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## NEWSLETTER NO. 137

JANUARY 2017

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## FIPA ACTIVITIES >



NEW MINISTER OF ECONOMY OF ZENICA-DOBOJ CANTON VISITED FIPA



FIPA PARTICIPATED AT A TRILATERAL FORUM SAUDI ARABIA-SERBIA-BOSNIA AND HERZEGOVINA





...AND MORE ACTIVITIES...





The new Minister of Economy of Zenica-Doboj Canton Zlatko Jelić visited FIPA in order to discuss further cooperation with the Agency in identifying new investment projects, which would be presented to interested potential foreign investors in BiH and abroad.

The FIPA Director Gordan Milinić informed Mr Jelić on cooperation that FIPA has with municipalities of Zenica-Doboj Canton for many years (which are members of the Network of Cooperation for Support to Foreign Investors in BiH), on joint work to remove obstacles to foreign investors who are running business in this area as well as on visits to investment locations organized by FIPA for foreign investors in 2016. In its database, FIPA currently has 6760 potential foreign investors with whom it has regular contacts and offers them investment projects in BiH, including the projects of the Canton.

The Minister Jelić stressed the need for new investments in this Canton. Adoption of the Law on Public-Private Partnership provides new opportunities to attract foreign investors.

It was agreed that the Ministry of Economy of Zenica-Doboj Canton encourage the development of new investment projects in various sectors of the economy, so that FIPA had a richer offer for foreign investors. Both institutions will be involved in proposing joint events with the aim to present investment opportunities to foreign investors, as well as to strengthen cooperation with potential investors from the BiH diaspora originating from this region.





#### FIPA PARTICIPATED AT A TRILATERAL FORUM Saudi Arabia-Serbia-Bosnia and Herzegovina

Blaženka Mišković, Deputy Director of the Foreign Investment Promotion Agency of BiH (FIPA) took part in a two-day visit of the joint delegation of officials and businessmen from Bosnia and Herzegovina and the Republic of Serbia to the Kingdom of Saudi Arabia on 29 and 30 January.

The first day of the visit, delegations of the two countries had meetings with the ministers of the Ministry of Environment, Water and Agriculture, Ministry of Trade and Investment, the Ministry of Construction and Housing and the Commission for Tourism and National Heritage of the Kingdom of Saudi Arabia under the auspices of Sultan bin Salman al Saud.

A meeting with the company SALIC, the largest state-owned company in the field of agriculture, was held in the Ministry of Environment, Water and Agriculture.

Trilateral Forum Saudi Arabia-Serbia-Bosnia and Herzegovina was held the second day of the visit and on this occasion Mrs. Mišković had a presentation on investment opportunities in Bosnia and Herzegovina with an emphasis on the sectors of wood industry, agriculture, metal sector, energy and tourism.

Numerous contacts were established with businessmen of Saudi Arabia who have expressed interest in investing in BiH. The delegation of Bosnia and Herzegovina was also composed of representatives of nine BiH companies from the metal sectorr, food industry, etc.





# FIPA PARTICIPATED AT AN ECONOMIC FORUM IN POLAND

The Director of the Foreign Investment Promotion Agency of BiH (FIPA) Gordan Milinić participated at the Economic Forum in Poland held on 27-28 January 2017 in Rzeszow, Poland.

As participant of the panel on the business climate and investments, the Director Milinić spoke about the advantages of BiH for foreign investments, FIPA promotional activities and communication with potential and existing investors, and on the Agency's activities on improving the business environment. In presence of political leaders and investors from all European Union, it was also discussed about the fight against corruption, improvement of the business climate, investment infrastructure, investment financing and the role of the EU in encouraging investments.

It was concluded that the faster process of accession of Bosnia and Herzegovina to the European Union can certainly contribute to the intensification of investing and political stability as one of the biggest obstacles in BiH for more significant investments. He also made a series of discussions with interested investors and representatives of international institutions, and a special interest was shown in spa and medical tourism in BiH.





Recognizing the importance of the NGO sector for the social and economic development of Bosnia and Herzegovina, FIPA has signed an Agreement on Cooperation with the Union for the Support to Economic and Social Development Horizont 2024.

By signing this Agreement, FIPA and the Union, together with other institutions and organizations, will be partners in organization and implementation of the regional project of "Regional Forum for Market, Investment and Statistics – TIS" which aims to initiate cooperation between institutions in the region for development and organization of concrete regional projects and exchange of experiences in the field of market, investment, statistics and NGO sector. This document also foresees cooperation to support the development of strategies, plans and projects of the development in the economic and social domains through research and analytical work.

Partners will among other participate jointly in determined projects towards donors, sponsors, funds and other institutions.

One of the essential instruments for the realization of this initiative is the organization of conferences and round tables of the regional character on the topic of the market, investment and statistics with the aim to contribute to the further affirmation of the possibilities of regional markets and opportunities for investing.





# FIPA AND MINISTRY OF ENVIRONMENT AND TOURISM OF FBIH

The Director of the Foreign Investment Promotion Agency of BiH (FIPA) Gordan Milinić and the Minister of the FBiH Ministry of **Environment and Tourism Edita** apo met to discuss joint activities in order to attract foreign investors in projects of tourism and environment protection, and to organize joint promotion of the currently available from these fields. Commenting on the trend of inflow of foreign investments in BiH in recent years, Mr Milinić pointed out the fact that the political turbulences in the second and third quarter of 2016 (organizing a referendum in the function of the election campaign of SNSD, and in this regard recalling secession and war by some parties) are directly related to the decline in the inflow of foreign investments. In this period, at the beginning of meeting at FIPA, potential investors made questions about the political situation and expressed concern for capital that they would eventually invested. Speaking about activities of FIPA on promotion of BiH as an investment location, the Director Milinić pointed out among other things that the promotion itself cannot compensate shortcomings of the system, and that all relevant institutions should be engaged on the removal of barriers to facilitate running business in our country. In its database of contacts, FIPA has 6,700 potential investors with whom it communicates through various communication channels on investment opportunities and that FIPA wants to animate to show greater interest in the BiH projects. Among more than 500 investment projects and locations that FIPA offers to foreign investors, there is a larger number of projects in the field of tourism, for which there is a great interest of foreign investors. The Minister presented information on 100 investment projects of the Government of FBiH among which there are projects of tourism and the environment, and that the Ministry is currently working on creating recycling yards in FBiH.

It was concluded that problems related to the environment protection slow down faster coming of foreign investors in certain projects, including some energy projects worth several billion of BAM. It was agreed that FIPA and Ministry jointly participate in conferences where projects in the field of tourism and the environment are promoted and where all relevant institutions are trying to attract as many foreign investors, and that this year they organize an Investment Conference on investing in tourism in Bosnia and Herzegovina.





#### MEETING OF FIPA AND CBBIH

The Director of the Foreign Investment Promotion Agency of BiH (FIPA) Gordan Milinić with his associates and a member of the FIPA Board visited the Central Bank of Bosnia and Herzegovina.

At the meeting, Mr Milinić informed the Governor PhD Senad Softić and his associates of the Agency's activities in the field of attracting foreign investors and the support that the Agency provides to investors since starting-up until the project implementation. He stressed that the main objectives of FIPA are to bring as much as possible of foreign investors and more important increase of foreign investments. Therefore, the Agency has intensified its work and launched activities in order to make Bosnia and Herzegovina a better place for a safe investment.

The Governor Softić stressed the importance of improving cooperation among all institutions to improve the inflow of foreign investments and to promote Bosnia and Herzegovina as a destination of interest to foreign investors. It is stressed out the importance of involving all relevant parties in presenting data that influence the creation of the overall image of BiH and that serve as an indicator when making investment decisions.

It was talked on comprehensive statistics managed by the Central Bank of BiH, as one of the important duties, especially statistics of direct foreign investments, which occupies an important place in the activities of FIPA. The Agency was informed about the advanced statistics related to foreign investments and it was agreed to exchange data in continuing the good cooperation between the two institutions.

Taking into account the downward trend in foreign investments in BiH in recent years, participants at the meeting agreed that attracting foreign investment is an important task for all institutions of BiH.





The Director of the Foreign Investment Promotion Agency of BiH (FIPA) Gordan Milinić with his associates visited the Municipality of Lopare, where he met with the Mayor Rado Savić, the President of the Municipal Assembly of Lopare Milenko Ristić, and the investor and the vice-president of the Association of Majevičani in Switzerland Stojan Stevanović.

Mr Milinić informed the meeting attendees on the FIPA activities, including promotional activities, carried out by the Agency on attracting foreign investments.

FIPA has recently organized a visit for potential foreign investor to investment locations in the Municipality of Lopare, and also has, in its projects base, the projects of this Municipality which offers investors.

The Mayor informed the representatives of FIPA on new projects that they have and for which they are seeking potential the investors, as well as on possible greenfield and brownfield locations for investments.

The Municipality has potential for agriculture and food production, then wood and metal-processing sector and the chemical industry. Mr Stevanović, in addition to investment and business in Switzerland, has launched a number of projects in Lopare, such as investments in tourism and catering, real estate and agriculture, and has presented a new project for production of wood and barbecue coal, for which there is great interest at the EU market. FIPA will provide technical support for creation of projects, as well as their promotion with the aim to find potential foreign investors. It was agreed to further cooperate with Mr Stevanović in organizing and participating in trade shows and conferences of Diaspora. Otherwise, the representative of FIPA has made contact with Mr Stevanović during the "Forum of BiH Diaspora in Switzerland", held on 26 November 2016, organized by non-governmental organization "and-platform - Diaspora for the development of Bosnia and Herzegovina" in collaboration with the Swiss Agency for Development (SCD).

#### BUSINESS & INVESTMENT NEWS >

BUSINESS ASSOCIATION OF BOSNIA AND HERZEGOVINA IS BEING ESTABLISHED



FURNITURE MANUFACTURERS OF BIH ESTABLISHED OVER 220 BUSINESS CONTACTS AT THE COLOGNE FAIR



...AND MORE NEWS...





# BUSINESS ASSOCIATION OF BOSNIA AND HERZEGOVINA IS BEING ESTABLISHED

At the meeting in the General Consulate of Bosnia and Herzegovina in Frankfurt am Main on 16 January 2017, nine representatives of the economy and international politics jointly started establishing Business Association of Bosnia and Herzegovina.

At the constitutional assembly, Mr Clarsen Ratz from Thüringen, graduated economist, was elected president. Ratz's deputies are Franjo Akmadža and Mario Šušak, representatives of the Croatian Business Association in Germany (KWVD e.V.).

The purpose of the Association is to improve BiH and German economic relations, as well as to support the economy in Bosnia and Herzegovina.

Representatives of the Presidency of Bosnia and Herzegovina, who also attended this event, will support the future activities of the Business Association so that more information about the benefits of the geographical position of a candidate country for accession to the EU, are presented to German companies.

Within the initiative of BiH2world, the second "Privredni dan - Business Day" is planned for 26 September 2017 which will be held this time in Stuttgart. Next month, the site www.bihwv.de will be launched where will be presented members of the Business Association and Business Day of 2017.





Italian investor Ferretto Group Central Europe has launched the construction of production facilities in the business zone "Lugovi" on area of 12,000 m2.

Investor operates in the metal sector.





# FURNITURE MANUFACTURERS OF BIH ESTABLISHED OVER 220 BUSINESS CONTACTS AT THE COLOGNE FAIR

Companies from Bosnia and Herzegovina that participated at the International Fair of Furniture IMM in Cologne established more than 220 business contacts with partners from 48 countries of Europe and the world.

Seven companies presented their export collections such as: Boksit a.d. Milići, Bosnian Beach Board d.o.o. Visoko, FEF Export-Import d.o.o. Sarajevo, H.M.M. d.o.o. Gradačac, Lignacon d.o.o. Teslić, Namještaj/Solidwood d.d. Gradačac i Woodteam d.o.o. Ilijaš.

The importance of exhibition at the fair in Germany shows the fact that in 2016, Bosnia and Herzegovina reached the level of export of furniture of around 250 million EUR, of which one third was just export to Germany.

Being the crossroads of many civilizations, Bosnia and Herzegovina is rich with archaeological remains, from the Neolithic, Roman, Illyrian and Medieval Periods.

The most specific and well known are the hand-carved tombstones (stećak) that date back over 700 years to the Middle Ages. These unique monuments of ancient native artistic tradition, which are scattered all around Bosnia and Herzegovina, have become almost a national symbol. In addition, there are numerous remains of medieval towns and castles from same period.



Mostar Old Bridge, in the Old Town in the Very Centre of Mostar, was built in 1566, by the Ottoman architect, Mimar Hajrudin, who erected this stone bridge in what was then just a small Turkish outpost in southern Bosnia and Herzegovina.

THE BRIDGE SPANS THE EMERALD GREEN WATERS OF THE NERETVA RIVER AND CAME TO BE KNOWN AS "STARI MOST", OR OLD BRIDGE. THE OUTPOST GREW INTO A CITY AND WAS EVENTUALLY NAMED AFTER THE BRIDGE - MOSTAR, OR "KEEPER OF THE BRIDGE." TODAY, THIS BRIDGE IS INCLUDED IN THE UNESCO WORLD HERITAGE LIST. (READ MORE ON: WWW.UNESCO.ORG)



Počitelj is a unique settlement, listed as a potential unesco heritage site. The Hadi-Alija Mosque has been reconstructed as well as the Šišman-Ibrahimpašina medresa and the Gavran Kapetanovi house, all of which are open to visitors.

THE MOST STRIKING OBJECT IN POČITELJ IS THE SAHAT-KULA, A SILO-SHAPED FORT THAT TOWERS FROM THE TOP OF THE HILL ABOVE THE TOWN. IT HOUSED WATCHMEN AND MILITARY TO GUARD AGAINST POSSIBLE INVASION FROM THE NERETVA VALLEY. BESIDES ITS STUNNING ORIENTAL ARCHITECTURE AND OTTOMAN FEEL, POITELJ HOSTS THE LONGEST OPERATING ART COLONY IN SOUTH EASTERN EUROPE.



National Park Hutovo Blato, an oasis of Peace, is situated in Southern Herzegovina and is a protected zone and important bird reserve.

THIS UNIQUE SUB-MEDITERRANEAN SWAMP OF SUPERB BEAUTY AND IMPORTANCE ACCOMMODATES BIRDWATCHERS, NATURE LOVERS AND FAMILIES WITH CHILDREN ALIKE.

(READ MORE ON: WWW.BHTOURISM.BA)



Međugorje is located in the mountains near Mostar.

THE SMALL TOWN IS INCREDIBLY POPULAR WITH CATHOLIC PILGRIMS - MILLIONS OF PILGRIMS HAVE VISITED THE SITE SINCE 1981, WHEN A SMALL GROUP OF YOUNG PEOPLE IN THE VILLAGE BEGAN REPORTING SEEING VISIONS OF THE VIRGIN MARY ON A NEARBY HILLSIDE.

(READ MORE ON: WWW.MEDJUGORJE.HR)



Perućica in Sutjeska National Park, is one of only two remaining mediaeval forests in Europe.

It is often described as an ancient outdoor museum with a magical forest of beautiful 50-meter high spruce and beech, 200 to 300 year old, trees. The forest is a true gem in terms of wildlife and the large number of endemic plants.

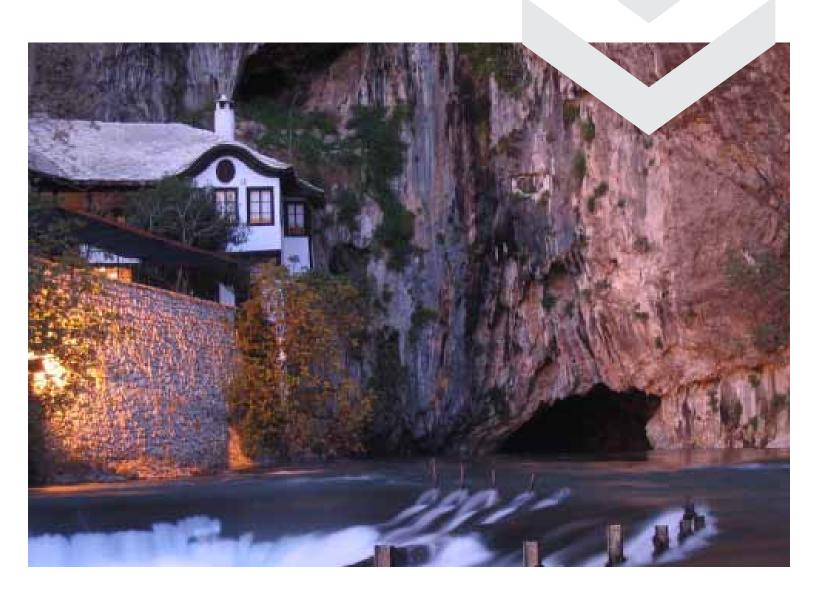
(READ MORE ON: WWW.GREENVISIONS.BA)



Blagaj Buna is one of the finest examples of an underground karst river. It flows out of a 200 m cliff wall to become the Buna River.

Unsurprisingly, the Ottoman sultan was impressed, and ordered a tekija to be built right next to it. This 16th century house/monastery was built for the Dervish cults and is still one of the most mystical places in all of Bosnia and Herzegovina.

(READ MORE ON: WWW.BHTOURISM.BA)



Rakitnica River Canyon is one of the deepest and most profound gorges in Europe. It is a natural wonderland. The entire length of the canyon is lined with endemic types of flora and fauna. Bears, wolves, wild boar, pine martins, and wild goats all take refuge in this difficult to access canyon.

As many as 32 endemic plants, flowers, and trees can be found in this tiny region of the Dinaric Alps. The crystal clear water, fed by the high mountains above, is potable width=100% for the whole length of the canyon region.

(READ MORE ON: WWW.BHTOURISM.BA)



V JETRENICA CAVES, NEAR THE SMALL TOWN OF RAVNO AND THE MEDIEVAL ORTHODOX MONASTERY OF ZAVALA IS THE LARGEST CAVE SYSTEM DISCOVERED IN BOSNIA AND HERZEGOVINA. THIS EXTENSIVE CAVE SYSTEM HAS OVER 6 KILOMETRES OF CHANNELS, AND THE STUNNING MAIN CHANNEL STRETCHES OVER 2.5 KILOMETRES.

Amongst the many archeological discoveries are the ancient cave drawings of bears and leopards that are estimated to be over 10,000 years old. The many small lakes in the caves are home to endemic types of shellfish only found in deep underground aquifer systems. (Read more on: www. bhtourism.ba)



Archaeological excavations began recently near Sarajevo in the Visoko Valley at what some believe to be a newly discovered pyramid complex, the first such monumental ancient structures found in Europe.

In 2005, Semir Osmanagić put forward his theory that a 100-meter geometrically-shaped hill with evenly shaped sides and corners that point north, south, east and west is an ancient man-made structure.

(READ MORE ON: WWW.PIRAMIDASUNCA.BA)





#### **ABOUT US:**

#### FIPA MISSION:

FOREIGN INVESTMENT PROMOTION AGENCY (FIPA) OF BOSNIA AND HERZEGOVINA (BIH) IS A STATE AGENCY ESTABLISHED WITH THE MISSION TO:

- -ATTRACT AND MAXIMIZE THE FLOW OF FOREIGN DIRECT INVESTMENT INTO BOSNIA AND HERZEGOVINA, AND ENCOURAGE EXISTING FOREIGN INVESTORS TO FURTHER EXPAND AND DEVELOP THEIR BUSINESSES IN BIH.
- -FACILITATE THE INTERACTION BETWEEN PUBLIC AND PRIVATE SECTORS, AND HAVE AN ACTIVE ROLE IN POLICY AD-VOCACY IN ORDER TO CONTRIBUTE TO CONTINUALLY IMPROVING ENVIRONMENT FOR BUSINESS INVESTMENT AND ECONOMIC DEVELOPMENT.
- -Promote a positive image of Bosnia and Herzegovina as a country that is attractive to foreign investors.

#### FIPA SERVICES

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

THE FACT-SHEETS WITH INVESTMENT-RELATED INDICATORS, MATCHMAKING AND SECTOR STUDIES, ELABORATED BY FIPA'S EXPERTS AND INDEPENDENT CONSULTANTS, ENSURE THAT INVESTORS ARE FULLY AWARE OF THE OPPORTUNITIES THAT BIH PRESENTS. MOREOVER, FIPA WORKS ALONGSIDE THE EMBASSIES AND DIPLOMATIC MISSIONS OF BOSNIA AND HERZEGOVINA THAT CAN ALSO HELP YOU EXPLORE INVESTMENT OPPORTUNITIES IN OUR COUNTRY. FIPA PROVIDES DATA, INFORMATION, ANALYSIS AND ADVICE ON THE BUSINESS AND INVESTMENT ENVIRONMENT, INCLUDING:

- -THE LEGAL FRAMEWORK FOR FOREIGN DIRECT INVESTMENT
- -INVESTMENT INCENTIVES
- -ECONOMIC AND BUSINESS TRENDS

FIPA IDENTIFIES AND PRESENTS AVAILABLE INVESTMENT OPPORTUNITIES:

- -INVESTMENT PROJECTS IN THE DEVELOPMENT-PHASE OR READY FOR IMPLEMENTATION
- -COMPANIES IN THE PROCESS OF PRIVATISATION
- -LOCAL COMPANIES SEEKING FOREIGN PARTNERS

FIPA ASSISTS BOTH POTENTIAL INVESTORS AND THOSE THAT HAVE ALREADY INVESTED IN THE COUNTRY THROUGH:

- -EFFECTIVE NETWORKING WITH BOTH THE PUBLIC AND PRIVATE SECTOR
- -LINKING WITH GOVERNMENTAL AND NON-GOVERNMENTAL INSTITUTIONS TO FACILITATE INVESTMENT AND BUSINESS DEVELOPMENT
- -COOPERATION WITH LOCAL, REGIONAL AND INTERNATIONAL ORGANISATIONS TO PROMOTE AND ENHANCE THE IN-VESTMENT ENVIRONMENT

TO FIND OUT MORE ABOUT FIPA'S SERVICES, WHICH ARE ALL FREE OF CHARGE, CONTACT US DIRECTLY.

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