



Invest in Vareš

Untapped potentials
in the heart of the Southeastern Europe



Position of Bosnia and Herzegovina in Europe and Vareš Municipality in Bosnia and Herzegovina

WHERE ARE WE LOCATED?

Municipality of Vareš is located in central part of Bosnia and Herzegovina (BiH) and is one of 12 municipalities of the Zenica-Doboj Canton in the Federation of Bosnia and Herzegovina (FBiH).

MUNICIPALITY OF VAREŠ

Area	390 km ²
Population	8,892 people <i>(2.4% of population of the Zenica-Doboj Canton 0.4% of population of FBiH)</i> <i>Source: Census of 2013</i>
Relief	Hilly-mountainous area with prominent mountainous character. Includes the mountain Zvijezda and its slopes, and several other mountains (Budoželjska Mt., Perun, etc.).
Climate	Moderate continental-mountainous climate with cold winters and moderately warm summers with minimal temperature fluctuations.
Altitude	Municipality of Vareš 829 m Area of Municipality of Vareš 450 m – 1,472 m (peak Karasovina on the Perun Mt.)
Time zone	GMT+1



VAREŠ UNTAPPED POTENTIALS IN THE HEART OF SOUTHEASTERN EUROPE

- **Municipally owned investment locations for greenfield investments (Prnjavor, Kram and Šijakovo) and brownfield investments (Dole, Kapitalna and Stacionar)**
- **available labor force**
- **and very affordable operational costs**
make Vareš an exceptional untapped potential for investment in the Southeastern Europe.

17% value added tax rate and 10% corporate tax rate are among the lowest in the region and in Europe.

FDI Magazine of the Financial Times ranked Bosnia and Herzegovina on the 3rd place for attracting foreign investments per cost effectiveness in the category of top 10 medium European regions of future for 2018/2019.

RESOURCES IN VAREŠ

- **Wealth of forests** coniferous and deciduous trees at over 73% of the territory of Vareš and good quality wood assortment for investments in wood processing, with the focus on value added products.
- Vareš has **healthy and ecologically preserved environment**, ideal for growing organic food for which there is an increase in the market demand. 88.6% of arable land is available for growing various cultures.
- Important **natural heritage** with rare values (mountain Zvijezda, chasm of the Bukovica River, ancient forest in the basin of the Mijakovska River etc.) and numerous cultural and historical monuments from various times in history are an excellent basis for investments in tourism.
- **Overall available quantity and power of electricity** make Vareš extremely suitable location for investments in metal processing. 110 kW industrial power supply line, 40 MVA (megavolt amperes) transformer power, while current use is as low as 1 MVA.
- **Wealth of good quality waters:** sources of potable water (Mala rijeka, Očevija, Stavnja, Bukovica, Misoča), hot water sources (Očevija, Kamenolom), mineral water sources (Okruglica, Dabravine), hydro potentials of the rivers (Stavnja and Tribija).
- **Ore wealth** (iron, lead, zinc, barite, chrome, etc.).
- Special features in Vareš are the **artificial lakes** created by exploitation of ores or deposition of waste-rock: on the surface mine Smreka, waste rock deposit site Veovača and waste-rock deposit site Mala Rijeka.

MUNICIPAL ADMINISTRATION AVAILABLE TO INVESTORS

- Municipal administration is fully committed to support **private sector and improve business climate for the entrepreneurs.**

Municipality of Vareš focuses on preservation and protection of natural values and environmentally friendly business operation.



TRANSPORT INFRASTRUCTURE

Vareš is only 30 km away from the regional transport corridor Vc.



ROAD TRANSPORT

• Regional road R 444 Podkamensko - Šimin Potok - Vareš - Breza - Podlugovi, links Vareš:

- » near Podlugovi with the motorway Sarajevo-Zenica on corridor Vc, which is, as a part of a Pan European corridor connected to the TEN network, recognized as the main regional transport corridor on the route Budapest (Hungary/ EU)-Osijek (Croatia/ EU)-Sarajevo (BiH)-Ploče (Croatia/ EU)
 - » near Tuzla with the main road M 18 leading to the Rača border crossing with Serbia
 - » near Zavidovići with the main road M 17 leading to the Šamac border crossing with Croatia/ EU
 - » via Kakanj with corridor Vc (road Vareš-Kopjari-Kraljeva Sutjeska)
- Road over Nišići connects to the road Sarajevo-Semizovac-Srednje-Olovo-Tuzla and then with the main road M 18 towards the Rača border crossing with Serbia.

RAIL TRANSPORT

The railway Droškovac-Podlugovi-Vareš connects to the direction Ploče (Croatia/ EU)-Sarajevo (BiH)-Doboj (BiH)-Slavonski Šamac (Croatia/ EU)-Serbia, Hungary, Slovenia.

This railway is used only for cargo transport.



<p>AIRPORTS Sarajevo (cargo) - 50 km, 0h50 Tuzla (passenger, cargo for meat transports to Turkey) - 87 km, 1h40 Mostar (passenger) - 161 km, 2h45</p>	<p>PORTS Seaport - Ploče (Croatia/ EU) - 228 km, 4h00 River port - Brčko (BiH) - 142 km, 2h50</p>
<p>BORDER CROSSINGS *</p> <ul style="list-style-type: none"> To Croatia/ EU: <ul style="list-style-type: none"> Bosanska Gradiška - 238 km, 3h50 – Road border crossing for road transport of passengers and goods, equipped with inspection facilities Šamac -168 km, 3h10 - International border crossing of I category for road transport Bijača - 206 km, 3h40 - Road border crossing for international transport of passengers and goods, equipped with inspection facilities To Serbia: <ul style="list-style-type: none"> Rača -183 km, 3h40 - International border crossing of I category for road transport To Montenegro: <ul style="list-style-type: none"> Hum -141 km, 2h45 - International border crossing of I category for road transport 	

Source:

- Decision on designating border crossings in Bosnia and Herzegovina (Official Gazette of BiH number 39 of 22 May 2012)
- Agreement between Bosnia and Herzegovina and Republic of Croatia on border crossing points and Agreement between Bosnia and Herzegovina and Republic of Croatia on border transport (19 June 2013)

*Does not include time needed for inspection controls at the border..

- <http://www.viamichelin.com/>

BUSINESS ENVIRONMENT FOR ENTREPRENEURSHIP

Economic indicators in the Municipality of Vareš for 2017

Registered legal entities	<ul style="list-style-type: none"> » 166 companies » 115 branch offices of companies » 176 craft shops » 41.9 companies per 1,000 people » 63 agricultural husbandries 	
Main industries with % of share in the economy of Vareš	<p>Companies:</p> <ul style="list-style-type: none"> » 32% services » 12% processing » 6% wholesale and retail sale » 4% agriculture, forestry and fishing » 2% extraction of stone and ores » 2% transport and warehousing » 2% construction » 1% hotels and catering 	<p>Crafts:</p> <ul style="list-style-type: none"> » 29% wholesale and retail trade » 21% agriculture, forestry and fishing » 17% hotels and catering » 12% processing industry » 7% transport and warehousing » 7% services
Foreign trade	<ul style="list-style-type: none"> » Import 2,011,134 BAM » Export 6,157,616 BAM » Import/export coverage 306.18% <p>In 2017, most exported goods were:</p> <ul style="list-style-type: none"> » 52.30% cork and wood » 28.03% electric machines, devices, equipment » 9.60% special machines for various industries » 6.46% products of cork and wood <p>Major export markets in 2017:</p> <ul style="list-style-type: none"> » 60.86% Croatia » 10.87% Kosovo » 8.48% Germany » 8.44% Macedonia FYR » 5.51% Slovenia 	



COMPETITIVE LABOR COSTS

The unemployment of 51% is the basis for mobilizing workforce. Additional training and training for changing profiles in line with the labor market needs is possible.

Availability of workforce in Vareš, September 2018



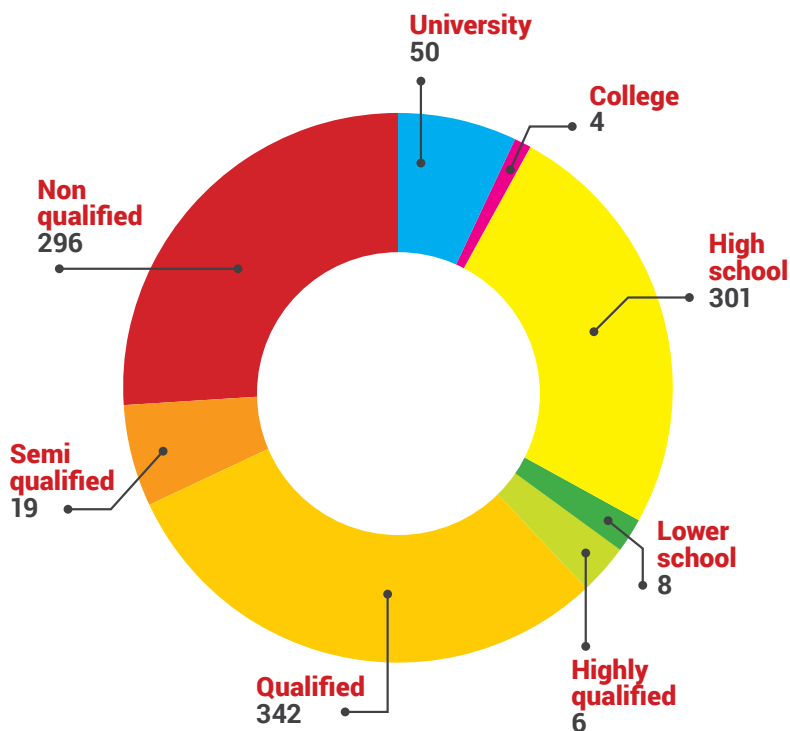
1,026
Unemployed



Average net and gross salary in September 2018

	Net	Gross
Bosnia and Herzegovina	877 BAM	1,351 BAM
Federation BiH	875 BAM	1,344 BAM
Zenica-Doboj Canton	757 BAM	1,154 BAM
Municipality of Vareš	806 BAM	1,231 BAM

Unemployed persons in Vareš by degree of professional education, September 2018



Source: Agency for statistics of BiH – Announcements: Average monthly gross salaries of employees for September 2018; Average monthly paid net salaries of employees for September 2018; FBiH Statistical Institute – Monthly statistical overview of FBiH by cantons, November 2018; FBiH Employment Institute-Bulletin-Statistical overview-October 2018

Educational institutions

Secondary schools	<ul style="list-style-type: none"> » Gymnasium » Secondary school of Economics » Technical school for communications – PTT (Technician for PTT communications) » Transport vocational school (Drivers of motor vehicles)
University	Students are educated at universities in Sarajevo, Zenica, Mostar and beyond



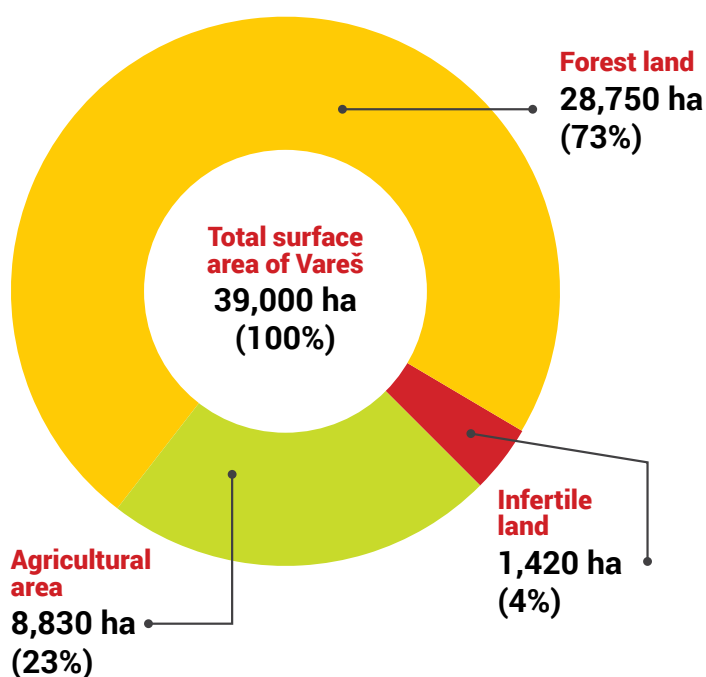
COMPETITIVE SECTORS FOR INVESTMENTS

FORESTRY AND WOOD PROCESSING

One of the most forest-rich municipalities in BiH

Vareš offers excellent opportunities to invest in wood processing. 73% of total municipal area is covered by forests of deciduous and coniferous trees of great quality. There is pine, fir, spruce, beech and oak trees.

Land in Vareš municipality in 2016, in ha



Source: Vareš Municipality Development Strategy (2017-2026)

Tree species in state owned forests

Spruce	39.08%
Fir	37.05%
Beech	17.80%
Noble deciduous trees	1.97%
Other deciduous trees	1.38%
Sessile oak	1.25%
Scots pine (<i>Pinus sylvestris</i>)	1.43%
<i>Pinus nigra</i>	0.04%

15,846.77 ha (over 55%) are state owned forests, with spruce being the most exploited tree species.





Description	Total	Net wood mass
Annual felling in state owned forests in Vareš Municipality in 2017	86,270 m ³ large size trees, out of which: 65,821 m ³ coniferous 20,449 m ³ deciduous	72,169 m ³ of net wood mass, out of which: 54,628 m ³ coniferous 17,541 m ³ deciduous
Wood stock according to the applicable forest management planning document for Vareš Municipality	4,946,004.5 m ³	
Annual volume growth according to the applicable forest management planning document for Vareš Municipality	122,472.8 m ³	

Source: JP Forest management company of Zenica – Dobož Canton, d.o.o. Zavidovići, 1 June 2018

In Vareš, the wood is processed in semi-products and finished products.

Business opportunities:

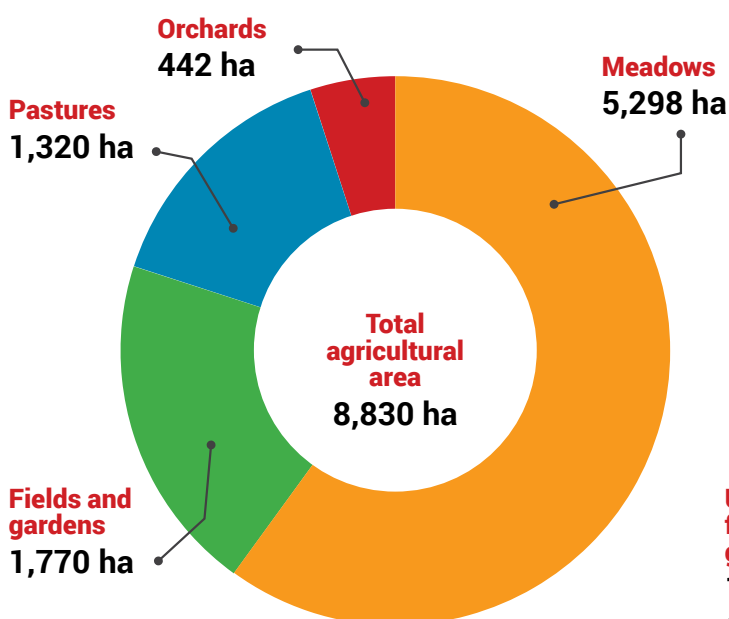
- Ideal location for installing plants for higher processing stages and final products in wood sector
- Use of forest waste, wood industry waste and low-quality wood

AGRICULTURE AND FOOD SECTOR

Excellent conditions for producing healthy food

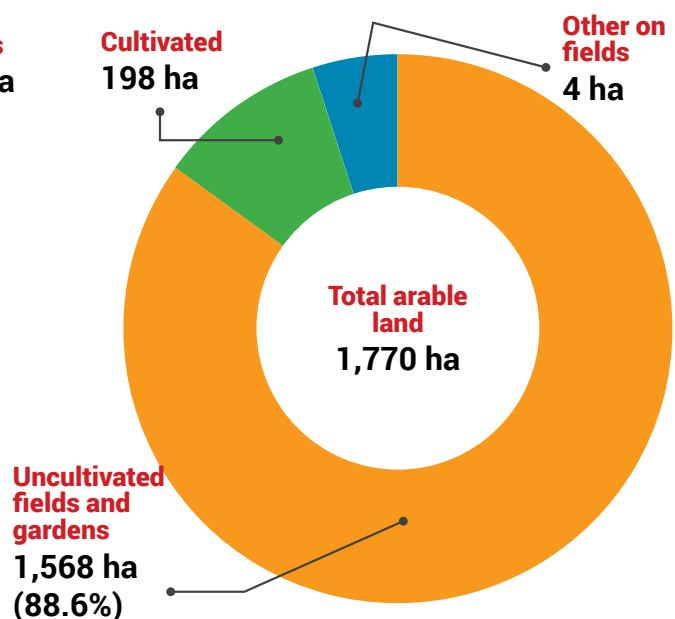
Vareš has eco-friendly environment for investments in organic production, growth and processing of fruits, vegetables, crops, meat, milk, fish and honey, and for purchase and processing of forest and medicinal plants and mushrooms.

Agricultural land by use in Vareš Municipality, number of ha in 2017



Data: FBiH Institute for Statistics, Data processing: FBiH Institute for development programming

Fields and gardens in Vareš Municipality, number of ha in 2017



Source: FBiH Institute for development programming – Socio-economic indicators by municipalities in FBiH, 2017



FRUITS AND VEGETABLES

Fruits	Vegetables
<p>On the territory of Vareš around 3-4 ha of land are planted with fruit trees (apple, pear and plum). Number of trees:</p> <ul style="list-style-type: none"> • plum 8,000 pcs • apple 3,000 pcs • pear 3,000 pcs • walnut 800 pcs • sweet cherry 800 pcs • soar cherry 350 pcs • quince 100 pcs <p>Number of 1,000 m² / ha under culture:</p> <ul style="list-style-type: none"> • raspberry 300,000 m² / 30 ha • strawberry 30,000 m² / 3 ha • aronia 15,000 m² / 1,5 ha 	<p>Hectares planted with:</p> <ul style="list-style-type: none"> • potatoes 52 ha • other small vegetables: carrots 1 ha, onion and garlic 4 ha, beans 4 ha, peas 5 ha, cabbage 4 ha • vegetables in protected area (greenhouses) 4 ha

Source: Municipality of Vareš, Department for Economy, Finance and Treasury, 2017 data

The broader region of Vareš, that includes municipalities within the circle of 75 km, gives an opportunity to supply the investor with additional quantities at competitive prices.

Possibilities of aggregating the produced quantities:

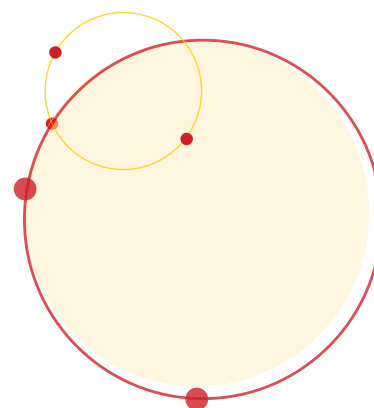
Culture	Aggregation of produced quantities of fruits and vegetables with municipalities	Total produced amount in t	% share of total production in BiH
Apple	Visoko, Zenica, Gornji Vakuf, Ilijaš, Kakanj, Kiseljak, Breza, Bugojno, Busovača, Fojnica, Kreševo, Novi Travnik, Vitez, Zavidovići and Žepče	10,659 t	7%
Berries	Čelić, Živinice, Zavidovići, Zenica, Žepče, Banovići, Kalesija, Lukavac, Srebrenik, Tuzla, Lopare, Kakanj and Maglaj	4,339 t	18%
Pear	Ilidža, Ilijaš, Kakanj, Visoko, Zenica, Gornji Vakuf, Hadžići, Konjic, Breza, Busovača, Kiseljak, Vogošća, Zavidovići, Žepče, Bugojno, Fojnica, Jablanica, Kreševo and Prozor-Rama	3,375 t	14%
Cabbage	Visoko, Breza, Ilijaš, Kakanj and Kiseljak	1,618 t	3%

*All the data are for average annual yields for cultures over the period 2012-2016

Source: The World Bank Group: Investment Profile-sector of fruit and vegetable growing in Bosnia and Herzegovina, 2018

Business opportunities:

- Warehousing and cooling facilities for fruits and vegetables
- Facilities for processing fruits and vegetables
- Construction of purchase and distribution center
- Growing and purchasing fruits and vegetables





CATTLE RAISING, POULTRY PRODUCTION AND DAIRY PRODUCTION

In Vareš available are land and labor capacities suitable for growing poultry and processing meat and milk.

- Cattle raising is the most important activity of animal raising, with 1,600 heads.
- Sheep raising comes second, with around 3,500 heads.
- Goat raising has particularly good perspective, with initial number of 250 heads.
- Pigs are raised mostly in industrial fashion, with total number of 120 pigs.
- Poultry raising shows the trend of increased egg production, and broiler meat; total number of laying hens is 7,000, and around 80,000 chickens for fattening.
- Milk is purchased as a private business.

Source: Municipality of Vareš, Department for Economy, Finances and Treasury, data for 2017

Business opportunities:

- Setting up farms with modern equipment
- Production and purchase of meat and milk
- Construction of small plants for processing meat and milk

FISHERIES

Vareš has a strong potential in good quality waters for production of fish, primarily the streams that meet very demanding conditions for production of salmonidae fish.

Business opportunities

- Production and purchase of fish, Californian trout (white and red meat) and river trout

BEEKEEPING

Vareš has exceptional natural conditions and strong tradition of beekeeping – great number of different plant species, significant area covered with forests, expansive meadows and pastures, and excellent climate. Total number of beehives is 1,700.

Business opportunities

- Production and purchase of honey and other bee products
- Construction of a small filling plant and honey processing





PURCHASE AND PROCESSING OF FOREST AND MEDICINAL PLANTS AND MUSHROOMS

Wealth and diversity of medicinal plants, mushrooms and other forest produce is a resource that is above the average value in the whole region.

Business opportunities

- Processing, warehousing and cooling facilities for medicinal plants and mushrooms

TOURISM

Unique combination of natural beauty and historical landmarks make Vareš an exceptionally interesting tourist destination in the heart of Southeastern Europe

Vareš offers:

- beautiful landscapes with rare value of mountainous terrain covered with centenarian forests, clear streams and pure mountain air
- and rich cultural and historical heritage from pre-historic times, such as the bronze exhibits in Brgule, medieval city of Bobovac, the throne city of Bosnian kings, to the modern times.

The Old City Bobovac in Vareš is the most important and best fortified city of medieval Bosnia. It was constructed by ban Stjepan II Kotromanić in mid 14th century, and later it was used as the seat of majority of Bosnian rulers.

Three forges in the village of Očevija (forges/ majdan) have been forging iron for more than 300 years in a traditional way, using hammer run by watermill. Vareš is the last place in Europe where the pre-industrial way of forging iron is still practiced to provide income to families.

In Vareš today, there are around 180 km of marked hiking tracks. Tourist signalization and orientation maps are installed at key locations: at the entry into Vareš, in the municipality itself, and on mountains Zvijezda, Perun and Budoželjska that surround Vareš, **making this area one of the best marked areas in BiH** for use by tourists, cyclists, mountaineers and hikers.

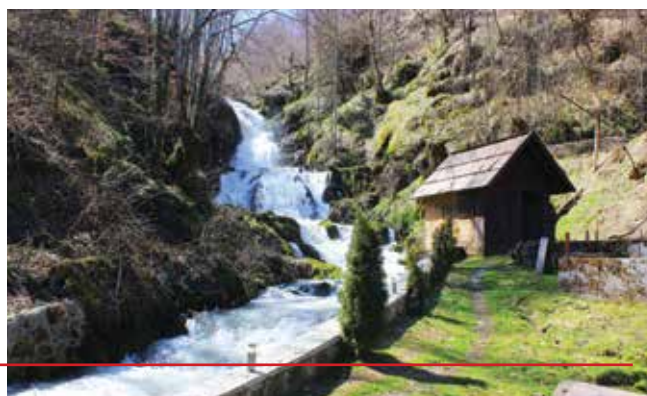
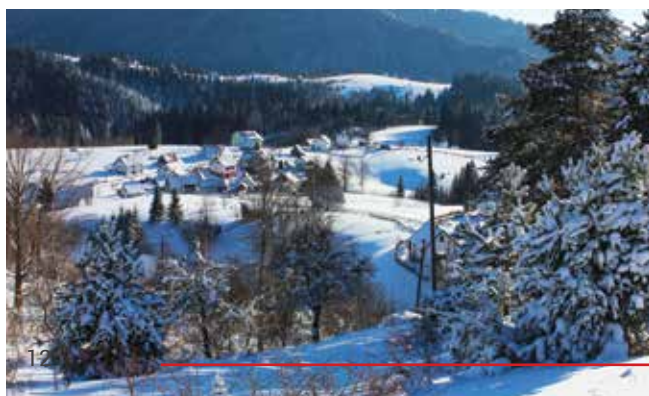
The area of Vareš Municipality has always had rich and varied animal world. The area near the **Hunting ground "Zvijezda" Vareš** is exceptionally rich with game, particularly noble game such as deer. In addition, there are bears, wolves, bores and rabbits. One can also see pine marten, otter, grouse, hawk and peregrine falcon. Total area of the hunting grounds is 35,775 ha, out of which 31,777 ha is the hunting area.





Business opportunities:

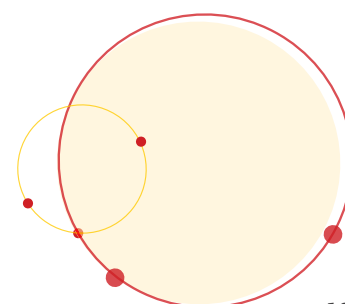
- Construction of sports and recreational center and ski-lift at the location of Dole (in the heart of the Zvijezda Mountain, near the Bijambare cave www.sarajevo-tourism.com/bijambarska-pecina)
- Construction of boarding facilities and restaurants/catering
- Natural wealth that enable investment in upgraded tourist offer for various kinds of tourism: rural, mountainous, adventure, sports/recreation, hunting, fishing, eco and excursions and health tourism
- Archeological sites from various times and cultural-historical monuments represent the opportunity for development of scientific, research, educational, cultural and service industries, as well as the religious tourism





Natural resources	Cultural-historical monuments, events, gastro offer
<p>Mountain Zvijezda is well known for its exceptional natural values that are true rarities.</p> <ul style="list-style-type: none"> • Zvijezda Mt. is home to some ten very rare yews (<i>Taxus baccata</i>) trees, called Zvezdana tisa • In Zarudski creek lives an endemic insect, <i>Vareshiana singularis</i>, the only one of its kind in the world • In the Ponikva cave, the speleologists found a bat from the family <i>Myotis</i> (<i>Myotis dasycneme</i>), which is the only place in BiH where this bat was found • Zvijezda Mt. is especially interesting because of its medicinal flora; more than 400 medicinal, edible, aromatic and vitamin rich plants were identified 	<p>National monuments of culture (as declared by the Commission for national monuments in BiH):</p> <ul style="list-style-type: none"> • The Old Royal City of Bobovac from 15th century • Parish Church of St. Michael ("The Small Church") the oldest catholic church in BiH from the 16th century • Orthodox church devoted to the Shrine of the Shroud of the Saint Madonna • Archeological area Dabravine with remnants from bronze age and late Roman period • Forges (majdan) in the village of Očevlje • Workers settlement Majdan • Necropolis with old tumbstones (stećak) and old Muslim gravestones (nišan) in the settlement of Budoželje • Necropolis with stećaks Stupni Do
<p>Special nature reserve</p> <ul style="list-style-type: none"> • The peat rich area on the Zvijezda Mt. with rare plants (there is the endemic species of <i>Menyanthes trifoliata</i>) – Peat bog "Đilda" or "Tentina bara" <p>Natural monuments</p> <ul style="list-style-type: none"> • Waterfall of the Očevijica River near the village Očevija • Ponikva cave • Gigantic linden tree in the village of Donja Borovica • Four large linden trees in the village of Ivaničevo • Source of the Stavnja River 	<p>Other significant cultural-historical monuments:</p> <ul style="list-style-type: none"> • Mosque in Karići, the oldest wooden mosque in BiH, built three centuries ago • New Church of St. Michael • Stone bridge in Vareš • Ethnological museum in the village of Vijaka, exhibiting numerous old and valuable objects used in everyday life of people from the area • Catholic graveyard in the village of Očevija
<p>Lake Smreka on the site of former iron ore mine Smreka, with the maximum length of 610 m, width of 320 m, and depth of 107.05 m. The greatest depth of the lake is currently approximately 110 m. The lake is used by swimmers, fishers (trout), in January and February the lake is frozen, with the average thickness of ice of 40 cm.</p>	<p>VaClaF – Concert of classical music, organized since 2013 in the second week of September.</p>
<p>Stone sphere at the location of Ponikve on the Zvijezda Mt. – an interesting natural and geological phenomenon. The phenomenon of stone spheres can be found in only a few countries in the world apart from BiH.</p>	<p>Perun Open Air – International competition in precision landing of paraglide on the Perun Mt. It is organized in the second half of August.</p>
<p>Municipality of Vareš and Zvijezda Mt. are on the Green line Via Dinarica. http://viadinarica.hr/via-dinarica/zelena-linija/</p>	<p>Tasty home – made food in village households in Vareš area.</p> <p>Pekijada (The Bake-Off) – International competition in baking dishes under the "peka" is held in the village of Očevija every year in Summer. Teams from Bosnia and Herzegovina, Serbia, Slovenia and Croatia take part in this competition.</p>

Tourist info center of Vareš Municipality, link: <http://visitvares.com>





MINING, METAL PROCESSING AND PRODUCTION OF CONSTRUCTION MATERIALS

Exceptional wealth of good quality ore and experience in exploitation and processing

The archeological excavations suggest that the iron ore had been exploited in Vareš at the Roman times. A Roman lamp and a plaque with the writing "Vilicus Procurator" had been found at the site.

Vareš has centuries long tradition in processing iron ore. In 1891, the first blast furnace started working in Vareš, and the first iron mill in Southeastern Europe was opened. At present, the mine is closed and production of iron has completely stopped.

Lead, zinc and barite were exploited and processed in an old mine, which is now closed. A research is underway to establish the size of reserves of the ores in order to examine the possibility of re-starting the exploitation.

There are reserves of the chrome ore near the settlement of Duboštica that have not been explored.

The limestone quarries exist at several locations. A small number of them are being exploited.

In Vareš, the equipment for boiler plant of the block pump, various profiles of cogs, bearing rolls, parts for redactors, protective tin sheets, housings, axes and other metal products are currently being produced in Vareš.

Business opportunities:

- Construction of metal processing plants





OTHER SECTORS

Currently, there are plans to do a feasibility study of use of wind, sun and water energy at the territory of Vareš, and implementation of a pilot project, all in accordance with the Development Strategy of Vareš Municipality for 2017-2026.

LOW OPERATION COSTS FOR INVESTORS

Competitive costs for obtaining construction permits

In the process of implementing an investment, under competence of Vareš Municipality is the issuance of **following permits**:

1. Urban permit
2. Construction permit
3. Usage permit

The department responsible for issuing the above permits is the Department for Spatial Planning.

Contact:

Tel. +387 32 848 137

e-mail: adaleta@vares.info

The application forms with detailed information about the permits may be obtained from the Information Counter in Vareš Municipality, directly from the responsible Department, or downloaded from the registry of applications at web page <http://www.vares.info>

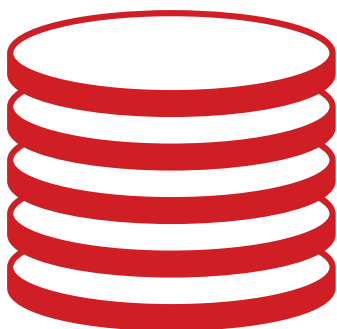
No.	TYPE OF PERMIT	DEADLINE	COST
1.	Urban permit	30 days	Fee: 30 to 300 BAM, depending on the type and size of facility
2.	Construction permit	10 days	1. Fee: 30 to 100 BAM, depending on the type and size of facility <i>For permits to do reconstruction, expansion, upgrade or adaptation of a facility, half of the respective fee is paid.</i> 2. Fee for use of construction land (rent): 6 to 24 BAM per 1 m ² , divided in six zones. Other land, outside of the city construction land, is charged 4.20 BAM per 1 m ² . 3. Fee for development of construction land, depending of how developed is the site: From 0.03504 to 0.30346 BAM per 1 m ²
3.	Usage permit	30 days	1. Fee: 5% of value of the facility or part thereof 2. Fee for the Commission for Technical Acceptance of the facility: 30 to 500 BAM per commission member, depending on the type of facility



Price of utilities for legal entities*

Water	Price of water: 2.73 BAM/m ³ Fee for connection 4.40 BAM + According to the FBiH regulations: Fee for water protection 0.01 BAM/m ³ Fee for use of water 0.04 BAM/m ³
Waste waters	0.90 BAM/m ³
Solid waste removal	0.57 BAM/m ²
Electricity	VT 0.1539 BAM MT 0.077 BAM Fee for the metering spot 3.60 BAM
Telecommunication services	– offered by 3 operators. Various service packages are available that an investor could agree upon directly with a selected operator.
Landline	Basic package of fixed telephony is 19.19 BAM
Mobile phones	Extra package of 20 BAM includes: <ul style="list-style-type: none">• 100 min talking time with all mobile networks• 100 SMS messages• 1 GB of mobile internet
Broad band internet	Price of the internet package depends on the access speed and range from 9.90 BAM to 100 BAM

*All prices include 17% VAT





SUPPORT TO INVESTORS

Municipality of Vareš is continuously working to improve conditions for investment and business

- With technical support of International Finance Corporation (IFC), member of the World Bank Group, Municipality of Vareš implemented **the regulatory reform** resulting in streamlined administrative procedures, lower costs, and faster processing of applications, as well as significant savings for the private sector.
- The **online electronic registry and online list of investment incentives** allow for an increased transparency of work of municipal administration, and faster and easier access to municipal services for citizens and businesses.
- The **aftercare program** improved support to the existing investors through cooperation of all levels of authorities within the Collaborative network.
- The **Economic council** was established to facilitate dialogue between the municipality and entrepreneurs on topics of importance for private sector.
- The **infrastructure project of water supply** Pogar-Sjenokos, Strica and Zarude was completed providing regular and good water supply to companies which business activity is production and processing of food, and to physical and legal persons engaged in rural tourism.
- The Municipality awards **incentives in the sector of agriculture**, link: <https://www.vares.info/node/920>.

Business services for investors

- In Vareš, business services are offered by 1 bank, 1 notary, 1 accounting/ financial company, 5 insurance companies and 2 micro-credit organizations.
- **SERDA – Regional development agency for micro-region of Sarajevo** works on improving business environment, develop businesses and human resources and strengthen competitiveness of the region that also includes Vareš Municipality. Link: <https://serda.ba/>
- **List of fiscal and non-fiscal investment incentives that are** awarded to investors at all levels of authorities in BiH is available on the following internet pages:
 - » **Municipality of Vareš**
<https://www.vares.info/>
 - » **Ministry of Foreign Trade and Economic Relations (MOFTER)**
http://www.mvteo.gov.ba/izvjestaji_publikacije/izvjestaji/default.aspx?id=6176&langTag=bs-BA
 - » **BiH Foreign Investment Promotion Agency (FIPA)**
http://www.fipa.gov.ba/informacije/povlastice/strani_investitori/default.aspx?id=141&langTag=bs-BA
- **Electronic registries** with detailed overview of permits and licenses that investors need in Vareš Municipality, Federation of BiH and BiH with costs, are available on the following internet pages:
 - » **Municipality of Vareš**
<https://www.vares.info/>
 - » **Federation of BiH**
<http://fbihvlada.gov.ba/bosanski/index.php>
 - » **Ministry of Foreign Trade and Economic Relations of BiH (MOFTER)**
<http://rap.mvteo.gov.ba/egfVwOdlukaJedinice.aspx>



Detailed information you may need in the process of preparing and implementing investments and in doing business are available on the following links:

Government of the Zenica-Doboj Canton	www.zdk.ba/vlada
Government of the Federation of BiH	www.fbihvlada.gov.ba
Foreign Investment Promotion Agency in Bosnia and Herzegovina - FIPA	www.fipa.gov.ba/
Chamber of Commerce of the Zenica-Doboj Canton	www.pkzedo.ba/
Chamber of Commerce of FBiH	http://www.kfbih.com/
Foreign Trade Chamber of BiH	http://komorabih.ba/
FBiH Employment Institute	www.fzzz.ba

INVESTMENT PROJECTS IN VAREŠ MUNICIPALITY

No.	Description	Information about the project
1.	Healthy Aging Home	For the Healthy Aging Home available to potential investors is the brownfield location "Stacionar".



IMPORTANT COMPANIES IN VAREŠ

WOOD PROCESSING	
Naha	Sawmill; primary, semi-final and final wood processing
Timpex	Sawmill and catering
Kapetanović	Sawmill, transport and building wooden houses
Faam	Sawmill
Amia promet	Sawmill
AGRICULTURAL AND FOOD SECTOR	
MPM	Production of bread and baked products, pastries and cakes. Products sold in the Federation of BiH.
Farm Zaruđe	Production of dry and full-fat cheese. Owned by Josip Babić. Products sold throughout the Federation of BiH.
Meat seller Franjić	Products sold primarily at local market in their shop.
Laying hen farm Grga	Production of eggs for consumption. Owned by Mladen Franjić. Products sold mostly at local market through a number of retail stores in Vareš.
Šernn Company d.o.o. Vareš	Farm with production capacity of 10,000 broilers per month
METAL PROCESSING	
Edi Control	Mechanical processing of metals by milling and turning on CNC machines
SeanTech Bosnia	Slovenian investor. Metal processing and engineering
EXPLOITATION OF ORES AND STONE	
Eastern Mining	Canadian-British investor. In 2012 received a 25 year concession: 5 year of research and 20 years of exploitation of ores of lead, zinc and barite at locations of Veovača and Rupice.
BBM	German investor. Exploitation of decorative stone and stone for construction. Production of aggregate of limestone and volcanic rock spilite used for making concrete and asphalt. Concession contract for research and exploitation of mineral resources of limestone and spilite at locations of Stijene and Kota was signed in May 2002 between the Ministry of Economy of Zenica-Doboj Canton and the BBM d.o.o. Vareš.
TEXTILE SECTOR	
Alma Ras	Manufacture of underwear
Profitex	Wholesale of textiles
OTHER SECTORS	
EKVA	Manufacturing electro-installation materials
House of Meeting (Kuća susreta)	Improving physical condition and mood
Šern company	Construction work
Ljaljić - Turs	Transport
Mlin	Restaurant and lodging

Source: Municipality of Vareš, 2018 data



INVESTMENT LOCATIONS

In Vareš, available to investors are excellent greenfield and brownfield locations owned by the Municipality.

Contact for all locations:

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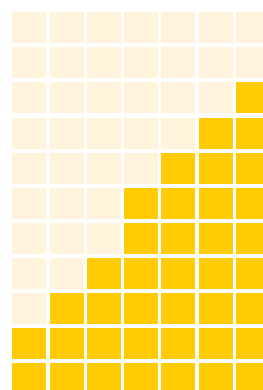
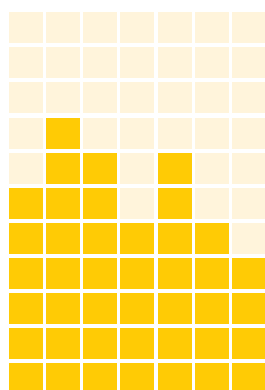
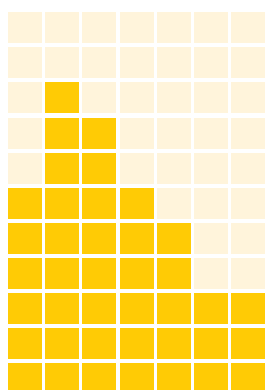
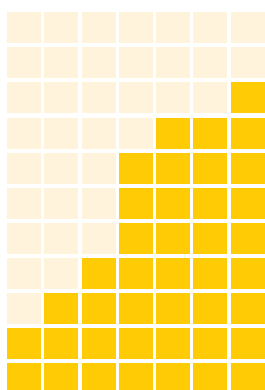
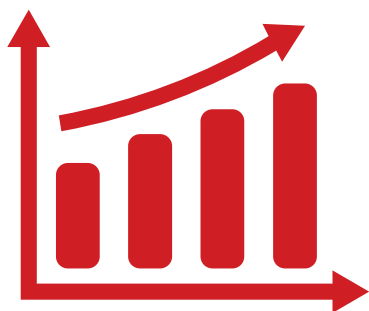
Rusmir Berberović, Development Management Unit (JURA)

tel: + 387 32 848 104; mobile: + 387 66 002 305

e-mail: rusmir.berberovic@vares.info

Information for all locations:

- **Sales by public invitation.** Initial price determined based on findings of a court expert.
- **Documentation needed for investment:** Spatial plan – under development (Cantonal Institute for Urban Development and Spatial Planning of the Zenica-Doboj Canton). Urban, construction and usage permits are issued by the Municipality of Vareš.





GREENFIELD LOCATIONS

The intention is that locations Prnjavor, Kram and Šijakovo become a Business Zone.

1. Prnjavor



No	Type of information	Information
1	Has the municipality made decision to establish the zone?	No. Undeveloped city land (GGZ)
2	Name	"Prnjavor"
3	Type of investment	Greenfield
4	Surface area	17,020 m ²
5	Ownership	Vareš Municipality
6	Description of the zone location with respect to transport corridors	In immediate vicinity of the railway Vareš-Podlugovi-Sarajevo, distance to regional road R 444 some 20 m
7	Number and surface area of parcels that are free and available for investment	26 parcels of total area of 17,020 m ² Parcels are adjacent and can be merged
8	Possibilities: purchase of land, leasing land	Purchase of land / lease of land
9	Existing infrastructure	Connections to electrical grid, water supply, sewer, light and telecommunications in immediate vicinity
10	Priority sectors for investing in the zone	Priority sectors not identified
11	Companies that operate in the zone	No



2. Kram



No	Type of information	Information
1	Has the municipality made decision to establish the zone?	Yes
2	Name	"Kram"
3	Type of investment	Greenfield
4	Surface area	9,950 m ²
5	Ownership	Vareš Municipality
6	Description of the zone location with respect to transport corridors	In immediate vicinity of the regional road R 444
7	Number and surface area of parcels that are free and available for investment	1 parcel free, surface area 2,085 m ² Possibility of creating another parcel of around 4,000 m ²
8	Possibilities: purchase of land, leasing land	Purchase of land / lease of land
9	Existing infrastructure	Connections to electrical grid, water supply, sewer, light and telecommunications in immediate vicinity
10	Priority sectors for investing in the zone	Priority sectors not identified
11	Companies that operate in the zone	Not a single company. In October/November 2017, two locations sold, investments underway: 1.) Corto d.o.o. - water filling factory 2.) Naha doo - wood processing (reinvestment)



3. Šijakovo



No	Type of information	Information
1	Has the municipality made decision to establish the Zone?	No. Undeveloped city land (GGZ)
2	Name	“Šijakovo”
3	Type of investment	Greenfield
4	Surface area	15,191 m ²
5	Ownership	Vareš Municipality
6	Description of the zone location with respect to transport corridors	In immediate vicinity of the regional road R 444
7	Number and surface area of parcels that are free and available for investment	1 parcel of 15,191 m ²
8	Possibilities: purchase of land, leasing land	Purchase of land / lease of land
9	Existing infrastructure	Connections to electrical grid, water supply, sewer, light and telecommunications in immediate vicinity
10	Priority sectors for investing in the zone	Priority sectors not identified
11	Companies that operate in the zone	No

BROWNFIELD LOCATIONS

1. Kapitalna



No	FACILITY/ Type of information	Information
1	Facility	"Kapitalna"
2	Type of investment	Brownfield
3	Surface area and description of facility	836 m ² , 210 m ² available (one floor)
4	Ownership	Vareš Municipality
5	Description of the facility location with respect to transport corridors	In immediate vicinity of the Regional road R 444
6	Business possibility: purchase or lease	Purchase / lease
7	Existing infrastructure	Connections to electrical grid, water supply, sewer, light and telecommunications in immediate vicinity



2. Stacionar



No	FACILITY/ Type of information	Information
1	Facility	"Stacionar"
2	Type of investment	Brownfield
3	Surface area and description of facility	611 m ² , the building is destroyed
4	Ownership	Vareš Municipality
5	Description of the facility location with respect to transport corridors	In immediate vicinity of the Regional road R 444, at the site of city settlement Vareš Majdan
6	Business possibility: purchase or lease	Purchase / lease
7	Existing infrastructure	Connections to electrical grid, water supply, sewer, light and telecommunications in immediate vicinity



COMBINED GREENFIELD-BROWNFIELD LOCATIONS

1. Dole



No	FACILITY/ Type of information	Information
1	Location	"Dole" Temporary building: workers' housing Construction land (other construction land)
2	Type of investment	Brownfield
3	Surface area and description of facility	Total surface area 14,080 m ² (building + land) There is a multi-purpose building 16m x 7m Toilets are in a separate building 7 pre-fabricated buildings-bungalows
4	Ownership	Vareš Municipality
5	Description of the facility location with respect to transport corridors	The building is located near the village of Ravno, 9 km from regional road R 444, 45 km from corridor Vc and 11 km from main road M-18 (Sarajevo-Tuzla)
6	Business possibility: purchase or lease	Purchase / lease
8	Existing infrastructure	There is connection to the electrical grid, water, sewer
9	Purpose	Sports and recreation center





CONTACTS FOR SUPPORT TO INVESTORS

Our expert team is available to investors and business community

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