



INVEST IN
ZVORNIK





General information

The City of Zvornik

The City of Zvornik is situated on the left bank of the Drina River, in the northeastern part of the Republic of Srpska and Bosnia and Herzegovina.



ADMINISTRATIVE AFFILIATION
Republic of Srpska, BiH

ADDRESS

Svetog Save 124, 75 400 Zvornik



SURFACE AREA
371,95 km²

PHONE

+387 56 232 201



POPULATION
54.407

FAX

+387 56 232 221



MAYOR
Bojan Ivanović

E-MAIL

zvornik@teol.net



WEB
www.gradzvornik.org

Bosnia and Herzegovina

Latitude/ Longitude: **44° N 18° E**
 Time zone: **CET (GMT + 1)**
 Internet domain: **.BA**
 International dialing code: **+387**

Climate : Mountainous, temperate-continental and Mediterranean

- CAPITAL** **SARAJEVO**
- SURFACE AREA** **51.209km²**
- POPULATION** **3.800.000**

CURRENCY

CONVERTIBLE MARK (KM)
 1€=1,95830 KM

LEGEND

- Republic of Srpska
- Federation of Bosnia and Herzegovina
- Brčko District

Republic of Srpska

- ADMINIST. CENTRE** **BANJA LUKA**
- SURFACE AREA** **25.053km²**
- POPULATION** **1.490.993**

6.388.606,13 €
 GDP

5.662,08 €
 GDP PER CAPITA

590,22 €
 AVERAGE NET WAGE

453,52 €
 THE LOWEST NET WAGE

31%
 WAGE CONTRIBUTIONS

8%
 PERSONAL INCOME TAX

10%
 PROFIT TAX

17%
 VAT

Geostrategic position



LEGEND

- River
- European route E75
- European route E70
- Regional roads
- - - Railway

Distance from major cities in the country and the region (km)

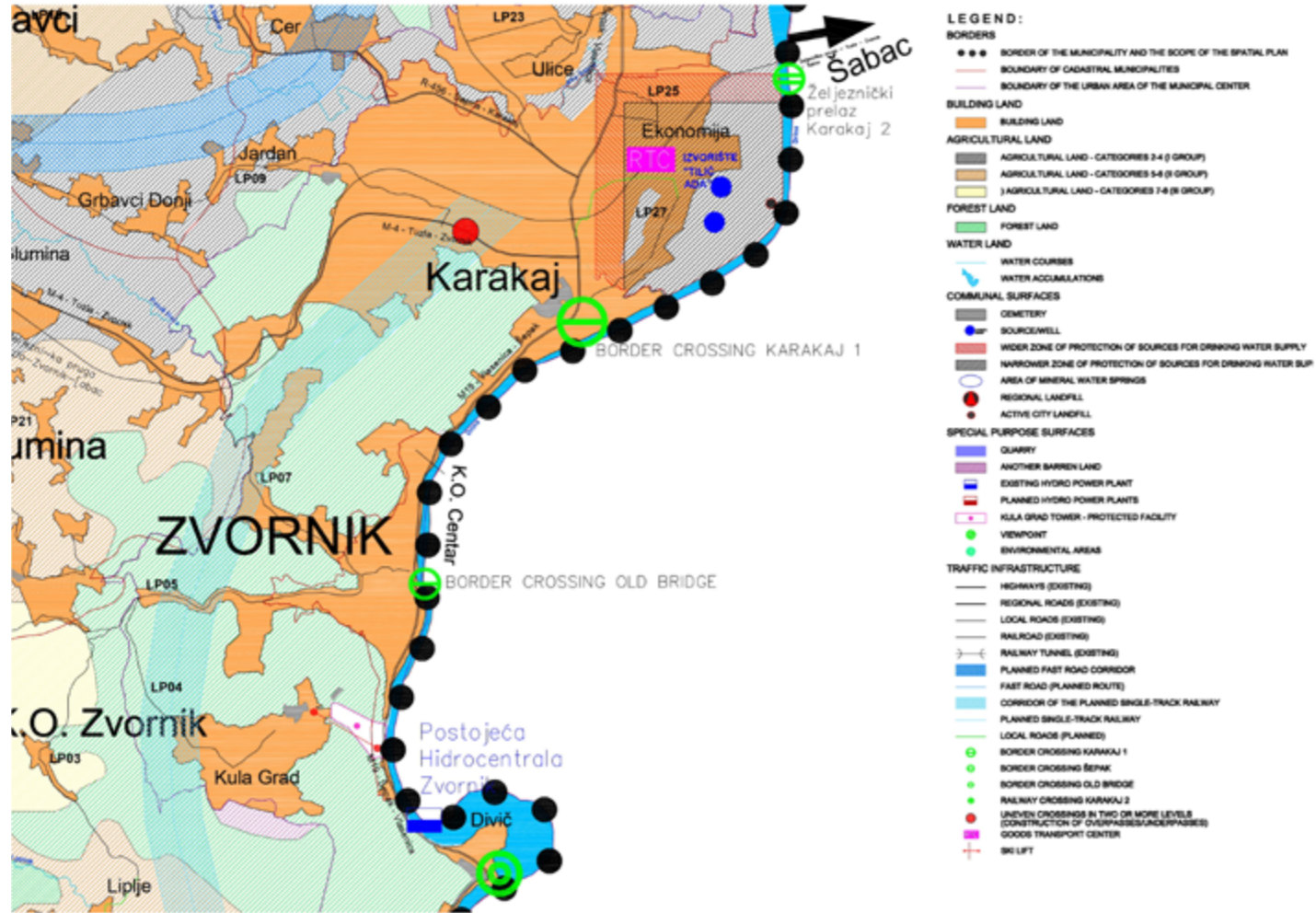
✈	Tuzla	BIH	47
	Bijeljina	BIH	54
✈	Banja Luka	BIH	204
✈	Sarajevo	BIH	140
✈	Beograd	SRB	170
	Novi Sad	SRB	154
	Šabac	SRB	83
	Loznica	SRB	30
✈	Zagreb	CRO	375
✈	Podgorica	MNE	343

Distance from the European cities (km)

Ljubljana	SVN	514
Vienna	AUT	697
Budapest	HUN	483
Bucharest	ROU	761
Sophia	BGR	560
Munich	DEU	921

Zvornik is situated at the intersection of roads leading to major urban centers in BiH and the region. Zvornik is connected to the road and railway networks of the neighboring the Republic of Serbia via four bridges on the Drina River:

- Karakaj – I category international border crossing for road traffic;
- Šepak – international border crossing for passenger road traffic;
- Zvornik – international railway traffic border crossing;
- Zvornik Stari most – frontier traffic border crossing;



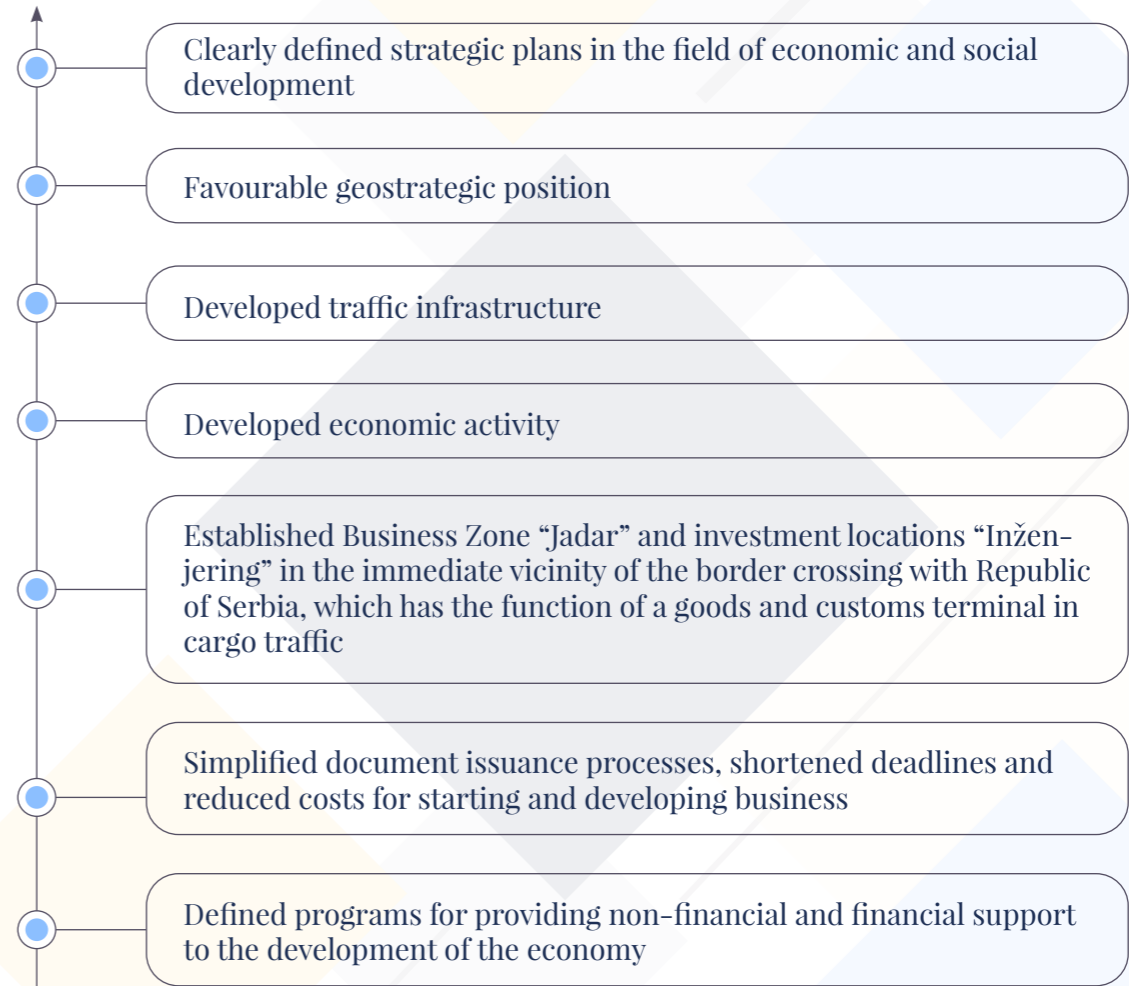
Why invest in Zvornik?

Zvornik is a developed local self-government unit that strives to revive the long tradition of industrial production and encourage the undertaking of other economic activities by providing domestic and foreign investors with an exceptional location and favorable business conditions.



The City of Zvornik holds a Business Friendly Certification South East Europe (BFC SEE) as a seal of the economic environment quality and a recognized indicator of the local administration efficiency: bfc-see.org.

Investing in Zvornik has numerous advantages:



Facilities and incentives for investors

City of Zvornik

The City of Zvornik continuously implements reforms aimed at improving the business environment and provides support for the development of the economy:

- Incentives for the development of agricultural production;
- Incentives for employment and self-employment;
- Support and organization of participation in fairs;
- The tax rate on real estate is 0,14%, and for buildings where production activities are directly carried out is 0,07%;
- The fee for the arrangement of urban construction land is reduced by 25% and for the construction of production facilities additionally by 30% to 70%;
- The fee for the arrangement of urban construction land is reduced by 30% if the construction refers to production facilities with a useful area of 200-500 m², 50% if the construction refers to production facilities with a useful area of 500-1.000 m² and 70% if the construction refers to production facilities with a useful area over 1.000 m²;
- If the communal connections are located at a distance of up to 10 m from the border of the construction plot, the fee for the arrangement of the urban construction land is reduced by 20%, if the communal connections are 10-20 m away the fee for the arrangement of the urban construction by 30%, and if the connections are more than 20 m away from the border of the construction plot, the fee for the arrangement of the urban construction is not paid;
- Rent for the construction of production and auxiliary facilities is reduced by 1% in all zones, except in the sixth where it was reduced by 0,5%;
- Rent for the construction of production and auxiliary facilities can be paid in several installments;
- Spatial planning documentation has been prepared or is being prepared;
- The procedure for issuing approvals required for construction is reduced to three steps (Location conditions, Building permit and Use permit);
- The deadlines for issuing approvals required for construction are shorter than the average in Republic of Srpska (up to 3 days, all depending on the orderliness of the submitted documentation).

The City of Zvornik provides other services to investors:

- Support for existing and potential investors in the realization of the planned investment through the person in charge of information and communication with competent local and higher authorities;
- Post-investment support for domestic and foreign investors in order to overcome the obstacles they face in business;

- Continuous dialogue between the private and public sector through the Economic Council and Open day for entrepreneurs and businessmen.

Republic of Srpska

Investor support measures at entity level:

- Profit tax rate is 10%;
- Income tax rate is 8%;
- Divided tax is abolished;
- Special republic tax is abolished;
- Entrepreneurs are exempt from paying communal fees for 12 months from the day of registration, and small entrepreneurs completely;
- Possibility of deferred payment of tax obligations;
- Advisory support and organization of participation in international fairs;
- Incentives for improving competitiveness;
- Incentives for the development of agriculture;
- Support programs for employment and self-employment by the Employment Agency of the Republic of Srpska;
- Stimulative credit lines for starting the business by Investment and Development Bank of the Republic of Srpska;
- Allotment of tourist vouchers as a form of support for tourism.

Bosnia and Herzegovina

Investor support measures at the state level:

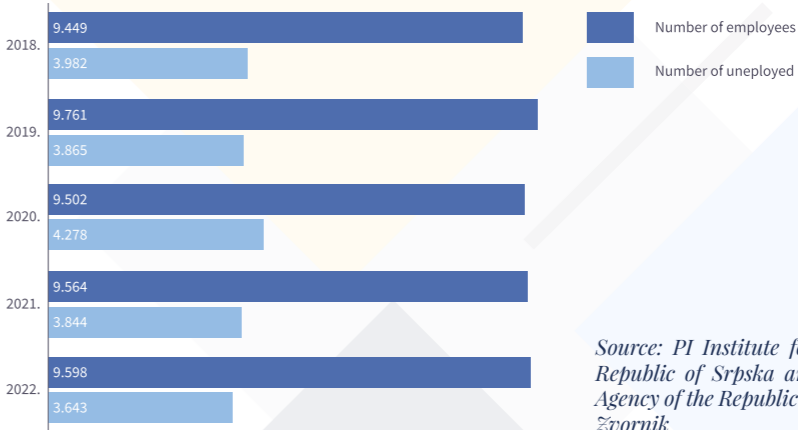
- Equipment for production that is not produced in BiH is exempted from payment of import duties, as well as equipment and means of production that are owned by a company that stops its activity in another country and moves to the customs area of BiH for the purpose of performing similar activities;
- Export products are exempted from payment of excise duties;
- Foreign investors have national treatment;
- Agreements on free trade (CEFTA, EFTA);
- EU Stabilization and Association Agreement.



Human resources

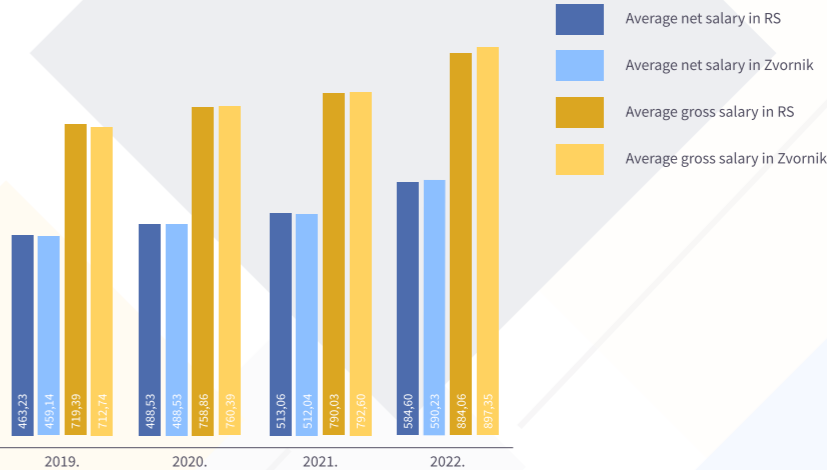
In Zvornik it is possible to hire a workforce with experience in industrial production, as well as knowledge and skills acquired in local educational institutions, in the country and region, at competitive prices.

Number of employees and unemployed in Zvornik



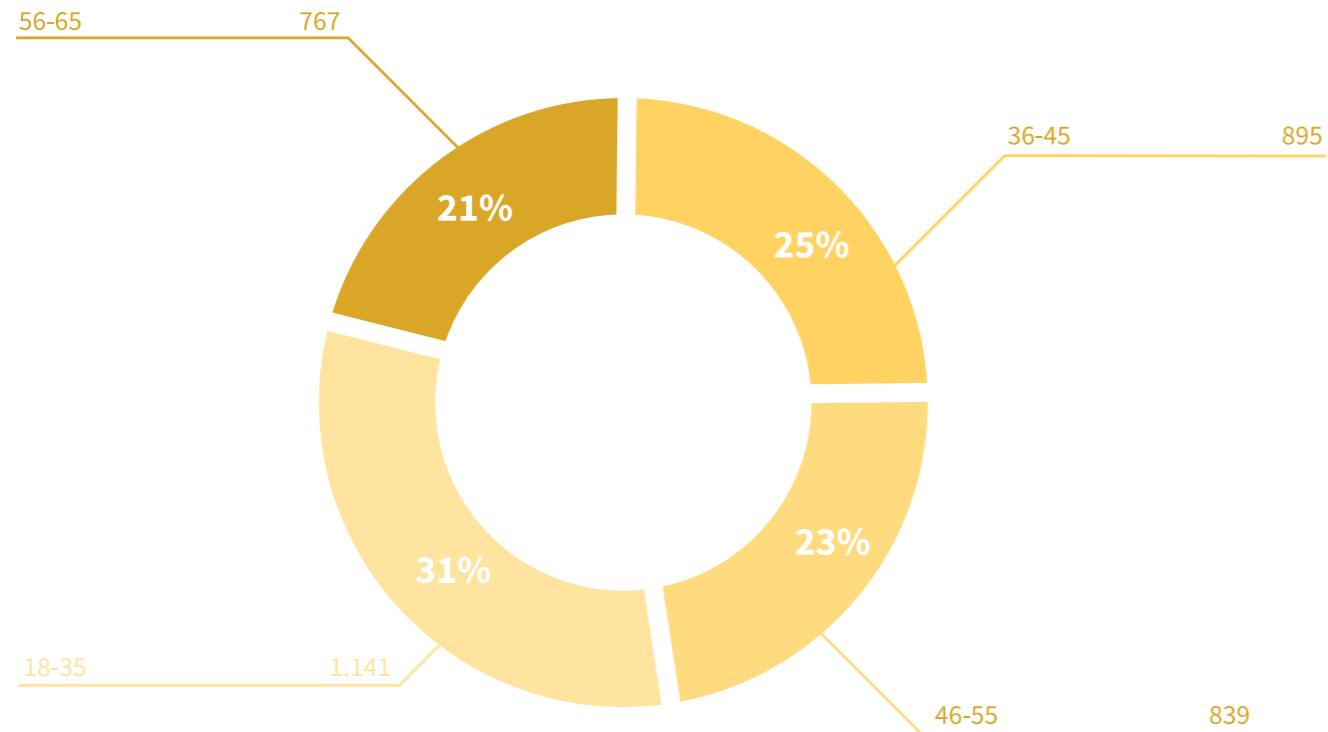
Source: PI Institute for Statistics of the Republic of Srpska and PI Employment Agency of the Republic of Srpska - Branch Zvornik

The ratio of the average monthly net and gross salaries in Zvornik and Republic of Srpska (€)



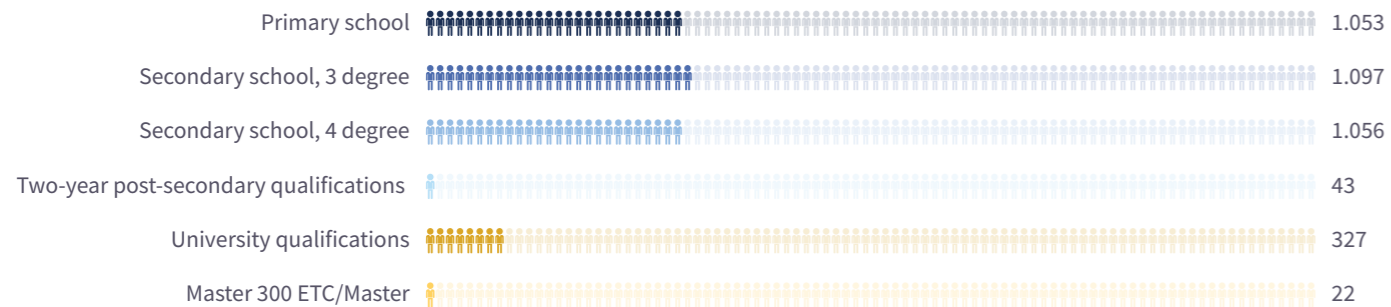
Source: PI Institute for Statistics of the Republic of Srpska

Age structure of registered unemployed persons




Source: PI Employment Agency of the Republic of Srpska - Branch Zvornik

Education structure of registered unemployed persons



Source: PI Employment Agency of the Republic of Srpska - Branch Zvornik

Vocational specialties on local educational institutions




Secondary education

**HIGH SCHOOL CENTER
"PETAR KOČIĆ"**

www.gimisspkzv.org

- High school
- Economics, low and commerce
- Health care
- Catering and tourism




Secondary education

**TEHNICAL SCHOOL
CENTER**

www.jutsczv.org

- Mechanical engineering and metal processing
- Electric engineering
- Traffic
- Chemistry, non-metals and printmaking
- Construction



High education

**FACULTY OF TECHNOLOGY
OF THE EAST SARAJEVO
UNIVERSITY**

www.tfzv.ues.rs.ba

- Chemical engineering and technology
- Biology

Pupils and students have practical classes in companies operating on the territory of the City of Zvornik. On this way, they acquire high-quality and practical knowledge that allows them to easily and quickly get involved in work processes after completing their education.

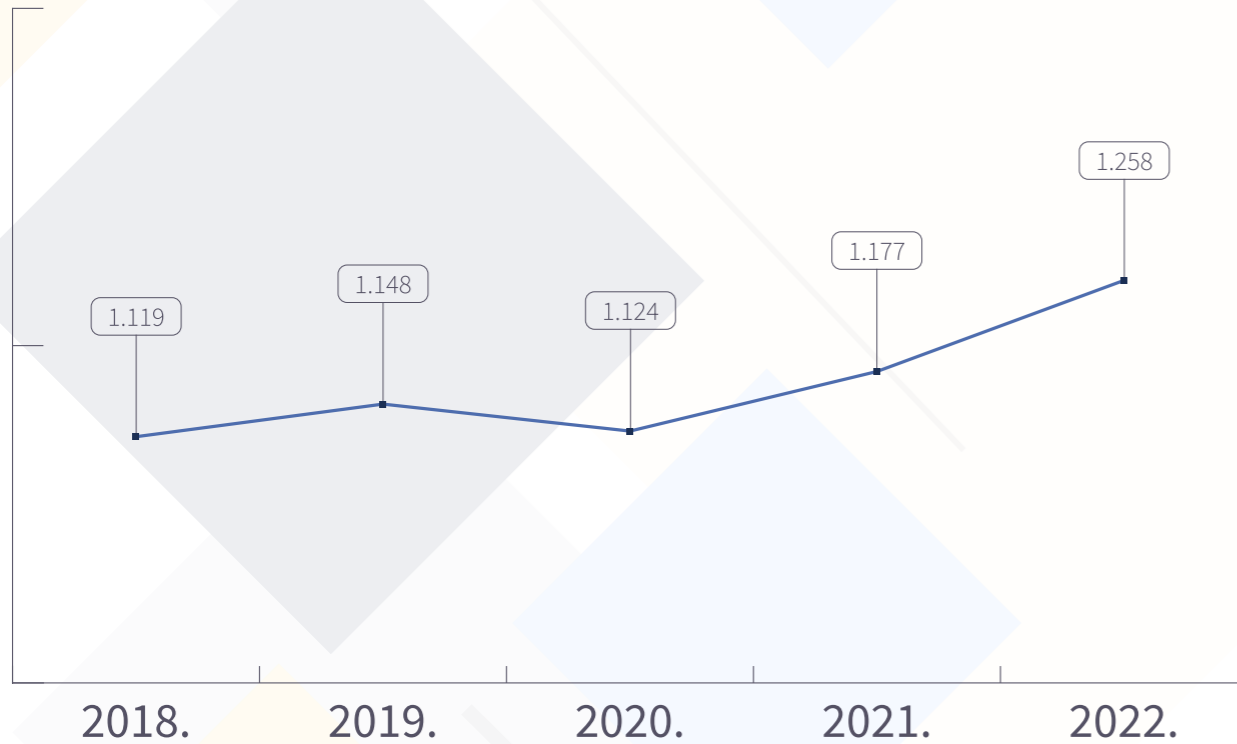
There is also an adult education center in Zvornik where unemployed persons can be retrained for a number of occupations within the economic, medical, mechanical, chemical, construction, catering and electrotechnical professions.



Business environment

The City of Zvornik is trying to revive industrial production and thus regain its status from the second half of the 20th century, when it was considered the third industrial center in Bosnia and Herzegovina. At that time, between 13.000 and 15.000 workers from Zvornik and neighboring municipalities worked in plants for wood processing, construction material production, mineral water exploitation, alumina and rubber production and metal, textile and food industry facilities concentrated in the suburban settlement of Karakaj. The number of registered business entities in the City of Zvornik is constantly growing.

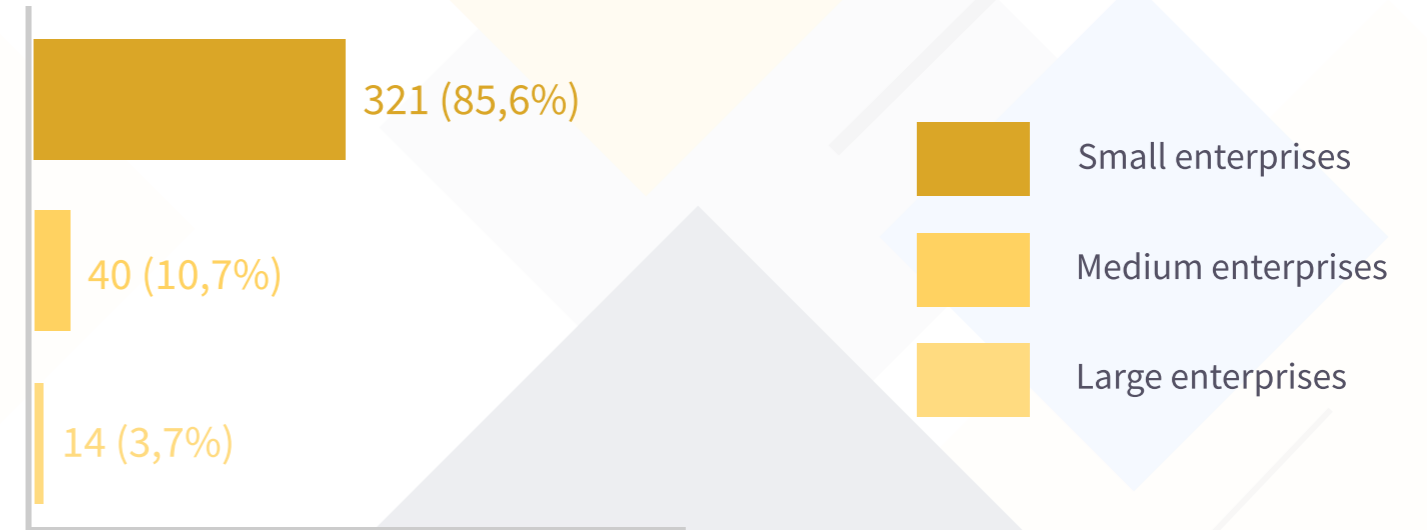
Number of registered business entities



Source: Tax Administration of the Republic of Srpska, Department for Economy and Social Activities of the City of Zvornik

Today, small and medium-sized enterprises dominate in Zvornik. Most of them are engaged in wholesale and retail trade, processing industry, construction and transport and storage. They are all reliable suppliers and service providers.

Number of enterprises per size



Source: The Agency for intermediary, IT and financial services

Number of enterprises per the standard business classification

Mark	Activity	Number of business entities
A	Agriculture, forestry and fishing	8
B	Mining and quarrying	8
C	Processing industry	72
D	Production and supply of electricity, gas, steam and sewage	11
E	Water supply; sewerage, waste management and remediation activities	4
F	Construction	51
G	Trade, wholesale and retail	87
H	Transportation and storage	39
I	Accommodation and catering	6
J	Information and communications	8
K	Financial and insurance activities	1
L	Real estate business	6
M	Expertise, scientific and technical activities	18
N	Administrative and support service activities	5
O	Public administration	1
P	Education	14
Q	Health protection and social work	24
R	Art, entertainment and recreational activities	3
S	Other services	9
Total:		375

Source: The Agency for intermediary, IT and financial services

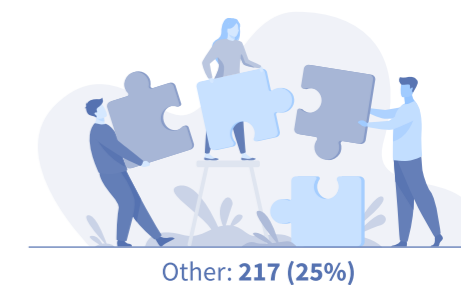


There is a noticeable trend of growth in the number of entrepreneurs. Currently, the largest number of them operate in the field of trade and hospitality, while there are no craft shops such as shoemakers, tailors, confectioners, car mechanics, glass cutters, watchmakers, as well as fishmongers and travel agencies. There is space for textile and packaging designers, C and D category drivers, dental prosthetics technicians, painters, masons, carpenters, parquet workers, ceramicists, chimney sweeps, machine and device repairers, electrical appliance and equipment repairers, artistic crafts (furniture wallpaper, decorator, maker of old costumes, caster of art objects, carpenters and woodcarvers).

Number of entrepreneurs per dominant business activity



TOTAL ENTREPRENEURS:
883



Source: Department for Economy and Social Activities of the City of Žvornik

Agricultural production

Zvornik has relatively developed agricultural production. In the previous year, 115 agricultural farms were registered. About 95% of them have the status of non-commercial farms.

Zvornik has around 20.000 ha of arable land and the main crops are corn, wheat, barley and oats. Of the vegetable crops, the production of gherkins is the most common. Plums, apples, pears and stone fruits (walnuts and hazelnuts) are the most represented in the structure of areas under fruit. There is a need to build capacities for storage and processing of agricultural products.



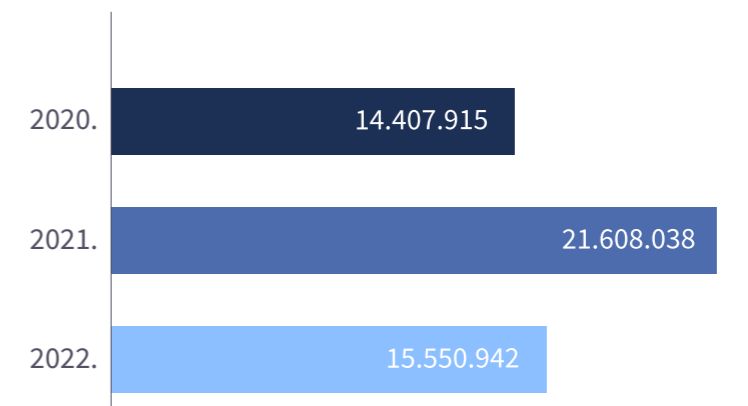
The farms in Zvornik mainly breed beef cattle, pigs, poultry, sheep and goats. There are market surpluses in this area, hence the need for organized buying.



The production of honey and other bee products has also been developed and thanks to their quality they have already found a place on the market. Today, there are about 5.500 bee societies in the area of Zvornik. Beekeepers continuously promote their work, independently or with the organizational and financial support of the Zvornik City Administration, at various manifestations and events.



Realized investments in permanent assets (€)



Source: PI Institute for Statistics of the Republic of Srpska

Realized investments in new permanent assets (€)

Character of construction and technical structure		2020.	2021.	2022.
Character of construction	Building of new capacities	6.942.939	8.074.957	9.075.059
	Reconstruction, modernisation, upgrading and expansion	4.828.715	5.618.161	3.004.397
	Maintaining the level of existing capacities	420.800	854.893	654.975
Technical structure	Buildings and premises	6.626.444	8.261.070	3.201.248
	Machines, equipment and means of transport	5.484.201	6.116.168	9.472.339
	Other	81.808	170.263	61.356
Total		12.192.453	14.547.591	12.734.943

Source: PI Institute for Statistics of the Republic of Srpska

Opportunities for the development of tourism

The City of Zvornik is rich in natural beauty and cultural and historical sights. That is an excellent base for the successful development of tourism and other activities related to tourism, primarily catering, transport and trade.

The most important natural resources are the Drina River, the Lake of Zvornik, the Grkinja Mountain, mineral water sources in Vitinički Kiseljak and Kozluk.

The Drina River is cold, clean and rich in fish (trout, catfish, pike, bream, barbel, flounder and others). It is the habitat of wild ducks. Therefore, there is a possibility for the development of sport fishing, but also hunting.

The Lake of Zvornik is located on the Drina River. Kayaks, canoes and boats can be driven on it. There are holiday homes and a hotel on its coast, and camps and apartment complexes can be built.



The view of the Zvornik Lake and the surrounding area can be seen from numerous viewpoints on the hiking trails around the Grkinja and the neighboring mountains. They lead through preserved natural areas encompassing several cultural and historical sites. The main point is the mountain lodge. All this gives a chance for the development of a complete tourist product.



Vitinički Kiseljak has nine sources of mineral water with proven positive effects on various diseases, a preserved environment and good traffic connections. The unique health function of this place can be used for the purpose of developing tourism.



Among the sights of Zvornik are the Roman quarry in Dardagani, the medieval tombstones known as "stećci", the medieval fortress "Đurđev grad", the medieval town "Kušlat", the Church of the Birth of St. John the Forerunner, the Church of the Birth of the Blessed Virgin Mary, the Bridge of King Alexander I Karadorđević, and others.

The archaeological site in Dardagani is the largest and best preserved stone Roman monument of the cave type in Europe. Small-scale research was carried out and activities in the direction of protection, arrangement and putting the site into the function of a visitor center are started.



The fortress "Đurđev grad" was built at the end of the 13th or the beginning of the 14th century. It is a national monument of Bosnia and Herzegovina. It consists of the Lower, Middle and Upper Town connected by footpaths. It has an extremely large development potential that can be used through a public-private partnership.

Today, there are 151 business entities operating in the area of catering in the area of Zvornik. Only 10 business entities provide accommodation, and 141 food and beverage preparation and serving services. There are 82 taxi drivers and one company for the provision of transportation services, including the only tourist agency in the area of Zvornik.

Investment locations

www.gis.gradzvornik.org

In Zvornik there are one business zone and one investment location that are equipped with infrastructure. There is a plan to open new business zones.

Business zone “Jadar”

BUSINESS ZONE “JADAR”

Zone	Area (m ²)	Status
Zone I	4.971	Occupied
Zone II.1	11.285	Occupied
Zone II.2	3.747	Open
Zone III	21.424	Open
Zone IV	10.474	Open
Zone V	18.314	Open
Total Zone	79.959	
Occupied	16.256	
Road	8.729	
Open	55.974	



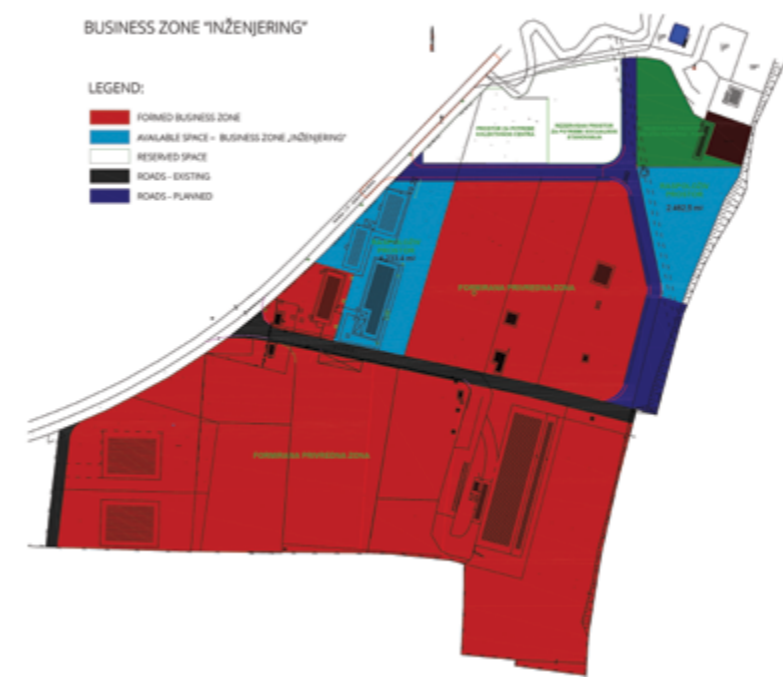
- Brownfield location intended for industrial production;
- It covers 8,09 ha of built-up land in the Karakaj industrial area;
- Investors currently have access to 6,69 ha of built-up land, i.e. 10 buildings;
- It is 4 km from the city center;
- It is located right next to the border crossing with the function of a goods customs terminal in freight traffic and a loading-transshipment station on the international railway Republic of Serbia-Zvornik-BiH;
- It is adjacent to the main road routes Bijeljina-Sarajevo and Karakaj-Tuzla;
- It has a common infrastructure that can be adapted to the needs of investors with small investments:

	To the zone	Within the zone	Technical characteristics
Road	✓	✓	Access and internal roads
Water supply	✓	✓	Pipeline PEHD Ø 110 mm with two wells, a water tower and hydrants for each object
Sewage system	✓	✓	Sewage network with two manholes and a main collector
Natural gas installation	✓	✓	Natural gas substation with pressure of 3 bar
Power grid	✓	✓	Station 10/04 kW with installed power of 2 · 630 kW
Telecommunications network	✓	✓	Three service providers

- Land and facilities in the Business Zone “Jadar” can be sold or leased;
- The sale is made at the initial price determined by the court expert and through the bidding process;
- Land and buildings can be leased for a period of 5 years, which can be extended to 10 years after the end of the first year from the start of production;
- The amount of the rent depends on the area that is the subject of the lease;
- The investor can be exempted from up to 60% of the total rent if he invests his own funds in construction and other works that serve to adapt the building to a general purpose (electricity, water, sewerage);
- The highest allowed coefficient of construction is 2,1;
- The highest allowed occupancy coefficient is 0,6;
- Preference is given to investors who carry out production activities and employ a larger number of workers.

Investment location “Inženjering“

- Adjacent to the Business Zone „Jadar“;
- Brownfield/greenfield location;
- It covers 7,10 ha;
- It has a common infrastructure that can be adapted to the needs of investors with small investments;
- 2 buildings with an area of 518 m2 and one greenfield location with an area of 2.462,50 m2 are available;
- Buildings and land are subject of sale;
- The sale is made at the initial price determined by the court expert and through the bidding process;
- There is a possibility of dividing plots;
- The highest allowed coefficient of construction is 2,1;
- The highest allowed occupancy coefficient is 0,6;
- It is intended for production and service activities;
- Currently 8 business entities operate here.



	To the zone	Within the zone	Technical characteristics
Road	✓	✓	Access and internal roads
Water supply	✓	✓	Pipeline PEHD Ø 315 mm and pipeline PEHD Ø 110 m
Sewage system	✓	✓	Sewage network with collector
Natural gas installation	✓	✓	Natural gas substation with pressure of 3 bar at a distance 250 m
Power grid	✓	✓	Station 10/04 kW with installed power of 1000 kW
Telecommunications network	✓	✓	Three service providers

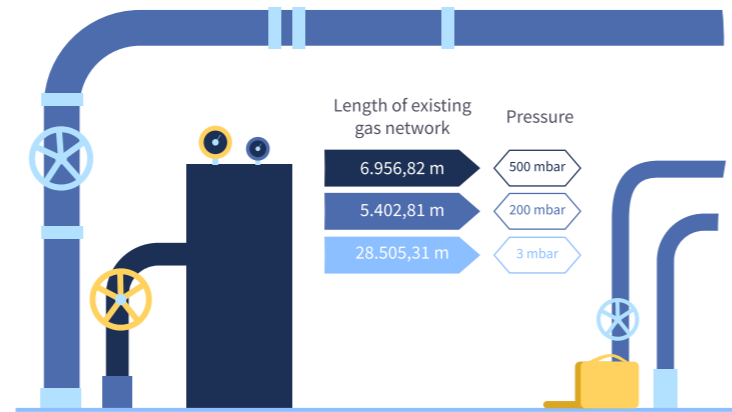
Prices of utility services

The average price of fuel is 1,43 €.

Power plants with voltage levels of 400kW, 110kW, 35kW, 10kW and 0,4kW were built in the area of the City of Zvornik. The price of electricity for business entities depends on the amount of energy consumed on a monthly basis and the activity.

The distribution and sale of natural gas, which is also used for the production of thermal energy, is carried out through the metering and regulation station in the city center, which is connected to the gas network of the Republic of Serbia by one branch.

Length and pressure in the gas pipeline network



Source: "Gas promet" jsc Istočno Sarajevo

Water supply, sewer and municipal waste collection services are provided by "Vodovod i komunalije" a.d. Zvornik. Waste disposal is at the sanitar landfill within PU "Regionalna Deponija" ltd Zvornik.

Prices of utility services for business entities with VAT

Type of service	Unit	Price (€)
Water	m ³	1,91
Sewage	m ³	0,61
Waste collection	m ³	0,50
	Dumpster 5 m ³	61,32
	Dumpster 1,1 m ³	25,53
	Bin 0,1 m ³	9,97
Waste disposal	Tonne	23,32

Source: „Vodovod i komunalije“ jsc Zvornik

Average price of natural gas for business entities with VAT

Location	Unit	Price (€)
City	m ³	0,87
Industrial zone	m ³	0,82

Source: „Zvornik stan“ jsc Zvornik

Average price of heating for business entities with VAT

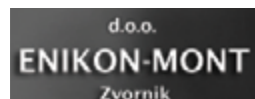
Business space	Unit	Price (€)
height up to 2,5 m	m ³	2,02
height up to 3 m	m ³	2,36
height over 3 m	m ³	2,70
Payment according to consumption (calorimeter rading)	MWh	197,41

Source: „Zvornik stan“ jsc Zvornik



The biggest business entities

MANUFACTURING INDUSTRY



CONSTRUCTION



TRAFFIC



AGRICULTURE

 *d.o.o Smrčak Zvornik*

TRADE



Other relevant information

City of Zvornik: www.gradzvornik.org

Government of the Republic of Srpska: www.vladars.rs

Portal of the Government of the Republic of Srpska „Invest in Srpska“: www.investsrpska.vladars.net

Chamber of Commerce and industry of the Republic of Srpska: www.komorars.ba

Development agency of the Republic of Srpska: www.rars-msp.org

Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina: www.mvteo.gov.ba

Foreign Investment Promotion Agency of BiH (FIPA): www.fipa.gov.ba

Indirect Taxation Authority: www.uino.gov.ba

Contact persons

 Bojan Ivanović,
Mayor

 zvornik@teol.net

 +387 66 903 697

 Darko Stefanović,
City manager

 darko.stefanovic@gradzvornik.org

 +387 65 806 801

 Biljana Milić,
Head of Department for Development Management and International Cooperation

 biljana.milic@gradzvornik.org

 +387 66 077 333





ГРАД
ЗВОРНИК

Republic of Srpska
CITY OF ZVORNIK
Svetog Save 124
75400 Zvornik
Phone: +387 56 232 251
E-mail: zvornik@teol.net
www.gradzvornik.org