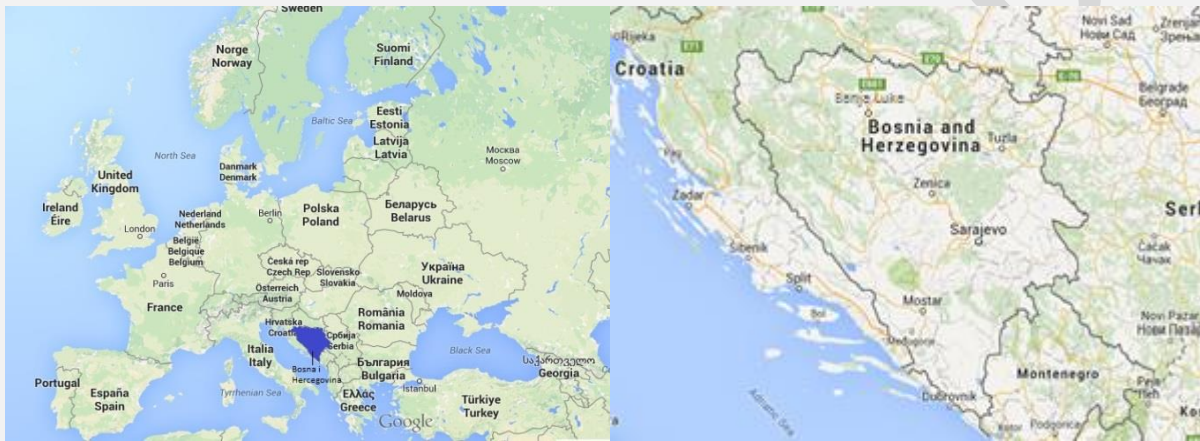


INVEST IN BOSNIA & HERZEGOVINA

We bring you to the point where
success begins.



1. General information about Bosnia and Herzegovina (B&H)

- Population cca. 3.800.000
- Area cca. 51.200 km²
- Capital & Population Sarajevo, Olympic city, cca. 450.000
- Form of government Decentralized bicameral parliament democracy with elements of protectorate (EU and USA)
- Short-term aim Economic growth, increase of employment, processing of reforms, promotion to the status of EU membership candidate
- Strategic aim Becoming an EU and NATO member (current status: member of Stabilisation and Association Agreement)
- Security status Stable. Defense forces of B&H are supervised and controlled by NATO and Police forces are supervised and controlled by EU Police Mission
- Motorways Poor coverage of motorways; Cca. 100 km of motorways cover BH; another 80 km are planned to be build by 2017

- Key challenges
 - Improvement of the poor competitive economical position
 - Slow society transition and the progress to the EU
 - Stabilization of the political condition
 - Resistance to corruption

2. General information about BH economy

- Currency KM (BAM) Convertable Mark, fix to EUR =1,9558KM
- GDP a' capita in 2014 3.642€
- GDP in 2015 (growth) +2,1% (I-15 /I-14)
- Economical growth in 2014 +1,2% (heavy flooding)
- Inflation rate in 2014 -0,9%
- Unemployment rate in 2014 (acc. to ILO definition) 27,5%
- Customs relationship with EU Customs free, with exception of a small range of products
- Main trade partners Germany, Croatia, Italy, Serbia, Austria
- VAT (Value added tax) rate 17% (one of the most competitive in Europe)
- Income (Profit) tax rate 10% (one of the most competitive in Europe)
- Incentives for (foreign) investors Numerous, depending on the geographic and industry sector, e.g. no income taxes if more then 30% of revenue is achieved by export. Etc.

3. Advantages and wages of industrial labour force (all wages are represented as the total monthly cost of an employer)

- Quality of workforce: industrial skills and habits are deeply embedded in BH, especially in following industrial branches:
 - Metal and automotive
 - Wood and furniture
 - Textile, leather and footwear
 - Mining and energetics
 - Chemistry
 - Construction industry
 - Food and agriculture
- Multinational companies as VW, SKF, ZF, Coca Cola etc. used to have Joint venture companies in BH until the conflict's beginning of the '90s.
- Main foreign languages spoken in the industry: English, German, French, Turkish, Italian

- Minimum wage cost in BH 340€
- Range of wage costs for lower-qualified industrial workers and beginners 380€ - 450€
- Range of wage costs of experienced industrial workers, craftsmen and engineer beginners 450€ - 750€
- Range of wage costs for experienced engineers, administrative workers and managers 750€ - 2.000€
- Range of wage costs for higher manager levels and general managers 2.000€ - 4.600€

4. Other important industrial parameters and costs

- Electrical power price 0,06€ - 0,08€ / kWh
- Municipal water price 0,4€ - 0,7€ / m³
- Gas and gas derivative price variable, cca. 10% lower than in West Europe
- Transportation time to e.g. Berlin or Paris 20h-32h (depending on weight and vehicle type)
- Price of industrial land location 20€ - 50€ / m² (depending on geographic location)
- Total plant construction cost (all incl.) 250€ - 400€ / m²
- Price for rental of industrial facility 2€ - 3,5€ / m²

5. Links

BIH Wikipedia

- http://en.wikipedia.org/wiki/Bosnia_and_Herzegovina

BH Agency for Statistics

- www.bhas.ba

FIPA Foreign Investment Promotion Agency of Bosnia and Herzegovina

- www.fipa.gov.ba

BH Ministry of Foreign Affairs

- http://www.mvp.gov.ba/ekonomiska_oblast/?id=5470

UN

- <http://data.un.org/CountryProfile.aspx?crName=Bosnia%20and%20Herzegovina>

World bank

- <http://data.worldbank.org/country/bosnia-and-herzegovina>

EU

- http://ec.europa.eu/enlargement/countries/detailed-country-information/bosnia-herzegovina/index_en.htm

German Ministry of Foreign Affairs

- <http://www.auswaertiges-amt.de/DE/Aussenpolitik/Laender/Laenderinfos/01-Laender/BosnienUndHerzegovina.html>

Google Maps

- <https://www.google.ba/maps>