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Introduction

CREDO Krajina is a project financed by the Swedish International Development Agency – SIDA and implemented by the Development Agency EDA, Banja Luka, in cooperation with the Association for Development – Nerda, Tuzla. The aim of the project is improvement of competitiveness of medium and small size companies in the area of Krajina, in order to create and maintain jobs, reduce poverty and improve the economic status of this area. The project should support creation of around 200 new jobs and maintain up to 1000 jobs in the companies/sectors encompassed by the project interventions. The CREDO Krajina Project lasts for 30 months and it consists of several phases and components. Through an initial analysis of the priority commercial sectors, a selection of industrial sectors with a significant potential for creation of new jobs was done and representatives of companies from these sectors, through sectoral boards, defined priority needs for advisory assistance and training. Additionally, a part of an advisory and financial assistance is directly aimed towards the municipalities with intention to significantly improve local business environment and establish a permanent and efficient dialogue with the private sector.

This analysis is based on the two previously performed analyses within the CREDO Krajina Project. The first one is “Baseline Study of the Industrial Sectors”, the aim of which was to explore and identify the sectors with the biggest potential for growth of competitiveness and growth of employment. On the basis of this analysis, a decision was brought that the CREDO Krajina Project will focus on the sector of metal industry, food processing industry, wood industry and leather and footwear industry. The second analysis is the value chain analysis for food sector. The focus of this analysis was on the production, processing, distribution and sales together and this has enabled us to analyze each step in its comparison to the previous one and to compare it to the next step in the chain. The results of this analysis are being used to a great extent as a basis for the GAP analysis.

GAP analysis has offered an overview of the situation in the food industry, from the point of view of comparing the current reality with desirable possibilities offered at the market. GAP analysis is a business analysis tool, which implies defining of differences between the current and desired state and manner of functioning of the branch.