



Foreign
Investors
Council

FIC NEWS

January – June 2019

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Fra Andjela Zvizdovica 1/B11, 71 000 Sarajevo, BiH

Tel: +387 33 295-880, Fax: +387 33 295-889

info@fic.ba, www.fic.ba

INTRODUCTION

Word of FIC President



Branimir Muidža, president of FIC BiH

Dear members, partners and friends,

Welcome to the pages of FIC News, a revised and edited version of the FIC activities in period January – June 2019. In the first half of 2019, our work focused mostly on the preparation of the new White Book 2018/19, a unique publication that identifies specific business issues and proposes concrete solutions for it. By its content, the White Book has become a guide to the governments in BiH through the dynamic changes that the business environment in Bosnia and Herzegovina should go. It is time that BiH, which is considered as an underdeveloped nation, transition to economically strong country. BiH need to become a country which will align with the requirements of global markets and take concrete steps to create better business conditions and more jobs by providing favourable opportunities for domestic and foreign companies to work and investing especially in the manufacturing and service industry. We have witnessed that the BiH development process in the last 25 years has become a hostage of a specific political situation. It is time for the Government to fundamentally change its role, leave behind individual political interests and accelerates economic reforms through greater market liberalization and privatization in all major

economy sectors. In this process, creation a favourable business climate for foreign direct investment must be the main determinant of economic development. This is not an easy task, especially considering that BiH faces many social and financial problems on a daily basis, such as the outflow of high-skilled labour force, socially vulnerable categories, unemployment, large and irrational public spending, corruption etc. On the other hand, the existence of our association - the Foreign Investors Council in Bosnia and Herzegovina clearly points out that foreign investors have already noticed numerous opportunities for profit in BiH. This is mostly due to the country's potential, such as macroeconomic stability achieved through stable domestic currency, low tax rates, significant natural resources, highly educated labour force, liberal FDI policy and a developed risk protection system for foreign investors. Our existence in BiH and our ongoing work and effort, which has been focused on improving the business environment for 13 years, is proof that we are determined to provide any kind of assistance to BiH governments in implementing economic reforms with the necessary support of the international community and international and domestic organizations whose objectives are the same or similar to ours. I am sure that the White Book and other FIC projects will serve as the basis for starting a large team work, by creating a concrete plan and steps to improve the business environment in BiH. In addition, FIC will continue to be a point of contact for the private sector to make the BiH economy more flexible, more competitive, more open to investments, for the benefit of companies operating here and all people living here.

Sincerely,



Branimir Muidža
FIC President

FIC NEWS

The 8th session of the Foreign Investors Council General Assembly has been held

The Foreign Investors Council (FIC) has held its 8th session of the General Assembly on 13 February, for the year 2019, in Sarajevo. The General Assembly session gathered all the members of the Council who have, in addition to adopting internal reports, also discussed future activities for the current year, and elected the President of the Council, as well as new members of the Board of Directors. **Branimir Muidža**, President of FIC for several years and CEO of Cement Factory Kakanj / Heidelberg Cement Group, has been unanimously elected as President of the Board of Directors. The remaining members of the Board of Directors that have been elected are: **Bojana Škrobić Omerović** from the company Networks, **Edin Hrnjica** from ProCredit Bank, **Ian Brown** from European Bank for Reconstruction and Development (EBRD), **Karlheinz Dobnigg** from Raiffeisen Bank, **Jasmina Lopičić** from M:tel, **Mehta Nikhil** from ArcelorMittal Zenica, **Damir Ferović** from Zeraa Agriculture Investment & Management, **Mubera Brković** from PwC BiH, **Lana Sarajlić** from Austrian consulting firm Wolf Theiss, **Ranko Markuš** from GOPA Consulting, **Nicholas Penny** from Banjalučka Pivara, **Stevan Dimitrijević** from Law Office Dimitrijević & Partners, **Valentin Ilievski** from Messer BH Gas and **Stjepan Kumrić** from Cement Factory Lukavac. Bojana Škrobić Omerović and Ian Brown have been named



Vicepresidents of the Council. *'I am extremely pleased with the turnout of the members and their contribution to the Council, and the fact that the number of members has increased by over 50% over the last three years shows that the members have recognized the quality and importance of FIC and the need to unite so that we could together push for and create a better business climate in BiH. Over the last 12 years, the Council has established itself as a reliable partner to the Government and is committed to find the best solutions to further improve the business climate in BiH with its activities, recommendations, suggestions, good practices and open dialogue. Our input is an excellent guideline in how to better regulate the economy and thus society. Our companies, the members of FIC, are the best possible ambassadors of Bosnia and Herzegovina and their positive examples of successful business activities can attract other serious investors. This year, we will promote the new edition of the White Book which focuses on amendments to the legislature and the adoption of recommendations which should result in the improvement of the business environment in BiH through fewer burdens on work and investments, the removal of administrative barriers and the increase of foreign direct investment',* the President of the Foreign Investors Council in BiH Branimir Muidža has stated.

FIC met Japanese delegation



Mitsubishi UFJ Research and Consulting

On January 21, 2019, FIC Executive Director **Sanja Miovcic** presented business climate in Bosnia and Herzegovina and work of FIC to the delegation of the Japanese Center for International Studies Mitsubishi UFJ Research & Consulting Co., Ltd from Tokyo, one of the leading think-tank consultants firms at the well-known Mitsubishi UFJ bank. This visit is a part of the Study Project of the Ministry of Economy and Industry of Japan (METI), initiated by the **Prime Minister of Japan Shinzo Abe** with the intention to prepare strengthening economic ties between the Western Balkan region and his country. Aim of the meeting with FIC was to acquire info on the current economic situation in the country, foreign investments, regulations, as well as experiences of FIC and information FIC offers. The delegation, headed by Research Analyst **Shin Egishi**.

FIC NEWS

FIC once more participates in the Economic Forum of BiH 2019

The Economic Forum of Bosnia and Herzegovina was held for the third consecutive year and gathered more than 1 000 participants, predominantly representatives of the bosnian-herzegovinian executive branch of government, as well as over 600 representatives of regional companies, the diplomatic corps and the academic community. The central idea of the Economic Forum of Bosnia and Herzegovina 2019 relates to the establishment of a platform for initiating open dialogue between the representatives of the business community, the academy and creators of the economic policies in BiH.

That is why the organizer of the Forum, the School of Economics and Business of University of Sarajevo, seeks to give its contribution to the development of stronger bonds between various influential and powerful subjects that share a common business interest in Bosnia and Herzegovina, which in the end should result in creating concrete suggestions and guidelines for future economic policies. This year, the Forum dealt with all relevant topics pertaining to the state Bosnia and Herzegovina is in, starting with macroeconomic policies, sectoral policies, business environment, competitiveness of the BiH economy and local companies. All aforementioned topics were discussed over the course of three sessions held as part of the Forum:



SESSION I: Competitiveness of Bosnia and Herzegovina and countries in the region; SESSION II: Economic cooperation between Austria and Bosnia and Herzegovina, challenges and opportunities; SESSION III: Improvement of the business environment in Bosnia and Herzegovina. **Branimir Muidža**, President of FIC, participated as a panellist in the first session on the competitiveness of Bosnia and Herzegovina and countries in the region, alongside **Mirko Šarović**, Vice Chairman of the Council of Ministers of BiH and Minister of Foreign Trade and Economic Relations of BiH, **Fadil Novalić**, Prime Minister of the Federation of BiH, and **Jeffrey Sachs**, Professor at Columbia University and Special adviser to the United Nations Secretary-General António Guterres. They spoke about competitiveness, the Global Competitiveness Index and reports from successful countries which represent the metrics and guidelines on the direction and intensity of reforms. The second topic of this session was the role of universities in the implementation of the UN Sustainable Development Goals 2030.

FIC in the RENEXPO® BiH Advisory Board

The International Trade Fair on Energy, Water and Environmental Protection RENEXPO® BiH will be held from 23 – 24 October 2019 at the congress centre of the Hills Hotel Sarajevo and will once more provide the opportunity to establish precious contact and cooperation between entrepreneurs, experts and decision makers, in order to exchange knowledge on the water and energy sector of BiH. Starting with this year, the FIC is member of the Advisory Board of the Fair with the goal to jointly with the organizers contribute to the affirmation of the BH market through advisory support and mutual promotion during the preparations of the Fair, as well as during the course of the Fair. This year, great focus of the participants will be put at the investment possibilities in the field of renewable energy sources, especially small hydroelectric power plants and new means of funding the evergrowing interest in the areas of water supply and wastewater management. Specific novelties, such as sustainable transport and new business opportunities, will be presented during this year's Fair. FIC is planning to introduce itself during the Fair with the project '**White Book**' and to initiate discussions on the topics of energy efficiency implementation projects and use of renewable energy sources, with a special focus on the regulative framework which regulates these areas, including a discussion on obtaining permits concerning the electroenergetic sector.

FIC NEWS

FIC members have participated at the conference 'Digitalisation of the Bosnian and Herzegovinian Society'



The Foreign Trade Chamber of Bosnia and Herzegovina, in cooperation with GlobalGPS BH, has organized the conference 'Digitalisation of the Bosnian and Herzegovinian Society', from 18–20 March 2019 in Sarajevo. The main goal of the conference was to make a summary of the overall conditions in BiH in terms of digitalisation and the use of the ICT industry, and to launch changes to society. As part of the three-day conference, several topics were presented – beacons of development, on whom experts from various fields worked on to better explain where Bosnia lies in terms of digitalisation and informatisation, and how to improve the digital and information infrastructure of the country, as well as the society. This conference was intended to create awareness on the importance of doing digital business in

various market and social spheres, and to show how far behind Bosnia and Herzegovina is compared to the member states of the EU, as well as the world. During the course of the second day of the conference, the panel 'New workforce' was held, on which two representatives of FIC members participated, **Jasna Korda**, the CEO of **Origin Europe**, and **Aida Soko**, representing **SEEBA**.

Round table: Tourism and IT as developmental branches and kickstarters for the development of other industries of the Sarajevo region

BBI Bank and **BBI VIP Business Club**, member of FIC, as part of the preparations for the tenth Sarajevo Business Forum 2019, held a round table discussion in Sarajevo on 4 April 2019, which gathered entrepreneurs from industries that are specific to certain regions. The meeting was intended for representatives of the economic sector, companies and entrepreneur associations from the wider Sarajevo area whose main business is Tourism and IT, which are recognised as the main developmental branches in the region. The program of the meeting envisaged the exchange of experiences on the growth potential and development of



these branches, information on foreign markets, selection of priority measures that need to be taken, as well as providing key guidelines to companies. The goal of the meeting was to identify the profiles of business partners and investors most suitable for cooperation. **Ranko Markuš**, representing the company **GOPA Consultants** (which currently implements the **Youth Employment Project (YEP)** in Bosnia and Herzegovina and member of the FIC Board of Directors, participated in the round table and presented businesses which are supported by the YEP Incubator of business ideas and fall under the tourism or IT sector, with a special focus on further support of their sustainability as part of the Impact Investment Foundation. The intention of the foundation is to affect the causes and not the effects, establish partnerships with interested parties, ensure high quality of services and support for the established businesses, as well as for the businesses that have been selected because of their high potential on the market, Ranko Markuš has stated. As part of the round table, BBI Bank has presented several types of support to the entrepreneurs from the Sarajevo region, information on the activities and membership benefits of the BBI VIP Business Club, and possibilities of the presentation of projects, company profiles and production programs within the SBF 2019.

FIC NEWS

FIC participated in the 'Company Development in BiH' Conference

Company Development in BiH – continuation and acceleration of reforms, was the name of the Conference held on 4 April 2019 at the premises of EU Info Centre in Sarajevo, organized by the Centre for Policy and Governance to ensure the continuity of current and future, indispensable reforms for the support of company development. The Conference dealt with overcoming administrative burdens for conducting business, tax reforms and models of support systems for companies that would make doing business easier and more cost-efficient. Several representatives of the executive branch of government, as well as representatives of international and non-government organizations, attended the Conference. Special focus was on the topics concerning reform priorities from the standpoint of employers and policies which, if implemented, can lead to the increase of domestic and foreign investment. FIC CEO **Sanja Miović** has stated that domestic and foreign investors encounter the same obstacles when conducting business. 'We are all aware of what has to be done in order to disburden the economy, decrease work-related contributions, various tax burdens, shorten the deadlines for granting various permits, especially construction permits, and align the domestic regulations with EU regulations because it is a fact that the majority of our companies are geared toward export. Therefore, helping exporters in several ways and thus enabling them to do what is at the core of our investments – reinvestments', Miović has stated. She adds, 'Reforms that have been conducted are a reason to be optimistic and they give hope that we are on the right path and that they, in the end, will show the desired results to the economy and the citizens'. Miović also explained to the attendees the largest obstacles for larger FDI in BiH, the structure of FDI and whether there is room for improvement, how foreign investors see BiH as a destination for investment, how tax policies affect the competitiveness of BiH products in the country and abroad, and how much legal certainty and recovery of outstanding debt present an obstacle in business. CEO of the Centre for Policy and Governance Adis Muhović stated that the Conference was organized to talk about the reforms that had already been initiated, as well as future reforms that are indispensable.



FIC representatives held a meeting with members of the Project for Improving Business Climate through quicker resolution of commercial disputes

On 31 May 2019, **Sanja Miović**, CEO of FIC, and **Tea Kajan**, Legal affairs coordinator at FIC, held a meeting with the World Bank team which currently implements the Project for improving the business climate through quicker resolution of commercial disputes, under the auspices of the Government of the United Kingdom and with the cooperation of the High Judicial and Prosecutorial Council of Bosnia and Herzegovina. This project supports the judicial institutions in BiH in conducting reforms geared towards improving efficiency and access to commercial judiciary. It is also oriented towards the increase of legal knowledge of business entities through guidelines on their self-representation in court. The members of the team have presented the FIC representatives with the current state of the project which includes the finalization of reports with analysis and recommendations for: quicker resolution of small claims disputes; conducting procedural reforms to improve efficiency and for the quicker resolution of commercial disputes; mitigation of the imbalance between the number of disputes and the staff, as well as the improvement of relevant organizational matters that affect the resolution results of commercial disputes. The project has presented the representatives of the judicial and business community with the detailed results of these analyses and given them recommendations at the workshop held in Sarajevo on 28 May 2019. In order to assess the current improvement regarding the implementation of project activities and lessons learned, and to plan out future steps geared toward the implementation of the given recommendations, the representatives of the project wanted to hear the opinions of the representatives of FIC and its members – foreign investors.

FIC NEWS

10th anniversary of the Sarajevo Business Forum

The 10th Sarajevo Business Forum has put Sarajevo and Bosnia and Herzegovina in the centre of global attention as the meeting point for investors and business people from around the world. During the three-day business forum, which world analysts have labelled as the Davos of the Balkans, over 2 000 guests from 50 countries of the world have stayed in Sarajevo, 350 projects have been presented and around 450 business meetings have been held. The Forum was covered by more than 350 accredited journalists from the region and around the world, who have described BiH as a good opportunity for investments in their reports. The President of the Board of BBI Bank, **Amer Bukvić**, opened the Forum, alongside the Chairman of the Presidency of Bosnia and Herzegovina **Milorad Dodik**, President of the Republic of Slovenia **Borut Pahor** and Prime Minister of Malaysia **Tun Dr. Mahathir bin Mohamad**. The topic of the role of leaders in the cooperation and development for economic progress was discussed by, inter alios, Igor Crnadak, Minister of Foreign Affairs BiH, Dr. **Ahmet Davutoğlu**, former Prime Minister of Turkey, **Dr. Mujahid Yusof Rawa**, Minister of Religious Affairs of Malaysia, **Lahcen Daoudi**, Minister in the Government of the Kingdom of Morocco, and **Kemal Purišić**, Minister of Labor



and Social Welfare of Montenegro. As part of the three-day investment conference, possibilities of overcoming the challenges faced by entrepreneurs in Southeastern Europe were discussed. During these discussions, several experts shared their opinions, including **Stjepan Mesić**, former President of the Republic of Croatia, **Mohd Redzuan bin Md Yusof**, Minister of Entrepreneur Development of Malaysia, **Šekib Avdagić**, President of the Istanbul Chamber of Commerce (ITO), **Ivan Ivanišević**, Director General for Multilateral Relations at the Ministry of Foreign Affairs of Montenegro, **Sven Petke**, Director of the Konrad Adenauer Foundation,

Gjergj Murra, Executive director of the Western Balkans Fund, as well as many other representatives of the regional and global business and political scene. Special attention at this year's Forum was given to the topic of sustainable development, which was discussed during a special panel consisting of **Dr. Adnan Chilwan**, Director of Dubai Islamic Bank Group (DIB), **Oussama Kaissi**, CEO of Islamic Corporation for Insurance of Investment and Export Credit, Sandrine Friscia, representative of the European Investment Bank (EIB), and **Meliha Muherina**, Project manager at the Centre for European Perspective of Slovenia. Expressing interest for cooperation and investing in the region, the organizer's invitations were accepted by many political leaders, as well as delegations from countries around the world such as Turkey, North Macedonia, Serbia, Croatia, Slovenia, Montenegro, Albania, numerous EU member states, and large political and business delegations of entrepreneurs from Malaysia, as well as the delegation of the Islamic Development Bank Group Business Forum (THIQAH), which brings multiple investors from member countries of the Gulf Cooperation Council (GCC). During the second day of the Sarajevo Business Forum, **Branimir Muidža**, President of FIC and CEO of Cement Factory Kakanj, spoke about improving the business environment and conditions for investors and he emphasized that this event was an excellent opportunity to connect great ideas coming from the countries of the region. *'What we at the Foreign Investors Council strive for is the establishment of a business environment which will enable the capital in Bosnia and Herzegovina to flourish, to have a transparent way of conducting business, to have very good laws that will attract capital and that capital will feel free, where permits are granted within the deadlines envisaged by the law'*, **Muidža** has stated. Regarding the fact that foreign direct investment in BiH has dropped in recent years, Muidža explained: *'Unfortunately, it is a fact that we cannot attract the capital which is so desperately needed in BiH. That is why this event indeed is a good opportunity to see ideas from the outside and to see what is needed to adapt our laws and rulebooks, as well as our mindsets, to attract foreign investors. I think that foreign investments are a great mechanism to help BiH catch up on the western world, after being behind for so many years. The youth of this region is very talented, and we should create an environment in which the youth would like to stay and live in. For that to be possible, it is important to shorten procedures required to get permits, to have an encouraging and predictable tax framework, because I am sure that no one in BiH knows what their wage will be in six or twelve months. We will have a predictive tax framework after we create a better political climate and incentives framework. Then we will have accomplished all the ideas presented at this Forum'*.

FIC NEWS

FIC participates in the preliminary drafting of the Law on the Improvement of Entrepreneurial Infrastructure in the Federation of Bosnia and Herzegovina

At the initiative of the Federal Ministry of Development, Entrepreneurship and Crafts, a consultative meeting regarding the preliminary drafting of the Law on the Improvement of Entrepreneurial Infrastructure in the Federation of Bosnia and Herzegovina was held in Sarajevo on 30 April 2019. With regards to the importance and need to improve the regulative framework of entrepreneurial infrastructure, the aforementioned Ministry initiated preliminary drafting of the Law. The drafting is supported by the UN Development Programme (UNPD) as part of the Local Integrated Development Project, which is funded by the European Union. As part of the mandatory drafting activities, consultations are currently being held with relevant stakeholders, including units of local self-government, governments of cantons, representatives of the government and non-government sector, development agencies authorised for economy, as well as other subjects of the entrepreneurial infrastructure in the Federation of BiH. The goal of these activities is to acquire feedback, as well as the opinions of all relevant subjects in the regulative framework of the entrepreneurial infrastructure, which will be considered during the preliminary drafting of the Law. The FIC was represented by its Legal affairs coordinator **Tea Kajan**, who presented the views of foreign companies which are members of the FIC regarding the current state of entrepreneurial infrastructure in FBiH, as well as the necessity that the future law defines supporting institutions as subjects of the entrepreneurial infrastructure, especially business and science parks which currently do not exist in BiH, but nevertheless are very important for attracting large foreign investors to the country.

FIC visits NSoft



Sanja Miović, CEO of FIC, visited the Mostar-based IT company NSoft, a FIC member of several years and leading IT company in Bosnia and Herzegovina, on 18 April 2019. The reason for this visit was to meet the new management of **NSoft** and the **SPARK** Group, which NSoft is a part of. On that occasion, Miović held a meeting with **Ana Sović**, COO of the company. The topic of the meeting was a new chapter of the 'White Book' named ICT sector, which will find its place in the next edition of this publication, with a special focus on open issues and recommendations pertinent to IT companies in BiH. During the meeting, an initiative for the legal regulation of taxation of

foreign freelancers, whom IT companies in BiH hire more and more, was also discussed. In addition to this initiative, other topics were discussed as well, such as the adoption of electronic signature, decrease of contributions and fees for entrepreneurs in industries of strategic importance to the country (such as the IT sector), amendments to the Labour law, alignment of the law with modern HR practices such as remote work, flextime etc., as well as making the procedure for granting work permits to foreigners faster.

Meeting with the representatives of the World Bank

The Technical Mission of the World Bank stayed in Bosnia from 26 – 28 February 2019 to hold consultations with relevant stakeholders for the purpose of drafting the FDI Analysis of Growth and Jobs in Bosnia and Herzegovina. Members of the World Bank team **Zenia Rogatschnig** (Consultant for Investment Policy), **Edith Kikoni** (Senior Economist, Co-TTL) and **Sandra Hlivnjak** (Senior Economist) met with **Sanja Miović**, CEO of FIC, on February 26, to collect feedback on the conditions for investing and legal, regulatory and other government policies which affect foreign investment. The result of the aforementioned consultations will be an overview of investment policy that will be used for recommendations on key reforms with the goal of improving investment decisions in the country.

FIC NEWS

FIC at Jahorina Economic Forum 2019

The fourth 'Jahorina Economic Forum' was held on 23 and 24 April 2019 in Jahorina, and was organized by RS Association of Economists together with the Association of Economists of Serbia and under the joint auspices of the President of Republic of Srpska Ms **Željka Cvijanović** and the Chairman of BH Presidency Mr **Milorad Dodik**. This year's Forum was entitled: 'E-economy of New Age - innovation, digitalization and communication technologies as base of economic development'. The last three forums attracted a lot of attention not only of professional, academic but also of broader public. As evidence of the above mentioned fact, Jahorina Economic Forum 2018 brought together more than 450 domestic and foreign participants. Apart from the President of the Republic of Srpska, Prime Minister of the Republic of Srpska, the Prime Minister of Serbia, and the Forum was attended by a number of ministers from the region, financial experts, representatives of major companies, academics, and representatives of the diplomatic corps. The Forum was covered by more than 100 media representatives from the Republic of Srpska, Bosnia and Herzegovina and the region. The topic of this year's Forum was innovation, digitalization and communication technologies, as basis for the development of all economic sectors, as well as better functioning of all aspects of social life. The topic of the Forum was in accordance with a number of strategic documents of local authorities, as well as the European Union regarding this subject. Innovation, digitalization and communication technologies are very important not only for economic, but also for the development of all areas of society (education, public administration, health care, etc.). That is why it is one of the main priorities for authorities to provide adequate conditions for entrepreneurs and public institutions in order to support innovation development. Over the two-day course of the Forum, numerous panel discussion were held with distinguished participants, amongst which were representatives of FIC and its members. **Sanja Miović**, CEO of FIC, and **Jelena Ristić**, Director for Serbia, Montenegro and BiH at Mastercard, took part in the third panel discussion titled 'Fighting shadow economy – the importance of non-cash payment'. Alongside the representatives of the Indirect Taxation Authority of BiH, the National Alliance for Local Economic Development (NALED), the Office for Information Technologies and E-government of Serbia, they talked about the challenges, as well as the solutions and best business practices for the fight against shadow economy in BiH and the region.



FIC holds meeting with representatives of the International Monetary Fund (IMF)

During the period of 5 – 14 June 2019, the IMF mission, lead by Head of the IMF mission in Bosnia and Herzegovina **Martin Petri**, stayed in Sarajevo. On 13 June, the members of the mission held a meeting with CEO of FIC **Sanja Miović** and Legal affairs coordinator at FIC **Tea Kajan**. The topic of this meeting were the recommendations for the improvement of the business environment, envisaged in the new edition of the 'White Book', which will be published soon. The members of the mission were particularly interested in which matters regarding the tax policy investors find obstructive. The FIC representatives stated that unaligned tax regulations in the Entities, complicated and unclear procedures for the payment of taxes, and incomplete tax regulations are the major obstacles investors encounter whilst doing business in BiH. Tax rates in BiH were also discussed during the meeting and both parties came to the conclusion that foreign investors see the positive side of relatively low tax rates on profit, income and value-added tax. However, they also see as negative the high tax burdens on work and numerous para-fiscal charges. During the meeting, the members of the mission concisely presented the plans and the new IMF programme for Bosnia and Herzegovina, which will be focused on establishing better control of the expenditure of funds granted by the IMF, as well as directing the funds more toward capital projects and less toward public expenditure. The meeting was also an opportunity to introduce to the FIC representatives the new IMF Resident Representative for Bosnia and Herzegovina **Andrew Jewell**, who in August 2019 will replace **Francisco Parodi**.

FIC NEWS

EBRD Annual Meeting and Business Forum

Bosnia and Herzegovina hosted the twenty-eighth Annual Meeting of the Board of Governors, Investment Conference and Business Forum of the European Bank for Reconstruction and Development (EBRD), which was held in Sarajevo, from 7–9 May 2019. For this occasion, Bosnia and Herzegovina, a country famous for its cultural and natural variety, was visited by over 2 000 representatives of the international business community, high-



ranking government officials (EBRD governors, ministers of finance, treasury or Central Bank), and representatives of civil society organisations. The Ministry of Foreign Trade and Economic Relations of BiH sees this event as a momentous opportunity for the growth and development of the country, presentation of big potential, rise of competitiveness and significant increase of investments. The decision to hold one of the biggest business events in the world in BiH presents our country a grand honour and show of trust. BiH, known as the 'heart of the region', is a truthful example of this years topic of the Annual Meeting –

'Connecting economies for stronger growth'. The fact that BiH is the host country to such a monumental event is also a statement on the stability and unconditional commitment of Bosnia and Herzegovina to stronger economic growth. That is why an environment for the networking of numerous entrepreneurs and biggest international companies, as well as the presentation of concrete projects which will contribute to the development and employment, and combat the problem of emigration, especially of the youth in this region, has been ensured through an eventful business forum agenda, investment sessions and meetings. **Branimir**

Muidža, president of FIC, participated as a speaker in a special part of the programme, at the session on potential investments in BiH. This special session had the purpose of investigating various investment opportunities and why foreign investors agree that Bosnia and Herzegovina is an attractive opportunity for investment that should not be overlooked. At the session, it was concluded that the strategic geographical position of the country, legal system convenient to investors, favourable trading agreements, competitive tax and customs systems, low operating costs and skilled people make BiH a destination full of potential for profitable investments.



Over the course of more than 40 different sessions which were organized as part of the Annual Meeting of the EBRD and Business Forum in Sarajevo, several members of the FIC, **Addiko Bank**, **Sparkasse Bank**, **PricewaterhouseCoopers**, **Heidelberg Cement Group**, **Raiffeisen Bank**, **UniCredit Bank**, presented themselves and their representatives spoke about their business experiences in Bosnia and Herzegovina. The hosts of this stupendous meeting ensured through official, as well as special cultural events that all participants experience the true values and beauties of this country, opening a new door – the door to a more prosperous Bosnia and Herzegovina.

FIC NEWS

FBiH Council for Foreign Investors: We have a high quality workforce

The fifth session of the FBiH Council for Foreign Investors was held in Sarajevo, on June 19, chaired by Federal Trade Minister **Zlatan Vujanović**. The main objective of this advisory body established by the Federal Government is to assist and encourage foreign investment and to improve the overall business environment. Vujanović initially informed members of the Council on the EBRD annual meeting and business forum, which was held in Sarajevo in May. He stressed out that the results of this important event are satisfying and that this event helped to link the economy in the region. The Deputy Chairman of the Council and Federal Minister of Development, Entrepreneurship and Crafts **Amir Zukić**, presented the OECD report for 2019 on the status of small and medium-sized enterprises in the Western Balkans and Turkey. This session was also a chance to highlight the most significant activities of FIPA since the last meeting of the Council. The most important conclusion of the meeting is that baiters for foreign investors can not be cheap labour costs, but interest and profit, which foreign investors can surely find in numerous BH companies as well as quality, educated and professional workforce. The need to adopt legal solutions that would attract foreign investment even more and facilitate business operations was highlighted, especially emphasizing the need to adopt the Law on electronic signature, and the Spatial Planning Act as well as other laws. The participants also stressed that education system in BiH should be adapt to the labour market needs because it is one of the keys to economic development, and stop the trend of departure of skilled workforce.



FIC participated in the regional energy conference and fair ENERGA 2019

Sarajevo hosted the regional energy conference which annually deals with numerous questions and answers from the energy sector, with a special focus on the strategic energy projects and investment potentials in BiH, at the Skenderija centre from 11-13 June 2019. ENERGA 2019 was held under the auspices of the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, the Ministry of Energy, Mining and Industry of the Federation of Bosnia and Herzegovina and the Government of Sarajevo Canton. The three-day conference and fair gathered over 100 exhibitors from 12 countries, 200 participants of the conference part of the programme, and representatives of many domestic and foreign organizations and institutions, and concluded with the conference programme and award ceremony for the exhibitors. The largest conference-fair event in this part of Europe has once more met the expectations of exhibitors, participants and the organizer, who announced the tenth jubilee edition of ENERGA for 9 June 2020. The organizers especially highlighted the very well-attended and high-quality conference part of the programme, which over the course of three days and 14 sessions offered the participants current topics from the field of energetics and environmental protection, with the participation of representatives from all relevant institutions, organisations and business entities that deal with energetics and environmental protection. **Sanja Miović**, CEO of FIC, participated in the panel discussion on the topic 'Reform of the Renewable Energy Support Scheme System'. This panel discussed the potentials of BiH when it comes to the production of electrical energy from renewable sources, especially hydropower. The participants also spoke about the National Action Plan for Renewable Energy Sources, as well as the inevitability of conducting reforms of the support scheme system for renewable energy in both Entities to prevent excessive subsidization of technologies such as solar energy and to adapt the subvention system accordingly to the needs and possible potentials of other technologies.

FIC NEWS

IFTDO World Conference



Sarajevo was the host of the prestigious 48th IFTDO | HRD - Human Resource Development World Conference and Exhibition. The Conference was held from 24 – 26 June and was organized by the company **Origin Europe**, member of the FIC and leading global company for human resource development, managing and organizing events. IFTDO is a global multi-national and multi-cultural federation of organizations for training and development. It was founded in Geneva in 1972 with the goal of developing and sustaining a global network of organizations committed to the identification, development and transfer of knowledge, skills and technology in order to improve personal growth, human performance, productivity and sustainable development. Every year, the IFTDO holds a global conference in cooperation with one of its principle members, and this year that member is Origin Europe. Throughout the long and prestigious history of the IFTDO and since its inception, a total of 47 global conferences were held in different parts of the world and this year it was Sarajevo's turn. The topic of this year's conference was Human Resource Development in the Digital Transformation Era - Empowering Future

Leaders. The Conference presented the participants with the opportunity to exchange knowledge and experiences with international speakers and delegates, as well as to network with HR organizations and experts from around the world. The Conference put special focus on the importance of the effect that digitalisation has on business. Digitalisation has led to an evolution in the behaviour and development of HR, and has transformed the way employees work together. The Conference presented an ideal platform for the exchange of the best business practices and for networking with key experts from the West Balkan region and other parts of the world. Presiding over the 48th IFTDO conference was bestowed upon **Sanja Miović**, the Executive director of FIC. *'For the first time in history, the IFTDO Conference is held in South-eastern Europe and that honour was presented to BiH and the city of Sarajevo. I am very pleased that the Organising Committee has recognized Sarajevo for what it truly is – a meeting point of several cultures and traditions. This event has assembled us at one place so that we could connect and discuss topics that are very important for human potential, such as networking and digitalisation'*, **Miović** has stated in her opening speech.

FIC holds meeting with the representatives of the European Commission

In February 2019, the delegation of the European Commission (DG ECFIN, DG NEAR and DG Employment) visited and stayed in Bosnia and Herzegovina to draft the Economic Reform Programme for Bosnia and Herzegovina for 2019. As already known, in May 2018 candidate and potential candidate states for EU membership were given revised guidelines on drafting Economic Reform Programmes and the countries were given a deadline until 31 January 2019 to send the aforementioned document. This process will be repeated annually, so that the assessment will lead to preparations of new sets of guidelines in the area of politics and constant evaluation of the policy implementation. The goal is to ensure that the knowledge acquired during this one-year process directly enters the next process, in order to accomplish continuous improvement of economic policies. As part of this mission, the representatives of the European Commission held a meeting with the representatives of the FIC, the CEO Sanja Miović and member of the Board of Directors Edin Hrnjica. The topics of this meeting included business environment, registration of business entities, permit issuance and rule of law.

FIC NEWS

FIC at 5th Energy Summit in Bosnia and Herzegovina



The Fifth Energy Summit in Bosnia and Herzegovina (BiH) has been organized by USAID Energy Investment Activity Project (USAID EIA) in BiH, in Neum in April 16-18, 2019. The Energy Summit which gathers over 600 participants from the energy sector also served as a perfect opportunity to further discuss number of issues with BiH and Entities decision makers to ensure that required reforms in the energy sector continue with swift implementation. During the Summit, all participants acknowledged that Bosnia and Herzegovina in some areas is failing to meet its obligations as the Contracting Party to the Energy Community Treaty. Subsequently, it was agreed to enhance the coordination between all stakeholders, reinforce the support from the entities and work closely to ensure that Bosnia and Herzegovina starts making measurable progress. Further, it was concluded that the following mandate should be

used to speed up the energy sector reform. As regards the adoption of the State Electricity and Gas Law in line with Energy Community requirements, respective parties acknowledged the need to undertake necessary steps to reconcile the differences between the two entities and support the adoption of crucial Electricity and Gas law on the state level. It was discussed and agreed that once State law sets the legal framework, entity level laws will be adopted and amended in order to ensure overall harmonization and compliance with the EU Third Energy Package. As regards renewable energy it was clearly underlined that respective entity Governments need to put draft amendments to the entity Laws on the Promotion of RES and respective by-laws into adoption procedure to allow for the implementation of the reform of the renewable energy support schemes. The reform aims at further increasing the share of intermittent renewable energy, such as wind and solar energy, in a financially sustainable manner. Participants also acknowledged that respective authorities need to streamline the licensing process and to strengthen the environmental policy, public consultations for RES projects when it comes to issuance of environmental permits and concessions to ensure environmental sustainability of RES powered facilities. On behalf of FIC, Summit was attended by Mr. **Amar Močević** from Wolf Theiss, a member of the FIC Working group for Energy Sector.



FIC met representatives of PwC China Business Group

Representatives of the PricewaterhouseCoopers China Business Group, which operates in China and cooperates with Chinese investors and companies in the region of Central and Eastern Europe, visited Sarajevo in the period from 20 to 22 May 2019. During this visit, they held meetings with representatives of the China Embassy in Sarajevo, the Foreign Investments Promotion Agency of BiH and representatives of the Foreign Investors Council in BiH. On this occasion, FIC Executive Director **Sanja Miović** shared information with guests from China regarding Chinese companies operating in BiH, also talked about BIH opportunities and economic sectors that might be interesting for Chinese investors.

FIC NEWS

FIC members participated at the BMZ DeveloPPP.de program presentation

On June 18, 2019, in Sarajevo was organized by Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina a presentation of the DeveloPPP.de program, which was established and financed by the Federal Ministry for Economic Cooperation and Development of the Republic of Germany (BMZ) in 1999. The specific program, which includes cooperation between the private and public sectors (development partnership projects) is implemented in more than 70 developing countries and so far more than 1200 development partnerships have been implemented. The program encompasses a large number of sectors, from trade, industry, ecology, energy, healthcare and others, and the implementation of the program is the responsibility of the German Society for International Cooperation (GIZ - Open Regional Fund for South East Europe - Modernisation of Municipal Services). The presentation was attended by representatives of the FIC office in Sarajevo and several FIC members-companies who are potentially interested in applying for this program with their project proposals. During the presentation, representatives of GIZ briefly presented the Program itself, the procedures and types of contracts required, provided information on the development partnerships projects, what is offered within the partnership, what are the conditions and criteria for cooperation, as well as benefits for partners, and what project activities are possible. During the presentation were presented certain projects from BiH.

Representative of the Center for International Private Enterprise (CIPE) visited FIC

FIC Executive Director **Sanja Miović** held a meeting with Ms **Martina Hrvolova** Program Officer for Europe at the U.S. based Center for International Private Enterprise (CIPE), an affiliate of the U.S. Chamber of Commerce and a core institute of the National Endowment for Democracy. Ms Hrvolova visited Sarajevo during the EBRD Annual meeting which was held from 6th to 9th May 2019, and use opportunity to learn more about the Foreign Investors Council in BiH and introduce director Miovic with the activities that CIPE currently support in Bosnia and Herzegovina.

Meeting with representative of the EBRD Investment Climate and Governance Initiative (ICGI)

FIC Executive Director **Sanja Miović** held a meeting with **Jelena Ćirković**, an associate of the EBRD's Investment Climate and Governance Initiative (ICGI) in Serbia, Bosnia and Herzegovina, and Montenegro. The topics discussed were the current and future activities of the FIC and the activities carried out by the EBRD under the aforementioned Initiative which is implemented in transition countries, aimed at strengthening co-operation between the public and private sectors and encouraging public-private dialogue in the process of reform implementation.

Meeting with representatives of the Programme for Local Self-Government and Economic Development in Bosnia and Herzegovina (EU ProLocal)

FIC Executive Director, **Sanja Miović** held a meeting in April with **Selma Karavdić-Gaab**, a representative of the Programme for Local Self-Government and Economic Development in Bosnia and Herzegovina (EU ProLocal). EU ProLocal is a joint Programme of the European Union and German Government. Within the Programme the European Union is funding implementation of the projects for recovery of small and medium-sized enterprises in the flood affected areas and strengthening of their competitiveness based on the local economic development partnerships. These projects are being implemented by the German Association for International Cooperation (GIZ). EU ProLocal aims to contribute to the pace of economic and social development in Bosnia and Herzegovina strengthening competitiveness of small and medium-sized enterprises. In this regard, the topic of the meeting was the implementation of the project "Innovation and Digitalization in SMEs in BiH", implemented within the program, which includes, inter alia, human resources (HR) and digitization in small and medium enterprises. Given that these topics were also the focus of FIC activities, at the meeting have been discussed possible models of co-operation between the FIC and the mentioned project in this area.

FIC PRESENTS...
Manpower Group BiH

ManpowerGroup®

ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for 70 years. In 2018, ManpowerGroup was named one of the world's most ethical companies for the eighth consecutive year and one of Fortune's most admired companies, confirming our position as the most trusted and admired brand in the industry.

ManpowerGroup, the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for over 400 000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and


HIK-SM


As a widely diversified, family-owned company, located in Germany, we base our thinking and actions on the future. With this, our focus is on the technologically and economically optimum solution for our customers, which is frequently reached in different ways: straight ahead or even thinking laterally – but always looking beyond our own horizons with a view to your success. The best-possible solution at the highest quality standard for you, our customers – that is our mission. This includes listening, understanding and

market-oriented realisation. Around 230 employees implement this for us on a daily basis, thereby strengthening your leading edge in competition. From braid assembly and contacting, fully-automated up to AWG32, over cable assembly and electrical engineering, right up to mechanics, we offer all services from a single source –complete solutions, including: Co-engineering system solutions for new and further development, from the project study, over series, right up to monitoring, e.g. in the field of regenerative energies; Prototype construction; Braid assembly – small/large series individually with inkjet print; Cable assembly; Precisely fitting mechanical components; Assembly production; Switching cabinet construction; Casting and injection moulding technology customised; Components for joining technology and electrical engineering.

Violeta


The story of Violeta started to evolve in 2002, and during these fifteen years it became one of the regional brand leaders in production of Premium hygienic products. The production was a real challenge in the beginning, and creating a strong brand was a huge responsibility to us. The beginnings were challenging and somewhat difficult, but desire to offer high-quality products to consumers lead to the development of three factories. Two of them are placed in Grude, Bosnia and Herzegovina while the third one is in Sv. Ivan Zelina, Croatia where fifteen production lines produce over 240 different

products. Apart from Grude, there are nine branch offices throughout BiH, four of them are in Croatia, and there is one branch office in Slovenia. We have excellent business relations with our distributors which result in fast export of products to the market shelves. In addition to production, the companies' activities are focused on retail, distribution, export, nursing homes, Montessori kindergarten, hotel industry, catering and sports centers. Violeta is the exclusive representative of the world's most famous brands such as Ferrero, Barilla, Evian, Trenton, Paladin, and many others.

FIC PRESENTS...

Infobip BH



Infobip is one of the leaders in the IT sector in Croatia which started as a small startup company in Vodnjan, Istria. Today, with more than ten years of experience in the industry, they have over 1500 employees that are operating in 61 office across six continents. The reason behind this success are Infobip's communication platform and services that are reaching almost 7 billions of users and devices in over 190 countries, enabling seamless mobile communication between enterprises and their end users – through every channel and device, in every moment and regardless of the part of the world they are in. In 2018, two-thirds of the world's population, 4.7 billion to be more specific, interacted with their services. The company is collaborating and partnering up with some of the leading telecom operators, enterprises that are developing messaging applications, banks, e-commerce companies, social networks, and technology companies. Infobip is recognized globally as a reward winning company, due to the quality of the services it is providing. In these processes Infobip is working with over 300.000 clients; with some of the biggest names in the chat apps industry such as WhatsApp, Viber, Telegram, and other globally recognized brands such as Virgin Megastore, Strava, UBER, Zendesk, Taxify and many more. To build great customer solutions on the edge of innovation means Infobip hires, grows and retains the best engineering talents across the world. Over the last 10+ years, they've grown into an Engineering Powerhouse employing 1500 people that help change the world with their products and solutions.

ZiraatBank BH



ZiraatBank BH d.d. is the subsidiary of T.C. Ziraat Bankasi, which is the owner of 100% of the capital. As our main shareholder whose entire capital belongs to the Republic of Turkey, T.C. Ziraat Bankasi is a leader in the banking sector with an asset of 89 billion euros and a profit of 1.3 billion euros. ZiraatBank BH d.d. was founded in Bosnia and Herzegovina in 1996 as the first bank with foreign capital. Today, the Bank has 32 subsidiaries and provides banking services throughout whole Bosnia and Herzegovina. The bank's assets amounting to more than 1 billion KM, as well as the paid founding capital amounting to 200 million KM at the end of the 2018 business year, are indicators of the strength and seriousness of ZiraatBank BH d.d., which aims to contribute to the development and stability of the country as a whole. Our vision is to be the pillar of the stability and development of the banking sector of Bosnia and Herzegovina, gaining the epithet of a financial institution that represents transparency, stability and expediency in the process of performing its services. Our mission is to contribute to the healthy growth of the economy and to the living standards of the inhabitants of Bosnia and Herzegovina, as well as to lead a key role in strengthening economic ties with Turkey and the rest of the World, because we believe that Bosnia and Herzegovina is one of the most promising economies in South East Europe.

DMB Legal



We are a law firm founded 2014, based in Sarajevo that provides legal advice to business entities and international institutions and organizations. We specialize in Business Law, Competition & Antitrust, Corporate Mergers and Acquisitions, Commercial Law, Labour Law and Litigation.

MEMBERS' STORIES

Xella BiH supported two events in June



an exhibition titled "Bauhaus imaginista" was also presented. The influence and approach to the knowledge and attitudes that have evolved over the past 100 years since the founding of the Bauhaus School has been provoked through all activities that were in the focus during the past Days of Architecture in Sarajevo. In addition to great lectures and guests, the exhibition of selected projects for the reconstruction of the part of the Sarajevo settlement Ciglane was also organized. Seven young architects from all over the region presented their solutions, and the project, which according to the members of the commission offered the best solution, will be realized in the following period.

As a socially responsible company, Xella BiH supported and helped a humanitarian volleyball tournament titled "WOMEN for Children and Mothers of ONCOLOGY of clinical center Tuzla", organized by the Women's Volleyball Academy "MIKASA", Radio KAMELEON and DMF Office. The tournament was held on Sunday, 23 June 2019. Among the participants were the employees of the Xella BiH company that financially sponsored this event. As a part of its CSR activities, this company also supported one of the most significant events in BiH "Days of Architecture 2019." 12th edition of this event was officially opened on 6 June at the Historical Museum of BiH where



UniCredit ranked #1 across 28 categories in 2019 Euromoney's Trade Finance Survey

UniCredit has been named Global Best Service Provider for "All Services", "Advisory", "Financing / payments", "Overall Execution" and "Products" in Euromoney's Trade Finance Survey 2019. The survey, now in its eighth year, also identifies UniCredit as the Market Leader in Central and Eastern Europe (CEE), Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Italy, Romania, Russia, Serbia and Turkey. In the "Best Service" category, UniCredit was named first in CEE, the Middle East, Bosnia and Herzegovina, Bulgaria, Czech Republic, Hungary, Italy, Romania, Russia,



Serbia, Turkey and Germany, the latter of which saw the bank improve upon its 2018 ranking. The rankings - derived from the feedback of over 7000 corporate banking clients - recognise the bank's continued excellence in trade finance, which is built on a profound knowledge of its core European markets and considerable product expertise. **Gianni Franco Papa**, General Manager at UniCredit, said: "We are delighted that Euromoney and the clients surveyed continue to recognise UniCredit as the best global trade finance provider across a variety of key service categories and regions. Our improvement on last year's rankings highlights a steadfast commitment to meeting clients' needs, a willingness to embrace new working capital tools and the considerable strength of our International Network". UniCredit continues to invest in trade finance innovation, primarily through blockchain consortium 'we.trade' and the Trade Information Network. It has also sought to improve its international coverage through the establishment of a Commodity Trade Finance hub in Abu Dhabi.

MEMBERS' STORIES

Sarajevo celebrated 50th Anniversary of Volkswagen Car Production

The event on the occasion of the 50th anniversary of the start of car production in Sarajevo was held in Vogosca on June 22, 2019. The inauguration ceremony was held at Volkswagen Sarajevo in Vogosca, and hosts were **Malik Šišić** from the company Volkswagen Sarajevo, **Mirsad Jasarspahić** from the Federation of BiH Economic Chamber and **Edin Smajić**, the mayor of Vogosca municipality. During the event, it was announced that an initiative started from the opening of a technical museum in this factory, where the vehicles that were produced were exhibited, as well as the cars assembled from 1998 to 2008. After the defile, the vehicles produced in TAS were exhibited in the square in front of the Cultural and Sport Center in Vogosca. The exhibition lasted two days. The 50th

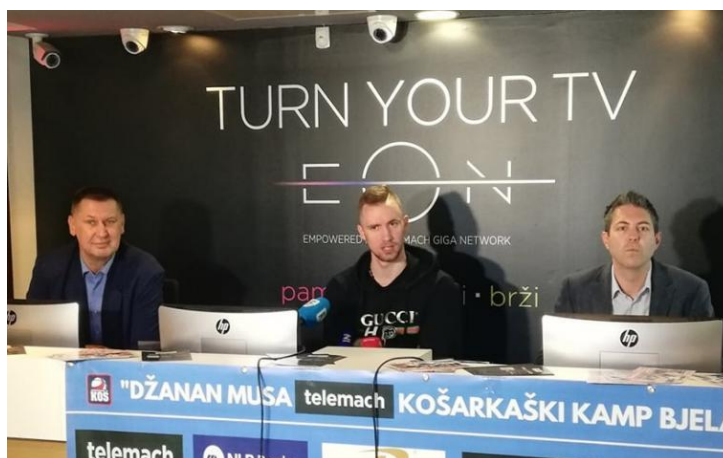


anniversary celebration was held in the framework of "Vogosca's Days". TAS (Tvornica Automobila Sarajevo) was established in 1970 in cooperation between Volkswagen AG and UNIS, with Volkswagen holding a 49% stake and UNIS 51%. CKD assembly of the Volkswagen Beetle started in Sarajevo in 1972, followed by CKD assembly of the GOLF and Jetta in 1976 and the Caddy in 1982. 1989 was a record year for the Sarajevo plant, with a total of 3,500 employees assembling 37,000 vehicles. Following the war years, the Sarajevo plant was recommissioned in 1998. Since 2001, Volkswagen AG has held a stake of 58% and joint venture Prevent has held a 42% stake in the plant. SKD assembly of Volkswagen, Skoda and Audi models started in 1998 and continued until 2008. In 2009, the EcoCarrier small electric van was produced in cooperation with the German company EcoCraft. The plant of Volkswagen Sarajevo d.o.o. has a total surface area of 157,000 square meters, including 22,300 square meters of production area in use and 36,700 square meters of unused production area. Volkswagen Sarajevo produces components that are installed on many different engines and models of Group brands. The main products of the plant include stub axle, ring gears, wheel hubs and wheel flanges. In 2011, the plant produced about 2.4 million stub axles, 1.0 million ring gears and 0.6 million wheel hubs and wheel flanges. In addition, the plant produces intake pipes, exhaust silencers, swirl chambers, machine parts and reservoir, tubes, currently to customers' specifications. Company has also developed container production capabilities and now manufactures a wide range of universal and special containers tailored to customers' requirements. One of the special containers produced is a push trolley with tilting system developed by the engineers of Volkswagen Sarajevo. A patent for this invention is pending. With its "Think Blue Factory" initiative, the Volkswagen brand has set itself clear targets for the environmentally sustainable positioning of all its plants. By 2018, the aim is to reduce the environmental impact of all Volkswagen plants by 25 percent. Specifically, this means 25 % lower energy and water consumption, waste volumes and emissions at all plants. In January 2009, Volkswagen Sarajevo was one of the first companies in the metal-working industry of Bosnia and Herzegovina to be awarded an environmental permit. This is a mandatory certificate that demonstrates that companies operate in accordance with the environmental regulations laid down by the state. In 2011 Volkswagen Sarajevo received an ISO 14001 Certificate for its environmental management system.

MEMBERS' STORIES

Telemach Basketball camp 2019 on Bjelašnica

Company Telemach in cooperation with basketball club "KOŠ" will organize a unique summer "Telemach basketball camp" on Bjelašnica, which will gather young basketball players aged 8 to 18, giving them the possibility of upgrading the individual technique skills, as well as basketball tactics. Telemach has been the general sponsor of this project for the third year, aiming at affirmation of young athletes. The last two camps have passed 220 children, which says about the success of this project. The purpose of this year camp, which will be held from 1 – 7 July is that young people focus on sports as a



healthy lifestyle, enjoying their stay on the mountain and fresh air with their peers. *"Our goal is to affirm young athletes, enable them to upgrade sports skills, and demonstrate how individual work and enhanced activities can achieve a common goal in building top sports personalities. This year Telemach will award one participant with free pass at the camp,"* said **Kenan Đonko**, Telemach CMO. This project is organized in cooperation with basketball club "KOŠ" and other BiH basketball clubs (ŽKK Konjic, ŽKK Play off Sarajevo, ŽKK Livno and KK Kiseljak, ŽKK Igman East Sarajevo and KK Modriča). The front face of the Camp was the brilliant BH basketball player **Dženan Musa** who will hold the workshop for young players and from whom they can learn a lot.

The call for regional 'Elevator Lab Challenge' is open

ELEVATOR LAB[®] Challenge

powered by



Raiffeisen BANK dd Bosnia and Herzegovina announced on June 25, 2019 the official launch of the regional project for start-ups in the field of financial technology, called 'Elevator Lab Challenge', which is a part of the international Elevator Lab program, run by Raiffeisen Bank International (RBI). The Regional Elevator Lab Challenge is organized through local competitions in Bosnia and Herzegovina, Croatia and Serbia, and contest application is open from 19 June to 10 August. By signing up for participation, startup companies go through the

selection process by the jury, composed of Raiffeisen Bank managers and successful regional entrepreneurs and investors. The best startups from each contest will receive a prize of € 5,000, as well as direct placement in the RBI Elevator Lab accelerator semifinal, where they will compete with winners from other countries. The Regional Elevator Lab Challenge will be completed by the Gala event in Belgrade, whereby the winners of all three countries will have the opportunity to present their business in front of the jury and, public and they will be selected for a prize of an additional € 5,000. The best startups will become part of the four-month Elevator Lab program where they will receive RBI training and mentoring, as well as financial support for the development of their pilot product, without taking ownership. In addition, competitors also get the opportunity to add their innovations within the Raiffeisen Group network and reach 16.1 million customers. The call is open to all startups who innovate and digitize areas of business and finance, primarily for those who are concerned with improving user experience, forecasting and analytics on various aspects of business, automation, data security, as well as enhancing different financial or investment processes. The competition will take place in Sarajevo on August 29, while the Gala event in Belgrade will take place on September 3. Detailed project information is available at: <https://elevator-lab.com/challenges/regional-1/>.

MEMBERS' STORIES

Sparkasse Bank and EBRD organized GEFF Energy Efficient Day in Tuzla

Sparkasse Bank dd BiH and the EBRD GEFF program, in cooperation with leading manufacturers and traders of green technologies in BiH, organized a 'GEFF Energy Efficient Day' on Saturday, 22 June 2019, at the Tuzla Square. *"Sparkasse Bank has recognized long time ago the importance of investing and supporting investment in projects aimed at increasing energy efficiency. That is why we have developed special loans to improve household energy efficiency. Energy Efficient Day is a great opportunity for anyone interested in seeing what green technology and green products are, as well as calculating the amount of return on such investments, with financial support from the EU, which can go up to 20%,"* said **Elvira Prnjavorac**, Sales Management Director at Sparkasse Bank. GEFF energy efficient day in Tuzla brought together producers and traders of energy-efficient technologies and products, approved by GEFF, such as: heat pump, pellet furnace, energy efficient windows, roof windows and solar collectors, whose implementation in apartments or houses allow significant savings of money, greater home comfort, but also the reduction of air pollution, thereby contributing to the enhancement of the environment quality where we live. This special credit line of the Sparkasse bank for citizens is launched within the Green Economy Funding Program (GEFF), provided by the European Bank for Reconstruction and Development (EBRD), aimed at improving household energy efficiency.

BIMAL received approval to take over the Sombor oil factory



Authorized regulatory authorities in Serbia gave their consent to BIMAL Invest for the takeover of a majority stake of 77% in the Sombor oil factory Novo Sunce, which is a significant step towards the finalization of the acquisition, which began with the signing of the letter of intent on 27 December 2018. By taking over this factory, which has a production tradition since 1972, BIMAL Group will strengthen its position in the Western Balkan, EU, Middle and Far East markets. BIMAL Invest, headquartered in Belgrade, operates within the BIMAL Group, which includes a Brčko-based factory for the production of edible oil BIMAL d.d.

Philip Morris International: Delivering a Smoke-Free Future




Philip Morris International (PMI) is leading a transformation in the tobacco industry to create a smoke-free future and ultimately replace cigarettes with smoke-free products to the benefit of adults who would otherwise continue to smoke, society, the company and its shareholders. PMI is a leading international tobacco company engaged in the manufacture and sale of cigarettes, smoke-free products and associated electronic devices and accessories, and other nicotine-containing products in markets outside the U.S. PMI is building a future on a new category of smoke-free products that, while not risk-free, are a much better choice than continuing to smoke. Through multidisciplinary capabilities in product development, state-of-the-art facilities and scientific substantiation, PMI aims to ensure that its smoke-free products meet adult consumer preferences and rigorous regulatory requirements. PMI's smoke-free IQOS product portfolio includes heat-not-burn and nicotine-containing vapor products. As of March 31, 2019, PMI estimates that approximately 7.3 million adult smokers around the world have already stopped smoking and switched to PMI's heat-not-

burn product, which is currently available for sale in 47 markets in key cities or nationwide under the IQOS brand. For more information, please visit www.pmi.com and www.pmiscience.com.

MEMBERS' STORIES

Nelt among the most desirable employers in Bosnia and Herzegovina



In selecting the most desirable employer in Bosnia and Herzegovina for 2019, Nelt retained last year's second place and thus again found itself among the top three most desirable employers in the distribution sector. The thirteenth award ceremony was held on April 26th in Sarajevo. On this occasion, awards were given to the companies selected as the most desirable employers in 2019. Indira Semanić, HR Business Partner, Jelena Popadić, HR Assistant and Sanela Vezir, Modern Trade Manager, attended the award ceremony on behalf of Nelt. "This award initiates and motivates all successful employers to be even more competitive on the labour market and create a

workplace that will attract and retain the best personnel in Bosnia. We are pleased that our employees and the public recognize Nelt as a company whose primary interest is people. This award shows that we're successfully building the brand of best employer and make Nelt recognizable on a daily basis," said from Nelt.

Marbo takes over distribution of Pepsi drinks in Bosnia and Herzegovina

Company Marbo d.o.o. which operates within the multinational PepsiCo company, has also added to its portfolio the distribution of the largest global brands in the soft drinks segment – Pepsi, Mirinda, Pepsi Max, 7Up and Lipton. In this way, part of the Marbo family besides the already famous brands of snacks – Chipsy, Clipsy, Pardon and Gud, Quaker Oatmeal and the Minute Pire brand, have become the world's most famous brands of soft drinks. Distribution of brands consumed in more than 200 countries and regions of the world began in January 2019, and in this way, Marbo Company significantly expanded business activities in the market of Bosnia and Herzegovina. *"Pepsi returns to the big door – a message we want to send to our consumers, but also to our partners and key customers. After 18 years of business on the market of Bosnia and Herzegovina, it is great pleasure for us to add beverages to our portfolio, according to which PepsiCo is world famous. This means that as part of one of the largest food and beverage companies in the world, we will be able to apply the best experiences, innovations and practices from many world markets, and that the brands Pepsi, Mirinda, Pepsi Max, 7Up and Lipton have the opportunity to achieve the dynamic growth they deserve,"* said **Nenad Mišćević**, general manager of PepsiCo for the Western Balkans and the Baltic countries.

M:tel launched campaign 'One call changes everything - do not use the phone while driving!'

By introducing a car simulator in the Krajina Square in Banja Luka, which in a unique way demonstrates the dangers of using a mobile phone while driving, the m:tel campaign about not using the phone while driving, titled 'One call changes everything - do not use the phone while driving!' has been launched. This is the fifth year as the company m:tel, with the support of the RS Ministry of Transport and Communications, the RS Traffic Safety Agency and the RS Auto-Moto Association, contributes to safe driving through a socially responsible campaign. The event was attended by **Marko Lopičić**, general manager of m:tel company, **Nedo Trninić**, RS Minister of Transport and Communications, as well as **Ranko Babić**, General Secretary of the Auto-Moto Association of RS. The goal of the campaign is to draw public attention to a significant responsible behavior in traffic, as well as compliance with legal regulations. *"Company m:tel its socially responsible activities realizes by implementing campaigns related to traffic safety,"* said Marko Lopičić, general manager of m:tel, adding that m:tel as company dealing with modern technologies and communications, wants to participate in raising awareness of the necessary responsible behavior in traffic, especially when it comes to using a mobile phone while driving. *"We sincerely hope that these, but also many other activities that are constantly produced in the direction of education of our users, positively affect the awareness of all drivers, because there really is nothing more valuable than life,"* Lopičić said. The company m:tel, besides the car simulator, will also implement a number of other educational activities with the support of its partners in the months to come.

ADOPTED LEGISLATION

BOSNIA AND HERZEGOVINA

COUNCIL OF MINISTERS

- Decision on minimum amount of funds required for subsistence of an alien during an intended stay in Bosnia and Herzegovina (Official Gazette of BiH, no. 5/19)
- Decision on Implementation of the Law on Customs Policy in Bosnia and Herzegovina (Official Gazette of BiH, no. 13/19)
- Amendments to the Rulebook on milk products and starter cultures (Official Gazette of BiH, no. 17/19)
- Amendments to the Rulebook on maximum levels of pesticide residues in food and food for animals of plant and animal origin (Official Gazette of BiH, no. 21/19)
- Decision pertaining the permits for the use of radio frequency spectrum for provision of public electronic communication services through mobile access systems (Official Gazette of BiH, no. 23/19)
- Decision on the adoption of the Strategy for the Enforcement of Intellectual Property Rights in Bosnia and Herzegovina for the period 2018-2022 (Official Gazette of BiH, no. 24/19)
- Decision on remuneration for the procedures for the protection of designations of origin, geographical indications and marks guaranteed by the traditional specialty of food products (Official Gazette of BiH, no. 34/19)

MINISTRY OF COMMUNICATIONS AND TRANSPORT

- Amendments to the Rulebook on dimensions, total mass and axle load of vehicles, on devices and equipment that must be equipped with vehicles and on the basic conditions that must be met by devices and equipment in road traffic (Official Gazette of BiH, no. 26/19)

MINISTRY OF CIVIL AFFAIRS

- Instruction on the activities of the BiH Ministry of Civil Affairs in procedure for issuance of a certificate for exemption from import duties (Official Gazette of BiH, no. 8/19)
- Amendments to the Rulebook on issuing official (service) passports and visas (Official Gazette of BiH, no. 16/19)

COMMUNICATIONS REGULATORY AGENCY

- Decision on the rate and value of points for calculating the annual license fee (Official Gazette of BiH, no. 5/19)
- Decision on the prices of the services of the roaming in the public mobile communication networks (Official Gazette of BiH, no. 43/19)

STATE ELECTRICITY REGULATORY COMMISSION - DERK

- Decision on tariffs for ancillary and system services (Official Gazette of BiH, no. 8/19)
- Rulebook on the operation of the network regarding connection (Official Gazette of BiH, no. 19/19)
- Decision on the approval of the maximum possible power of acceptance from incompatible electricity sources (Official Gazette of BiH, no. 23/19)
- Decision on tariffs for ancillary and system services (Official Gazette of BiH, no. 26/19)
- Decision on determining the Criteria for granting derogations from the application of rules for the connection of generating modules (Official Gazette of BiH, no. 26/19)
- Decision to extend the validity of the Decision on Tariffs for Electricity Transmission Services (Official Gazette of BiH, no. 34/19)

VETERINARY OFFICE OF BOSNIA AND HERZEGOVINA

- Decision on the adoption of the Plan for official sampling of milk and milk products, raw milk, water and wipes of work surfaces and equipment in 2019/2020 in dairies approved for export to the European Union (Official Gazette of BiH, no. 22/19)
- Decision on the adoption of the Plan for official controls for milk and milk products for export to the European Union for 2019 (Official Gazette of BiH, No. 22/19)

ADOPTED LEGISLATION

INDIRECT TAXATION AUTHORITY

- Amendments to the Instructions on simplified customs procedure (Official Gazette of BiH, no. 2/19)
- Amendments to the Instructions on destruction and transfer of customs goods (Official Gazette of BiH, no. 20/19)
- Instructions on the procedure for the repayment and approval of the tax credit on the basis of filing an application for value added tax (Official Gazette of BiH, no. 27/19)
- Instructions on how to handle applications for value added tax and excise tax returns and tax exemption ex officio (Official Gazette of BiH, no. 27/19)
- Decision on the compensatory interest rate for the period from July 1, 2019 to December 31, 2019 (Official Gazette of BiH, no. 36/19)
- Instructions on completing the customs application and the collective application (Official Gazette of BiH, no. 43/19)

HIGH JUDICIAL AND PROSECUTORIAL COUNCIL

- Amendments to the Rulebook on the Automatic Court Case Management System (CMS) (Official Gazette of BiH, no. 34/19)

FOREIGN TRADE CHAMBER OF BOSNIA AND HERZEGOVINA

- Decision on membership fee for 2019 (Official Gazette of BiH, number: 1/19)

FEDERATION OF BOSNIA AND HERZEGOVINA

GOVERNMENT OF THE FEDERATION OF BOSNIA AND HERZEGOVINA

- Amendments to the Decision on the amount and method of payment for quality assurance of certain products during import and export (Official Gazette of FBiH, no. 13/19)
- Decision on determining the necessary unit fee for incentive and for stimulating the production of electricity from renewable energy sources and in efficient cogeneration for 2019 (Official Gazette FBiH, no. 16/19)
- Decision on the allocation of collected budget funds for the establishment of oil derivatives reserves for the period 2019-2022 (Official Gazette of FBiH, no. 28/19)

FEDERAL MINISTRY OF FINANCE

- Amendments to the Rulebook on the Payment of Public Revenues of the Budget and Extra-budgetary Funds in the Territory of FBiH (Official Gazette of FBiH, no. 18/19)
- Amendments to the Instructions on the form and contents of payment orders and procedures for payment transactions (Official Gazette FBiH, no. 30/19)
- Amendments to the Rulebook on the Payment of Public Revenues of the Budget and Extra-budgetary Funds in the Territory of FBiH (Official Gazette of FBiH, no. 41/19)

FEDERAL MINISTRY OF TRADE

- Instructions on the manner, content and deadlines for the delivery of information on price changes and markups of certain products and services (Official Gazette of FBiH, no. 20/19)

FEDERAL MINISTRY OF ENERGY, MINING AND INDUSTRY

- Rulebook on information system for energy efficiency of the FBiH (Official Gazette FBiH, no. 2/19)
- Amendments to the Rulebook on the determination of the quality of liquid petroleum fuels (Official Gazette of FBiH, no. 7/19)

FEDERAL MINISTRY OF HEALTH

- Amendments to the Order on amount and payment of compensation for examination costs of groceries and general purpose goods imported into the Federation of Bosnia and Herzegovina (Official Gazette of FBiH, no. 3/19)

ADOPTED LEGISLATION

FINANCIAL AND INFORMATION AGENCY - FIA

- Rulebook on the conditions and procedure for using data from the Registry of Financial Statements by legal entities and individuals (Official Gazette FBiH, no. 15/19)

BANKING AGENCY OF THE FEDERATION OF BOSNIA AND HERZEGOVINA

- Decision on the internal process of capital adequacy assessment and internal process of assessment of liquidity adequacy in the bank (Official Gazette FBiH, no. 16/19)
- Decision on suspension of the Decision on the procedure for controlling foreign exchange operations in the bank - payment operations (Official Gazette FBiH, no. 29/19)
- Decision on credit risk management and determination of expected credit losses (Official Gazette FBiH, no. 44/19)
- Amendments to the Decision on reports submitted by the Bank to the FBiH Banking Agency (Official Gazette FBiH, no. 44/19)
- Decision on data and information to be submitted to the FBiH Banking Agency for the purpose of drafting and updating the bank restructuring plan and bank group (Official Gazette FBiH, no. 44/19)

REPUBLIKA SRPSKA

NATIONAL ASSEMBLY OF REPUBLIKA SRPSKA

- Law on Amendments to the Law on Renewable Energy Sources and Efficient Cogeneration (Official Gazette of RS, no. 26/19)
- Law on Incentives in the Economy of the Republika Srpska (Official Gazette of RS, no. 52/19)
- Law on Amendments to the Law on Banks of Republika Srpska (Official Gazette of RS, no. 54/19)

GOVERNMENT OF REPUBLIKA SRPSKA

- Ordinance on limiting the price markup in trade of goods (Official Gazette of RS, no. 27/19)

MINISTRY OF FINANCE

- Instructions for payment and filing of a tax return for the tax on using, holding and carrying of goods (Official Gazette of the Republic of Serbia, no. 11/19)
- instructions for submission and filling of tax returns for other fees (PP-ON) (Official Gazette of RS, no. 12/19)
- instructions for submission and filling of tax returns for other fees (PP-ON) (Official Gazette RS, no. 39/19)
- Amendments to the Instructions on the form and content of payment orders and procedures for payment transactions (Official Gazette of RS, no. 40/19)

MINISTRY OF PHYSICAL PLANNING, CIVIL ENGINEERING AND ECOLOGY

- Rulebook on the manner and procedure for waste management from titanium dioxide and environmental monitoring measures at the site (Official Gazette of RS, no. 7/19)
- Amendments to the Rulebook on measures for the prevention and reduction of air pollution and air quality improvement (Official Gazette of the Republic of Serbia, no. 16/19)
- Rulebook on the manner and procedure for waste management from long lasting organic pollutants (Official Gazette of RS, no. 32/19)
- Rulebook on the treatment of devices and waste containing polychlorinated compounds (Official Gazette of RS, no. 51/19)

MINISTRY OF ECONOMY AND ENTREPRENEURSHIP

- Amendments to the Rulebook on business activities that can be performed in residential areas (Official Gazette of RS, no. 23/19)
- Amendments to the Rulebook on business activities for which the business premises are not needed (Official Gazette of RS, no. 23/19)
- Amendments to the Rulebook on business activities that can be carried out seasonally (Official Gazette of RS, no. 23/19)

ADOPTED LEGISLATION

MINISTRY OF ENERGY AND MINING

- Amendments to the Rulebook on issuing and revoking licenses for mining operations (Official Gazette of RS, no. 7/19)
- Rulebook on the development, revision and approval of mining projects (Official Gazette RS, no. 11/19)
- Program for determining the compliance of the quality of liquid petroleum fuels for the summer season in 2019 (Official Gazette of RS, no. 34/19)
- Rulebook on Mining Geodetic Measurements (Official Gazette of RS, no. 37/19)
- Rulebook on change of supplier of natural gas (Official Gazette of RS, no. 38/19)
- Rulebook on natural gas supplying (Official Gazette of RS, no. 38/19)
- Rulebook on technical norms for the transport of natural gas by main gas pipelines and gas pipelines for international transport (Official Gazette of RS, no. 43/19)

SECURITIES COMMISSION OF REPUBLIKA SRPSKA

- Rulebook on capital adequacy of the investment fund management company (Official Gazette of RS, no. 9/19)
- Amendments to the Rulebook on the issuance of operating permits and status changes of the investment fund management company (Official Gazette of RS, no. 28/19)
- Amendments to the Rulebook on the conditions and procedure for issuing a license to perform the function of a supervisory board member of a closed investment fund (Official Gazette of RS, no. 28/19)
- Amendments to the Rulebook on the conditions and procedure for issuing a license to perform the function of a member of the management board of the investment fund management company (Official Gazette of RS, no. 28/19)

BANKING AGENCY OF REPUBLIKA SRPSKA

- Decision on the internal assessment of liquidity adequacy in a bank (Official Gazette of RS, number 48/19)
- Decision on credit risk management and determination of expected credit losses (Official Gazette RS, No. 48/19)
- Amendments to the Decision on the calculation of bank capital, number: UO-85/19 (Official Gazette RS, no. 48/19)
- Amendments to the Decision on reporting on the bank capital adequacy, number: UO-86/19 (Official Gazette of RS, no. 48/19)
- Decision on the manner of conducting control and imposing measures for the purpose of performing tasks and objectives during banks' restructuring (Official Gazette of RS, no. 51/19)
- Decision on data and information to be submitted to the RS Banking Agency for the purposes of drafting and updating the bank restructuring plan and bank group (Official Gazette of RS, no. 51/19)

REGULATORY COMMISSION FOR ENERGY OF REPUBLIKA SRPSKA - RERS

- Methodology for calculation of regulatory fee (Official Gazette of RS, no. 4/19)
- Rulebook on issuing licenses (Official Gazette of RS, no. 7/19)
- Amendments to the Rulebook on Public Hearings and Settlement of Disputes and Appeals (Official Gazette of RS, no. 7/19)
- Amendments to the Rulebook on the supply of qualified electricity customers and the supplier changeover procedure, No. 01-103-6/19/R-106-41 (Official Gazette of RS, no. 29/19)
- Amendments to the Rulebook on stimulating the production of electricity from renewable sources and efficient cogeneration, No. 01-461-7/18/R-99-292 (Official Gazette of RS, no. 29/19)
- Rulebook on the certification of a natural gas transmission system operator (Official Gazette of RS, no. 31/19)

TAX ADMINISTRATION OF REPUBLIKA SRPSKA

- Amendments to the Rulebook on the procedure of filing tax returns (Official Gazette of RS, no. 21/19)

CHAMBER OF COMMERCE AND INDUSTRY OF REPUBLIKA SRPSKA

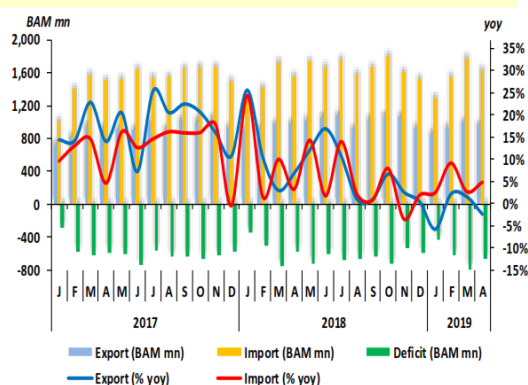
- Decision on the method of calculation, annual membership fee, deadlines and method of payment (Official Gazette of RS, no. 16/19)

BIH ECONOMIC OVERVIEW

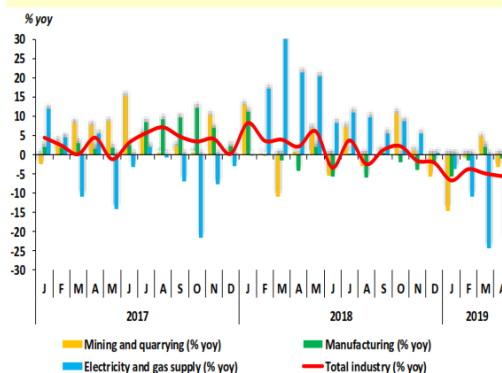
In focus

- ✓ The European Commission has published the Opinion on Bosnia and Herzegovina's EU membership application. The report/opinion identifies key priorities for B&H to fulfil in order to be recommended for opening of the EU accession negotiations.
- ✓ Export of goods returned into negative area in opening month of the second quarter of 2019. As the trade balance figures posted much weaker dynamics in opening months of 2019 compared to what we have expected, we have revised downwards key export/import growth rates for this year: However, overall net trade effect is expected to remain similar to our targeted real GDP growth rate of 2.7% yoy.
- ✓ Industrial production of B&H remained entrenched inside contraction area - a negative strike in industrial production has now been stretched for 6 consecutive months. On a positive note, the higher than expected growth in retail sales should mitigate higher than expected slump in industrial production. Real GDP growth should also benefit from robust growth in tourism sector and construction in 2019.
- ✓ For several "big players" 2018 was the record high year in terms of the profitability: UniCredit, RBBH and Intesa SanPaolo. RBBH reported highest profitability ratios among market players (ROA, ROE, net profit margin). In the meantime, loans dynamics of the banking sector reached this year peak growing by 6.1% as of Apr19.
- ✓ In line with the latest dynamics we have revised downwards several heavy-weight macroeconomic indicators including trade balance and industrial production. However, unchanged positive assessments for consumption, investments and export of services represents the millstone why we still do not need to cut our FY GDP target rate (2.7% yoy in 2019) despite disappointing industry and export of goods dynamics in first 4 months of the year.

Trade balance



Industrial production



Source: Agency for Statistics of B&H, Raiffeisen BANK dd BiH

BIH ECONOMIC OVERVIEW

BOSNIA AND HERZEGOVINA	2013	2014	2015	2016	2017	2018	Last available data	2019e
Nominal GDP (EUR bn)	13.7	14.0	14.6	15.3	16.0	16.8	n.a.	17.7
Real GDP (% yoy)	2.3	1.2	3.1	3.1	3.2	3.1	n.a.	2.7
Nominal GDP per capita (EUR)	3,798	3,923	4,134	4,347	4,574	4,783	n.a.	5,067
Industrial output (real, % yoy)	6.7	0.1	2.6	4.3	3.1	1.6	-5.2	1.0
Retail trade index (real, % yoy)	4.5	1.8	7.8	7.0	5.1	8.2	7.4	7.5
Household consumption (real, % yoy)	0.0	1.9	1.8	2.2	1.5	1.4	n.a.	1.7
Gross fixed capital formation (real, % yoy)	-3.0	8.2	2.9	10.8	8.9	6.4	n.a.	7.0
Exports of goods and services (real, % yoy)	7.9	4.1	7.8	9.3	11.8	5.9	n.a.	4.5
Imports of goods and services (real, % yoy)	-0.1	7.7	0.8	6.8	7.7	3.2	n.a.	3.6
C/A balance (EUR bn)	-0.7	-1.0	-0.8	-0.7	-0.8	-0.7	n.a.	-0.8
C/A balance (% of GDP)	-5.3	-7.3	-5.3	-4.7	-4.7	-4.2	n.a.	-4.4
Net inflow of FDI (EUR bn)	0.2	0.4	0.3	0.3	0.3	0.4	n.a.	0.5
Net inflow of FDI (% of GDP)	1.3	2.9	1.8	1.7	2.1	2.3	n.a.	2.7
Trade balance (EUR bn)	-3.5	-3.8	-3.5	-3.4	-3.6	-3.8	-1.3	-4.1
Trade balance (% of GDP)	-25.4	-27.5	-24.0	-22.5	-22.7	-22.5	-7.2	-23.3
Consumer prices (avg, % yoy)	-2.2	-0.2	0.6	-2.3	3.0	3.6	1.4	2.0
Producer prices (avg, % yoy)	-0.1	-0.9	-1.0	-1.1	1.3	1.4	1.0	1.3
Average monthly gross wages (EUR)	660	659	659	665	676	697	713	711
Average gross wages (LCY, % yoy)	0.1	-0.1	0.0	0.9	1.6	1.5	n.a.	6.1
Unemployment rate (avg, %)	27.5	27.5	27.7	25.4	20.5	18.4	n.a.	16.0
General budget balance (% of GDP)	-2.2	-2.0	0.7	1.2	2.6	0.5	n.a.	0.5
Public debt (% of GDP)	39.5	42.9	42.8	41.5	36.0	33.8	n.a.	32.8

Source: Agency for Statistics of B&H, Raiffeisen BANK dd BiH

FIC MEMBERS

 Addiko Bank	 ALBA	 ALJAZEERA BALKANS	 ArcelorMittal	 BANJALUČKA PIVARA - 1873 -	 BBI Bosna Bank International
 BOSNAPLOD	 BRITISH AMERICAN TOBACCO	 C'MS' Reich-Rohrwig Hainz	 CARMEUSE	 Coca-Cola HB Adria	 Colliers INTERNATIONAL
 DDC Multilingual Services	 DIMITRIJEVIĆ & PARTNERS	 dmb legal	 EC ENERGY	 eft ideas with energy	 ELNOS GROUP
 European Bank for Reconstruction and Development	 FCL FABRIKA CEMENTA LUKAVAC	 GOPA WORLDWIDE CONSULTANTS	 HEPOK	 HIK we create connections	 HOLDINA
 infobip	 Jami Domaća kuhinja	 JTI	 KAKANJ CEMENT HEIDELBERG CEMENT Group	 karanovic / partners	 KO lekt IV
 LRC BIS BUSINESS INTELLIGENCE SYSTEM	 ManpowerGroup	 MARBO A company of PEPSICO	 MARIĆ & Co	 mastercard	 McCANN SARAJEVO
 MEGGLE Na svu sreću!	 MESSER Gases for Life	 ministry of programming	 metel Imate prijatelje!	 NATHON HAYAT	 NELT The Way of Logistics
 Networks	 NIS GAZPROM NEFT	 NSoft	 ORIGIN EUROPE	 PHILIP MORRIS BH D.O.O. SARAJEVO	 PHOENIX pharma A company of PHOENIX group
 ProCredit Bank	 pwc	 Raiffeisen BANK dd Bosna i Hercegovina	 SAGA NFG new frontier group IT's not about technology about PEOPLE!	 Sarajevski kiseljak	 SCO STUDEN & CO Holding
 SEEBA YOUR BUSINESS PARTNER	 Senso	 SHP CELEX	 SIMURG MEDIA STAV FAKTOR	 SIŠECAM CHEMICALS	 SKF
 Članska Savierniška Spornakasse SPARKASSE	 INVESTMENT we get things done.	 steelmin	 telemach	 UniCredit Bank	 VIA MEDIA
 Violeta	 VW	 WOLF THEISS	 YTONG	 ZiraatBank More than a Bank	 Foreign Investors Council