

Market Size Stats

Country	Size of Industry (in mln USD) in your country/region, (est)	Approximate number of companies in your country/region (est)	Approximate number of workforce employed by the industry (est)	Year
Bulgaria	3,240	700	76,550	2020
Romania	6,240	2,000	140,162	2020
Bosnia&Herzegovina	66	100	1,352	2020
Croatia	394	1,000	11,765	2020
Serbia	693	1,500	22,728	2020
Slovenia	679	300	8,538	2020
Montenegro	21	70	1,200	2020
North Macedonia	206	350	6,570	2020
Southeast Europe	11.54 bln USD	6 020	268 864	

Country	Share of GDP	Share of GDP/ year
Bulgaria	5.20%	2018
Romania	11.50%	2017
Bosnia&Herzegovina	0.30%	2017
Croatia	0.50%	2017
Serbia	1.50%	2017
Slovenia	1.30%	2017
Montenegro	0.40%	2017
North Macedonia	2.10%	2018

As well as serious implications for people's health, COVID-19 is significantly impacting businesses and the economy in general. The **main challenges for the companies in Southeast Europe due to C-19:**

- Set up work from home for sensitive positions
- Keeping the employees safe, motivated and in good mental health during the insolation
- State regulations in regards to work from home
- Offices where rent was still due

Employee Safety and WFH

Companies ensure stable technical connections between teams, customers, IT support departments; audio and video meetings platform; safe server connections, cyber security and data security measures; computers and other needed technical devices for employees in order to ensure a good working environment.

Companies apply all necessary measures for employees, returning to the offices:

- redesign of the office premises, desks separation
- disinfectants
- more frequent cleaning daily
- work in shifts
- gradual return in the offices
- improvement of ventilation systems
- clockwise movement
- providing face masks and protective clothes
- preventive medical examinations
- consultations with a psychologist
- self-diagnosis by employees
- introduction of temperature control of employees

Companies in Southeast Europe managed to organize WFH in a very short time. In different countries the share of people working from home varies between 40% in Bosnia and Herzegovina, 60% in Serbia, 69% in Croatia, 80% in North Macedonia, and 90% in Bulgaria.

Something more, before C-19 crisis some 25% of Bulgarian companies had offered WFH options, but during the months of lockdown, almost 100% of companies applied remote work and all companies claim that they will offer the WFH in the future.

From the very first signals of the corona virus in Bulgaria AIBEST companies organized work from home for over 90% of the employees. Within only few hours networks and VPN connections were tested, technical equipment was secured and work process was not interrupted at any level.

Internal customer satisfaction tests executed by the companies show no impact on performance evaluation on business level and employee's productivity is measured to be even higher than at business as usual.

Sector associations in Bulgaria and Macedonia made suggestions to the governments for amendments in the Labour acts.

<https://lider.media/poslovna-scena/hrvatska/povratak-na-posao-da-ali-od-kuce-rad-na-daljiju-je-praksa-proizisla-iz-korone-koju-cemo-zadržati-131437>

Customer Quotes

“Even before the pandemic, the typical digital company A1 nurtured the flexible workplace and working hours program, and epidemiological measures allowed even employees like those from the Customer Service who could not use the program to try working from home due to the specifics of the workplace. The period of forced labor from home was also an excellent test that showed a good direction for the future organization of work. For some employees, working from home brought higher productivity, better organization and more satisfaction. Given that a large number of employees claim that they would like to use this benefit more often in the future, more frequent work from home will certainly become our new model of work, or 'new normal' - confirms Ivan Skender, Chief Executive Officer for Business Transformation, Human Resources and Corporate Communications at A1, Croatia.”

In the Southeast European countries WFH influenced positively productivity – 81 % of the companies measured the productivity to be even higher than at business as usual in Bulgaria, and in Serbia – 70% keep the productivity on the same level, and 25% reported an increase of productivity.

More about Serbia:

A survey, conducted in two phases in March-April, and then in end-May-June by the Serbian HR consultancy company HR Lab shows the following results (The full report is here attached):

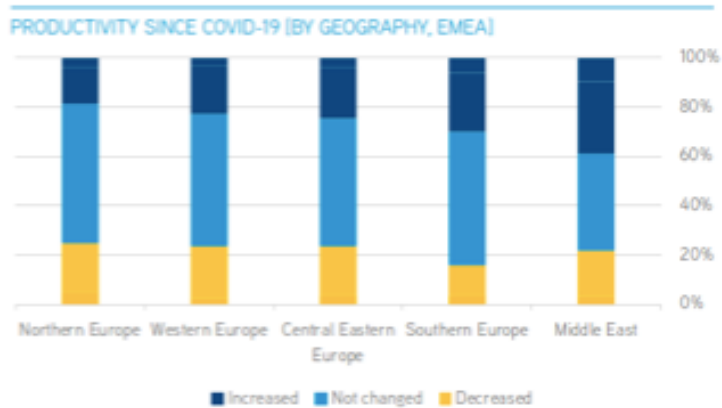
- Number of companies that feel a significant negative impact stood at 27% in June.
- Over 70% of companies estimate that they will not reach this year planned financial goals due to the new situation.
- Some positive changes appear such as that working from home can be feasible and beneficial for a good part of the company (40%).
- From the negative consequences, there was stagnation in development and planned investments (63%), and the biggest challenge at the moment is the difficulty of planning further activities (40%).
- More than half of the companies cut their costs, and among the first to suffer those related to marketing.
- The good news is that in almost 70% of companies the salaries of employees are still not changed
- 58% of company representatives and 69% of employees state that when they work from home productivity does not decline, while for a quarter of them it even rises. So no wonder that most employees (54%) would like to do so under normal conditions and to work at least in combination - part of the week from home, and partly from offices.
- In almost 70% of companies, the appearance of coronavirus led to the redesign of the workspace, and/ or the introduction of rigorous hygiene measures.
- The work from home is a novelty for the big number of companies in Serbia. In almost 60% of them they are not noticed the negative features of this change on employee productivity.

Employees who answered this question were even more positive about the work from home.

According to the Global survey of Colliers International a total of 53% of employees said that their productivity was the same, and 24% reported an increase in the working efficiency:

Colliers International notes, that in Southeast Europe, productivity increased most, by almost 30% in comparison with other parts of Europe:

3. Surprisingly, limited differences were identified between EMEA regions. Productivity increased significantly more in the Middle East compared to the subregions in EMEA.



Examples of Technology Acceleration

SEE companies have provided initiatives in different sectors in order to support the innovation of technology to help fight COVID-19.

Topic Number of initiatives, provided by SEE companies

Healthcare 1

Emergency support via tools for fast digitalization in the fight against COVID19 app - 4
chatbots - 2

web platform - 1

Education tech 2

Sustainable development 3

helping local communities 4

Healthcare - AIBEST donated 15 000 man- hours of experts in the IT and project management to work on improving the healthcare system in the sphere of general digitalization, which will include e-health records, e-recipes; e-direction to specialist etc. This project will be executed together with the national information integrator and is a long waited transformation of the entire health system.

Emergency support via tools for fast digitalization in the fight against COVID19

Two major tools donated to the government in support of tracking and measuring the virus spread.

Virusafe is a mobile application, created to assist society and governmental institutions in the fight against COVID-19. The app gives users the ability to track their symptoms and health status daily, which in turn gives Ministry of Health a good overview of the spread of the pandemic. Users can also voluntarily share their location to enable institutions to act accordingly, in case of an emergency. The application has features, specifically built to support in the fight against COVID-19. The current version of Virusafe has the following:

- Daily symptoms and health status tracker
- Location tracker, enabled voluntarily by the user, to create a heatmap with potentially infected people
- Notifications, which inform users on hot news, related to COVID-19
- Information and best practices, connected to the pandemic



Chatbot via Viber – Over 4 million Viber users in Bulgaria can find actual information from trusted sources regarding the development of the pandemic and the measures taken in response by the state authorities. Advisory on how to prevent us and our beloved is also part of the features.

The Chatbot unites statistics, news and updates from the national operational headquarters. The functionality allows also the receiving of notifications and news in real time.

Each user can make a fast online test based on the most common symptoms. The results advice on a potential risk and forward the contact to ViruSafe or general practitioner.

In April 2020 the government of North Macedonia adopted the regulation for the creation of the “StopKorona!” application for mobile telephones, which the citizens can use on a voluntary basis.

The goal is to assist the identification of close contacts of confirmed COVID-19 cases and thus to contribute to reducing the spread of the virus. More than 45,000 citizens have so far downloaded the StopKorona app as of 23 April 2020, and the Ministry of Health has advised family doctors to recommend the app to patients.

The application was created by the donation of Skopje-based IT solution providing company.

Common project - Another application for self-reporting of C-19 symptoms is a common work of cross bordering IT specialists and companies - <https://stopcorona.app/>: GISCloud(Croatia), SmartCloud(Croatia), Geovisual(Croatia), JuricaKovač(Croatia), Nubigroup Geoservices&Research (Greece), PacificSpatialSolutionsInc.(Japan), 99Geo(Brazil), Teramaps(Chile), Aquasave (NorthMacedonia), Hydrocontrol (BosniaandHerzegovina), Serbian GIS Association (Serbia), North4SmartApps(Jordan), Sprinter Consulting(Kenya), Aleksandar Lazarević (Slovenia), Alexandru Aldea (Romania), Alin Anchidin(Romania), Antonija Živković (Croatia), Dr.DejanLazarević (Italy), Prof.Asoc.Enkelejda Gjinali (Albania), Eva Vuksanović Kovač (Croatia), Lajtai Bálint (Hungary), Lara Kralj (Croatia), Marko Kosanović (Germany), Mirna Čužić (Croatia), Nikola Devčić (Croatia), Nikolina and Dan (Sweden), Pierre Henry and Paulina (Poland), Tomáš Sucháček (Czech Republic), Cristine Hellström (Denmark), Kim Beentjes (Netherlands), Oi Ling Lee (Hong-Kong), Bojana Šprem (Croatia), Emre Göktaş (Turkey)

Application is available in more than 30 languages.

Croatia - In April, the Ministry of Health introduced Andrija - the first digital coronavirus assistant in Croatia. Citizens can communicate with this digital assistant through the Whatsapp application. The idea of this platform is to provide assistance to Croatian epidemiologists and the entire health care system in the control of COVID-19 outbreak. It was named after Dr. Andrija Štampar. Andrija provides several options:

- It helps people to recognize the symptoms of coronavirus infection - a self-assessment of their own health status
- It connects people with competent institutions - directs everyone to the right address, saves time and energy for citizens and doctors in these moments of burden on the health system

- It allows people to report relevant information from their household
- It helps nursing home employees better understand the protection and testing protocols for COVID-19
- It can also help the families of nursing home residents. Families can easily get the latest information on measures in nursing homes (such as food delivery, organizing visits, etc.).

It is a joint project between the State and private technology companies and bodies together with the Croatian AI Association.

In collaboration with HZJZ-Hrvatski zavod za javno zdravstvo, the company Hero Factory have created a chatbot that will reduce the load on their phone lines and automatically answer all your questions about coronavirus at any time of the day or night. The chatbot is called the name we need the most at this time – Nada (Hope)

Romania - One of the official sources of information and statistics in Romania for C-19 is <https://stirioficiale.ro/informatii>. This project is carried out pro-bono by Code for Romania volunteers, an independent non-governmental organization, not politically and apolitically affiliated, within the Code for Romania Task Force and in partnership with the Romanian Government through the Romanian Digitalization Authority.

Education tech in Bulgaria - Keeping students learning with the quality of teacher's support and the speed the curriculum requires was major challenge of the educational system in Bulgaria. Biggest problem in that regard was the access to online education in small villages in the country side. As per analysis on the need, there were over 6000 children and their teachers being unable to access any system due to connectivity issues or lack of primary hardware.

Big companies in the sector got part of a network donating equipment, such as laptops, tablets and smartphones to ensure student are having the technical resource to maintain education as usual.

Due to the common effort of the business and the educational system many teachers were trained to work with digital platforms and were provided with skills to work in online environment.

As a result, the schools year in the country was not significantly affected and ended on time for all students.

E-learning systems with volunteers from the business for teachers.

Montenegro - <https://www.ucidoma.me/> - "Study at home" online platform, Youtube and TV channels and a mobile application for all students studying from home

Sustainable development

AIBEST, Bulgaria - Analysis of the transformations in the in the public sector, businesses and social systems, which were caused by the COVID-19 pandemic is in progress with experts from the AIBEST companies monitoring, analyzing and providing successful practices and recommendations for changes in policies and regulations based on the transformations in the economy, labor market, international relations and strategic sectors for Bulgaria.

North Macedonia - On 8 April 2020, 16 applications have been picked out of more than 500 sent to the CREATON public call to tackle COVID-19 challenges, issued by the

Fund for Innovations and Technology Development. The public call was supported by the Embassy of Switzerland to North Macedonia, USAID, UNDP, UNICEF, and the Chamber of Commerce for Information and Communication Technologies (MASIT). Nearly 158 applications were shortlisted. Of those that made the cut, there are solutions involving medicine, digital tools as support to micro, small and medium-sized enterprises to weather the crisis, digital tools for education, and tools for culture and leisure. The total budget is 10 million denars and each proposal can receive up to EUR 10,000 in the local currency. The call is the first in a series of the Fund's initiatives to tackle the COVID-19 consequences.



Bosnia and Herzegovina - COVIDEJA2020 was launched in April with the aim of gathering ideas from the public to overcome the negative effects that the crisis caused by the COVID-19 virus pandemic has caused in all aspects of our lives and work. In May, 2020 the winners of the ideaton covIDEJA 2020 were announced, which were jointly organized by UNDP in Bosnia and Herzegovina and Bit Alliance.

Examples of CSR

AIBEST, in Bulgaria have helped their local community by providing equipment, such as laptops, tablets and smartphones to students in need, alongside 1800 protective masks.

In Serbia a lot of IT and BPO companies took part in the government platform Digital Solidarity, which aim is to support all citizens, working from home and learners.

In Montenegro the Digital Solidarity Movement was set up as a joint project between the Montenegrin state and private companies such as Business Intelligence Consulting, Softing, BI Communication in order to help their local community. The aim of the platform is to provide "free available online services that can make it easier to do business in an emergency".

The role of our industry in helping economies bounce back

In an unprecedented crisis situation like the one we are currently facing, we need a rational outlook, peace of mind as well as measured and planned steps on behalf of the business, government and the citizens, in order for the risk to be controlled and for the health status of every person to be preserved.

Such a crisis is a test not only for the technical setup, crisis plans and protocols of the companies and the economy in general, but is also a strong unifier, a proof of the business and human morals and a matter of the social responsibility of each.

This is the reason the knowledge industry in the SEE has united efforts to support local governments by providing sustainable development and critical digital solutions in the spheres of the economy and the social life where fast and adequate actions are crucial for the economy stability and the health and safety of the population.

Latest analysis show that 62% of the AIBEST members were not significantly affected by the crisis, no extreme measures have been taken (lay off etc.) and no company in the sector has benefited from the government's economic measures.