



# INVEST IN VLASENICA







## WHY INVEST IN VLASENICA?

***Availability of building plots in the greenfield industrial zone of “Kula-Zeban” at competitive costs, located at an attractive geo-strategic position in the vicinity of three countries borders – Serbia, Croatia, and Bosnia and Herzegovina, and three business zones for greenfield and brownfield investments***

The Municipality of Vlasenica offers to potential investors 37.13 hectares within the Industrial Zone of “Kula-Zeban”, 3.85 hectares in the greenfield business zone, and 9.55 hectares in two brownfield business zones at very competitive land and property costs, with available infrastructure for setting business in sectors of wood processing, textile and footwear, metal processing, food processing and other industrial manufacturing.

By primary roads, the zones are connected with the Pan-European corridors X and Vc and markets of the European Union and Central and South Europe, and with the Adriatic Sea, with low transport costs.

***Exceptional untapped natural potential for investing in agriculture, wood processing, renewable energy resources, and tourism***

Vlasenica has exceptional natural wealth: 5,600 hectares of agricultural land for investments in the agricultural sector, particularly in fruit, vegetables, milk and meat and meat based products value chains, 13,582 hectares of forest for investments in wood processing, large quantities of potable water for manufacturing bottled water, hydro power potentials and wind power for generating renewable energy, and excellent conditions for investing in the tourism.

- Vlasenica and neighboring municipalities in eastern Republika Srpska (RS) and Bosnia and Herzegovina (BiH) in the diameter of 75 km, makes the region that ranks first in producing berry fruits, cucumbers, cabbage, bell peppers and potatoes, compared to total production volumes in Republika Srpska. Vlasenica is among 8 leading locations in raspberries production in Republika Srpska, for which BiH ranks high in the global list of countries producers of raspberries (the 11th position) with an average market price in BiH being the lowest amongst 10 countries with the largest raspberries production volumes.
- Thick, tall forests of the highest wood quality (maple, beech, oak, and hornbeam) with the average annual cutting exceeding 22,000 m<sup>3</sup>, and tradition and experience in wood processing as the basis for application of modern technologies, offer vast opportunities for investing in the wood processing sector.
- Estimated hydro power potential of more than 60 GWh and the possibility of accumulation of more than 100 million m<sup>3</sup> of water, provide excellent conditions for building mini hydro power plants. The position of at the climatic crossroads of the colder, mountain based, and warmer air masses that arrive along the valleys of the rivers, renders this area extremely windy and suitable for constructing wind power plants.
- Wealth and diversity of plant and animal species, rivers that fall in the first and second category as per the water cleanness and quality, and historical monuments, make Vlasenica an attractive destination for winter, adventure, sports, health, and excursion and recreational tourism, fishing and hunting with opportunities for investing in tourism infrastructure.

***Proactive municipal administration committed to investors***

We provide to investors a professional support of municipal administration and public companies in completing administrative procedures for registering and doing business and obtaining permits. We started applying a fast tracking procedure for registering entrepreneurship in one day. Utility charges and taxes in Vlasenica are among the lowest in Republika Srpska with incentives - 0.1% tax rate on immovable property.



Position of the Municipality of Vlasenica in BiH and RS

Position of Bosnia and Herzegovina (BiH) in Europe

## THE MUNICIPALITY OF VLASENICA – BASIC DATA

|                                  |   |
|----------------------------------|---|
| <b>Surface area</b>              | 225.47 km <sup>2</sup>  |
| <b>Population</b>                | 18,000 inhabitants  |
| <b>Population density</b>        | 79.8 inhabitants per km <sup>2</sup>  |
| <b>Regional affiliation</b>      | Vlasenica belongs to the region of Birač, which, in addition to Vlasenica, also includes the city of Zvornik, and Municipalities of Osmaci, Šekovići, Milići, Bratunac, and Srebrenica. |
| <b>Relief</b>                    | Hilly and mountain type of relief   |
| <b>Elevation above sea level</b> | The urban settlement of Vlasenica - 680 m; the highest elevation - 1,405 m; the lowest elevation - 232 m  |
| <b>Climate</b>                   | Moderate continental with transitions to sub-mountain and mountain climate, with warm summers and moderately cold winters; the average annual precipitation is 1,068 mm.                |
| <b>Time zone</b>                 | GMT+1   |

## WHERE ARE WE LOCATED?

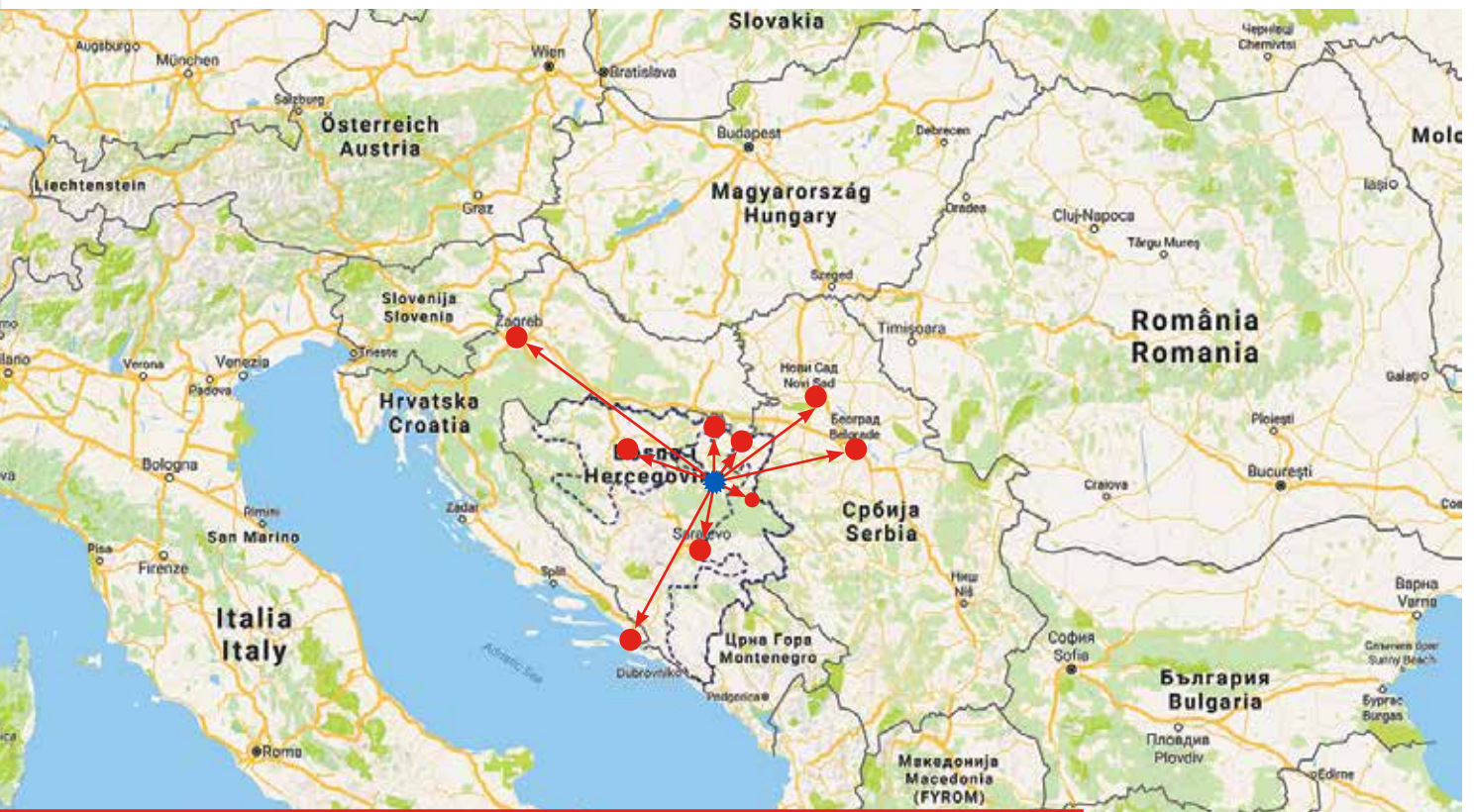
The Municipality of Vlasenica is located in the eastern part of Bosnia and Herzegovina and Republika Srpska. It is situated between large economic centers, Belgrade and Novi Sad in the Republic of Serbia, and Sarajevo and Tuzla in Bosnia and Herzegovina. Vlasenica represents an internal spatial connection between inner continental areas of RS and BiH, and Serbia and Croatia toward the Adriatic Sea.



# TRANSPORT COMMUNICATION

Vlasenica is located on the crossroads of trunk roads M–19 (Belgrade–Sarajevo) and M 19.2 (Vlasenica–Kladanj–Tuzla–Orašje).

- The trunk road M-19 is connected to the E70 highway (Belgrade–Zagreb) i.e. the Pan-European Corridor X, not far from the border crossing of Rača (BiH–the Republic of Serbia), an international border crossing of category I for persons and freight, through which goods can be transported under the TIR carnet, 145 kilometers from Vlasenica, which represents the shortest connection of the region with those two cities and, through them, with the west / central Europe and the south / east of the Balkan peninsula.
- It is connected with the Pan-European Corridor Vc (Budapest-Sarajevo-Ploče) along the M-19.2 trunk road, 90 km from Vlasenica in the vicinity of the Municipality of Vogošća, which represents a connection with the west / central Europe and the Adriatic Sea.
- It is 50 km away from the border crossing and the customs terminal Karakaj near Zvornik (BiH–the Republic of Serbia), an international border crossing of category I in road transport, as well as the railway station for freight transport Zvornik Novi (Tuzla-Zvornik-Loznica-Ruma railroad).



## Distances from large centers, airports, and ports

| The Republic of Serbia:   |                                |
|---------------------------|--------------------------------|
| Belgrade                  | 221 km (4:35 h), cargo airport |
| Novi Sad                  | 202 km (4:45h)                 |
| Republic of Croatia / EU: |                                |
| Zagreb                    | 394 km (5:30 h), cargo airport |
| Ploče                     | 283 km (5:35 h), sea port      |

| Bosnia and Herzegovina: |                               |
|-------------------------|-------------------------------|
| Banja Luka              | 221 km (4:35 h), airport      |
| Sarajevo                | 89 km (1:45 h), cargo airport |
| Tuzla                   | 74 km (1:35 h), airport       |
| Zvornik                 | 48 km (1:00 h)                |
| Brčko                   | 130 km (3:00 h), river port   |
| Šamac                   | 152 km (3:25 h), river port   |

Source: [www.viamichelin.com](http://www.viamichelin.com)

# CHARACTERISTICS OF LOCAL ECONOMY

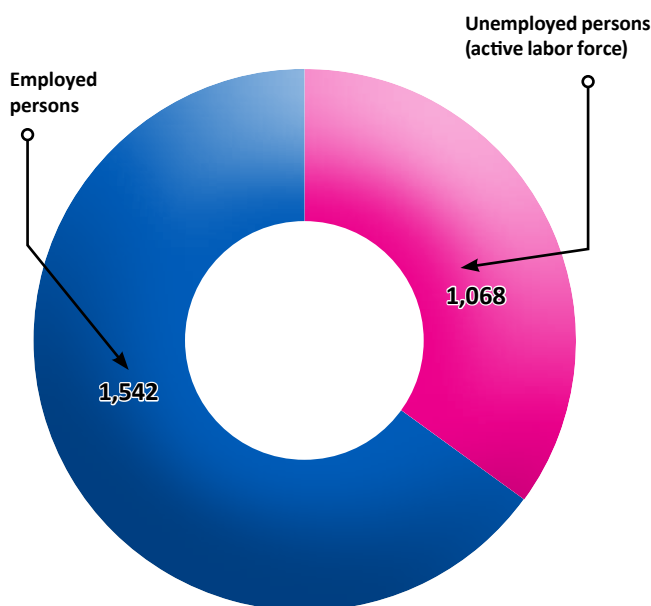
- Vlasenica has tradition in the exploitation and processing of wood, agricultural production, aluminum and textile industries, tourism and trade for decades, and that, along with the available qualified labor force, represents the basis for investing in new technologies in these sectors.
- The micro enterprises have the largest share of around 79% of the total number of enterprises in Vlasenica.
- The largest share of production in the wood processing, textile and aluminum industry is export oriented.

|  |   |                |
|--|---|----------------|
| <b>Registered economic entities</b>                              | 139 economic companies<br>152 entrepreneurs<br>210 agricultural farms   |                |
| <b>Main branches of industry with the % share in the economy</b> | 20 % wood processing industries<br>12 % construction<br>45 % trade and services<br>13% other  |                |
| <b>External trade exchange of Vlasenica in 2016</b>              | <b>Imports</b>  | BAM 11,523,000 |
|  | <b>Exports</b>  | BAM 13,812,000 |
|  | <b>Scope of exchange of goods</b>   | BAM 25,335,000 |
|  | <b>Coverage of imports with exports</b>   | 83.40 %        |
|  | From Vlasenica products are exported to the EU markets (Austria, Italy, Germany, Slovenia, France), Serbia and Croatia. The largest exporter is the wood industry where 90% of the production scope is directed to external markets, primarily countries of the EU. 50% of the total exports are wood based products, 20% aluminum, and other most significant exported products are from textile industry. |                |

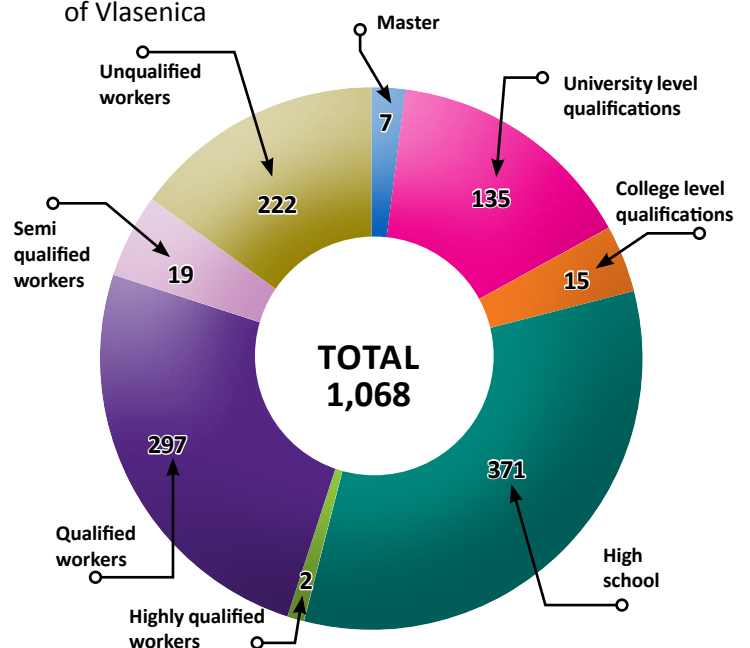
# HUMAN RESOURCES

In Vlasenica, qualified staff is educated as per needs of competitive sectors. Re-training of unemployed persons could be organized as per demands of the labor market.

## THE MUNICIPALITY OF VLASENICA



Overview of the number of registered unemployed persons by qualification structure in the Municipality of Vlasenica

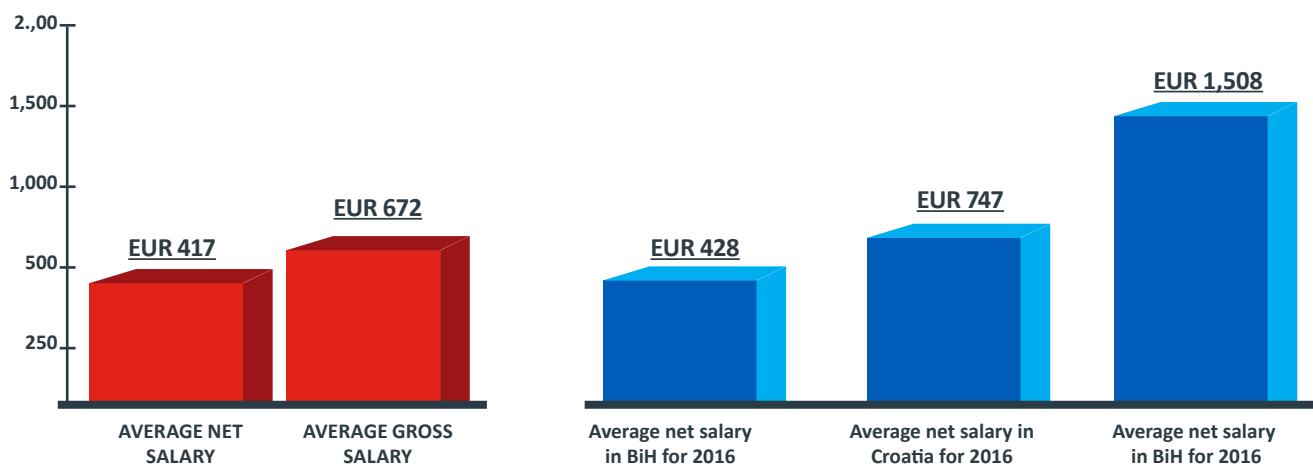


Source: Republika Srpska Tax Administration, November 3, 2017, and the Public Institution Employment Institute of Republika Srpska, Bureau in Vlasenica, September 2017



|  |   |
|--|---|
| <p><b>UNIVERSITIES</b></p>   | <ul style="list-style-type: none"> <li>University in East Sarajevo, Faculty of Agriculture, Study Programme for Forestry in Vlasenica<br/>link: <a href="http://www.pof.unssa.rs.ba/index.php/studijski-program-sumarstvo">http://www.pof.unssa.rs.ba/index.php/studijski-program-sumarstvo</a></li> </ul> <p><b>Students from Vlasenica are also educated in the following universities:</b></p> <ul style="list-style-type: none"> <li><b>BiH</b><br/>East Sarajevo, link: <a href="http://www.ues.rs.ba/">http://www.ues.rs.ba/</a><br/>Banjaluka, link: <a href="http://www.unibl.org/">http://www.unibl.org/</a></li> <li><b>Serbia:</b><br/>Novi Sad, link: <a href="http://www.uns.ac.rs/">http://www.uns.ac.rs/</a><br/>Beograd, link: <a href="http://www.bg.ac.rs/">http://www.bg.ac.rs/</a></li> </ul> |
| <p><b>HIGH SCHOOL</b><br/><b>High School Center</b><br/><b>“Milorad Vlačić” Vlasenica</b><br/><b>link:</b><br/><a href="http://miloradvlacic.com/">http://miloradvlacic.com/</a></p> | <p>Grammar School<br/>Bank technician<br/>Forestry technician<br/>Agricultural technician<br/>Economic technician<br/>Physio therapy technician</p>   |

**MUNICIPALITY OF VLASENICA - Costs of labor force are amongst the lowest in the region and in the EU member countries.**



Source: Republic Statistical Institute of Republika Srpska, Statistical Bulletin "Salaries, Employment, and Unemployment", 2016

Sources: EUROSTAT, State Institute of Statistics of the Republic of Croatia (DZS) and the BiH Agency for Statistics





# COMPETITIVE SECTORS FOR INVESTING

## FORESTRY AND WOOD PROCESSING

**Resources in forests and long experience in wood processing are the main reasons for a steady growth of production volume and increase in wood products finalization degree, which makes the wood processing a dominant sector in Vlasenica per employee numbers and exports.**

The level of forestation in the municipality is 61%, which is significantly above average for Republika Srpska amounting 51.70% (Cadaster of Forests and Forest Land data). The forest land predominantly covers the mountain of Javor. It comprises hardwoods, a mixture of hardwood and coniferous trees and coniferous trees and mountain meadows. The most important tree species are maple, beech, oak and rare examples of Pančić's spruce

|   |   |
|---|---|
| <b>In Vlasenica there are 13,582 hectares of thick and tall forests of the highest quality (maple, beech, oak, hornbeam).</b> | 75% of forests in state ownership                                       |
|   | 25% of forests in private ownership                                     |
|   | Total estimated volume stock of wood mass 283.6 m <sup>3</sup> /hectare |
|   | Total annual volume based increase of wood mass 8.58 m <sup>3</sup> /ha |

In the Municipality of Vlasenica there is a trend of increase of economic entities number in the wood processing industry. Currently, operational are 5 companies employing 200 workers (13% of the total number of employed persons in the Municipality) with average annual sales of 6 million BAM, out of which 90% represents exports. The companies feature well organized production, technically equipped capacities for the highest degree of product finalization and export of the most production to the EU market (Austria, Italy, and Germany).

Sources: Republic Statistical Institute of Republika Srpska, Statistical Bulletin of Republika Srpska for 2016, and LRC Profile of Industry in the Municipality of Vlasenica, 2016

### Business opportunities:

1. Opening new and expanding existing manufacturing plants of cut timber production and manufacturing of furniture and plywood board
2. Opening of new plants for pellet production
3. Construction of biomass heating plant for town area

#### 4. Purchase (revitalization) of the "DIV" Co. Company

Beside new companies in wood processing sector, the company "DIV" Co., former "10. avgust" AD Vlasenica, exists for decades in Vlasenica. The company is owned by Republika Srpska Government. Company capital is for sale – the business opportunity is purchasing company by domestic and foreign persons or legal entities.

The complex of business and commercial facilities of the "DIV" company is located within the business zone of "Novi Elastik – DIV – Birač" at the very entrance of the locality of the business zone. The company is 0.5 km away from the town center; it covers the area of 41,300 m<sup>2</sup> of which the factory circle occupies 31,900 m<sup>2</sup>, and the halls occupy 9,400 m<sup>2</sup>.

"DIV" has many years of experience in the manufacturing of furniture and was highly established both in domestic and foreign market (Germany). The company circle includes the plant of the sawing mill, the plant for parquet manufacturing, and the factory for solid wood furniture. The technological concept in the wood processing circle is based on the rounded-up cycle of processing, from cutting the logs into cut timber, hydro thermal processing of cut timber, and processing of cut timber into finished products.

The company is for sale, and the potential buyers have at their disposal a company that possesses significant space in the center of the urban area of the Municipality, factory halls with a rounded-up cycle of manufacturing, as well as a recognizable manufacturing programme of the company in domestic and foreign market.



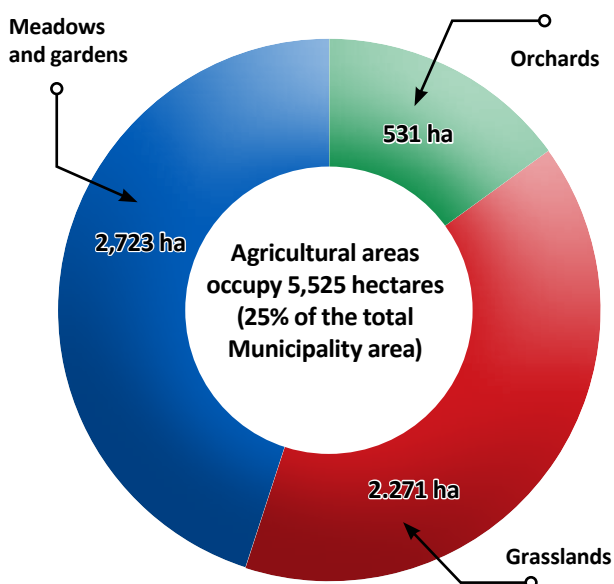
## AGRICULTURAL AND FOOD PROCESSING SECTOR

The wealth of fertile, uncultivated land, not treated with any chemical agents, excellent soil quality, the wealth of crystal clear water streams with favorable hydrological and climatic characteristics, represent extraordinary conditions for investing in fruit production and livestock production, as opportunities for market based production of healthy and high quality organic food with low operating costs.

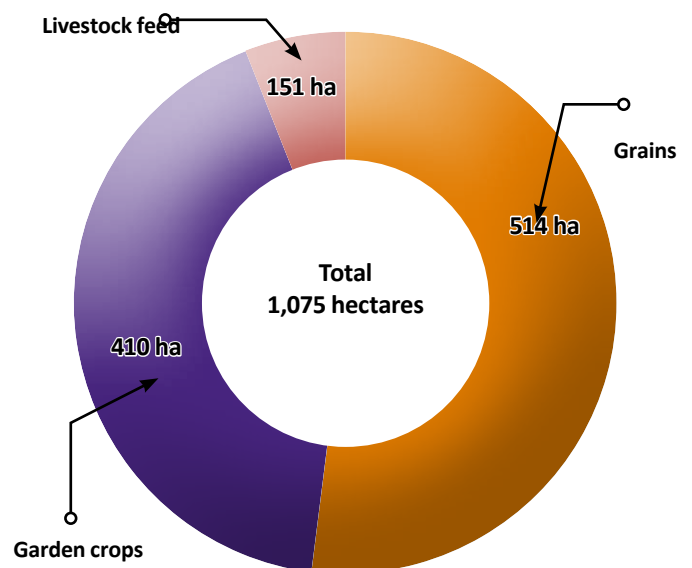
Agriculture products from Vlasenica are sold in the market of Bosnia and Herzegovina:

- Raspberries are sold to freezing plants in Goražde, Srebrenica, Kalesija, and Bratunac, cucumbers are bought by The Agricultural Cooperative "Vočar" Zvornik.
- The milk is purchased by dairy companies "Milkos" Sarajevo, "Pađeni" Bileća, and "Zott SEE" Gradačac.
- Other agriculture products (fruits and vegetables) and food products (cheese and other dairy products) are sold locally in Vlasenica and in Birač region.

Overview of agricultural areas



Overview of meadow areas under crops



Source: Republic Statistical Institute of Republika Srpska, Statistical Bulletin of Republika Srpska for 2016, data as of May 31, 2016, and Report on Yields for 2017



## Fruits and vegetables

In Vlasenica there are: raspberry production on the surface area of 60 hectares, strawberries on the surface area of 10 hectares, greenhouse production (3 hectares) and production of fruit (annual production volume of plums 875 t, apples 275 t and pears 95 t), with freezing plants for raspberries and several smaller drying plants.

### The Municipality of Vlasenica is one of the leading municipalities in Republika Srpska and BiH based on the production volume of fruits and vegetables.

In Republika Srpska, the Municipality of Vlasenica occupies:

- 8th place based on the production volume of raspberries (85 tons, which represents 2% of total production volume of raspberries in Republika Srpska) with the possibility of aggregation of produced quantities with the region of Birač (the aggregation of total 3,953 t which represents 54% of total production volumes of berry fruits in RS and 20% of total production volume in BiH)
- 8th place based on the production volume of potatoes (3,929 tons, which represents 3% of total production of potatoes in Republika Srpska) with a possibility of aggregation of produced quantities with the neighboring municipalities of Han Pijesak, Milići, and Šekovići (aggregation of the total of 5,397 tons which represents 4% of the total production of potatoes in RS and 1% of total production volume in BiH)

### Location of the broader region at the very border with Serbia opens an opportunity for supplying existing investors in the region, providing them with an opportunity to increase the critical mass of diverse varieties of fruit and vegetables and offering them additional quantities at competitive prices.

In the Municipality of Vlasenica there is a major production of cucumbers, cabbage, and kale, which, in aggregation with neighboring municipalities, represents significant quantities with a high share of those vegetables in Republika Srpska and BiH:

- The possibility of aggregation of produced quantities of cucumbers in Vlasenica (40 tons) with the neighboring municipalities / cities of Zvornik, Bratunac, Milići, Osmaci, and Šekovići (aggregation of the total of 2,355 tons which represents 19% of the total production volume of cucumbers in RS and 9% of total production volume in BiH)
- The possibility of aggregation of produced quantities of cabbage and kale (20 tons) in Vlasenica with the neighboring municipalities / cities of Zvornik, Milići, Osmaci, and Šekovići (aggregation of the total of 1,280 tons, which represents 4% of the total production volume of cabbage and kale in RS and 2% of production volume in BiH)

### Business opportunities

- Processing capacities for fruit and vegetables
- Freezing plants and cooling capacities for fruit and vegetables and/or expansion of existing capacities
- Freezing plants with deep freezing
- Construction of the distribution center
- Cultivation and buyout of fruit and vegetables

## Livestock feed

The production of livestock feed is the most frequent mode of plant production in Vlasenica (1,000 tons).

### Business opportunity

The production of livestock feed in green and dried form for the purpose of investing in animal husbandry

## Livestock keeping

Livestock keeping has significant potentials for investing because of agricultural and ecological potentials. The most common is the cultivation of sheep (8,000 heads), cattle (2,200 heads), and pigs (2,000 heads), and the cultivation of horses and goats is also registered. There are mini farms with poultry production and beef production.

### Business opportunity

Construction of an abattoir and small plants for meat processing, investment in cow-calf production system

## Milk

In Vlasenica, an organized buyout of raw cow milk has started in 2007. In 2016 the quantity of 1,830,000 liters of milk was produced and around 500,000 liters was sold through an organized buyout.

### Business opportunity

Increasing the volume of production in order to sell to known buyers through additional investments into the livestock, opening mini workshops for the production of cheese and other dairy products

## Beekeeping

In the Municipality of Vlasenica, there are around 80 beekeepers with the total of 4,000 of bee societies. The average production volume of honey on the annual level amounts to 60 tons and the production volumes vary depending on weather related conditions. The sale of honey is performed individually without any organized collection.

### Business opportunity

Construction of a mini plant for honey packing. It will also allow for recognition of the honey geographic origin and better market opportunities.

## Potential for exploitation of potable water

Because of the mineralogical contents of the rocks and the ecologically very good potential of the boarder area, a large number of sources of potable water of good quality appear which may be used for commercial purposes.

### Business opportunity

Investing in filling plants for water / water factories

Since 2015 during the period from October 11th to 12th, in the Municipality of Vlasenica **the regional agricultural and economic fair** is held with 120 exhibitors from Bosnia and Herzegovina and Serbia, and with around 3,000 visitors. The fair is an opportunity for the presentation of investment potentials of Vlasenica in the sector of agriculture and tourism.

## ENERGY SECTOR – Renewable energy sources

### Hydro power potential includes:

- Mountain rivers of Drinjača, Tišča, Studeni Jadar, Sedrica, Grabovica.
- Mini hydro power plants constructed on the river of Studeni Jadar – Hydro Power Plant of “Gornji Zalukovik” with 2x450 kW of power and river Tišča – Hydro Power Plant of “Tišča” with 2x1,000 kW of power.

### Business opportunities

- The relief based predisposition of the terrain and the geological base create good preconditions for the construction of a larger number of mini hydro power plants. Estimate of the hydro power potential: more than 60 GWh and options for accumulation of more than 100 million m<sup>3</sup> of water.
- In the register of concessions, there are 3 contracts registered on concessions for construction of mini hydro power plants, with an opportunity of joint venture with concessionaires.

### Potential for using wind energy

Vlasenica is located on the climatic crossroads of cold air masses from the mountain of Javor and somewhat warmer air masses that come along the valley of Drinjača, Tišča, and Jadar rivers, because of which the area is extremely windy. The territories of the Municipalities with a higher elevation above sea level were amongst the windiest areas in former Yugoslavia. The average speed of wind ranges from 1.3 m/s to 5.1 m/s.

### Business opportunities

Construction of wind power plants

## TOURISM

The municipality of Vlasenica is located on the northern slopes of the mountain of Javor, known by very clean air with high ozone concentration, in an area of gently undulating plateaus, river streams and forests. Vlasenica is an attractive destination for winter, adventurous, sports, health and excursion-recreational tourism, hunting and fishing, because of its richness and diversity of the plant and animal world, the rivers of this region that belong to the first and second categories for purity and quality of water and historical monuments.

### Sports and recreational center “Igrišta”

7 km from the center of the town, with a potential for the development of ski, mountain, hunting, and excursion tourism in wintertime, owned by Republika Srpska Government. The center possesses three ski lifts and 10 km of arranged trails. Due to a favorable geographic position, there are 120 days with snow on average.

### Business opportunities

The possibility to invest in ski infrastructure and the construction of commercial and hospitality industry facilities through public and private partnerships. The area of this sports and recreational center has a Regulation Plan developed.

### Sports and recreational center “Jezero”

2 km from the center of the town, possesses potentials for the development of excursion tourism, recreation and sports in the summertime.

### Business opportunities

Investments in expansion of hospitality industry capacities with a new facility, construction of facilities with accommodation capacities and arranging beach area. Opportunities for commercial cultivation of fish.





|   |   |
|---|---|
| <p><b>Natural resources</b><br/> <b>The mountain plateau of “Ružina voda” and the viewpoint on the mountain top of “Kik” above Vlasenica,</b> have potentials for the development of excursion and ecological tourism. It would be possible to construct bicycle and hiking trails.</p> | <p><b>Cultural and historical values</b><br/> The old town of Veleđin (Gradac) with several preserved portions of the former castle. Veleđin is especially attractive for mountaineering tours, and there is a marked mountain trail leading from the direction of Vlasenica.</p> |
| <p><b>The rivers of Tišča, Drinjača, and Studeni Jadar</b> have large potentials for the development of fishing tourism.</p>  | <p>71 necropolises with around 1,600 medieval burial monuments (stećak)</p>   |
| <p><b>A special type of vegetation cover is represented by numerous species of mountain plants.</b> In this area there is organized and individual collection and buyout of medicinal and aromatic plants.</p>  |   |

## OTHER SECTORS

### Metal processing sector / Aluminum

**“ALPRO” Inc. Vlasenica,** in the metal processing sector – processing of aluminum (covered with plastics, epoxied, raw, cold, and with thermal interruption) has been the dominant economic entity in the Municipality of Vlasenica for many years.

*The manufacturing of aluminum profiles is mostly oriented towards domestic buyers, and around 10% of total production volume is exported to the markets of Serbia and Croatia. In the coming period the company plans are to invest into a new plant for plastic covering and a plant for thermal bridging, with the objective of increasing its competitiveness.*

### Textile sector

**Experience in the textile sector, the unused manufacturing plants of the existing company and the availability of labor force create an opportunity for investing in the textile sector.**

In Vlasenica there are potentials for investments in the activities of improving, additional processing and finalization of products (clothes, footwear etc.) made from various materials. Locations available to investors are provided within the existing company **“NOVI ELASTIK” Inc.,** which possesses free manufacturing plants, and in other business zones.

**“NOVI ELASTIK” Inc. Vlasenica,** a company with many years of tradition in the area of textile industry – manufacturing of trimmings and woven strips.

*More than 50% of the total production volume is sold on the external market – in Serbia, Croatia, France, and Slovenia.*

Source: LRC, Profiles of Companies in the territory of the Municipality of Vlasenica, 2016



# FAVORABLE COSTS OF DOING BUSINESS FOR THE PRIVATE SECTOR

## Documentation for construction in the scope of competence of the Municipality of Vlasenica

The competent Service in the procedure of issuance of the permits listed in the table below is Department for Spatial Planning, Housing Utility Affairs.

**Contact person:** Željko Damljanović

**Telephone:** +387 56 490 070

**e-mail:** zeljkod@opstina-vlasenica.org

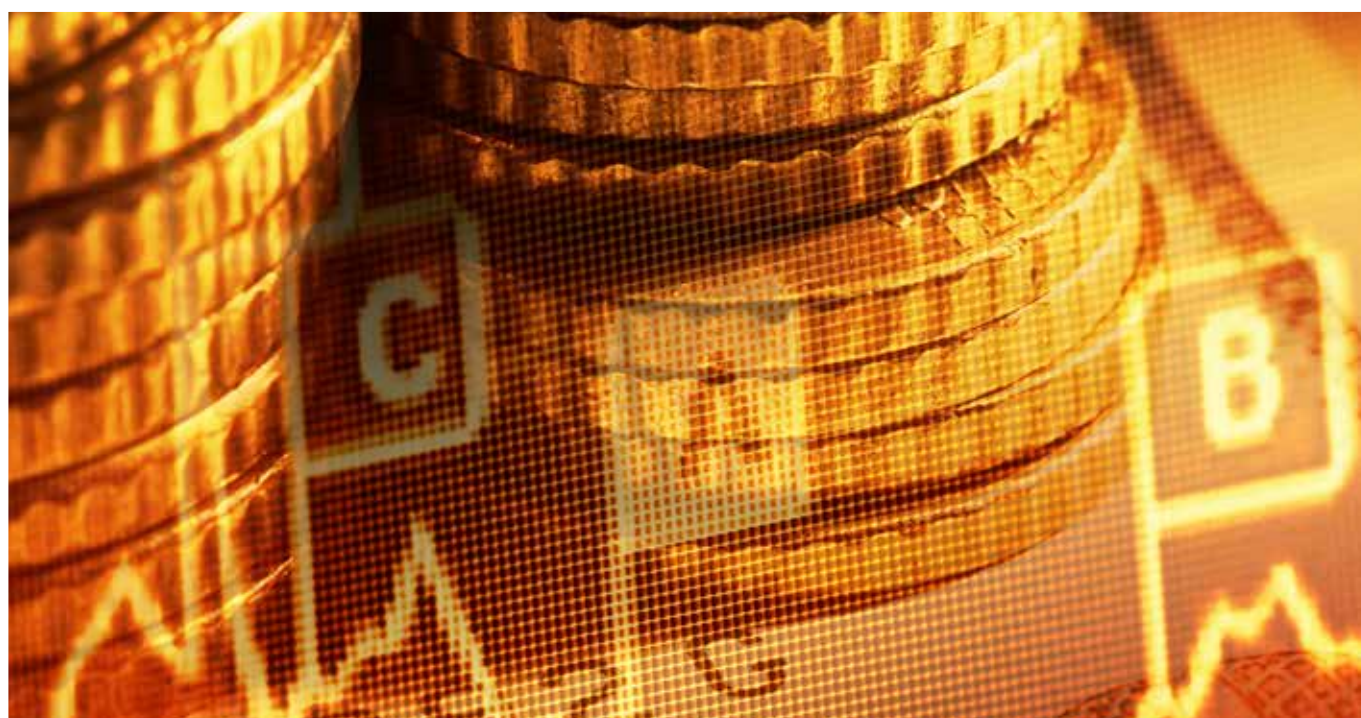
The forms for applications, with detailed information concerning subject approvals are available for download in the E-register.

| Ordinal number | Type of permit               | Deadline for issuance   | Price  |
|----------------|------------------------------|---|--|
| 1.             | <b>Location requirements</b> | 2 working days from the date of submitting complete documentation along with the application                            | <b>Administrative fee for the issuance of location requirements: BAM 20</b>  |
| 2.             | <b>Construction permit</b>   | 3 working days from the date of submitting complete documentation along with the application                            | <p><b>Administrative fee for the issuance of construction permit:</b><br/>0.05% of pre-calculated facility value</p> <p><b>Charge for the financing of activities of surveying and establishment of real estate cadaster:</b> 0.30% of pre-calculated value of construction works</p> <p><b>Charge for one time rent:</b><br/>           Zone I – BAM 33.76 x useful surface area.<br/>           Zone II – BAM 28.14 x useful surface area.<br/>           Zone III – BAM 22.51 x useful surface area.<br/>           Zone IV – BAM 16.88 x useful surface area.</p> <p><b>Charge for arranging city construction land:</b></p> <ul style="list-style-type: none"> <li>• <b>Economic and manufacturing facilities</b><br/>(Zone I - BAM 5, other zones - free of charge),</li> <li>• <b>Commercial facilities</b><br/>(Zone I - BAM 22, Zone II – BAM 16.50, Zone III – BAM 11, Zone IV -BAM 7.70),</li> <li>• <b>Facilities with public purposes</b><br/>(Zone I - BAM 3, Zone II – BAM 2.25, Zone III – BAM 1.50, Zone IV -BAM 1.05).</li> </ul> <p>The above amounts are multiplied with the useful surface area of the facility.</p>  |
| 3.             | <b>Occupation permit</b>     | 3 working days (upon performing the technical examination and submitting the report on performed technical examination) | <p><b>Administrative fee for the issuance of the occupation permit:</b><br/>0.05% of pre-calculated facility value</p> <p><b>Charge for the technical examination of the facility:</b></p> <ul style="list-style-type: none"> <li>• <b>Commercial and servicing facilities</b> <ul style="list-style-type: none"> <li>• up to 50 m<sup>2</sup>:<br/>commission BAM 2/m<sup>2</sup>, administrative authorities BAM 0.70/m<sup>2</sup>,</li> <li>• 50-1,000 m<sup>2</sup>:<br/>commission BAM 70+1/m<sup>2</sup>, administrative authorities BAM 20+1/m<sup>2</sup>,</li> <li>• above 1,000 m<sup>2</sup>:<br/>commission BAM 300+1/m<sup>2</sup>, administrative authorities BAM 0.10/m<sup>2</sup>.</li> </ul> </li> <li>• <b>Manufacturing facilities</b> <ul style="list-style-type: none"> <li>• up to BAM 500,000 in investment value:<br/>commission 0.50% of investment value of the facility,<br/>administrative authorities 0.05% of investment value of the facility,</li> <li>• above 500,000 in investment value:<br/>commission 2,000+0.30% of investment value of the facility,<br/>administrative authorities 0.05% of investment value of the facility.</li> </ul> </li> </ul> |

## Cost of utility services for businesses

|   |   |
|---|---|
| <b>Water supply</b>   | BAM 3,40/m <sup>3</sup>   |
| <b>Sanitation</b>   | BAM 1,36/m <sup>3</sup>   |
| <b>Waste collection</b>   | BAM 0,42/m <sup>2</sup>   |
| <i>The prices of water supply, sanitation, and waste collection do not include 17% of VAT</i>   |   |
| <b>Land line</b>  | <a href="http://www.mtel.ba/poslovni-korisnici-zbirni-cjenovnik">http://www.mtel.ba/poslovni-korisnici-zbirni-cjenovnik</a> |
| <b>Cellular telephones</b>  | <a href="http://www.mtel.ba/poslovni-korisnici-zbirni-cjenovnik">http://www.mtel.ba/poslovni-korisnici-zbirni-cjenovnik</a> |
| <b>Broadband internet</b>   | BAM 24.90 – 59.90   |
| <i>Lump sum charge for access BAM 29.20 for the contractual period of 12 months, BAM 1 for the contractual period of 24 months. Prices include 17% VAT.</i> |   |

|   |         |                 |
|---|---------|-----------------|
| <b>Power</b> (prices do not include 17% of VAT) |         |                 |
| <b>Low season (summer)</b>                      |         |                 |
| Services of supply per measuring point          | Monthly | BAM 2.48        |
| Active power                                    | VT      | BAM 0.1592 /kWh |
|   | MT      | BAM 0.0796 /kWh |
| Reactive power                                  |         | BAM 0.0349 /kWh |
| Calculated power                                | Monthly | BAM 15.96       |
| <b>High season (winter)</b>                     |         |                 |
| Services of supply per measuring point          | Monthly | BAM 2.48        |
| Active power                                    | VT      | BAM 0.2070 /kWh |
|   | MT      | BAM 0.1035 /kWh |
| Reactive power                                  |         | BAM 0.0453 /kWh |
| Calculated power                                | Monthly | BAM 20.74       |





## WE ARE CONTINUOUSLY IMPROVING THE BUSINESS ENVIRONMENT FOR INVESTING

- The Municipality of Vlasenica has implemented the regulatory reform with the objective of improving the business environment for the investors. Administrative procedures have been simplified, deadlines have been shortened, and costs have been reduced for registration and development of businesses. Transparency of public services has been increased through the establishment of the Electronic Register of Administrative Procedures, link: [www.opstinavlasenica.org](http://www.opstinavlasenica.org)
- We are providing support to investors for acquiring necessary consents and permits for which the higher-level government authorities are competent.
- More efficient procedures for obtaining construction permits, along with exemptions for the payment of the charge for construction of facilities.
- Utility charges and fees are amongst the lowest in Republika Srpska, along with exemptions envisaged – 0.1% - rate of real estate tax.
- Small and medium enterprises registered in the Municipality of Vlasenica may use the financing from the Guarantee Fund for credit amounts from EUR 2,500 to EUR 50,000 (purpose: manufacturing, qualified services, entrepreneurship, exports, innovative activities, and high tech).
- We are awarding incentives for development and improvement of agricultural production (in orchards, livestock production and beekeeping production).
- We are providing information and ensuring logistics for economic entities in the course of application for incentive funds that are awarded by the competent institutions Republika Srpska and BiH.
- We are providing aftercare for existing investors within the Collaborative Network with the Ministry of Economic Relations and Regional Cooperation of Republika Srpska.
- We support a continuous work of the Economic Council as a mode of public and private dialogue, with the objective of increased involvement of the real sector in the functioning of the local administration.

**We are at your disposal for the provision of all necessary information, identification of locations, and assistance in the realization of your investment in the Municipality of Vlasenica.**



# INFORMATION OF INTEREST FOR INVESTORS

## • REGISTRATION OF BUSINESS ENTITIES

- **The registration of economic companies** is within the scope of competence of the Commercial Court in East Sarajevo. Detailed information on the process of registration of economic companies are available at the address: [www.preduzetnickiportalsrpske.net/registracija/privredno-drustvo/](http://www.preduzetnickiportalsrpske.net/registracija/privredno-drustvo/). The intermediary in registration is the Agency for Intermediation, Information Technology, and Financial Services – APIF, link: [www.apif.net](http://www.apif.net)
- **The registration of independent entrepreneurs** is within the scope of competence of the Department for Economy of the Municipality of Vlasenica. The Municipality issues the Decision on registration within the deadline of 1 day from the date of receiving a regular application.

## • BUSINESS SERVICES

- In Vlasenica available are: 1 basic court, 5 commercial banks, 8 insurance companies, 11 shipping companies, 6 lawyers, 1 notary, 6 bookkeeping agencies.
- **Electronic registries** with a detailed review of permits and licenses that are necessary for investors in Republika Srpska and Bosnia and Herzegovina are available on the following links:

### **Municipality of Vlasenica**

[www.opstinavlaseenica.org](http://www.opstinavlaseenica.org)

### **Republika Srpska Government**

<http://www.regodobrenja.net/index.php?jezik=1>

### **BiH Ministry of Foreign Trade and Economic Relations**

<http://rap.mvteo.gov.ba/egfVwOdlukaJedinice.aspx>

- **Lists of investment fiscal and non-fiscal incentives** on all the levels of government in BiH are available on the following links:

### **Municipality of Vlasenica**

[www.opstinavlaseenica.org](http://www.opstinavlaseenica.org)

### **Republika Srpska Government/ Invest Srpska**

<http://www.investsrpska.net/index.aspx?PageID=436&menuID=215&langid=3>

### **BiH Ministry of Foreign Trade and Economic Relations**

[http://www.mvteo.gov.ba/izvjestaji\\_publikacije/izvjestaji/default.aspx?id=6176&langTag=bs-BA](http://www.mvteo.gov.ba/izvjestaji_publikacije/izvjestaji/default.aspx?id=6176&langTag=bs-BA)

### **Foreign Investment Promotion Agency in BiH (FIPA)**

[http://www.fipa.gov.ba/informacije/povlastice/strani\\_investitori/default.aspx?id=141&langTag=bs-BA](http://www.fipa.gov.ba/informacije/povlastice/strani_investitori/default.aspx?id=141&langTag=bs-BA)

## • DETAILED INFORMATION ON INVESTMENT CLIMATE IN REPUBLIKA SRPSKA AND BOSNIA AND HERZEGOVINA ARE AVAILABLE ON THE FOLLOWING WEBSITES:

### **Republika Srpska Government/ Invest Srpska**

<http://www.investsrpska.net/>

### **Foreign Investment Promotion Agency in BiH (FIPA):**

<http://www.fipa.gov.ba/>

# ATTRACTIVE INVESTMENT LOCATIONS WITH FAVORABLE COSTS OF LAND

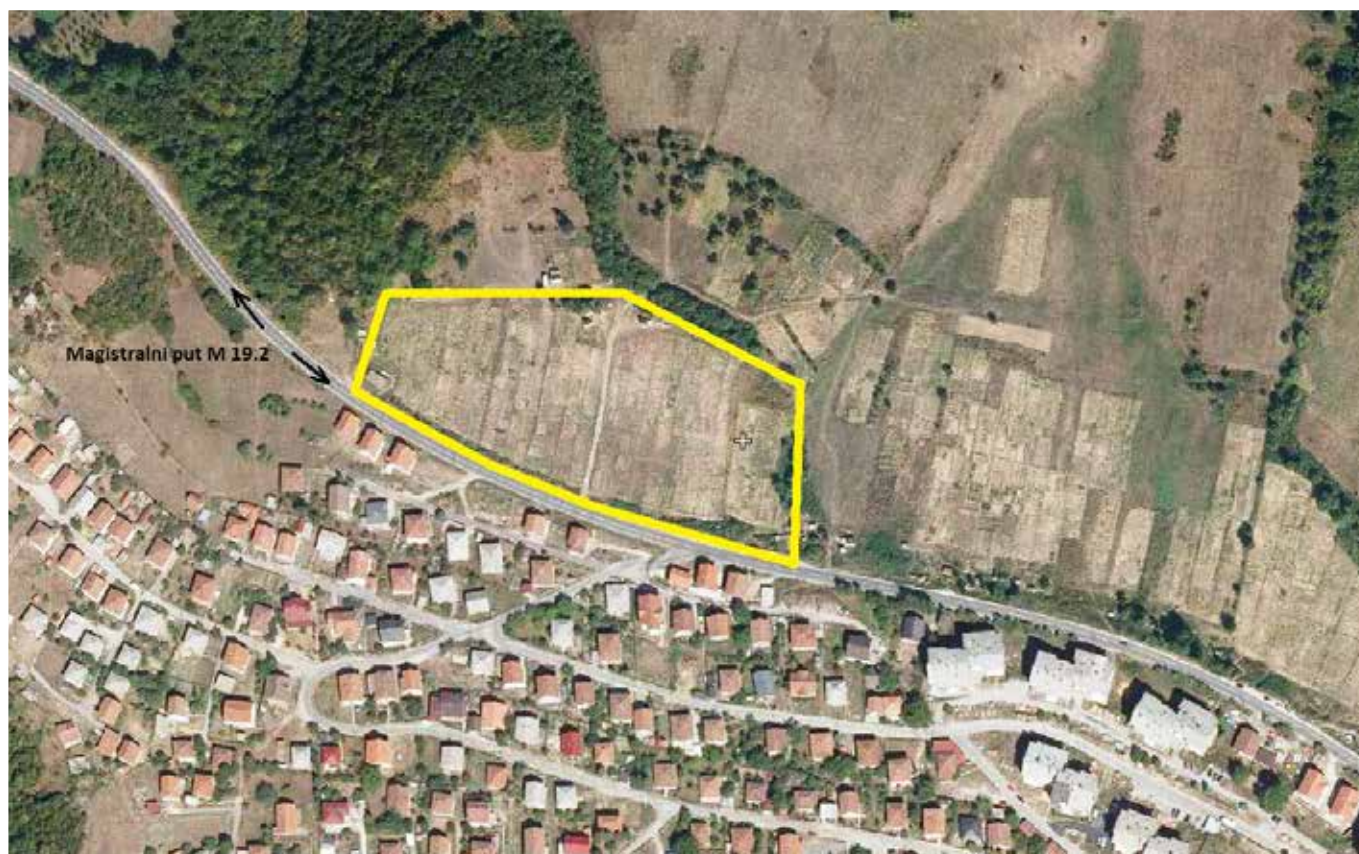
**Contact person:** Željko Damljanović  
**Telephon:** +387 56 490 070  
**Fax:** +387 56 734 830  
**e-mail:** zeljkod@opstina-vlasenica.org



## Industrial zone “Kula – Zeban” - greenfield

|     |  |  |
|-----|--|--|
| 1.  | Surface area   | 37.13 hectares with an option to merge parcels and expand the zone up to the total of 100 hectares   |
| 2.  | Ownership  | The Municipality of Vlasenica  |
| 3.  | Description of the location of the zone in relation to transport corridors | It is situated 300 meters to the north from the urban area of the settlement of Vlasenica. From the west side it is connected with a sealed local road in the length of 300 meters with the primary roads M – 19 (Belgrade – Sarajevo) and M 19.2 (Vlasenica – Kladanj – Tuzla – Orašje).  |
| 4.  | Number and surface area of parcels available for investing                 | The zone is planned according to the system “for unknown investor” with options for modular and phased construction of facilities. It is envisaged to construct 44 manufacturing facilities, with surface area of 2,000 to 10,00 m <sup>2</sup> , in which entrepreneurial activities would be realized. Parcels of that type can be merged up to the level of urban development blocks.   |
| 5.  | Business opportunity   | There are opportunities for purchase and/or lease of land in the zone  |
| 6.  | Price of sale or lease of land in the zone                                 | BAM 3.20 for sale, with the opportunity of selling the land below the market price depending on the number of new jobs created   |
| 7.  | Infrastructural equipment  | Access road  |
| 8.  | Priority sectors for investing in the zone                                 | The area of coverage of the regulation plan of the industrial zone of “Kula– Zeban” is intended for the development of an operating zone with manufacturing activities, small scale economy, industry, and similar activities included. Various commercial facilities could be built within the zone – manufacturing, industrial, processing, warehousing, and retail and wholesale, open storage facilities and loading facilities and similar entrepreneurial facilities.  |
| 9.  | Existing business entities in the zone                                     | No   |
| 10. | Documentation necessary for investing in the zone                          | Developed spatial plan regulation, urban development, and regulation plans<br><i>(Decision on Adoption of the Regulation Plan for the “Industrial zone Kula – Zeban”, Issue No: 01-022-104/10 dated November 12, 2010)</i><br>Necessary documentation: <ul style="list-style-type: none"> <li>• Location requirements - Department for Spatial Planning, and Housing and Utility Affairs</li> <li>• Construction permit - Department for Spatial Planning, and Housing and Utility Affairs of the Municipality of Vlasenica</li> <li>• Decision on Registration - Commercial Court in East Sarajevo, Department for Economy and Social Affairs of the Municipality of Vlasenica</li> </ul> |





### 1. Business zone “Bregovi” – greenfield

|     |  |   |
|-----|--|---|
| 1.  | Surface area   | 3.85 hectares   |
| 2.  | Ownership  | The Municipality of Vlasenica   |
| 3.  | Description of the location of the zone in relation to transport corridors | Direct exit to the M 19.2 Trunk Road (Vlasenica – Kladanj – Tuzla – Orašje)   |
| 4.  | Number and surface area of parcels available for investing                 | There are opportunities for purchase and/or lease the total area of 3.85 hectares or divide the zone into smaller areas   |
| 5.  | Business opportunity   | There are opportunities for purchase and/or lease of land in the zone   |
| 6.  | Price of sale or lease of land in the zone                                 | BAM 3.20 for sale, with the opportunity of selling the land below the market price depending on the number of new jobs created  |
| 7.  | Infrastructural equipment  | Water supply, sanitation network, access road   |
| 8.  | Priority sectors for investing in the zone                                 | The area on which the business zone is planned is favorable for small scale economy and manufacturing activities (ecologically clean technologies) contents that based on their main purpose, as well as manner of use, do not affect the environment negatively  |
| 9.  | Existing business entities in the zone                                     | No  |
| 10. | Documentation necessary for investing in the zone                          | Developed spatial plan regulation and urban development plans<br>(Decision on Adoption of the Urban Development Plan of the Municipality of Vlasenica 2016-2036 issue No. 01-022-66/17 dated June 21, 2017)<br>PNecessary documentation: <ul style="list-style-type: none"> <li>• Location requirements - Department for Spatial Planning, and Housing and Utility Affairs of the Municipality of Vlasenica</li> <li>• Construction permit - Department for Spatial Planning, and Housing and Utility Affairs of the Municipality of Vlasenica</li> <li>• Decision on Registration - Commercial Court in East Sarajevo, Department for Economy and Social Affairs of the Municipality of Vlasenica</li> </ul> |





## 2. Business zone within the complex of “Novi Elastik – DIV – Birač” - brownfield

|     |  |  |
|-----|--|--|
| 1.  | Surface area   | 8.63 hectares  |
| 2.  | Ownership  | RS Government  |
| 3.  | Description of the location of the zone in relation to transport corridors | The zone is directly connected with the primary roads M – 19 (Belgrade – Sarajevo) and M 19.2 (Vlasenica – Kladanj – Tuzla – Orašje).  |
| 4.  | Number and surface area of parcels available for investing                 | Opportunity to purchase the DIV company that covers 41,300 m <sup>2</sup> of which the factory circle covers 31,900 m <sup>2</sup> , and the halls cover 9,400 m <sup>2</sup>  |
| 5.  | Business opportunity   | There are opportunities for purchase and/or lease of land in the zone, as well as purchase and / or lease of manufacturing plants  |
| 6.  | Price of sale or lease of land in the zone                                 | n/a  |
| 7.  | Infrastructural equipment  | It is completely equipped with infrastructure (power supply, water supply, sanitation network, lighting, telecommunications, access roads)   |
| 8.  | Priority sectors for investing in the zone                                 | Wood processing industry, textile industry, metal processing industry  |
| 9.  | Existing business entities in the zone                                     | In the zone there are the Forestry management company “Birač”, “Novi Elastik” Inc. and “DIV” Inc. currently operating.   |
| 10. | Documentation necessary for investing in the zone                          | <p>Developed spatial plan regulation and urban development plans<br/>(Decision on Adoption of the Urban Development Plan of the Municipality of Vlasenica 2016-2036 issue No. 01-022-66/17 dated June 21, 2017)</p> <p>Necessary documentation:</p> <ul style="list-style-type: none"> <li>• Location requirements - Department for Spatial Planning, and Housing and Utility Affairs of the Municipality of Vlasenica</li> <li>• Construction permit - Department for Spatial Planning, and Housing and Utility Affairs of the Municipality of Vlasenica</li> <li>• Decision on Registration - Commercial Court in East Sarajevo, Department for Economy and Social Affairs of the Municipality of Vlasenica</li> </ul> |





### 3. Business zone “Drinski korpus” - brownfield

|     |  |  |
|-----|--|--|
| 1.  | Surface area   | 0.92 hectares  |
| 2.  | Ownership  | The Municipality of Vlasenica  |
| 3.  | Description of the location of the zone in relation to transport corridors | The zone is directly connected with the trunk road M – 19 (Belgrade – Sarajevo)  |
| 4.  | Number and surface area of parcels available for investing                 | There is an opportunity of sale / lease of a facility with gross surface area of 200 m <sup>2</sup> and land with total surface area of 0.92 hectares  |
| 5.  | Business opportunity   | There are opportunities for purchase and/or lease of land in the zone  |
| 6.  | Price of sale or lease of land in the zone                                 | BAM 3.20 for sale, with the opportunity of selling the land below the market price depending on the number of new jobs created   |
| 7.  | Infrastructural equipment  | It is completely equipped with infrastructure (power supply, water supply, sanitation network, lighting, telecommunications, access roads)   |
| 8.  | Priority sectors for investing in the zone                                 | The area of business zone is planned is favorable for warehouses, retail and wholesale, and servicing activities   |
| 9.  | Existing business entities in the zone                                     | No   |
| 10. | Documentation necessary for investing in the zone                          | Developed spatial plan regulation and urban development plan<br>(Decision on Adoption of the Urban Development Plan of the Municipality of Vlasenica 2016-2036 issue No. 01-022-66/17 dated June 21, 2017)<br>Necessary documentation: <ul style="list-style-type: none"> <li>• Location requirements - Department for Spatial Planning, Housing and Utility Affairs</li> <li>• Construction permit - Department for Spatial Planning, Housing and Utility Affairs of the Municipality of Vlasenica</li> <li>• Decision on Registration - Commercial Court in East Sarajevo, Department for Economy and Social Affairs of the Municipality of Vlasenica</li> </ul> |



# SIGNIFICANT ECONOMIC ENTITIES IN VLASENICA

## METAL PROCESSING INDUSTRY

| Company   | Activity   |
|---|--|
| „ALPRO“Inc. Vlasenica<br><a href="http://www.alpro-vl.com">www.alpro-vl.com</a>         | Processing of aluminum, manufacturing of aluminum profiles |
| „BH ALUMINIUM“ Ltd. Vlasenica<br><a href="http://www.alpro-vl.com">www.alpro-vl.com</a> | Wholesale trade of metal goods, installation materials     |

## WOOD PROCESSING INDUSTRY

| Company   | Activity   |
|---|--|
| "BUKOM-PROM" Ltd. Vlasenica<br><a href="http://www.bukom-prom.com">www.bukom-prom.com</a> | Manufacturing of furniture, manufacturing of cut timber, wood protection |
| „ECOPLAST“ Ltd. Vlasenica   | Manufacturing of furniture for commercial and retail premises            |
| „IVEX EXPORT – IMPORT“ Ltd. Vlasenica<br><a href="http://www.ivex.biz">www.ivex.biz</a>   | Manufacturing of cut timber, wood protection                             |
| „KARAULA“ Ltd. Vlasenica  | Manufacturing of cut timber, wood protection                             |

## TEXTILE INDUSTRY

| Company   | Activity   |
|---|--|
| „NOVI ELASTIK“ Inc. Vlasenica<br><a href="http://www.novielastik.com">www.novielastik.com</a> | Manufacturing of other technical and industrial textile products |

## CONSTRUCTION AND ELECTRONIC EQUIPMENT AND DEVICES

| Company                 | Activity  |
|-------------------------|---|
| „KORONA“ Ltd. Vlasenica | Wholesale and retail of electrical materials, equipment and lighting bodies, project design and execution of electrical works |

## TRADE

| Company                 | Activity   |
|-------------------------|--|
| „SAVKOM“ Ltd. Vlasenica | Wholesale trade of grain, raw tobacco, seed, and animal feed |
| „ERMIKO“ Ltd. Vlasenica | Internal and external trade                                  |

## TOURISM AND HOSPITALITY INDUSTRY

| Company   | Activity                                   |
|---|--|
| Motel „M“ Vlasenica<br><a href="http://www.hotelm-vlasenica.com">www.hotelm-vlasenica.com</a> | Tourism, hospitality industry, restaurants |

## A WORD FROM EXISTING INVESTORS:

**“Bukom-prom” Ltd. Vlasenica** is the company with a long tradition in producing beech and oak furniture. The production program includes all types of beds, chairs, tables and office furniture. The complete company production is sold on the European market. Vlasenica Municipality has an exceptionally good position and road communication, favorable for the development of our company. In the Vlasenica Municipality administration we have a reliable partner who follows our development and who has met all our requirements on a timely manner.

**Budimir Komljenović,**

Director “Bukom-prom” Ltd. Vlasenica

**„KORONA“ Ltd. Vlasenica** is a company with a long standing experience in the field of electronic equipment and components, as well as designing and conducting electric work. In Vlasenica Municipality we have found an environment favorable for development of our company. Through years of the company “KORONA” d.o.o. Vlasenica development, the Municipality has monitored all of our investment processes and has continuously worked to strengthen cooperation between the private and public sector. We consider that Vlasenica Municipality has an exceptional geostrategic position to conquer the regional market.

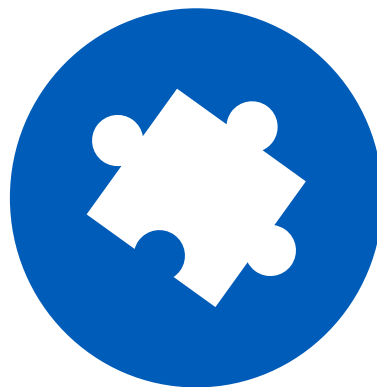
**Srđan Bošković,**

Director “KORONA” Ltd. Vlasenica

**A.D. „Alpro“ Vlasenica** was founded in 1977, when works on facilities construction and production equipment installation were launched. The construction of the production plants and installation of the equipment were completed at the end of 1982 when we started extrusion of the first profiles. Since 2004, Alpro is a member of the ALUMIL Group, headquartered in the European Union, specifically in Greece. Alumil is the largest privately owned group for aluminum extrusion in the South East Europe, which has evidently had an impact on Alpro’s progress in business, and in particular in the technology development. The technological process in Alpro is divided into four units: extrusion, plastification, anodization, and plant for profiles with thermal break. Since its foundation, the company has continuously invested in equipment and new knowledge in production and use of aluminum profiles, in order to follow and apply world-wide trends in these areas. The development process is in a constant motion and our production program has been constantly upgraded and expanded with new profiles and systems. As a result of company development, in last 10 years thousands of new profiles have been introduced into the production. The reconstruction and modernization of the electrostatic painting plant (plastification) is under way, which will create an even more favorable business surrounding. The municipal administration has shown understanding for cooperation between the public and private sector, which is the key to achieving a favorable investment climate. The local government is considered as a reliable partner, and the administration shows a great will to understand and meets our requirements and needs. In the forthcoming period, Alpro expects more advanced and intensive cooperation with the local community, which certainly should result in a mutual satisfaction.

**Vladan Nastić,**

Director A.D. „Alpro“ Vlasenica





# CONTACT INFORMATION FOR SUPPORT TO INVESTORS

## Municipality of Vlasenica

14 Svetosavska Street,  
75440 Vlasenica, R.Srpska – BiH  
Tel.: +387 56 490 070  
Fax: +387 56 734 830  
E-mail: [Info@opstinavlasenica.org](mailto:Info@opstinavlasenica.org)  
[www.opstinavlasenica.org](http://www.opstinavlasenica.org)

## Mayor of the Municipality Miroslav Kraljević

Tel.: +387 56 490 072  
Fax: +387 56 734 830  
E-mail: [vlservis@teol.net](mailto:vlservis@teol.net)

## Contact person for investors Željko Damljanović

Tel.: +387 56 490 070  
Fax: +387 56 734 830  
E-mail: [zeljkod@opstina-vlasenica.org](mailto:zeljkod@opstina-vlasenica.org)



The investment profile was developed as part of the Local Investment-friendly Environment (LIFE), which is being implemented by the World Bank Group in partnership with the UK Government, the Council of Ministers of Bosnia and Herzegovina, the Federation of BiH Government, and the Republika Srpska Government. The project has been funded by UK aid from the UK government; however, the views expressed do not necessarily reflect the UK government's official policies. The findings, interpretations, views and conclusions expressed herein do not reflect the views of the Executive Directors of the World Bank Group or the governments they represent.