



FOREIGN INVESTMENT PROMOTION AGENCY  
OF BOSNIA AND HERZEGOVINA

# Investment Opportunities in B&H



# 1. BOSNIA AND HERZEGOVINA AT A GLANCE

|                              |   |
|------------------------------|---|
| Official name:               | Bosnia and Herzegovina (locally Bosna i Hecegovina, most commonly abbreviated as B&H)   |
| Capital city:                | Sarajevo (population 500.000)   |
| Other major cities:          | Banja Luka, Bihać, Mostar, Tuzla, Zenica  |
| Geographic location:         | South Eastern Europe, borders with Croatia (932km), Serbia (312km) and Montenegro (215km)   |
| Area:                        | 51.209 km2  |
| Population:                  | 3.53 million  |
| Religions:                   | Muslim (44%), Orthodox Christian (32%), Roman Catholic (17%), others (7%)   |
| Ethnic groups:               | Bosnians, Serbs, Croats and others  |
| Languages:                   | Bosnian, Serbian, Croatian (all official)   |
| Administrative organization: | Two entities (Federation of B&H and Republic of Srpska) and Brcko district of B&H   |
| Government Structure:        | B&H is a parliamentary democracy with a bicameral parliament (House of Representatives and House of Peoples), a three member rotating presidency, a Council of Ministers and Constitutional Court.  |
| GDP:                         | 26.2 <sup>1</sup> ) billion EUR (2024)  |
| GDP per capita:              | : 7,442 EUR (2023)  |
| Currency:                    | Konvertibilna marka (BAM-official; KM-common use)   |
| Exchange rate:               | 1 EUR = KM 1.95 (fixed exchange rate)   |
| Landforms:                   | A very hilly country with the Dinaric Alps dominating the landscape. The highest point, Mt. Maglić, rises to 2,387m. Thick forests coveralmost 50% of the land. In the north, along the Sava River valley, a hilly, fertile plain stretches east to west. The country has 20 km of coastline in the southwest of the country, providing access to the Adriatic Sea. |
| Climate:                     | Winters can be very cold with a lot of snow, especially in the hills and mountains. Summers are generally warm and comfortable, occasionally hot. Cooler temperatures in higher elevations.   |
| Latitude/ longitude:         | 44 N, 18 E  |
| Time zone:                   | CET (GMT + 1 hour)  |
| Internet domain:             | .ba   |
| Int. telephone code:         | +387  |

<sup>2</sup>) Agency for statistics of Bosnia and Herzegovina, preliminary results

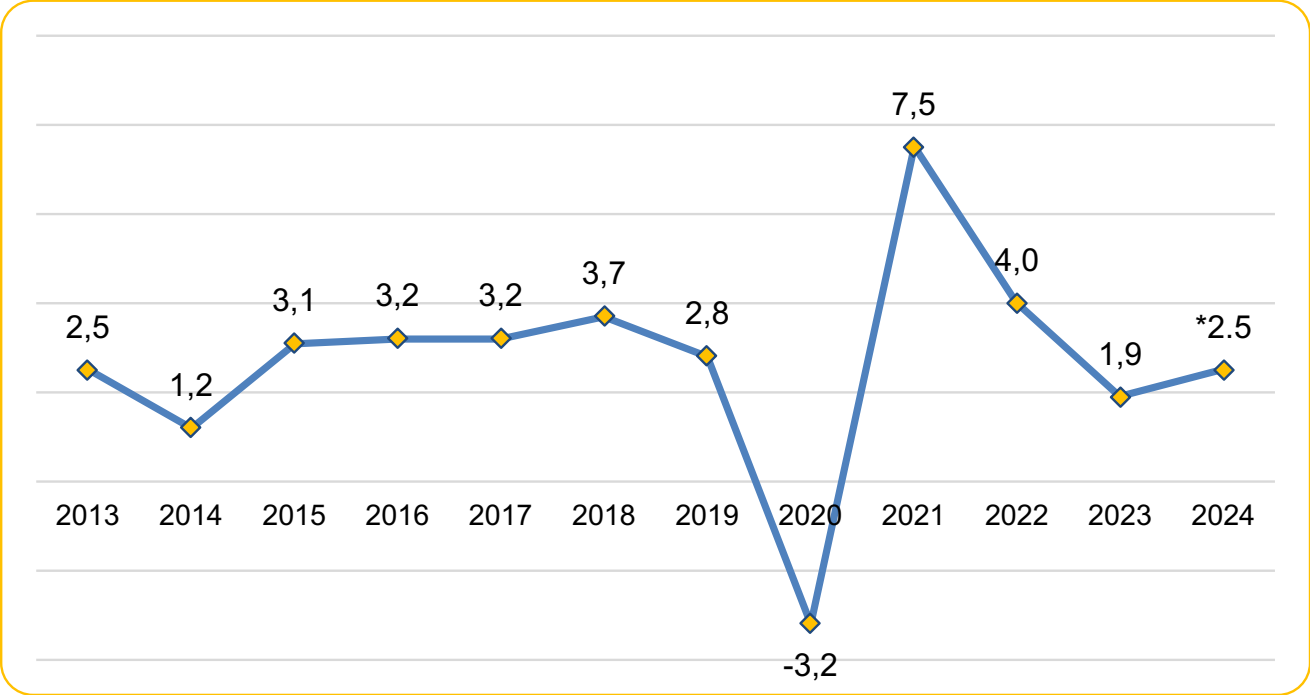
# GENERAL ECONOMIC INDICATORS

| Indicators  | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020  | 2021  | 2022  | 2023               | 2024                |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------------------|---------------------|
| Nominal GDP (billion EUR)                             | 13.7  | 14.0  | 14.8  | 15.5  | 16.3  | 17.4  | 18.3  | 17.8  | 20.0  | 23.3  | 25.5 <sup>1)</sup> | 26.2 <sup>1)</sup>  |
| GDP per capita (EUR)                                  | 3,878 | 3,967 | 4,204 | 4,407 | 4,641 | 4,964 | 5,241 | 5,110 | 5,796 | 6,792 | 7,442              |                     |
| Real GDP growth rate (%)                              | 2.5   | 1.2   | 3.1   | 3.2   | 3.2   | 3.7   | 2.8   | -3.2  | 7.5   | 4.0   | 1.7                | 2.5 <sup>1)</sup>   |
| Industrial production growth rate (%)                 | 6.7   | 0.1   | 2.6   | 4.3   | 3.1   | 1.6   | - 5.5 | -6.2  | 10.7  | 1.7   | -3.8               | -4.2 <sup>1)</sup>  |
| Average net wages (EUR)                               | 423   | 424   | 424   | 428   | 435   | 449   | 471   | 489   | 510   | 573   | 645                | 706                 |
| Annual inflation rate (%)                             | -0.1  | -0.9  | -1.0  | -1.1  | 1.2   | 1.4   | 0.6   | -1.0  | 2.0   | 14.0  | 6.1                | 2.2 <sup>1)</sup>   |
| Annual unemployment rate (%)                          | 27.5  | 27.5  | 27.7  | 25.4  | 20.5  | 18.4  | 15.7  | 15.9  | 17.4  | 15.4  | 13.2               | 12.6                |
| Foreign currency reserves (mill EUR)                  | 3,614 | 4,001 | 4,400 | 4,873 | 5,398 | 5,942 | 6,440 | 7,090 | 8,359 | 8,214 | 8,329              | 9,020               |
| Coverage of import by export (%)                      | 55.2  | 53.6  | 56.7  | 58.3  | 61.0  | 61.8  | 58.9  | 62.3  | 66.1  | 62.8  | 60.1               | 56.1                |
| Net FDI inflow (mill EUR)                             | 208   | 415   | 326   | 316   | 436   | 493   | 408   | 376   | 496   | 736   | 969                | 1.041 <sup>1)</sup> |
| FDI contribution to GDP (%)                           | 1.5   | 3.0   | 2.2   | 2.0   | 2.7   | 2.9   | 2.3   | 2.2   | 2.5   | 3.2   | 3.8                | 3.9 <sup>1)</sup>   |
| Deposits of households in Commercial Banks (mill EUR) | 4,276 | 4,623 | 5,044 | 5,451 | 5,763 | 6,210 | 6,770 | 7,036 | 7,514 | 7,452 | 8,210              | 9,024               |
| Population (mid-year, in million)                     | 3.53  | 3.53  | 3.52  | 3.51  | 3.50  | 3.50  | 3.49  | 3.48  | 3.45  | 3.43  | 3.5                |                     |

Source: <sup>1)</sup>Agency for Statistics of B&H, first results and CBB&H

## REAL GDP GROWTH RATE IN %

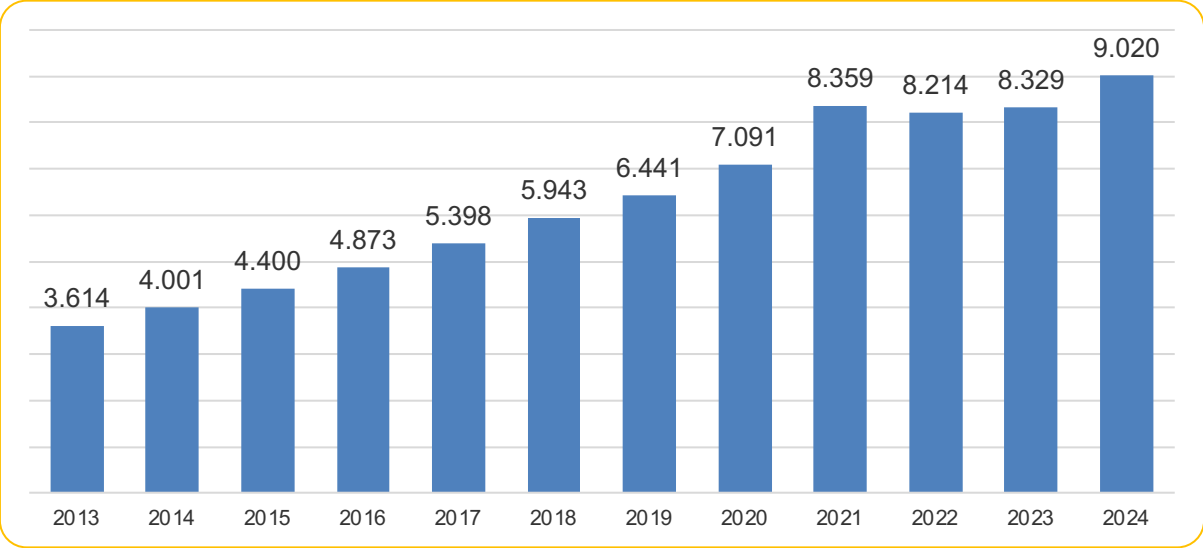
In the ten years period before 2008 Gross Domestic Product (GDP) had been rising for years with average real growth rate of 5% and had almost been doubled. Negative effects of the global financial and economic crisis on B&H economy peaked in 2009. World economic recovery leads to the growth of B&H economy with the positive GDP growth rate, with the exception of 2012. Natural disaster and floods in B&H in May 2014 has affected GDP growth rate that has decreased twice compared to the previous year. In the period 2015-2019, GDP growth was resilient, but insufficient for noticeable improvements in living conditions for citizens. The negative growth rate of 3.2% in 2020 is due to the economic impact of Coronavirus pandemic. The Central Bank of B&H estimated GDP growth 7.5% in 2021. After significant GDP growth after the Coronavirus pandemic, in previous years GDP growth has slowed in line with global economic conditions. The Central Bank of B&H estimated GDP growth 2.5% in 2024 (according to the initial, unofficial data).



Source: Agency for Statistics of B&H and \*Central Bank of B&H forecast for 2024

## FOREIGN CURRENCY RESERVES, MILLION EUR

Before global financial and economic crisis, the foreign currency reserves had a trend of increase with an annual growth rate higher than 20%. In 2008 and 2009 the foreign currency reserves have decreased as a result of the undertaken interventions to ease the negative repercussions of the financial crisis. In last few years' foreign currency reserves have been growing continuously at a nominal rate of 10%. Progress was achieved in previous year and foreign currency reserves reached the amount of 9.0 billion EUR, at the end of 2024.

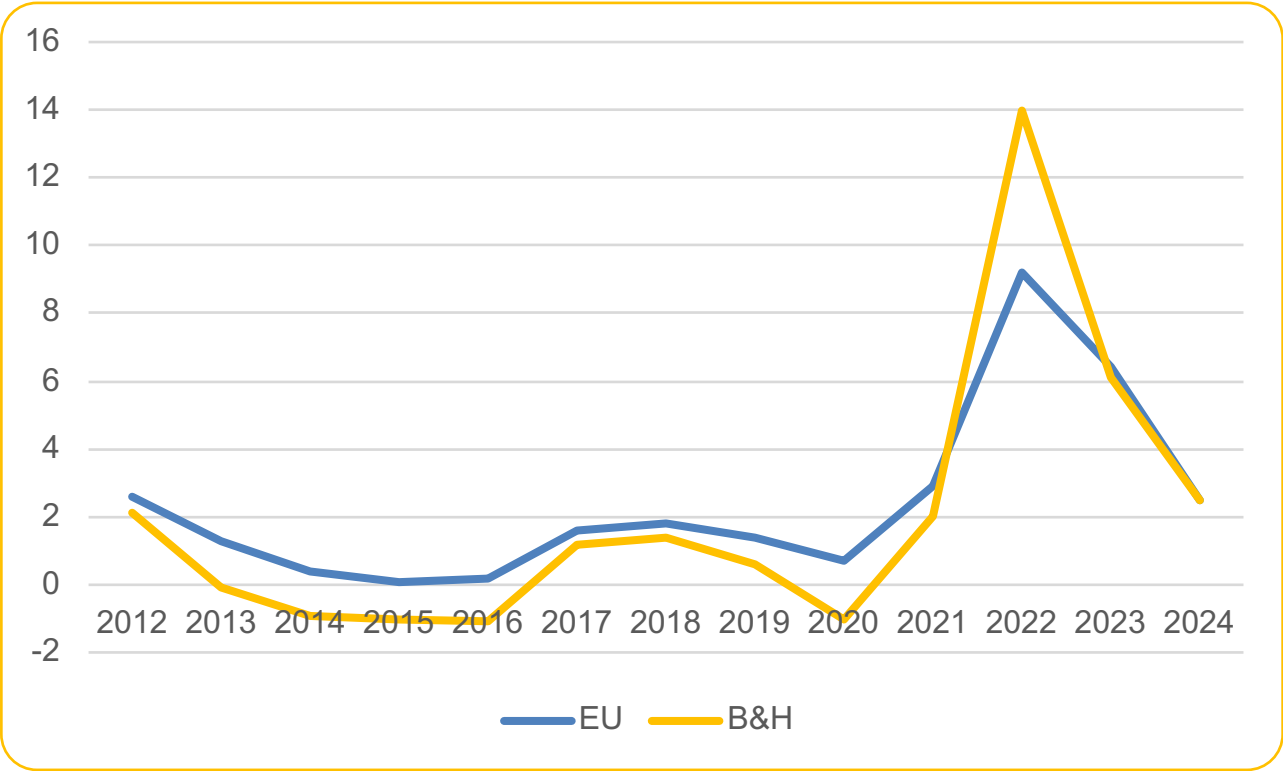


Source: Central Bank of B&H

## ANNUAL INFLATION RATE IN %

For years B&H had extremely low inflation rate. As the prices in B&H depend on the trends of prices at the global market, enormous growth of the oil prices in the period of global crisis influenced increase in prices of all products and services in 2008. The stabilization of the prices of oil and food had an impact on the reduction of prices in B&H, evident by considerably price slowdown and noted deflation in 2009. As it was expected, inflation has stabilized and since 2013 the deflationary trends continued. After four consecutive years of deflation, growth rate in 2017 was recorded at 1.2% and has remained positive

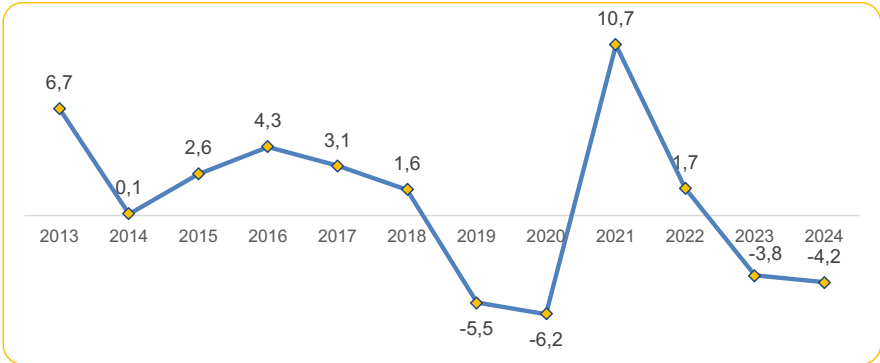
Record inflation as a global problem marked the year 2022, which was certainly reflected in Bosnia and Herzegovina, while in 2023 inflation was reduced and amounted to 6.1%. In 2024, the inflation rate was 2.5%.



Source: Eurostat (EU - European Union) and Agency for Statistics of B&H (B&H)

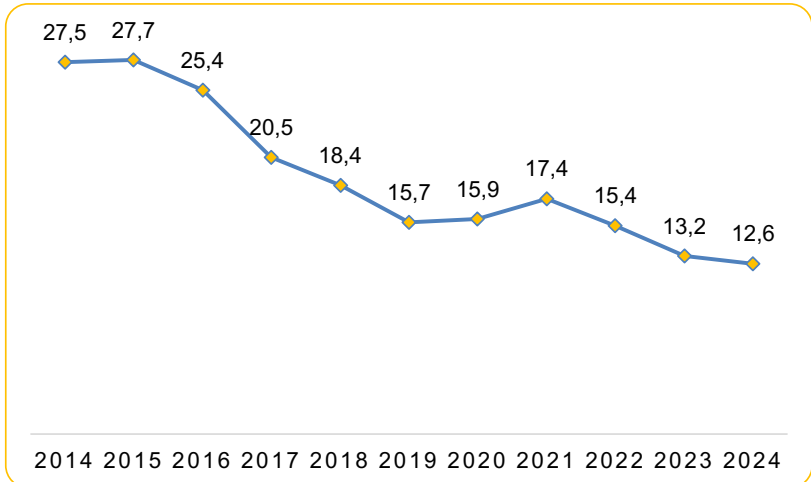
### VOLUME INDEX OF INDUSTRIAL PRODUCTION IN B&H

The recovery of industrial production was recorded in 2013 when the rate of change in cumulative production, relative to the previous year, was 6.7%. Because of natural disaster and floods in May 2014, year-on-year grow rates in 2014 was only 0.1%. In the years after the flood, there was the recovery with increasing industrial production rates of 2.6% (in 2015), 4.3% (in 2016), 3.1% (in 2017) and 1.6% in 2018. Annual change rate of industrial production was negative in 2019 (-5.5) and 2020 (-6.2). Recovery and industrial production rate 10.7 was recorded in 2021. and 1.7 in 2022. Annual change rate of industrial production was negative in 2023. (-3.8), while in 2024, it amounted to -4.2%.



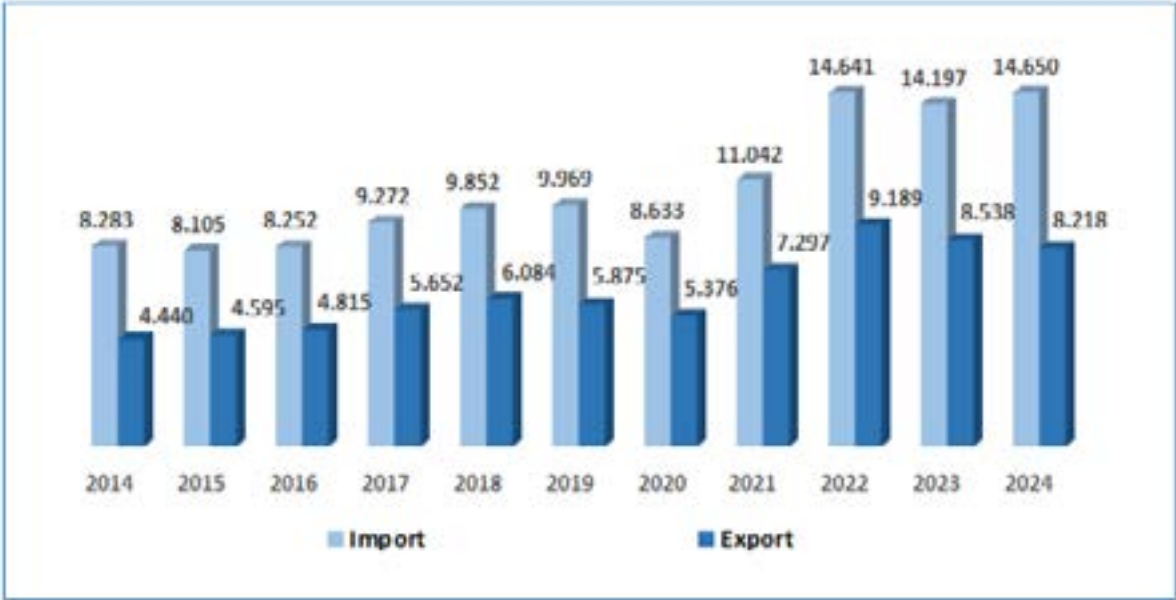
Source: Agency for statistics of B&H

### ANNUAL UNEMPLOYMENT RATE IN %



Source: Agency for Statistics of B&H, Labour Force Survey

### EXTERNAL TRADE STATISTICS, MILL EUR



Source: Agency for Statistics of B&H

EXTERNAL TRADE IN 2024

| EXPORT & IMPORT IN GOODS IN 2024                  |            |      |            |      |
|---|------------|------|------------|------|
| PRODUCT GROUPS                                    | Exports    |      | Imports    |      |
| SITC Section and Division                         | (mill EUR) | (%)  | (mill EUR) | (%)  |
| Food and Live animals                             | 437        | 5.3  | 2,009      | 13.7 |
| Beverages and tobacco                             | 60         | 0.7  | 397        | 2.8  |
| Crude materials, except fuels                     | 737        | 9.0  | 253        | 1.7  |
| Mineral fuels and lubricants                      | 533        | 6.5  | 1,787      | 12.2 |
| Animal and vegetable oils and fats                | 70         | 0.9  | 84         | 0.6  |
| Chemicals   | 712        | 8.7  | 1,857      | 12.8 |
| Manufactures goods classified chiefly by material | 1,905      | 23.2 | 3,229      | 22.1 |
| Machinery and transport equipment                 | 1,728      | 21.0 | 3,416      | 23.4 |
| Miscellaneous manufactured articles               | 2,032      | 24.7 | 1,535      | 10.7 |
| Commodities and transactions, n.e.c.              | 1          | 0.0  | 1          | 0.0  |
| TOTAL   | 8,218      | 100% | 14,650     | 100% |

SITC = Standard International Trade Classification

Source: Agency for Statistics of B&H

Registered external trade in 2024. was similar like in 2022 and 2023. In 2024 Bosnia & Herzegovina made foreign trade deficit of 6.45 billion EUR. In order to eliminate a trade deficit, The Government supports export oriented companies through the additional incentives.

MAJOR FOREIGN TRADE PARTNERS (IN 000 EUR)

| COUNTRIES       | 2023   |              | 2024   |              |
|-----------------|--------|--------------|--------|--------------|
|                 | (%)    | (in 000 EUR) | (%)    | (in 000 EUR) |
| TOTAL COUNTRIES | 100.00 | 22,735,763   | 100.00 | 22,869,746   |
| Germany         | 13.53  | 3,076,796    | 13.05  | 2,984,996    |
| Italy           | 11.96  | 2,720,410    | 11.12  | 2,542,745    |
| Serbia          | 11.05  | 2,514,094    | 10.71  | 2,450,900    |
| Croatia         | 10.44  | 2,374,266    | 10.58  | 2,419,620    |
| China           | 6.00   | 1,362,359    | 6.28   | 1,436,406    |
| Austria         | 6.09   | 1,386,878    | 5.79   | 1,323,199    |
| Slovenia        | 5.46   | 1,242,419    | 5.38   | 1,231,437    |
| Turkey          | 4.05   | 921,592      | 4.43   | 1,013,790    |
| Poland          | 2.48   | 564,020      | 2.62   | 600,105      |
| Hungary         | 2.05   | 466,383      | 2.17   | 498,100      |
| France          | 1.90   | 433,450      | 2.06   | 470,932      |
| SAD             | 2.23   | 508,084      | 1.94   | 443,358      |
| Netherlands     | 1.76   | 401,527      | 1.91   | 437,365      |
| Czech Republic  | 1.69   | 384,764      | 1.91   | 436,038      |
| Montenegro      | 1.85   | 422,403      | 1.58   | 361,883      |
| TOP 15          | 82.54  | 18,779,445   | 81.53  | 18,650,874   |

Source: Agency for Statistics of B&H

EXPORTS & IMPORTS IN 2024 ACCORDING TO MAIN PARTNERS

| EXPORTS & IMPORTS IN 2024     |              |              |
|-------------------------------|--------------|--------------|
| ACCORDING TO MAIN PARTNERS    |              |              |
| Countries                     | Exports      | Imports      |
|                               | (in 000 EUR) | (in 000 EUR) |
| Developed Countries           | 6,528,882    | 10,234,383   |
| EU Countries                  | 6,008,583    | 8,665,964    |
| EFTA Countries                | 151,270      | 129,888      |
| Other Developed Countries     | 369,029      | 1,438,530    |
| Developing Countries          | 1,679,802    | 4,414,369    |
| European Developing Countries | 1,480,446    | 1,987,383    |
| African Developing Countries  | 33,596       | 81,557       |
| Asian Developing Countries    | 145,905      | 2,078,143    |
| American Developing Countries | 19,853       | 267,222      |
| Oceania Developing Countries  | 0            | 62           |
| Not classified                | 10,256       | 2,053        |
| Total                         | 8,218,940    | 14,650,806   |

Source: Agency for Statistics of B&H

In the period January-December 2024, export amounted to 8.218 million EUR, which is 3.7% less than in the same period of 2023, and import amounted to 14.650 million EUR, which is 3.2% more than in the same period of last year. The coverage of import by export was 56.1%.

FOREIGN DIRECT INVESTMENT IN B&H

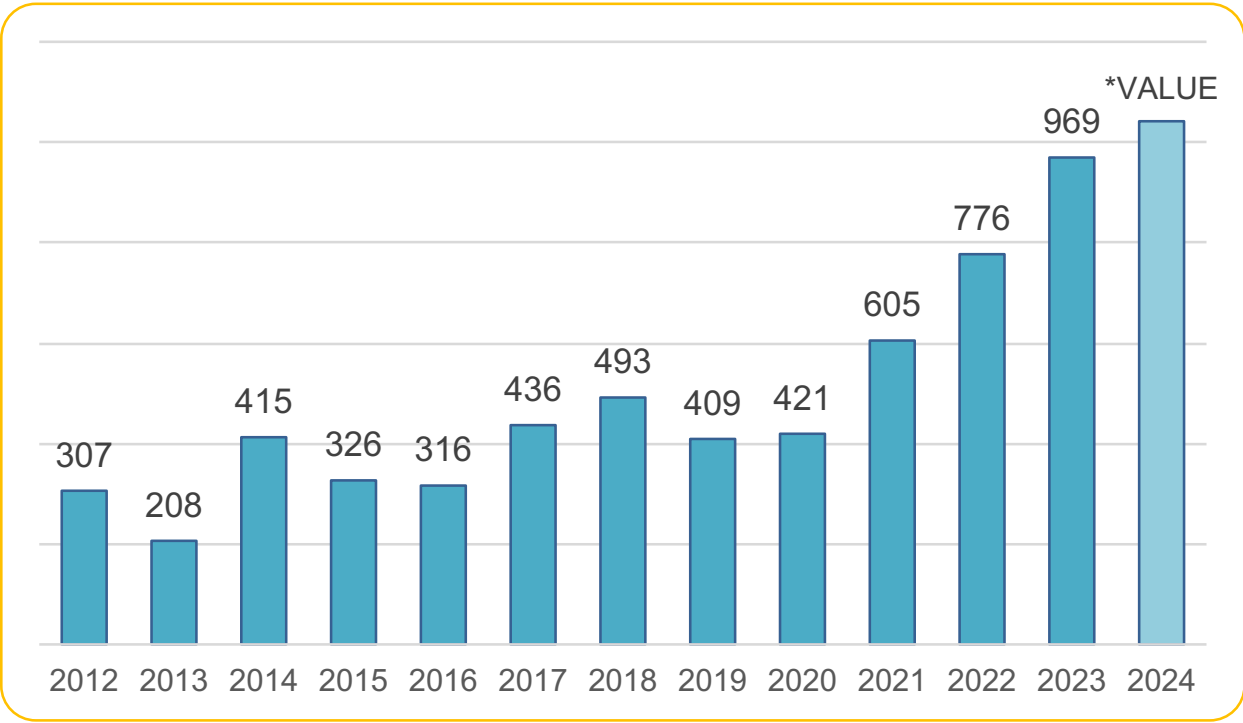
In 2007 B&H attracted 1.3 billion EUR that is absolutely the highest amount recorded till now, mainly thanks to the privatization of certain large state-owned enterprises. In 2008 FDI inflow (684 million EUR), without the expected privatization, could be considered as satisfying, especially if we take into account its positive structure (investment in production sector and high contribution of Greenfield investments). The global economic crisis significantly affected the decrease of foreign investments in 2009.

In the period 2010 - 2020, the trend of DSI inflows is variable and uneven. The average annual amount of DSI for the period 2018 - 2022 is 1,031 million KM and has increased compared to the ten-year average (2013 - 2022), which was 848 million KM. In 2021, FDI in Bosnia and Herzegovina amounted to 1,183 million KM or 605 million euros, registering a growth of FDI of 37.2% compared to the previous year. In 2022, foreign direct investments (FDI) in Bosnia and Herzegovina amounted to 1,517 million KM or 776 million euros.

DSI increased by 27.5% in 2022, with the highest amount since 2007. Foreign direct investments in Bosnia and Herzegovina in 2023 amounted to 1,895 million KM or 969 million EUR, which is an increase of 24.9% compared to the previous year. According to preliminary data, an increase of FDI was registered in 2024 as a positive indicator with the expected continued FDI growth trend in the future.

Reasons that creates positive expectations of FDI levels growth in Bosnia and Herzegovina were made upon on-going projects, the investment opportunities, intention of privatization many strategic companies and interest of foreign investors for potential projects. Success stories of foreign investors confirm that Bosnia and Herzegovina is favorable destination for foreign investment, and that we could be optimistic in terms of the FDI inflows in the coming period.

FDI FLOWS IN B&H, BY YEARS, MILL EUR



Source: Central Bank of B&H (CBBH),

\* Preliminary FDI data for 2024 (Balance of Payments of B&H)

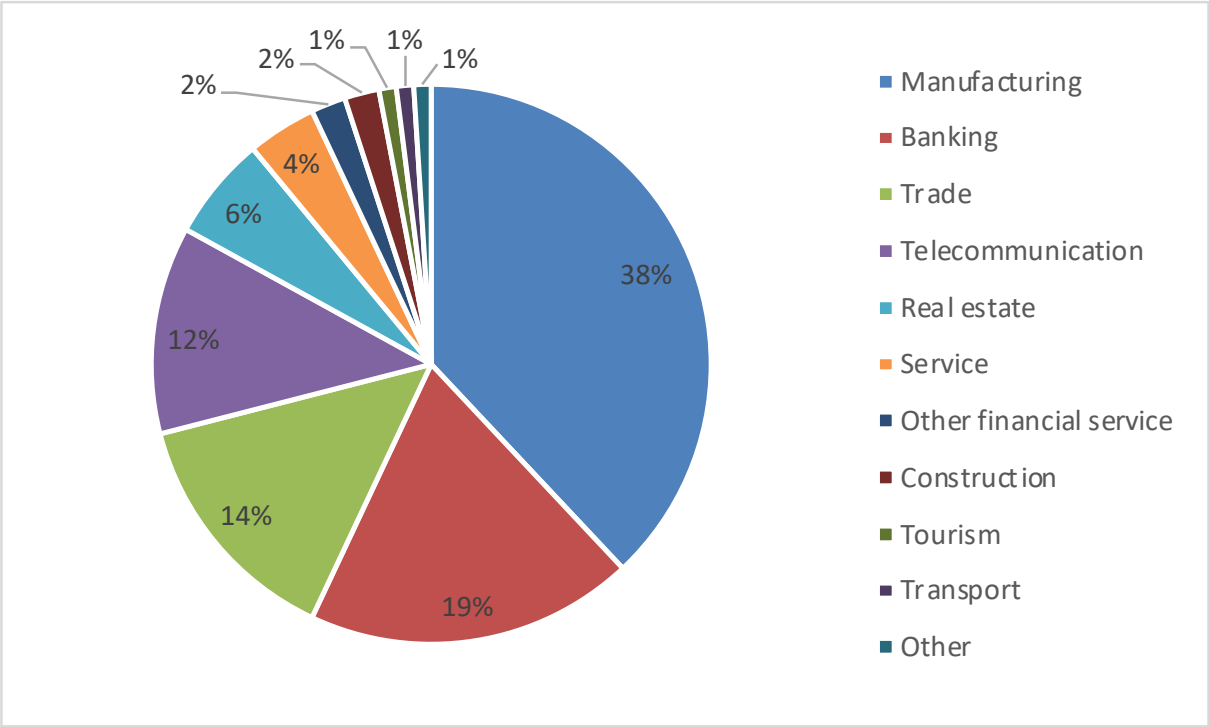
FOREIGN DIRECT INVESTMENT IN B&H BY SECTORS

According to the Central Bank of Bosnia and Herzegovina data, the FDI Stock in December 2023 was 9.9 billion EUR (9,928 million EUR).

Due to the good reputation and long industrial tradition of B&H, 38.6% of total foreign direct investments have been invested within the production (primary, industrial and electricity production), followed by the banking sector with 19.2%, trade 14.3%, telecommunications 12.5%, real estate 6.4%, service 4.0%, other financial service 2.8%, construction 2.5%, tourism 1.7%, transport 1.6% and other 1.6%.

Additional important investments had been expected in the energy sector through construction of new and revitalization of the existing facilities and plants.

TOTAL AMOUNT 9.9 BILLION EUR (MAY 1994 - DECEMBER 2023)

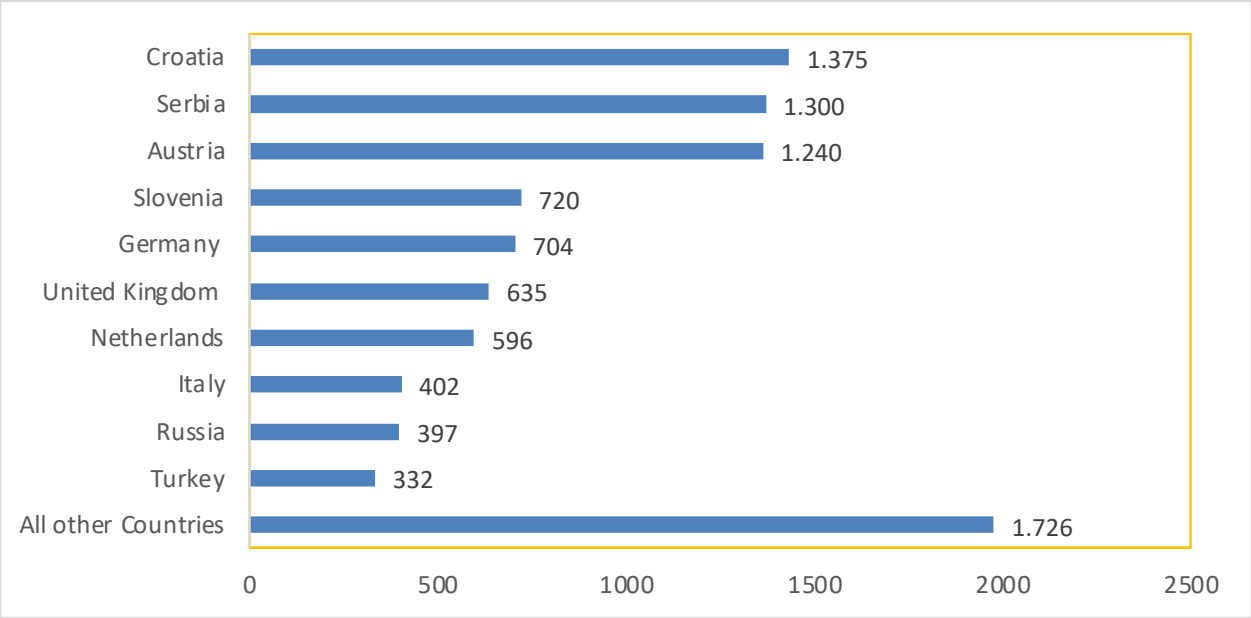


Source: Central Bank of B&H,  
\* the graph structure is created according to data of FDI stocks classified by industry

TOP INVESTOR COUNTRIES IN B&H (1994 - 2023)

TOTAL FDI AMOUNT 9,928 MILL EUR (STOCK)

The capital of foreign investors from more than 90 countries was invested in Bosnia and Herzegovina. Investments from EU-27 countries amounted to 59.4% of total FDI in B&H till December 2023. The most investment was realized by the companies from:



Source: Central Bank of B&H

- Croatia 14.4%
- Serbia 13.1%
- Austria 12.5%
- Slovenia 7.2%
- Germany 7.1%
- United Kingdom 6.4%
- Netherlands 6.0%
- Italy 4.0%
- Russia 3.9%
- Turkey 3.3%
- Switzerland 2.8%
- United Arab Emirates 2.5%
- Saudi Arabia 2.0%
- Luxembourg 1.7%
- Kuwait 1.6%



## ENVIRONMENT FOR INVESTMENT

B&H's accelerated Economic Reform Process has contributed significantly to a greatly improved business climate. The aim of B&H is to eliminate legal and administrative obstacles for doing business in B&H, as well as create the most attractive business environment in the SEE. The main goal of B&H is EU membership. Bosnia and Herzegovina is a candidate country for EU accession and B&H has signed the Stabilization and Association Agreement with the European Union, which is a step toward EU membership. Bosnia and Herzegovina has signed the Central European Free Trade Agreement (CEFTA), creating a free trade zone with access to a large consumer market. Also, the process of negotiation to join the World Trade Organisation is underway.

## FINANCIAL STABILITY

B&H has the most stable currency in the South East Europe, which is directly linked to the Euro. Central Bank of B&H maintains monetary stability by issuing domestic currency according to the Currency Board arrangement with full coverage in freely convertible foreign exchange funds under fixed exchange rate 1 BAM: 0.51129 EUR. There are 23 commercial banks in B&H. In B&H 23 banks are predominantly privately owned with majority of foreign ownership. On August 2, 2024, credit rating agencies Standard & Poor's and Moody's Investors Service confirmed sovereign credit rating on Bosnia and Herzegovina „B+ outlook stable“ and „B3 outlook stable“.

## PRIVATIZATION

Great investment opportunities in B&H are in the process of privatization. Privatization in Bosnia and Herzegovina is an overall process, through which attractive investment opportunities are opened up to foreign investors in sectors such as the energy sector and telecommunications.

Bosnia and Herzegovina has to accelerate the privatization process for companies of strategic importance in order to increase economic growth and enhance the volume of foreign investment. Number of these “strategic enterprises”, which includes large enterprises, telecommunications and power utilities sectors, public utilities, mines, etc, are still not privatized, presenting a choice of opportunities for potential foreign investors.

Privatization is managed by the Federation of B&H Privatization Agency and cantonal privatization agencies in the Federation of Bosnia and Herzegovina, and by the Investment-Development Bank (IRBRS) in Republic of Srpska.

In FBiH, the Agency for Privatisation in Federation of Bosnia and Herzegovina (FPA) is specialized organization in B&H performing professional, advisory, promotional, educational and other business activities relating to the privatization process.

For more information visit web page: [www.apf.com.ba](http://www.apf.com.ba)

In Republic of Srpska, the Investment-Development Bank (IRBRS) is authorized to sell state capital and restructure enterprises with majority state capital which is subject to privatization.

For more information, visit web page: [www.irbrs.net](http://www.irbrs.net)



## INVESTOR PROTECTION AND GUARANTEES

The Law on the Policy of Foreign Direct Investment of B&H, in force since 1998, ensures national treatment of foreign investors, i.e. foreign investors have the same rights and obligations as defined for domestic investors.

In addition, the rights and benefits of foreign investors granted and obligations imposed by the Law cannot be terminated or overruled by subsequently passed laws and regulations. If any subsequently passed laws and regulations are more favorable for the foreign investors, the investors have the right to choose under which regime the respective foreign investment to be governed.

Foreign investors are entitled to open accounts in any commercial bank in domestic or any freely convertible currency on the territory of Bosnia and Herzegovina.

Foreign investors are entitled to freely employ foreign nationals, subject to the labour and immigration laws in Bosnia and Herzegovina.

Foreign investors are protected against nationalization, expropriation, requisition or measures having similar effects; such measures may take place only in the public interest in accordance with the applicable laws and regulations and against the payment of an appropriate compensation, i.e. compensation that is adequate, effective and prompt.

Foreign investors may own real estate in B&H and have the same property rights with respect to real estate as any legal entity of B&H.

Foreign investors are entitled to transfer abroad, freely and without delay, in freely convertible currency, any proceeds resulting from their investment in B&H. There are no restrictions on management of companies with foreign capital. The founder selects the management him/herself

Equipment being imported as a part of share capital is exempt from paying customs duties (this exemption does not refer to passenger vehicles, slot and gambling machines).

For more information, visit web page of Foreign Investment Promotion Agency of B&H (FIPA): [www.fipa.gov.ba](http://www.fipa.gov.ba)

## FREE TRADE AGREEMENTS

With the purpose of facilitating trade, creating preconditions for the increase in exchange of goods (and particularly export), the creation of a favorable environment for domestic and foreign investments, Bosnia and Herzegovina concluded certain number of bilateral/multilateral free trade agreements.

Bosnia and Herzegovina has signed the Central European Free Trade Agreement (CEFTA), in effect as of November 2007, with the following countries: Albania, Serbia, Moldova, Montenegro, Macedonia and UNMIK/Kosovo.

B&H has also signed a Free Trade Agreement with Turkey which provides additional free access to this consumer market with 70 million people.

The Stabilization and Association Agreement (SAA) between the EU and B&H enters into force on June 1, 2015. The SAA establishes a close partnership between the EU and B&H and deepens the political, economic and trade ties between the two parties. It is from now on the main framework for the relations between the EU and B&H. Free Trade Agreement between Bosnia and Herzegovina and EFTA (Switzerland, Norway, Iceland and Liechtenstein) was signed on 24 June 2013 in Norway, and entered into force on January 2015.

B&H has generalized system of preferences with: New Zealand, Japan, Australia and member states of the Eurasian Economic Union (Republic of Armenia, Republic of Belarus, Republic of Kazakhstan, Kyrgyzstan Republic and Russian Federation).

Furthermore, B&H has preferential export regime with Iran.

## FREE TRADE ZONES

Free trade zones are part of the customs territory of Bosnia and Herzegovina (B&H) which are specially fenced and marked and where business activities are carried out under special conditions in accordance with the Law on Customs Policy of Bosnia and Herzegovina and the Law on Free Zones of B&H. Free zone founders can be one or more domestic or foreign legal and natural persons. While users of free zone can be the founder of free zone or any other legal and natural persons. Users of free zone do business in the area of free zone under special conditions in accordance with the Law on Customs Policy of B&H and the Law on Free Zones of B&H, on the basis of concluded contracts with the founder of free zone, with prior approval of the customs authorities. Any industrial, commercial or service activity, (banking, insurance and reinsurance of property and persons, etc.) can be carried out in the free zone.

Advantages of Free Trade Zones:

- Free zone users do not pay VAT
- Investors are free to invest capital in the free zone, transfer their profit and re-transfer capital with no charge
- The imports of equipment that will be used for manufacturing within the free zone are exempt from paying customs duties and fees.

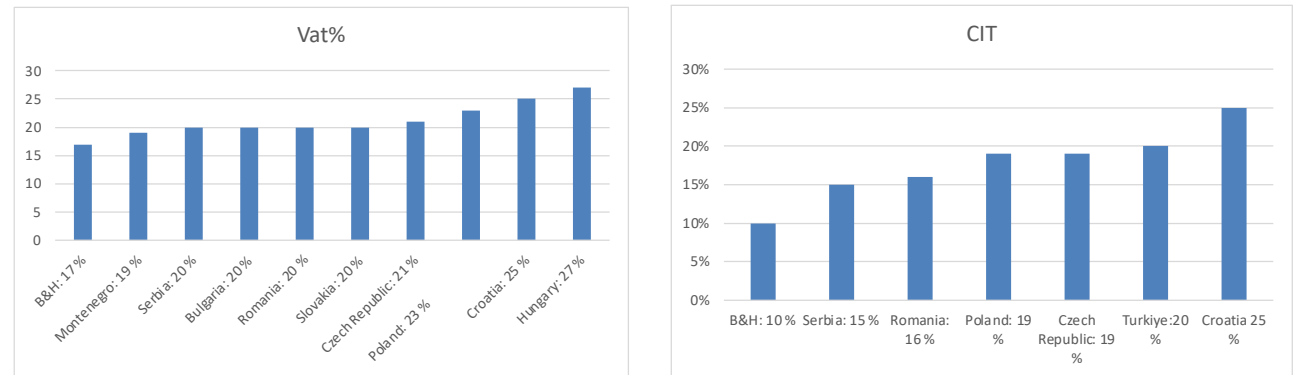
Free Trade Zones in Bosnia and Herzegovina:

1. Free zone Vogošća, Sarajevo
2. Free Zone Holc, Lukavac
3. Free Zone Hercegovina, Mostar
4. Free zone Visoko, Visoko
5. Trebinje Fee Zone, Trebinje (in developing stage)

For additional information about this free zones, please contact FIPA.

## TAXATION IN BOSNIA AND HERZEGOVINA

One of the main reasons for investing in B&H is also favorable tax system. Bosnia and Herzegovina has one of the lowest rates of VAT (17%) in the region and Europe, as well as the very acceptable corporate tax rates that are also among the lowest in the region and Europe (10%), as it is shown below:



### Value Added Tax

BiH has the unique VAT tax rate is 17%.

### Excises Duties

Excises are a special type of sales tax paid on some commodities like: oil products, non-alcoholic drinks, soft drinks, alcohol drinks, coffee, and tobacco products:

- oil products (per liter) BAM 0.45 for motor petrol and unleaded motor petrol and biofuels BAM 0.30,
- non-alcoholic drinks (per liter) - BAM 0.10,
- soft drink (per liter) - beer BAM 0.20 - 0.25 and wine BAM 0.25,
- alcoholic drinks and Ethyl alcohol (per liter) - BAM 15,
- raw coffee (per kilo) - BAM 1.50 (BAM 3.00 roasted and ground coffee; BAM 3.50 for coffee extract),
- tobacco products - proportional rate of 42% on the tax base plus an additional
- excise depending of other conditions.

**The taxation categories at entity level are:**

- Corporate Income Tax  
Corporate tax rate is 10% on the whole territory of Bosnia and Herzegovina.
- Withholding Tax  
Withholding tax rate is 10% in FB&H (5% on dividends) and 10% in RS.
- Personal Income Tax

In FB&H, personal income tax is 10% on net wage (tax base calculated in accordance with gross model).

In RS, personal income tax is 8% on net wage (tax base calculated in accordance with gross model).

In Brčko district, personal income tax is 10% on net wage.

**Property Transfer Tax and Property Tax**

Property Transfer Tax in *Federation of B&H* is 5%. The tax base is the value of the property estimated by the commission appointed by the local tax administration office (according to the seat of the property). Property tax is levied in the FBiH at the cantonal level. Property tax is paid annually in a flat fee, for the building or apartment for relaxation and recreation from 1 - 2 BAM/m2 (approx. 0,50 - 1 EUR/m2), motor vehicles depending on the age of 10 - 200 BAM (approx. 5 - 100 EUR) for business premises renting houses: 2 - 5 BAM/m2 (approx. 1 - 2,5 EUR/m2) for the tables in the casino, slot machines for gaming in the amount of 500 - 6, 000 BAM (approx. 250 - 3,000 EUR). Property tax is paid by natural and legal persons who are owners or beneficiaries of the following assets; business premises are issued under the lease, residential building or an apartment renting houses, garages that are issued under the lease, parking space that is issued, building or dwelling for recreation, passenger cars, except taxi vehicle, motorcycles. Taxpayer of the property is a legal and natural person who is the owner or beneficiary automats for games on fortune and tables in the casino.

*In Republic of a Srpska*, real estate tax rate is to 0.10% of the estimated market value of real estate for real estate which is directly responsible for production activities (facilities for the production and storage facilities for raw materials, intermediate products and final products), and the tax rate is to 0.20% of the estimated market value real estate to other real estate.

*In Brčko district*, the tax rate on real estate cannot be less than 0.05% of the appraised value of real estate, and shall not exceed 1,0% of the appraised value of real estate.

**AGREEMENTS ON AVOIDANCE OF DOUBLE TAXATION**

Bosnia and Herzegovina has agreements on avoidance of double taxation with the following countries: Albania, Algeria, Austria, Azerbaijan, Belgium, Montenegro, Czech Republic, Finland, France, Greece, Germany, Croatia, Holland, Iran, Ireland, Italy, Jordan, Kuwait, Qatar, China, Cyprus, Hungary, Malaysia, Macedonia, Moldova, Norway, Pakistan, Poland, Romania, Slovakia, Slovenia, Serbia, Spain, Sweden, Sri Lanka, Turkiye, United Arab Emirates, United Kingdom, and Northern Ireland.

Agreements on Avoidance of Double Taxation accelerate the flow of investments into the signatory countries, encourage joint ventures, create more investment opportunities etc.



**CONTRIBUTIONS IN BOSNIA AND HERZEGOVINA**

In the Republic of Srpska, as well as in the Federation of Bosnia and Herzegovina, contributions are calculated based on the gross wage. Gross wage includes net wage earned by regular employment, multiplied by the determined coefficient, plus contributions from wage. In Brčko district, pension insurance contributions are regulated by entity laws.

Employee’s share:

- Federation of B&H:17% for pension insurance, 12.5% for health insurance, 1.5% for unemployment insurance (in total: 31% on gross wage).
- Republic of Srpska: 18,5% for pension insurance, 10,2% for health insurance, 0,6% for unemployment insurance, 1,7% for child protection (in total: 31% on gross wage)
- Brčko district: 17% for pension insurance for employers who apply FB&H, law and 18,5% for pension insurance for employers who apply RS law, 12% for health insurance and 1.5% for unemployment insurance (in total 32% on gross wage).

Employer’s share:

- Federation of B&H: - 2,50% for pension insurance, 2% for health insurance, 0.50% for unemployment insurance (in total: 5% on gross wage).
- Republic of Srpska: no such contributions are paid.
- Brčko district: 6% on gross wage for pension insurance for employers who apply Federation of B&H law.

AGREEMENTS ON PROMOTION AND PROTECTION OF INVESTMENTS

Bosnia and Herzegovina has Agreements on Promotion and Protection of Investments with the following countries: Albania, Austria, Belgium and Luxemburg, Belarus, Canada, China, Croatia, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Hungary, Iran, India (terminated), Jordan, Kuwait, Lithuania, Macedonia, Malaysia, Moldova, Netherlands, OPEC Fund, Pakistan (terminated), Portugal, Qatar, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Switzerland, Sweden, Turkiye, Ukraine, United Kingdom, USA – DFC.

INCENTIVES FOR FOREIGN INVESTORS

The B&H government supports foreign investments with a number of measures, including: BOSNIA AND HERZEGOVINA (STATE LEVEL):

| Incentives  | Compentent institution  |
|---|---|
| National treatment of foreign investors, i.e, foreign investors have the same rights and obligations as residents of B&H (Law on the Policy of Foreign Direct Investments of Bosnia and Herzegovina Official Gazette of B&H, 17/98, 13/03, 48/10 and 22/15).  | Ministry of Foreign Trade and Economic Relations <a href="http://www.mvteo.gov.ba">www.mvteo.gov.ba</a> |
| Customs benefits:<br>-Equipment of the foreign investor being imported as part of share capital is exempt from paying customs duties (with the exception of passenger vehicles, slot and gambling machines). -From the payment of import duties are exempted: production equipment that are not produced in Bosnia and Herzegovina, imported for the new or expansion of existing production, modernization of production, the introduction of new or modernization of the existing production technology, and carrying out the direct manufacturing activity -From the payment of import duties are exempted, on the production assets and other equipment belonging to the company which definitively ceases activity in another country and transfers to the customs territory of Bosnia and Herzegovina in order to carry out similar activities. | Indirect Taxation Authority <a href="http://www.uino.gov.ba">www.uino.gov.ba</a>                        |
| Free trade zones:<br>-Equipment imported into a free zone for industrial activity shall be exempt from payment of customs duties -Import of goods intended for the purposes of free zones and warehousesand supply of goods within a free zone and free warehouses shall be exempt from VAT (any exemption from VAT shall be recognised only if goods are not released into free circulation), -Investments in the free zone, transfer of profit and transfer of investment are free of charge.   | Indirect Taxation Authority <a href="http://www.uino.gov.ba">www.uino.gov.ba</a>                        |

FEDERATION OF B&H

| Incentives   | Competent insti-tution   |
|--|--|
| Law on Corporate Income Tax enables foreign investors to enjoy the following benefits:<br><br>- The taxpayer who invests, from its own funds, in production equipment more than 50% of the total profit in the current tax period, shall be reduced of the obligation of the calculated tax for 30% of the amount in the year of investment.<br><br>- The taxpayer who in a period of 5 consecutive years makes investments from its own funds, in the total amount of 10 million €, starting with the first year when taxpayer has to invest at least 2 million €, shall be reduced of the obligations of the calculated in-come tax for 50% of the amount in the year of investment.<br><br>- The taxpayer is entitled to a tax-deductible expense in the double amount of the gross wage paid to newly employees if meets the following conditions:<br><br>- duration of the employment contract must be at least for a period of 12 months with full-time working hour<br><br>- new employee was not employed with the taxpayer or a related person in the previous five years<br><br>Law on Social Security Contributions of Federation Of Bosnia And Herzegovina pro-scribes reduced social security contributions basis for employees of labor-intensive in-dustries, such as mining, textile, and leather industries.<br><br>The reduced basis applies for employees whose monthly salary amounts to up to 85% of the average monthly net salary, the monthly basis for calculating contributions is the product of the average salary amount and the coefficient of 0.30. | Federal Ministry of Finances <a href="http://www.fmf.gov.ba">www.fmf.gov.ba</a><br><br>Tax Administration of the FB&H <a href="http://www.pufbih.ba">www.pufbih.ba</a> |



REPUBLIC OF SRPSKA

| Incentives   | Competent institution   |
|--|---|
| <p>A taxpayer who invests in property, plant and equipment in the territory of the Republic of Srpska for performance of a registered manufacturing activity, shall be entitled to a tax base reduction by the value of the investment</p> <p>- Workers in the textile, clothing, leather and leather products sector who earned a salary lower than the average gross salary in the Republic for the previous year, have a smaller basis for calculating contributions, which is 25% of the average gross salary paid in the Republic in the previous year.</p> <p>- In the Republika Srpska, the dividend tax was abolished, and significant novelties were introduced for the taxation of income from foreign sources in a positive sense. The conditions for obtaining the status of a qualified investor are defined, on the basis of which the investor acquires tax benefits for annual income.</p> | <p>Tax Administration of RS <a href="http://www.poreskaupravar.org">www.poreskaupravar.org</a> Ministry of finances RS <a href="http://www.vladars.net">www.vladars.net</a></p> |

BRČKO DISTRICT INCENTIVES:

| Incentives  | Competent institution   |
|---|---|
| <p>- Compensation for amount of new investments invested in purchase of fixed assets and up to the amount of determined and paid profit tax or income tax in period for the year in which purchases of fixed assets was made, provided that the difference between the amount of profit tax or income tax, and made supply cannot be transferred to next year</p> <p>- For taxpayers who hire new employees for an indefinite period during the tax year, the tax base is reduced by the amount of the gross salary paid to the newly hired employees.</p> <p>- Compensation for amount of new investments invested in purchase of fixed assets and up to the amount of determined and paid profit tax or income tax in period for the year in which purchases of fixed assets was made, in accordance with the Income Tax Law of the Brcko District of Bosnia and Herzegovina, provided that the difference between the amount of profit tax or income tax, and made supply cannot be transferred to next year</p> <p>When a taxpayer, in the year for which the profit tax is assessed, generates from export certain percentage of total profit, then the taxpayer is exempted from paying certain amount profit tax.</p> <p>-For machines subject to depreciation, the taxpayer is allowed to use the accelerated depreciation calculation.</p> | <p>Government of Brčko District of B&amp;H - Department for Economic Development, Sport and Culture</p> <p><a href="http://www.bdcentral.net/">www.bdcentral.net/</a></p> |

Other incentives, such as incentives for tourism development, agricultural subsidies, and support projects to small and medium-sized enterprises: are awarded on the basis of a public call which i announced by the competent institution. Additional information on incentives in B&H you can findon FIPA web site [www.fipa.gov.ba](http://www.fipa.gov.ba).

REPRESENTATIVE OFFICE IN BOSNIA AND HERZEGOVINA

Foreign legal person can establish a Representative Office in Bosnia and Herzegovina for performing market research, informative and promotional activities, and for its own representation. The Representative Office does not have the status of a legal entity, i.e. the Representative Office can not conclude agreements in the name of its founder except representative offices of foreign air transportation companies which can sell transportation documents in accordance with bilateral agreements and international conventions signed by Bosnia and Herzegovina. The Representative Office becomes operational after entering into the Register of Foreign Representative Offices kept by the Ministry of Foreign Trade and Economic Relation Bosnia and Herzegovina. Bosna and Herzegovina Ministry of Foreign Trade and Economic Relations must adjudicate on the application for entry into the Registry within 10 days from the day of its filing.

STEPS FOR ESTABLISHING BUSINESS IN FB&H (LTD)

**1. Establishment contract (Made by notary)**  
Time to complete: 1 day  
Notary Chamber:  
[www.notarbih.ba](http://www.notarbih.ba)

**2.Payment of initial capital**  
Time to complete: 1 day  
List of bank are available on: [www.cbbh.ba](http://www.cbbh.ba)

**3.Registration at the competent court**  
Time to complete 5 days  
List of competent courts are available on: [www.pravosudje.ba](http://www.pravosudje.ba)

**4.Making a company stamp\***  
Time to complete: 1 day

**5. Opening a bank account in commercial bank**  
Time to coplete: 1 day  
List of bank are available on [www.cbbh.ba](http://www.cbbh.ba)

**6. Registration on the company and staff at the Tax Administration**  
Time to complete: 1 day  
Tax adminisrration of the FB&H: [www.pufbih.ba](http://www.pufbih.ba)

Duration and costs of establishing a business:

- Duration: According to the Law, court registration takes 5 days.

The costs are as follows: Administrative costs, approx. 175-435 EUR (depending of canton), and notary costs of EUR 150 (EUR 160 if share capital is 37 000-50 000 EUR – plus 15 EUR for every additional EUR 50 000)

\*FIPA can provide you with a list of competent companies

STEPS FOR ESTABLISHING BUSINESS IN REPUBLIC OF SRPSKA (LTD)

|  |   |  |
|--|---|--|
| <b>1. Establishment contract (verificate by notary)</b><br>Time to complete: 1 day<br>Notary Chamber:<br><a href="https://notarrs.com/">https://notarrs.com/</a> | <b>2. Payment of initial capital</b><br>Time to complete: 1 day<br>List of bank are available on: <a href="http://www.cbbh.ba">www.cbbh.ba</a>              | <b>3. Registration request submit at the APIF</b><br>Time to complete 3 days,<br><a href="http://www.apif.net">www.apif.net</a>  |
| <b>4. Making a company stamp*</b><br>Time to complete: 1 day   | <b>5. Opening a bank account in commercial bank</b><br>Time to coplete: 1 day<br>List of bank are available on <a href="http://www.cbbh.ba">www.cbbh.ba</a> | <b>6. Registration of the staff at the Tax Administration</b><br>Time to complete: 1 day<br>Tax adminisrration of RS<br><a href="https://poreskaupravars.org/">https://poreskaupravars.org/</a><br>(and start your business) |

Duration and costs of establishing a business:

- Duration: According to the Law, court registration takes 3 days.
- The costs are as follows: Administrative and notary costs: approx. 50 - 150 EUR (there are additional costs for the second and every other registration, i.e., fees for publishing information to the Official Gazette. In accordance with the Law on Courts of RS, the tax for the first company establishment is abolished.

\*FIPA can provide you with a list of competent companies



ATTRACTIVE SECTORS

TOURISM SECTOR IN BOSNIA AND HERZEGOVINA

With its natural beauties, good geographical location, wonderful hospitality of Bosnian people, rich heritage and history and gastronomy offerings, and its status as a still unknown tourism destination for major markets, BiH has all pre-determinants for an extremely successful tourism industry story. This beautiful country has so much to offer for those people who seek different experiences, away from the crowds, whether they are lovers of skiing, rafting, hunting or patient bird-watching. Those who search for more cultural tourism will be able to relive centuries of history by visiting many vestiges and heritage dating back to Roman, even to prehistoric times.

According to the World Tourism Organization (UNWTO), BiH is on the list of the 10 countries that have recorded the most significant increase in tourist arrivals. A total of 1.935.745 foreign visited Bosnia and Herzegovina last year. Total tourist overnights increased 8.5 % to 4 million.

Last year, most foreign visitors to Bosnia and Herzegovina came from Croatia, followed by tourists from Serbia, Turkey, Saudi Arabia, Slovenia, Germany, USA and China.

According to the New York times, Sarajevo is at the first place in SEE worth visit for 2025. Sarajevo was recently voted the best destination for 2025 by the readers of National Geographic Travel. According to the Los Angeles Times, Bosnia and Herzegovina is at first place among the ten great destinations to consider in 2020. According to the British magazine Time Out, "Sarajevo, the unique capital of Bosnia and Herzegovina, full of bridges, is where flying is most affordable." Also, in 2017. Business Insider ranked Jahorina among top 17 most unexpected and unusual skiing destinations. In 2015. Lonely planet ranked Bosnia and Herzegovina at 5th position among the top countries in the world worth visit. Also, Bosnia has been awarded the leisure destination in the outside world by the National Geographic.

**REASONS TO INVEST**

Invest in B&H and take advantage of these opportunities:

- B&H becomes an emerging tourism destination
- Unexplored and untouched natural beauties
- Opening and construction of new tourism resorts
  - Upgrading of accommodation, entertainment and recreation facilities of existing resorts
- Hotels privatisation
- Nature Parks commercialisation
- Resort operators
  - Investment in tourism supporting infrastructure
- Excellent climate conditions - Long tradition in winter tourism
- Favourable legal environment with guarantees and right protecting your investment
- Highly educated and price competitive labour force

**WINTER TOURISM**

Ski and winter tourism has a long tradition, primarily referring to the two main mountain resorts in proximity of Sarajevo - Bjelašnica, Igman and Jahorina, which successfully hosted the XIV winter Olympic Games in 1984. The host of the EYOF 2019 Winter Youth Festival were the cities of Sarajevo and East Sarajevo.

There are also a number of other attractive ski destinations at diverse mountain areas, among which are most prominent Blidinje, Vlačić, Kupres and Kozara.

In order to capitalize huge unused potentials, all these destinations require investments in upgrading and modernization of infrastructure (particularly vertical transportation and ski slopes) and accompanying tourism facilities for development of diversified and all year-around tourism activities including adventurous, eco and sport tourism.

**CULTURAL & RELIGIOUS TOURISM**

Bosnia and Herzegovina is a country of long and rich history, which cultural heritage presents a complex mixture of Mediterranean, Byzantine, Ottoman and Central European influences. This diversity distinguishes B&H as a unique cultural, historical and religious attraction.

As a meeting point of different civilizations and cultures over centuries, most of the major religions Judaism, Roman Catholics, Christian Orthodox and Islam exist in harmony in B&H, offering a number of sacred places and a unique experience to domestic and international visitors. B&H is home to the second largest Catholic pilgrimage site in the world in Međugorje, and the largest Islamic pilgrimage site in Europe at Prusac in central Bosnia, as well as to the unique Jewish pilgrimage site located in Stolac. In addition, numerous cultural events with international reputation became part of our tradition, such as Sarajevo Film Festival, MESS - festival of modern theatre, Jazz Fest Sarajevo, etc. All above mentioned favorable prerequisites are only symbolically exploited, opening an array of opportunities to the potential investors for investments in different tourism facilities.

**NATIONAL PARKS, PARKS OF NATURE AND ECO TOURISM**

A number of national parks and parks of nature have already been established in Bosnia and Herzegovina. Moreover, National park Sutjeska was one of the first established in Europe. There is a program for formal proclamation of new areas in national parks. All existing national parks are characterized by extreme natural beauty and diversity, preserved and rich wilderness, even primeval forests, small and big game (grouse, roe deer, lynx, wolf, bear). The most famous are National park Sutjeska, National park Una, National park Kozara, Park of nature Hutovo Blato, Park of nature Bardača and Park of nature Blidinje. These areas are extremely suitable for eco, geo and ethno tourism development, particularly in cooperation with local population, oriented to the organic food production. However, these huge recourses are modestly capitalized, seeking for potential strategic partners and investors to introduce appropriate business philosophy and models, modernize existing or construct new facilities and improve the marketing strategy.

**MARITIME TOURISM**

With its 23 km of seaside and 240 sunny days every year, Bosnia and Herzegovina attracts more tourists from all over the world. Town Neum presents seaside door of B&H, and its accommodation capacities are approximately 5000 beds, out of which 2000 in three and four star hotels. With its capacities it cannot satisfy necessities of tourism season. Private accommodations are also available and pleasant pensions, restaurants and cottage houses offer unforgettable stay to the visitors. However this resort needs investments for upgrading and modernization of existing facilities and diversification of tourism offer by construction of new facilities (like yachting marinas). In addition, regions along south - eastern border of B&H, such as Ivanjica or Trebinje, which are approximately 10 km distant from Croatian Adriatic coast, became particularly interesting for construction of new tourist resorts and facilities due to agreeable climate and availability of free land, under competitive prices.

At the World Annual Investment Meeting (AIM) 2023, with more than 20,000 people from the world business participating, the Foreign Investment Promotion Agency of BiH (FIPA) has been declared the second best Agency for Attracting Foreign Investments for Central and Eastern Europe.





# TOURISM SECTOR INVESTMENT PROJECTS IN B&H

### Eco Tourism Projects in B&H :

- 1. Tourism Complex Buretina
- 2. Holistic Wellness Center Tim Med, Bosanska Krupa
- 3. Boracko Lake, Konjic
- 4. Eco Village of Grabovica, Tomislavgrad
- 5. Eco Zone Koricani, Vlasic
- 6. Ecological Park Borik, Buzim
- 7. Risovac Jablanica
- 8. Eco Farm Santic, Vlasic

### Hotels, Motels Projects in B&H:

- 1. Hotel with shopping and business centre, Visoko
- 2. Hotel Euro Odzak
- 3. Apartment Hotel Complex Brus, Trebevic
- 4. Hotel Complex, Bihac
- 5. Hotel with supporting facilities within Kastel Fortress, Banja Luka
- 6. Konjic Motel, Konjic
- 7. Motel and Bungalows, Paradise Beach, Bratunac
- 8. Hotel Ski Jumping Hill Babanovac, Vlasic
- 9. Sutjeska Hotel, National Park Sutjeska
- 10. Zunovnica Complex, Hadzici

### Spa Tourism Projects in B&H :

- 1. Mountain Spa Metaljka Cajnice
- 2. Dvorovi Spa Complex, Bijeljina
- 3. Thermal Resort Logobare, Tesanj
- 4. Thermo Mineral Water, Kakanj
- 5. Villa Wellness Spa Goranci, Mostar
- 6. Visegrad Spa, Visegrad
- 7. Rehabilitation center with Russian Spa and ethno houses Pale

### Winter Tourism Projects in B&H :

- 1. Cable Railway, Hrasnica Igman
- 2. Express Cable Car, Pavlovac Jahorina
- 3. Sports and recreation center Cajusa, Kupres

### Cultural Tourism Projects in B&H :

- 1. Kastel Fortress, Banja Luka

### Recreation, Sport and Adventure Tourism Projects in B&H :

- 1. Business and Sports Centre Trnovo
- 2. Treetopwalk - Vlasic Walking Trail, Vlasic
- 3. Sports And Recreational Center Ada Breza
- 4. Bistricka Rika, Gornji Vakuf Uskoplje
- 5. Gondola Borje, Kotor Varos
- 6. Tourist and Recreational Valley with Castle and Bungalows, Gradiska
- 7. Indoor Swimming Pool, Srebrenica
- 8. Hotel Complex, Hippodrome, Sport & Recreational Centre, Capljina
- 9. Kosevo Stadium, Sarajevo
- 10. Cable Car to Rujiste, Mostar
- 11. Goat Farm and Agrotourism Development Milo Selo Lukavac
- 12. Neretva Elite Resort, Konjic
- 13. Reconstruction of Swimming Pool, Bosanski Petrovac
- 14. Sebesic Tourism Zone, Novi Travnik
- 15. Sport & Recreation Centre Vrapcici, Mostar
- 16. Sport & Recreation Centre, Drvar
- 17. Sports and Recreational Facility for Tennis Courts ,Mostar
- 18. Aqua Park Brcko
- 19. Sports and Recreational Centre Mracaj, Jajce
- 20. Sports and Recreational Centre Rijecani, Modrica
- 21. Forest Park Hum, Novo Sarajevo
- 22. Sports Hall Breza





# AGRICULTURE AND FOOD PROCESSING INDUSTRY IN BOSNIA AND HERZEGOVINA

Agriculture is one of the most important economic sectors in the country, employing 7 % of the total number of employees in BiH (data for 2024). The fact is that a large number of employees in the agricultural sector participate through self-employment, 11.5% in the total number of employees (the total number of employees in the IV quarter of 2024 was 1,257,000).

There are over 1.500 registered companies in the country which operate within the agro-industry. In 2024, an increase in exports was registered for most sub-activities within the sector. In the conditions of the pandemic, the importance of agricultural and food production was emphasized again.

About half of the B&H land area is agricultural land where 2.4 million hectares comprise approximately 1.2 million ha of arable land, 100.000 ha of orchards and vineyards, 500.000 ha of improved grazing land, and 850.000 ha of mountain pastures.

Of considerable importance are also fresh cow milk, maize, and potatoes. The climate is predominantly moderate continental, particularly characteristic of Central B&H, while the northern part of the country has a mostly continental climate. South of the country has a Sub-Mediterranean climate, characterized by long, summers and short, mild winters, with more than 200 sunny days and 1400 l/m2 of rainfall per year.

## REASONS TO INVEST

B&H is richly endowed with natural resources and optimal climate conditions which create a superb environment for agricultural production that is a great opportunity for investment with high income based on the following main advantages:

- BiH's varied topography and climate conditions allow for longer growth and harvesting seasons.
- Opportunity for organic production for most of the agricultural products
- BiH is among the leading world producers of raspberries, plums, and strawberries and produces significant quantities of high-quality vegetables: potatoes, peppers, cabbage, and cucumbers.
- The vast number of rivers and lakes offers great opportunities for fish farming.
- Excellent opportunities for the production of Halal meat and foods in general.
- Most of the incentives are focused on the agricultural sector
- The qualified labor force at competitive costs and positive experiences gained by already present investors in doing business
- Favorable TAX system and low operating costs
- Significant incentives (the Ministry allocates about 180 million BAM annually)
- Access to markets with more than 600 million consumers: EFTA and CEFTA member states, Turkey, and Preferential Trade Agreement with EU countries.
- Maximum 1 to 2-day truck transport to most EU markets

## INVESTMENT OPPORTUNITIES

- Enlarging production of fresh raspberries, plums, cherries, grapes, cabbage, Cucumbers, and young potatoes.
- Cold storage and deep freeze centers for various fruits and vegetables.
- Further development of the existing Agro Logistic Business Park.
- Processing centers for plums, peppers, cucumbers, and cabbages.
- The high potential of meat and milk processing
- Development of an Air Cargo Center in a site located in the most prominent agricultural area in BiH which has an existing suitable landing air cargo runway.
- Investment in replacement and procurement of new, specialized agricultural machinery
- Investment in Irrigation systems

## FIELD CROPS

Northern parts of the country and river valleys are particularly suitable for field crop production, including cereals, industrial crops, vegetables, feed crops, etc. As well as for intensive commercial cattle breeding and dairy production.

LIVESTOCK & FORAGE PRODUCTION

A large part of the agricultural land in Bosnia and Herzegovina, with lots of grassland, and climate conditions are favourable for cattle (sheep and goat) intensive and extensive breeding, milk, dairy and meat production, as well as for cultivation of silage, etc.

VEGETABLE GROWING

The soil and climate conditions are suitable for all types of vegetable production in all regions of Bosnia and Herzegovina, along the rivers, in flat, hilly and hilly-mountainous regions, even in mountain grasslands, where could be produced a high quality potatoes and cabbage, as well as rye, barley, oat, etc.

MEDICINAL AND AROMATIC HERBS

The biodiversity of medicinal and aromatic plants in the area of B&H is very rich thanks to the favourable climate, geographic and soil condition

FRUIT & VINE-GROWING

The most convenient fruit-growing regions are the hilly and hilly-mountainous regions and the river valleys, which are abundant in sunny sites with the right type of well-drained soil, as well as the Mediterranean region (Southern B&H). Currently, there are an estimated 14 million trees producing plums, pears, apples, berries, and other fruit for export and fruit-juice production. The Bosna and Herzegovina grape and wine production takes place in the Mostar, Čitluk, Stolac, Ljubuški, Trebinje, and Čapljina municipalities.

FISH FARMING

Abundance of the clear, unpolluted rivers and streams that cross the country presents huge potential for both family owned and industrial size fish farming production, especially trout and carp rising.

ORGANIC FOOD PRODUCTION

The development of the B&H organic sector started in 1996 when the first B&H organization “ORGANSKA KONTROLA” became a member of IFOAM (International Organization of Organic Agriculture Movements). The scientific study made by Sarajevo Economic Institute and Washington Urban Institute, identified enormous potentials of the organic food sector for rural development generation in B&H.

FOOD PROCESSING INDUSTRY

Currently Bosna and Herzegovina food processing industry encompasses the companies engaged in manufacturing or processing of foods and beverages for human consumption, including meat, milk, fruit, vegetable, sugar, oil and tobacco, as well as prepared feeds for animals and fowls.



AGRICULTURE SECTOR PROJECTS IN B&H

Beekeeping Projects in Bosnia and Herzegovina:

- 1. Apiculture in Herzegovina Neretva Canton
- 2. Organic Honey, Sanski Most
- 3. Production and Packaging of Ozren Honey, Doboj
- 4. Regional Beekeeping Center, Trebinje

Dairy Projects in Bosnia and Herzegovina:

- 1. Goat farm and agrotourism development Milo Selo Lukavac
- 2. Livno Cheese, Dairy Livno
- 3. Rama Municipality
- 4. Milk Processing Plant, Prnjavor

Beverage Projects in Bosnia and Herzegovina:

- 1. Water bottling plant Cajnice
- 2. Factory for water bottling Fojnica
- 3. Ledena Water, Mokro Pale
- 4. Homemade Brandy, Kozarska Dubica
- 5. Natural Spring Water Mrkonjic Grad

Livestock Projects in Bosnia and Herzegovina:

- 1. Development of salers breed in Una-Sana Canton
- 2. Development Goat Farming, Posusje
- 3. Expanding the capacity of Cattle per Cow-Calfsystem, Tomislavgrad and Kupres
- 4. Slaughterhouse and meat processing, Orasje



#### **Herbs & Grains Projects in B&H:**

1. Indigenous Wheat Brkulja , Knezevo
2. Production of essential and cold Pressed oils in Bosanski Petrovac

#### **Fruit & Vegetable Projects in Bosnia and Herzegovina:**

1. Organic Food Production Cajnice
2. Frozen Berries, Bugojno
3. Agrocentar, Kozarska Dubica
4. Fruit and Vegetables Drying and Fruit Juices, Visoko
5. Fruit and Vegetable Processing Plant, Ljubinje
6. Plant for ketchup production Prnjavor
7. Organic Berries Farm Kopcic Polje, Bugojno
8. Cultivation of shiitake and champignons in an underground facility Novo Gorazde
9. Cold Storage for Fruits And Vegetables Velika Kladusa
10. Farm for seedling production, Bugojno
11. Vegetable seedlings, Vogosca
12. The production of organic food Novo Gorazde

#### **Poultry Projects in Bosnia and Herzegovina:**

1. Broiler Farm in Visoko
2. Poultry Farm, Travnik
3. Poultry Meat, Brojler Sarajevo
4. Broiler Farm Cekrekcije Visoko

#### **Food Center Projects in Bosnia and Herzegovina:**

1. Regional Food Center, Sarajevo
2. The production and sale of pasta and bosnian pies

#### **Fish Farm Projects in Bosnia and Herzegovina:**

1. Fish Farm for Trout Breeding, Blagaj
2. Fish Farm Laks, Mostar
3. Fish Farm Slap, Zepa – Rogatica



## **ENERGY SECTOR IN BOSNIA AND HERZEGOVINA**

### **WHY INVEST IN BIH ENERGY SECTOR?**

- Bosnia-Herzegovina came in FIRST PLACE out of all European cities for FDI renewable energy investment relative to population size for 2020, according to the fDi Intelligence, a data division of the Financial Times
- BiH is on the 8th place in Europe for hydro energy potential and possible annual production of 99.256 GWh
- Huge hydro potential of over 4000 MW
- Potential of wind energy is estimated at 2000 MW
- ~ 1.5 million m3 of wood waste can be used for biomass energy
- Potential installed capacity for solar power plants is 4010 MW
- Solar irradiation vary from 1,240 kWh/m2 in the north to 1,600 kWh/m2 in the south where the sun can shine 270 days a year
- Energy Community Membership
- Favorable Feed-in-tariffs for RES power plant

- Low Operating costs and Competitively priced & qualified human capital
- Energy Reserves and Potentials
- Skilled human capital

Gross electricity production in Bosnia and Herzegovina was 1 402 GWh in January 2025. In total gross electricity production hydro power plants participated with the share of 34.8%, thermal power plants with 59.4% and solar and wind power plants with 5.8%.

In 2022, Bosnia and Herzegovina exported 606 million USD in Electricity, making it the 36th largest exporter of Electricity in the world. At the same year, Electricity was the 1st most exported product in Bosnia and Herzegovina. The main destination of Electricity exports from Bosnia and Herzegovina are: Croatia (271 million USD), Serbia (234 million USD), and Montenegro (101 million USD). In 2023, Bosnia and Herzegovina exported 583 million USD in Electricity.

INVESTMENT PLAN

Strategic development programs of the Entities’ Ministries of Energy, Mining and Industry, foreseen a significant investments in new power system facilities based on coal, hydro and renewable energy sources and expansion of existing power generation capacities , in order to meet growing electricity supply deficit within regional and larger European markets.

LARGE THERMAL POWER GENERATION PROJECTS

There are a total of four new coal-fired thermal power generation projects: Bugojno - coalmine/power plant; Ugljevik 2 - coalmine/power plant; Gacko 2 coalmine/power plant; Kakanj - G8.The potential electricity production capacity will be approximately 2700 MW, including both, rehabilitation and expansion of the existing facilities and construction of entirely new coal mine / power generation plant complexes.

LARGE AND SMALL HYDROPOWER PROJECTS

Existing 16 Large Hydro Power Plants have 2 106 MW installed capacity , and 79 Small Hydro Power Plants have 134,63 MW installed capacity .

Development programs identified fifteen potential new large and small hydropower projects, and four rehabilitation and expansion projects, with potential electricity production capacity of approximately over 2000 MW in total. In the river basins of Bosnia and Herzegovina there were identified over 400 potential micro locations for construction of the mini hydro power plants (capacity of 5 MW or less), enabling cumulative increase of the electricity production capacity of approximately 1000 MW.

WIND ENERGY POTENTIALS

Systematic wind measurements on larger number of locations on the area of Herzegovina in the period of last 15 years shown wind speed in the range of 7 to 9 m/s. The application of extrapolation models and the use of long-term scaled data sets on these locations result in expected average annual wind speed in the

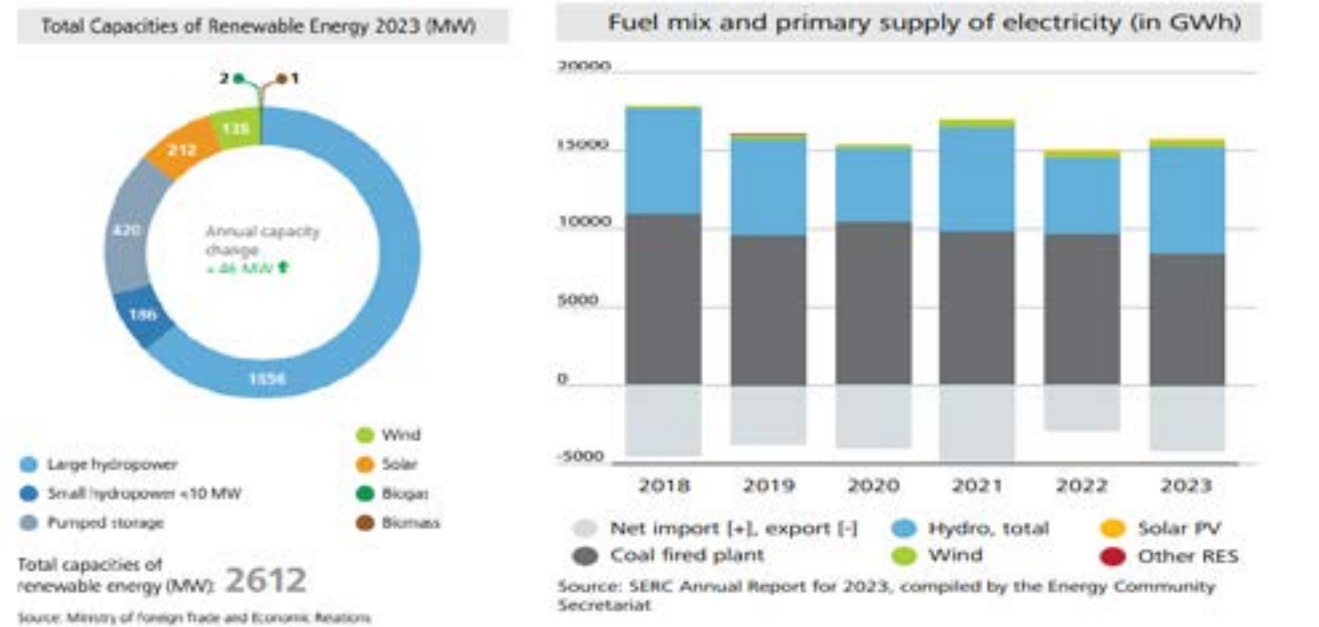
range of 6 to 8 m/s 50 m a.g.l. Currently there are many macro and micro locations for wind power plant construction that are evaluated as advantageous for wind power plant construction.

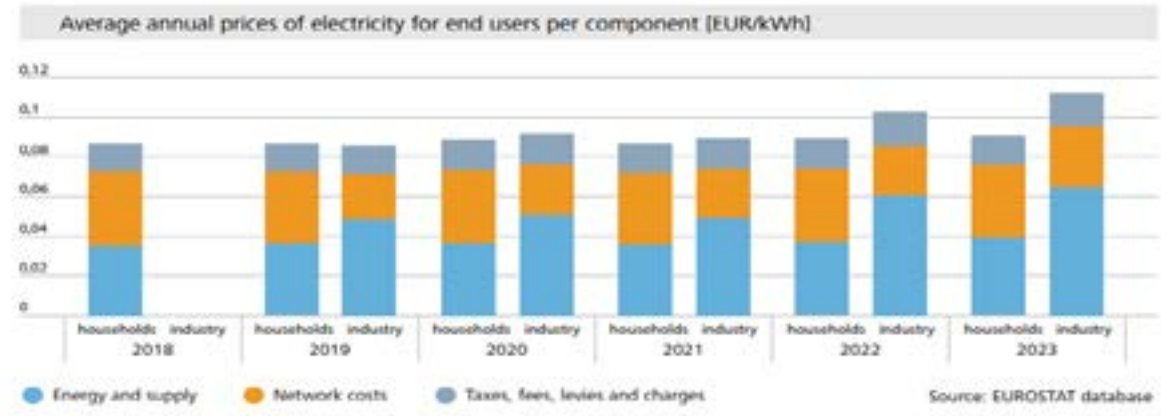
After commissioning of wind farm Mesihovina with installed capacity of 50.6 MW in 2018, wind farm Jelovača with 36 MW installed capacity also is commissioned in 2019 . These two power plants located in southwestern BiH, generated 254 GWh of electricity in 2019.

SOLAR ENERGY POTENTIALS

B&H resources of solar radiation energy is above the European average with very favorable seasonal schedule, and possibility for its effective and long-term use. The theoretical potential of solar energy amounts about 74.65PWh. It can be said that B&H is one of the most favourable locations in Europe, where solar radiation is concerned. The solar irradiation values vary accordingly with about 1,240kWh/m2 in the north to 1,600kWh/m2 in the south where the number of sunny days can reach 270 days per year with a solar thermal potential of approximately 1,900 TWh.

Electric power indicators of Bosnia and Herzegovina





# ENERGY SECTOR PROJECTS IN B&H :

## Hydro Power Plant Projects in Bosnia and Herzegovina:

1. Hpp Janjici Zenica
2. Ustikolina, Gorazde
3. Kablic, Livno
4. Pspp Vrilo Tomislavgrad
5. Kovanici, Zenica
6. Reversible Hydro Power Plants Vrletna Kosa and Usce

## Small and Mini Hydro Power Plant Projects in B&H:

1. Small Hpp Marusici, Kakanj
2. Small Hpp Una Kostela Bihac
3. Small Hpp Usce, Kakanj
4. Small Hpp Zuca Rijeka, Kakanj

## Wind Farm Projects in B&H:

1. Borova Glava, Livno
2. Velika Vljajna, Mostar
3. Wind Farm Derala, Bosansko Grahovo
4. Wind Farm Skadimovac, Glamoc
5. Wind Farm Vlasic
6. Wind Parks Slovinj and Dzeva, Glamoc

## Biomass & Solar Projects in B&H:

1. Central Heating System, Teslic
2. Cogeneration Plant on Biomass, Sokolac
3. Biomass Power Plant, Visoko
4. Waste to Energy Plant, Kotor Varos

5. E387 Production Of World Class Electric Vehicle Charging Solutions
6. Solar Power Plant Anarea 2, Stolac
7. Solar Power Plant Anarea 3, Stolac
8. Solar Power Plant Eco Energy 2, Stolac
9. Solar Power Plant Eco Energy 3, Stolac
10. Solar Panels on Warehouses Buildings in Port of Brcko
11. Reconstruction and extension of the Zepce heating pipeline
12. The Construction of a biofuel (Wood Chip) Boiler House Zepce
13. Cubic Style – Renewable Energy Self-Sustainable Outdoor Kiosk
14. Gas Power Plant Tesla
15. Energy contracting and renovation of old facility
16. Natural Gas Distribution for Travnik Vitez Busovaca and Novi Travnik
17. Natural Gas Distribution for Jajce Donji Vakuf Bugojno and Gornji Vakuf-Uskoplje
18. Geothermal Energy for Heating and Cooling of Facilities In Visegrad
19. Seawater Distillation Apparatus Combination with Renewable Energy
20. Hydroelectric Power Station with Hair Turbine in Running Waters
21. Geothermal Heating System in The City of Bijeljina





# FORESTRY AND WOOD PROCESSING IN BOSNIA AND HERZEGOVINA

Bosnia and Herzegovina has a long tradition in forestry and wood processing, going back to the second half of the 19th century. The abundance of both hard and softwood, as well as the competitive and skilled workforce, make this sector attractive for investment, particularly in export-oriented production programs. Of all the natural resources of Bosnia and Herzegovina, its timber is best known; 63% of the country is covered in forests that can serve both the furniture and the construction industry. These forests have the potential to provide nearly 7 million m<sup>3</sup> round-wood per year on a sustainable basis. Beech, oak, ash, pine and fir as well as more specialised woods such as walnut, apple and cherry, are exported as raw material, half fabricates and finished products. Over 60% of Bosnia and Herzegovina wood sector production is exported, where the finished furniture is becoming more and more important export product. Currently, the largest markets for these producers are Western Europe, USA and Middle East, but the potential to export to other countries is enormous. Nevertheless, the wood processing sector is characterized by a large gap between its current performances and its real potential. Targeted investments have the potential to bridge the mentioned gap and improve the substantial value-added outcome, starting new companies or modernizing existing ones, with some capital investments or introduction of the new technologies and equipment.

Comparative preview of the forest resources in the region:

| Country  | Forest area (hectares) | Annual volume growth u (m3) | Wood reserve (m3) | Annual allowable cut (m3) |
|----------|------------------------|-----------------------------|-------------------|---------------------------|
| B&H      | 2.700.000,00           | 10.500.000,00               | 583.200.000,00    | 5.500.000,00              |
| Serbia   | 2.429.642,00           | 6.200.000,00                | 235.000.000,00    | 1.800.000,00              |
| Croatia  | 2.700.000,00           | 9.600.000,00                | 398.000.000,00    | 6.500.000,00              |
| Slovenia | 1.166.000,00           | 6.395.000,00                | 311.000.000,00    | 2.300.000,00              |
| Austria  | 3.924.000,00           | 28.137.000,00               | 1.097.000.000,00  | 10.101.000,00             |
| Italy    | 10.842.000,00          | 32.211.000,00               | 1.429.000.000,00  | 2.150.000,00              |
| Holland  | 339.000,00             | 2.917.000,00                | 54.000.000,00     | 2.444.000,00              |
| Denmark  | 538.000,00             | 95.822.000,00               | 55.000.000,00     | 20.041.000,00             |
| Sweden   | 30.259.000,00          | 3.450.000,00                | 2.466.000.000,00  | 67.766.000,00             |
| EU (28)  | 160.271.000,00         | 626.062.000,00              | 19.371.000.000,00 | 393.945.000,00            |

Competitive advantages of the B&H wood processing industry are:

- Domestic raw materials base;
- Increasing number of newly equipped plants;
- Favourable geographical location;
- Long tradition and practice in word processing and craftsmanship;
- Relatively good training of the workforce;
- Presence on the markets of Europe and USA of many years;
- Traditionally export oriented;
- Price-competitive labour costs; Opportunities of the B&H wood processing industry are: Increase of demand and expanding market;
- Signed agreement for free trade with the surrounding countries;
- Increase of demand for all types of furniture on the global marketplace;
- Large number of foreign direct investment in the wood processing industry;
- Use of the wood-related products for production of energy, food, cosmetics, medical treatment etc

**Production:**

The long-term trend of growth in the production of forest wood assortments is evident. In 2020, produced and sold (in the largest percentage to BiH wood processors) are:

- 1.900.300 m3 of conifers,
- 2.038.675 m3 of hardwood,
- 533.997 m3 of spatial wood and 150.401 m3 of technical wood

influences than European forests. The B&H wood industry, which has developed on the existing natural advantages, is one of the most important branches of the B&H processing industry.

KEY PARAMETERS OF THE ATTRACTIVENESS OF THE SECTOR:

**Export of the sector:**

The export of the sector in 2024 was 1,623,960,717 KM, which is 8.5% less than in 2023 when it was 1,774,748,938 KM. The value of imports in 2024 amounted to 549,823,010 KM, which is 6.3% less than the previous year when the value of imports was 587,088,826 KM. (Source: Foreign Trade Chamber of BiH)

In 2024, compared to the same period in 2023, there was a clear decline in exports of all groups, except for unprocessed wood, which increased both in quantity (51%) and value (43%). The reason for this is the abolition of the suspension of exports of forest wood assortments from BiH.

The total foreign trade exchange of the wood industry was 2,173,783,727 KM, and the coverage of imports by exports was 295%, which led to a surplus of 1,074,137,707 KM.

93.7% of total wood industry exports in 2024 were realized in the 20 leading export markets, and the most important export partners include Germany, Croatia, Serbia and Italy.

**Number of employees and average salary:**

The number of workers in the wood industry has increased in recent years and currently, about 43,000 people work in the sector. In the wood industry of Bosnia and Herzegovina, there are the most workers with secondary education. Their share in the total structure of employees is slightly more than 60%.

The average monthly gross salary of workers in companies in the wood industry is 1.300 KM, or 700 EUR. This means that workers in wood processing companies are paid an average of 7,7 KM, or 3,35 EUR per hour..

GENERAL OVERVIEW FOR INVESTORS IN BIH'S FORESTRY AND WOOD PROCESSING INDUSTRY:

- Bosnia and Herzegovina is one of the most forested countries in Europe (between 53 and 63% of the B&H area is under forest - about 2,700 thousand hectares - which provides a wood stock of over 340 million m3),
- The annual cutting rate is between 6 and 7 million m3, which is less than 70% of the total volume increase (9 million m3), so wood stocks are continuously increasing.
- 70-80% of B&H forests are state-owned and 20-30% are privately owned,
- Bosnia and Herzegovina's forests are natural forests (about 95%), diverse by tree species (beech, oak, ash, pine and fir, as well as special tree species such as walnut, apple and cherry), with natural regeneration, with a higher proportion of trees of larger average diameters, in principle more resistant to climatic and phytopathological

**Share in GDP is 2.2%**

The contribution of bh. manufacturing industry to GDP growth in 2023 was 13.3%, and the contribution of the wood sector is 2.2% (excluding forestry and forest exploitation) and this is the only large manufacturing sector with multiple positive overall foreign trade balance. Until 1992. The share of the wood sector in the gross national income of BiH was around 10%, which indicates that the possibilities for further development through new investments are huge.

**Number of economic entities (enterprises):**

Today, the wood industry in BiH and Herzegovina is organized within a number of small and medium-sized enterprises, mostly privately owned.

At the end of the business year 2022, 1,415 companies were actively operating within the sector, which is \_% less than the number of companies in 2019, when 1,561 companies were active.

There were 1,181 active entrepreneurs at the end of 2022.

Average labor costs per employee in the processing of wood and products of wood and cork, except furniture; production of articles of straw and wickerwork amount to 14,848 KM, and in the production of furniture amount to 16,811 KM.

**Foreign direct investment in the sector:**

Total foreign investments within the wood processing sector in 2023 (according to the Central Bank of BiH) amounted to 499.1m million KM, which is a share of a modest 2.6%.

Of the total value of foreign investments in the wood sector, the most was recorded in the production of cellulose, paper and paper products, 62.6%, or 290.0 million KM.

In the activity of processing of wood and products of wood and cork, except furniture; production of articles of straw and wickerwork materials, a total of 109.6 million KM was invested in BiH

Total foreign investments in the activity of furniture production amount to 61.6 million KM.

**Opportunities for further growth:**

- positive growth trends of B&H and the regional market,
- proximity to the EU market,
- flexibility of domestic producers,
- excellent international reputation of bh. manufacturers,
- better control of imported products with application of European standards,
- use of new technologies in wood processing ...

WOOD SECTOR PROJECTS IN B&H:

1. Furniture Production, Interior Design and Equipment Gala Group Mostar
2. Factory of Tables and Chairs, Lopare
3. Production of Prefabricated and Dismantling Pallets
4. Natural Wooden Toys
5. Wood Processing Plant, East Drvar
6. Wood Wool





## MINING AND METAL PROCESSING SECTOR IN BOSNIA AND HERZEGOVINA

Mining sector that includes exploration, exploitation, metal processing and processing of the other indigenous mineral resources, has a long tradition in Bosnia and Herzegovina, as well as huge potentials. Most important motives for foreign investors to invest in mining and metal processing sectors in B&H are:

- Natural recourses /low cost sourcing of input / low cost of production,
- Qualified, trained, motivated and at a price competitive labor force,
- Available infrastructure
- Good export opportunities including geographic position and incentives,
- Sector supported universities, research and development institutions, design and engineering companies.

### MINING – as a subsector

Great changes and challenges have happened related to the mentioned branch. Due to a current situation, synergic approach of the state bodies, chambers of commerce and other relevant institutions that support economy is expected especially after pandemic crises issues. Bosnia and Herzegovina is abundant in various natural mineral resources, particularly in large deposits of coal, bauxite, iron and limestone.

On the other hand, it is important to emphasize that Bosnia and Herzegovina has significant deposits of non-metal and other industrial minerals, such as salt, limestone, asbestos, pyrophyllite, kaolin, gypsums, clays, (china clay), dolomite, silica sand, stones, gravel (aggregates), sand, and other minerals.

In order to benefit from those huge potentials mining sector requires substantial reforms and restructuring as well as modernization of all exploration and exploitation segments. It could be achieved through the introduction of new technologies and requires significant investments and opening an array of investment opportunities for both strategic partners and reliable investors.

Latest info: Metal ore mining now in B&H – 21 active company

The Federation Government consolidated seven coal mines under the new ownership of Elektroprivreda BiH (([Rudnici „Kreka“RMU „Kakanj“RMU „Zenica“RMU „Breza“RMU „Đurdevik“RMU „Abid Lolić“RU „Gračanica“](#))) hoping that it would pave the way for significant investments in the rehabilitation of those seven mines. Elektroprivreda B&H has committed to investing \$497 million in the long term in rehabilitation of the mines, primarily through the heavy mining equipment procurement and upgrade that should increase the coal mines efficiencies.

*Within the framework of mining based on previously issued concessions, the activities of foreign investors are expected as well as significant increase in that field of work.*

Responsible for geology, metallurgy, metrology and industry:

- Federal ministry of energy, mining and industry  
<http://www.fmeri.gov.ba/>
- Ministry of industry, energy and mining of Republic of Srpska  
<http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mper/Pages/default.aspx>
- Government of Brčko District  
<http://www.bdcentral.net/>

### FDI – MINING SECTOR

Constant price growth, long delivery time and lack of raw materials lead to increased production costs as well as difficult and unpredictable situation increase the risk. Within the activity “extraction of metal ores”, direct foreign investments were continuously increasing until December 2022. In December 2023, the amount of 227.7 million KM was registered (a slight decrease compared to the highest amount from 2022). The share of activities in the total balance of DSI (19.4 billion KM) is 1.2%.

During 2024, the extraction of metal ores registered a decrease of -14.2% compared to the previous year, and its participation in the structure of industrial production in XII 2024 was 1.19% (the rate of change from the calendar-adjusted indices is -19.1%).

Talking about the structure of foreign investments in the field of activity by component is: ownership shares and retained earnings make up 77.0% and other capital 23.0%. Significant annual increases were registered in the period 2018 - 2020 as well as in 2022.

During 2023, a negative amount of -20.1 million KM was registered due to the negative value under “remaining capital” (possible obligations based on earlier debts), while according to preliminary data for the first nine months of 2024, 64.2 million KM was registered (due to the increase in ownership shares).



METAL PROCESSING SECTOR – general overview

Metal production sector in Bosnia and Herzegovina is one of the most important industrial sectors with the tradition longer than a century. The metal sector in our country has great potentials, long history, natural competitive advantage mainly due to existing raw material stock and competitive prices of rich heritage products. It provides a strong human and resource base as well as a long tradition that enables the sustainable development of various activities. The backbone of the metal sector in B&H relates to two major companies Mittal Steel Zenica and Aluminij Mostar (turbulent period of Aluminium is behind us and it slowly goes forward). The focus of this analysis is on the production of finished metal products, except for machinery and equipment.

Large companies and the significant increase in sales mainly do the production of base metals and exports revenues show that this is one of the most successful economic sectors in B&H.

Metal sector is particularly export-oriented sector with the total export share of about 37 - 41 % of the total revenues proved by the main indicators of the sectors showed in the next table.

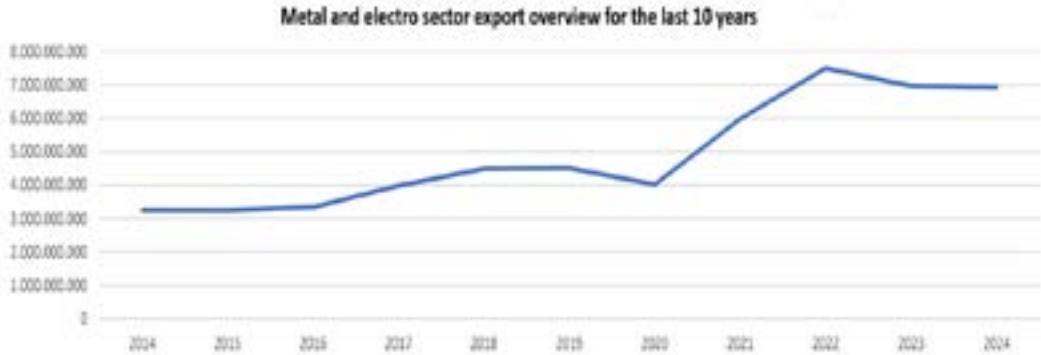
Main indicators in metal and electro industry

| Indicators in MS        | 2010   | 2012  | 2014  | 2016  | 2018  | 2020  | 2021  | 2022  | 2023   | 2024   |
|-------------------------|--------|-------|-------|-------|-------|-------|-------|-------|--------|--------|
| Value aded share in GDP | 3.11%  | 3.20% | 2.99% | 3.44% | 4.03% | 3.87% | 4.82% | 4.91% | 4.16 % | *      |
| Export share            | 37.6%  | 36.4% | 34.2% | 33.4% | 36.3% | 36.1% | 39.2% | 46.2% | 40.4%  | 41.8 % |
| Company numbers         | 1,119* | 1,176 | 1,111 | 1,114 | 1,163 | 1,212 | 1,255 | 1,345 | 1,423  | *      |

Source: Agency for Statistics and Foreign Trade Chamber of B&H

Within the past 10 -15 years, metal processing industry has experienced dynamic development with extraordinary growth of 25,6% annually and more then 45 000 employees (app. 19 000 employees in auto sector). As already mentioned it has become strongly export-oriented, exporting in average 90% of their production in 30 countries all around the world. Engineering and design as an independent business has recorded significant increase too.

Bright sample of the mentioned story is bh company Core doo that designs BMW 5 Series /E34 Cockpit. Here is a graphic display of the export of the sector in numbers



Source: Foreign Trade Chamber of B&H

B&H metal processing has traditionally been one of the strongest bh sectors by offering a strong human and resources base as well as a long tradition enabling sustainable development of various value-added businesses, export oriented in particular. First industrial capacities of the metal sector developed from the craft workshop for maintenance of the coalmine equipment and salt.

REASONS TO INVEST

The production of base metals in 2024 is lower by -17.6%, and it participates in the total industrial production with 4.01% (the rate of change from calendar-adjusted indices compared to the previous year is -9.7%).In 2023, it was lower by -29.4%, and in the total industrial production it participates with 7.53%.

During 2024, the production of motor vehicles, trailers and semi-trailers was smaller -16.8%, and in the structure of the industry in December it participated with 3.73% (the rate of change from the calendar-adjusted indices compared to the previous year is -18.3%). For 2023, production was higher by 14.0%, and in the structure of the industry it participated with 1.74%.

Production of electrical equipment (refers to components in the automotive industry) in 2024 increased by 11.9% compared to the previous year (original index), and in the industry structure in December 2024 it participated with 2.70% (the rate of change of calendar-adjusted indices in 2024 is 21.7%).

In 2023 it was lower -2.7%, and in the industry structure it participated with 2.56%.

- Long tradition in the metal processing industry
- Developed advantages at the international market
- Abundance of production facilities and industrial zones
- Skilled and affordable labor force
- Available production capacities
- Rich in mineral resources
- Export oriented sector (app. 40% of the total export)
- No restrictions for foreign partnership with domestic companies

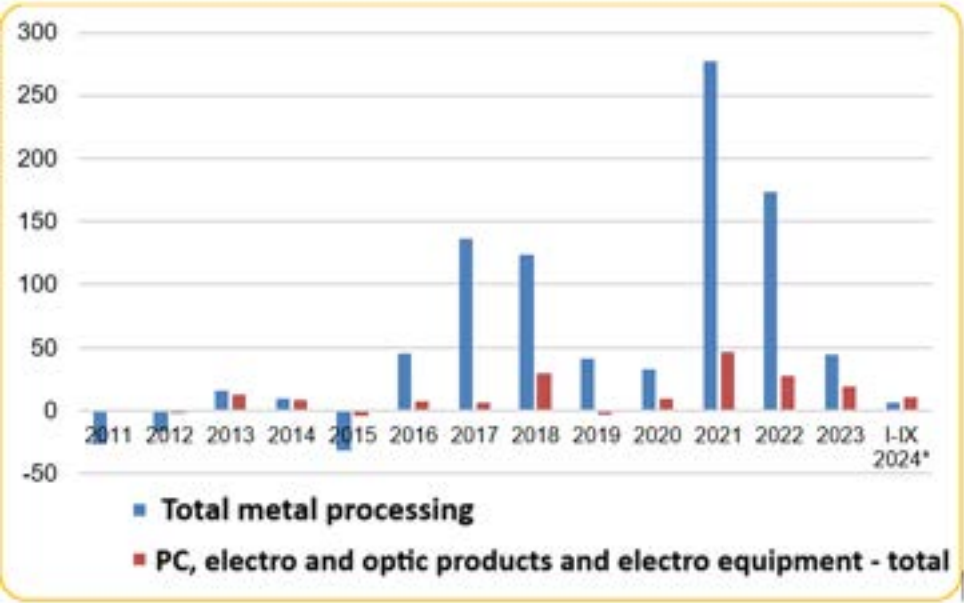
FDI IN METAL PROCESSING SECTOR

The total amount of DSI in the metal and electrical industry (a total of eight activities) in December 2023 was recorded at 1,922.0 million KM or 1.9 billion KM, which is a share of 9.9% in total foreign investments (19.4 billion KM).

The stock of foreign direct investment in the production and processing of metals (four basic activities within the sector) in December 2023 amounted to 1,642.8 million KM, which represents a share of 8.5% of total foreign investment (for all activities) that are registered in the “production of base metals”.

According to preliminary data (with estimated retained earnings), in the period January - September 2024, 17.8 million KM foreign investments were registered in the metal and electrical industry (eight activities) (1.2% share in the total DSI with the amount of 1,477.4 million KM).

Graph below shows statistical data, by the end of September 2024



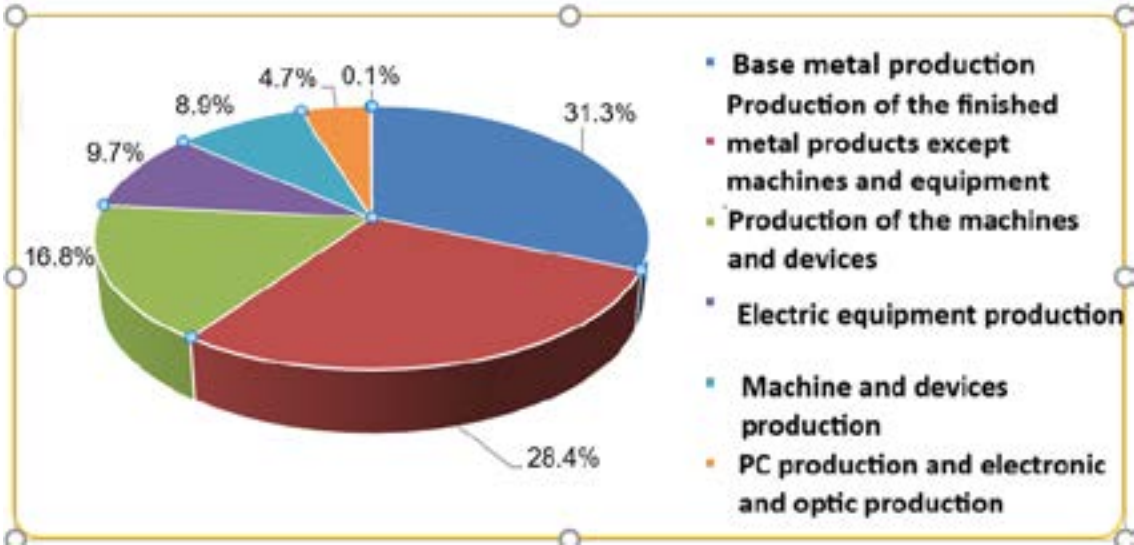
Source: CBBIH, FDI balance by activities

Total FDI share for six basic sectors products:

- Fabricated metal products, except machines and equipment – 2,80%
- Motor vehicles, trailers and semitrailers – 1,70%
- Base metal production – 3,1%.
- Production of computers and different devices - 0,50%
- Production of electric equipment – 1,00%
- Production of machines and devices – 0,90%

Investment activities within the total foreign investments in the metal sector

December 2023 - in percentages:



Source: CBB&H, FDI Balance by activities NACE Rev 2

Foreign investor’s access in to a metal sector would have enabled flow of local company’s access towards new technologies, knowhow system and administrative skills. That also includes domestic companies into a regional and global business networks as well as additional capital for investments in order to increase productivity and competitiveness of the companies.

HUMAN RESOURCES AND EDUCATION

Human resources with technical skills and expertise are the most favorable advantage for investing in metal/ auto components sector in Bosnia and Herzegovina. Educated and skilled labor force is still abundantly available throughout the country particularly for the automotive and metal processing industry.

Talking about wages in Bosnia and Herzegovina at the entity level the situation is the following:

In Federation of Bosnia and Herzegovina Decision on the Minimum Wage for 2025.

The decision stipulates that the minimum net wage for the period from January 1 to December 31, 2025, will be set at 1,000 KM (approximately 511 EUR).

NOTE: The Government of the Federation of Bosnia and Herzegovina has adopted a Proposal for Amendments to the Law on Contributions, which foresees a reduction in the contribution rate borne by employers from the current 10% to 4.5%. The proposed solution reduces the total contribution rate by 13.25 percent, or by 5.5 index points, from 41.5 percent to 36 percent. This reduction of 5.5 percentage points represents the first step in a planned fiscal reform aimed at easing the burden on the economy and creating a more favourable business environment.

**In Republic of Srpska**

The minimum wage in RS for 2025 is differentiated based on the required education level for the position:  
Unskilled and Semi-Skilled Workers:

Net: 500 Eur per month.

To wrap up this part important note is - April 2025, data for December 2023 are available, and the statistical scope has been slightly changed because data on entrepreneurs has also been included.

Most of the companies within the sector are registered for the activity “finished metal products except machinery and equipment”. In addition to 1,423 companies, the registered number of entrepreneurs is significant, 1,153 in December 2023, and a total of 2,576 legal entities were registered within the sector.

The total number of legal entities increased by 5.0% compared to the previous year (2,453 in December 2022).

Education system and universities (27 in total) of mechanical and other related sciences exist and having proved successes in cooperation with the companies in metal and automotive sector in previous years. Especially the faculties of mechanical engineering co-operate closely with the local companies of the automotive supplier industry.

*CONCLUSION: Within the framework of the metal processing sector based on previously mentioned issued upon the sector, the activities of foreign investors are expected as well as significant increase in that field of work.*

*Projects of the metal processing sector available at the following link:*

<http://www.fipa.gov.ba/investinbih/metal%201%20sector.htm>

**METAL PROJECTS IN B&H**

- |   |  |
|---|--|
| 1. Steel Production Ekonomija Zavidovici  | 8. Parts and Assemblies for Machine Tools, Ljubija – Prijedor                  |
| 2. Construction of the factory for continuously cast copper wire rod production (CCCWR) | 9. Production of Machine Tools, Hydraulic Press Breaks and Shear               |
| 3. Agricultural Machinery, Kozarska Dubica Dubgarden                                    | 10. Railway Equipment Gig Inzenjering, Knezevo                                 |
| 4. Bolts Factory, Mrkonjic Grad   | 11. Manufacturing Plant for Belt Conveyor Rollers and Consumable Parts Stanari |
| 5. Ferrosilicium Production, Gornji Vakuf Uskoplje                                      | 12. Factory for The Production of Cables, Metals and Plastics Sarajevo         |
| 6. Lattice Treads, Jelah-Tesanj   | 13. Metal Processing Prnjavor  |
| 7. Metal Production Capacities of Solar Mont, Gradiska                                  | 14. Structural Steel Fabrication and Processing Equipment Installation Lukavac |



**AUTOMOTIVE INDUSTRY IN BOSNIA AND HERZEGOVINA**

Mercedes”, “Audi”, BMW, “Volkswagen”, “Toyota”, “Mazda”, “Opel”, “Ford” and “Ferrari” are just some of the world brands whose auto components are produced in companies in Bosnia and Herzegovina, and only within previous few years, 678.5 million BAM value of auto components were exported from Bosnia and Herzegovina.

According to the data of the Foreign Trade Chamber of BiH the main export products includes various types of vehicles, alloy wheels, exhaust systems and metal and electrical components, while at the same time numerous companies produce the wide range of parts and components, such as motors and gears and their parts, drive-shafts, braking systems, couplings, control systems, pumps, filters, textile and leather products, batteries and various small parts such as springs, screws, pipes and components made of metal, rubber or plastic.

The automotive industry, as one of the key sectors in the global economy, has been facing numerous challenges within recent years. In Southeast Europe, and especially in Serbia, the problems have become particularly pronounced due to the global economic crisis, the decrease in demand and the drop in production on the European market. Reduction of orders and layoffs have become a reality for some companies operating in this sector.



One of the most drastic examples of this situation is the announcement of the closing of the “Dräxlmaier” factory in Zrenjanin, which has about 2,000 workers.

On the other hand, there are exceptions such as the MANN+HUMMEL BA company from Bosnia and Herzegovina in Tešanj, which is increasing the number of employees giving bright sample for other companies to proceed further no matter what challenges are in front of them.

Generally speaking, the entire automotive sector in the region faces uncertainty that threatens stability and jobs. This situation not only affects the workers themselves, but also the economic development and competitiveness of the entire industry in the region. In Europe, regulations on carbon dioxide emissions imposed an unrealistic plan towards full electrification, unrelated to market reality. In our country we still do not feel such a huge damage caused by all those factors and no special changes are expected while some governments in Europe have abruptly removed incentives for the purchase of electric cars, that the charging infrastructure is inadequate, and that the result is that consumers are reluctant to switch to electric vehicles.

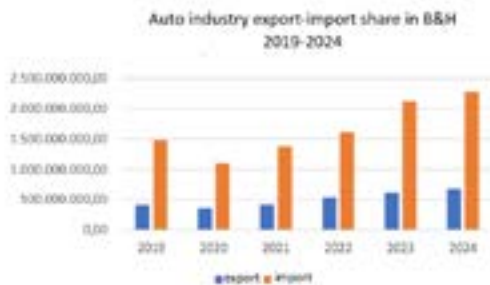
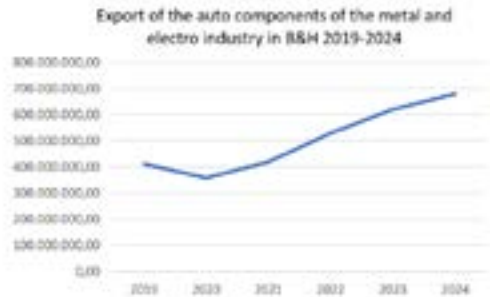
Export share shows slight decrease comparing to 2023 and according to the data of Foreign Trade Chamber of Bosnia and Herzegovina in 2024 the following foreign trade results are shown as it follows:

- The turnover of the metal and electrical sector of Bosnia and Herzegovina in 2024 was 6.93 billion KM;
- A 0.38% drop in exports was recorded, amounting to 26.6 million KM;
- In the total export of BiH, the metal and electrical sector in 2024 participates with more than 42%, which looks at the structure of our industry this
- puts the sector in convincing first place;
- Imports of the metal and electrical sector of Bosnia and Herzegovina amounted to 10.7 billion KM in 2024
- Import growth of 2.17% was recorded, amounting to 227.4 million KM;
- The metal and electrical sector accounts for 36% of total imports in BiH.
- The volume of trade in the metal and electrical sector in 2024 amounted to 17.5 billion KM.
- Coverage of imports by exports of the metal and electrical industry is 64.79%.

Next graphs show situation within the sector

Automotive industry of B&H, 2025

| Vanjskotrgovinska razmjena autodijelova iz kategorije metalne i elektro industrije Bosna i Hercegovine u periodu 2019-2024. |                  |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
|   | 2019             | 2020             | 2021             | 2022             | 2023             | 2024             |
| EXPORT  | 410.740.810,05   | 356.739.104,10   | 418.412.456,32   | 527.942.173,71   | 618.806.419,36   | 678.514.855,58   |
| IMPORT  | 1.478.941.483,54 | 1.098.275.769,91 | 1.380.775.717,71 | 1.606.385.532,46 | 2.123.906.147,26 | 2.276.210.776,16 |
| SHARE   | 1.889.682.293,59 | 1.455.014.874,01 | 1.799.188.174,03 | 2.134.327.706,17 | 2.742.712.566,62 | 2.954.725.631,74 |
| E/I ratio %   | 27,77            | 32,48            | 30,30            | 32,87            | 29,14            | 29,81            |



REASONS TO INVEST

- Strategic location and geographic position
- Export oriented sector / after metal sector (export markets oriented towards CEFTA, EU)
- Closeness of the European market and borders with Croatia
- 17 000 Employees in auto component manufacturing
- Plenty of available labour with skills in particularly metal sector (auto)
- Total number of graduated engineers in Bosnia and Herzegovina is app.1000 per annum (according to the statistical agencies)

It should be taken in to a consideration that Bosnia and Herzegovina has all the parameters important for successful investment advantages related to:

- Modern technology manufactories and innovations
- Know-how knowledge
- Available production capacities (Sarajevo, Mostar, Banja Luka, Zenica, Tuzla, Bileća, Mrkonjić Grad etc.)
- Prospective auto components supply chain and access to the new markets
- Signed bilateral and multilateral trade regimes and free trade agreements
- Subventions for export oriented companies and those that employ domestic labour force
- Tax exemptions under special conditions.
- Main activities of auto components manufacturers in Bosnia and Herzegovina
- Engines - gears and their parts
- High/quality metal precision parts and systems

- Pumps and filters
- Automotive electric parts (signals, relays, electronic switches)
- Textile and leather products
- Plastic injection parts
- Aluminium wheels and car batteries
- Small parts such as springs, screws, hoses and metal, rubber and plastic components.

FDI IN AUTOMOTIVE SECTOR

Bright sample of the fast expansion and good innovation supported through the cooperation with the great European manufacturers where some of the contractual segments were awarded to bh strongest investors such as Prevent Group, Mann Hummel, Car Trim, Jajce Alloy Wheels, Emka, Veritas Automotive, etc.

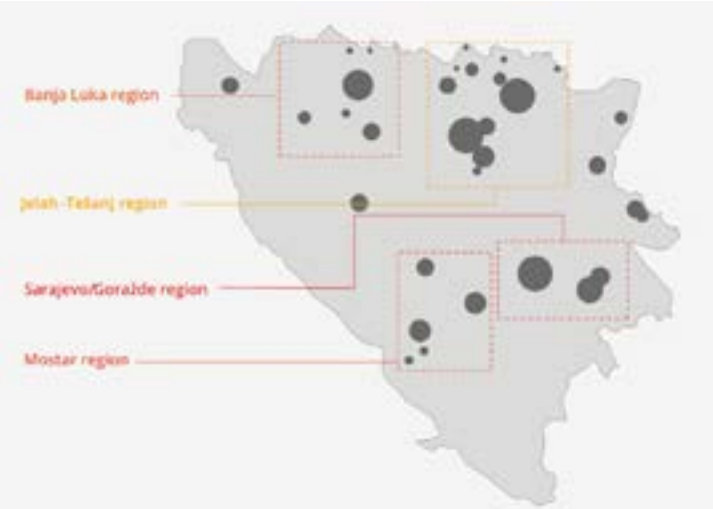
The list of the foreign investment companies in to auto sector made by FIPA

| Company                            | Foreign investor / origin country | Foreign Investor                |
|------------------------------------|-----------------------------------|---------------------------------|
| Emka and Emka Bekto d.o.o. Goražde | Germany                           | Emka Group                      |
| Cimos BiH Gradačac, Novi Travnik   | Slovenia                          | CIMOS Group                     |
| Jajce Alloy Wheels d.o.o. Jajce    | Luxembourg                        | Eubrowheels S.A.                |
| Mann Hummel doo d.o.o. Tešanj      | Germany                           | Mann+Hummel                     |
| FAD d.d Jelah                      | Slovenia/Germany/BiH              | Prevent Group                   |
| Wagner Automotive d.o.o. Gradacac  | Switzerland                       | Wagner AG                       |
| Remus@Sebring Holding              | Austria                           | Remus Holding GmbH              |
| Preis Usora                        | Austria                           | Jagersberger Gesellschaft m.b.H |
| Aft Bosnia d.o.o. Živinice         | Austria                           | Siegfried Sickinger             |

Geographical distribution of BiH automotive companies is presented in the following figure. The size of a circle represents a combination of workforce size and income of all automotive companies in one municipality

Four major regions may be identified with the highest concentration of automotive companies:

1. Jelah – Tešanj – Gradačac (North-East),
2. Banja Luka – Laktaši (North-West),
3. Mostar – Široki Brijeg (South),
4. Sarajevo – Goražde (East)



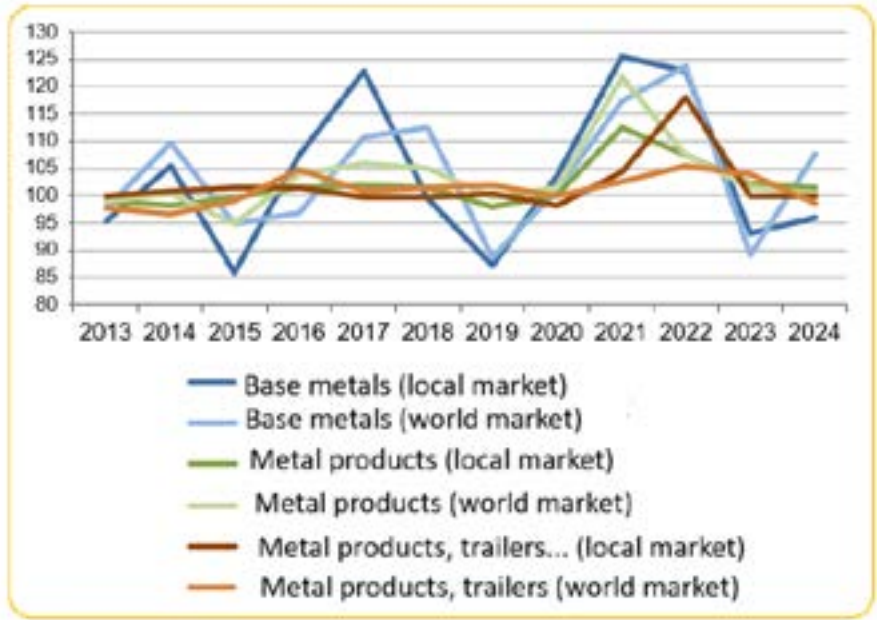
AUTO COMPONENTS PRODUCTION

In the recent decade, the automotive industry has experienced dynamic development and became strongly export-oriented. An average of 90% of production is exported, mostly to the EU countries. The supporting infrastructure includes governmental institutions, education system, research and developing institutions. Significant potential is in the availability of specialized and professional workforce with the experience in metallurgy, electrical and automotive engineering.

B&H automotive industry is still under its real potentials when it comes to the company numbers, but these companies are for sure some of the fastest growing and most developed ones related to the technology, management and organization. The majority of these companies have permanent and stable buyers. Almost all the companies have stable market share and constant growth in sales and income (from 3 to 20% at yearly basis). The economic power of automotive companies is significant and it is one of the driving forces of B&H’s economy despite temporary temptations at the market. It is almost entirely export-oriented, meaning that only a small share of automotive industry parts and components are placed at the local market.

Business within the sector will certainly be conditioned by demand, prices on the world market, as well as the technological capacities of domestic companies. The current topic is the implementation of CBAM for exporters from Bosnia and Herzegovina. CBAM is a mechanism of the European Union (EU) that selects carbon leakage by moving production to a country with more lenient environmental standards. From January 1, 2026, it becomes mandatory for EU importers of cement, iron, steel, aluminum, fertilizers, electricity and hydrogen from outside the EU, who will have to buy a CBAM certificate for increasing CO<sub>2</sub> emissions. CBAM works in parallel with the ETS, ensuring that imported goods are subject to the same environmental standards. Although the obligation is formally on the importers, it is expected that the cost will be transferred to BiH. exporters, reducing their competitiveness in the EU. Products from the sector initially covered by CBAM in 2023 accounted for about 15% of total exports from Bosnia and Herzegovina to the EU.

Prices index in domestic and foreign market



Source: BH Statistic Agency , manufacturing prices index

HUMAN RESOURCES AND EDUCATION

Human resources with technical skills and expertise are the most favourable advantage for investing in Auto components sector in Bosnia and Herzegovina. Educated and skilled labour force is still abundantly available throughout the country particularly for the automotive and metal processing industry.

Another advantage of B&H is the high density of research and development institutes that presents initial base for effective cooperation in between the companies meeting their development needs. On the other hand, a rise in the number of employees has been registered within all other MP sub-segments, except for the manufacture of Other Transport Equipment, which brightens the overall labour market framework for the MP industry in 2022/23.

Next table shows average wages in auto/metal processing sector

| Average monthly wages per employee in B&H | Net wage KM |       |       |                     | Index | Gross wage KM |       |                     | Index |
|---|-------------|-------|-------|---------------------|-------|---------------|-------|---------------------|-------|
|   | 2022        | 2023  | 2024  | <div>20242023</div> | 2022  | 2023          | 2024  | <div>20242023</div> |       |
| TOTAL average                             | 1,122       | 1,263 | 1,381 | 109.4               | 1,723 | 1,947         | 2,138 | 109.8               |       |
| Manufacturing industry                    | 883         | 1,004 | 1,115 | 111.1               | 1,312 | 1,499         | 1,670 | 111.4               |       |

Source: BH Agency for statistics

Within the group of companies involved in auto components supply at present, the majority is in metal processing - over 70-75% and plastics - about 15-20%.

Certain number operates in electrics, electronics, and a few in other segments of automotive supplies, such as filters, batteries, spark plugs, fuses and rubber parts.

According to the data from BH Agency for statistics, at the end of 2022 total number of active metal processing companies was 2567 (with a tendency of increase) plus app.2000 companies producing fabricated metal products.

Education system and universities (27 in total) of mechanical and other related sciences exist and having proved successes in cooperation with the companies in metal and automotive sector in previous years. Especially the faculties of mechanical engineering co-operate closely with the local companies of the automotive supplier industry.

Significant potential is in the availability of specialized and professional workforce with the experience in metallurgy, electrical and automotive engineering.

CONCLUSION: Within the framework of automotive sector based on previously mentioned issues upon the sector, the activities of foreign investors are expected as well as significant increase in that field of work.

Projects of the automotive industry available at the following link:

<http://www.fipa.gov.ba/investinbih/automotive%20sector.htm>

AUTOMOTIVE SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA:

- 1. Purifiers and Filters, Nova Tvornica Precistaca Rogatica
- 2. Saraj Komerc, Gornji Vakuf Uskoplje





## MILITARY INDUSTRY IN BOSNIA AND HERZEGOVINA

The military production industry is potentially one of the most important branches of the BH industry. Our industrial products are highly esteemed throughout the world respecting international standards present in this kind of production.

Currently, military production is organized in more than 50 companies and produces a wide range of armaments and military equipment including:

- Various military, industrial, and initiating explosives and chemicals
- Primers, Detonators, Pyro-cartridges, Igniters, and fuses
- All types of ammunition and bullets for small arms, mortars, artillery, tanks, rockets, and aircraft bombs
- All types of weapons (except small arms) & military equipment (mortars, artillery, tanks, tracked vehicles, general and special purpose wheel vehicles, multiple rocket launchers, and aircraft)
- Other military and protective equipment
- Research & development, design, transfer of knowledge & know-how

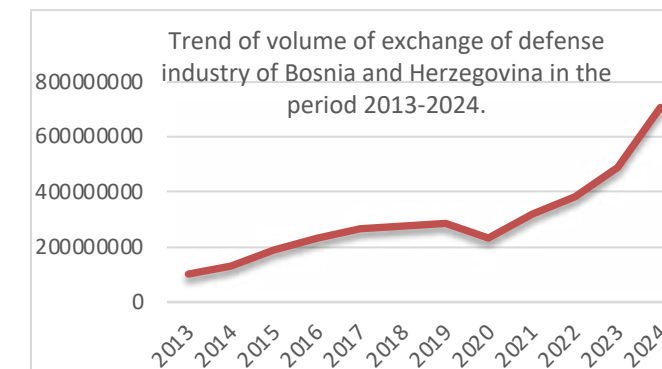
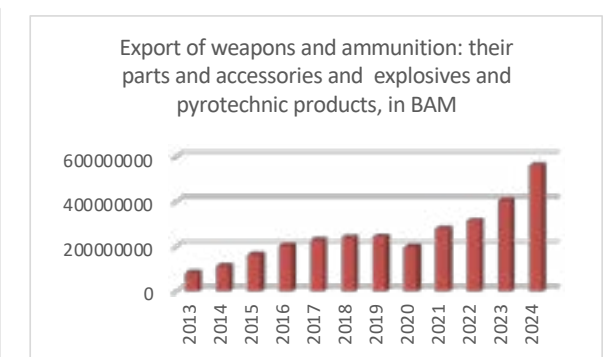
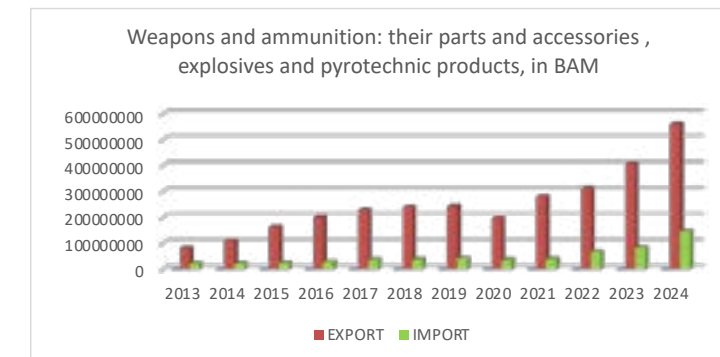
This sector made big progress in production in the last few years and recorded a significant increase in employment, and it is planned to continue to increase the scope of business. Last two years, B&H's military

industry has experienced a rebirth with the introduction of several important inventions and products. Today's data show that we have more than 5.000 employees in this industry. The capacities of existing companies are fulfilled and looking for further investments in expanding capacities and/or a new production program to improve export results.

The average monthly net salary per employee in Bosnia and Herzegovina in 2024 was 1.430 BAM (731€). Within the manufacturing industry, the average net salary in BiH for 2024 was 1.159 BAM (593€), but salaries in the metal and electrical industry are slightly above the average in the manufacturing industry (data from the BiH Statistics Agency).

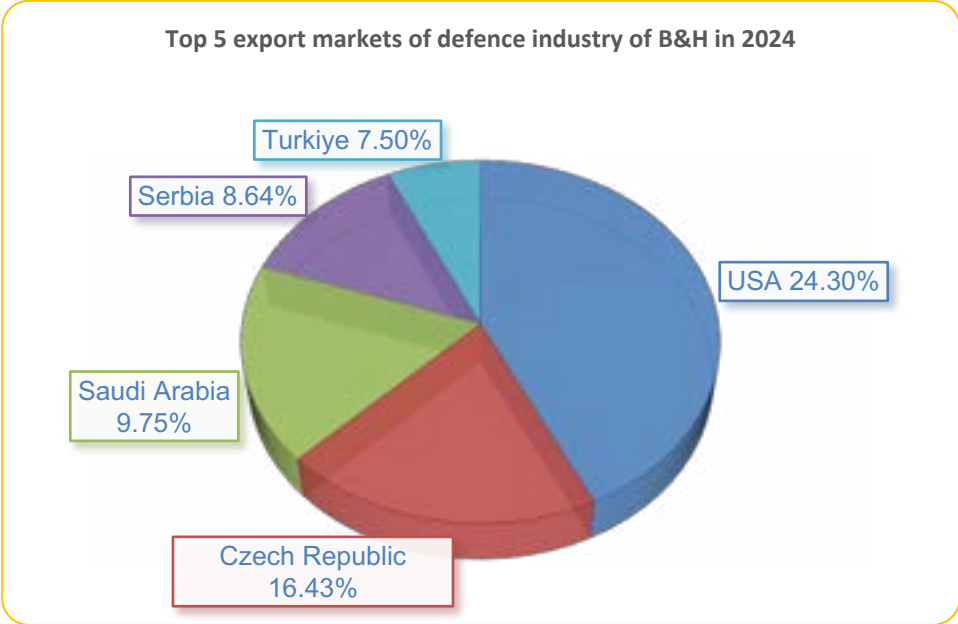
The defense industry is among the five industries that achieve the best results in B&H when it comes to foreign trade. According to the Foreign Trade Chamber of Bosnia and Herzegovina, in 2024, Bosnia and Herzegovina exported weapons, ammunition, and explosive and pyrotechnic products for 561.501.223 BAM (+37,6%). In the same period, we imported 146,2 million BAM (+76,7%). Exports were higher by 153 million BAM compared to 2023, and imports by 63.4 million BAM. Last year was the best year in the history of Bosnia and Herzegovina's defense industry in terms of export results.

The primary export products include: ammunition and explosives (over 65%), military weapons and components (approximately 7%), gunpowder, and detonating fuses (more than 27%).



Source: Foreign Trade Chamber of Bosnia and Herzegovina

The fact that Bosnia's military industry's products are marketed in almost 50 countries and on all continents shows that this industry is export-oriented and that every market is important and interesting. The USA remains the main buyer of Bosnian and Herzegovina's military equipment, European countries (Czech Republic, Slovakia, Bulgaria, Germany, Poland) are increasingly participating in the purchase of Bosnian military equipment. The Middle East remains an important partner (Saudi Arabia, Iraq, Egypt), and the Asian market is growing, with India, Indonesia, Bangladesh, and the Philippines as new export markets. Most imports come from Serbia (41.59%) and Croatia (18.54%), which indicates regional connections in the military industry.

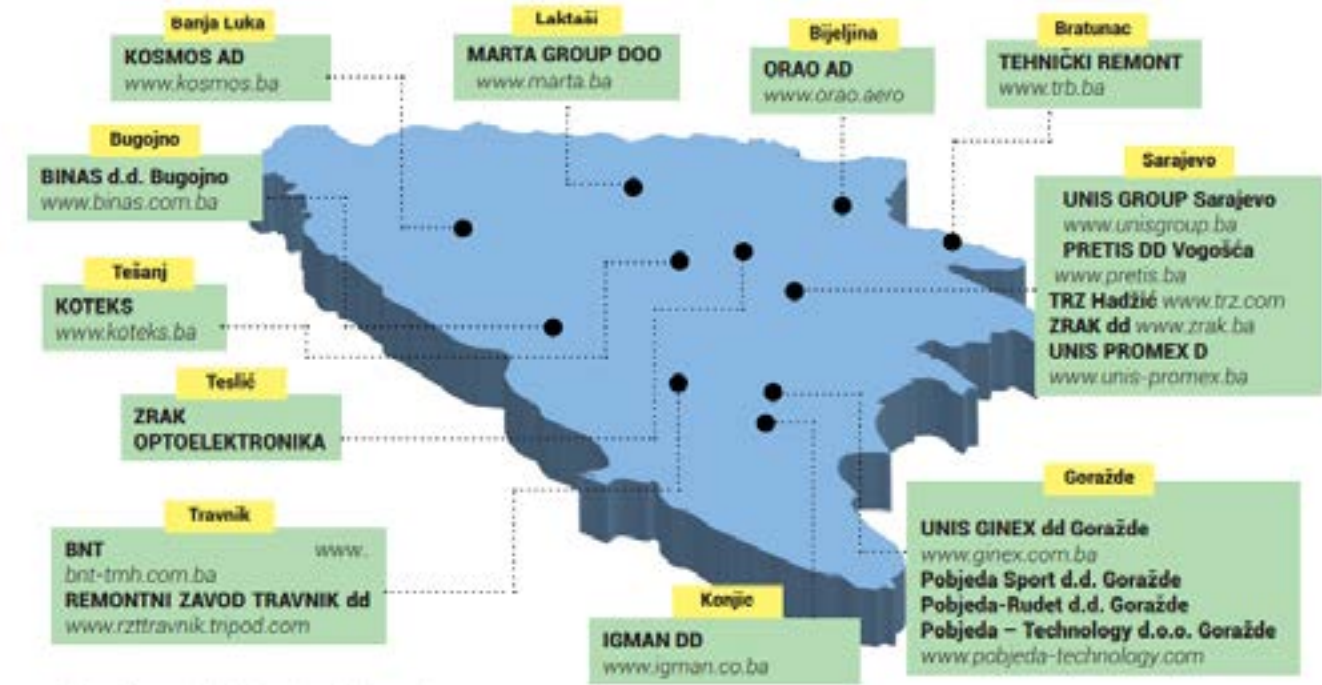


Source: Foreign Trade Chamber of Bosnia and Herzegovina

According to data from the Indirect Taxation Authority of BiH, exports of weapons and military equipment from Bosnia and Herzegovina in 2024 reached nearly 7 million kilograms. The largest share, at 6.7 million kilograms, was comprised of military ammunition, followed by military weapons and equipment parts. This data indicates a significant increase compared to the previous year when approximately 5 million kilograms of weapons were exported.

KEY B & H MILITARY INDUSTRY COMPANIES

Currently, military production is organized in more than 50 companies with a large number of subcontractors, basing its production on domestic resources in 90% of cases. The most successful enterprises from this industrial branch are from the Federation of B&H. According to the volume of operations, export and the number of employees, companies that should be mentioned are IGMAN d.d. Konjic - [www.igman.co.ba](http://www.igman.co.ba); UNIS GINEX d-d Goražde - [www.ginex.com.ba](http://www.ginex.com.ba); PRETIS d.d. Vogošća- [www.pretis.ba](http://www.pretis.ba); BNT- Mashine and hydraulics factory Novi Travnik - [www.bnt-tmh.com.ba](http://www.bnt-tmh.com.ba), POBJEDA – TECHNOLOGY d.o.o. Goražde ( <http://www.pobjeda-technology.com>). Regarding the military industry in the Republic of Srpska, it is important to mention three plants: Orao a.d. Bijeljina ( <http://www.orao.aero/>), Kosmos a.d. Banja Luka ( <http://www.kosmos.ba/Lat/Index.html>) and Tehnički Remont Bratunac (TRB) ( <http://www.trb.ba/>), ZRAK-DKS d.o.o.Teslić ( <https://zrak-dks.com/> ), Medisal d.o.o. Istočno Novo Sarajevo, XPULS d.o.o. Banja Luka, Matra group d.o.o. Laktaši, Optik Arms d.o.o. Teslić ( <https://www.optikarms.com/> ) and others



Map of companies in Bosnia and Herzegovina



## INVESTMENT OPPORTUNITIES AND SUCCESSFUL STORIES

Investment opportunities in the Military Industry are multiple, such as buying a share in the industry companies, buying companies in the privatization process („Kosmos“ a.d. Banja Luka, „Orao“ a.d. Bijeljina), joint cooperation in the development of new products and joint appearance on third markets. Strategic partners are essential for the development of the military production industry. It would be of greater importance to realize foreign investments up to the legally stipulated rate of 49% or even above if it is approved by the competent body of Bosnia and Herzegovina.



Despite before mentioned potentials and experience, all military sector companies are seeking significant modernization and upgrading of existing production programs through the introduction of new technologies, new production equipment, and enlargement of markets, which require substantial capital investments, which this industry cannot afford at this moment.

For this reason, the military sector is interested in the establishment of strategic partnerships with strong foreign partners, which could enable successful and profitable implementation of modernization and development programs, through joint ventures, PPP, or other suitable arrangements.

Last few years, B&H's military industry has experienced a rebirth with the introduction of several important inventions and products. At the beginning of the year 2017, has started the production of the first BH howitzer. After that, B&H's company also successfully produced the first BH hand rocket launcher that passed all NATO tests in the second half of 2017. At the same time, the prototype of the BiH rifle was made in six models as well as the first BH pistol. In 2018, TRB company introduced a new product - the Despot armored vehicle. Despot is designed to carry out a vast range of missions from police units to armed forces. The TRB is owned by the South African “ELW GLOBAL” which mentioned the vehicle - Despot presented at the „International Defence Exhibition and Conference“ (IDEX) Fair in Abu Dabi in February 2019.

For the next period, there are plans to expand the existing production and supply. One of the novelties is the development of algorithms and software used to control drones (TRB).

The defense industry company “IGMAN” d.d. Konjic ceremoniously signed two new contracts worth 80 million KM at the “World Defense Show 2024” defense industry fair held in Saudi Arabia.

In 2024, were announced the purchase of shares in the companies Pretis d.d. Vogošća and Binas d.d.

Bugojno. The new owner of part of the capital in the aforementioned companies is the American company SITKO ACQUISITION LLC. Leading companies in this industry have announced an increase in the number of employees.

In 2025, the Vihor multipurpose armored vehicle of the Bratunac Technical Repair Institute was presented at the most prestigious IDEX arms fair in Abu Dhabi. The institute stated that the Vihor vehicles were sold to the United Arab Emirates after successfully achieving the best results in the LTV class on summer trails in competition with the best and largest manufacturers in the world were in competition.

This is just a part of the success stories that both, public and private, companies in the B&H industry are realizing. In the upcoming period, we expect the opening of a new factory, as well as many other innovations and achievements in the military sector in B&H.

Foreign investors also recognized the importance and investment opportunities of B&H's military industry and invested money in some of the existing companies (Serbia, Turkey, USA, etc.).

### MILITARY SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA :

1. Orao, Bijeljina

## ICT AND BPO IN BOSNIA AND HERZEGOVINA

### WHY INVEST IN BIH ICT AND BPO SECTOR

- ICT is an emerging sector in Bosnia and Herzegovina
- The continued availability of high-quality engineering and science graduates at Bosnia-Herzegovina colleges and abroad
- A competitive cost environment
- Investing in Bosnia and Herzegovina's ICT sector presents a doorway to Southeast Europe
- Bosnia-Herzegovina must be EU compatible
- Ambitious plans related to the overall development of BIH, requiring a large-scale development of ICT infrastructure and ICT sector as whole
- Availability of basic ICT infrastructure
- Availability of a number of small IT companies
- Cultural affinity

Bosnia and Herzegovina's ICT sector has started to flourish during the past few years and represents one of growth area in the economy of the country.

### BUSINESS PROCESS OUTSOURCING INDUSTRY GROWTH

In the past decade, the business services sector in Bosnia and Herzegovina has emerged as the country's fastest-growing industry. This thriving sector is a key catalyst driving sustainable growth in Bosnia and Herzegovina, particularly in the Sarajevo Canton. Foreign investments are attracted to this sector, capitalizing on strategic advantages such as a favourable geographical position, a skilled workforce, cultural adaptability, and resilience, collectively contributing to the country's economic development. Emerging

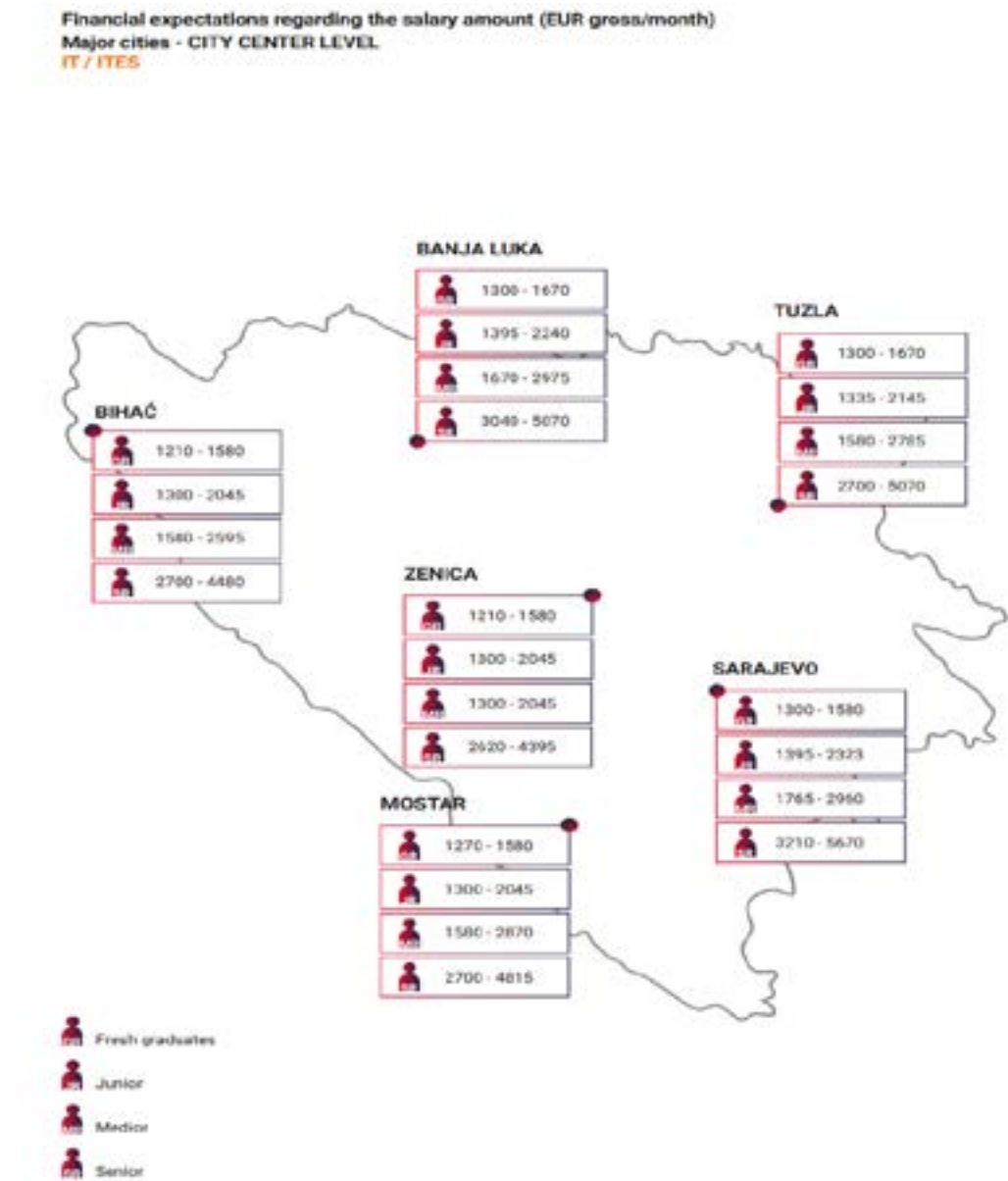
European markets, such as Bosnia and Herzegovina, are increasingly becoming attractive locations due to global economic, social, and geopolitical shifts.

ABSL is the leading organization that represents the business services sector in Bosnia and Herzegovina. It brings together high-profile companies that operate as Shared Services Center (SSC), Business Process Outsourcing (BPO), Information Technology Outsourcing (ITO), Research and Development (R&D) service providers.

HUMAN CAPITAL

Bosnia and Herzegovina possesses a growing labour force skilled in various aspects of ICT design, management, and applications. Young, educated and innovated workers from BiH are participating in international project and companies.

It is estimated that at present there are 6.500 programmers in Bosnia and Herzegovina. IT engineers from BiH, in terms of their knowledge, skills, experience and insight into modern trends, are frequently ahead of their colleagues in other European countries.



Source: ABSL BiH

OFFICE MARKET

Recent years have seen an upturn in the quality of available business premises, with both new construction and refurbishments in prime city locations.

| Country                      | Prime rents<br>per m²m² | Office stock | Office stock<br>m²/per<br>capita | Pipeline m² | Pipeline<br>m²/per<br>capita |
|------------------------------|-------------------------|--------------|----------------------------------|-------------|------------------------------|
| BiH,<br>Sarajevo             | €14-18/m²               | 140,000 m² * | 0,51 m²                          | 34,600 m²   | 0,13 m²                      |
| Poland,<br>Warsaw            | €27,5/m²                | 6,265,000 m² | 3,37 m²                          | 209,000 m²  | 0,11 m²                      |
| Czech<br>Republic,<br>Prague | €27/m²                  | 3,805,000 m² | 2,98 m²                          | 184,000 m²  | 0,14 m²                      |
| Croatia,<br>Zagreb           | €15-18/m²               | 1,500,000 m² | 1,95 m²                          | 94,000 m²   | 0,12 m²                      |
| Bulgaria,<br>Sofia           | €15/m²                  | 2,444,000 m² | 1,95 m²                          | 292,110 m²  | 0,23 m²                      |
| Slovenia,<br>Ljubljana       | €16-19/m²               | 1,500,000 m² | 5,08 m²                          | 61,500 m²   | 0,21 m²                      |
| Serbia,<br>Belgrade          | €15-17/m²               | 1,120,000 m² | 0,94 m²                          | 230,000 m²  | 0,19 m²                      |

\* Modern office stock (Class A & B); actual stock is much larger because it consists of apartments and properties converted to office spaces

Source: ABSL in Bosnia and Herzegovina



TEXTILE, CLOTHING, LEATHER AND FOOTWEAR  
INDUSTRY IN BOSNIA AND HERZEGOVINA

Bosnia and Herzegovina has a long tradition and a good international reputation in textiles, clothing and footwear industry. B&H has achieved progress in modernizing its production units and introducing new technologies aimed at becoming part of the global market. B&H has a number of experienced and skilled workforces with both, academic and practical experience. The proximity of B&H to both Western and Eastern European markets is a major asset. B&H has the potential to attract companies wishing to relocate closer to their main markets, able to provide a short product delivery cycle to European retailers. B&H textile and clothing industries have inherent skills, and good reputations as suppliers of textile and footwear based consumer products to the German and Italian markets of the European Union (EU). New partnerships are bringing in new equipment and management know-how, as well as money, to those companies that have already been privatized. According to the data during 2024, that industry had 1 419 active companies and about 30.000 workers, of which 17000 in the FBiH and 13,000 in the RS.

Competitive advantages of the B&H textile industry are:

The textile and leather industry has a long tradition in Bosnia and Herzegovina. There are numerous experts in this field that can be hired. The cost of labor is very low and this attracts foreign companies that move their entire production to Bosnia and Herzegovina. They do so-called “lohn” jobs, and an example of such



is “Bontex” Maglaj, which exports 100% of its production to Switzerland. Another positive example is the company “Kotex” from Tešanj. In addition to the program for foreign customers, they also have their own fashion line for the production of leather goods. Many private companies have employed a large number of workers in the last few years.

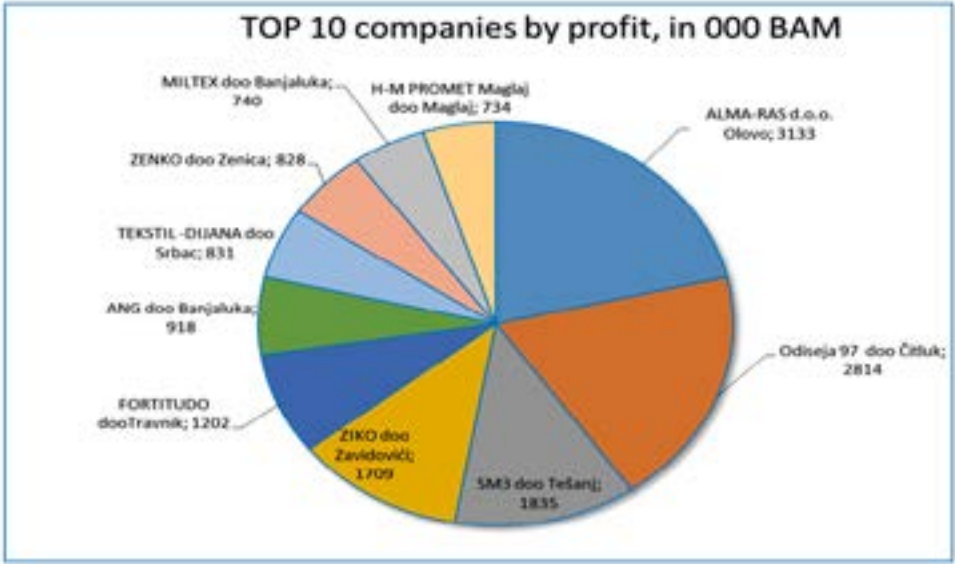
**REASONS TO INVEST OF THE B&H TEXTILE INDUSTRY ARE:**

- Long tradition of clothing and footwear production
- Good reputation as supplier to the German and Italian markets
- Low labor cost
- Inherent skills in spinning, weaving and knitting in the workforce
- Proximity to major world textile markets
- Development of SME’s

**INVESTMENT OPPORTUNITIES**

The need to follow of design and technology trends, in the world market, caused the privatization processes in companies who operate in this sector; and there are many success stories achieved through privatization. In Bosnia and Herzegovina there are still several companies to be privatized. Great opportunities for investment are also the companies in bankruptcy who seeking for investors. Strategic location and proximity of B&H to both Western and Eastern European markets, as well as the low production costs offers the opportunity for relocation of production into the Bosnia and Herzegovina and export of goods to the Western countries.

**TOP 10 COMPANIES BY PROFIT**



**OPPORTUNITIES FOR FURTHER GROWTH:**

The biggest problems (as well as investment opportunities) faced by companies operating in this area are the inevitability of significant INVESTMENTS in:

- EQUIPMENT (technological development)
- PERSONNEL (employee education) and
- MARKET (information on the needs of domestic and international markets).

**TEXTILE SECTOR PROJECTS IN B&H :**

1. Tannery, Bugojno
2. Expanding Product Placement and Product Range, Laktasi
3. Mattresses Production Plant and Raw Materials Malo Blasko Laktasi

**OTHER SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA**

**REAL ESTATE SECTOR IN B&H :**

- |   |   |
|---|---|
| 1. Underground public garage at Ciglane, Sarajevo               | 10. Residential, Business and Shopping Centre Sigma, Sarajevo |
| 2. Multifunctional Sports Hall with Indoor Swimming Pools Brcko | 11. Trading Centre, Vmc Mall, Sarajevo                        |
| 3. Resort Bor Nisici Vares                                      | 12. Vares Resort  |
| 4. Bus Station Brcko  | 13. Panorama Hills Resort Hadzici                             |
| 5. City Market Breza  | 14. Green Market Vares  |
| 6. Business and Shopping Center in Brijesce, Sarajevo           | 15. Center For Health - Palliative Care Zenica                |
| 7. Zavidovici Resort  | 16. Underground Garage Loris Novo Sarajevo                    |
| 8. Detached Houses in Vitkovac, Sarajevo                        | 17. Underground Garage Hrasno Novo Sarajevo                   |
| 9. Market With Underground Garage, Jajce                        | 18. Underground Garage Kovacici Novo Sarajevo                 |
|   | 19. Underground Garage Malta Novo Sarajevo                    |

**INNOVATIONS SECTOR IN B&H :**

- |   |   |
|---|---|
| 1. Accessory Machine for Monophasic Complex Agro Technology           | Parts on Vehicles   |
| 2. Electrical Induction Power Supply Unit                             | 10. New Configuration for usage of solar cells                        |
| 3. Gas Power Plant Tesla 5 Mw   | 11. Progressive Load Regulation Mechanism at Exercise Machines        |
| 4. Electric Helicopter and Drones                                     | 12. Seawater Distillation Apparatus Combination with Renewable Energy |
| 5. Device for Ball Airbags on Vehicles                                | 13. Straight a Life   |
| 6. E387 Production of World Class Electric Vehicle Charging Solutions | 14. System for Flood Prevention II                                    |
| 7. Hydroelectric Power Station with Hair Turbine in Running Waters    | 15. Closed Sewer System   |
| 8. Hydrogen Pellet Ecoterm as Alternative Fuel                        | 16. Tesla Three Phase Hybrid Internal Combustion Engine               |
| 9. Malfunction of Electrical and Electromechanical                    | 17. Traffic Sign of Black Spot  |

- 18. Pulse Detonation Jet Engine, Vujin
- 19. Vibrer Tire, Mostar
- 20. Device and Method for Splitting Water

OTHER SECTORS IN B&H :

- 1. Clay Exploitation, Berkovici
- 2. Cosmetics, Dietary Supplements and Medicines, Bijeljina
- 3. Eco Colour from Natural Nutrients, Cazin
- 4. Reconstruction of The Water Supply Network in The City Area Zepce
- 5. Exploitation and Production of Gypsum, Foca Ustikolina
- 6. Cement Factory, Gacko
- 7. The Quarry of Diabase, Granite and Marble in Visegrad
- 8. Track Machinery For Construction and Maintenance of Railways in FBiH
- 9. Greben Quarry, Kakanj
- 10. Led Lighting and Motherboard Manufacturing, Sarajevo
- 11. Hadzici Quarry, Sarajevo
- 12. The Railway Track Overhaul - Section Podlugovi

- 21. Cubic Style - Ecological Hi-Tech Solar Kiosk
- 22. Enigma-Z, Protection System With Electric Code Cloning
- 13. Kaoline And Feldspat, Srbac
- 14. Mostar Quarry, Mostar
- 15. Bosnia Airlines Sarajevo
- 16. Construction of a New Health Center Building with an Inpatient Unit Zepce
- 17. Automation of The Operation of The Drinking Water Filter Stations Zepce
- 18. Perfumery and Cosmetics, Zenica
- 19. Compost Plant for Biodegradable Waste, Gradiska
- 20. Production of Mineral Stone Wool and Technical Building Stone, Kostajnica
- 21. Regional Business - Tourist Airport Golubic, Bihac
- 22. Bosnia Airlines Sarajevo
- 23. Stone Wool, Mrkonjic Grad
- 24. The Railways Tracks Overhaul, Doboj - Maglaj and Jelina - Zenica

- 27. Ciglana - Gliniste, Tesanj
- 28. Business Zone Bregovi, Vlasenica
- 29. Bukva - Vila, Tesanj
- 30. Industrial Zone Hrenovica, Pale Praca
- 31. Entrepreneurial And Crafts Zone “Mlin” Ustikolina
- 32. Entrepreneurial And Agricultural Zone “Cvilin” Ustikolina
- 33. Entrepreneurial and Crafts Zone “Vrbnički Potok” Ustikolina
- 34. Entrepreneurial and Crafts Zone “Njuhe”, Ustikolina
- 35. Business Zone Termoelektrana, Stanari
- 36. Business Zone “Drinski Korpus”, Vlasenica
- 37. Business Zone Gorincani, Bosanski Petrovac
- 38. Industrial Zone Semizovac Vogosca
- 39. Business Zone Gornji Logor Kalinovik
- 40. Industrial Zone Knezevo
- 41. Business Zone 1, Brod
- 42. Industrial Zone Bosanska Krupa
- 43. Industrial Zone Neobarje Novi Travnik
- 44. Business Zone Mravici, Doboj Jug
- 45. Business Zone Matuzici, Doboj Jug
- 46. Business Zone Brda, Livno
- 47. Business Zone Karuse, Doboj Jug
- 48. Kamenica Business Zone, Bihac
- 49. Industrial Zone Aleksandrovac, Laktasi
- 50. Vucilov Brig, Tomislavgrad
- 51. Business Zone Donja Golubinja, Zepce
- 52. Business Zone Xp, Zepce
- 53. Business Zone Jadar, Zvornik
- 54. Tourist Zone Ravna Romanija, Sokolac
- 55. Business Zone Sjever, Odzak
- 56. Business Zone Golijesnica, Zepce
- 57. Business Zone Ljeskovica, Zepce
- 58. Business Zone Radovlje
- 59. Business Zone Rajlovac, Novi Grad Sarajevo
- 60. Business Zone Begov Han, Zepce
- 61. Industrial And Business Zone Livade, Foca
- 62. Industrial - Business Zone Sitnesi, Srbac
- 63. Industrial-Business Zone Crnaja, Srbac

- 64. Industrial Zone Sejkovaca, Sanski Most
- 65. Podbrdo, Mrkonjic Grad
- 66. Business Zone Banja Luka
- 67. Industrial Zone Velagici, Kljuc
- 68. Business Zone Begovaca, Livno
- 69. Business Zone Sljunkara, Jablanica
- 70. Business Zone Jug Livno
- 71. Business Zone Elektrometal, Cazin
- 72. Dusine Business Zone, Orasje
- 73. Business Zone” Zviriči”, Ljubuški
- 74. Rrc Južni Logor, Mostar
- 75. Tourist Zone Kaludjerica, Petrovo
- 76. Bacici, Sarajevo
- 77. Business Zone Petrovo, Petrovo
- 78. Zrak, Sarajevo
- 79. Sockovac, Petrovo
- 80. Gajevi, Mostar
- 81. Entrepreneurial Zone, Modriča
- 82. Mostarska Vrata, Ljubuški
- 83. Lipova Greda, Kozarska Dubica
- 84. Soko, Ljubinje
- 85. Polje, Travnik
- 86. Biletići - Blizanci, Čitluk
- 87. Misurići, Maglaj
- 88. Business Zone Vlake, Posušje
- 89. Rupe Kupres
- 90. Blizne Gomile, Čitluk
- 91. Kovači, Tomislavgrad
- 92. Liješnica, Maglaj
- 93. Tromeda, Čitluk
- 94. Vicanov Brig, Posušje
- 95. Pc 96 Vitez
- 96. Industrial Zone Polja, Žepče
- 97. Hodovo, Stolac
- 98. Poljice, Maglaj
- 99. Business Zone Kilavci, Nevesinje
- 100. Žabljak, Usora
- 101. Potkraj-Bretex, Breza
- 102. Maglić, Foča
- 103. Jelovac-Tukovi, Maglaj
- 104. Topala, Posušje

INVESTMENT LOCATIONS

BUSINESS ZONES

- 1. Business Zone Malo Blato Domaljevac Samac
- 2. Business Zone Veliko Blato Domaljevac Samac
- 3. Business Zone Grlica, Istочно Sarajevo
- 4. Business Zone Vatrene Mlin, Bosanska Krupa
- 5. Business Zone Liman Gradiska
- 6. Economic Zone Nova Topola, Gradiska
- 7. Business Zone Zdena Sanski Most
- 8. Business Zone Sas Breza
- 9. Business Zone Rasadnik Livno
- 10. Industrial Zone Borje
- 11. Business Zone Svila Celinac
- 12. Business Zone Bare Celinac
- 13. Business Zone Cajavec Celinac
- 14. Business Zone Pirometal - Interplet Brcko
- 15. Business Zone Donji Rahic - Ulovic Brcko
- 16. Business Zone Brezovo Polje Brcko
- 17. Business Zone Brdo Sterac
- 18. Business Park MCGovern Brcko
- 19. Business Zone Volujac Trebinje
- 20. Industrial Zone Lanara Teslic
- 21. Business And Tourism Zone Vijaka Prnjavor
- 22. Business Zone Ramici, Banja Luka
- 23. Industrial and Business Zone Famos, Koran
- 24. Free Industrial Zone II Gradacac
- 25. Business Zone Vuckovci Gradacac
- 26. Industrial and Business Zone Prnjavor Vares

- 105. Baljevo Polje, Foča
- 106. Arnautovici Ozrakovići, Visoko
- 107. Resnik, Kreševo
- 108. Zenica 1
- 109. Poljavnice, Novi Grad
- 110. Batuski Lug, Gornji Vakuf-Uskoplje
- 111. Rudnik Mrkog Uglja Breza

POTENTIAL BUSINESS ZONES

- 1. Potential Business Zone Zona Brka – Gajine Brcko
- 2. Potential Business Zone Zona Boderiste Brcko
- 3. Potential Business Zone Razljevo Brcko
- 4. Potential Business Zone Krepsic Brcko
- 5. Potential Business Zone Gredice- Kobilic Brcko
- 6. Potential Business Zone Gredice – Gaj Brcko
- 7. Potential Business Zone Donji Rahic – Ulovic Brcko
- 8. Potential Business Zone Bukvik - Jug 1 Brcko
- 9. Industrial Zone 4, Bijeljina
- 10. Industrial Zone “Kula - Zeban”, Vlasenica
- 11. Potential Business Zone Lendici, Jajce
- 12. Potential Business Zone Bravnice, Jajce
- 13. Potential Zone Skele, Brod
- 14. Potential Business Zone Prudi, Jajce
- 15. Potential Business Zones, Brod
- 16. Business Zone Jug Zenica
- 17. Business Zone Sjever Zenica
- 18. Potential Business Zone Kreka Sjever, Tuzla

- 112. Srednja Omanjska, Usora
- 113. Industrial Zone Donji Vakuf
- 114. Osrdak, Posušje
- 115. Unis, Konjic
- 116. Počulica-Šljivčica, Vitez
- 117. Bugojno 1
- 118. Industrial Zone 6, Derventa

- 19. Potential Business Zone Ripac, Bihac
- 20. Potential Business Zone Sip, Sarajevo
- 21. Potential Business Zone Kula Banjer, Visoko
- 22. Svilaj 1, 2, 3 Odzak
- 23. Potential Business Zone Kaline Berkovici
- 24. Potential Business Zone Enterijer Kotorsko, Dobo
- 25. Business Zone” Vranješ”, East Sarajevo
- 26. Jahorinski Potok, Pale
- 27. Trnovo 1, Trnovo
- 28. Podromanija, Sokolac
- 29. Dugo Polje, Kiseljak
- 30. Rasadnik, Goražde
- 31. Banjersko Polje, Visoko
- 32. Business-Industrial Zone Pelagićevo
- 33. Dobrinje, Visoko
- 34. Donje Telalovo Polje, Sarajevo
- 35. Bare, Kakanj
- 36. Vojkovici, Istočna Ilidza

FREE ZONES

- 1. Free Zone Vogošća, Sarajevo
- 2. Free Zone Hercegovina, Mostar
- 3. Free Zone Visoko, Visoko
- 4. Free Zone Holc Lukavac
- 5. Free Zone Trebinje (in progress)

BUSINESS BUILDINGS

- 1. Business Building Lucky Trade, Cazin
- 2. Business Building Nova Bila Travnik
- 3. Hotel Euro Odzak
- 4. Production and Business Building Ekonomija Zavidovici
- 5. Business Production and Storage Buildings Aleksandrija Zvornik
- 6. Industrial Building, Warehouse, Production and Showroom Bts Visoko
- 7. Production, Warehouse and Schowroom Bts Visoko
- 8. Business Building Sanabel
- 9. Industrial Building Bijeljina
- 10. Industrial Building – Warehouse with Offices
- 11. Industrial Building, Business Premises, Manufacturing, Warehouse
- 12. Warehouse Bijeljina
- 13. Business Complex-Aqua City Slobomir Bijeljina
- 14. Business Warehouse Space Bijeljina
- 15. Business Premises Bijeljina – Batkovic
- 16. Business Premises Bijeljina
- 17. Business Premises Bijeljina-Dvorovi
- 18. Business Premises Dvorovi-Bijeljina
- 19. Business Premises – Industrial Building Bijeljina
- 20. Business Premises
- 21. Commercial Warehouse Space (Industrial Flour Mill)
- 22. Commercial-Residential Building in Bijeljina
- 23. Warehouses and Industrial Buildings Bijeljina
- 24. Bosna Wood Doo Vitez
- 25. Production Hall Ciljuge Zivinice
- 26. Furniture Factory Judik, Neum
- 27. Business Building “Mimi D.O.O”, Srbac
- 28. Fish Farm Zavidovici
- 29. Multi-Purpose Hall Novi Grad
- 30. Business Building Nedomex Logistika Doo Pale
- 31. Production and Business Building 12 500 m² Derventa
- 32. Production and Business Building 2 500 m² Derventa
- 33. Business Building Polje Derventa 4 800
- 34. Business Building King Visoko.
- 35. Industrial And Bussines Building Seta Zavidovici
- 36. Villa Estella Sarajevo
- 37. Standard Gradiska
- 38. Sugar Factory Bijeljina
- 39. Business Building Samac
- 40. Norbos Kozarusa Prijedor
- 41. Business Building Color Mobil Prijedor
- 42. Business Building Auto Max Prijedor
- 43. Business Building Polis Prijedor
- 44. Storage and Gas Filling Station Dmde Lukavac
- 45. Production Halls Samac
- 46. Multi-Purpose Business Facility Prnjavor
- 47. Multipurpose Business Facilities Malo Blasko
- 48. Metal Production Facility Samac
- 49. Industrial Location Ramici Banja Luka
- 50. Business Buildings Samac
- 51. Administrative Building Samac
- 52. Business Premises Bijeljina 5
- 53. Business Premises Bijeljina 3
- 54. Business Premises Bijeljina 4
- 55. Business Premises Bijeljina 8
- 56. Business Premises Bijeljina 1
- 57. Business Premises Dvorovi
- 58. Office Building Sarajevo

59. Animals Farm Obudovac Samac.Pdf

60. Multifunctional Production Facilities Laktasi

61. Multifunctional Business Facility Trn Laktasi

62. Main Metal Production Building, Former Rolling Mill in Business Zone Ramici - Banja Luka

63. Production Building, Elastik Sekovici

64. Tannery Laus, Banja Luka

65. Business Building, Kresevo

66. Business Building Centralna Radionica Vares

67. Hotel Visoko, Visoko

68. Silos Oris, Brcko

69. Business Building Gamateks, Gradiska

70. 4 Business Buildings Hrasnica, Ilidza

71. Business Building Novi Elastik, Vlasenica

72. Industrial Hall Bjelosavljevici, Sokolac

73. Production Hall “Ozren - Borovno”, Foca

74. Business Building in Kombiteks Business Zone, Bihac

75. Chicken Farm with Automatic Feeders And Drinkers, Kalenderovci

76. Gata Farm, Bihac

77. Krusevo Brdo Business Building, Kotor Varos

78. Grabovica Business Building, Kotor Varos

79. Multi-Purpose Commercial Building Ljubija Prijedor

80. Wood Industrial Complex Zeleni Jadar, Srebrenica

81. Production Plant Gusto E Sapore, Srebrenica

82. Motel Skelani, Srebrenica

83. Master Frigo, Srebrenica

84. Lovacki Dom, Srebrenica

85. Gradska Kafana, Srebrenica

86. Feros Potocari, Srebrenica

87. Factory For Concrete Elements, Srebrenica

88. Aura Hotel, Srebrenica

89. Motel Sumski Raj, Srebrenik

90. Multifunctional Production Facilities Kostajnica

91. Business Building Beton Gal Prijedor

92. Business Building Tomeks Prijedor

93. Residential, Business and Shopping Centre, Kakanj

94. Business Building for Catering, Kakanj

95. Business Centre Srebrenica

96. Motel Topalovic, East Sarajevo

97. Energoinvest Tnru, Odzak

98. Metalija Business Buildings, East Sarajevo

99. Sanus Hotel, Sanski Most

100. Production Complex for Metal Industry, Nevesinje

101. Business Building, Pelagićevo

102.Dobrun, Višegrad

103.Majop, Mostar

104. Sočkovac, Petrovo

105.Vardište, Višegrad

106. Mravići, Doboj-Jug

107.Production Facilities, Celic

108. Cultural Centre, Petrovo

109. Business Building 3xl, Mostar

110. Business Building, Ljubuski

111. Business Facility Bebi-Triko, Bihac

112. Business Building Kaonik, Busovaca

113. Textile Factory, Berkovići

114. The Former Production Facility of Composites, Mostar

115. The Former Production Facility of Helicopters, Mostar

116. The Former Production Facility of Buses, Mostar

117. Rimeco Centre, Mostar

118. Agrocentar Eko Bel, Kozarska Dubica

119. Production and Storage Building, Jablanica

120.Wood Industry Kljuc

121. Production Building, Vares

122.Ciglana, Gradiska

123.Production and Business Hall, Zepce

124.Business Buildings Turbe

125.Production and Storage Hall, Vogosca

126.Production and Business Building Stup, Sarajevo

LAND PLOTS

1. Land Plot 1 Ugljesici Vogosca

2. Land Plot 2 Ugljesici Vogosca

3. Land Plot Sanica Kljuc

4. Land Plot Tesanj

5. Land Plot Slimena, Travnik

6. Land Plot Bojnik Ilidža

7. Land Plot Luke, Bihac

8. Land Dobrljin 1 Novi Grad

9. Land Plot Ribicka Glavica, Bihac

10. Land Plot Ribic - Novo Naselje, Bihac

11. Construction Land Zepce.

12. Building Land 34 000 m² Derventa

13. Land Plot 12 000 m² Derventa

14. Open Customs Warehouse Bistarac Lukavac

15. Land Plot Lukavac 7 891 m²

16. Land Plot 17 630 m² Puracic Lukavac.

17. Land Plot Trnovo

18. Industrial Land Zivinice

19. Land Plot Samac

20. Building Land In Entrepreneurial Zone Samac

21. Agricultural Land Samac

22. Land Plot Zavidovici

23. Building Land Stari Grad Sarajevo

24. Land Plot Nisici, Ilijas

25. Building Land Pionirska Dolina 2000 m² Centar Sarajevo

26. Building Land Pionirska Dolina 8500 m² Centar Sarajevo

27. Building Land, Centar Sarajevo

28. Building Land, Sekovici

29. Building Land, Bihac

30. Building Land Sijakovo Vares

31. Building Land Binjezevo, Hadzici

32. Land Plots Within Business Zone Ramici, Banja Luka

33. Land Plot Jelsingrad, Banja Luka

34. Land Plot A Near Jelsingrad, Banja Luka

35. Construction Land Ivanica, Ravno

36. Novo Naselje Building Land Kotor Varos

37. Building Land Nearby Kotor Varos

38. Building Land Kotor Varos

39. Storehouse, Srebrenica

40. Land Plot For Sport And Recreation, Srebrenica

41. Kratine, Rogatica

42. Borac 2, Rogatica

43. Land Plot Coralici Cazin

44. Construction Land In East Sarajevo

45. Land Plot Tarcin, Hadzici

46. Land Plot Vlakovo, Ilidza

47. Building Land, Tuzla

48. Land Plot Puracic, Lukavac

49. Slatina Spa, Laktasi

50. Building Land, Mostar



## LOCAL INVESTMENT OPPORTUNITIES

1. Prijedor Invest Info
2. Investment Summary Novi Grad
3. Canton Sarajevo Investment Guide
4. Brcko\_Vodic\_Eng
5. Guide For Investors, Canton Tuzla
6. Samac\_Investment Guide
7. Investment-Guide of Zepce
8. Investment Guide- Novi Travnik
9. Invest In Maglaj Presentation 2022
10. Investment Profile of The City of Zvornik
11. Brcko\_Vodic\_Eng\_Letak\_2022
12. Brochure Lipova Greda
13. Potentials of Bijeljina
14. Invest In Zvornik
15. City of Prijedor Investors-Guide
16. Modrica - Investment Guide
17. City of Doboj, Guide for Investors
18. Bosanska Krupa Municipality, Investment Profile
19. City of Gradiska, Investment Profile
20. Kakanj Municipality, Guidelines for Investors
21. City of Bihac, Investment Profile
22. Municipality of Prnjavor, Investment Profile
23. Municipality of Centar Sarajevo
24. Travnik Municipality, Investment Profile
25. Pale, Investment Profile
26. Investment Profile, City of Banja Luka
27. Istочно Novo Sarajevo, Investment Profile
28. Grude Municipality, Investment Profile
29. Ilijas, Investment Profile
30. Investment Brochure, Ljubuski
31. Investment Brochure, West Herzegovina County
32. Investment Brochure, Siroki Brijeg
33. Investment Brochure, Posusje
34. Orasje Municipality, Investment Guide
35. City Of Zenica, Investor Guide
36. Stolac Municipality, Investment Profile
37. Derventa Municipality, Investment Profile
38. Capljina Municipality, Investment Profile
39. Vares Municipality, Investment Profile
40. Foca Municipality, Investment Profile
41. Bosnian Podrinje Canton – Gorazde, Investment Profile
42. Summary Of Potential Ppp Projects Central Bosnia Canton
43. Summary Of Potential Ppp Projects in Tuzla Canton
44. Catalog Of Medium-Term Ppp Projects, Zenica-Doboj Canton
45. Vlasenica, Investment Profile
46. Laktasi, Investment Summary
47. Stanari, Guide for Investors
48. Investment Profile, Fruits & Vegetables Sector of Fbih
49. Investment Profile, Fruits & Vegetables Sector of Rs
50. Sokolac, Investment Profile
51. Sanski Most, Investment Summary
52. Kotor Varos, Guide for Investors
53. Posusje, Investment Guide
54. Istocni Mostar, Investment Summary
55. Visoko, Investment Brief
56. Brod Municipality, Investment Brief
57. Mrkonjic Grad, Investment Summary
58. Kreševo Municipality, Guide for Investors
59. Živinice, Investment Summary
60. Srebrenik, Investment Summary
61. Tesanj Investment Brief
62. Unsko Sanski Kanton, Investment Brief

## FIPA SERVICES

The Council of Ministers of Bosnia and Herzegovina has mandated the Foreign Investment Promotion Agency to facilitate and support foreign direct investment.

The Agency offers practical assistance in dealing with government institutions, by working directly with investors and, more structurally, by assisting the government in improving the legal framework for foreign investments. FIPA also assist investors to develop contacts with the public and private sector.

The fact-sheets with investment-related indicators, matchmaking and sector studies, elaborated by FIPA's experts and independent consultants, ensure that investors are fully aware of the opportunities that BiH presents. Moreover, FIPA works alongside the embassies and diplomatic missions of Bosnia and Herzegovina that can also help you explore investment opportunities in our country.

FIPA provides data, information, analysis and advice on the business and investment environment, including:

- the legal framework for foreign direct investment
- investment incentives
- economic and business trends FIPA identifies and presents available investment opportunities:
- investment projects in the development-phase or ready for implementation
- companies in the process of privatisation
- local companies seeking foreign partners

FIPA assists both potential investors and those that have already invested in the country through:

- effective networking with both the public and private sector
- linking with governmental and non-governmental institutions to facilitate investment and business development
- cooperation with local, regional and international organisations to promote and enhance the investment environment

To find out more about FIPA's services, which are all free of charge, contact us directly

Dubrovacka 6 71000 Sarajevo Bosna i Hercegovina tel: ++ 387 33 278 - 080 fax: ++ 387 33 278 - 081 e-mail: [fipa@fipa.gov.ba](mailto:fipa@fipa.gov.ba) [www.fipa.gov.ba](http://www.fipa.gov.ba)



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