



FIC NEWSLETTER

Q2 • JUNE 2020



ECONOMIC IMPACT OF THE COVID-19 OUTBREAK

BOSNIA AND HERZEGOVINA

In order to prevent the harmful effects of the COVID-19 pandemic on the economy, various levels of government in Bosnia and Herzegovina have adopted a number of economic measures to mitigate the negative economic consequences.

In this issue of the Newsletter, we bring you an overview of economic measures adopted by the governments of the Federation of BiH, Republika Srpska, Brčko District, and the Governments of Sarajevo Canton, Zenica-Doboj Canton, Bosnia-Podrinje Canton and Una-Sana Canton... [READ MORE](#)

FOREIGN INVESTORS
COUNCIL IN BIH
NEWSLETTER

TABLE OF CONTENTS

Indirect Tax Measures • P. 2

FBiH "Corona Law" • P. 3

Eastern Mining • P. 4

SBF Online Session • P. 5

FIC PROPOSES INDIRECT TAX MEASURES

COVID-19

In order to mitigate the negative economic consequences caused by the COVID-19 pandemic, Speaker of the House of Representatives of the Parliamentary Assembly of Bosnia and Herzegovina, Mr. Denis Zvizdić, submitted to the urgent parliamentary procedure the Amendments to the VAT Law, by which the deadline for filing applications and paying VAT would be shifted from the 10th to the last working day of the month. In this regard, the FIC members submitted their comments to the competent institutions on the proposed amendments to the Law on VAT and proposed measures that... [READ MORE](#)



FIC & VTK WEBINAR

Foreign Investors Council in BiH (FIC) together with Foreign Trade Chamber of BiH (VTK) organized a webinar entitled "Challenges of employers in the field of labor law & personal data protection during COVID-19 pandemic", on Thursday, April 23, 2020, via Zoom online platform.

**"THE AIM OF THE WEBINAR IS TO
IMPROVE KNOWLEDGE IN THE FIELD
OF LABOR LAW AND PERSONAL
DATA PROTECTION"**

Also, it was discussed various issues of interest to employers that have become relevant as a result of the COVID-19 pandemic... [READ MORE](#)

FIC SUBMITTED AMENDMENTS TO THE "CORONA LAW"

FEDERATION OF BIH

After the FBiH Government, at its extraordinary session held on April 6, 2020, formulated a draft Law on Mitigation of Negative Economic Consequences Caused by the COVID-19 Pandemic, and directed it to be adopted by the FBiH Parliament as a matter of urgency, the FIC members of submitted amendments and comments on the proposed Law as well as proposals for measures that would have a significant, positive impact on maintaining the economic activity and financial stability of companies. FIC has submitted a total of eight amendments to the draft Law... [READ MORE](#)



SBF 2020 ONLINE SESSIONS:

"SUSTAINABILITY OF BIH ECONOMY IN TIMES OF CRISIS"

At the beginning of March 2020, the global pandemic of the COVID-19 virus began to significantly affect economic trends in Bosnia and Herzegovina and the world, which resulted in a significant reduction in all economic activities in our country. The crisis caused by COVID-19 has severe consequences for the entire economy in all Western Balkan countries, and all countries need to use the available options to cope with the crisis.

"BUKVIĆ:

**SARAJEVO BUSINESS FORUM (SBF) IS
PREPARING A DOCUMENT WITH GUIDELINES
FOR OVERCOMING THE CRISIS IN BIH"**

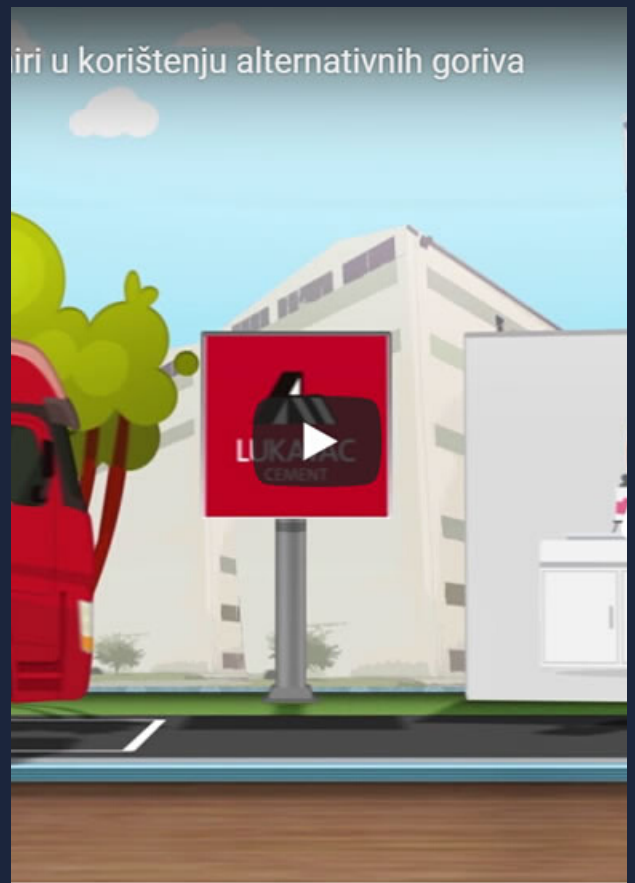
The 11th Sarajevo Business Forum, which was supposed to be held in April this year, has been moved to the fall... [READ MORE](#)

THE LUKAVAC CEMENT FACTORY PRESENTS A FILM ABOUT ALTERNATIVE FUELS

FIC MEMBERS

As part of its project "In Friendship with Nature", the Lukavac Cement Factory made an educational film about alternative fuels called "Pioneers in the use of alternative fuels." This is an instructive story for all generations, which explains in a pictorial way what alternative fuels are and what are the advantages of their use in today's world.

Since 2012 when the use of alternative fuel as the fuel of the future has been introduced, Lukavac Cement Factory is considered a pioneer in this field. Last year, the Factory managed to achieve 45% share of alternative fuels in production process, while the current share is 60%... [READ MORE](#)

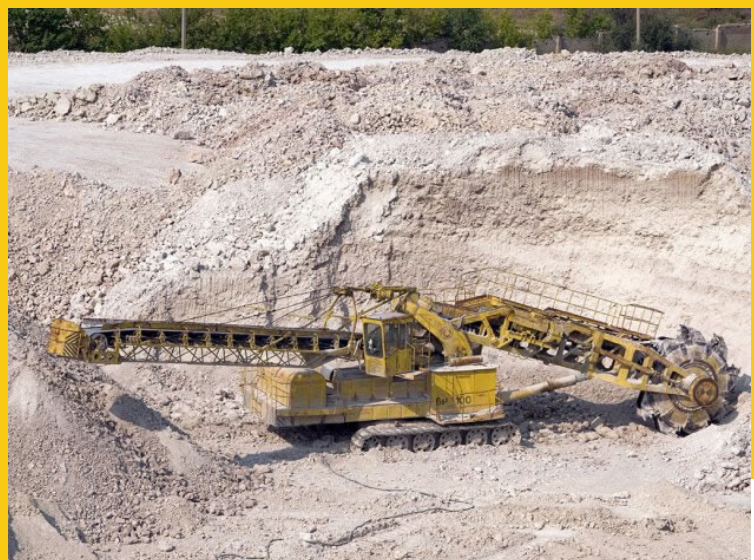


EASTERN MINING COMPANY MOVES ITS HEADQUARTERS TO VAREŠ BY THE END OF 2020

Eastern Mining Company, which will open a lead, zinc and barite mine in next two ears, will move completely to Vareš by the end of this year. According to the director of the company, Miloš Bošnjaković, Eastern Mining is registered in Sarajevo.

"OUR GOAL WAS THAT THE TAX WE PAY FOR OUR WORKERS ENDS UP IN THE ZENICA-DOBOJ CANTON, I.E. IN THE MUNICIPALITY OF VAREŠ", SAID DIRECTOR BOŠNJAKOVIĆ

The mine itself should employ more than 300 workers... [READ MORE](#)



NEW MEMBER

Bosnalijek is at the forefront of the pharmaceutical industry in Bosnia and Herzegovina and exports its products to 18 markets on three continents.

"OVER THIS PERIOD WE HAVE INVESTED MORE THAN EUR 100 MILLION IN THE MODERNISATION OF OUR ENTIRE BUSINESS. THANKS TO THIS INVESTMENT, WE ARE TODAY ONE OF THE MOST IMPORTANT DRIVERS OF THE ECONOMY AND ONE OF THE LARGEST EXPORTERS IN BIH"

Our strength lies in our tradition as a manufacturer of the highest quality medicines and related... [READ MORE](#)



FIC MEMBERS REPRESENTATIVES PARTICIPATED IN THE 4TH SBF ONLINE SESSION

SARAJEVO BUSINESS FORUM

The organizer of the Sarajevo Business Forum (SBF), the leading investment conference in Southeast Europe - Bosna Bank International (BBI) - held the fourth in a series of online panels on the sustainability of the BiH economy in times of crisis. The topic of the fourth SBF online session was "Strengthening the capacity of agriculture and the food sector in Bosnia and Herzegovina", moderated by Dr. Elma Agić-Šabeta, Director of the Risk Control Department at BBI Bank. The panelists were key people from the BiH food industry: Rusmir Hrvić, President of the Management Board, AS Holding... [READ MORE](#)



FIC AND ITS PARTNERS ACTIVELY WORK TO ELIMINATE ISSUES RELATED TO THE APPOINTMENT OF THE FBIH SECURITIES COMMISSION MEMBERS

At the beginning of the 2020, the Foreign Investors Council in BiH sent a Request to the Federal Parliament, the Government and the Securities Commission to urgently resolve the issue of appointing new members of the FBIH Securities Commission... [PROČITAJ VIŠE](#)

"WE STILL WANT TO BELIEVE THAT THE COMPETENT STRUCTURES WITHIN THE FBIH PARLIAMENT WILL RECOGNIZE THE URGENCY OF RESOLVING THIS ISSUE AND ENABLE THE EFFICIENT FUNCTIONING OF THE SECURITIES MARKET."

BRANIMIR MUIDZA ON THE CONSEQUENCES OF COVID-19: ELIMINATE THE NEGATIVE ECONOMIC CONSEQUENCES BY ABOLISHING PARAFISCAL LEVIES

INTERVIEW (SRNA)

Authorities in BiH should introduce a series of measures to mitigate the negative effects of the coronavirus epidemic, including the abolition of parafiscal levies at all levels, and a reduction in electricity prices, said Branimir Muidza, president of the Foreign Investors Council in BiH. In an interview with Srna, Muidza states that the price of electricity should be lower by 20 percent, both for the economy and for the citizens of BiH, from April 1 this year to April 1 next year, or at least until the end of 2020, but also provide a real budget to help the economy, by reallocating budget funds... [READ MORE](#)

**"MUIDŽA:
IT IS NECESSARY TO ENABLE EMPLOYERS TO PAY TAX-FREE SALARY INCREASES OR WORK IN DIFFICULT CONDITIONS BONUSES, AND TO ADOPT THE PROGRAM "CORONA LOAN FOR WORKING CAPITAL", AS A MEASURE INTENDED FOR MICRO, SMALL AND MEDIUM ENTREPRENEURS"**

Competitiveness and Private Sector Development

Competitiveness in South East Europe

A POLICY OUTLOOK 2018



FIC DELIVERED INPUTS FOR OECD'S "SEE COMPETITIVENESS OUTLOOK 2021"

Despite the current situation with the COVID-19 outbreak, the OECD (Organization for Economic Co-operation and Development) has started activities related to the new cycle of competitiveness assessment in the Western Balkans "SEE Competitiveness Outlook 2021", as the planned activities can currently be performed online. The assessment of the competitiveness of the Western Balkans economies (Serbia, BiH, Montenegro, Northern Macedonia, Kosovo and Albania) for "SEE Competitiveness Outlook 2021" will last during 2020, ending in February 2021, and the final publication will be publicly announced in summer 2021... [READ MORE](#)



FIC AND DMB CONSULTING BECAME A PARTNER FOR CZECH EXPORTERS IN BIH

PROGRAM PROPEA

In Bosnia and Herzegovina, businesses from the Czech Republic will have the possibility to use services of the dmb consulting company and the Council of Foreign Investors in Bosnia and Herzegovina. These organisations became a Czech partner for business activities promotion. This new model of business support, known also as programme PROPEA, is a part of the Assistance package of the Ministry of Foreign Affairs of the Czech Republic, designed in response to the COVID-19 pandemic. The partner for economic activities promotion will provide Czech companies with expert services focused on assisting them to enter the local market, developing their activities in Bosnia and Herzegovina, investment preparation or addressing potential difficulties... [READ MORE](#)

STUDY "STUDENT INTERNSHIP IN EUROPEAN UNION COUNTRIES - MODEL PROPOSAL FOR BIH" PRESENTED TO THE PUBLIC

A public promotion and presentation of the study Student Internship in EU Countries - Model Proposal for BiH was held on May 28 in Sarajevo via the online platform. Models of student internship were presented at the promotion, in which creation FIC also participated, as a member of the ERSE network.

"FIC BECAME A MEMBER OF THE ERSE NETWORK IN SEPTEMBER LAST YEAR, WHICH AIMS TO SUPPORT HIGHER EDUCATION REFORM BY ADVOCATING THE INTRODUCTION OF REGULAR STUDENT INTERNSHIPS"

Studija čija je promocija upriličena, nastala je kao rezultat radionica sa članovima ERSE mreže... [READ MORE](#)

BBI BANK WINNER OF THE BRITISH AWARD "BEST INVESTOR RELATIONS BANK B&H 2020"

FIC MEMBER

Bosna Bank International (BBI) is the winner of the "Best Investor Relations Bank Bosnia and Herzegovina 2020" award, awarded by the leading financial portal and magazine "Global Banking & Finance Review" from Great Britain. "Global Banking & Finance Review" is a financial platform founded in 2010 that offers its readership of three million people from over 200 countries around the world news, analysis, opinions, reviews, interviews and videos from the world of banking, finance, business, trade, technology, investment, brokerage, tax and law news... [READ MORE](#)



FBIH COUNCIL FOR FOREIGN INVESTORS HELD A MEETING: CRISIS IS ALSO A CHANCE FOR MORE FOREIGN INVESTMENT

A comprehensive analytical review of foreign investment in the Federation of BiH in the year of the projected global recession caused by the COVID-19 pandemic was the main point of the 7th session of the FBIH Council for Foreign Investors held on June 24, via a video link at the FBIH Government headquarters in Sarajevo, chaired by Federal Minister of Trade Zlatan Vujanovic... [READ MORE](#)

"EVERY CRISIS IS ALSO A CHANCE FOR THE SITUATION TO STABILIZE AND THE ECONOMY TO RECOVER, PRIMARILY BY STOPPING THE NEGATIVE SPIRAL TROUGH ATTRACTING FOREIGN INVESTMENTS AND CREATING A MORE FAVORABLE BUSINESS ENVIRONMENT"



THE INITIATIVE "WE CAN DO IT", WHICH LEADS TO THE CREATION OF A SELF-SUSTAINABLE BIH ECONOMY, WAS PRESENTED

At the press conference held in Sarajevo, the Guidelines of the strategic initiative for self-sustainability of domestic production and strengthening of the BiH economy, symbolically called "We can do it", were presented, which indicates the need to reposition domestic economy to be more resistant to external shocks. A document with key guidelines that seeks to give a positive momentum to the economy of Bosnia and Herzegovina with a focus on a self-sustaining economy, and to overcoming COVID-19 negative impact on economy, was developed on a volunteer... [READ MORE](#)



SHP CELEX: ABOUT CHALLENGES ON SUPPLYING MARKET WITH MOST WANTED PRODUCT DURING THE CORONA VIRUS PANDEMIC AND THE ABILITY TO ADAPT

FIC MEMBER

In an interview for the Banja Luka's portal Srpska Info, SHP Celex production director Dragana Obradović and sales manager Mario Blažević talk about the challenges that this Banja Luka-based company faced due to the enormous demand for toilet paper and difficult transport, and how to quickly adapt to new situation on market. Since the beginning of the corona virus pandemic, toilet paper has become one of the most wanted items in the entire world. The Banja Luka factory, which is part of the SHP Group from Slovakia and a member of the Foreign Investors Council in BiH, faced a new challenge and successfully resisted all obstacles. Director... [READ MORE](#)





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