

Invest in Čapljina

**THE RIGHT LOCATION FOR REALIZING
YOUR INVESTMENT POTENTIAL**



INVESTMENT PROFILE

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INVESTMENT PROFILE

Municipality of Capljina - The right location for realizing your investment potential



Bosnia and Herzegovina (BiH) in Europe

■ GEOGRAPHIC POSITION OF THE MUNICIPALITY ČAPLJINA

Official name	Municipality Čapljina
Administratively part of:	Herzegovina-Neretva Canton, Federation of Bosnia and Herzegovina, Bosnia and Herzegovina
Population	28,122
Address	Trg kralja Tomislava
Contact phone number	Phone: +387 36 805 052; Phone: +387 36 805 060; Phone: +387 36 805 681
Fax	Fax: +387 36 805 983
E-mail	opcina@capljina.ba
Web	www.capljina.ba

CONTACTS FOR INVESTORS:

Municipality Čapljina

- **dr. Smiljan Vidić**
Municipality Mayor
- Phone: +387 36/805-060
- E-mail: nacelnik-vidic@capljina.ba
- **Julijana Mikulić Jurković**
Expert advisor, department: Technical service for local economic development and European integrations
- Phone: +387 36/805-052
- E-mail: julijana.mikulic@capljina.ba



ČAPLJINA

the right location for realizing your investment potential

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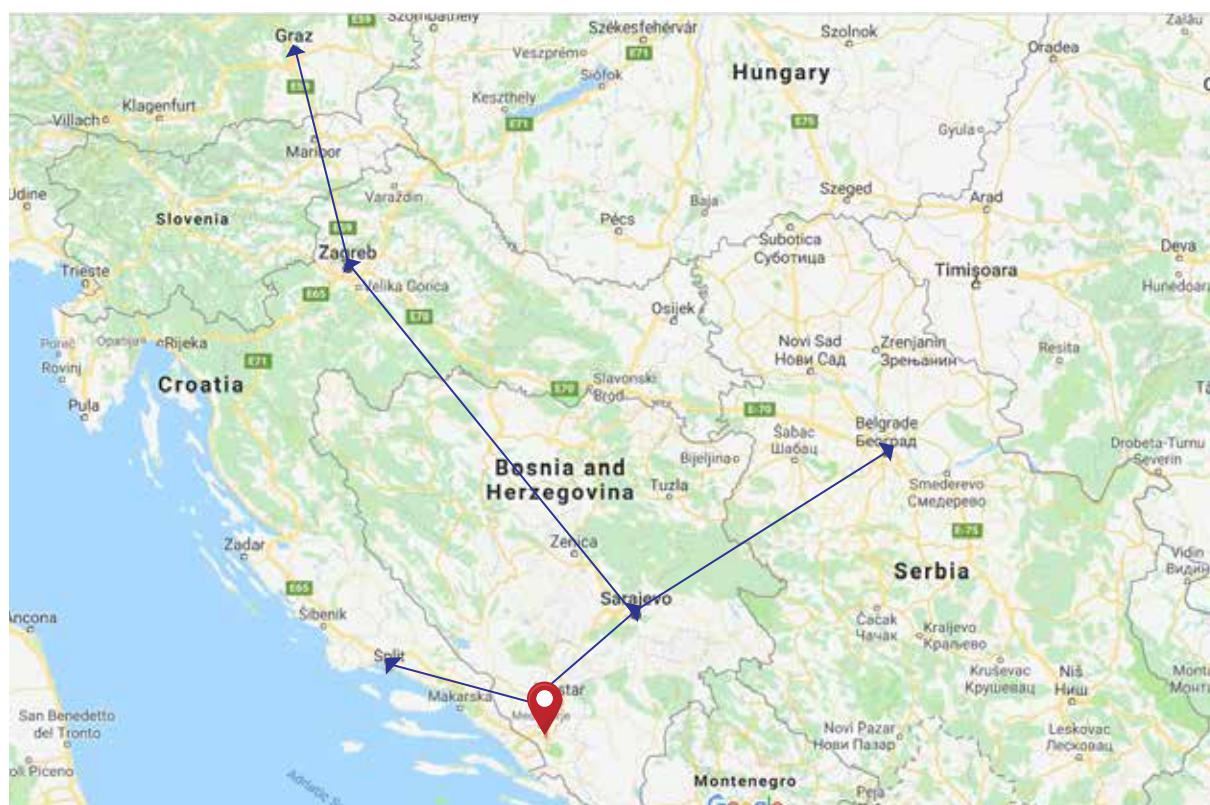
- Municipality Čapljina is located in the southern part of Bosnia and Herzegovina, very close to its border with Croatia, and has good communication with the major centers and corridors in the country. Due to proximity of the major road and railway corridors, as well as sea and air ports in Croatia, Čapljina is considered a very attractive location for investors.
- Average annual temperature of 15.2 °C and more than 250 sunny days a year offer exceptionally good potential for development of tourism, agriculture, but also of the processing industry.
- Locations available for investment in the municipality Čapljina, i.e. commercial zone Zivrovići, Tourist zone Šurmanici and Ada-Bad represent excellent opportunity for investment and development of business.
- In 2017, legal persons operating in the Municipality Čapljina realized revenue of BAM 239.5 million, which was a mild growth of revenues compared to the year before.
- Value of 2017 exports by companies from Čapljina was BAM 13.36, or 9% more than in the previous year. Main export markets are the EU countries.
- The data on the realized exports to the EU market confirm the fact that qualified labor that meets the needs of foreign markets is available in Municipality Čapljina.
- The Municipality stands at service of investors! The Municipality provides support to investors when selecting locations for investments, as well as during the investment process, and continues to provide support during operation. We have streamlined the procedures for issuing documentation, shortened time and curtailed costs of doing business, so that you can realize your investment quickly, easily, and less expensively!



TRANSPORT INFRASTRUCTURE

Proximity of EU market and other countries of Southeastern Europe

Čapljina is located in southern part of Bosnia and Herzegovina, in the valley of the Neretva River, through which passes the strategic road corridor connecting northern part of the country and of the region to the south and major centers in southern Croatia. Two regional roads cross in Čapljina, as do two main roads, railway and motorway - corridor Vc. Border crossing with Republic of Croatia (Bijača) is 19 km away, and motorway A1 of Croatia is only 20 km from Čapljina. International airport Split is only 157 km from Čapljina, sea port Ploče 37, and sea port Split is 147 km away.



DISTANCE FROM MAJOR CENTERS IN THE COUNTRY AND ABROAD:

Mostar	34
Sarajevo	162
Banja Luka	267
Dubrovnik (CRO)	112
Split (CRO)	145
Zagreb (CRO) via A1	518
Beograd (SRB)	454
Budapest (H)	701
Trieste (I)	595
Wien (A)	871
Munchen (D)	981

DISTANCE FROM KEY ROADS AND PORTS

Motorway Vc	5
Motorway A1 (CRO)	20
Railway station Čapljina	1
Railway terminal Mostar	35
Railway terminal Split (CRO)	145
International airport Mostar	27
International airport Dubrovnik (CRO)	130
International airport Sarajevo	157
International airport Split (CRO)	157
Sea Port of Ploče (CRO)	37
Sea Port of Split (CRO)	147



POSSIBLE INVESTMENTS IN VARIOUS SECTORS

The backbone of economy in Čapljina is made of the following sectors:

- Tourism, hotel industry and catering
- Agriculture and food industry
- Processing industry

Municipality Čapljina has rich natural and cultural heritage, and exceptionally good climate, with the average temperature of 15.2 °C and more than 250 sunny days a year. At the same time, good road connection and proximity of key corridors enabled valorization of natural and other resources of the municipality Čapljina, resulting in significant economic development of the municipality Čapljina.

Preferred sectors, in line with potentials of the municipality Čapljina, are:

- **Tourism, hotel industry and catering:**

- » Municipality Čapljina is rich in natural attractions, among which are Nature Park Hutovo Blato, rivers Neretva, Trebižat, Bregava and Krupa, and cultural-historical monuments, such as Magorjelo, Gabela and Počitelj.
- » Municipality Čapljina features a very good geographic position and comfortable Mediterranean climate.
- » More than 200,000 tourists have visited major tourist attractions in the municipality Čapljina during 2017.
- » Investors may find the "tourist zone Šurmanci" very attractive, which currently has 30 available locations for investing in boarding capacities and other supporting services.

- **Agriculture and food industry:**

- » The municipality Čapljina is rich in available arable land, good Mediterranean climate, more than 250 sunny days a year, it has a Plan for governing state owned land in municipality Čapljina, and resolved matter of water supply.
- » In the municipality Čapljina, there are 5,909 ha of arable land registered, 50% of which are currently used for production.
- » Agricultural production is based on production of early vegetables in greenhouses, while the main cultures include vine (table and wine grapes), peaches, nectarines and apples, and in terms of vegetables, there are peppers, tomatoes, potatoes and lettuce.
- » 1,150 family farms are registered in the Farms Registry.
- » In recent years, the Municipality Čapljina has seen a continuous increase in production of fruits and medicinal plants.

- **Processing industry**

- » Potential of processing industry in the municipality Čapljina is based on cost-competitive labor and attractive locations for investment.
- » Food industry has strong potential thanks to available areas of arable land and well developed primary production.
- » Attractive locations for construction of processing capacities based on developed primary production.

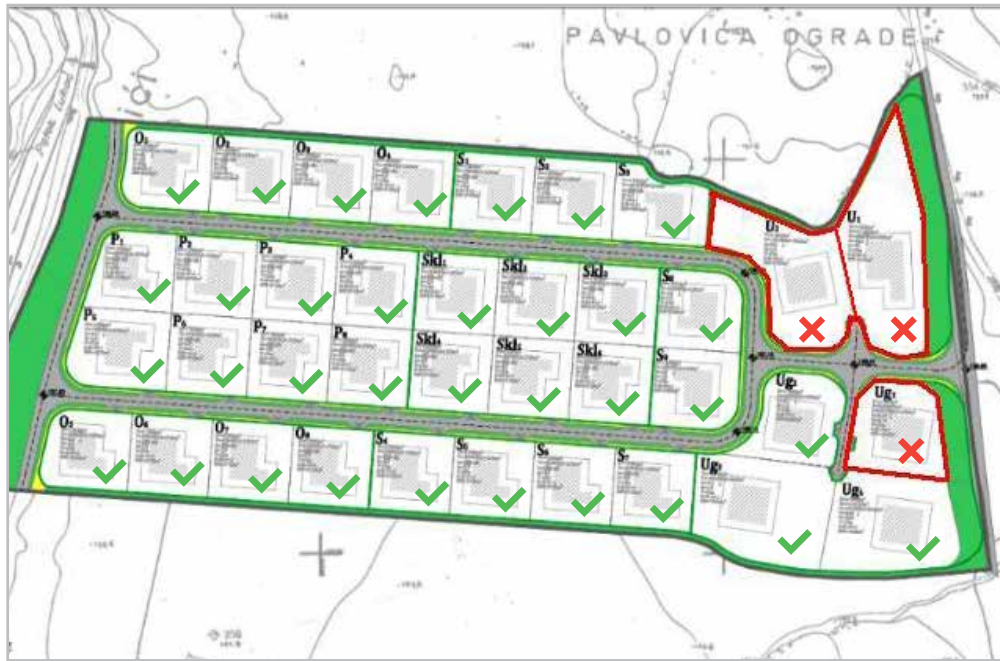
INVESTMENT LOCATIONS

All locations offered to investors by the municipality Čapljina are situated in very attractive places and in immediate proximity of major roads.

Greenfield locations



COMMERCIAL ZONE ZVIROVIĆI	
Location:	The Commercial Zone is located in the settlement of Zvirovići, along regional road R 425. It is approximately 1.2 km from motorway Vc and 5 km from Međugorje, and it is 2 km from border crossing Bijača.
Type:	Greenfield
Area:	Area of this commercial zone (phase i) is 14 ha.
Available parcels:	Total number of parcels: 37 Number of currently available parcels: 30
Infrastructure:	Road infrastructure: Works on the road infrastructure are currently ongoing. Electricity The works are in progress to construct transformation station, medium-voltage cable and high-voltage network. Water supply and sanitation: Main water supply pipeline touches the location; the secondary network has not yet been installed. Investors are obliged to resolve the matter of sanitation by building watertight septic tanks. Telecommunications: Telecommunication network has been laid up to the location.
Ownership:	Owned by the Municipality: 26 parcels Privately owned: 4 parcels
Documentation available:	For the subject location, a zoning plan has been passed, while the urban development permit and construction permit need to be obtained by investors.
Investment opportunities:	Purchase of land
Price of sale or lease of land:	Initial price at auction is 23.00 BAM. Note: The price is established by court expert – a civil engineering professional - on the basis of parameters such as: existence of infrastructure, proximity of roads, proximity of settlements, quality of land, price of land established by municipal decision that is not in force any more since the entry into force of the Law on Things. The land is awarded in an auction.
Suitability of use:	The location is suitable for the following purposes: hotel business, catering, warehouses, crafts or production:



**OCCUPIED
PARCELS**



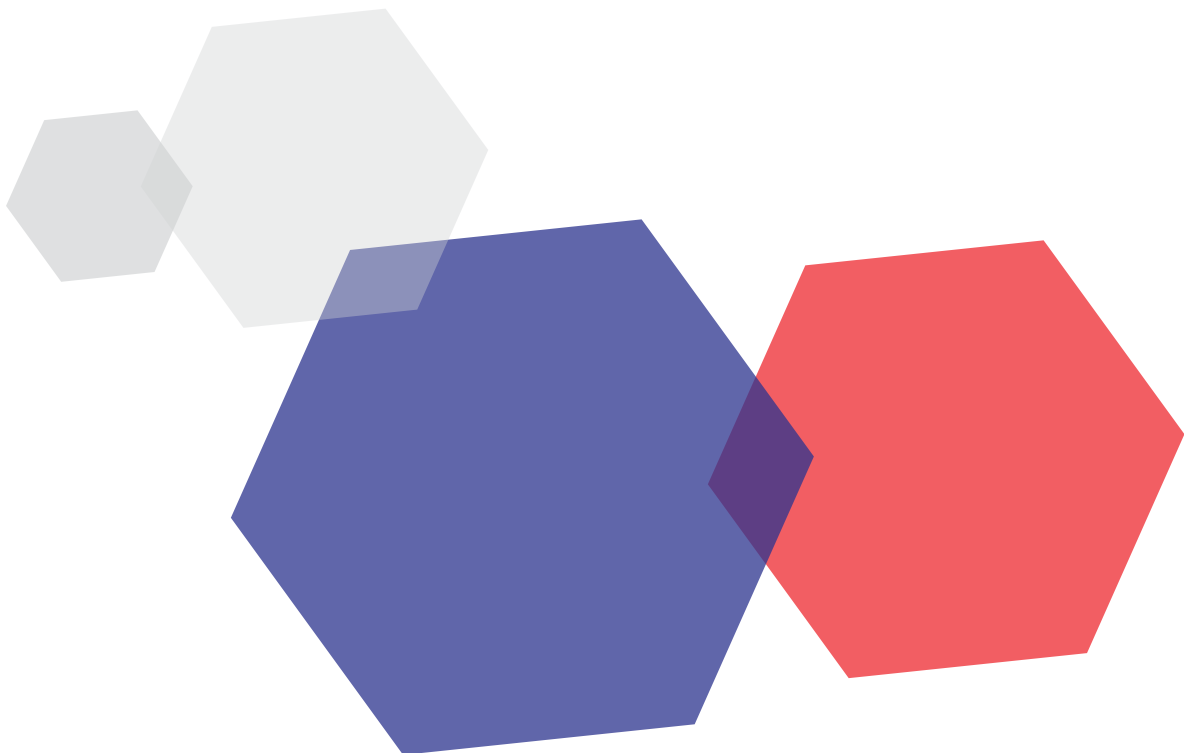
**AVAILABLE
PARCELS**

ZONE	MARK OF CONSTRUCTION UNIT	AREA OF CONSTRUCTION UNIT Pparc (m ²)	LARGEST AREA UNDER THE BUILDING Pzgr (m ²)	THE LARGEST DEVELOPMENT OF THE CONSTRUCTION UNIT kig (%)	THE LARGEST COEFFICIENT OF USE OF THE CONSTRUCTION UNIT, ABOVE GROUND kig (%)	THE GREATEST HEIGHT FROM THE LOWEST LEVEL OF SURROUNDING LAND m	GREATEST CONSTRUCTION (GROSS) AREA, GBP (m ²)
CATE	Ug2	3,000.00	1,500.00	50	1	12	4,500.00
	Ug3	5,240.00	2,620.00	50	1	12	7,860.00
	Ug4	5,440.00	2,360.00	43	0.86	12	7,080.00
SERVICE	S1	2,500.00	1,250.00	50	1	12	3,750.00
	S2	2,500.00	1,250.00	50	1	12	3,750.00
	S3	2,541.00	1,270.00	50	1	12	3,810.00
	S4	2,500.00	1,250.00	50	1	12	3,750.00
	S5	2,500.00	1,250.00	50	1	12	3,750.00
	S6	2,500.00	1,250.00	50	1	12	3,750.00
	S7	2,500.00	1,250.00	50	1	12	3,750.00
	S8	2,575.00	1,250.00	50	1	12	3,750.00
	S9	2,636.00	1,318.00	50	1	12	3,950.00
WAREHOUSE	Sk11	2,500.00	1,250.00	50	1	12	3,750.00
	Sk12	2,500.00	1,250.00	50	1	12	3,750.00
	Sk13	2,500.00	1,250.00	50	1	12	3,750.00
	Sk14	2,500.00	1,250.00	50	1	12	3,750.00
	Sk15	2,500.00	1,250.00	50	1	12	3,750.00
		2,500.00	1,250.00	50	1	12	3,750.00



ZONE	MARK OF CONSTRUCTION UNIT	AREA OF CONSTRUCTION UNIT Pparc (m ²)	LARGEST AREA UNDER THE BUILDING Pzgr (m ²)	THE LARGEST DEVELOPMENT OF THE CONSTRUCTION UNIT kig (%)	THE LARGEST COEFFICIENT OF USE OF THE CONSTRUCTION UNIT, ABOVE GROUND kig (%)	THE GREATEST HEIGHT FROM THE LOWEST LEVEL OF SURROUNDING LAND m	GREATEST CONSTRUCTION (GROSS) AREA, GBP (m ²)
CRAFTS	01	2,660.00	1,330.00	50	1	12	3,990.00
	02	2,500.00	1,250.00	50	1	12	3,750.00
	03	2,500.00	1,250.00	50	1	12	3,750.00
	04	2,500.00	1,250.00	50	1	12	3,750.00
	05	2,600.00	1,300.00	50	1	12	3,900.00
	06	2,500.00	1,250.00	50	1	12	3,750.00
	07	2,500.00	1,250.00	50	1	12	3,750.00
	08	2,500.00	1,250.00	50	1	12	3,750.00
PRODUCTION	P1	2,500.00	1,250.00	50	1	12	3,750.00
	P2	2,500.00	1,250.00	50	1	12	3,750.00
	P3	2,500.00	1,250.00	50	1	12	3,750.00
	P4	2,500.00	1,250.00	50	1	12	3,750.00
	P5	2,980.00	1,490.00	50	1	12	4,470.00
	P6	2,500.00	1,250.00	50	1	12	3,750.00
	P7	2,500.00	1,250.00	50	1	12	3,750.00
	P8	2,500.00	1,250.00	50	1	12	3,750.00

Note: Parts of parcels Ug2 and Ug3 are privately owned.





Greenfield locations



TOURISTIC ZONE ŠURMANCI

Location:	This tourism zone is located along the very border with the Municipality Čitluk, 3 km from the center of Međugorje. The zone is 12 km from center of Čapljina, and 10 km from regional road R425 and motorway Vc, and 11 km from border crossing Bijača.
Area:	Area of this tourist zone (phase I) is 12 ha.
Available parcels:	Total number of parcels: 26 Number of currently available parcels: 20
Infrastructure:	Road infrastructure: Central road going through the zone has been built, works on other roads have not yet started. Electricity Low-voltage network laid along the central road. Water supply and sanitation: Main water supply network laid along the road (water is brought from Municipality Čitluk). Investors are obliged to resolve the matter of sanitation by building watertight septic tanks. Telecommunications: Infrastructure available along the central road.
Ownership:	Six parcels are owned by private or legal persons (approx. 45% of locations), while the remaining parcels are owned by the Municipality Čapljina (approx. 55%)
Documentation available:	Obtaining urban development permit, construction permit, and use permit.
Investment opportunities:	Purchase
Price of sale or lease of land:	The price is established by court expert – a civil engineering professional - on the basis of parameters such as: existence of infrastructure, proximity of roads, proximity of settlements, quality of land, price of land established by municipal decision that is not in force any more since the entry into force of the Law on Things. The land is awarded on an auction. Initial price at auction is 23.00 BAM.
Suitability of use:	The location is suitable for construction of hotel/catering structures and buildings used for tourism purposes (hotels, motels, boarding houses, apartments, etc.)



OCCUPIED PARCELS



AVAILABLE PARCELS

PARCEL MARK	AREA OF THE PARCEL (m ²)	AREA OF THE BUILDING Pobj/max (m ²)	HEIGHT OF THE BUILDING Pobj/max m	NUMBER OF FLOORS	COEFFICIENT OF DEVELOPMENT kig/max	COEFFICIENT OF UTILIZATION kig/max
Tu1_1	2,300.0	690.0	7	Po+P+1	0.3	0.6
Tu1_2	2300.0	690.0	7	Po+P+1	0.3	0.6
Tu1_3	2300.8	690.24	7	Po+P+1	0.3	0.6
Tu1_4	2300.0	690.0	7	Po+P+1	0.3	0.6
Tu1_5	1000.0	250.0	7	Po+P+1	0.25	0.6
Tu1_6	1000.1	250.02	7	Po+P+1	0.25	0.6
Tu1_7	1000.4	250.10	7	Po+P+1	0.25	0.6
Tu1_8	1304.2	326.05	7	Po+P+1	0.25	0.6
Tu1_9	2307.3	692.19	7	Po+P+1	0.3	0.6
Tu1_10	2317.2	695.16	7	Po+P+1	0.3	0.6
Tu1_11	2300.1	690.03	7	Po+P+1	0.3	0.6
Tu1_12	2300.0	690.0	7	Po+P+1	0.3	0.6
Tu1_13	2302.5	690.75	7	Po+P+1	0.3	0.6
Tu1_14	2301.9	690.75	7	Po+P+1	0.3	0.6
Tu1_15	2300.4	690.12	7	Po+P+1	0.3	0.6
Tu1_16	1180.7	236.14	7	Po+P+1	0.2	0.4
Tu2_3	20211.2	6063.36	13	Po+P+3	0.3	0.8
Tu2_4	5721.4	1716.42	10	Po+P+2	0.3	0.8
U1_1	1431.1	429.33	7	Po+P+1	0.3	0.5
U1_2	2298.9	689.67	7	Po+P+1	0.3	0.5
U1_3	2300.1	690.03	7	Po+P+1	0.3	0.5
U2_2	9768.4	2930.5	7	Po+P+1	0.3	0.6
P1	2765.3					
I1	35.0					
I2	35.0					
I3	35.0					
I4	35.0					
I5	35.0					



Greenfield locations



ADA-BAD	
Location:	This location is situated in the narrow city zone, along the Neretva River, 220 m from main road M-6 and 450 m from railway station, or 9.6 km from border crossing Bijača.
Type of the zone	Greenfield
Area:	Area of this location (phase I) is 10.78 ha.
Available parcels:	9 of 14 parcels are currently available. (1 parcel is planned for construction of a new school, that one is not available)
Infrastructure:	All utility infrastructure is available. In parallel with construction of the building, all required infrastructure is also built (electrical, water supply, telecommunications, access road).
Ownership:	The whole location is owned by municipality Čapljina, except for 5 parcels that had been sold to legal persons.
Documentation available:	Amendments to the regulation plan ADA-BAD, main design for a part of infrastructure. Obtaining urban development permit, construction permit, and use permit is required.
Investment opportunities:	Purchase of land.
Price of sale or lease of land:	Starting price at auction is 200 BAM/ m ² . Note: The starting price is established by court expert - professional in civil engineering, on the basis of parameters such as: existence of infrastructure, proximity of roads, proximity of settlements, quality of land, price of land established by municipal decision that is not in force any more since the entry into force of the Law on Things. The land is awarded on an auction.
Suitability of use:	Suitable for construction of residential or residential/commercial buildings for collective housing, community structures, touristic/catering buildings, and a large commercial center.



PARCEL MARK	AREA OF THE PARCEL (m ²)	AREA OF THE BUILDING Pobj/max (m ²)	HEIGHT OF THE BUILDING Pobj/max (m)	NUMBER OF FLOORS
ST1_1	695.5	270	16.0	P+4
		270	16.0	P+4
ST1_2	654.1	264	20.0	Po+P+5
		264	20.0	Po+P+5
ST1_3	644.5	264	20.0	Po+P+5
		264	20.0	Po+P+5
ST1_4	705.1	270	13.0	P+3
		270	13.0	P+3
ST2_1	1045.5	270	13.0	P+3
		270	13.0	P+3
ST2_2	1035.4	270	13.0	P+3
		270	13.0	P+3
MJ1_1	915.6	247.5	20.0	Po+P+5
		247.5	20.0	Po+P+5
		247.5	20.0	Po+P+5
MJ1_2	604.5	247.5	20.0	P+5
		247.5	20.0	P+5
MJ2_1	1196.5	247.5	20.0	Po+P+5
		247.5	20.0	Po+P+5
		247.5	20.0	Po+P+5
MJ2_2	1196.5	247.5	20.0	Po+P+5
		247.5	19.0	Po+P+5
		247.5	19.0	Po+P+5
		247.5	19.0	Po+P+5
MJ3_1	662.2	264	16.0	P+4
		264	16.0	P+4
MJ3_2	662.2	264	19.0	P+5
		264	19.0	P+5
Šk	15947.2	3293.0	12-15	P+2 dvorana P
D2	1301.6	520.0	15.0	P+3
Po	9204.2	2035.0	-	P+1
TU1_1	184.92	141.0	9.0	P+1
TU1_2	184.91	141.0	9.0	P+1
TU2_1	184.92	141.0	9.0	P+1
TU2_2	184.92	141.0	9.0	P+1
I1	35.0			
I2	35.0			
I3	35.0			
I4	35.0			
I5	35.0			



BUSINESS ENVIRONMENT

Business environment in the municipality Čapljina is characterized by good geographic position, natural resources and price-competitive labor. There is an evident increase in the number of commercial entities, particularly in the sectors of tourism and processing industry.

There are 226 legal persons and 450 craftsmen operating in Municipality Čapljina.

Overview of commercial entities in the municipality Čapljina

Commercial entities (up to 49 employees)	220	
Commercial entities (50-249 employees)	6	226
Commercial entities (over 250 employees)	0	
Craftsmen		450
Total		776

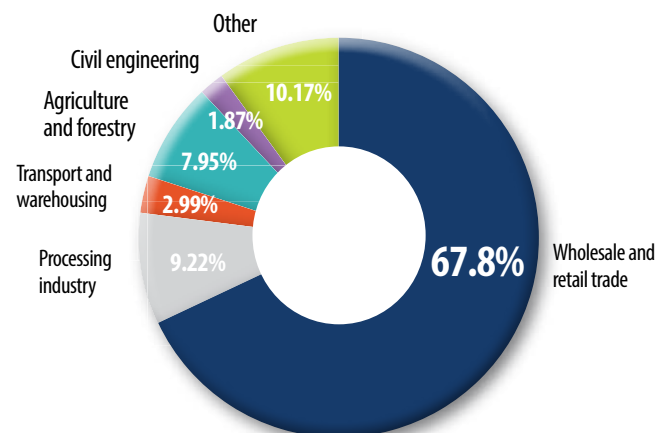
Prevalent industries according to the number of commercial entities in 2017

Area of activity	Number of commercial entities	%
Wholesale and retail trade; repairing motor vehicles	76	33.63
Processing industry	34	15.04
Transport and warehousing	16	7.08
Agriculture and forestry	10	4.42
Civil engineering	10	4.42
Technical, scientific and research activities	9	3.98
Administrative, supporting and service activities	8	3.54
Other	63	27.89

Overview of main industries by revenues (in mil BAM)

Industry	Realized revenues
Wholesale and retail trade	172,132,010.00
Processing industry	23,415,269.00
Transport and warehousing	7,600,726.00
Agriculture and forestry	20,199,120.99
Civil engineering	4,758,148.99
Other	25,776,286.00

Ostvareni prihod u %

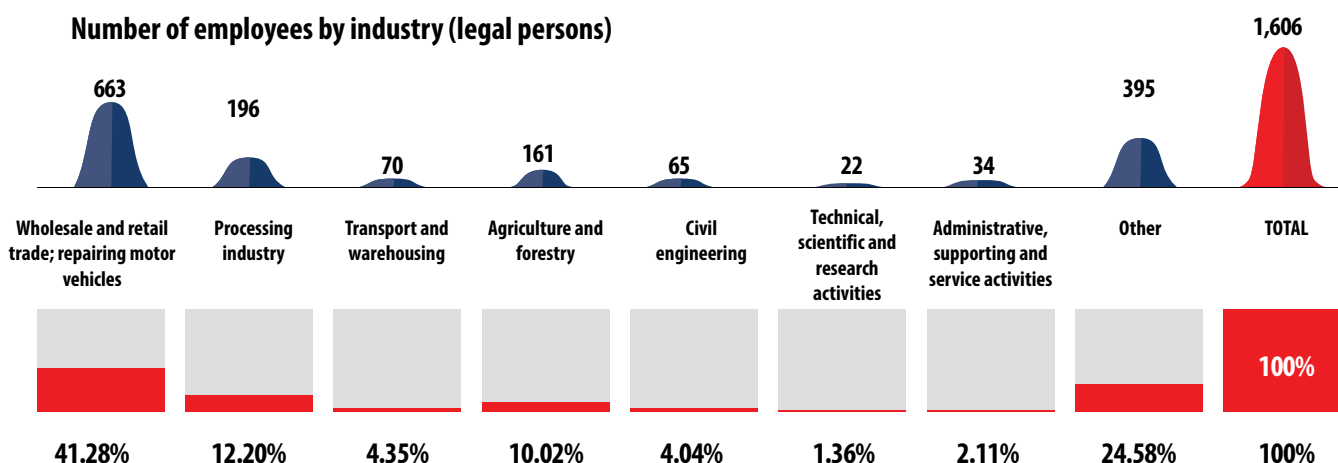




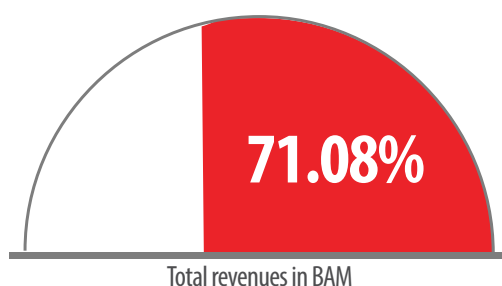
Overview of commercial entities in processing industry

Name of activity in processing industry	Number of companies	%
Production of food products	6	2.65
Production of beverages	4	1.77
Production of tobacco products	1	0.44
Production of textile products	1	0.44
Production of clothing items	1	0.44
Processing wood and wood and cork products, except for furniture, production of products of straw and woven materials	2	0.88
Production of chemicals and chemical products	1	0.44
Production of products of rubber and plastic	3	1.33
Production of other non-metal mineral products	5	2.21
Production of other metallic products, except for machines and equipment	4	1.77
Production of electrical equipment	2	0.88
Production of machines and appliances	1	0.44
Production of motor vehicles, trailers and semi-trailers	1	0.44
Repairing and installing equipment and machines	2	0.88

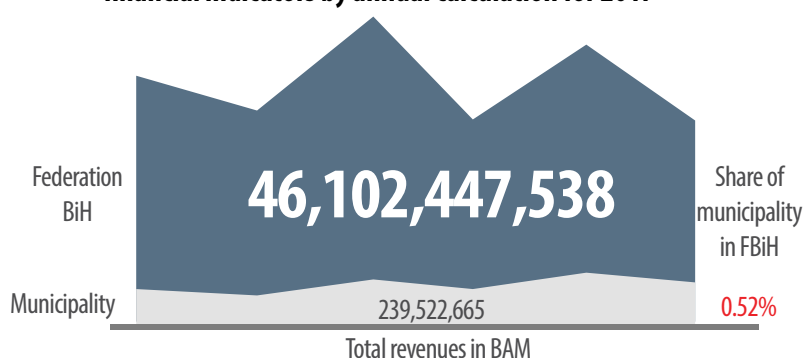
Number of employees by industry (legal persons)



Share of the 20 most successful companies in total realized revenues



Share of economy of the municipality in total revenues in FBiH, financial indicators by annual calculation for 2017



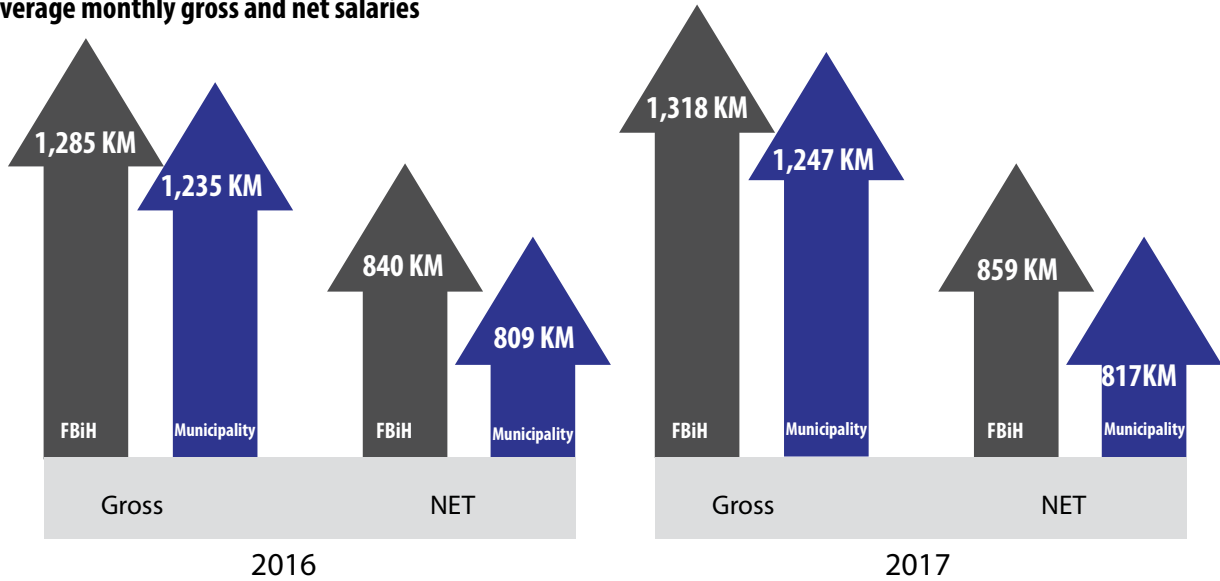


HUMAN RESOURCES

Good and competitive labor

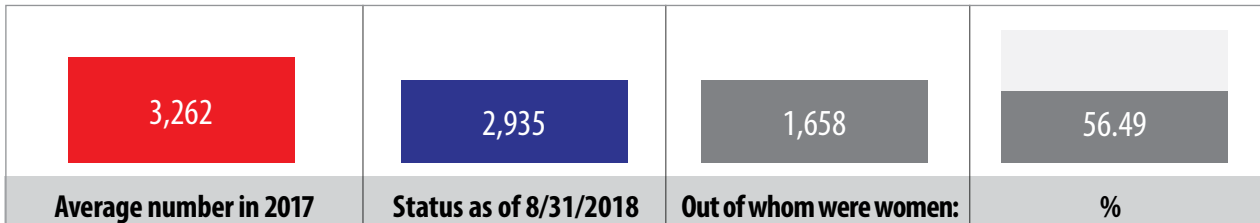
Out of a total workforce available in the labor market, 32% of them are of 30-45 years old.

Average monthly gross and net salaries



Source: FBiH Institute for Statistics

Number of employees as of 12/31/2017



Source: <https://www.szzhznz-k.ba/pdf/bilteni/hr/2018/8.pdf>

Qualification, gender and age structure of the unemployed, 12/31/2017

Level	Qualification	TOTAL	Women	%
1	NKV - Unqualified worker	530	283	53.40
2	Low-qualified worker	58	33	56.90
3	KV - qualified worker	1035	534	51.59
4	SSS - Specialized (or general) qualified worker	912	534	58.55
5	VKV - Highly qualified worker	11	4	36.36
6 ₁ 6 ₂	VŠŠ - First cycle of higher education	158	111	70.25
7 ₁ 7 ₂	VSS - Second cycle of higher education	231	159	55.84
8	Third cycle of higher education	0	0	0
	Total	2,935	1,658	56.49

Overview of the unemployed persons by age structure and gender in the Herzegovina-Neretva Canton (HNC) as of 08/31/2018

Age structure	TOTAL	Women	%
15 to 19 years of age	966	409	42.34%
20 to 24 years of age	3326	1494	44.92%
25 to 29 years of age	3890	2205	56.68%
30 to 34 years of age	3727	2273	60.99%
35 to 39 years of age	3297	1902	57.69%
40 to 44 years of age	2973	1687	56.74%
45 to 49 years of age	3149	1810	57.48%
50 to 54 years of age	3523	1915	54.36%
55 to 59 years of age	3270	1772	54.19%
Over 60 years of age	2158	1189	55.10%
Total	30279	16656	55.01%

Source: <https://www.szzhnz-k.ba/pdf/bilteni/hr/2018/8.pdf>

OVERVIEW OF NUMBER OF THE UNEMPLOYED REGISTERED WITH THE EMPLOYMENT SERVICE IN THE HERZEGOVINA-NERETVA CANTON BY LISTED PROFESSIONS AS OF 08/31/2018

<https://www.szzhnz-k.ba/pdf/bilteni/hr/2018/8.pdf>

Number and organizational structure of students in secondary school in school year 2017/2018

Educational institution	2017/18 Total enrolled	2017/18 Girl students	Finished school in 2016/17
Grammar schools	180	113	50
Technical and related schools	232	96	70
Vocational schools	126	44	30
Total	538	253	150

Source: FBiH Institute for Statistics

Number of university students in Mostar

Name of the high education institution	Total number of students enrolled in 2017/2018	Women	Out of which: regular students
University Mostar (Univerzitet Mostar)	3.396	1,672	2,373
University Mostar (Sveučilište Mostar)	9.758	6,196	8,050
Private high education institutions	962	350	263
TOTAL	14.116	8,218	10,686

Source: FBiH Institute for Statistics



INVESTMENT INCENTIVES

Information on available incentives can be found on the official FIPA web page:

http://www.fipa.gov.ba/informacije/povlastice/strani_investitori/default.aspx?id=141&langTag=bs-BA

INVESTOR SERVICES - MUNICIPALITY ČAPLJINA CONTINUOUSLY IMPROVES BUSINESS ENVIRONMENT

- Municipality Čapljina offers to national and international investors the aftercare services to help them overcome the obstacles the existing investors may face. The investor aftercare is provided through the Cooperative Network that includes institutions at all levels of authority in BiH. This form of investor support has existed in municipality Čapljina since 2018.
- A mechanism of coordination with private sector has been created for the purpose of establishing dialogue between private and public sectors and improving business environment, and for identifying obstacles the municipal administration objectively can do something about. The coordination mechanism has been operational since early 2018, and is made of representatives of private companies, educational institutions and municipal administration.
- A project of regulatory reform has been implemented that resulted with simplified administrative procedures, lower costs, shorter deadlines, and businessmen and citizens are enabled faster and easier access to municipal services via the Electronic Registry of Administrative Procedures.
- Municipality Čapljina offers comprehensive support to all potential and existing investors to realize the planned investment through contact person, who is responsible for providing information and organizing meetings between various bodies and investors for the purpose of simplification and quick implementation of the planned investment.

Detailed information on investment climate in BiH may be found on the official web page:

- **Foreign Investment Promotion Agency in Bosnia and Herzegovina (FIPA)**

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

Electronic registries with detailed overview of permits and licenses that investors in Bosnia and Herzegovina need are available on the following link:

- **Ministry of Foreign Trade and Economic Relations of BiH :**

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

Other steps required for registration of a commercial entity with an emphasis on procedures that are done at the level of municipality include:

URBAN PERMIT	<p>The Department for Spatial Planning and Construction is responsible for issuing the Urban Permit. Average time needed for deciding on the application is 15 days from the date of submitting complete application. When submitting the application, the client pays the municipal fee for the procedural decision that depends on the type of the structure, as follows:</p> <ul style="list-style-type: none"> • For construction of a residential building, farm building (stable, pigsty, etc.) of the area up to 100 m², auxiliary structure (garage, storage) of 15-50 m², temporary pre-fabricated structures 12-50 m² - 18,00 BAM; • For construction of combined residential/commercial building (area of commercial space up to 50 m²) - 36,00 BAM; • For construction of combined residential/commercial building (area of commercial space 51-100 m²) - 72,00 BAM; • For construction of combined residential/commercial building (area of commercial space 101-500 m²) and commercial building up to 500 m - 90,00 BAM; • For construction commercial building of area of commercial space 501-1,000 m² - 180,00 BAM; • For construction of combined residential/commercial buildings (collective housing building) and commercial buildings of area more than 1000 m² - 270,00 BAM; • For construction of buildings on a plot of 1ha or linear infrastructure up to 1 km - 450.00 BAM; • For construction of buildings on a plot of 1 -5 ha or linear infrastructure 1 - 5km - 720.00 BAM; • For construction of infrastructure longer than 5 km - 900.00 BAM; • For construction of transformation stations, antenna poles, transmitters, etc. - 450.00 BAM; • For construction of public and religious buildings - 90.00 BAM; • For construction of farms, quarries, concrete plants, gas stations etc.- 450.00 BAM; • The fee for installing solar cells on existing structure shall be calculated at the same level as the fee for the structure on which the cell is installed; • The fee for installing solar cells on a plot of land will be calculated per m² of area on which the panels are installed, as follows: up to 1,000 m² - 450.00 BAM; 1,001 to 5,000 m² - 675.00 BAM, 5,001 up to 10,000 m² - 900.00 BAM; over 10,000 m² - 1,350.00 BAM.
CONSTRUCTION PERMIT	<p>The Department for Spatial Planning and Construction is responsible for issuing the Construction Permit. Average time needed for deciding on the application is 30 days from the date of submitting complete application. When submitting the application, the client pays the municipal fee for the procedural decision that depends on the type of the structure, as follows:</p> <ul style="list-style-type: none"> - For construction of a residential building, farm building (stable, pigsty, etc.) of the area up to 100 m², auxiliary structure (garage, storage) of 15-50 m², temporary pre-fabricated structures 12-50 m² and canopies made of fabric - 18,00 BAM; - For residential buildings of up to 300 m², residential/commercial buildings, commercial and farm buildings up to 200 m² - 0.45 ‰; - For residential buildings of up to 300 m², residential/commercial buildings, commercial and farm buildings over 200 m² - 0.20 ‰; - construction of infrastructure up to 1000 m - 0,45 BAM/ m; - construction of infrastructure over 1,000 m - 0,20 BAM/ m; - for transformation stations, antenna poles, transmitters, gas stations, etc. - 450.00 BAM; - for public, religious structures - 90.00 BAM; - for farms, quarries, concrete plants, etc. - 450.00 BAM; - for installing advertising and advertising panes - 90.00 BAM; - for installing solar cells (on a land plot up to 1,000 m²) - 450.00 BAM; - for installing solar cells (on a land plot 1,000 - 5,000 m²) -1,350.00 BAM; - for installing solar cells (on a land plot 5,001 - 10,000 m²) - -2,250.00 BAM; - for installing solar cells (on a land plot over 10,000 m²) -2,700.00 BAM. <p>In addition, the client has to pay certain fees, all depending on the kind of the application submitted:</p> <ol style="list-style-type: none"> 1. Fee for development of city construction land depends on the zone. The amount of the fee depends on the type of the structure and is a product of useful surface area of the building. 2. The amount of the rent also depends on the zone, and is calculated by multiplying the basis of the average construction cost of m² by useful surface area of the building. 3. Annual fee for the installation already laid: <ul style="list-style-type: none"> - 2.00 BAM per m of length of the installation laid on a public surface or above a public surface, or on state owned land, or state owned land in I and II zone; - 0.50 BAM per m of length of the installation laid on other or above other surface, or on other state owned land. 4. Fee for laying or repairing underground or above ground installations: <ul style="list-style-type: none"> - For underground installation in city construction land, I and II zone, in the amount of 20.00 BAM per m² of installation; - For above ground installation in city construction land, I and II zone, in the amount of 2.00 BAM per m³ of installation; - For underground installation in other construction land, in the amount of 4.00 BAM per m³ of installation; - For above ground installation in other construction land, in the amount of 1.00 BAM per m³ of installation; - For underground and above ground installation in non-construction land on the territory of the municipality in the amount of 1.00 BAM per m³ of installation. 5. Fee for exemption of the obligation to build shelter: (in accordance with the Law on protection and rescue of people and material goods from natural and other disasters) - 1% of total value of the building and internal installations.
USE PERMIT	<p>The Department for Spatial Planning and Construction is responsible for issuing the Urban Permit. Average time needed for deciding on the application is 15 days from the date of submitting complete application. When submitting the application, client is expected to pay municipal fee for procedural decision that amounts to 80% of the amount of the fee for decision on issuing Construction permit, and ranges from 14.40 to 2,160.00 BAM.</p> <p>In addition, the client has to pay the costs of the commission for technical acceptance of the building, that ranges between 450.00 and 6,300.00 BAM.</p>



PRICE OF UTILITY SERVICES IN MUNICIPALITY ČAPLJINA

Water supply and sanitation

Description	Price for legal persons and craftsmen
Fee for connection to water supply networks	<p>500-1.000 BAM (depending on which neighborhood community the location belongs to. In the city of Čapljina, and settlements Dretelj, Muša, Grabovine, Nerezi and Klepci, there is no obligation towards neighborhood community), and</p> <p>1,000 BAM for co-financing construction of main distribution networks of water supply in the municipality Čapljina (applies only to locations on Dubravska visoravan, Prčavica, Zvirovići and Trebižat).</p> <p>Costs of connection to the water supply system include: Material used for connection, labor, fee for connection is 60.00 BAM/cm² (depending on the size of connection pipe).</p> <p>The above stated prices do not include VAT.</p>
Water	1,50 KM/m ³ + VAT 17%
Fee for connection to sewer networks	<p>Calculated as 50% of the fee for connection to water supply network</p> <p>Costs of connecting to sewer system include: material used for connection, labor force, fee for connection</p>
Sewer fee	0,40 KM/m ³ + VAT 17%

Collection and disposal of solid waste (according to business activity)

Removal of waste	Price
<ul style="list-style-type: none"> • For commercial sector: enterprise, banks etc. • For owners or users of business premises that do not have a container 	BAM 0,16 per m ²
<ul style="list-style-type: none"> a) glazier shops b) trade shops - food and meat shops c) other trade shops d) retail markets e) restaurants/bars f) agricultural pharmacies g) craft shops h) offices (attorneys, designers, doctors' offices) i) pharmacies and boutiques 	<p>BAM 0.66 per m²</p> <p>BAM 0.66 per m²</p> <p>BAM 0.55 per m²</p> <p>BAM 0.55 per m²</p> <p>BAM 0.55 per m²</p> <p>BAM 0.55 per m²</p> <p>BAM 0.22 per m²</p> <p>BAM 0.22 per m²</p> <p>BAM 0.22 per m²</p>
<p>Note: owner or user of business premises in the following settlements: Gnjilišta, Čeljevo, Višići, Sjekose, Struge, Gorica, Gabela polje, Klepci and Gabela pay for waste disposal 50% of the above listed prices.</p>	
<p>Collection and disposal of municipal waste for owners or users of business premises that possess their own waste container(s):</p>	
a) container 1.100 liters	from 30.00 to 50.00 BAM, depending on the distance and number of containers (1 collection)
b) container 4-6 m ³	from 35.00 to 80.00 BAM, depending on the distance of the containers (1 collection)

Cost of electric energy (prices as of 01/01/2016)

Calculation element	Unit of measure	Differentiation		Other consumption (BAM)				
		Seasonal	Daily	I TG	II TG	III TG	IV TG	VTG
Meter of the buyer	BAM/ meter	100.00		20.00	5.20	5.20	1.90	1.90
Power demand	KM/kW/ month	Higher		20.80	20.80	20.80	6.64	6.64
		Lower		16.00	16.00	16.00	5.11	5.11
Active energy	Pfennig/kWh	Higher	Higher	18.63	26.58	20.85	15.53	19.41
			Lower	9.32	13.29			9.70
		Lower	Higher	14.33	20.44	16.04	11.94	14.93
			Lower	7.17	10.22			7.47
Excessively accepted reactive power	Pfennig /kVArh			3.22	0.00	0.00	0.00	0.00

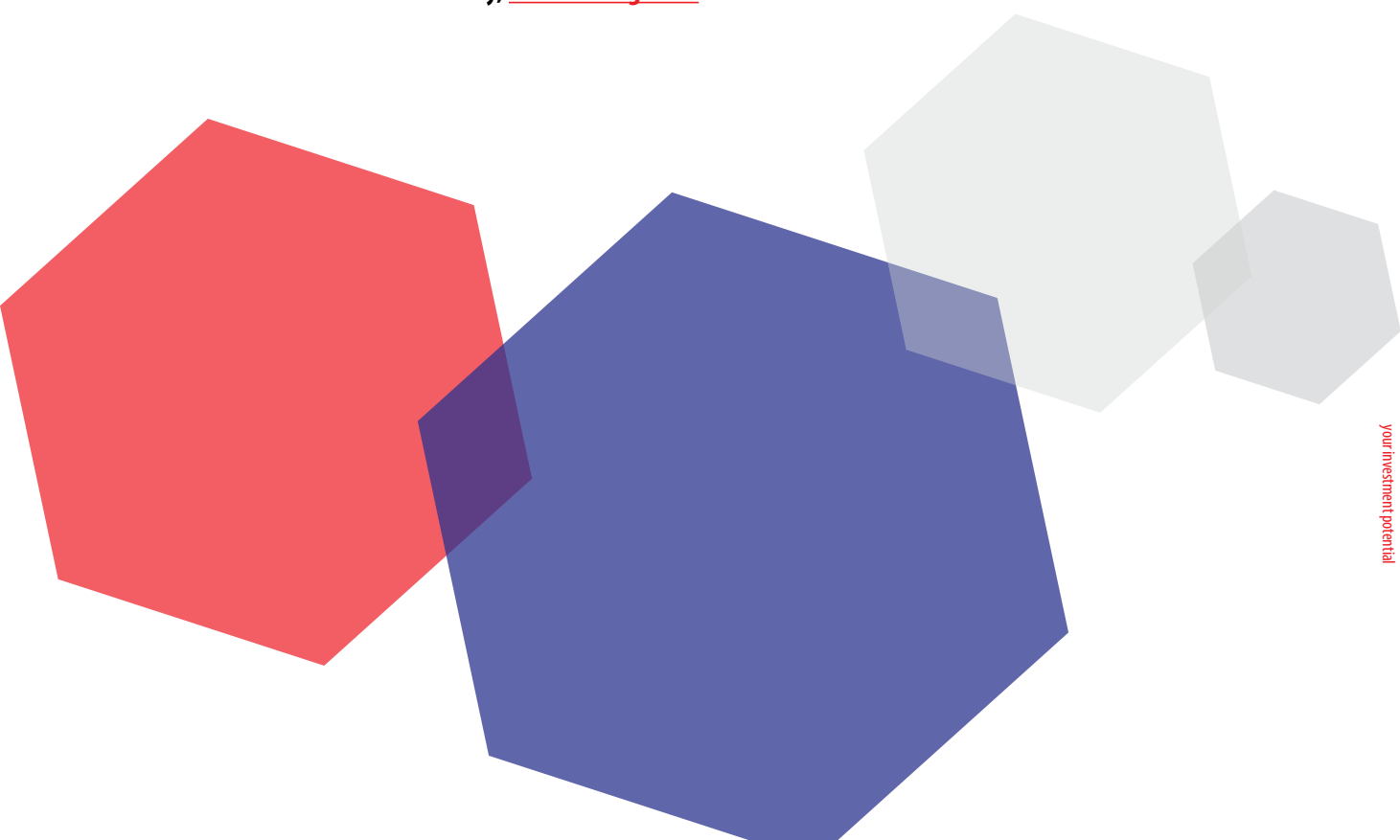
OTHER RELEVANT INFORMATION AND LINKS

Strategic documents of the municipality

- Development strategy of the municipality Čapljina 2017 – 2027 <https://capljina.ba/2018/01/12/strategija-razvoja-2017-2027/>
- Spatial plan of the municipality Čapljina, <https://capljina.ba/2017/11/13/prostorni-plan/>
- Local environmental action plan (LEAP) <https://capljina.ba/2017/11/13/489/>

Useful links:

- Municipality Čapljina, www.capljina.ba
- Government of the Herzegovina-Neretva Canton, <http://www.vlada-hnz-k.ba/>
- Foreign Investment Promotion Agency in BiH; FIPA, www.fipa.gov.ba
- Foreign trade chamber of BiH, www.komorabih.ba
- Indirect Taxation Authority, www.uino.gov.ba





INVESTORS' EXPERIENCES

- Voće Gold is a company that has recognized the needs of local environment, closer and wider community, and in partnership with the municipality Čapljina, and in a very short time, managed to build its position and become recognized in our field. Purchase and sale of agricultural products, close cooperation with producers, recognition of market demand is primary business of the company that is also developing strategically, in line with the strategy of the Municipality Čapljina. All departments of the municipality, including administrative and legal departments, together with the management, have been mobilized to help the company and create an environment where we can make our vision come true. Mission of the Voće Gold company is to ensure conditions where our company will be the future for our employees, future for our farmers and consumers of fruits and vegetables, and that mission is also supported by the municipality Čapljina that wants to retain investors and guide development projects for the purpose of strengthening capacities of the Municipality and development of the local community.

Jozo Đevenica,
owner of the company VOĆE GOLD Ltd. ČAPLJINA

- As an active participant in the Mechanism for coordination of business community in the municipality Čapljina, on behalf of my company Elting, I want to commend the work of the municipality Čapljina and use this opportunity to thank the whole team that helps improve conditions of life and resolve problems that business entities and people of municipality Čapljina face.

Dragan Knežević,
owner of the company ELTING Ltd.

- Within a difficult system and numerous market activities implemented by our company Vina Zadro on domestic and international markets, municipality Čapljina and Mechanism for coordination of business community in the municipality Čapljina, in which we actively participate, I want to commend activities of the municipal administration in the field and in the municipal services. We were an active initiator of development and branding of the destination of that municipality and Vina Zadro may go hand in hand when it comes to positioning the local self-administration unit and our territory with respect to targeted domestic and international audience. That is exactly what municipality Čapljina has been doing, thanks to the synergy developed through cooperation with business community, and that is why we commend the to-date cooperation and openness of the municipal administration and leaders of the municipality Čapljina

Ivan Pažin
Director "Vina Zadro" Ltd. Čapljina

- I wish to commend the municipality Čapljina and its employees for their attitude towards business community operating in this municipality, first of all because of their efficiency, politeness and effort they put into bettering this community. The municipality Čapljina showed their openness to us, businessmen, and at the same time, a speed in resolving our requests. We want to join forces to further improve conditions of doing business, and we welcome the establishment of Mechanism for coordination that works in the interest of each person in our municipality.

Mato Tošić
owner of the KALA-KOMERC Ltd. Čapljina

ENVIRONMENTAL DECLARATION

Fully aware of the importance of environment protection, the municipality Čapljina adopted the Local Environmental Action Plan (LEAP) aiming to take concrete actions in the area of protection and improvement of environment in a local community. This plan covers all aspects of environment, which form a comprehensive structure and vision of the community with the aim to successfully implement overall municipal development policies and allow it to join the integration processes. In addition, based on this plan, the municipality analyzes status of endangeredness of the nature and environment in different segments, proposes objectives and measures for their resolving, based on principles of sustainable development with recognition of principle of preventive action through training of professional and technical staff for protection of environment, and with continuous process of education and raising awareness of population on common duty to protect nature and environment.



INVESTMENT PROFILE

Municipality of Capljina - the right location for realizing your investment potential



WORLD BANK GROUP

IFC | International
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British Embassy
Sarajevo



UKaid
from the British people

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.