



MULTIFUNCTIONAL SPORTS HALL WITH INDOOR SWIMMING POOLS BRCKO

Project title	Multifunctional sports hall with indoor swimming pools in Brcko
Sector	Tourism sector
Location	Brcko District, Bosnia and Herzegovina
Location description	This local community with 85.000 inhabitants is situated in the northeastern part of Bosnia and Herzegovina – practically at the gates of the European Union. The Brcko District is located 20 km from the tripoint between Bosnia and Herzegovina, Serbia and Croatia, that is, the European Union and is roughly equidistant from the centers of the following cities: Belgrade (200 km), Zagreb (270 km) i Sarajevo (210 km). Situated on the right bank of the international Sava river with an urban area of 493,3 km ² , it occupies less than 1% of Bosnia and Herzegovina.
Company description Project background	Though an integral part of BiH, the Brcko District of BiH is a unique self-governing unit with its own laws, institutions and government. Why to invest in Brcko: Favorable Position (border with the Republic of Croatia) - International first category border crossing and immediate proximity of the border with the Republic of Serbia - The international border crossing of Raca for the Republic of Serbia of the first category is about 60 km away from the Brcko District of BiH; Full competence over legislative, executive and judicial authorities; Well developed traffic and telecommunication infrastructure; Accessibility of locations in business zones suitable for investments; Qualified and motivated workforce and competitive labor costs; Fast and efficient administration that meets the needs of investors; Stable financial system; Attractive tax environment; Construction of highway Sarajevo - Tuzla - Brcko - Bijeljina – Beograd; The existence of incentive measures for entrepreneurs (subsidizing one percent interest on commercial loans of BAM 1.200.000 per year, granting the guarantee through the Development Fund (BAM 1.300.000 portfolio); Taxes in the Brcko District of BiH are stimulated in



	<p>relation to the rest of BiH and the region - through the incentive law, income tax is returned to new investments; The existence of an active employment policy program such as a self employment program, senior employment programs, transformation programs, and by the requirements of the economy and public sector funding;</p> <p>Incentives, deductions and workforce:</p> <p>1. Tax deductions</p> <p>Investments in fixed assets – For a taxpayer who invests in land, buildings, plants, equipment and vehicles in order to carry out the registered activity in the District, the tax base is reduced by the amount of investments made in that year, providing that the reduction of the tax base cannot exceed 50% of the taxable base. The tax base for manufacturing companies is reduced by the total amount of realized investments.</p> <p>For permanent employment – For taxpayers who hire new workers for an indefinite period of time during the tax year, the tax base is reduced by the amount of gross wages paid to newly hired workers.</p> <p>Tax exemption on the basis of portion of export income in the total profit - When a taxpayer, in the year for which the profit tax is assessed, generates from export certain percentage of total profit, then the taxpayer is exempted from paying certain amount profit tax.</p> <p>Entitlement to accelerated depreciation - For machines that are subject to depreciation, the taxpayer is allowed to use accelerated depreciation calculation.</p> <p>2. Financial Deductions</p> <p>Development-Guarantee Fund of the Brcko District of BiH (DGFBD of BiH)</p> <p>The Development-Guarantee Fund of the Brcko District of BiH was established in 2003 with a total portfolio of BAM 1.300.000. Guarantees are granted to small and medium sized enterprises (MSEs) and individual farmers. Loans have maximum guarantee set at BAM 50.000 (50%), repayment period is 60 months</p> <p>3. Subsidizing Interest Rates</p> <p>Through the DGFBD of BiH the program of subsidizing a part of the interest rate on loans to companies and entrepreneurs in the Brcko District of BiH is carried out. In the Budget of the Brcko District of BiH BAM 1.800.000 are allocated annually for these purposes.</p> <p>4. Subsidizing for New Employments</p> <p>The employer is granted: BAM 5.000 for each new employment of persons with high school education and lower qualifications; BAM 7.000 for each new employment of persons with college education and University degree.</p>
Project status	<p>Conceptual project of a multifunctional sports hall with an indoor swimming pool, which is planned to be built at the location of Ficibajera.</p> <p>Draft of the Ficibajer Regulatory Plan and the obtained location permits</p>
Project description	<p>It is planned to reconstruct the existing swimming pool, which will represent a separate functional part and an independent functional separate part with all the necessary accompanying contents.</p> <p>Also planned is a wellness area, a multifunctional sports hall with a capacity of 3,000 seats with all the necessary accompanying facilities: a bowling alley, a fitness center, a catering area, a media center with conference and educational areas, office space and a landscaped multifunctional square.</p> <p>The project can be implemented in phases, so that each phase will contain special</p>



	<p>content and be a functional part of the whole.</p> <p>The planned building has dimensions of 155.0 x 86.0 m, basement + ground floor + two floors and consists of a sports hall and indoor swimming pools, gross area of approx. 18,000 m². The sports hall has a capacity of 3,000 seats and the pool hall has 288 seats.</p> <p>The preliminary project plans access roads, horticulture, parking spaces and other facilities that will be in the function of the overall facilities that will be realized on that significant site for the development of sports-recreational, tourist and residential facilities in accordance with the draft regulatory plan Ficibajer, which was also prepared by the Institute for Planning, Design and Development of the Brčko District of Bosnia and Herzegovina.</p>	
Estimated total investment cost	30 000 000 EUR	
Form of cooperation with foreign partner	Financial	Technical
	In agreement with a foreign investor	
Supporting information available	For additional information about this project, please contact FIPA either by e-mail: fipa@fipa.gov.ba or phone number: +387 33 278 080	