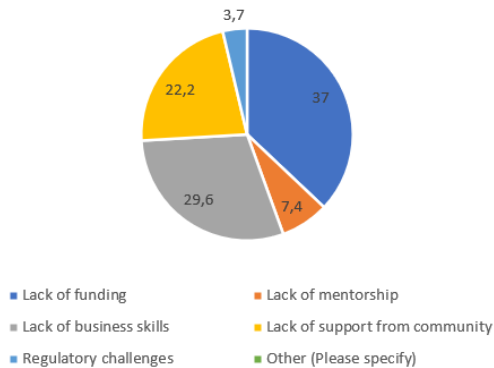


Figure 3 Challenges youth face when starting entrepreneurial ventures based on the opinion of youth workers

Despite these legal restrictions and disparities, social enterprises do exist in the country. However, there are no state mechanisms or structures to collect important monitoring data, such as the number of social enterprises and their efficiency. Public institutions provide very

limited assistance to social enterprises, largely due to decentralization and inadequate institutional oversight.

This situation leaves social entrepreneurship in Bosnia and Herzegovina reliant on the efforts of the private and non-governmental sectors, both of which face significant challenges in fostering a supportive environment for these ventures.

The private sector in BiH struggling to survive on the market is not that reluctant to give up some share of its profit to societal issues, while non-governmental sector, as being non-profitable finds it difficult to remain sustainable on the market. Still, it seems that non-governmental sector is the most active in the area of social entrepreneurship and youth activism, as it is composed of a nation-wide network of different associations tackling various societal challenges.

Surpassing the obstacles with a strong desire to address societal issues

According to a survey of youth workers from the non-governmental sector in Bosnia and Herzegovina, the greatest challenges youth encounter when starting their own social enterprises include a lack of financial funds, followed by inadequate entrepreneurial skills and limited support from the local community. The non-governmental sector, which struggles with insufficient financial support itself, primarily offers opportunities for youth to learn about social entrepreneurship through workshops and training sessions.

What are the biggest challenges you face or anticipate facing in pursuing social entrepreneurship? (Select all that apply)

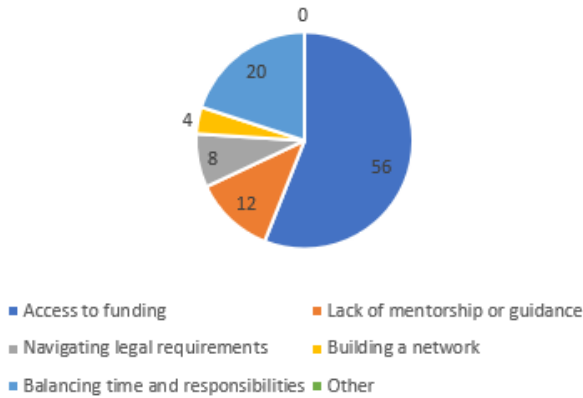


Figure 4 Challenges facing or anticipate facing in pursuing social entrepreneurship based on the opinion of young people

However, the sector faces challenges in providing mentorship, networking opportunities, financial counsel, and emotional support to youth due to understaffing. Moreover, there is a lack of proper oversight mechanisms within non-governmental organisations (NGOs) or civil society organisations (CSOs), relying mainly on tools like surveys and youth feedback for monitoring. Few organisations have the capacity for long-term monitoring.

Survey results indicate that many young people are unfamiliar with the concept of social entrepreneurship, often conflating it with traditional entrepreneurship. Despite this, their motivation stems from a desire to address societal issues, with financial constraints being a major impediment.

Additional challenges identified by youth include balancing free time with responsibilities, navigating bureaucratic administrative procedures, and achieving sustainability in a volatile market. Unlike in the European Union, where starting a business is facilitated with benefits, youth in BiH find it easier to freelance than to establish sustainable enterprises.

Youth also emphasise the importance of local community support, advocating for incentives aligned with youth-related strategies and covering contemporary topics of interest. They seek community-provided facilities for meetings and idea-sharing, as well as free office space to support their entrepreneurial endeavours.

Despite these challenges, youth in Bosnia and Herzegovina are driven by a strong desire to address societal issues, which often outweighs the obstacles they face in their journey towards social entrepreneurship.

What motivates you to get involved or interested in social entrepreneurship? (Select all that apply)

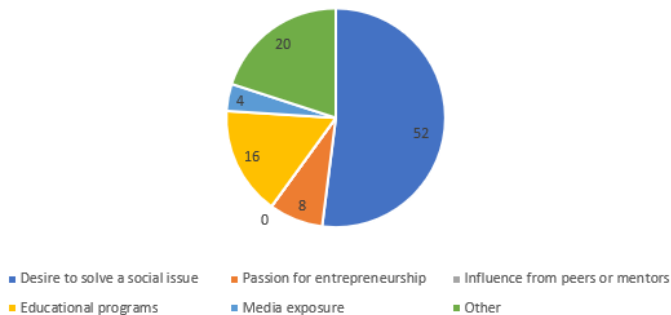


Figure 5 Sources of motivation for young people to get involved in social entrepreneurship

The role of local government and educational institutions in supporting youth social entrepreneurship

Local enterprises to enhance social well-being

Local government plays a pivotal role in Bosnia and Herzegovina, considering its status in not having adopted the Law on Social Entrepreneurship, or for Youth on a national level.

It operates at various levels depending on the entity. Municipal or city administrations serve as the lowest level in BiH, while in the Federation of BiH, cantonal governance units also play a significant role. In Republika Srpska, city administrations represent the local government units.

Despite these administrative structures, the adoption of a Law on Entrepreneurship remains pending in the Federation of Bosnia and Herzegovina. However, there have been initiatives focusing on social entrepreneurship in certain cantons. For instance, Sarajevo Canton has developed a comprehensive Study on Social Entrepreneurship aligned with the EU Agenda 2020 priorities. This study aimed to draft and adopt the Development Strategy of Sarajevo Canton for 2012-2020.

The Study defines social entrepreneurship according to the European Commission's framework, emphasizing enterprises established to enhance social well-being. It outlines several measures to promote social entrepreneurship:

- Establishing an information centre or online platform for stakeholders seeking information on social entrepreneurship.

- Introducing necessary education at all levels, particularly in high schools and universities, and offering educational programmes for public administration, non-governmental organisations, and the private sector.
- Facilitating collaboration between non-governmental and private sectors as contact points for presenting social entrepreneurship programmes and available funding opportunities.
- Utilizing existing potentials to develop public and social services and enabling social enterprises to contribute to public and social welfare.
- Securing and developing models of social economy in areas like environmental protection, tourism, small and medium enterprises, family businesses, traditional crafts, and local products.
- Activating the banking sector to establish specific credit lines for social entrepreneurs, including micro-credit start-ups.
- Supporting technological innovations and improving all-sector services.
- Initiating the drafting of an institutional framework at the cantonal and federal levels to support social entrepreneurship.

These measures aim to foster a supportive environment for social entrepreneurship in BiH, encouraging innovation and community engagement across various sectors.

Local social enterprise as the first respondent to societal challenges

Based on field research and respondent feedback analysis, local government support has been identified as a crucial resource needed to introduce and enhance social entrepreneurship opportunities for youth. Specifically, youth emphasise the importance of financial resources provided by local government units (municipal and cantonal levels). These resources should be in the form of grants directly allocated from local government budgets, along with specific financial incentives tailored for young entrepreneurs.

What types of support do you believe would be most beneficial to young social entrepreneurs? (Select all that apply)

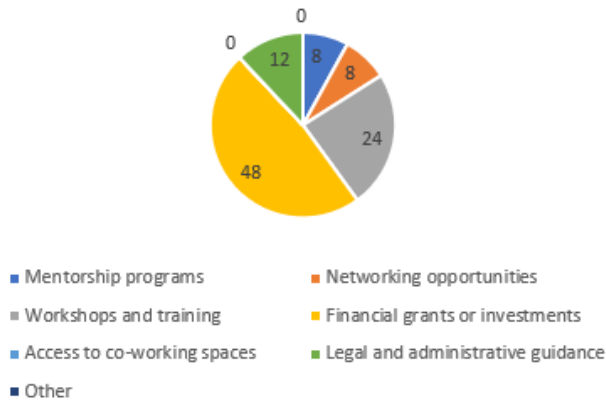


Figure 6 Types of support that young people believe are necessary for starting a social enterprise

In addition to financial support, local governments are urged to allocate funds for educational and training programmes tailored for young entrepreneurs, as well as mentorship initiatives. Ensuring the sustainability of educational and entrepreneurial centres through

funding various programmes and projects specifically designed for social entrepreneurship is also crucial.

Local governments should play a pivotal role in facilitating access to EU funding opportunities for youth, ensuring they can efficiently utilise these resources. This can include covering startup costs, co-financing initiatives, and providing educational opportunities to acquire necessary knowledge and skills.

Moreover, there is a pressing need to improve the promotion of social entrepreneurship at the local level, ensuring that young people are aware of the opportunities available to them.

For youth workers, addressing the lack of local community support is identified as one of the top three challenges. They emphasise the importance of local community support in enhancing their efforts to promote and facilitate social entrepreneurship among youth.

By addressing these needs and challenges, local governments can significantly enhance the environment for youth-led social entrepreneurship, fostering innovation and community development across Bosnia and Herzegovina.

Introduce education on social entrepreneurship as a prerequisite for its development

The Study on Social Entrepreneurship in Sarajevo Canton has outlined essential measures focusing on education and training sessions. These initiatives target social entrepreneurs, managers, employees of social enterprises, volunteers, and even public administration officials. Whether implemented through formal educational channels or

increased informal sessions, this segment is crucial for the local government to effectively foster social entrepreneurship development.

Survey respondents have underscored the importance of incorporating educational and training sessions on social entrepreneurship. Key implementation strategies include:

- Organizing practical training sessions tailored for youth.
- Integrating topics relevant to youth, such as unemployment, enhanced education, and mitigating brain drain, into strategies and action plans.
- Expanding educational sessions and content dedicated to social entrepreneurship.
- Hosting workshops and providing opportunities for project funding.
- Empowering youth to initiate their own startups and social enterprises.

To ensure that social entrepreneurship gains equal recognition and support as an economic asset within the community, it is imperative for all levels of government to collaborate. Specifically, higher levels of government must acknowledge and endorse the influential role of local governments in advancing social entrepreneurship.

These measures collectively aim to enrich the entrepreneurial landscape in Sarajevo Canton, fostering innovation and sustainable development for the benefit of its communities.

Recommendations for support mechanisms and educational/training resources for young people to get involved in social entrepreneurship

Support mechanisms

The Study on Social Entrepreneurship in Sarajevo Canton outlines critical measures aimed at introducing, efficiently implementing, and ensuring the sustainability of social entrepreneurship in Bosnia and Herzegovina.

1. Increasing Promotion of Social Entrepreneurship Benefits

- Introduce education programmes in social entrepreneurship and social economy.
- Establish and conduct training programmes tailored for public administration.
- Design awareness campaigns highlighting the societal benefits and positive impacts of social entrepreneurship.
- Establish a networking platform for social enterprises.
- Support innovation and foster a competitive spirit, implementing a rewarding system.
- Develop specific entrepreneurial and managerial skills for founders, employees, and volunteers in social entrepreneurship.

2. Providing More Funding Opportunities

- Foster regional cooperation and increase the utilization of international funds.
- Offer financial incentives for social entrepreneurs.
- Enhance networking and accessibility to platforms offering initial capital and other resources.
- Develop special programmes to fund the initial startup phase (up to three years).
- Support the establishment of associations representing vulnerable groups.

3. Optimizing Legal Framework

- Advocate for the adoption of a Law defining social enterprises, their activities, and designations to enhance visibility in the market.
- Amend supporting laws to create a more conducive legal environment.
- Facilitate administrative procedures to streamline operations.
- Provide free-of-charge use of public spaces for a limited period (long-term).
- Develop a supportive regulatory environment specifically tailored for associations in Sarajevo Canton.
- Establish a system for social monitoring and reporting.

4. Identifying Strategic Market Sectors

- Highlight specific sectors conducive to the development of social enterprises:
 - Transport, especially public transport.
 - Social protection.
 - Health sector.
 - Education.
 - Environment.
 - Public utilities services.
 - Disaster protection.
 - Tourism.
 - Agriculture.

Innovative trends

Youth workers have identified innovative trends that could effectively engage youth in social entrepreneurship. These include:

- Digital Transformation, Sustainable Development, and Green Entrepreneurship
- Governance and Management
- Innovations in the Labour Market
- Information Technology
- Social Responsibility and Financial Independence
- Enhanced Social Networking
- Comprehensive Social Media Platform Promotion
- Support for Startup Development
- Promotion of Youth Activism and Self-Promotion Opportunities
- Exchange of Experiences with Successful Entrepreneurs
- Development of Mentorship Programmes

- Facilitation of Sectoral Cooperation (Private, Public, and NGO Sectors)
- Creation of a Database for Potential Investors
- Establishment of a Central Monitoring and Evaluation Body for Entrepreneurship
- Integration of Artificial Intelligence in Social Entrepreneurship
- Development of Hub Communities for Social Entrepreneurship

Creating a robust ecosystem for young social entrepreneurs requires trust and support from all levels of government and society. Emphasizing youth activism and their innovative potential is crucial. Continuous and inclusive support should be provided to address youth needs and expand the scope of social entrepreneurship into areas of interest such as:

- Culture and Art
- IT Sector
- Sport and Recreation
- Nutrition
- Legal Aid
- Mobile Application Development

By embracing these trends and broadening the horizons of social entrepreneurship, Bosnia and Herzegovina can foster a dynamic environment where youth thrive as innovators and changemakers in their communities.

Conclusion

The legislative landscape of Bosnia and Herzegovina reflects a concerted effort to integrate social entrepreneurship into broader societal and economic development strategies.

The findings underscore the need to enhance education and awareness around social entrepreneurship among both youth and youth workers in Bosnia and Herzegovina as an answer to a widespread misconception among youth regarding social entrepreneurship, with many favouring traditional profit-driven ventures over socially impactful enterprises.

Regardless of low familiarity with social entrepreneurship concepts, youth in Bosnia and Herzegovina are driven by a strong motivation to address societal challenges. Their enthusiasm is tempered by practical concerns such as bureaucratic hurdles, sustainability in an unstable market, and the need for streamlined administrative procedures akin to those in the European Union.

Survey findings among youth workers highlight a pronounced need for enhanced business skills and practical experience. While educational programmes offer theoretical knowledge, there remains a significant deficit in opportunities for youth to apply these skills in real-world contexts, stifling their potential to initiate and sustain social enterprises.

Addressing the lack of networking opportunities is another pivotal challenge. Youth express a desire for platforms to connect with peers and mentors, which could stimulate creativity and foster collaborative initiatives. Although existing youth centres and hubs provide some community engagement, they often lack comprehensive resources and programmes specifically geared toward nurturing social entrepreneurship skills.

The support provided by local communities in Bosnia and Herzegovina for youth entrepreneurship often falls short of meeting their specific

needs, focusing more on generalised strategies rather than tailored support grounded in youth-centric research.

To achieve widespread recognition and support for social entrepreneurship as a valuable economic asset, collaborative efforts across all levels of government are essential, with a specific emphasis on empowering local governments to drive initiatives forward. These measures are poised to enhance the entrepreneurial landscape in Sarajevo Canton, fostering innovation and sustainable development for the broader community.

Youth workers emphasise the critical need for increased financial support and structured educational programmes to overcome barriers hindering youth participation and development in the field of social entrepreneurship.

Youth aspiring to launch social enterprises face daunting obstacles, including financial constraints, inadequate entrepreneurial skills, and a lack of local community support. The non-governmental sector attempts to fill these gaps through educational workshops but struggles to provide comprehensive mentorship and networking opportunities due to resource limitations and staffing shortages. Monitoring within NGOs relies heavily on youth feedback, underscoring the need for enhanced oversight frameworks and long-term monitoring capabilities.

Youth workers have highlighted a range of innovative trends to engage young people effectively in social entrepreneurship. These trends encompass digital transformation, sustainable development, governance and management innovations, and leveraging information technology for societal benefit. Additionally, initiatives promoting social

responsibility, financial independence, and comprehensive social media platform promotion are crucial for empowering youth in entrepreneurial endeavours.

By fostering mentorship programmes, facilitating sectoral cooperation across private, public, and NGO sectors, Bosnia and Herzegovina can create an ecosystem supportive of youth-driven social entrepreneurship and empower its youth to become proactive agents of change within their communities, despite current challenges and uncertainties.



References

Halimić, Š., Koštrebić, K., & Neimarlija, N. (2014). *Towards a Youth Policy in FBiH-Survey on the Position and Needs of Youth in the Federation of BiH in 2013.*

Ninković-Papić, R., Slijepčević, T., & Halepović, D. (n.d.). *Assessment Report on Social Entrepreneurship in Bosnia and Herzegovina.* <http://www.sif.ba>

Situaciona analiza problema i potreba biznisa vođenih od strane mladih preduzetnika u Bosni i Hercegovini. (2022).

Vilić, D. (2022). Social Entrepreneurship in Bosnia and Herzegovina- Opportunities and Constraints. *EEMR Economics, Entrepreneurship and Management Research*, 1(1), 2955–9014.

Annexe

Best practices and initiatives in active citizenship and social entrepreneurship among youth

Name:	IMPAKT incubator of business ideas
Country:	Bosnia and Herzegovina
Implemented/ Promoted by:	IMPACT Foundation
Time frame/duration of the best practice:	Ongoing
The implementors of the best practice is:	Non-profit organisation
Level of geographical Implementation:	National
Description of the best practice:	<p>The IMPACT foundation as founded at the beginning of 2019, building on the foundations of the ten-year Youth Employment Project (YEP), which implemented a series of reform efforts and initiatives in the field of the labour market with the support of the Swiss Agency for Development and Cooperation (SDC), leaving an indelible mark and tectonic institutional changes.</p> <p>They support more than 300 businesses, creating more than 600 jobs and</p>

	cooperating with more than 50 local communities throughout Bosnia and Herzegovina.
Impact and added value to the community:	<p>IMPAKT incubator of business ideas represents a comprehensive programme of incubation of business ideas, i.e. support for the realization of business ideas and consists of:</p> <ul style="list-style-type: none">• Entrepreneurial training lasting 6 days in a maximum period of 2 months focused on the development of a business plan and business model and strengthening of entrepreneurial skills, during which training participants have continuous professional and mentoring support from trainers in the creation of tasks and the final creation of a business plan and business model .• Preparation and implementation of the presentation of business ideas before the expert committee for the evaluation of business plans and business models.• Grants of non-refundable financial support for the best positively evaluated business ventures, in accordance with the available

	<p>financial means to support entrepreneurs.</p> <ul style="list-style-type: none"> Professional and mentoring support in the further growth and development of the business in accordance with the assessed needs.
Website (if any):	https://impakt.ba/english/
Annexes (project photos, anecdotal short stories, short quotes about the project impact.):	N/A

Name:	Youth bank 2011
Country:	Bosnia and Herzegovina
Implemented/ Promoted by:	Foundation “Mozaik”
Time frame/duration of the best practice:	Implemented
The implementors of the best practice is:	Entrepreneurship for Youth
Level of geographical Implementation:	National
Description of the best practice:	The programme provides the youth from 15 to 30 years an opportunity to take part in joint activities and to develop skills of management and entrepreneurship. Foundation “Mozaik” implemented the Youth Bank Program whose aim was to increase participation

	<p>of the youth in the processes of local development of rural areas through allocating non-returnable funds for projects that are initiated and managed by the youth. The aims of the project are 37 development of sustainable Youth banks as effective mechanisms of the youth participation in the processes of deciding on financing and supporting projects of the non-formal groups of the youth in rural areas, increasing capacities of the youth representatives that through mobilizing local resources and support to the Youth banks implement projects in order to solve the problems of the youth and other.</p>
Impact and added value to the community:	<p>The Youth Bank programmeme continued to be implemented with the funds from various donors, such the U.S. Agency for International Development (USAID). Its promotion reached even 32 municipalities in BiH in 2013.</p> <p>By March 2023, in partnership with 54 municipalities and 15 private and public financial partners, Mozaik ensured financing for 2,000 youth entrepreneurship projects within the YouthBank programmeme, while 240 social small and microbusinesses were launched and supported through the Startup Studio. In online community for</p>

startup entrepreneurship and activism lonac.pro Mozaik gathered over 50.000 members and created an ecosystem of support with numerous opportunities for professional success for young people. By including diaspora in that ecosystem new opportunities were launched, and additional resources ensured, creating systemic, long-term and sustainable solutions for social and economic prosperity of local communities.

The inclusion of such a high number of young people into youth projects means that many will improve their skills and boost their self-confidence. The influence of young people in their local communities rises since they decide about funds for the projects and microbusinesses, mentor their peers and promote opportunities for professional development of youth. Communities become more open and more aware of the needs relating to social inclusion and social justice.

Comprehensive support to self-employment and employment, as well as promotion of social entrepreneurship, strengthens business spirit of young people and their readiness to start their own businesses,

	<p>what is a significant step forward in youth perception about their options for professional development and future. Entrepreneurial experience makes young people more competitive on the labour market and it increases the living standards, both for them and the wider social community.</p>
Website (if any):	https://mozaik.ba/strateski-programmei-za-mlade/#mozaik_omladinske_banke
Annexes (project photos, anecdotal short stories, short quotes about the project impact.):	N/A