



FOREIGN INVESTMENT PROMOTION AGENCY  
OF BOSNIA AND HERZEGOVINA

A nighttime photograph of a large stone arch bridge over a river. The bridge is illuminated from below, and its reflection is visible in the water. The background shows some buildings and lights across the river. The overall color palette is warm, dominated by oranges, yellows, and browns.

**BOSNIA AND HERZEGOVINA  
INVESTMENT  
OPPORTUNITIES**





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## BOSNIA AND HERZEGOVINA KEY FACTS

Official name:	Bosnia and Herzegovina (locally Bosna i Hercegovina, most commonly abbreviated as B&H)
Capital city:	Sarajevo (population 400,000)
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 km <sup>2</sup>
Population	3.48 million (2020)
Religions	Islam, Orthodox Christian, Roman Catholic, others
Ethnic groups:	Bosniaks, Serbs, Croats and others
Languages	Bosnian, Serbian, Croatian (all official)
Administrative organisation:	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), three-member rotating presidency, Council of Ministers, and Constitutional Court
GDP	17.5 billion EUR (2020)
GDP per capita:	5,038 EUR (2020)
Currency	Konvertibilna Marka (BAM-official; KM-common use)
Exchange rate:	1 EUR = BAM 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 cover almost 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

## GENERAL ECONOMIC INDICATORS

Indicators	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Nominal GDP (billion EUR)	13.4	13.7	14.0	14.6	15.3	16.0	17.1	18.0	17.5	19.3*
GDP per capita (EUR)	3,793	3,878	3,967	4,155	4,355	4,578	4,891	5,168	5,038	
Real GDP growth rate (%)	-1.0	2.5	1.2	3.1	3.2	3.2	3.7	2.8	-3.2	5.8*
Industrial production growth rate (%)	-5.2	6.7	0.1	2.6	4.3	3.1	1.6	-5.5	-6.2	10.7
Average net wages (EUR)	422	423	424	424	428	435	449	471	489	510
Annual inflation rate (%)	2.1	-0.1	-0.9	-1.0	-1.1	1.2	1.4	0.6	-1.0	2.0
Annual unemployment rate %	28.0	27.5	27.5	27.7	25.4	20.5	18.4	15.7	15.9	17.4
Foreign currency reserves (mill EUR)	3,328	3,614	4,001	4,400	4,873	5,398	5,942	6,440	7,090	8,359
Coverage of import by export (%)	51.5	55.2	53.6	56.7	58.3	61.0	61.8	58.9	62.3	66.1
Net FDI inflow (mill EUR)	307	208	415	326	316	436	493	305	347	445*
FDI contribution to GDP (%)	2.3	1.5	3.0	2.2	2.0	2.7	2.9	1.7	2.0	
Deposits of households in Commercial Banks (mill EUR)	3,914	4,276	4,623	5,044	5,451	5,763	6,210	6,770	7,036	7,514
Population (mid-year, in million)	3.54	3.53	3.53	3.52	3.51	3.50	3.50	3.49	3.48	

Source: Central bank of B&H and Agency for Statistics of B&H \*Preliminary CBB&H data for 2021



# INVESTMENT OPPORTUNITIES

## BOSNIA AND HERZEGOVINA

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 5.8% in 2021 (GDP amounted to 19.3 billion EUR and GDP per capita more than 5,200 EUR). According to the first results, better results and a record amount of GDP in 2021 are expected.

The real GDP growth in the fourth quarter of 2021, compare to the same quarter of the previous year, amounted 7.5% (Source: Agency for Statistics of B&H).

### REAL GDP GROWTH RATE IN %



Source: Agency for Statistics of B&H and \*Central Bank of B&H forecast for 2021



## 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 8.4 billion EUR, at the end of 2021.



Source: Central Bank of B&H

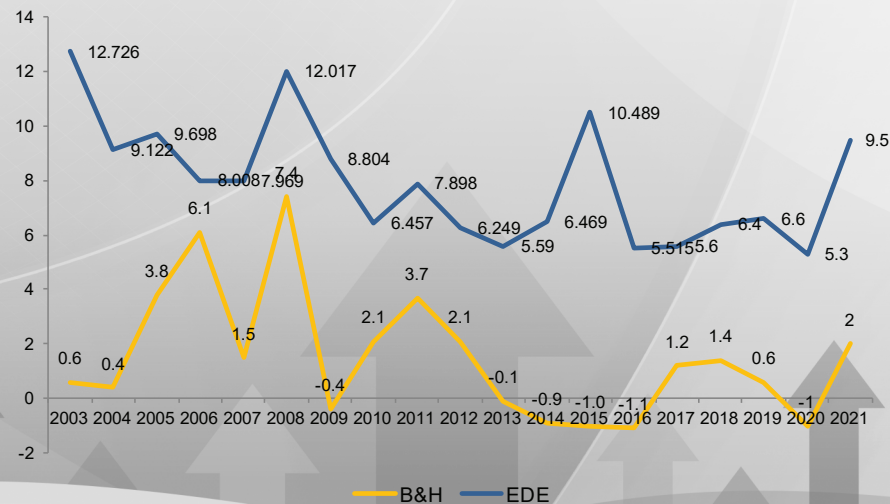


## ANNUAL INFLATION RATE IN %

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.

Annual Growth Rate of CPI in 2021 was 2%. Record inflation as a global problem, marked the end of 2021 and the beginning of 2022, which is certainly reflected on B&H.



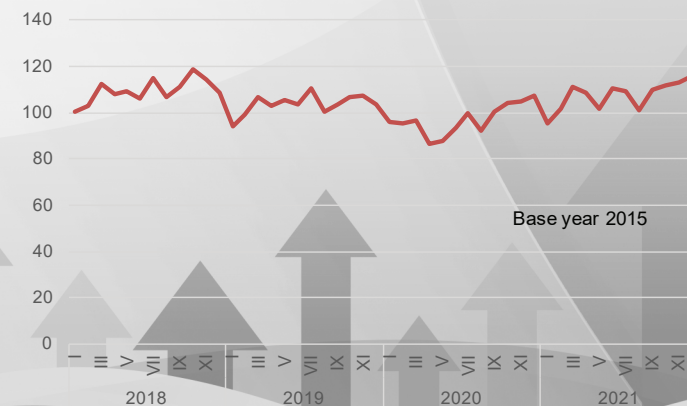
Source: B&H: Agency for Statistics of B&H,  
EDE (Emerging and Developing Europe): International Monetary Fund, April 2022

## 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 growth 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.

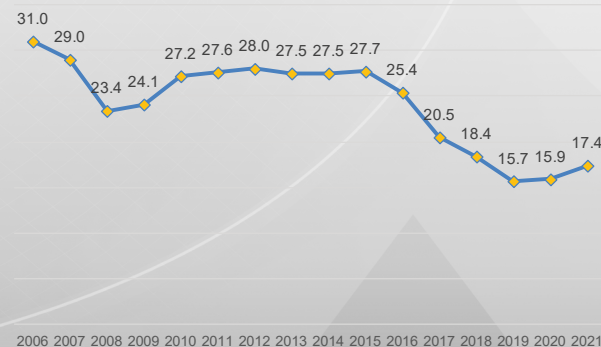
Annual change rate of industrial production was negative in 2019 (-5.5) and 2020 (-6.2). Recovery and industrial production rate 10.7 was recorded in 2021.

Monthly statistic about Industrial production has been provided by Agency for Statistics of B&H: [www.bhas.ba](http://www.bhas.ba).



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 2021 YEAR

### EXPORT & IMPORT IN GOODS IN 2021

PRODUCT GROUPS - SITC SITC Section and Division	EXPORTS (MILL EUR)	SHARE IN TOTAL EXPORT (%)	IMPORTS (MILL EUR)	SHARE IN TOTAL IMPORT (%)
Food and Live animals	367	5.0	1,363	12.3
Beverages and tobacco	39	0.5	235	2.1
Crude materials, except fuels	751	10.3	241	2.2
Mineral fuels and lubricants	624	8.6	1,318	11.9
Animal and vegetable oils and fats	44	0.6	70	0.6
Chemicals	535	7.3	1,512	13.7
Manufactures goods classified chiefly by material	1,892	25.9	2,909	26.3
Machinery and transport equipment	1,214	16.6	2,243	20.3
Miscellaneous manufactured articles	1,826	25.0	1,144	10.4
Commodities and transactions, n.e.c.	-	0.0	4	0.0
<b>TOTAL</b>	<b>7,297</b>	<b>100%</b>	<b>11,042</b>	<b>100%</b>

Source: Agency for Statistics of B&H; SITC = Standard International Trade Classification

External trade registered a significant increase in 2021. Bosnia & Herzegovina achieved record exports but also a foreign trade deficit of 3.7 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	SHARE	2020	SHARE	2021
TOTAL	100.00	14,066,430	100.00	18,340,259
Germany	13.47	1,894,539	13.11	2,405,229
Italy	10.77	1,515,604	11.73	2,151,940
Serbia	11.08	1,558,305	11.57	2,121,770
Croatia	10.49	1,475,728	10.56	1,936,182
Slovenia	6.52	917,745	6.14	1,126,478
Austria	6.14	863,083	5.88	1,078,166
China	5.02	706,625	4.85	889,061
Turkey	4.40	619,161	4.54	832,271
Poland	2.39	336,507	2.36	432,513
Hungary	2.38	335,412	2.34	428,987
France	2.15	302,822	2.11	387,848
Russian Federation	1.70	239,479	2.05	376,820
USA	1.71	240,695	1.93	353,058
The Netherlands	2.13	244,693	1.81	331,722
Czech Republic	1.51	212,757	1.44	264,250
TOP 15	81.49	11,463,154	82.42	15,116,293

Source: Agency for Statistics of B&H

## EXPORTS & IMPORTS IN 2021 ACCORDING TO MAIN PARTNERS

COUNTRIES	Exports (in 000 EUR)	Imports (in 000 EUR)
Developed Countries	4,612,965	7,200,104
EU Countries	4,288,803	6,176,358
EFTA Countries	135,486	80,456
Other Developed Countries	188,717	943,290
Developing Countries	1,254,394	2,765,914
European Developing Countries	1,050,249	1,496,534
African Developing Countries	85,736	42,589
Asian Developing Countries		1,056,990
American Developing Countries	7,397	169,788
Oceanian Developing Countries	0	14
Not classified	8,654	3,398
Total	5,876,013	9,969,416

Source: Agency for Statistics of B&H

In the period January-December 2021, export amounted to 7,297 million EUR, which is 35.7% higher than 2020, and import amounted to 11,042 million EUR, which is 27.9% higher than in the same period of last year. The coverage of import by export was 66.1%.

## FOREIGN DIRECT INVESTMENT IN B&H

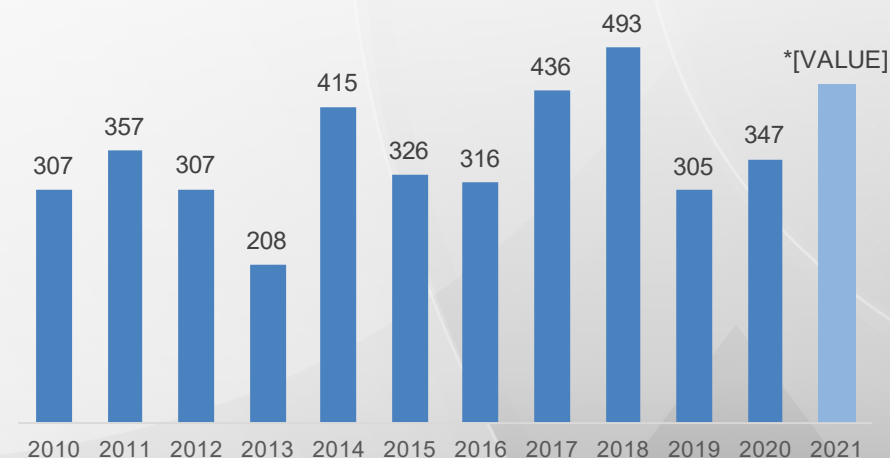
In 2007 B&H attracted 1.3 billion EUR that is absolutely the highest amount recorded till now, mainly thanks to the privatization of certain large state-owned enterprises. In 2008 FDI inflow (684 million EUR), without the expected privatization, could be considered as satisfying, especially if we take 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 from 2010 to 2020, the trend of FDI inflows is variable and unequal. The annual average inflow of FDI for the previous five years was 379 million EUR. In the last few years, the highest amount of foreign direct investment was recorded in 2018 with 493 million EUR.

After the decline in 2019, a stabile FDI amount and increase by 13.7% has marked 2020. According to preliminary data, an increase of FDI was registered in 2021 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 2021 (Balance of Payments of B&H, March 2022)



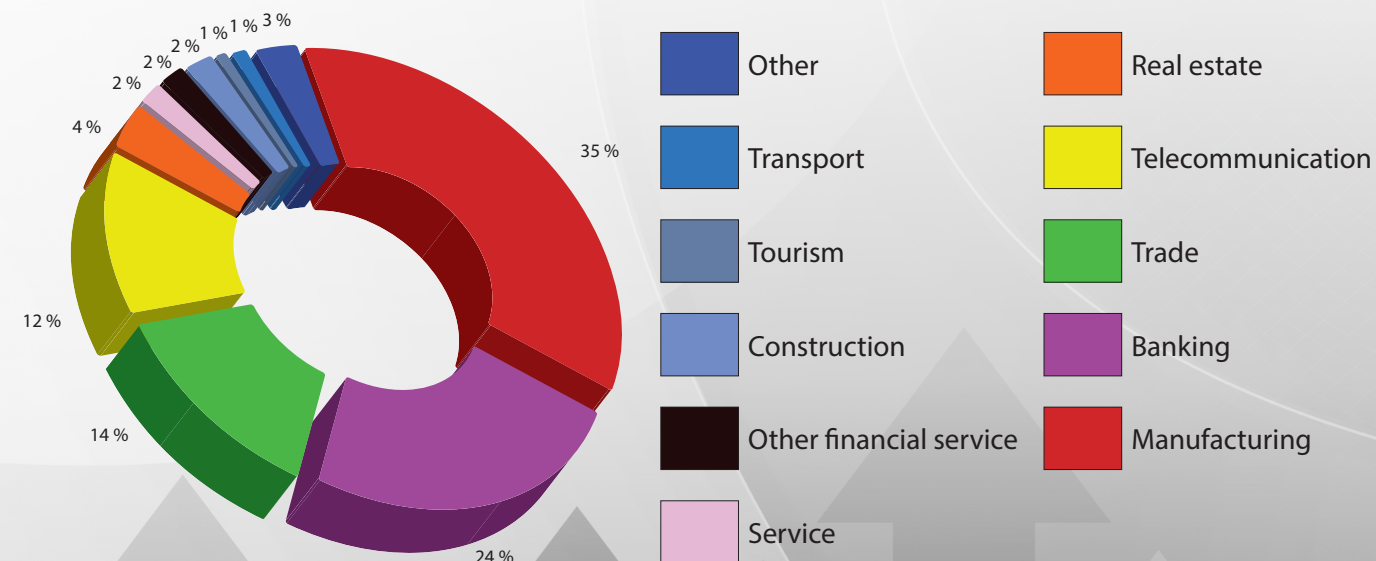
## FOREIGN DIRECT INVESTMENT IN B&H BY SECTORS

**According to the Central Bank of Bosnia and Herzegovina data, the FDI Stock in December 2020 was 7.7 billion EUR (7,711 million EUR).**

Due to the good reputation and long industrial tradition of B&H, 35% of total foreign direct investments have been invested within the production (primary, industrial and electricity production), followed by the banking sector with 24%, trade 14% and telecommunications 12%.

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

## TOTAL AMOUNT 7.7 BILLION EUR (MAY 1994 - DECEMBER 2020)

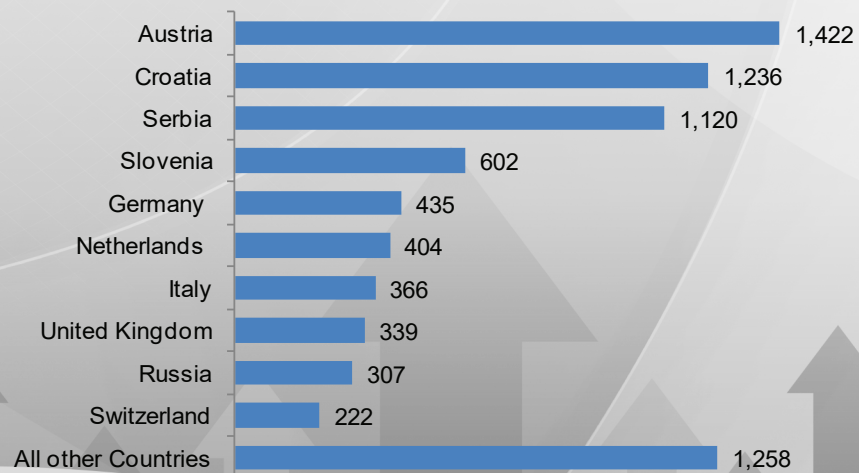


Source: Central Bank of B&H,  
\* the graph structure is created according to data of FDI stocks classified by industry

## TOP INVESTOR COUNTRIES IN B&H (1994 - 2020)

### TOTAL FDI AMOUNT 7,711 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 64% of total FDI in B&H till December 2020. The most investment was realized by the companies from:



Source: Central Bank of B&H

- Austria 18.4%,
- Croatia 16.0%,
- Serbia 14.5%,
- Slovenia 7.8%,
- Germany 5.6%,
- Netherlands 5.2%,
- Italy 4.7%,
- United Kingdom 4.4%,
- Russia 4.0%,
- Switzerland 2.9%
- Turkey 2.5%
- Luxembourg 2.4%
- Saudi Arabia 1.8%
- Kuwait 1.6%
- United Arab Emirates 1.4%

# WHY INVEST IN BOSNIA AND HERZEGOVINA?





## 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 potential 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.



"...Investment climate in Bosnia is in our view very attractive for the investors. Obviously there is first of all natural resources here, coal and water available for hydro units, but not only that, you have natural environment here for investment in energy sector in terms of resources but also regulatory environment is improving and satisfactory today, but further improving with support from the local government and we believe there is great potential in that."

**Mr. Vuk Hamović,**  
EFT Group Chairman (United Kingdom)



"The Heidelberg Cement Group has invested more than 60 million EUR in modern technology in B&H and an additional 50 million EUR are earmarked for further ventures, which shows our immense confidence in the Bosnia and Herzegovina economy and its potential for sustainable growth. Our goal is to continue to grow and to expand our market."

**Branimir Muidža,**  
Heidelberg Cement, Manager for B&H



## 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. Only one bank in B&H is majority state-owned and 22 banks are predominantly privately owned with majority of foreign ownership (app 81% of total banking equity capital).

In February 2022, the international rating agency Standard and Poor's (S&P) confirmed the credit rating of Bosnia and Herzegovina "B with a stable outlook".

In September 2021, Moody's Investors Service has affirmed sovereign credit rating on B&H at "B3 with stable outlook".

In comparison with the last few assessments the rating has remained unchanged.



## 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.



*"...I would like to emphasise that Natron head office has been one of the most successful privatisations in the country. That has happened not only because it had a very strong, determined and resourceful the head group behind it, but also because of very sincere dedicated, technically strong, workforce in the mill and in the country which delivered the right results once guided properly."*

**Natron Hayat doo Maglaj (Turkey)**

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.

In the Federation of B&H 43% of the state capital and 75 % of planned number of companies were completely privatized Stock in December (2019, source Federal Agency for Privatization).

In the Republic of Srpska 723 state companies were privatized. Total proceeds generated through privatization amount to 870 million EUR. (Source: The RS Investment Development Bank)  
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.

**AGENCY FOR PRIVATIZATION 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.

In the Federation of B&H 43% of the state capital and 75 % of planned number of companies were completely privatized (Stock in November 2020, source Federal Agency for Privatization).

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

**THE REPUBLIC OF SRPSKA INVESTMENT-DEVELOPMENT BANK (IRBRS)** is authorized to sell state capital and restructure enterprises with majority state capital which is subject to privatization.

In the Republic of Srpska 723 state companies were privatized. Total proceeds generated through privatization amount to 870 million EUR. (Source: The RS Investment Development Bank)

**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 favourable 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 nationalisation, 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. Bosnia and Herzegovina has generalized system of preferences with: Australia, Belarus, Canada, Japan, Kazakhstan, New Zealand, Norway, Russia, Switzerland and USA.

Furthermore, B&H has preferential export regime with Iran. As a result, and due to the position that B&H has in the South Eastern and Central Europe, starting a business in Bosnia and Herzegovina means the opportunity of exporting to a market of app. 900 million people without paying any customs duties!

### CEFTA MEMBER STATES HISTORY

- *Founded 1992., left 2004.*
- *Joined 1996., left 2004.*
- *Joined 1997. - 9., left 2007.*
- *Joined 2003., left 2013.*
- *Joined 2006. - 7., still a member*

B&H, Albania, Serbia, Moldova, Montenegro, Macedonia and UNMIK/Kosovo  
CEFTA members



## 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
- Customs and tariffs are not paid on imports into the free zone
- 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:

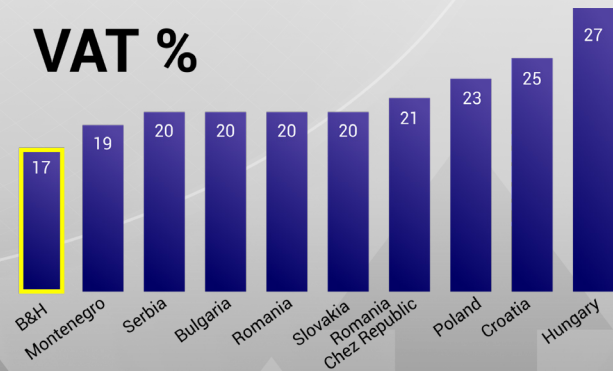
1. Free zone Vogošća, Sarajevo
2. Free Zone Holc, Lukavac
3. Free Zone Hercegovina, Mostar
4. Free zone Visoko, Visoko

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 in the graphs:

## VAT %



The taxation categories at state level are:

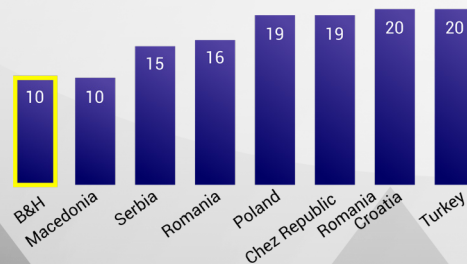
### Value Added Tax

Unique VAT tax rate is 17%.

### Excises Duties

Excises are a special type of sales tax paid on some commodities like:

## CIT %



oil products, non-alcoholic drinks, soft drinks, alcohol drinks, coffee and tobacco products:

- oil products (per litre) BAM 0.45 for motor petrol and unleaded motor petrol and biofuels BAM 0.30,
- non-alcoholic drinks (per litre) - BAM 0.10,
- soft drink (per litre) - beer BAM 0.20 - 0.25 and wine BAM 0.25,
- alcoholic drinks and Ethyl alcohol (per litre) - 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 In Federation of B&H, the property transfer tax rate 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/m<sup>2</sup> (approx. 0,50 - 1 EUR/m<sup>2</sup>), motor vehicles depending on the age of 10 - 200 BAM (approx. 5 - 100 EUR) for business premises renting houses: 2 - 5 BAM/m<sup>2</sup> (approx. 1 - 2.5 EUR/m<sup>2</sup>) 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 Republika 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, Turkey, 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 Republic of Srpska, as well as in the Federation of B&H, contributions are calculated on the basis of 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).
- Republika Srpska: 18,5% for pension insurance, 12% for health insurance, 0,8% for unemployment insurance, 1,7% for child protection (in total: 33% 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: 6% for pension insurance, 4% for health insurance, 0.50% for unemployment insurance (in total: 10.50% on gross wage).
- Republika 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, Italy, Jordan, Kuwait, Lithuania, Macedonia, Malaysia, Moldova, Netherlands, OPEC Fund, Pakistan, Portugal, Qatar, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Switzerland, Sweden, Turkey, 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	Competent 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>
<b>Customs benefits:</b> -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. -If the company that is moving is the farm, the animals on	Indirect Taxation Authority <a href="http://www.uino.gov.ba">www.uino.gov.ba</a>
<b>Free trade zones:</b> -Equipment imported into a free zone for industrial activity shall be exempt from payment of customs duties -Customs, export duties and fees shall not be paid on exports from the free zone to other countries, -Import of goods intended for the purposes of free zones and warehouses and 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 institution
Corporate income tax incentives: For a 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.  The taxpayer who in a period of 5 consecutive years makes investments from its own funds, in the total amount of 10 million EUR, starting with the first year when taxpayer has to invest at least 2 million EUR, shall be reduced of the obligations of the calculated income tax for 50% of the amount in the year of investment.  The taxpayer is entitled to a tax-deductible expense in the double amount of the gross wage paid to newly employees if meets by the law requested conditions.	Federal Ministry of Finances <a href="http://www.fmf.gov.ba">www.fmf.gov.ba</a>  Tax Administration of the FB&H <a href="http://www.pufbih.ba">www.pufbih.ba</a>

## REPUBLIC OF SRPSKA:

Incentives	Competent institution
Law on Corporate Tax of RS sets forth following incentives: A taxpayer which 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 investment.	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>



## BRČKO DISTRICT INCENTIVES:

Incentives	Competent institution
<ul style="list-style-type: none"> <li>- Full exemption from municipal fees for putting company signs on building</li> <li>- Reimbursement of court fees for the company registration and changes of data in the court register for newly established companies, branch offices and entrepreneurs</li> <li>- Reimbursement of paid connection charges (fees) and connection services for rights to connect to the electrical grid, that includes only exemption of charges for power for connecting new customers on the electrical grid and charges for increasing the power for the existing consumers</li> <li>- Reimbursement of fees, work and connection services for rights to connect to the water and sewage system</li> <li>- Reimbursement of paid fees and charges for the location permit</li> <li>- Reimbursement of paid fees and charges for the revision of technical documentation</li> <li>- Reimbursement of paid fees and charges for a building permit</li> <li>- Reimbursement of paid fees and charges for issuing the use permit, part related to costs of technical inspections of the object paid on the Single Tresor Account</li> <li>- Reimbursement of costs in the amount of difference in price of electricity and water paid by business, branch office or entrepreneur and price paid by private households</li> <li>- Reimbursement of paid employment contributions in the total amount for newly employed workers who reside in the District and pay salary liabilities in the District</li> <li>- Stimulus to an employer in the amount of 50% of total health contributions for newly employed workers who reside in the District and pay salary liabilities in the District, as of the moment when the company, branch office or entrepreneur acquire rights for this incentive</li> <li>- Reimbursement of salaries during maternity leave which is due to be paid by an employer will be paid by the District in the amount of 100%</li> <li>- Reimbursement of costs in the amount of new investments into procuring assets entered into the list of assets, up to the amount of assessed and paid corporate income tax or income tax for the year when the assets were procured</li> </ul>	<p>Government of Brčko District of B&amp;H - Department for Economic Development, Sport and Culture <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 is announced by the competent institution. Additional information on incentives in B&H you can find on FIPA web site [www.fipa.gov.ba](http://www.fipa.gov.ba).

## TYPES OF COMPANIES IN BOSNIA AND HERZEGOVINA

The Company Law of the Federation of B&H (Official Gazette of FB&H No. 81/15) and the Company Law of Republic of Srpska (Official Gazette of RS No. 127/08, 58/09, 100/1, 67/13 and 100/17) regulate the establishment, operation and termination of businesses in Bosnia and Herzegovina.

TYPES OF COMPANIES	FEDERATION OF BOSNIA AND HERZEGOVINA
Unlimited Joint Liability Company (d.n.o./o.d.)	Founded by the establishment contract of 2 or more partners, domestic or foreign, natural persons only; Founders are liable to use all their assets, including personal property; There are no requirements for minimum or maximum contributions.
Limited Liability Company (d.o.o.)	Founded by the establishment act or establishment contract by 1 or more domestic/foreign natural and/or legal entities with initial capital divided in parts; A member in a limited company is liable for the value of his investment in that company; Minimum initial capital is 1,000 BAM (approx. 500 EUR).
Limited Partnership (k.d.)	Company founded by the establishment contract of 2 or more domestic/foreign natural and/or legal entities; There must be at least 1 partner with full liability (including private property) and at least 1 partner with limited liability, the liability being limited by the value of his share in that company. There are no requirements for minimum or maximum initial capital.
Joint-Stock Company (d.d./a.d.)	Legal entities founded by the establishment contract of one or more domestic/foreign natural or legal shareholders with initial capital divided into shares; Joint stock companies may be open or closed. Open joint stock companies are companies whose shares have been issued by means of public offering and which meet one of the following criteria: a) they are banks or insurance companies, or b) they have share capital at least in the amount of 4 million KM (approx. 2 mil eur) and at least 40 shareholders. Closed joint-stock company is a legal entity whose shares are distributed among a limited number of shareholders. The min. initial capital is 50,000 BAM (approx. 25,000 EUR).

TYPES OF COMPANIES	REPUBLIC OF SRPSKA
Unlimited Joint Liability Company (d.n.o./o.d.)	Founded by the establishment act of 2 or more domestic/foreign natural and/or legal partners who commit to do certain activity under the same company name, with their own solidary liability for company commitments; There are no requirements for minimum or maximum contributions.
Limited Liability Company (d.o.o.)	Founded by the establishment act of 1 to 100 domestic/foreign natural and/or legal entities; A shareholder in a limited company is not personally liable for any of the debts of the company, other than for the value of his investment in that company; Monetary part of the basic capital of Liability Company is 1 BAM (approx 0,50 EUR).
Limited Partnership (k.d.)	Founded by the establishment act of 2 or more domestic/foreign natural and/or legal entities; One person at least has unlimited liability for the company, and one person at least has liability to the amount of his investment in the company; There are no requirements for minimum or maximum initial capital.
Joint-Stock Company (d.d./a.d.)	Legal entities founded by the establishment contract of 1 or more domestic/foreign natural and/or legal entities with initial capital divided into a defined number of shares; 1. Open jointstock company is a legal entity whose shares may be publicly traded, i.e. offers its shares for sale upon the open market and they are listed on the stock exchange and other public markets. Minimum initial capital is 50,000 BAM (approx. 25,000 EUR). 2. Closed joint-stock company is a legal entity whose shares are distributed among a limited number of shareholders. Minimum initial capital is 20,000 BAM (approx. 10,000 EUR).

## 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



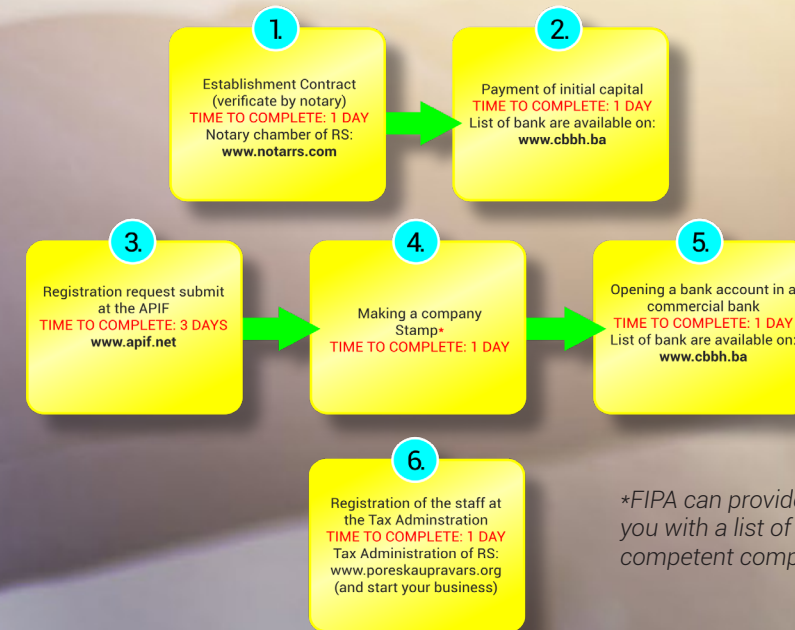
\*FIPA can provide you with a list of competent companies

### DURATION AND COSTS OF ESTABLISHING A BUSINESS:

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

**The costs are as follows:** Administrative costs cca. 500 EUR, lawyer and notary costs 500 - 1,000 EUR

## STEPS FOR ESTABLISHING A BUSINESS IN RS



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

### 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: cca. 50 - 150 EUR (there are additional costs for second and every other registrations – i.e. fees for publishing information to the Official Gazette. In accordance to the Law on Courts of RS, the tax for the first company establishment is abolished).

# INVESTMENT OPPORTUNITIES ATTRACTIVE SECTORS

Bosna and Herzegovina has implemented important economic reforms and liberalization, broadly adjusted legal and regulatory framework to the European standards, preparing favorable business environment for further substantial investments. The main goal of Bosnia and Herzegovina is EU membership and it is a potential candidate country for EU accession. In this respect, it is worth mentioning that the Stabilisation and Association Agreement (SAA) between the EU and Bosnia and Herzegovina enters into force on June 01, 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, further preparing the country for future EU membership.

On February 15, 2016 Bosnia and Herzegovina has formally requested to join the European Union, submitting its application. Huge natural resources and beauties, an abundance of the spare production halls and facilities, industrial zones and attractive locations, highly motivated and competitive workforce are additional motivation and warranty for profitable business ventures.

In spite of the impressive development achievements within past years, there is still a huge gap between real potentials and actual performances within various sectors. Capital shortage has become a main limitation for efficient and faster activation of the powerful resources and other production factors; what open numerous opportunities to foreign investors. To materialize these huge potentials and resources, including strong human base, supporting infrastructure, an abundance of production facilities, B&H economy seeks for increased capital investments, new technologies and

access to the new markets, what could be met with strong strategic partners and large international companies, especially in following sectors:

- **Tourism**
- **Agriculture and Food Processing Industry**
- **Energy**
- **Wood**
- **Metal Processing**
- **Automotive**
- **ICT sector**

Particularly large-scale development programs and huge investment projects have been prepared within energy, transportation and tourism sectors, requiring significant capital investments, which B&H alone cannot afford.

Involvement of strategic investors and applying various business and investment models, such as concession arrangements, various PPP models, financing from specialized institutions like World Bank, EBRD, etc, present a solution for achievement of these ambitious goals.



## 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. In the period from January – December 2019 tourists realized 1.640.717 tourists arrivals which represent the increase by 12 % and 3.371.322 overnight stays which is increase by 10.9 % as compared to the same period of 2018. Since March 2020, tourism in the Bosnia and Herzegovina and region has almost come to a temporary standstill as a result of the coronavirus disease (COVID-19) pandemic. In the period from January – December 2021 tourists realised 960 383 tourists arrivals which represent the increase by 91.7 and 2 230 920 overnight stays which is increase by 79.6% as compared to the same period of 2020.

According to the Los Angeles Times, Bosnia and Herzegovina is at first place among the ten great destinations to consider in 2020. The Guardian ranked Sarajevo among top 10 most attractive tourism destination in Europe for winter holiday. 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. The National Geographic ranked B&H in the top ten destinations in 2012 - in addition to the world's destination for rafting, hiking, skiing and other sports, B&H was chosen for its the best mountain biking trails. 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), which is being held in Dubai from 8 to 10 April, with more than 20,000 people from the world business participating this year, the Foreign Investment Promotion Agency of BiH (FIPA) has been declared the best Agency for Attracting Foreign Investments for Central and Eastern Europe. At the same time, Al Shiddi Trading was named the best investor with his Swissotel Project in Sarajevo.



FOREIGN INVESTMENT PROMOTION AGENCY  
OF BOSNIA AND HERZEGOVINA



# TOURISM SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA

## Eco tourism projects in B&H:

1. Boracko Lake, Konjic
2. Eco tourism on Neretva river, Mostar
3. Eco village Krupa na Vrbasu, Banja Luka
4. Eco Village of Grabovica, Tomislavgrad
5. Eco zone Koricani, Vlasic
6. Ecological park Borik, Buzim
7. Ethno village Sokolovgrad, Sokolac
8. Etno village, Borina Mostar
9. Nursing home, Gradiska
10. Risovac, Jablanica
11. Eco farm Santic, Vlasic

## Hotels, Motels projects in B&H:

1. 5 star Hotel, Skenderija
2. Accor Mercure Hotel on Brus -Mount Trebevic
3. Hotel and suits "Bikavac" in Visegrad
4. Hotel complex, Bihac
5. Jablanicko Lake Residence Konjic
6. Hotel with supporting facilities within Kastel Fortress, Banja Luka
7. Jablanica Hotel, Jablanica
8. Konjic Motel, Konjic
9. Motel and Bungalows, Paradise beach, Bratunac
10. Motel Cavljak, Sarajevo

11. Hotel Ski jumping Hill Babanovac, Vlasic
12. Retirement Home, Cazin
13. Sutjeska Hotel, National park Sutjeska
14. Treskavica Hotel, Trnovo
15. Zunovnica complex, Hadžići
16. 5 star Hotel in Ivanica, Ravno

## Spa tourism projects in B&H:

1. Dvorovi Spa Complex, Bijeljina
2. Jahorina Eco Wellness Trnovo
3. Ljesljani Spa, Novi Grad
4. Mljecanica Spa, Kozarska Dubica
5. Thermal resort Logobare, Tesanj
6. Thermo mineral water, Kakanj
7. Villa Wellness Spa Goranci, Mostar
8. Visegrad Spa, Visegrad

## Winter tourism projects in B&H:

1. Cable Railway, Hrasnica Igman
2. Exspress cable car, Pavlovac Jahorina
3. New ski slopes on Bjelasnica and Igman
4. SKI Centre Srebrenik, Knezevo
5. Ski lifts on Kotlovi and Heliodrom, Bjelasnica
6. Snow groomers supplements, Bjelasnica and Igman

7. Sports and Recreation Center Cajusa, Kupres
8. Ski Slopes Siljak, Bjelasnica

## Cultural tourism projects in B&H:

1. Kastel Fortress, Banja Luka

## Recreation, Sport and Adventure tourism projects in B&H:

1. Adrenaline park and Zip line, Igman
2. Aqua park with sports center and business complex, Maglaj
3. Business and Sports Centre Trnovo
4. Golf courses ,Mostar
5. Aqua park, Istocno Novo Sarajevo
6. Bistricka Rika, Gornji Vakuf Uskoplje
7. Gondola Borje, Kotor Varos
8. Gondola from Vrelo Bosne to Golo Brdo, Ilidza
9. Indoor swimming pool, Srebrenica
10. Hotel complex, Hippodrome, Sport & Recreational centre, Capljina
11. Kosevo Stadium, Sarajevo
12. Kula Project, Istocna Ilidza
13. Olympic pool Mostar
14. Neretva Elite Resort, Konjic
15. Reconstruction of swimming pool, Bosanski Petrovac
16. Sebesic Tourism Zone, Novi Travnik
17. Sport & Recreation Centre Vrapcici, Mostar
18. Sport & Recreation centre, Drvar

19. Sports and Recreational facility for tennis courts Mostar
20. Sports and recreation centre Slatina, Laktasi
21. Sport and recreational centre Mracaj, Jajce
22. Sports and recreation centre, Sokolac
23. Sports and Recreation park at Zlatiste. Sarajevo
24. Tourist fishing settlement in the valley of the river Lim, Rudo
25. Cable car to Rujiste, Mostar
26. Treetopwalk - Vlasic Walking Trail, Vlasic
27. Sports and recreational centre Rijecani Modrica
28. Tourist and recreational valley with castle and bungalows, Gradiska
29. Swimming pool, Gradacac
30. Tourist resort Bravska dolina, Bosanski Petrovac

# AGRICULTURE AND FOOD PROCESSING INDUSTRY IN BOSNIA AND HERZEGOVINA

AGRICULTURE AND FOOD

AGRICULTURE AND FOOD



Agriculture is one of the most important economic sectors in the country employing 10% of the total number of employees in BiH (data for the third quarter of 2021). The fact is that a large number of employees in the agricultural sector participate through self-employment.

There are over 1.500 registered companies in the country which operate within the agro-industry. In 2021, 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/m<sup>2</sup> 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 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 offer 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
- 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 crops 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, berry 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 area.

### 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 AND FOOD PROCESSING PROJECTS IN BOSNIA AND HERZEGOVINA

### 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. Bee products Srebrenica
5. Products based on honey and herbs, Samac
6. Regional beekeeping centre, Trebinje

### Dairy projects in Bosnia and Herzegovina:

1. Livno cheese, Dairy Livno
2. Rama Municipality
3. Raw milk and milk products Mokro, Pale

### Beverage projects in Bosnia and Herzegovina:

1. Bottling and distribution of premium spring water, Muska voda Kladanj
2. Ledena water, Mokro Pale
3. Homemade brandy, Kozarska Dubica
4. Kula water factory Mokro Pale
5. Low-mineralized drinking water, East Sarajevo
6. Mineral water bottling plant, Kotor Varos
7. Natural spring water Kulen Vakuf
8. Natural spring water Mrkonjic Grad
9. Water bottling plant ELTA, Ilidza

### Livestock projects in Bosnia and Herzegovina:

1. Agricultural and meat production, Bugar, Bihac
2. Development of Salers breed in Una-Sana Canton
3. Alpine goat organic farm Vares
4. Development goat farming, Posusje
5. Expanding the capacity of cattle per cow-calf system, Tomislavgrad and Kupres
6. Farm for outdoors kept cattle Gazije, Rogatica
7. Goat farm Ljubacevo, Banja Luka
8. Goat farming and processing of goat milk, Celinac
9. Meat industry Semko, Visoko
10. Cattle farms, slaughterhouses and meat processing, Gradiska
11. Sheep breeding, Municipality of Konjic
12. Slaughterhouse and meat processing, Orasje

### Herbs & Grains projects in B&H:

1. Cultivation of medicinal herbs, Mostar
2. Flowers and seedlings in greenhouses, Zenica
3. Indigenous grains and oilseeds, Bosanski Petrovac
4. Medical plants, Herzegovina region
5. Medicinal herbs, mushrooms and wild berries, Konjic
6. Plantation of Helychrisum italicum, Mostar
7. Wheat milling and flour production, Bijeljina
8. Animal feed factory Odzak
9. Production of essential and cold pressed oils in Bosanski Petrovac

### Fruit & Vegetable projects in Bosnia and Herzegovina:

1. Agrocentar, Kozarska Dubica
2. Frozen berries, Bugojno
3. Construction of mini cold storage, Milici
4. Fruit and vegetable cold store, dressing and conversation, Gorazde
5. Fruit and vegetable production and cold store, Gracanica
6. Fruit and vegetables drying and fruit juices, Visoko
7. Fruit processing, Visegrad
8. Organic berries farm, Bugojno
9. Fruit and vegetable processing plant, Ljubinje
10. Plant For Ketchup Production Prnjavor
11. Greenhouse production, Sanski Most
12. Organic berries farm Kopic Polje, Bugojno
13. Preserving of fruits by cooling and drying, Celinac
14. Production and processing of dried mushrooms and fruits, Srebrenica
15. Cold storage for fruits and vegetables Velika Kladusa
16. Farm for seedling production, Bugojno
17. Table grapes Mostar
18. Vegetable seedlings, Vogosca
19. Fruit & vegetable processing and packaging Laktasi
20. The production of organic food Novo Goražde
21. Cultivation of Shiitake and Champignons in an underground facility Novo Goražde

### Poultry projects in Bosnia and Herzegovina:

1. Broiler farm in Visoko
2. Organic chicken fertilizer in pellet form, Orasje
3. Poultry farm, Travnik
4. Poultry meat, Brojler Sarajevo

### Food centre projects in Bosnia and Herzegovina:

1. Agrocentar, Gornji Vakuf Uskoplje
2. Production of rodenticides and insecticides, Bijeljina
3. Regional food centre, Sarajevo

### 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 OF BOSNIA AND HERZEGOVINA

Bosnia and Herzegovina Energy Sector is one of the most powerful, with long tradition and huge potentials and opportunities for further development and investment. This sector is subject to the deep reforms, restructuring and privatization processes, with intentions to become integral part of European energy market and community.

Power generation in Bosnia and Herzegovina is exclusively related to domestic energy resources - coal and hydropower. Total installed capacity of generation facilities in Bosnia and Herzegovina is 4000 MW, out of which 57% in the hydropower plants and 43% in thermal power plants.

Apart from major hydropower plants and thermal power plants, the existing generation capacities in Bosnia and Herzegovina include also small hydro, wind, solar, biomass and industrial plants the production of which reached 16 874 GWh in 2020., out of which 4 663 GWh or 27.6% was produced in hydro power plants and 11 557 GWh or 68.5% in thermal power plants, and 654 GWh (3.9%) was produced in autoproducers and others (wind and solar power plants).

BIH remained at first place in the region with exports of electricity. The value of electricity exports from Bosnia and Herzegovina in 2021 jumped 66.9% against 2020, to about EUR 424 million, reaching an all-time high.

## REASONS TO INVEST

BIH is endeavoured with various indigenous energy recourses, including:

- Considerable reserves of brown coal and lignite of 6 billion tons
- Huge hydro potential of over 4000 MW
- Significant wind energy potentials estimated at 2000 MW
- Raw material resources for the bio-mass energy are extremely favorable, including approximately 1.5 million m<sup>3</sup> of forest/wood industry residues
- Potential installed capacity for solar power plants is 4010 MW
- Preliminary research surveys of oil and gas, had indicated the presence of promising deposits on a number of sites in Bosnia and Herzegovina (reserves are estimated at about 50 million tons of oil)
- Energy Community Membership
- Favorable Feed-in-tariffs for RES power plant
- Low Operating costs and Competitively priced & qualified human capital



## INVESTMENT PLAN

Strategic development programs of the Entities' Ministries of Energy, Mining and Industry, foresee 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/m<sup>2</sup> in the north to 1,600kWh/m<sup>2</sup> 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.



## ENERGY SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA

### Hydro Power Plant projects in Bosnia and Herzegovina:

1. Babino Selo, Donji Vakuf
2. HPP Janjici Zenica
3. Ustikolina, Gorazde
4. Han Skela, Jajce
5. HPP Krusevo and Zeleni Vir
6. HPP Veletina Kosa, Jajce
7. Ivik, Jajce
8. Kablic, Livno
9. PSPP Vrilo Tomislavgrad
10. Kovanici, Zenica
11. Nevesinje, Zalomka river
12. Reversible hydro power plants Vrletna Kosa and Usce
13. Ugar Usce, Jajce

### Small and mini Hydro Power Plant projects in B&H:

1. HES Gornja Neretva, Kalinovik and Gacko
2. Small HPP Caplje Sanski Most
3. Small HPP Marusici, Kakanj
4. MHPP Ivancica, Busovaca
5. Small HPP Obarnica Busovaca
6. Small HPP Una Kostela Bihac
7. Small HPP Prusac 2 Vitez
8. Small HPP Usce, Kakanj
9. Small HPP Krusnica 1, Vitez
10. Small HPP Zuca Rijeka, Kakanj

### Thermal Power Plant projects in B&H:

1. Bugojno Thermal Power Plant
2. Kakanj, Unit 8

### Wind Farm projects in B&H:

1. Borova glava, Livno
2. Velika Vlajna, Mostar
3. Wind farm Derala, Bosansko Grahovo
4. Wind farm Galica, Vlasic
5. Wind Farm Skadimovac, Glamoc
6. Wind farm Vlasic
7. Wind parks Slovinj i Dzeva, Glamoc

### Biomass & Solar projects in B&H:

1. Biomass power plant, Visoko
2. Central Heating System, Teslic
3. Cogeneration plant on biomass, Sokolac
4. Heating system in Mrkonjic Grad
5. Waste to energy plant, Kotor Varos
6. Solar panels on public institution buildings, Teslic
7. Solar power plant Anarea 2, Stolac
8. Solar power plant Anarea 3, Stolac
9. Solar power plant Eco energy 2, Stolac
10. Solar power plant Eco energy 3, Stolac



## 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.



## FOREST RESOURCES – RAW MATERIALS

Bosna and Herzegovina forestry provides reliable resource base (volume, species, quality) related to the supply of various high quality raw materials (beech, oak, ash, pine and fir, as well as walnut, apple, cherry etc.), to the wood processing industry, on long term basis. Around 63% of B&H territory is covered by forests, where deciduous trees (hardwood) are predominant (over 60 %, mainly beech and oak). „Bosnian beech” is particularly famous worldwide, due to its high quality. The B&H forests (80.7% state owned) have the sustainable potential to provide nearly 7 million m<sup>3</sup> round-wood per year.

Bosnia and Herzegovina has favorable demographics and consistent investment in education provide sustainable supply of flexible, adaptable, innovative, foreign language spoken and productive young workforce. There is well-developed university education system, providing sufficient qualifications for entry to professions with high skilled requirements. In addition there is abundance of labor of all categories, under competitive prices, being app. 20% of West Europe and USA wages.

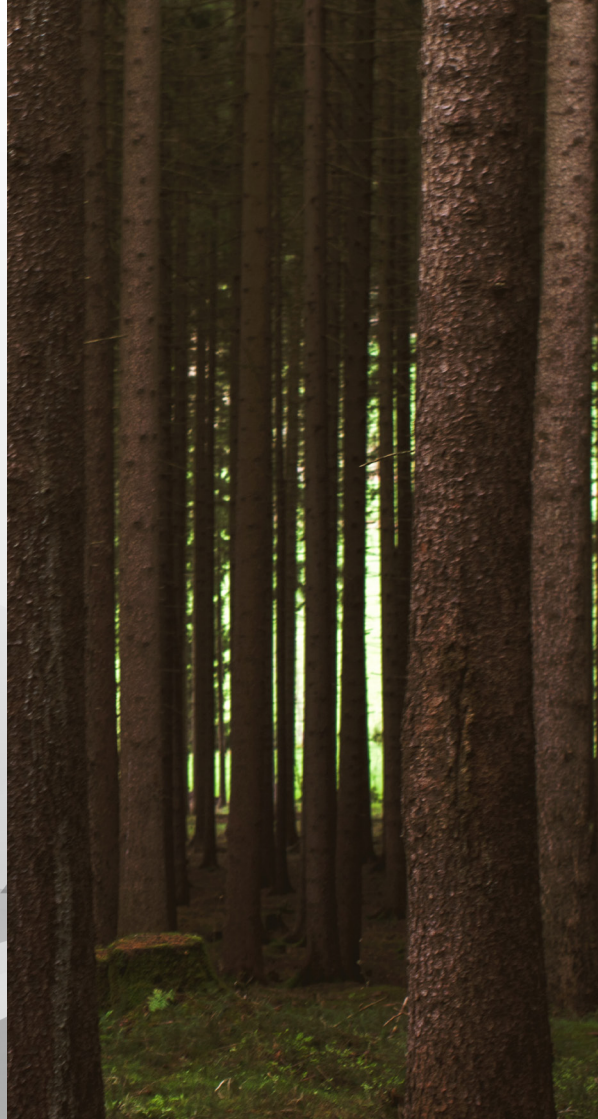
## MARKET POTENTIALS

The most attractive products in the view of market potential for Bosna and Herzegovina would be: pulp and paper mills, edge glued panels, veneer/hardwood plywood, parquet, furniture (preferably solid wood), medium density fiberboard, particleboard, joinery, biomass (briquette, pellets, heat generation).

## MOST PROMISING OPTIONS

The most promising options for potential investors in B&H forestry/wood industry lie in processing of sawn wood to edge glued panels (EGP), veneer, parquet and furniture, especially as there are small and medium companies which may be suitable for joint ventures. In addition, there is potential for investment in one MDF and one particleboard mill of global market competitive size. Wood sector offers an array of opportunities by:

- Introducing better technologies and machinery
- Modernizing product design
- Long tradition of manufacturing and forestry
- High quality raw material-relative ease of access
- High level education/professional forestry and wood processing experts at all levels
- Skilled labour force at reasonable cost
- Attractive and competitive costs
- Geographical location
- Growing international demand for final and semi-final (especially hard-wood) products





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 wood 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.

## 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 m<sup>3</sup>),
  - The annual cutting rate is between 6 and 7 million m<sup>3</sup>, which is less than 70% of the total volume increase (9 million m<sup>3</sup>), 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 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,

## SECTOR TRADITION IN B&H

- In the period between the two world wars, Bosnia and Herzegovina had a total of 129 industrial capacities, mostly from the wood processing sector,
  - In the period before 1992. the capacities of the wood industry in BiH consisted of 220 different large and medium-sized companies, mostly organized within "Šipada" (83%) and "Krivaja" (17%) and it consisted of:
    - 10% of Gross National Income (approximately \$ 3 billion),
    - 11% of B&H exports and
    - 13% of the total number of workers in industry and mining (about 61,000),
  - Numerous capacities of the wood industry today are located in the wider area of B&H and are an important prerequisite for balanced development and employment in all parts of Bosnia and Herzegovina. Given that it is export-oriented and very little dependent on imports, this industry still occupies a very important place in gross domestic product, employment and foreign trade.



## The most important companies in the Wood processing Industry sector in B&H:

### B&H COMPANY

Natron Hayat d.o.o.  
SHP Celex a.d.  
Dempson Bosna d.o.o.  
Violeta d.o.o.

Standard Furniture Factory d.d.  
Standard a.d.  
INGA STOLARZ GABI d.o.o.  
ROSE-WOOD d.o.o.  
DALLAS BH d.o.o.  
Wood world d.o.o.  
Prowood d.o.o.  
Prima Sofa d.o.o.  
Yield d.o.o.  
Nord Ent  
Fen BH  
Sinkro d.o.o.  
LONGWOOD d.o.o.  
RUKOTVORINE d.o.o.  
JAVOR d.o.o.  
KALEA d.o.o.  
TESLA d.o.o.

### LOCATION

#### Pulp and paper Producers

Maglaj  
Banja Luka  
Kozarska Dubica  
Grude

#### Furniture Producers

Sarajevo  
Prnjavor  
Gradiška  
Gornji Vakuf  
Sarajevo  
Lopare  
Mrkonjić Grad  
Kalesija  
Sarajevo  
Tešanj  
Lukavac  
Sarajevo  
Cazin  
Konjic  
Prijedor  
Ilijaš  
Modriča

KESTEN d.o.o.  
SOLIDWOOD d.o.o.  
NOVA DI VRBAS d.o.o.  
ADONIS d.o.o.  
BABILON d.o.o.

AM MEĐUGORJE d.o.o.  
BRIJEST PROMET  
DRVOLIK d.o.o.  
JAJA-JASE  
FAGUS HAUS d.o.o.  
MALAK GROUP  
MALINOVIĆ CO  
PROGRAD  
TIŠLER-PROM

A.S.B. EXPAN  
FL WOOD  
ISOWOOD d.o.o.  
PALAVRA  
FORESTA

#### Wood Joinery Producers

Vitez  
Gradačac  
Banjaluka  
Mostar  
Tuzla  
Banjaluka  
Velika Kladuša  
Rogatica  
Srebrenik  
Banjaluka  
Donji Vakuf  
Šipovo  
Žepče  
Gradačac

#### Wood Panels and Veneer Producers

Bihać  
Foča  
Gračanica  
Nova Bila  
Bosanska Kostajnica

TAMEX  
PETROPROJEKT d.o.o.  
INTERLIGNUM d.o.o.  
MEGADRVO d.o.o.

DRVOPRODEX  
AGROFLORA  
NOVA DIPO  
BH LEGNO SERVICE  
BMD FABRIKA PARKETA  
FAČO  
SAMATINI

LIPADRVO  
DRVO-COMMERCE  
OMORIKA  
PROMINVEST-STUPČANICA  
SMRČA  
STOJNIĆ

PROMO  
KRIVAJA –TMK  
STECO CENTAR  
GROSSIST  
SAVOX

ENSA B&H  
WOODLAND  
FINAL GROUP

#### Wood Floor Producers

Busovača  
Bratunac  
Teslić  
Bijeljina  
Srbac  
Kozarska Dubica  
Gornji Podgradci  
Bihać  
Janja  
Čelinac  
Milići

#### Sawn Timber Producers

Prijedor  
Teslić  
Han Pijesak  
Olovo  
Kozarska Dubica  
Gradiška

#### Prefabricated Wooden Houses Producers

Donji Vakuf  
Zavidovići  
Janja  
Prijedor  
Milići

#### Pellet Producers

Srbac  
Drvar  
Oštra Luka

INTERWORK  
BIO KONCEPT  
MIŠKO-GROUP  
ENWO  
TRENICA PROM  
LAZIĆ PROMET  
ASKO KOMERC

Petrovac  
Novi Grad  
Žepče  
Zvornik  
Doboj Istok  
Barači-Mrkonjić Grad  
Nemila

## What our investors have to say:

### Natron Hayat d.o.o. Maglaj (Turkey)

"Natron-Hayat d.o.o. Maglaj is an esteemed European company enjoying high reputation in the field of production of various types of paper and paper packaging. It was founded on 15 April 2005 by company Natron d.o.o. Maglaj and the reputable company Kastamonu Entegre company, which is a member of the internationally renowned Hayat Holding Group from Turkey. This newly established company has inherited a 50-year-old tradition and experience in the paper industry (based on the successful work of the former Natron d.o.o. Maglaj). Natron-Hayat currently employs more than 840 workers. A great number of young and highly qualified employees, along with older experts of various profiles, are making every effort to meet the expectations of every customer. They can offer the following products: packaging paper, MG (machine glazed) paper, crepe paper, finishing paper, paper sacks, paper bags, corrugated board and board packaging, cores. With its current production, company meets not only the domestic market needs but also those outside the borders of Bosnia and Herzegovina."

**Mr. Avanash Taneja, Managing Director, Natron Hayat doo Maglaj** - I would like to emphasize that Norton head has been one of the most successful privatizations in the country. That has happened not only because it had a very strong, determined and resourceful group head group behind it, but also because of very sincere dedicated, technically strong, workforce in the mill and in the country which delivered the right results once guided properly. In my opinion it is one of the strengths of BiH because only state of the art machines do not deliver the results but you need the right people behind them."

### "Standard Furniture Factori" d.d. Ilijaš-Sarajevo (Germany)

The success story, called Standard Sarajevo, dates back to 1965. The main driver of everything was the love of wood, furniture, space. Today, (after 53 years of constant, successful work) little has changed. Now as Standard Furniture Factori d.d. Ilijaš, the success story continues. Standard, as a furniture manufacturer, is recognized as a quality brand (with FSC and ISO certificates) in BiH, but also in the European market and as one of the leading furniture manufacturers in the entire region. This is confirmed by the fact that it markets its products throughout Europe and the world, in countries such as Germany, Austria, Belgium, Switzerland, France, the Netherlands ... In addition, Standard is an active participant in many trade fairs such as the famous MOW (Bad Salzuflen, Germany), IMM (Cologne, Germany) and the January Furniture Show (Birmingham, UK).

**Maja Batotić, director of Standard Furniture Factory from Ilijaš**

"Standard Furniture Factory, has existed for over 50 years, employs almost 500 people, is engaged in the production of dining room furniture and is an export-oriented company. During the crisis, we did not have any challenges other than the challenges regarding raw materials, because we have overcome all other challenges before."



## "Lipa-drvo" d.o.o. Omarska-Prijedor, PRIJEDOR - Corà Timber Industries (Italy)

Lipa was formed in 2000 and has:

- a total of 70,000 m<sup>2</sup> of space,
- 10,000 m<sup>2</sup> of industrial / production facilities
- 1,500 m<sup>2</sup> dryer
- 70 employees.

It provides numerous services: sawing, cutting, steaming, impregnation, drying, selection, storage and direct delivery to customers elements of beech and oak.

Banja Luka is considered the region where the best beech in the world grows. On the other hand, the proximity of the Balkan area gives the possibility of a continuous supply of certified high-quality oak. The company can meet many requirements thanks to its equipment present in production: Lipa has 19 dryers, a total of 1860 m<sup>2</sup>, 2 evaporators and 5 wagons, 2 boilers, 1 Italian band saw Primultini, 3 trimmers and 1 line BFB automatic re-selection.

### **Domenico Corà, President and Managing Director of Corà Timber Industries Spa.**

*"Company strengths:*

- *Dynamic, capable and brave people. Real and indirect experts, bearers of the company's values, as if they feel it as their second home;*
- *Position of production units in the place of origin, product range articulated and complete, typical Italian production determination and flexibility;*
- *FOUR values that are an integral part of the company: History - Reliability - Competences and Seriousness. "*

## "Standard" a.d. Prnjavor – Dacomet AG (Schweiz)

Standard Prnjavor, with a history of existence since 1943, is a specialist in panel veneered furniture as well as furniture made of mixed materials such as. veneer / solid wood or veneer / metal. During 2004, the Swiss company Dacomet AG from Zurich began privatization and currently owns 84.5% of the shares. State funds own 14.6% and small shareholders 0.9% of shares. Following the purchase of most of Standard's shares by Dacomet AG, three investment cycles were carried out in equipment, facilities and training of workers with the aim of improving quality and increasing capacity. Currently, Standard employs over 300 workers and the fourth investment cycle has begun.

### **Edin Dacić, President of the Board of Standards**

*„Standard d.o.o. operates in accordance with IKEA requirements, of which the IWAY standard is one of the strictest environmental and social standards. The IWAY standard refers to the minimum requirements for the environment, social and working conditions when procuring products, goods and services.*

*We are currently in the phase of implementing ISO 50001 for energy efficiency. Sustainable development in our business will enable us to provide long-term access to key raw materials, strengthen competitiveness and increase productivity. In addition, it will help us stay ahead of future potential competitors in the market. "*

# KEY PARAMETERS OF THE ATTRACTIVENESS OF THE SECTOR:

## 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.

## Number of employees and average salary:

- The number of workers in the wood industry has increased in recent years and currently, about 30,000 people work in the sector. The increase in the number of employees in the sector is most pronounced in 2017 and recorded a growth of 1208 workers, while it was milder in 2018 and recorded a growth of 391 workers. In 2019 (due to the consequences of the global Covid-19 Pandemic), the sector recorded a slight decline in the number of employees.
- The average monthly gross salary of workers in companies in the wood industry is 943.00 KM, or 482.00 EUR. This means that workers in wood processing companies are paid an average of 6 KM, or 3 EUR per hour.
- On the other hand, the monthly income per employee is 6,981.00 KM, or 3,569.00 EUR. The average income per hour of employees is 42 KM, or 21 EUR.

## Profit:

Companies registered within the wood processing sector in 2018, together achieved a total profit of 45.73 million KM, which is a decrease of 30% in this industry compared to the total profit from 2016., when the number was 62.25 million KM.

## Share in GDP is 2.03%

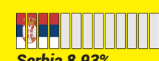
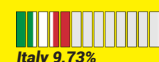
- The contribution of bh. manufacturing industry to GDP growth in 2020 was 12.94%, and the contribution of the wood sector is 2.03% (excluding forestry and forest exploitation) and this is the only large manufacturing sector with multiple positive overall foreign trade balance.
- Until 1992. The share 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.

## Export of the sector

The export of the sector in 2020 was almost two billion KM, precisely 1,846,065,000 KM (Source: Agency for Statistics of BiH) with a tendency to increase exports of products with a higher degree of finalization such as furniture and furniture parts! The volume of foreign trade of the sector in 2020 was 2.7 billion KM, of which 1,846,065,000 KM in exports and 875,275,000 KM in imports (in addition to difficult business conditions caused by the pandemic) and it is 1.3% lower than in 2019. g. and accounted for 10% of the total volume of foreign trade of BiH, with the share of wood processing exports in the total of realized bh. exports amounted to 17%.

The surplus was realized in most activities (total coverage of imports by exports was 347.7%), and the most pronounced surplus was in the furniture production, where total exports were realized worth 883,025,000 KM, or 44.1% of total exports of BiH. wood processing.

The most important foreign markets of the wood sector in 2020 were: Germany, Croatia, Italy, Serbia, Austria, Slovenia and the Netherlands, to which as much as 73% of all BiH wood processing products were exported



## Foreign direct investment in the sector:

Total foreign investments within the wood processing sector as of December 31, 2019. (according to the Central Bank of BiH) amounted to 340.2 million KM, which is a share of a modest 2.26% in total FDI in BiH in the same period (which amounted to 15.022 billion KM or 7.7 billion euros).

Of the total value of foreign investments in the wood sector, the highest was recorded in the production of pulp, paper and paper products, 48%, or 163.6 million KM. The largest part (87%) of this amount was invested in the territory of FBiH.

In the activity of processing wood and wood and cork products, apart from furniture, a total of 134 million KM was invested in BiH, of which 96.5 million KM in the Federation of BiH, and 37.5 million KM in the Republika Srpska.

The total foreign investment so far in the furniture industry amounts to 43.8 million.

## 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 ....

## Number of economic entities (enterprises):

- Today, the wood industry of Bosnia and Herzegovina is organized within a number of small and medium enterprises, mostly privately owned.
- At the end of the business year 2019, 1,561 companies were actively operating within the sector, which is 9% more than the number of companies in 2018, when 1,297 companies were active.
- The number of active entrepreneurs at the end of 2019 increased by 22% compared to 2018,
- Of these companies, 59.4% of companies generate revenue of up to half a million KM, 36.2% of companies up to 5 million KM, and 4.5% more than 5 million KM.



## MANUFACTURE OF PAPER AND PAPER PRODUCTS IN B&H

- Thanks to the wealth of forests, Bosnia and Herzegovina, after the Second World War, had a developed pulp and paper industry and participated with 10.2 percent in total exports of the paper production and processing sector in SFRY, and with 4.1 percent in imports.

- Production of pulp, paper and paper products was concentrated in two large industrial capacities: Natron Maglaj and Papir Drvar. During the war, the production facilities of these companies were destroyed, which is why today the production of paper in our country has not experienced the momentum it could.

### EXPORT:

This branch of industry has been growing exports continuously for several years now (except for the "pandemic" year -8.4%).

Exports in the field of paper industry during 2020 were realized in the value of 281.9 million KM, while imports amounted to 410.9 million KM and were higher by 9.6% compared to 2019.

The most important partners in foreign trade in the field of paper industry are Slovakia, Croatia, Serbia, the Netherlands, Slovenia, the Czech Republic, Italy, Turkey, Egypt, Great Britain, Germany, Spain, France.

- Boxes, sacks and bags, paper, cardboard, cellulose wadding, toilet and similar paper, uncoated and handmade paper and cardboard, labels, newspapers, magazines and publications and other printed material are mostly imported.

- We mostly export kraft paper and cardboard uncoated, toilet and similar paper, handmade paper and cardboard, boxes, bags and sacks, other uncoated paper and cardboard, cigarette paper, corrugated paper and cardboard, printed books, brochures and leaflets, newspapers, magazines and other publications.

### COMPANIES:

Currently, four companies in BiH produce paper and cardboard: Natron-Hayat Maglaj, Paper Factory SHP Celex Banja Luka, Violeta Grude and Dempson Bosna from Kozarska Dubica.

Natron-Hayat and SHP Celex are companies with a long tradition of existence whose production has been revitalized by foreign investments from Turkey and Slovakia.

- Natron Hayat Maglaj has a wide range of products in its range, including 100 percent cellulose brown kraft paper made of virgin fibers, standard kraft paper, semi-extensible kraft paper for bags, finished products, paper bags. The annual production of kraft paper is 85,000 tons, and it employs about 900 employees.

- SHP Celex a.d. Banja Luka is a member of the SHP Group, the largest papermaking group in Southeast Europe. The final products include toilet paper, paper towels, tissues and napkins, under

the brand name Harmony. The company employs about 350 workers and has a capacity of 35,000 tons per year.

- Violeta d.o.o. Grude Tomislavgrad is a regional leader in the production of paper hygiene products and has its own production facilities in BiH. Currently, Violeta Group employs about 700 workers. In addition to toilet paper and tissues, the product range has been expanded to include wet wipes. Violeta is a domestic market leader in the production and sale of wet wipes, paper towels, toilet paper, wipes and napkins.

- Dempson Bosna d.o.o. is a company owned by Dempson Crooke from Great Britain. Investment value: 5 million KM. The main activity is the production of paper packaging. The main products are special types of paper bags. The entire production program of the company is placed on the markets of Western Europe. It employs about sixty workers and is the first 100% foreign direct investment in Kozarska Dubica.

## ■ 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:

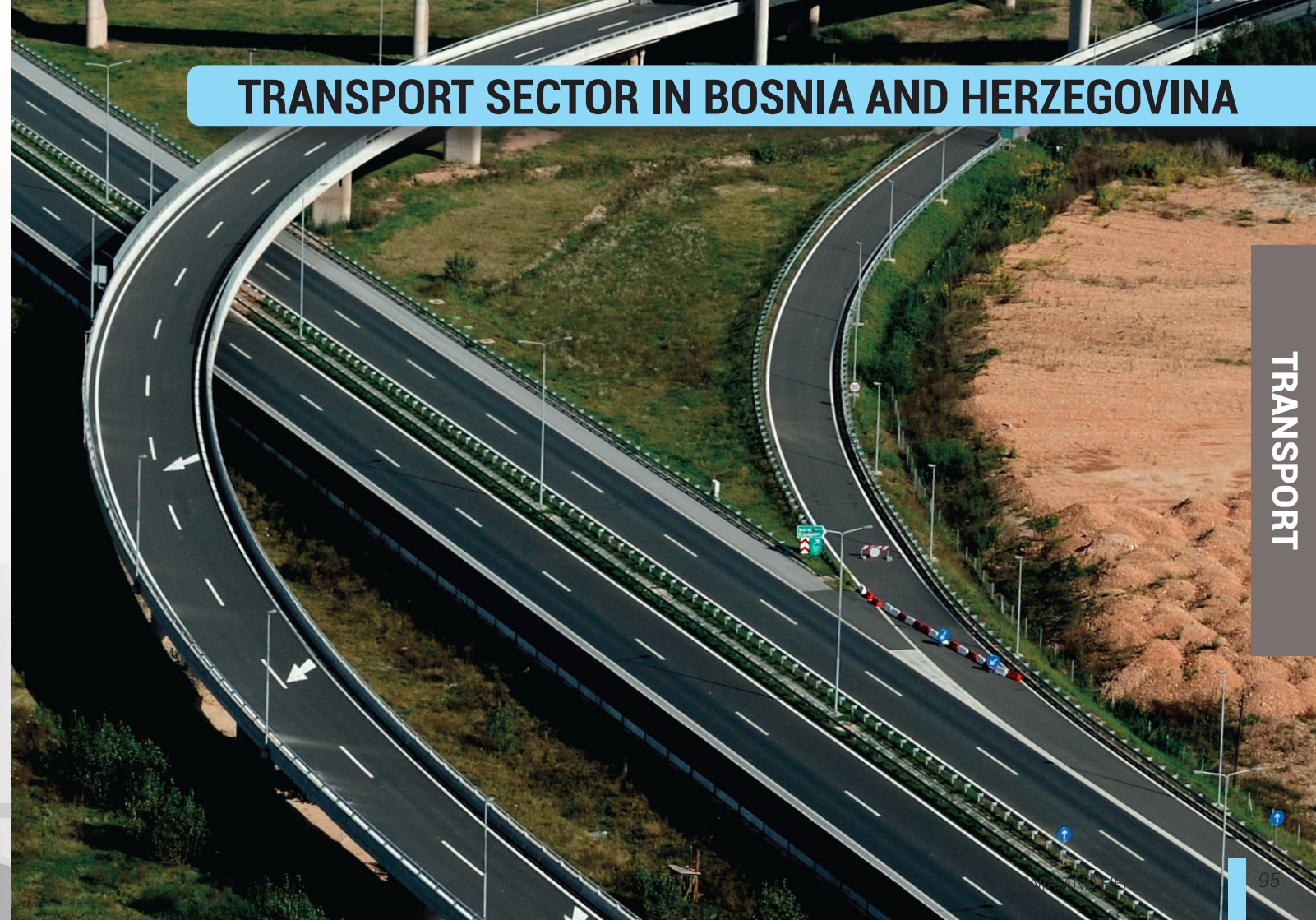
- EQUIPMENT (technological development),
- PERSONNEL (employee education) and
- MARKET (information on the needs of domestic and international markets).



## WOOD SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA

1. Biomass briquettes, Sokolac
2. Factory of tables and chairs, Lopare
3. Furniture production, Konjuh Zivinice
4. Laminated board made of hard wood, Zavidovici
5. Parquet and glued panels, FAD Vogosca
6. Passive building and wigwams, Donji Vakuf
7. Prefabricated houses, Seta inzenjering Zavidovici
8. Production of prefabricated and dismantling pallets
9. Wooden finger joint panels and elements, Gracanica
10. Production of pellets, Gradiška
11. Wooden toys production, Zavidovici
12. Wood processing plant, East Drvar

## TRANSPORT SECTOR IN BOSNIA AND HERZEGOVINA





Transport sector in Bosnia and Herzegovina became one of the most active and vibrant sectors within B&H economy, due to the ambitious physical and institutional development programs – covering roads, railways, aviation, inland waterways and urban transport - adopted by B&H governments, and supported by various international, predominantly financial institutions (World Bank, EBRD, etc.). Main comparative advantage of Bosnia and Herzegovina is a favorable geographical position, which is the main basis for the future development of the whole transport sector.

Recognizing efficiency and quality of transportation system and infrastructure as one of the key factors for faster transitional changes, regional and international integrations of B&H, as well as for overall economical development, adopted Strategy, Policy and Sector development scenario by 2020, encompassed considerable investments in transportation infrastructure, respecting the principles of liberalization and privatization. Numerous infrastructure projects are already underway, which aims are to improve the performance of Customs and removing impediments to international road transport, including greatly increasing the efficiency of road border crossing points, implementation of the Road Management and Safety Project, with the objective to improve traffic flows and reduce accident rates on the country's road network through reconstruction and modernization of priority roads, as well as construction of new roads and motorways etc. All these development programs aim to increase the density of high quality transportation facilities within the country, and to upgrade existing infrastructure, which encompasses at present, as follows:

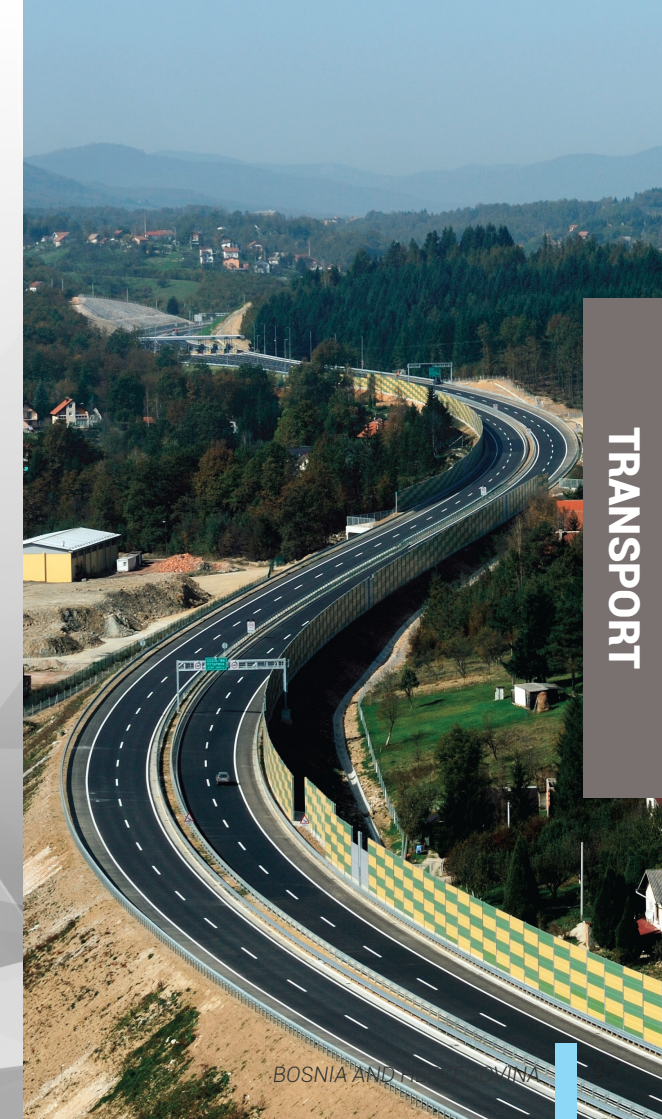
## ROADS

The road network of Bosnia and Herzegovina consists of 24,796 km with 3,970 km main / state roads (16.0%); 128,7 km of which classified as Motorways (120 km of motorways and 8.7 km of roads reserved for motor traffic), 4,611 km secondary / regional roads (18.6%) and 14,200 km other /

local roads (57.3%). Part of the B&H road network assumed strategic international relevance, within the Western Balkans Region, due to its inclusion in the SEETO (South East Europe Transport Observatory) Comprehensive network.

### Main projects identified by road development program are:

- Motorway at Corridor Vc,
- Motorway Gradiška - Banjaluka - Mrkonjić Grad - Šipovo - Kupres,
- Motorway Prijedor - Banja Luka - Doboj - Šamac - Bijeljina (Serbian border),
- Motorway Tuzla - Orašje (Croatian border),
- Highway D. Vakuf - Lašva,
- Highway Bihać - Izačić (Croatian border),
- Highway modernization/reconstruction Sarajevo - Tuzla,
- Highway Sarajevo-Belgrade (two routes) etc.





Management of the road network in Bosnia and Herzegovina is carried out according to different levels of jurisdiction of Federation of B&H, Republic of Srpska and Brčko District. In the State level management is The Ministry of Communications and Transport of B&H (MoCT).

### CORRIDOR Vc

Corridor Vc, as a part of Pan-European Corridor, connected to TEN Network, was recognized as main regional project, going from Budapest (Hungary), via Osijek (Croatia), Sarajevo (Bosnia and Herzegovina) to the Port Ploče (Croatia).

The transport Corridor Vc through Bosnia and Herzegovina includes:

- Motorway - E-road E-73 Samac- Sarajevo - Mostar - Croatian border, with exit to the Adriatic Sea (Port Ploče),
- The railway Samac - Sarajevo - Mostar - Croatian border, with exit to the Adriatic Sea (Port Ploče),
- Sarajevo and Mostar Airports,
- Waterways and quays on the Sava, Bosnia and Neretva Rivers,

Corridor Vc's central objectives are B&H's inclusion into Europe's main traffic flows, as well as easier access to the European marketplace. Bosnia and Herzegovina (B&H) contains the longest section of Corridor Vc with a total length of approximately 335 km. Corridor Vc goes through major economic, cultural and industrial centres in the B&H. So far 105 kilometers of the motorway on the Corridor Vc are finished. The project has a strong support of the Bosnian Government and it's financed by bank loans: EIB, EBRD, OFID, KFAED.

### RAILWAYS

The total length of operational railway tracks in B&H is 1031 km, most of which is electrified ( 91.48% are single-track and 8.52% are double-track lines). The network is deployed 57% in FB&H, 40.4% in RS, and 2.6% in BD. The railway network consists of two main strategic lines, which are also the main railway lines for cargo:

- The North-South line Bosanski Samac-Doboj-Zenica-Sarajevo-Mostar-Capljina, located on Corridor Vc;
- The West-East line Dobrljin-Bosanski Novi-Banja Luka-Doboj-Tuzla-Zvornik which is the railway line parallel to Corridor X.

Rail transport in Bosnia and Herzegovina is operated by two companies: Željeznice Federacije B&H and Željeznice Republike Srpske. Priorities and at the same time investment opportunities for the railway sector are reconstruction and modernization of infrastructure and purchase of new locomotives and coach cars.



## AVIATION

B&H has four main airports, compliant to the ICAO standards, all of which serve international air traffic, where Sarajevo serves approximately 90% of the total traffic.

The other three airports - Banja Luka, Mostar (about 30 miles from the border with Croatia), and Tuzla (about 5 miles from the Serbian border) have occasional commercial charter traffic, which can fluctuate depending on the season. All airports has development programs related to the modernization and expansion of existing capacities, including upgrading of the navigation equipment and other facilities, such as terminal buildings, runways etc.

## INLAND WATERWAY SUBSECTOR

The Sava River, with two main ports Šamac and Brčko, being a tributary of the Danube (part of TEN Corridor VII), is the only navigable waterway, and runs for 333 km along the border with Croatia and the border with Serbia. Both ports have the ambitious development programs related to the modernization and expansion of the existing facilities and capacities.

## INVESTMENT OPPORTUNITIES

Attracting investors and reliable strategic partners is one of the most important preconditions for the successful development of the B&H transportation sector, applying various business and investment models, such as:

- Involvement of strategic investors on Build-Operate-Transfer concession basis,
- Financing from specialized institutions (World Bank, European Investment Bank),
- Engagement of B&H investment funds,
- PPP arrangements,
- Privatization, etc.

## TRANSPORTATION SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA

1. New Raca Port, Bijeljina
2. Regional Business - Tourist Airport Golubic, Bihac
3. The railway track overhaul - Section Podlugovi
4. The railways tracks overhaul - Sections Dobojski Maglaj and Jelina – Zenica
5. Track machinery for construction and maintenance of railways in Federation of Bosnia and Herzegovina





## 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 resources /law 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

For 2021 we could say that it was turbulent year when it comes to the raw material market – including mining sector. In a forthcoming period, great changes and challenges are expected. Due to a current situation, synergic approach of state bodies, chambers of commerce and other relevant institutions that support economy is expected especially considering pandemic crises issues. 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. Looking at the export of the metal and electric industry in general for the first nine months in 2021, situation is much better since export of ores, metals and its products increased by 85% precisely, export was app.850 mil.KM or 390 mil.KM more compared to the same period in 2020.

Bosnia and Herzegovina is abundant in various natural mineral resources, particularly in large deposits of coal, bauxite, iron and limestone.

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 „Đurđevik“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.**

### **Responsibilities 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/>



## METAL PROCESSING SECTOR

All areas within the metal and electrical industry records show increase in export results. Looking at the export of the metal and electrical industries year-by-year export of the machinery, apparatus, mechanical devices, boilers, vehicles and weapons is 29% higher. Largest export market in 2021 is European Union – lead by Germany, Austria and Italy.

Metal production sector in Bosnia and Herzegovina is one of the most important industrial sectors in the country 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 35 - 39 % of the total revenues proved by the main indicators of the sectors showed in the next table.

Indicators in MS	2010	2012	2014	2016	2017	2018	2019	2020	2021
GDP Share	3.11%	3.20%	2.99%	3.59%	4.10%	4.20%	4.03%	4.02%	*
Export Share	37.6%	36.4%	34.2%	33.4%	34.3%	36.3%	37.6%	36.1%	39.2%
No. of companies	1,119*	1,176	1,111	1,114	1,110	1,163	1,190	1,212	*

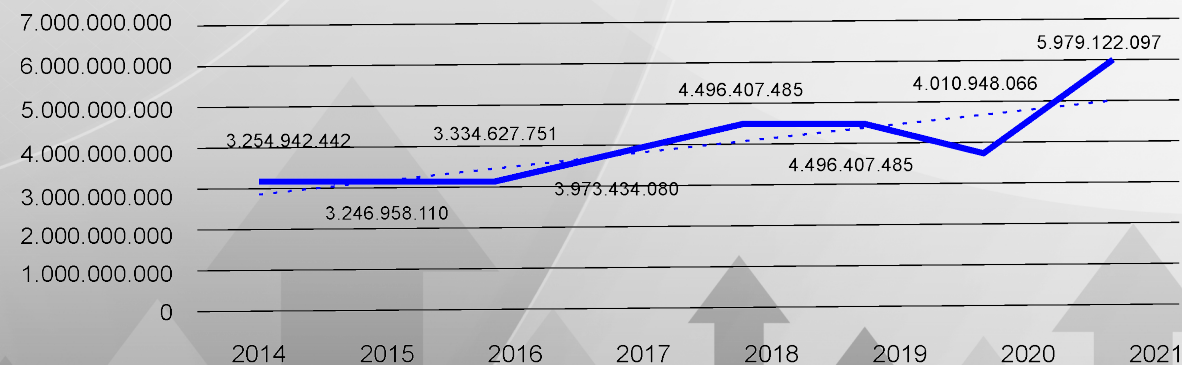
Source: Agency for Statistic and Foreign Trade Chamber of B&H

Within the past 10 -15 years, metal processing industry has experienced dynamic development with extraordinary growth of 25,6% annually and more then 35 000 employees (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

**Export of metal and electro sector for the period from 2014 - 2021**



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

B&H metal sector has permanent and robust production growth rate of over 10% within the past few years, being strongest exporter in B&H economy. Metal industry is one of the most important industrial sectors of the whole region based upon the following data:

- 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. 34% of the total export)
- No restrictions for foreign partnership with domestic companies



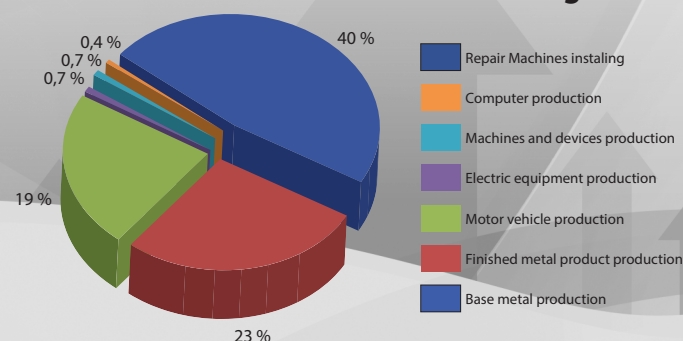
## FDI IN METAL PROCESSING SECTOR

According to the statistical data total income of metal production (auto components – subsector) and electro industry of FDI by December of 2020 was 619.17 million EURO, presenting 8,0% of total foreign investments (7,72 billion EURO).

The investments were made in sectors of:

- Fabricated metal products, except machines and equipment – 1,80%
- Motor vehicles, trailers and semitrailers - 1,60%
- Base metals - 3.20%.
- Production of computers and different devices - 0,30%
- Production of electric equipment – 0,60%
- Production of machines and devices – 0,50%

### Investment activities within the total foreign investments in the metal sector



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.

## INVESTMENT OPPORTUNITIES

Strong development and permanent production growth that characterized Bosnia and Herzegovina metal sector is considerably below its real potentials and expected performances.

The existing structure of the metal sector in Bosnia and Herzegovina, characterized with small companies provide huge chances for large integrator companies of the sector, to integrate existing primary producers and to start their operations.

In order to make more attractive investment climate within the particular sector it is important to make a following steps:

- Production growth with the higher added value
- Partnership with the international companies
- Technologies innovations
- Privatization and reconstruction opportunities
- Establishing of the quality certification institution (particularly important for the export oriented companies).

Domestic metal companies are already recognized as reliable partners by present foreign investors.



**Important note:**

According to the methodological support and capacity building in smart specialisation processes in the Western Balkans economies one of the main goals is support to smart specialisation in the region. Identifying promising industrial areas (domains) for the Western Balkan economies with higher value-added as well as to analyse and identify possibilities for wider cooperation in the South-East Europe in these identified areas.

The proposed analysis of value chains in the Western Balkans (WB) is expected to deliver an advanced contextual overview of the competitive position of the present and potential smart specialisation priority domains and to identify opportunities for upgrading the position of the whole region and individual economies in European.

Finding new market niches and areas of economic cooperation focusing on metal/automotive sector in Bosnia and Herzegovina is first priority and we as a market already started the process by opening Centre for digitalization, innovations and metal processing competitiveness. Companies of the mentioned sector are going to be supported for R&D programs and strengthening innovative capacities and competitiveness. Federal Chamber members are expecting support out of the project hoping that the future is going to bring more investment opportunities in their specified field of work.

**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.

Another advantage of B&H is the high density of research and development institutes that are the base for effective cooperation in between the companies meeting their development needs. On the other hand, a rise in the number of employees was registered within all other MP sub-segments, except for the manufacture of Other Transport Equipment, which brightens the overall labor market framework for the MP industry in 2020.

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>*



## MINING AND METAL SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA

1. Agricultural machinery, Kozarska Dubica
2. Aluminium Profiles Zenica Dobož Canton
3. Bolts factory, Mrkonjić Grad
4. Ferrosilicium Production, Gornji Vakuf Uskoplje
5. Lattice treads, Jelah-Tesanj
6. Metal production capacities of Solar Mont, Gradiska
7. Parts and assemblies for machine tools, Ljubija – Prijedor
8. Production of machine tools, hydraulic press break and shear
9. Railway equipment GIG Inženjering, Knezevo
10. Seta inženjering, Zavidovici
11. Optima Power Machining Park Modrica
12. Manufacturing plant for belt conveyor rollers nad consumable parts Stanari
13. Factory for the production of cables, metals and plastics Sarajevo





## AUTOMOTIVE INDUSTRY IN BOSNIA AND HERZEGOVINA

Given its geographical location, long tradition and skilled workforce, the metals, and more precisely the automotive industry is one of the sectors with the greatest potential for development and export increase in Bosnia and Herzegovina (B&H).

Automotive industry of Bosnia and Herzegovina has a long tradition that lasts for more than one century. In a combination with the new factories founded by the foreign investors and traditional home owned companies that passed the tests of modern automotive components production it is evident that those brands are ready for New Age and modern technologies of the world wide car industry.

Approximately 50% of the companies operating as suppliers in the automotive sector import half of their raw materials and intermediate goods from the EU, while the other half procure in the country. The production of automotive parts and components is mostly intended for exports.

The total volume of trade in automotive industry has increased. Comparing to the same period last year total export result in 2021 is higher by 437 million KM showing increase of 57 million KM or 15%. Export market leaders



of automotive industry are Germany, Luxemburg, Austria, Slovenia and Italy.

Import is increased as well by the total value of 1,4 billion KM showing increase of 283 million KM or 25%. Import market leaders of the sector are Nederland, Germany, Slovenia, Serbia and Croatia.

Import and export are the leaders in the total trade of the metal sector.

Products with the increased level are: Iron and steel as well as their parts, electrical industry and auto industry.



## REASONS TO INVEST

- Strategic location and geographic position
- Export oriented sector / after metal sector (export markets oriented towards CEFTA, EU and Serbia that produces FIAT vehicles)
  - Closeness of the European market and borders with Croatia
  - 16 000/16 500 Employees in auto component manufacturing
  - Plenty of available labor 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)

**You should know that Bosnia and Herzegovina has all the parameters important for successful investment and offers you with:**

- 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 labor 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
- Aluminum 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 the strongest investors such as Prevent Group, Mann Hummel, Car Trim, Jajce Alloy Wheels, Emka, Bekto etc.

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 Automotiv d.o.o. Gradacac	Svajcarska	Wagner AG
Remus@Sebring Holding	Remus Holding GmbH	Austria
Preis Usora	Jagersberger Gesellschaft m.b.H	Austria
SIKA limarstvo d.o.o. Sanski Most	Siegfried Sickinger	Austria

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

## AUTO COMPONENTS PRODUCTION

In the recent decade, the automotive industry has experienced dynamic development and become 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 experience in metallurgy, electrical and automotive engineering.

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

B&H automotive industry is not represented with a large number of companies, but these companies are for sure some of the fastest growing and most developed ones when it comes to technology, management and organization. The majority of these companies have permanent and stable buyers. Almost all 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. It is almost entirely export-oriented, meaning that only a small share of automotive industry parts and components are placed at the local market.

Companies in automotive sector are producers of a wide spectrum of parts and components, such as: engines and gears and their parts, high - quality metal precision parts, drive shafts, brake parts and systems, clutches, steering parts and systems, pumps, filters, automotive electric parts (signals, relays, electronic switches), textile and leather products, plastic injection parts, aluminum wheels, car batteries. Besides, they produce a various small parts such as springs, screws, hoses, and metal components, rubber or plastic. Thermoplastic processing also follows the trend of development



so some companies are already recognized exporters. Owing to the process of final assembly of vehicles and the existing production of automotive parts a strong and diverse supply chain of automotive parts and supporting infrastructure has been established.

### HUMAN RESOURCES AND EDUCATION

Human resources with technical skills and expertise are the most favorable advantage for investing in 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.

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 labor market framework for the MP industry in 2020/21.

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. Parts for automotive industry, Pobjeda Tesanj
2. Purifiers and filters, Nova tvornica precistaca Rogatica
3. Steering mechanisms, FUSOL Nevesinje
4. Saraj Komerc, Gornji Vakuf Uskoplje





## MILITARY INDUSTRY OF 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 40 companies and produced a wide range of armaments and military equipment including:**

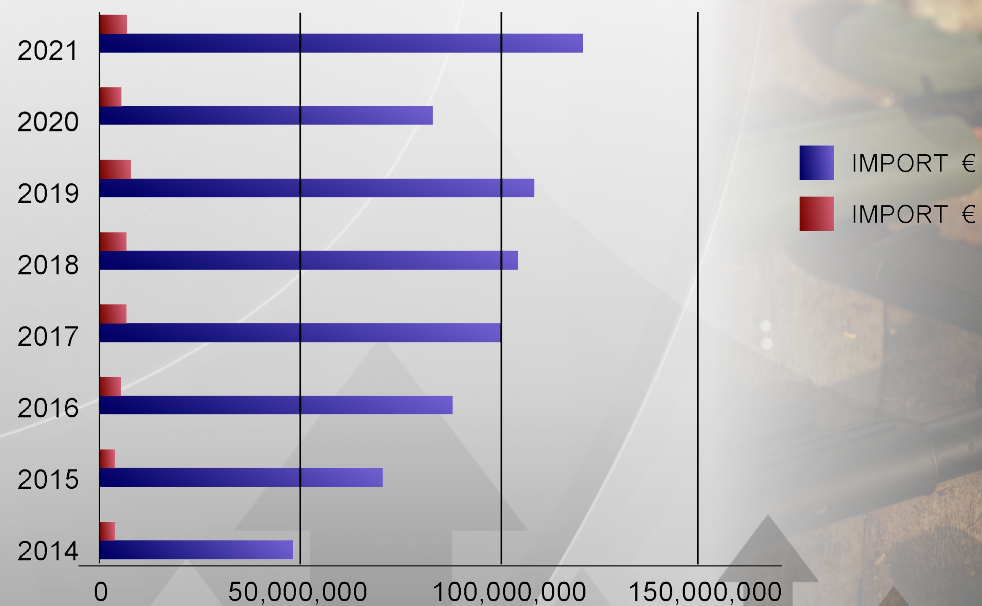
- Various military, industrial and initiating explosives and chemicals
- Primers, Detonators, Pyrocartridges, Igniters, and fuses
- All types of ammunition and bullets for small arms, mortars, artillery, tanks, rockets, and aircraft bombs
  - All types of weapons (except small arms) & military equipment (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

The defense industry is an export-oriented sector and among the five industries that achieve the best results in B&H when it comes to foreign trade. This sector made big progress in production in the last six 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 is experiencing 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, which means 1,000 more jobs than in 2015. In this sector, the average monthly gross salary is 1,369 BAM or 691 euros.

According to the Foreign Trade Chamber of Bosnia and Herzegovina, in 2021 it registered an export of approximately 120 million €, while in 2014 it was about 48 million € (tariff 93). Explosives (tariff 36) exported 23.03 million €, in the previous year. That means that exports of arms and ammunition; parts and accessories thereof from Bosnia and Herzegovina were almost tripled in the last six years. If we compare with the previous year, we see a growth in exports of 18% (in 2020. smaller exports are caused by the COVID-19 pandemic).







Source: Foreign Trade Chamber of Bosnia and Herzegovina

#### EXPORT - Arms and ammunition; parts and accessories thereof 2021.

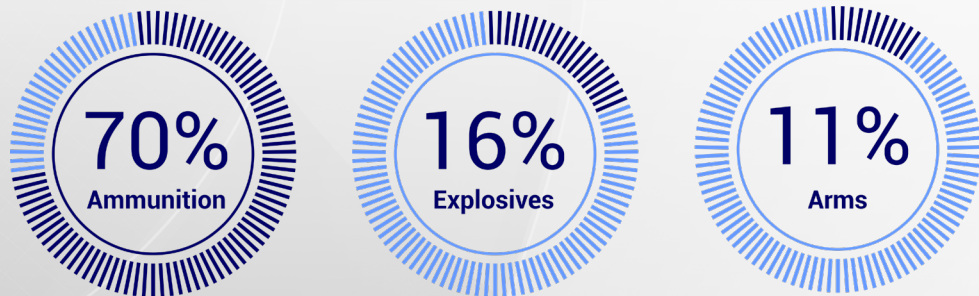
STATE	Amount	VALUE (€)
USA	2.440.546 kg	42,409,313
Egypt	741.480 kg	17,773,712
Czech Republic	657.215 kg	11,733,458
Turkey	636.540 kg	10,098,801
Slovenia	204.177 kg	4,813,276
Serbia	94.168 kg	3,872,080
Germany	222.069 kg	3,301,147
Burkina Faso	129.241 kg	3,250,999
Saudi Arabia	159.520 kg	3,100,312
Switzerland	174.479 kg	3,024,368
TOTAL (10 LEADING COUNTRIES):	5.459.432 kg	103,377,466
-	-	-
TOTAL	6.153.038 kg	120,215,590

Source: Foreign Trade Chamber of Bosnia and Herzegovina

#### IMPORTS - Arms and ammunition; parts and accessories thereof 2021.

STATE	Amount	VALUE (€)
Italy	74.584 kg	1,079,785
South Africa	880 kg	828,399
Germany	26.123 kg	809,379
Turkey	32.927 kg	637,827
USA	16.245 kg	627,550
Serbia	31.946 kg	573,231
Czech Republic	5.671 kg	433,446
Croatia	18.660 kg	378,281
Slovak Republic	1.488 kg	330,635
Slovenia	42.226 kg	266,301
TOTAL (10 LEADING COUNTRIES):	250.749 kg	5,964,834
-	...	-
TOTAL	276.047 kg	7,203,353

As before, the majority of exports relate to ammunition (70%), explosives (16.24%), parts of weapons (11.14%) and other categories 1.67%.



In 2021, Bosnian military exports to the USA amounted were worth about 42,4 million euros. Exports to Egypt were worth about 17.7 million euros, and to the Czech Republic, 11.7 million euros. Other major importers of Bosnian-produced arms and military equipment in 2021 were Turkey, Slovenia, Serbia, Germany, Saudi Arabia, and others. In total, 55 countries have military business cooperation with this small Balkan country.

According to the latest detailed data available, the main BiH Arms and Military Equipment (AME) importers, were Italy, South Africa, Germany, Turkey, USA, Serbia, Czech Republic, Croatia, Slovak Republic, and Slovenia.

## KEY B & H MILITARY INDUSTRY COMPANIES

Currently, military production is organized in more than 40 companies with a large number of sub-contractors, basing its production on domestic resources in 90% of cases. The most successful enterprises from this industrial branch are from 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 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/>).

## 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 three years, B&H's military industry is experiencing 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 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. This year TRB company will present a new product - a prototype vehicle, a light combat vehicle (intended for five people), which was made in cooperation with the Ministry of Interior of the Republica Srpska (MUP), ie with the Special Anti-Terrorist Unit. Also, Tehnički remont Bratunac will build a factory in Banja Luka or its surroundings in the next 12 months. The realization of new projects of the company BNT-Holding "d. d. Novi Travnik (mortar in a version with several different calibers) and "Danial S" d.o.o. Tešanj (protective vest and shield for police and military forces).

The company "Igman" from Konjic opened a new line for the production of ammunition and this year it is planned to hire about 100 new workers. This Bosnian giant of the purpose-built industry "Igman" from Konjic celebrated its 72nd anniversary this year, and on that occasion, opened a new production line of 7.62 mm caliber ammunition ( the production of this caliber of ammunition is increased by about 50 million pieces per year).

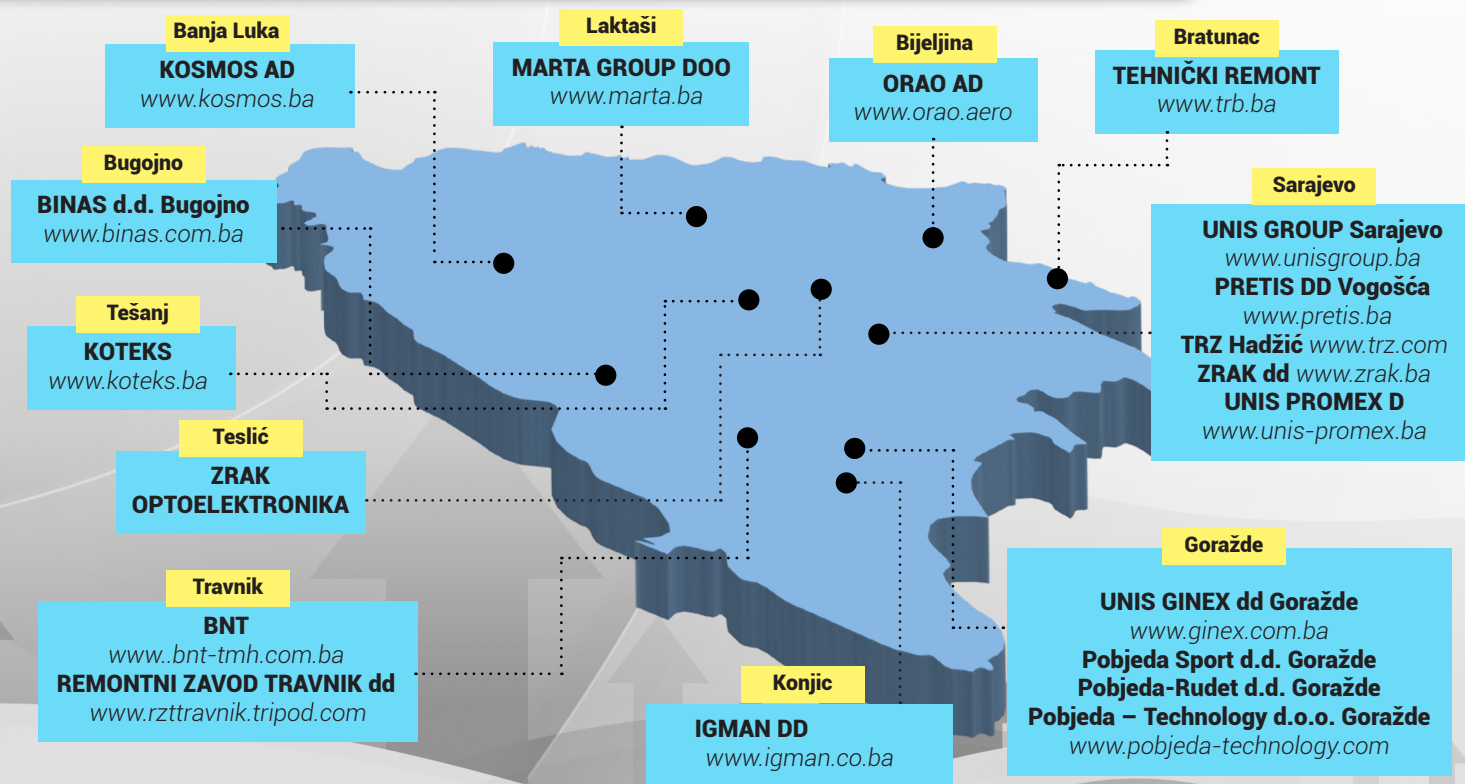
This is just a part of the success stories that both, public and private, companies in the B&H industry are realizing. In the upcoming period, we expect the opening of a new factory, as well as many other innovations and achievements in the military sector in B&H.

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.).





## MAP OF COMPANIES IN BOSNIA AND HERZEGOVINA



Map of companies in Bosnia and Herzegovina

## MILITARY SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA

- Kosmos, Banja Luka
- Orao, Bijeljina





# ICT AND BPO IN BOSNIA AND HERZEGOVINA

## ICT INDUSTRY IS BOOMING IN BOSNIA AND HERZEGOVINA

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.

Our IT industry generates about 500,000,000 BAM (app. 256,000,000 EUR) annually.

According to the BIT Alliance (the leading association of software industry companies in BiH), in the past several years incomes of IT companies in BiH increased by approximately 25%, from year to year, speak in favour of the fact that IT industry is in expansion, with a trend of long-term continuous growth.

Our companies belong to both groups of the companies for development of IT solutions, both those who develop their own IT solutions and record a moderate trend of growth and those who perform IT services for foreign companies (outsourcing). This is currently one of the most represented segments of IT activities that opens an opportunity for a rapid growth and employment of quality personnel with regard to insatiable needs of the world's markets. In recent years, young software engineers and experts started establishing their own companies, thus raising the level of digitalization in our country. They are now working side by side with large foreign companies. This led to an extraordinary growth of the IT sector. The number of companies and new start-ups is constantly growing.

Without compromising quality, Bosnia and Herzegovina offers a competitively-priced skilled workforce. In Sarajevo (capital of Bosnia and Herzegovina), the monthly salary costs for a number of commonly-sought shared services centre positions are presented in the table below.



## MONTHLY GROSS SALARY COSTS (IN EUR)



POSITION	LOWER	TYPICAL	UPPER
<b>FINANCE &amp; ACCOUNTING (AR/AP)</b>			
Junior Accountant	425	550	950
Accountant	575	700	1225
Senior Accountant	675	850	1450
Team Leader	775	950	1900
<b>HUMAN RESOURCES</b>			
Junior Payroll Specialist	625	700	750
Payroll Specialist	750	800	975
Senior Payroll Specialist	800	1000	1100
Junior Recruitment Specialist	625	725	775
Recruitment Specialist	650	825	850
Senior Recruitment Specialist	950	1075	1100
<b>CUSTOMER MANAGEMENT</b>			
Junior Customer Service Specialist	500	600	750
Customer Service Specialist	600	800	900
Senior Customer Service Specialist	750	950	1000
Team Leader	900	1050	1200
<b>IT SUPPORT</b>			
IT Technical Support	475	775	1850
System Administrator	650	925	1300
Network Administrator	700	825	2100
<b>SOFTWARE DEVELOPMENT</b>			
Junior Software Developer (Java)	950	1125	1200
Software Developer (Java)	1350	1750	2000
Senior Software Developer (Java)	2150	2500	2850

Source: Marisa Mejric, IT-BPO Expert, plata.ba, Industry Interviews

## BUSINESS PROCESS OUTSOURCING INDUSTRY GROWTH

According to the analysis of Marisa Mejric, IT-BPO Expert, the early adopters initially earmarked Bosnia & Herzegovina for its ITO, with a healthy number of solely exported-oriented companies and daughter operations of North American and European counterparts establishing themselves. Soon after, customer management and other horizontal BPO positions became part of a continuing second-wave of growth buoyed by widespread conversational German and English skills, strong socio-cultural affinities, and the significant proportion of unemployed college and university graduates. The strong multilingual capabilities and transferable skills of the population have already been leveraged by several larger players (CCC, DDC, Teleperformance, Trizma) and a healthy number of small and medium-sized providers.

## BPO AT A GLANCE

- 65+ specialist BPO/KPO providers (est 2018)
- 2.750+ employed (est 2018)
- 8 ABSL members present (2018)
- Hiring speed: 3 months to fill 50+ customer management or IT help desk positions

Source: Marisa Mejric, IT-BPO Expert



## OTHER SECTOR PROJECTS IN BOSNIA AND HERZEGOVINA

### OTHER SECTORS IN B&H

- 1.Cement factory, Gacko
- 2.Clay exploitation, Berkovici
- 3.Corridor Vc Motorway
- 4.Cosmetics, dietary supplements and medicines, Bijeljina
- 5.Eco colour from natural nutrients, Cazin
- 6.Energy contracting and renovation of old facility
- 7.Exploitation and production of gypsum Foca Ustikolina
- 8.Finishing materials in civil engineering works, Prnjavor
- 9.Habeetat - Smart solution for beekeepers
- 10.Geothermal heating system, Bijeljina
- 11.Greben Quarry, Kakanj
- 12.LED lighting and motherboard manufacturing, Sarajevo
- 13.Hadzici Quarry, Sarajevo
- 14.High density polyethylene plastic containers, Petrovo
- 15.Kaoline and feldspat, Srbac
- 16.Mostar quarry, Mostar
- 17.New Raca Port, Bijeljina
- 18.Natural gas distribution for Travnik Vitez Busovaca and Novi Travnik
- 19.Natural gas distribution for Jajce Donji Vakuf Bugojno and Gornji Vakuf-Uskoplje
- 20.Perfumery and Cosmetics, Zenica

- 21.Production capacity for collecting and processing of used tires
- 22.Production of mineral stone wool and technical building stone, Kostajnica
- 23.Regional Business - Tourist Airport Golubic, Bihac
- 24.Derubis Yhachts and auto caravan's development, Vitez
- 25.Stone wool, Mrkonjic Grad
- 26.Technical rubber goods FAGUM NOVI, Zvornik
- 27.The quarry of diabase, Visegrad
- 28.The railway track overhaul - Section Podlugovi
- 29.The railways tracks overhaul, Dobojski Maglaj and Jelina – Zenica
- 30.Track machinery for construction and maintenance of railways in FBiH
- 31.Underground public garage at Ciglane, Sarajevo
- 32.Compost plant for biodegradable waste, Gradiska
- 33.Quarry for limestone exploitation, Radonjici
- 34.Geothermal energy for heating and cooling of facilities in Visegrad

### INNOVATIONS SECTOR IN B&H:

- 1.Accessory machine for monophasic agro technology
- 2.Electrical induction power supply unit

- 3.Gas Power Plant Tesla 5 MW
- 4.Biometric self-service Hotel Reception
- 5.Airplane propeller moved by the principle of electro-magnetic induction
- 6.Device for ball airbags on vehicles
- 7.Hovering movable and immovable objects
- 8.Hydroelectric power station with hair turbine in running waters
- 9.Hydrogen pellet ekoterm as alternative fuel
- 10.Malfunction of electrical and electromechanical parts on vehicles
- 11.New configuration for usage of solar cells
- 12.Progressive load regulation mechanism at exercise machines
- 13.Seawater distillation apparatus combination with renewable energy
- 14.Straight A life
- 15.System for flood prevention II
- 16.Termic radiant windscreen wiper heater
- 17.Tesla three phase hybrid internal combustion engine
- 18.Traffic sign of black spot
- 19.Vacuumized PVC brick
- 20.Vibrer Tire, Mostar
- 21.New generation of power generator
- 22.CUBIC Style - Ecological hi-tech solar kiosk
- 23.Enigma-Z, Protection System with Electric Code Cloning
- 24.Pulse detonation jet engine Vujan

### REAL ESTATE SECTOR IN B&H:

- 1.Balkan Distribution Center, Sarajevo
- 2.Business and shopping centre in Brijesce, Sarajevo
- 3.Garage construction, Srebrenica
- 4.Hotel with shopping and business centre, Visoko
- 5.Residential- business building Tuzla
- 6.Retirement home, Jajce
- 7.Construction of Sarajevo Big Box
- 8.Detached houses in Vitkovac, Sarajevo
- 9.Former girls high school building, Mostar
- 10.Kosevo-Jagomir Retirement Home, Sarajevo
- 11.Market with underground garage, Jajce
- 12.Residential complex Sehic Garden, Sarajevo
- 13.Residential Business Complex Neretva, Mostar
- 14.Sports facility Kosevsko Brdo, Sarajevo
- 15.Residential, business and shopping centre Sigma, Sarajevo
- 16.Trading Centre, VMC Mall, Sarajevo
- 17.Bosanski Resort, Breza
- 18.Logistic centre Rajlovac, Sarajevo
- 19.Panorama Hills Resort Hadzici
- 20.Ivanica Resort Ravno
- 21.Green Market Vares
- 22.Business - Residential and tourist center Bihac
- 23.Buroj Ozone - Tourist city Trnovo

# INVESTMENT LOCATIONS IN BOSNIA AND HERZEGOVINA

## BUSINESS BUILDINGS

1. Multifunctional production facilities Laktasi
2. Multifunctional business facility Trn Laktasi
3. Main metal production building, former rolling mill in business zone Ramici - Banja Luka
4. Production building, Elastik Sekovici
5. Tannery Laus, Banja Luka
6. Business building, Kresevo
7. Business buildings Nikic J., Prijedor
8. Gavranovic, Prijedor
9. Business building Centralna Radionica Vares
10. Business building Medugorje, Glamoc
11. Production facility Ribnicanka, Ribnik
12. Hotel Visoko, Visoko
13. Animals farm and feed factory Obudovac, Bosanski Samac
14. Silos Oris, Brcko
15. Business building Gamateks, Gradiska
16. 4 business buildings Hrasnica, Ilidza
17. Business and residential building in Bijeljina
18. Business and residential building in Janja, Bijeljina
19. Business building 2, Bijeljina
20. Business building 3, Bijeljina
21. Business building 4, Bijeljina
22. Business building in Bijeljina
23. Business building Trnjaci, Bijeljina
24. Business building with auxiliary facilities in Dvorovi, Bijeljina
25. Business buildings Dvorovi, Bijeljina
26. Business Hall in Bijeljina
27. Business premises, Bijeljina
28. Hall and warehouse, Bijeljina
29. Hotel with restaurant in Janja, Bijeljina
30. Main metal production building, former rolling mill, Ramici Banja Luka
31. Multipurpose business building in Bijeljina
32. Warehouse and office space, Bijeljina
33. Warehouse in Bijeljina
34. Business building Alhos, Pale Praca
35. Business building Novi Elastik, Vlasenica
36. Industrial hall Bjelosavljevici, Sokolac
37. Production hall "Ozren - Borovno", Foca
38. Production halls Ciljuge, Zivinice
39. Agriculture cooperative, Gradiska
40. Business building in Kombiteks Business zone, Bihac
41. Chicken farm with automatic feeders and drinkers, Kalenderovci
42. Gata farm, Bihac
43. Pig Farm, Glamoc
44. Business and shopping mall "Neli", Bihac
45. Krusevo brdo business building, Kotor Varos
46. Grabovica business building, Kotor Varos
47. Production and business building in Free zone Vogosca
48. Business building in the industrial zone Famos, Hrasnica
49. Multipurpose business facility, Bijeljina
50. Multi-purpose commercial building Ljubija Prijedor
51. Wood industrial complex Zeleni Jadar, Srebrenica
52. Production plant Gusto e Sapore, Srebrenica
53. Motel Skelani, Srebrenica
54. Master Frigo, Srebrenica
55. Lovacki dom, Srebrenica
56. Gradska kafana, Srebrenica
57. Feros Potocari, Srebrenica
58. Factory for concrete elements, Srebrenica
59. Aura Hotel, Srebrenica
60. Production and storage building, Breza
61. Production, storage and office building, Vogosca
62. Warehouse Bosanac, Orasje
63. Motel Sumski raj, Srebrenik
64. Multifunctional production facilities Kostajnica
65. Business building Beton Gal Prijedor
66. Hotel Monument Kozara Prijedor
67. Business building Tomeks Prijedor
68. Residential, business and shopping centre, Kakanj
69. Business building for catering, Kakanj
70. Production and business and building in Vlakovo Sarajevo
71. Production buildings in Hrasnica
72. Business centre Srebrenica
73. Motel Topalovic, East Sarajevo
74. Production and business building Novi Travnik
75. Production Centre Energomont, Bosanska Krupa
76. Energoinvest TNNRU, Odzak
77. Euro Hotel, Odzak
78. Business buildings DM Commerce, Odzak
79. Business building Mistika, Vitez
80. Production plant in Zenica City
81. METALIJA business buildings, East Sarajevo
82. HOTEL GALEB MAGLAJ
83. Sanus Hotel, Sanski Most
84. Production complex for metal industry, Nevesinje
85. Production facilities of socks factory KLJUC, Sarajevo
86. Business storage Mostar
87. Production, warehouse and office building, Prnjavor
88. Business building, Pelagićevo.pdf
89. Dobrun, Višegrad
90. Majop, Mostar
91. Unis Komerc, Breza



- 92. Sočkovac, Petrovo
- 93. Mult purpose office building, Usora
- 94. Vardište, Višegrad
- 95. Mravići, Doboj-Jug
- 96. Sales and service centre, Lukavica
- 97. Papirnica, Kozarska Dubica
- 98. Production facilities, Celic
- 99. Business and residential buildings, Sarajevo
- 100. Cultural centre, Petrovo
- 101. Sabix Complex, Maglaj
- 102. Production hall, Nova Bila
- 103. Business building 3XL, Mostar
- 104. Franchise Center B&H, Vitez
- 105. JUPITER CENTAR, Tuzla
- 106. Business building, Ljubuski
- 107. Daiva Car, Vitez
- 108. Business facility Bebi-Triko, Bihac
- 109. Eko Farm Prijedor
- 110. Business building Kaonik, Busovaca
- 111. Textile factory, Berkovići.
- 112. The former production facility of composites, Mostar
- 113. The former production facility of helicopters, Mostar
- 114. The former production facility of buses, Mostar
- 115. Warehouse and offices, Orasje
- 116. Business buildings Transey , Maglaj
- 117. Business buildings HM Promet, Maglaj
- 118. Rimeco centre, Mostar

- 119. Agrocentar Eko Bel, Kozarska Dubica
- 120. Production and storage building, Jablanica
- 121. Wood industry Kljuc
- 122. Compressor equipment factory, Trudbenik Teslic
- 123. Production building, Vares
- 124. Milka agro, Gradiska
- 125. VELEPROMET-DC, Visoko
- 126. Una Hotel, Novi Grad
- 127. Business Building Odzak
- 128. Meat industry Levita, Gradiska
- 129. Standard, Gradiska
- 130. Ciglana, Gradiska
- 131. Production and business hall, Zepce
- 132. Business building Imas, Zepce
- 133. Business buildings Turbe
- 134. Production and storage hall, Vogosca
- 135. Production and business building Stup, Sarajevo
- 136. Production and business building in Janja, Bijeljina
- 137. Majami production facility, Bugojno

#### **BUSINESS ZONES**

- 1. Industrial and business zone Famos, Koran
- 2. Free Industrial Zone li Gradacac
- 3. Business Zone Vuckovci Gradacac
- 4. Industrial And Business Zone Prnjavor Vares
- 5. Agro-industrial zone Nova Topola, Gradiska
- 6. Ciglana - Gliniste, Tesanj

- 7. Business zone Bregovi, Vlasenica
- 8. Bukva - Vila, Tesanj
- 9. Industrial zone Hrenovica, Pale Praca
- 10. Entrepreneurial and crafts zone "Mlin" Ustikolina
- 11. Entrepreneurial and agricultural zone "Cvilin" Ustikolina
- 12. Entrepreneurial and crafts zone "Vrbnički Potok" Ustikolina
- 13. Entrepreneurial and crafts zone "Njuhe", Ustikolina
- 14. Business zone Termoelektrana, Stanari
- 15. Business zone "Drinski korpus", Vlasenica
- 16. Business zone Gorincani, Bosanski Petrovac
- 17. Industrial zone Semizovac Vogosca
- 18. Business zone Gornji Logor Kalinovik
- 19. Industrial zone Knezevo
- 20. Business zone 1, Brod
- 21. Industrial zone Bosanska Krupa
- 22. Industrial zone Neobarje Novi Travnik
- 23. Industrial zone Lanara, Teslic
- 24. Business zone Hadzici
- 25. Business zone Mravici, Doboj Jug
- 26. Business zone Rasadnik, Livno
- 27. Business zone Matuzici, Doboj Jug
- 28. Business zone Brda, Livno
- 29. Business zone Karuse, Doboj Jug
- 30. Kamenica business zone, Bihac
- 31. Industrial zone Aleksandrovac, Laktasi
- 32. Vucilov Brig, Tomislavgrad

- 33. Business zone Golubinja, Zepce
- 34. Business zone XP, Zepce
- 35. Malo i Veliko blato, Domaljevac- Samac
- 36. Business zone Jadar, Zvornik
- 37. Tourist zone Ravna Romanija, Sokolac
- 38. Business zone Sjever, Odzak
- 39. Golijesnica (Lug-Brankovici), Zepce
- 40. Business zone Ljeskovica, Zepce
- 41. Business zone Rajlovac, Novi Grad Sarajevo
- 42. Business zone Begov Han, Zepce
- 43. Industrial and business zone Livade, Foca
- 44. Industrial - business zone Sitnesi, Srbac
- 45. Industrial-business zone Crnaja, Srbac
- 46. Industrial zone Sejkovaca, Sanski Most
- 47. Industrial zone Stari Ilijas
- 48. Podbrdo, Mrkonjic Grad
- 49. BUSINESS ZONE BANJA LUKA
- 50. BUSINESS ZONE RAMICI BANJA LUKA
- 51. Industrial zone Velagici, Kljuc
- 52. Business zone Begovaca, Livno
- 53. Business zone Sljunkara, Jablanica
- 54. Business zone Jug Livno
- 55. Business zone Elektrometal, Cazin
- 56. Dusine Business zone, Orasje
- 57. Business zone "Zvirići", Ljubuški
- 58. RRC Južni logor, Mostar
- 59. Tourist zone Kaludjerica, Petrovo

- 60. Bacici, Sarajevo
- 61. Business zone Petrovo, Petrovo
- 62. Zrak, Sarajevo
- 63. Sockovac, Petrovo
- 64. Gajevi, Mostar
- 65. Entrepreneurial zone, Modriča
- 66. Mostarska vrata, Ljubuški
- 67. Lipova Greda, Kozarska Dubica
- 68. Soko, Ljubinje
- 69. Polje, Travnik
- 70. Biletići - Blizanci, Čitluk
- 71. Misurići, Maglaj
- 72. Turbe, Travnik
- 73. Vlaka, Posušje
- 74. Rupe Kupres
- 75. Krivaja, Zavidovići
- 76. Blizne Gomile, Čitluk
- 77. Kovači, Tomislavgrad
- 78. Liješnica, Maglaj
- 79. Tromeda, Čitluk
- 80. Vicanov Brig, Posušje
- 81. PC 96 Vitez
- 82. Polja, Žepče
- 83. Hodovo, Stolac
- 84. Poljice, Maglaj
- 85. Kilavci, Nevesinje
- 86. Žabljak, Usora

- 87. Potkraj-Bretex, Breza
- 88. Maglić, Foča
- 89. Jelovac-Tukovi, Maglaj
- 90. Topala, Posušje
- 91. Baljevo Polje, Foča
- 92. Arnautovici Ozrakovići, Visoko
- 93. Resnik, Kreševo
- 94. Zenica 1
- 95. Poljavnice, Novi Grad
- 96. Nova Bila, Travnik
- 97. Batuski Lug, Gornji Vakuf-Uskoplje
- 98. Rudnik mrkog uglja Breza
- 99. Srednja Omanjska, Usora
- 100. Industrial zone Donji Vakuf
- 101. Osrdak, Posušje
- 102. Unis, Konjic
- 103. Počulica-Šljivčica, Vitez
- 104. Bugojno 1
- 105. Industrial zone 6, Derventa

#### POTENTIAL BUSINESS ZONES

- 1. Potential business zone Liman, Gradiska
- 2. Industrial zone 4, Bijeljina
- 3. Industrial zone "Kula - Zeban", Vlasenica
- 4. Potential business zone Lendici, Jajce
- 5. Potential business zone Bravnice, Jajce
- 6. Potential zone Skele, Brod

- 7. Potential zone Aerodrom 4, Prijedor
- 8. Potential business zone Prudi, Jajce
- 9. Potential business zones, Brod
- 10. Potential business zone Vatretni mlin, Bosanska Krupa
- 11. Business zone Jug Zenica
- 12. Business zone Sjever Zenica
- 13. Potential business zone Kreka Sjever, Tuzla
- 14. Potential business zone Ripac, Bihac
- 15. Potential business zone Sip, Sarajevo
- 16. Potential business zone Kula Banjer, Visoko
- 17. Svilaj 1, 2, 3 Odzak
- 18. Potential business zone Kaline Berkovici
- 19. Potential business zone Enterijer Kotorako, Dobo
- 20. Business Park "McGovern", Brčko District
- 21. Business zone "Vranješ", East Sarajevo
- 22. Grlica, Istocno Sarajevo
- 23. Jahorinski potok, Pale
- 24. Trnovo 1, Trnovo
- 25. Podromanija, Sokolac
- 26. Dugo Polje, Kiseljak
- 27. Rasadnik, Goražde
- 28. Luke, Ilijaš
- 29. Banjersko Polje, Visoko
- 30. Svale, Prijedor
- 31. Business-industrial zone Pelagićevo
- 32. Dobrinje, Visoko
- 33. Donje Telalovo Polje, Sarajevo

- 34. Bare, Kakanj
- 35. Vojkovići, Istočna Ilidža

#### FREE ZONES

- 1. Free zone Vogošća, Sarajevo
- 2. Free Zone Hercegovina, Mostar
- 3. Free zone Visoko, Visoko

#### LAND PLOTS

- 1. Building land Centar Sarajevo
- 2. Building land Sekovici
- 3. Building land, Bihac
- 4. Building land I class, Tuzla
- 5. Building Land Sijakovo Vares
- 6. Building land Binjezevo, Hadzici
- 7. Land plots within Business zone Ramici, Banja Luka
- 8. Land plot Jelsingrad, Banja Luka
- 9. Land Plot A near Jelsingrad, Banja Luka
- 10. Construction land Ivanica, Ravno
- 11. Novo naselje building land Kotor Varos
- 12. Building land nearby Kotor Varos
- 13. Building land Kotor Varos
- 14. Agricultural land Kalinovic
- 15. Storehouse, Srebrenica
- 16. Land plot for sport and recreation, Srebrenica
- 17. Kratine, Rogatica
- 18. Borac 2, Rogatica



19. Land plot Coralici Cazin
20. Land plot, Siroki Brijeg
21. Construction land in East Sarajevo
22. Land plot Tarcin, Hadzici
23. Land plot, Sanski Most
24. Land plot Vlakovo, Ilidza
25. Agriculture land Gladno Polje, Vlakovo
26. Land plot Ramici, Banja Luka
27. Agriculture land, Derventa
28. Land plot, Odzak
29. Building land, Tuzla
30. Land plot in Vares
31. Land plot Donja Bioca, Ilijas
32. Land plot Osjek-Bojnik, Ilidza
33. Land plot Tihovici, Vogosca
34. Land plot Gornja Bioca, Ilijas
35. Land plot Bilalovac, Kiseljak
36. Land plot Ledici Trnovo
37. Orchard Mapex Maglaj
38. Land plot Puracic, Lukavac
39. Land plot Ilidza, Sarajevo
40. Slatina Spa, Laktasi
41. Land plot in the vicinity of Bjelasnica
42. Building land, Mostar

## LOCAL INVESTMENT OPPORTUNITIES

1. Invest in Zvornik
2. City of Prijedor, Investors guide
3. Modrica - Investment guide
4. MAGLAJ Investors Guide
5. City of Doboje, Guide for investors
6. Bosanska Krupa Municipality, Investment Profile
7. City of Gradiska, Investment profile
8. Kakanj Municipality, Guidelines for Investors
9. Samac Municipality, Investment Profile
10. Novi Grad, Investment Summary
11. City of Bihać, Investment Profile
12. Municipality of Prnjavor, Investment Profile
13. Municipality of Centar Sarajevo
14. Travnik Municipality, Investment profile
15. Pale, Investment profile
16. Investment profile, City of Banja Luka
17. Istocno Novo Sarajevo, Investment profile
18. Grude Municipality, Investment profile
19. Ilijas, Investment profile
20. Sarajevo Canton, Investment profile
21. Investment brochure, Municipality of Ljubuski
22. Investment brochure, West Herzegovina County
23. Investment brochure, Municipality of Siroki Brijeg
24. Investment brochure, Municipality of Posusje
25. Orasje Municipality, Investment Guide
26. City of Zenica, Investor guide

27. Stolac Municipality, Investment profile
28. Derventa Municipality, Investment profile
29. Capljina Municipality, Investment profile
30. Vares Municipality, Investment profile
31. Novi Travnik Municipality, Investment profile
32. Foca Municipality, Investment profile
33. Bosnian Podrinje Canton – Gorazde, Investment profile
34. Summary of potential PPP projects Central Bosnia Canton
35. Summary of potential PPP projects in Tuzla Canton
36. Catalog of medium-term PPP projects, Zenica-Doboje Canton
37. Tuzla Canton, Guide for Investors
38. Vlasenica, Investment Profile
39. Laktasi, Investment Summary
40. Stanari, Guide for Investors
41. Investment profile, Fruits & Vegetables sector of FBiH
42. Investment profile, Fruits & Vegetables sector of RS
43. SOKOLAC, INVESTMENT PROFILE
44. SANSKI MOST, INVESTMENT SUMMARY
45. KOTOR VAROS, GUIDE FOR INVESTORS
46. KOZARSKA DUBICA, INVESTOR'S GUIDE
47. MUNICIPALITY OF POSUSJE, INVESTMENT GUIDE
48. ISTOCNI MOSTAR, INVESTMENT SUMMARY
49. VISOKO, INVESTMENT BRIEF
50. BROD MUNICIPALITY, INVESTMENT BRIEF
51. MRKONJIC GRAD, INVESTMENT SUMMARY

52. KREŠEVO MUNICIPALITY, GUIDE FOR INVESTORS
53. ŽIVINICE, INVESTMENT SUMMARY
54. FRUIT, VEGETABLE, AND DIARY SECTORS - Bihać, Bosanska Krupa, Buzim, Cazin, Velika Kladusa
55. FRUIT, VEGETABLE, AND DIARY SECTORS - South and Southeast of BiH
56. FRUIT, VEGETABLE, AND DIARY SECTORS - Derventa, Gradiska, Kozarska Dubica, Laktasi, Prnjavor, Doboje
57. FRUIT, VEGETABLE, AND DIARY SECTORS - Teslic, Tesanj, Zepce.pdf
58. Fruit, Vegetable, And Dairy Sectors-Bijeljina, Tuzla, Bratunac, Celic, Gracanica, Gradacac, Kalesija, Srebrenik, Zvornik, Zivinice
59. BIJELJINA, GUIDE FOR INVESTORS
60. ŽEPČE MUNICIPALITY, INVESTMENT BRIEF
61. SREBRENİK, INVESTMENT SUMMARY
62. TESANJ INVESTMENT BRIEF
63. UNSKO SANSKI KANTON, INVESTMENT BRIEF

# PRIVATIZATION OPPORTUNITIES IN BOSNIA AND HERZEGOVINA

## PRIVATIZATION OPPORTUNITIES IN FB&H:

- Energoinvest Sarajevo
- Sarajevo Osiguranje Sarajevo
- Aluminij d.d. Mostar
- Energopetrol Sarajevo
- Hotel Igman Sarajevo
- Agrokomerc d.d. Velika Kladuša
- Binas d.d. Bugojno
- BNT Tvornica Mašina i Hidraulike d.d. N. Travnik
- Feroelektro d.d. Sarajevo
- Jp Krivaja d.o.o. Zavidovići
- Jp BH Airlines d.o.o. Sarajevo
- Jp Bosanskohercegovačke Šume d.o.o. Sarajevo
- Jp Šume Herceg Bosne d.o.o. Mostar
- Konfekcija Borac d.d. Travnik
- Ktk Visoko d.o.o. Visoko
- Pretis d.d. Vogošća
- Ps Vitezit d.o.o. Vitez
- Putevi BiH i Holding Preduzeće Sarajevo
- Remontni Zavod d.d. Travnik
- Sarajevoputevi d.d. Sarajevo
- Šipad Export - Import d.d. Sarajevo
- Tehničko Remontni Zavod Hadžići d.d. Hadžići
- Unis Tools d.o.o. Sarajevo
- Zavod za Saobraćaj d.o.o. Sarajevo

- Zrak d.d. Sarajevo
- Željezare Zenice d.o.o. Zenica
- Unioninvest - Mašinska Montaža Tuzla
- Mp Mehanika d.d. Orašje
- Orašje-Trans Orašje
- Bnt Inžinjering d.o.o. Novi Travnik
- Agrokooperativa d.d. Kiseljak
- Polet Kakanj
- Utp 21.Decembar Zenica
- Opskrba Livno
- Neretva Sarajevo
- Patentinvest Sarajevo
- Šumaprodukt Sarajevo
- Igmin Komerc Tuzla
- Planinsko Dobro Tomislavgrad
- Unimax Livno
- Rmk-Promet d.d. Zenica
- Žgp-Zenica d.d. Zenica
- Gradska Pekara d.d. Zavidovići
- Dip Zvijezda Vareš
- Jkp Bioštica Olovo
- Mesopromet d.o.o. Doboj-Jug
- Rudnici Nemetala Kladanj d.o.o. Kladanj
- Konjuh d.d. Kladanj
- Rudnik Krečnjaka Vijenac d.o.o. Lukavac

- Hotel Ero Mostar
- Mvp Spreča d.d. Tuzla
- Sarajevoputevi Sarajevo
- Dionis Zenica
- Grafičar Tuzla
- T. P. „Nova trgovina“ d.d. Žepče
- Sanotaf Ključ

**To see more information about privatization in Federation of Bosna and Herzegovina visit: [www.apf.gov.ba](http://www.apf.gov.ba)**

## PRIVATIZATION OPPORTUNITIES IN RS:

- „AERODROMI REPUBLIKE SRPSKE“ a.d. BANJA LUKA
- „BJELAŠNICA“ a.d. PALE - IN BANKRUPTCY
- a.d. „BOSANKA“ PALE
- „BROMET“ a.d. BOSANSKI BROD - IN BANKRUPTCY
- a.d. „BROD“ BOSANSKI BROD - IN BANKRUPTCY
- „BUDUĆNOST“ a.d. ŠAMAC
- ČAJAVEC PT a.d. BANJA LUKA-IN BANKRUPTCY
- „ČAJAVEC“ ŠTAMPANE VEZE a.d. BANJA LUKA - IN BANKRUPTCY
- „ČAJAVEC TELEKOMUNIKACIJE I ELEKTRONIKA a.d. BANJA LUKA
- „ČAJAVEC“ MDU a.d. BANJA LUKA - IN BANKRUPTCY
- „ČAJAVEC-MEGA“ a.d. BANJA LUKA
- MIKROELEKTRONIKA a.d., BANJA LUKA
- „ČAJAVEC“ PPS, TELEKOMUNIKACIJE a.d. BANJA LUKA
- „ČAJAVEC“ PROMET a.d. BANJA LUKA - IN BANKRUPTCY
- DIV a.d. VLASENICA
- „DRINIĆ“ a.d. PETROVAC - DRINIĆ

- „DALEKOVODINŽENJERING“ a.d. BRATUNAC - IN BANKRUPTCY
- ENERGOINVEST a.d. PALE - IN LIQUIDATION
- MJEŠOVITI HOLDING „ELEKTROPRIVREDA“ MATIČNO PREDUZEĆE a.d. TREBINJE
- FAMOS a.d. SRPSKO SARAJEVO
- FAST a.d. ISTOČNO SARAJEVO - IN BANKRUPTCY
- FMSN a.d. PALE
- FABRIKA ŠEĆERA BIJELJINA a.d. VELIKA OBARSKA -
- FABRIKA STOČNE HRANE a.d. NOVA TOPOLA
- „FSV“ a.d. LUKAVICA - IN BANKRUPTCY
- „GLAS SRPSKE“ a.d. BANJA LUKA
- „GAS PROMET“ a.d. ISTOČNO SARAJEVO - PALE
- HPK a.d. KOZARSKA DUBICA
- HOTEL „KRAJINA“ a.d., MRKONJIĆ GRa.d.
- „INTAL“ a.d. MILIĆI
- INDUSTRIJSKE PLANTAŽE a.d. BANJA LUKA
- INTER MET a.d. DOBOJ
- IZBOR a.d. SREBRENICA
- „IRCE“ a.d. ISTOČNO SARAJEVO
- „Ja.d.RANKA“ a.d. BANJA LUKA
- „JELŠINGRa.d.“ FAM a.d. BANJA LUKA - IN BANKRUPTCY
- „JUGOMONTAŽA“ a.d. BILEĆA - IN BANKRUPTCY
- FAMOS FABRIKA „KORAN“ a.d., PALE - IN BANKRUPTCY
- KOSMOS a.d. BANJA LUKA
- KRAJINAPETROL a.d. BANJA LUKA
- „KTK ALHOS“ a.d. SOKOLAC - IN BANKRUPTCY
- RŽR „LJUBIJA“ a.d. PRIJEDOR
- LUTRIJA RS a.d. BANJA LUKA



- MEDICINSKA ELEKTRONIKA a.d. BANJA LUKA - IN BANKRUPTCY
- MLINPEK a.d. PRNJAVOR
- MOTAJICA a.d. SRBAC - IN BANKRUPTCY
- NOVI AUTODIJELOVI a.d. RUDO
- NOVA BORJA a.d. TESLIĆ
- NOVI MERMER a.d. ŠEKOVIĆI
- NOVA ROMANIJA a.d. SOKOLAC
- NTP a.d. ROGATICA
- OC „JAHORINA“ a.d. PALE
- ORAO a.d. BIJELJINA
- JP PROTIVGRa.d.NA PREVENTIVA a.d. GRa.d.IŠKA
- „PLANINA“ a.d. BLATNICA
- POLJOPRIVREDNI ZAVOD a.d. DOBOJ
- SRPSKE POŠTE a.d. BANJA LUKA
- POSLOVNA ZONA a.d. BANJA LUKA
- „RAZVITAK“ a.d. DVOROVI
- GIK „Ra.d.NIK“ a.d., SREBRENICA - IN BANKRUPTCY
- „REMONT MONTAŽA“ a.d. BIJELJINA
- RUDNIK MRKOG UGLJA „MILJEVINA“ a.d. MILJEVINA
- RUDNIK OLOVA I CINKA „SASE“ a.d. SREBRENICA
- VP „SAVA“ a.d. GRa.d.IŠKA - IN BANKRUPTCY
- BRC „ŠEHER“ BANJA LUKA
- PD „SEMBERIJA“ a.d., BIJELJINA
- „SOKO FTS“ a.d. LJUBINJE
- „SARAJEVO-GAS“ a.d. ISTOČNO SARAJEVO
- „SOKO GUMA“ a.d. LJUBINJE
- „SANATRON“ a.d. NOVI GRa.d.
- a.d. RUDNIK NEMETALA STANARI - STANARI

- „STOČAR“ BANJA LUKA
- JPŠ ŠUME REPUBLIKE SRPSKE a.d. SOKOLAC
- „SAVA a.d. BIJELJINA - IN BANKRUPTCY
- UTRC „TERME OZREN“ a.d. PETROVO - KAKMUŽ

#### **PRIVATIZATION OPPORTUNITIES IN BOSNIA AND HERZEGOVINA**

- a.d. TRGOPROMET DERVENTA
- „TRGOEKSPORT“ a.d. NEVESINJE
- „UNIONINVEST“ a.d. ISTOČNO SARAJEVO
- „VEZIONICA“ a.d. ZVORNIK - IN BANKRUPTCY
- „VIHOR“ a.d. BRATUNAC - IN BANKRUPTCY
- JP VIK „VRELO BIOŠTICA“ a.d. SOKOLAC - IN BANKRUPTCY
- „VELEPROMET&RK“ a.d. ŠAMAC
- VP „SEMBERIJA“ a.d. BIJELJINA - IN LIQUIDATION
- „VETERINARSKO STOČARSKI CENTAR“ A.D. BANJA LUKA
- VETERINARSKA STANICA a.d. OSMACI
- a.d. VETERINARSKA STANICA PETROVO - IN LIQUIDATION
- ŽELJEZNICE RS a.d. DOBOJ
- ŽITOPRODUKT a.d. BANJA LUKA - IN BANKRUPTCY
- ZRAK a.d. TESLIĆ-IN BANKRUPTCY
- „ŽIVINOPRODUKT“ a.d. SRBAC - IN BANKRUPTCY
- JP VETERINARSKA STANICA RIBNIK S.KLJUČ
- POLJOPRIVREDNO DOBRO BUTMIR S.I.LIDŽA - IN LIQUIDATION
- JODP VETERINARSKA STANICA LOPARE

- JAVNO KOMUNALNO PREDUZEĆE VUKOSAVLJE
- ZDP IKM S.NOVO SARAJEVO - IN BANKRUPTCY
- ODP GRADSKI I PRIGRADSKI SAOBRAČAJ BIJELJINA
- MDP POSLOVNI SISTEM RMK PRIJEDOR, PRIJEDOR
- JP TREBINJE SPORT TREBINJE
- JP VETERINARSKA STANICA ILIDŽA
- ZAVOD ZA STUDIJE I PROJEKTOVANJE d.o.o. BANJA LUKA
- DTP NOVITET - PETROVAC DERVENTA - IN BANKRUPTCY
- DIŠP OŠTRELJ DRINIĆ
- DTP TRGOVINSKI MAGAZIN DERVNETA - IN BANKRUPTCY
- DP FRIZER PRIJEDOR
- ODP VAZDUŠNA BANJA NEVESINJE - IN BANKRUPTCY
- „ČAJAVEC-TEMIKA“ FOČA - IN BANKRUPTCY
- OJDP VODE BIJELJINA
- JKP „SANA“ OŠTRA LUKA
- JKP „PRVI MART“ ČAJNIČE - IN LIQUIDATION
- JODP KOMUNALNO LJUBINJE
- ODZP KOOPERATIVA LJUBINJE
- AUTOPREVOZ - EKSPRES ČELINAC
- DP ZANATPROM SA PO DOBOJ - IN BANKRUPTCY
- JODP KSC ZVORNIK ZVORNIK
- MDP UNIS TVORNICA KOTRLJAJUĆIH LEŽAJEVA SARAJEVO
- ODP „TKAONICA ČILIMA“ I.SARAJEVO - IN BANKRUPTCY
- MGP ŠTAMPARIJA RIBNIK
- VETERINARSKA STANICA ČAJNIČE
- ZDP PETROLINVEST S.NOVO SARAJEVO-IN

- LIQUIDATION
- DP „INŽENJERING - RITE“ UGLJEVIK 2
- IP NOVI GLAS d.o.o. BANJA LUKA
- ZDP RADOVINJA - METAL P.O. LJUBINJE-IN BANKRUPTCY
- REGIONALNI CENTAR ZA PRIMJENU NAUKE U POLJOPRIVREDI BANJA LUKA - IN LIQUIDATION
- d.o.o. AUTOSAOBRAČAJ BANJA LUKA P.O.
- ZDP SANA - TRGOVINA I UGOSTITELJSTVO NOVI GRa.d.
- „SEKUNDAR“ RAMIĆI
- CENTRAL - TOURS d.o.o. BANJA LUKA
- INFORMATOR d.o.o. BANJA LUKA
- MP CESTING KOTOR VAROŠ
- DOGANIJA 1890 LJUBINJE - IN BANKRUPTCY
- DP SAVA TRADE P.O. BANJA LUKA - IN BANKRUPTCY
- ODP PROIZVODNJA ŠAMPINJONA LJUBIJA P.O.
- ODTP OZRENKA PETROVO - IN LIQUIDATION
- ODP POLJOPRIVREDNA STANICA PRIJEDOR
- ODGP KRNJIN - PUT DOBOJ
- ZDP INSTITUTI I.SARAJEVO - IN LIQUIDATION
- JP SRNA BIJELJINA
- ODP „KRIVAJA“ DOBOJ
- ODP METALO - MONTAŽA NEVESINJE - IN BANKRUPTCY
- RAJLOVACPROMET ROGATICA - IN LIQUIDATION
- JP PUTEVI RS d.o.o. BANJA LUKA
- ODP BALKANAPETROL P.O. MRKONJIĆ GRa.d.
- ODP FT „1. OKTOBAR“ SA P.O, KALINOVIK- IN BANKRUPTCY
- ZDP RMK PROMET PRIJEDOR

- ODP GRAĐEVINAR SA P.O. ŠAMAC
- DP PROGRES VUKOSAVLJE
- JDPV SAVA S.BROD
- OJDP GRa.d. BIJELJINA
- ODTP BANIJAPROMET SA P.O. S.KOSTAJNICA
- ODP UNAINTEGRAL P.O. PRIJEDOR
- SRC LJUBINJE
- ODP POLJOPRIVREDNIK ŠIPOVO
- JVA SRPSKI SANSKI MOST-IN LIQUIDATION
- ODP KLAONICA I FABRIKA ZA PRERADU MESA HAN PIJESAK

- JKP EKOKOM LOPARE-IN BANKRUPTCY
- ODP „ROGOJ“ TRNOVO
- ODP ŠUMA TEHNA SA P.O. K.DUBICA
- ODP UNA SA P.O. S.SANSKI MOST
- ODP SRNETIČA S.DRVAR - IN BANKRUPTCY
- ODP GRMEČ DONJI DUBOVIK
- ODP LELIJA KALINOVIK - IN BANKRUPTCY
- ODP STOLAC VIŠEGR a.d.

***To see more information about privatization in Republika Srpska visit: [www.irbrs.net](http://www.irbrs.net)***





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