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FIPA ACTIVITIES ≡

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FIPA ACTIVITIES ≡

THE MOST IMPORTANT FOREIGN INVESTORS IN
B&H IN 2010 SELECTION EVENT



FIPA REPRESENTATIVES
VISITED THE MUNICIPALITY
OF NOVO SARAJEVO



Općina Novo Sarajevo

...AND MORE ACTIVITIES...



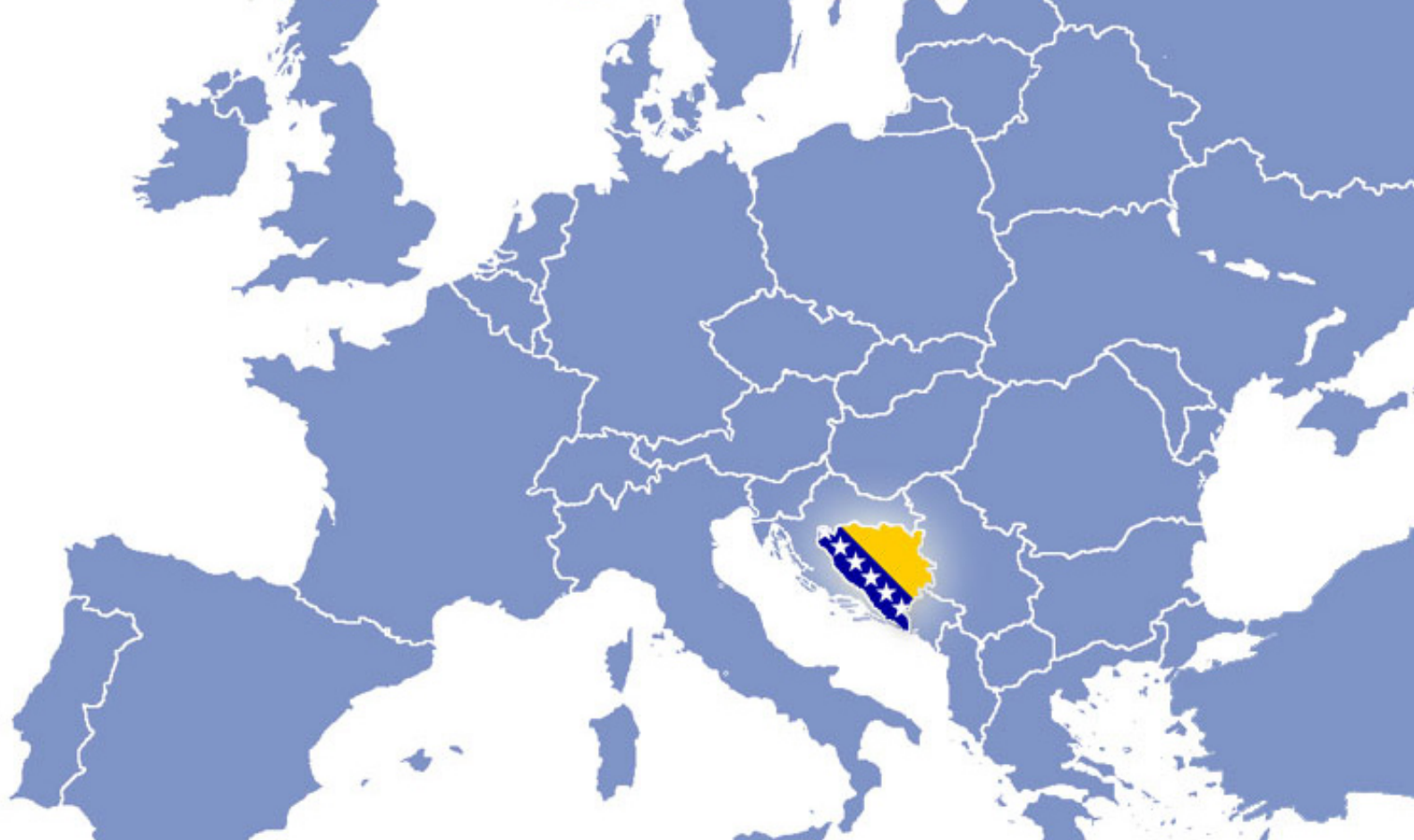
Općina Novo Sarajevo

FIPA REPRESENTATIVES VISITED THE MUNICIPALITY OF NOVO SARAJEVO



As part of activities to improve cooperation with the municipalities in B&H, the representatives of FIPA had a meeting on 4th November, with the Head of the Economy Department of the Municipality of Novo Sarajevo Nermina Krupalija. The topic of the meeting was intensification of cooperation between FIPA and the Municipality of Novo Sarajevo, collection of projects, information about incentives for investors, procedures for issuing building and other permits, etc. The Agency's representatives were familiarized with the potential of the Municipality and with the strategic plan of its development up to 2015.

The Municipality has very little land for construction, while doesn't have agricultural land or industrial zone. Mrs Krupalija was handed the FIPA form for submitting investment projects. Cooperation between FIPA and the Municipality will continue in the future.



FIPA REPRESENTATIVES VISITED COMPANY CAR TRIM BH ZEPCE

6th December 2012, the FIPA representatives visited the company Car Trim BH doo Zepce within regular activities from the Aftercare Program (post-investment care about foreign investors). The meeting was attended by the Director of Car Trim BH Mr Andrej Kajic.

The German Company Car Trim GmbH is one of the leading European and world manufacturers of leather and textile components in the automotive and airline industries. This includes the production of high-quality textile and leather interiors for airplanes and cars, as well as the production of metal constructions and security components for the automotive industry.

In 2007, the Group Car Trim began producing in Zepce. As the largest foreign investor in the Municipality of Zepce, they started building a factory to produce upholstery for passenger cars, which should be completed in 2014, and currently the production is carried out in the leased area of the former factory Mahnjaca. This will also be the first constructed building in the industrial zone of Polje in Zepce, in which Car Trim owns 6000 sqm, respectively the highest of the five building lots. By the construction of the new plant in Polje, they realize the announced plans to expand production and to create jobs. The entire production is exported, and their major suppliers are Volkswagen and Audi Q7. Currently they employ about 300 workers, and by opening of the new factory, they will employ additional 500 workers. The total value of the new investment will be higher than 8 million KM (in equipment it will be invested 4 million KM, while the construction of the factory will cost 4 million KM).



THE MOST IMPORTANT FOREIGN INVESTORS IN B&H IN 2010 SELECTION EVENT



FIPA organized on 13th December 2012 in Sarajevo the traditional event of awarding the most significant investors in B&H for 2011 in four categories. The event of "Selection of Foreign investor in B&H" is being organized every year in order to provide support and to emphasize the companies whose investments in Bosnia and Herzegovina were the most important in the previous year. "Selection of Foreign investor in B&H" is an event during which are presented the most successful foreign companies running business in our country that contribute to a positive perception of Bosnia and Herzegovina as a country in which investing is profitable. These companies have recognized and used their opportunity and they are a positive example to potential investors for investing in Bosnia and Herzegovina. The company „Bentoproduct d.o.o., Sipovo" was the most important investor in the "Greenfield" category. The company "Mercator BH d.o.o. Sarajevo" was chosen as the most successful investor in the category of "Acquisition/Privatisation. In the category of "Opening new working places" was selected "Al-Jazeera Balkans d.o.o.", while the company "Sportek d.o.o. Kotor Varos" was the most important investor in the category of "Joint venture". Director of FIPA Jelica Grujic pointed out in her speech that these companies recognize and exploit their opportunities, and that they represent a positive example for potential investors to invest in B&H. According to her, 2011 and 2012 were marked by significant economic impact of the economic crisis on all economic flows, especially the movement of direct foreign investment. "According to projections of the UN Commission on Trade and Development, the growth in inflows of direct foreign investment is low, but stable, and only for a couple of years can be expected to reach the level of 2007. According to the Central Bank of B&H (CBB&H), in 2011, inflow of direct foreign investments amounted to 290 million euros, which was a slight increase when compared to 2010. For the first half of 2012, inflow of direct foreign investments was 296 million euros," said Grujic and added that the proportion of which relates to reinvest is increasing. She said that B&H economy provides a strong foundation of human and natural resources and a long tradition of industrial production that provides a viable and profitable investment in the agriculture, metal, wood, energy, tourism and other sectors. "Lack of capital has become a major constraint to effectively and quickly activate these resources, as well as other factors of production which opens up many opportunities for foreign investors," said Grujic. The event gathered large number of representatives of institutions, municipalities, international organizations and business community.



FIPA REPRESENTATIVES VISITED THE MUNICIPALITY OF STARI GRAD SARAJEVO

As part of activities to improve cooperation with the municipalities in B&H, the representatives of FIPA had a meeting on 18th December, with the Head of the Utilities Department of the Municipality of Stari Grad Sarajevo Tarik Poturovic. The topic of the meeting was intensification of cooperation between FIPA and the Municipality, collection of projects, information about incentives for investors, procedures for issuing building and other permits, and possibilities for improving cooperation, etc.

After many years of effort of the Municipality to resolve the status of the facility of "Jajce Barracks", the State Property Commission of Bosnia and Herzegovina took decision last month to exempt "Jajce Barracks" from the prohibition on disposal of the state assets. This means that the "Jajce Barracks" will be soon offered to potential investors.

As another interesting projects, it was listed the Barracks of Faletici with 17 acres of land, which may be suitable for tourist centres and for the production of healthy food.



FIPA REPRESENTATIVES VISITED THE MUNICIPALITY OF FOCA



As part of activities to improve cooperation with the municipalities in B&H, the representatives of FIPA had a meeting on 25th December, with Igor Curcic, Head of the Economy and Social Affairs Department of the Municipality of Foca. The topic of the meeting was intensification of cooperation between FIPA and the Municipality, projects collection, providing information about incentives for investors, procedures for issuing building and other permits, and possibilities for improving cooperation, etc.

Mr Curcic pointed out on this occasion that the Municipality of Foca has great potential in the wood-processing industry, including the production of briquettes and pellets from the wood waste. The coal mine Miljevina represents also an investment potential, including possibilities for producing the medicinal-plant, for constructing mini hydro plants and possibilities of eco-tourism.

As one of the most significant foreign investment, he emphasized an Egyptian investment in 2012 in the wood processing plant FL "Wood" which currently employs 60 workers.

BUSINESS & INVESTMENT NEWS ≡



ECONOMIC COOPERATION BETWEEN SLOVENIA AND BIH



WINTER TOURISM SEASON 2012/2013
WAS OPENED AT BJELASNICA
MOUNTAIN SATURDAY



...AND MORE NEWS...



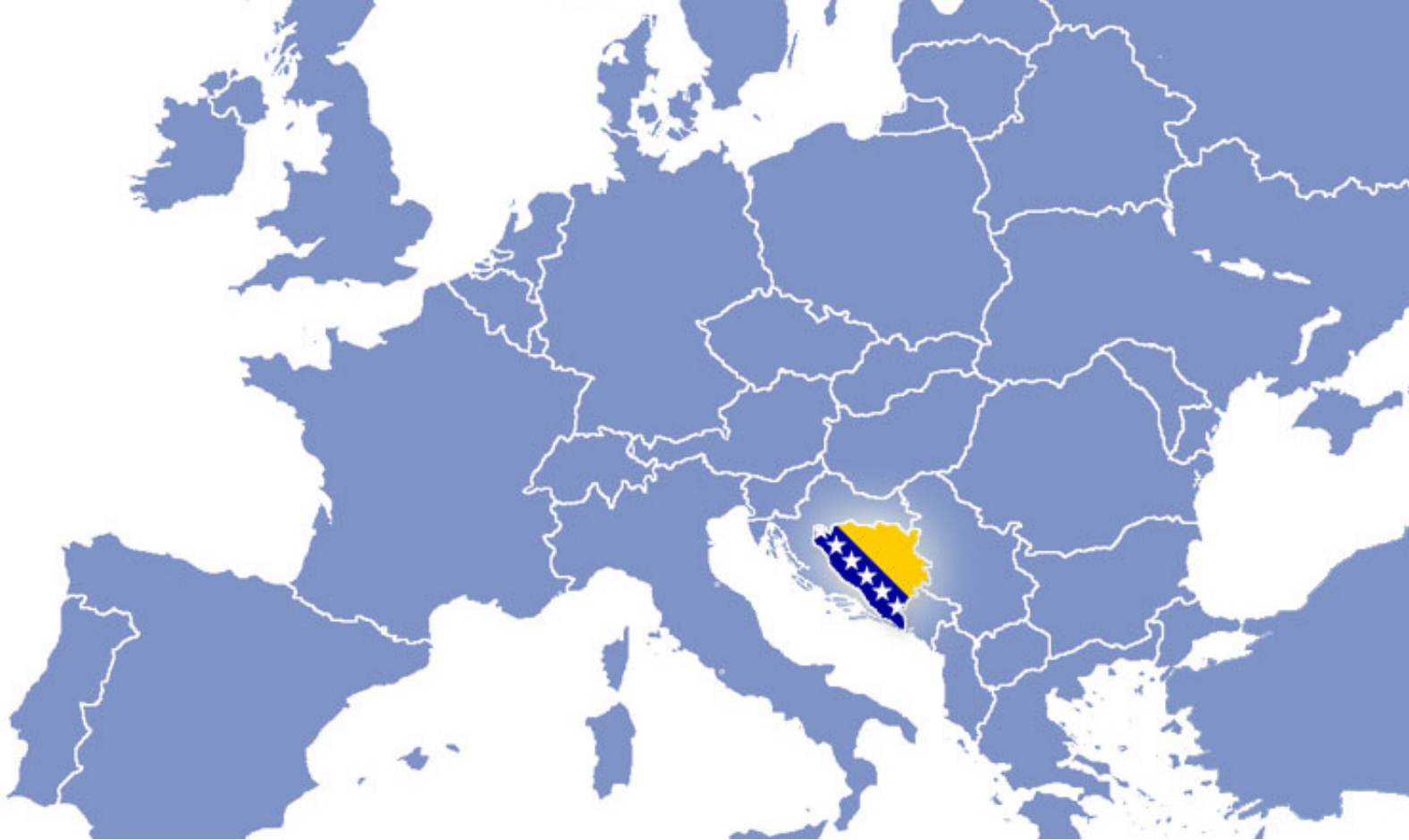
ECONOMIC COOPERATION BETWEEN SLOVENIA AND BIH

According to data of the Bank of Slovenia, the total value of Slovenian direct investments in B&H was 612.6 million Euros at the end of 2011, which represents, after Croatia and Serbia, the largest share of Slovenian investments in the Western Balkans, said Slovenian Ambassador to B&H Andrej Grasselli.

According to him, Slovenian firms remain very active in the market of Bosnia and Herzegovina, which is showed by the fact that more than a hundred firms, with the majority Slovenian capital in B&H, employ approximately 15,000 workers and makes a great part of B&H exports.

The Ambassador Grasselli assessed the economic cooperation between Slovenia and B&H as very well-developed and intense. "B&H is the 11th most important trading partner of Slovenia, looking at trade value which in 2011 amounted to 930.81 million Euros, and which is comparing to 2010 higher by nine percent. Positive fact which confirms the trend of good trade is its low imbalance and coverage of B&H export by Slovenian import of 80 percent," Grasselli said.

He pointed out that in the first half of 2012, value of Slovenian exports to B&H market was 279.57, and the value of imports 178.84 million Euros, which is, comparing to the same period last year, an increase of 3.4 percent in exports and decrease of 5.2 percent in imports. "The trend of drop in imports from B&H is present through the entire 2012, and a joint semi-annual trade value, comparing to the same period last year, remains at the same level," said Grasselli.



GATHERING AMID SESSION OF JOINT COMMISSION FOR BUSINESS COOPERATION BETWEEN SLOVENIA AND B&H HELD



Slovenian Ambassador to B&H Andrej Grasselli and Slovenian Business Club organized on 13th December 2012 a gathering amid a session of the Joint Commission for Business Cooperation between Slovenia and B&H.

"B&H and Slovenia have excellent political ties and very developed business cooperation," the Ambassador said, adding his country is among the first five foreign trade partners of B&H.

He stressed that though economy is currently in difficult position, it does not mean that it is not necessary to take further activities on this plan.

Head of the Foreign Trade Chamber of B&H Bruno Bojic said that human relations, not only cooperation of B&H and Slovenian citizens are on very positive.

"However, I must say that I am not pleased with the volume of foreign trade exchange between B&H and Slovenia, because there are preconditions for that. By the foreign trade exchange volume, Slovenia is on the fifth place," he added.

Slovenia is the fight biggest investor in B&H, investing 545 million euros ending 2011, which is 10.1 per cent of overall investments in B&H.

The gathering in Sarajevo's "Europe" hotel was attended by the B&H government officials and business people of the two countries.



SARAJEVO HOSTED SEMINAR “CROATIAN ACCESSION TO EU - CHALLENGES AND OPPORTUNITIES FOR B&H ECONOMY”

The Foreign Trade Chamber of Bosnia and Herzegovina (VTK B&H) and the Regional Centre for Gender Equality (GTF) organized in Sarajevo a seminar for female entrepreneurs on “Croatian Accession to the European Union - Challenges and opportunities for the economy of Bosnia and Herzegovina.”

The seminar is held within the project “Women’s entrepreneurship - the engine for job creation in South East Europe”, which is funded by the Swedish Government.

According to economic analyst in VTK B&H Duljko Hasic, all products which will be exported to Croatia in future must meet prescribed standards of the EU.

“With Croatian accession to the EU, a number of changes will occur in the companies’ business operations in B&H, and it is necessary to make adequate preparations. VTK B&H is actively engaged in the preparation of the B&H businesses to get through this process easily,”.

During the seminar, Director of Euro Info Correspondent Centre in VTK B&H Senad Hromic presented the EU directives concerning placing the CE mark on products from B&H.

“All products that are exported to the EU countries, with B&H origin, will have a label CE, while the same products in our country will have only a label C. It is worth noting that B&H producers who want to sell their products to B&H market now will have to meet nearly identical conditions as all other manufacturers that sell their products to the EU market,” said Hromic.



WINTER TOURISM SEASON 2012/2013 WAS OPENED AT BJELASNICA MOUNTAIN SATURDAY

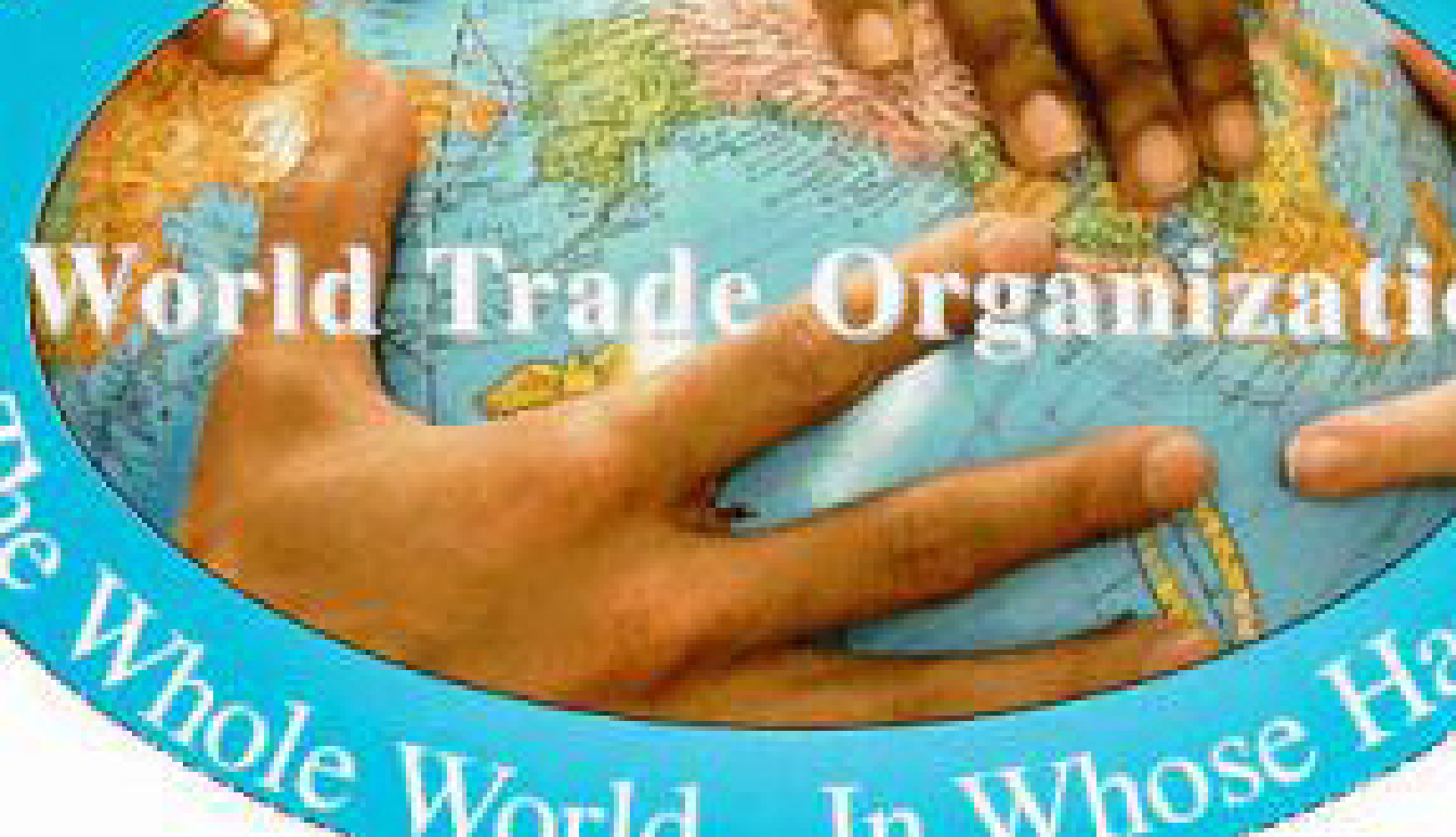


The winter tourism season 2012/2013 was opened on Saturday 22nd December 2012 at the Olympic mountain of Bjelasnica (Babin Do) at 14.00 hrs.

Season was officially opened by the Federation Minister of Environment and Tourism Branka Duric, while the Sarajevo Canton Prime Minister Suad Zeljkovic and the ZOI'84 company director Salko Hasanefendic will hold speeches.

The event included entertainment program with Armin Muzaferija and Aka Demo Bend performance and the hosts were provided free food and drinks.

ZOI'84 enabled free day and night skiing for all visitors.



EU WELCOMES BILATERAL AGREEMENT ON BOSNIA AND HERZEGOVINA'S WTO ACCESSION

The EU Trade Commissioner Karel De Gucht and the Minister of Foreign Trade and Economic Relations of Bosnia and Herzegovina, Mirko Šarović, signed on 19th December an agreement on Bosnia and Herzegovina's accession to the World Trade Organisation (WTO). This agreement is a key step for Bosnia and Herzegovina's path to becoming a Member of the international trade body. Accession to the WTO is expected to make a lasting contribution to the process of economic reform and sustainable development in Bosnia and Herzegovina. "Today's signature is a milestone in Bosnia and Herzegovina's WTO accession process and an important step towards fostering our economic relations", said the EU Trade Commissioner Karel De Gucht. "The EU strongly supports the WTO accession of our neighbours. We believe that Bosnia and Herzegovina has made remarkable progress in preparing for WTO entry and hope to welcome them into the WTO family very soon". The Minister Mirko Šarović said: "Bosnia and Herzegovina is committed to become an active member of the multilateral trading system and has invested serious efforts in this respect. The inestimable support provided by the EU is delivering positive results. Today's event represents a step closer to our final common goal and we are confident that it will help in finishing the rest of the bilateral negotiations in the WTO in the months to come. If we find the same constructive attitude with other partners, we could become WTO members in 2013." The bilateral agreement provides for the lowering of tariffs for trade in goods and for the opening of services markets upon accession. These commitments will be then embodied in the future Protocol of Accession of Bosnia and Herzegovina to the WTO. Bosnia and Herzegovina applied for WTO membership on 11th May 1999. The WTO Working Party on its accession was established on 15th July 1999. In order to become a WTO member, Bosnia and Herzegovina must complete bilateral negotiations with interested WTO members and obtain the endorsement of this Working Party at multilateral level. The EU is Bosnia and Herzegovina's main trading partner, accounting for almost 73% of its exports and more than half of its imports.



“NEW POSSIBILITIES - SAUDI ARABIA, TURKEY AND BIH” BUSINESS CONFERENCE



Bosna Bank International and BBI VIP Business Club organized on 21st December in Sarajevo a business conference “New Possibilities - Saudi Arabia, Turkey and B&H”. The goal of this business gathering was to establish new and strengthen existent business connection between BIH, Turkey and Saudi Arabia and to strengthen B&H businessmen participation at these markets. “We want to strengthen cooperation with Turkey and Saudi Arabia through these gatherings and to open door of cooperation to domestic businessmen and to establish direct contacts with investors from these countries. Organizing such meeting is not a primary activity of this bank neither it can have make any benefits, our basic activity is financing but in this way we want to encourage our clients and develop B&H economy by opening our market to domestic businessmen,” BBI bank Director Amer Bukvic said. The Head of the Management Board of the “Mostovi nade” Foundation Rasim Zorlak said that a certain number of B&H companies already exports successfully to markets of Saudi Arabia and Turkey. “There are no obstacles for export of B&H products to these markets. Domestic producers, that are exporters, have to have necessary certificates which these markets demand. There are no biggest obstacles for export,” Zorlak said. Chances to export to these markets have especially those companies dealing with military industry, agriculture and food industry. The B&H Presidency member Bakir Izetbegovic said that B&H has considerable and insufficiently used resources in ore, woods, unpolluted land, clear water, educated work force which can offer improvement to economic atmosphere. “Last year, there were 11 times less direct investments in B&H compared to the previous year. This crisis can be overcome more easily thanks to friendship and economic cooperation with Saudi Arabia and Turkey,” Izetbegovic said.

MEETING & EVENTS ≡

December 4	FIPA REPRESENTATIVES VISITED THE MUNICIPALITY OF NOVO SARAJEVO
December 6	FIPA REPRESENTATIVES VISITED COMPANY CAR TRIM BH ZEPCE
December 13	THE MOST IMPORTANT FOREIGN INVESTORS IN B&H IN 2010 SELECTION EVENT
December 18	FIPA REPRESENTATIVES VISITED THE MUNICIPALITY OF STARI GRAD SARAJEVO
December 25	FIPA REPRESENTATIVES VISITED THE MUNICIPALITY OF FOCA

A map of Europe with a blue background and white country borders. Bosnia and Herzegovina is highlighted with a yellow and blue flag featuring white stars. The text is centered over the map.

INVEST IN BOSNIA AND HERZEGOVINA YOUR NEW OPPORTUNITY

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WHY INVEST IN BOSNIA AND HERZEGOVINA?

- STRATEGIC LOCATION
- AVAILABLE NATURAL RESOURCES AND BEAUTIES
- LONG TRADITION IN DIFFERENT INDUSTRY BRANCHES
- ABUNDANCE OF INDUSTRIAL ZONE, ATTRACTIVE SITES AND AVAILABLE PRODUCTION FACILITIES
- FAVOURABLE LEGAL ENVIRONMENT
 - LOW TAX RATES
- HIGHLY EDUCATED AND PRICE COMPETITIVE LABOUR FORCE
 - STABLE DOMESTIC CURRENCY BAM PEGGED TO EURO
 - REGIONAL AND BILATERAL FREE TRADE AGREEMENTS
 - EU PERSPECTIVE