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NEWSLETTER NO. 108

JUNE 2014

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INTERNATIONAL CALL TO INVESTORS FOR EXPRESSION OF INTEREST FOR ENTRY AND PURCHASE OF CONSTRUCTION LAND IN THE BUSINESS ZONE OF "LIPOVA GREDA" IN KOZARSKA DUBICA

The Municipality of Kozarska Dubica published an international call for investors to express interest in entering the business zone of "Lipova greda" and purchasing building plots in the zone.

Area of individual parcels offered for sale are 5000-6000 m2, with the possibility of a flexible approach to increase the area of the plot required for the realization of the planned production process.

FIPA ACTIVITIES >



FIPA PRESENTATION AT THE BUSINESS FORUM BOSNIA AND HERZEGOVINA – REPUBLIC OF TURKEY



DIRECTOR OF FIPA HAD A MEETING WITH A BUSINESS DELEGATION FROM PAKISTAN



...AND MORE ACTIVITIES...



Representatives of Foreign Investment Promotion Agency of BiH visited Company Kreis BH doo Ilidža



On Thursday, 17th June 2014, the representatives of the FIPA Agency had a meeting with representatives of the company Kreis BH doo Ilidža. The visit was carried out within the Aftercare Program for 2014 for post-investment support to foreign investors in BIH.

On this occasion, with the general manager Mr Dževad Šipka, it was discussed about the experience of doing business in Bosnia and Herzegovina, obstacles and problems faced by the company in BiH and their future plans.

Company KREIS INDUSTRIEHANDEL AG Basel from Switzerland has invested into two companies in Bosnia and Herzegovina, KREIS BH Ilidža and Vitaminka Banja Luka.

KREIS BH, Exclusive Distributor of several famous brands such as Vitaminka, Žito (Šumi, Grande, Krex, Hokus; 1001 cvet, Maestro, Zlato polje, Evo), Franca, Aqua Gala etc., currently has 60 employees.

Kreis's ambitions are focused on opening a new business building, and the total amount of that new investment will be of 2,8 million BAM. Vitaminka Banja Luka currently has 220 employees and main activity is fruit and vegetable processing.

This company is a positive example to the other foreign investors ready to invest their money in BiH. Vitaminka exports their product to the Region, EU countries and USA and Australia.

Satisfied with their business in Bosnia and Herzegovina, Mr. Šipka said that there were a lot of investors interested in investing in BiH.



FIPA PRESENTATION AT THE BUSINESS FORUM BOSNIA AND HERZEGOVINA – REPUBLIC OF TURKEY



The FIPA representative Nina Pobrić, Head of the Investment Promotion Department took part at a Business Forum of Turkey and Bosnia and Herzegovina held on 19th June 2014 in Sarajevo.

On this occasion, she had a presentation on investment opportunities in Bosnia and Herzegovina.

There are many reasons for investing in BiH, such as stable financial sector, excellent geographical location, favourable trade and other agreements, favourable tax and customs system, availability of skilled, educated, competitively priced and multilingual labour force, low operating costs and abundance of premises and sites, industrial zones, free trade zones etc.

BiH has signed Free Trade Agreements (CEFTA) with all SEE countries and Turkey, which allow companies to export their products to the market of app. 100 million consumers without any taxes and customs duties. The Law on the Policy of Foreign Direct Investment ensures national treatment for foreign investors. According to this Law, foreign investors are also protected against nationalization, expropriation or similar measures.





Director of FIPA had a meeting with a business delegation from Pakistan

On 27th June in Sarajevo, the director of the FIPA Agency Jelica Grujić received an economic delegation from Pakistan led by the President of Lahore Chamber of Commerce and Industry, Mr. Sohail Lashari.

At the meeting it was also discussed the possibilities for economic cooperation and investments in BiH.

Sectors that are of interest for investors from Pakistan were presented to the economic delegation.

On this occasion it was also pointed out that there are opportunities to increase investment from Pakistan, and that FIPA is available for connecting interested investors with owners of projects in Bosnia and Herzegovina, and for other services arising from the competence of the Agency.



FIPA PRESENTATION AT THE BUSINESS FORUM BOSNIA AND HERZEGOVINA – IR PAKISTAN



The FIPA representative Nina Pobrić took part at a Business Forum of IR Pakistan and Bosnia and Herzegovina held on 26th June 2014 in Sarajevo.

On this occasion, she had a presentation on investment opportunities in Bosnia and Herzegovina.

There are many reasons for investing in BIH, such as stable currency, favourable trade and other agreements, favourable tax and customs system, availability of skilled, educated, competitively priced and multilingual labour force, low operating costs and abundance of investment locations and industrial zones.

BUSINESS & INVESTMENT NEWS >



SARAJEVO'S FURNITURE FACTORY SINKRO IS TO OPEN 80 NEW JOBS







...AND MORE NEWS...



Sarajevo's furniture factory Sinkro is to OPEN 80 NEW JOBS



In Nevesinje, it was opened a new plant of the food industry "Swisslion Takovo" Trebinje in which around 7 million EUR were invested. By the end of the year, Sarajevo's furniture factory Sinkro will open 80 new jobs next month.

In the last several years Sinkro is one of the leaders in furniture manufacturing both in our country, as well as in the export from Bosnia and Herzegovina. "Despite difficult times in BiH, with a systematic approach we managed to make a company that is, without any modesty, one of the best BiH companies and a company that can counteract European companies. Therefore, the German internet giant Tchibo chose Sinkro to be the exclusive supplier of upholstered furniture from the region of Southeast Europe. After several trial orders and mutual satisfaction, Sinkro became a permanent partner and producer for Tchibo, a company that has an annual turnover of around four billion euros," said the Director Omar Kuštrić, who founded this company 17 years ago. Due to expansion of work in the Swiss and Austrian market, the factory decided to expand capacity and hire another 80 production workers, in addition to more than 200 current employees. He said they did not want to be based on sales in BiH only, due to the small and limited market, so that for many years they have been exporting furniture all over the world, but, inspired by the constant demand from the domestic market they decided to launch a factory/ retail discount store within a factory in Hrasnica.

Most of their export goes to Germany, France, Belgium, Estonia, as well as to the neighbouring countries. this plant will employ around 100 workers.

For one month, Swisslion Takovo will start implementing the project of Trebinje II, respectively starting up the second factory in Trebinje.





MS&WOOD COMPANY WILL HIRE 100 NEW WORKERS MS&WOOD COMPANY WILL HIRE 100 NEW WORKERS

BiH furniture industry MS & WOOD ("Masters and the Wood" - former Zica) in the first 150 days of the year, collected revenues totaling 4,128,304 KM, which is 522 percent more than in the same period last year.

"Following the decision to carry out a complete reengineering of the business model, in less than two years, we have managed to start from scratch and become a partner of the largest furniture manufacturer in the world. We have established a business system and a stable production, adopting all the necessary standards for security and improvement of working conditions, product quality, and the environment. All this allows us to use 99 percent of our total production of furniture under the label žMade in BiH,' and sell in foreign markets of Japan, across the EU, and the United States. As we previously announced, these days we opened the competition for admission of 100 new workers," said the Director of MS & WOOD, Muhamed Pilav.

In the first five months of this year, 48.280 pieces of furniture have been produced, which is 11.500 pieces more than the total volume of production in the previous year.

MS & WOOD currently employs over 200 workers. Furniture produced in Fojnica is exported to 42 countries, on all continents. Monthly revenue from exports, at present, are more than one million KM with a growth tendency until the end of the year by 10 percent each month.



HIPP GROUP PLANS TO BUILD A PLANT IN THE VALLEY OF NERETVA

The Bavaria group of HIPP plans an investment in the valley of Neretva the project BEPO. The HIPP company is owned by the German entrepreneur Claus Hipp with the tradition of the family business old for more than a century.

The first investment in the Neretva valley will be the construction of a plant for processing of fruits, vegetables and shellfish from the Neretva region.

Bahreinski biznismen za izgradnju centra u Visokom će investira više od 20 miliona KM





BAHRAINI BUSINESSMAN WILL INVEST MORE THAN 20 MILLION KM IN THE CONSTRUCTION OF A CENTRE IN VISOKO

Laying of the foundation stone in Visoko, in the village of Gornja Zimča, it was started construction of residential and commercial recreation centre Visoko in which the Abram Company from Bahrain will invest more than 20 million BAM.

The ceremony was attended by representatives of the Abram Company, the delegation of Bahrain, the BIH institutions, representatives of the Municipality of Visoko, guests and citizens.

The deadline for the construction of the centre Visoko is three years, and the director and owner of Abram Company Ahmed Alabras said that the complex doesn't represent only buildings, swimming pools, sports grounds and walkways, but also new jobs and meeting place of local businessmen with foreign investors and businessmen in order to make contacts and exchange experiences.



A CONTRACT TO START BUILDING THE HENKEL FACTORY WAS SIGNED

A contract on business and technical cooperation between companies Henkel and HercGradnja, which officially marks beginning preparations for the construction of the factory Henkel Ceresit in Bileća was signed in Sarajevo.

The agreement was signed by the Director of HercGradnje Dragan Aleksić and CEO of Henkel BH Predrag Armuš

"The signing of this agreement is the beginning of the realization of our project, and also the confirmation of Henkel's commitment to long-term investment and business development activities in Bosnia and Herzegovina, creating new jobs for the local population and creating new business opportunities and partnerships with local suppliers," said Armuš.

The factory of Henkel Ceresit will be built in the Municipality of Bileća in which it will be produced powdered building products based on cement for gluing tiles and insulation of facilities





The Dutch bought the company UNIS Valjčići

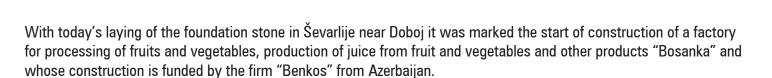
The company NN International B.V. from the Netherlands acquired 79.2% of stake in the company UNIS Valjčići Ltd. Konjic.

The Dutch company paid 14.04 million BAM for shares, thus becoming the majority owner of the company from Konjic.

The company UNIS Valjčići is manufacturing components of rollers, and last year it was operated with 1.33 million BAM of net profit.



In Doboj, it was laid the foundation stone for the factory "Bosanka"







Germans are interested in Mine of Vareš

The German consortium Miebach, which is consisted of 52 factories and is working in the metal industry, engineering and cement, has expressed interest in investing in the Mine of the Iron Ore Vareš.

Representatives of the company, which operates more than a hundred years, led by Christoph Engelke, owner of the consortium, visited the Prime Minister of Zenica-Doboj Canton Munib Husejnagić and were interested in activities of the Mine.

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.

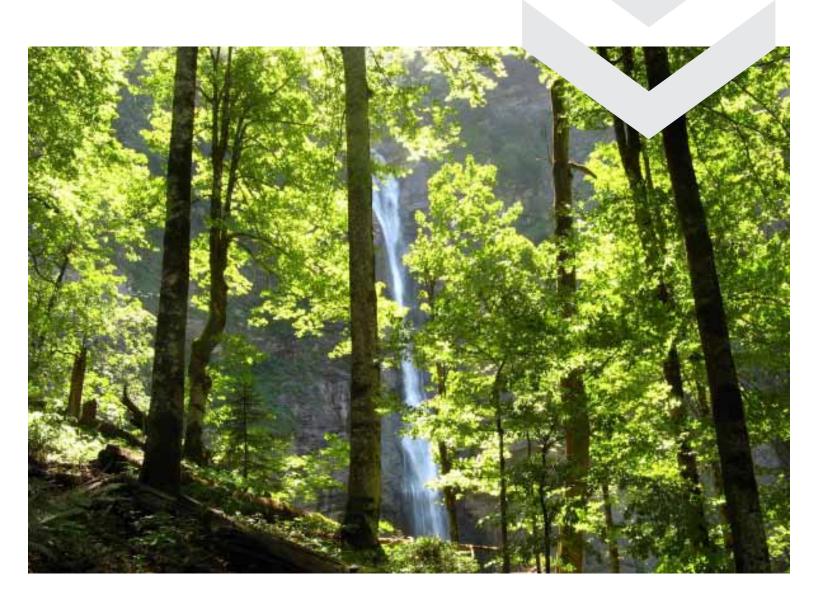
(READ MORE ON: WWW.MEDJUGORJE.HR)



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.

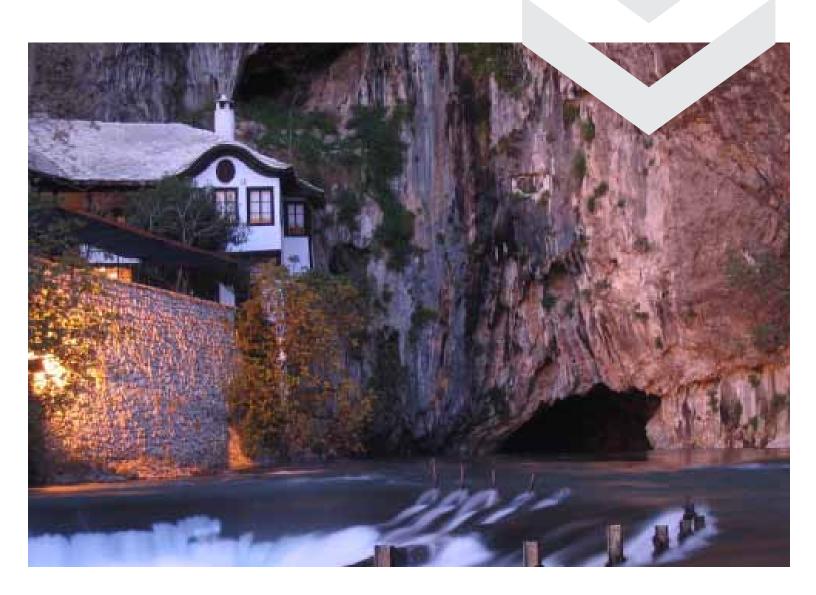
(READ MORE ON: WWW.GREENVISIONS.BA)



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)



Vietrenica 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

CLUDING:

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, IN-

- -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 BUSI-NESS 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.

Grbavička 4 71000 Sarajevo Phone: +387 33 278 080 Fax: +387 33 278 081 E-mail: fipa@fipa.gov.ba www.fipa.gov.ba

FIPA OFFICE MOSTAR RADE BITANGE 30 88000 MOSTAR PHONE/FAX: +387 36 558 815

FIPA OFFICE BANJA LUKA ĐURE DANIČIĆA 1/III 78000 BANJA LUKA PHONE/FAX: + 387 51 226 180 BOSNIA AND HERZEGOVINA

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