



FIC YEARBOOK

2023



POWER OF SUSTAINABILITY FESTIVAL 2023

FOREIGN INVESTORS
COUNCIL IN BIH
YEARBOOK

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FIC WORKSHOPS ESG INFO DAYS

In accordance with the activities related to the promotion and introduction of ESG standards in companies operating in Bosnia and Herzegovina and the Western Balkans, Foreign Investors Council in BiH with the member Advantiss Broker from Banja Luka, and with the support of the International Finance Corporation (IFC) and the State Secretariat for Economic Affairs (SECO) of the Swiss Federal Department for Economic Affairs, in March 2023, organized Info days on ESG (Environmental, Social, and Governance) standards in four cities: Banja Luka, Sarajevo, Tuzla and Mostar. The aim of the Info days was to familiarize BiH companies with new practices, to share international and regional experiences on the integration of ESG standards in business, especially since companies in Bosnia and Herzegovina have become an important segment of global value chains and are attracting an increasing share of direct foreign investments. Therefore, the lack of understanding and limited compliance with ESG standards and principles is becoming an increasing risk for their business. Precisely for this reason, the members of the FIC in BiH, who have the capacity, results and evidence that confirm that through their practices and obligations, they already meet ESG standards to a large extent, through the Info Days, they met domestic companies, which have yet to implement ESG standards in their operations, with concrete ESG practices, then international and regional experiences on the integration of ESG standards in investment decision-making and initiated a wider dialogue on the challenges and possibilities of adopting ESG standards and principles in the core business of BH companies.



FIC WEBINAR EMBARCKING ON ESG: THE TOOLS TO REPORT AND BENCHMARK



In accordance with the framework activity plan of the FIC working group for ESG standards, the Foreign Investors Council in Bosnia and Herzegovina, in cooperation with the partner FinTech company ConsciESG, organized a webinar for its members on November 14, 2023, where an innovative tool for easier reporting and measurement of company's ESG performance. The webinar was organized due to the increasing importance of ESG standards in modern business and the fact that from January 2024, companies based in the EU will have to report on their ESG actions and that the integration of ESG based on marketing, from October 2023, will be categorized as greenwashing and will therefore be punishable by EU regulatory institutions. Also, from 2026, the same EU regulations will have an impact on companies based in the countries of the Western Balkans (WB6) and multinational companies with offices in WB6. ConsciESG provided a detailed step-by-step demonstration of how to use the company's sustainability monitoring platform to prepare companies to comply with the upcoming stricter EU regulations. The webinar presented the first science-based model globally to help companies and managers assess and track their progress in consistently meeting sustainability goals over time. The solution is universal for all companies regardless of industry and geo-location and was awarded by UNDP Boost for Central Asia and Europe in 2022. ConsciESG currently ranks and scores the progress of 3000 public companies traded in the NYSE and its metrics financially overperform both the S&P 500 benchmark by 19% and the Dow Top Performers by 1.44% annually. During the webinar, various issues of interest to employers that have become topical as a result of the COVID-19 pandemic, which, in addition to the danger to the health of employees, also brings with it the challenge of survival on the market for many companies. In addition to members of FIC, the webinar was also attended by companies that are members of chambers of commerce in the Western Balkans region.

PARTICIPATION ENERGY SUMMIT "SET TREBINJE 2023"



The representatives of FIC were participants of the fourth energy summit - SET, which took place in Trebinje in the period from March 22 to 24, 2024. This year's summit was very successful with a record number of participants and established Trebinje as the centre of energy in the region. The summit was held under the auspices of the Government of Republika Srpska and the Ministry of Foreign Trade and Economic Relations of BiH. The panels discussed topics important for the development of the energy sector and the alignment of legislation in the countries of the region in this area with EU Directives, Energy Policy and the integration process. During the three days that the "Trebinje Energy Summit 2023" lasted, a plenary session was held - acceleration of the regional sustainable plan and the transition to clean energy - the role of the EU, as well as nine panels. The general conclusion of the summit was that the trends of decentralization, digitization and electrification have great potential for revolutionizing the power system. The increasing share of renewable sources in the production of electricity and at the same time their influence on the power system place increasing demands on the accelerated development of the system itself. At the same time, due to the increasing decentralized production of electricity in the immediate vicinity of the consumers or at the consumers themselves, it becomes difficult for the suppliers to satisfy the ever-changing supply and demand. It is precisely in this connection that concepts and technical solutions such as energy storage, microgrids, demand adjustment and energy efficiency measures are increasingly coming to the fore.

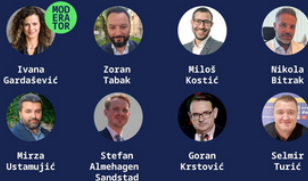
FIC CONFERENCE POWER OF SUSTAINABILITY

The Foreign Investors Council in Bosnia and Herzegovina and the "Intera" Technology Park, with the support of the City of Mostar and the Federal Ministry of Environment and Tourism, organized a business conference called the "POWER OF SUSTAINABILITY 2023" FESTIVAL, which was held in Mostar on the 21st and 22nd September 2023. This prestigious event aimed to promote sustainable development, green and digital transition, and business networking in the Western Balkans region. Under the theme "Building a sustainable future of the Western Balkans", the Festival brought together important speakers, experts and representatives from Albania, Bosnia and Herzegovina, North Macedonia, Montenegro and Serbia. In line with expectations, this two-day conference provided fertile ground for dialogue between the business sector, politics, international organizations and business associations and chambers. Panels, presentations, and workshops within the festival focused on key thematic areas:



TEMA 1 21-22 SEPT. MOSTAR

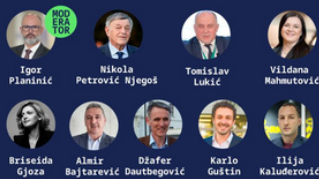
Investicije u zelenu energiju



www.posfestival.com POWER OF SUSTAINABILITY FESTIVAL 2023

PANEL 2 21-22 SEPT. MOSTAR

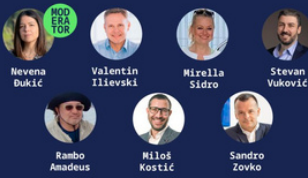
Primjena cirkularne ekonomije



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PANEL 3 21-22 SEPT. MOSTAR

E-mobility



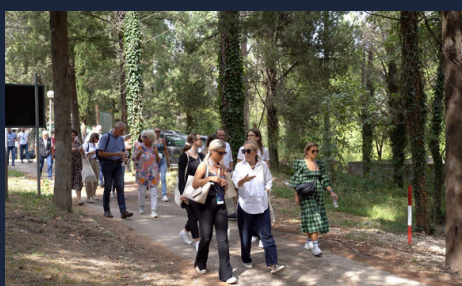
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- § INVESTMENTS IN GREEN ENERGY: REVIEW OF SOLAR ENERGY, WIND ENERGY AND GEOTHERMAL SOURCES AS KEY FACTORS FOR SUSTAINABLE ENERGY DEVELOPMENT,
- § CIRCULAR ECONOMY: FOCUS ON WASTE MANAGEMENT, ENERGY UTILIZATION AND RENEWAL OF NATURAL RESOURCES THROUGH INNOVATIVE APPROACHES,
- § E-MOBILITY: CONSIDERATION OF THE DECARBONISATION OF THE TRANSPORT SECTOR AND ITS CONTRIBUTION TO A CLEANER, HEALTHIER AND MORE AFFORDABLE FUTURE,
- § SUSTAINABILITY IN TOURISM: HIGHLIGHTING ECOLOGICAL, ECONOMIC, AND SOCIO-CULTURAL ASPECTS OF SUSTAINABLE DEVELOPMENT OF TOURISM.

Our goal was to gather representatives of investors, key actors in the field of energy and environmental protection from the public and private sector, international organizations and the business people from the region in the same place. The region is still at the very beginning of investing in sustainable business and we believe that the exchange of experiences and ideas will encourage investments in green technology and environmentally conscious projects, thus providing the opportunity for foreign investors and local companies to make their business more sustainable and keep pace with the world." - pointed out the organizers at the end.



DISKUSIJA ODRŽIVI RAZVOJ TURIZMA





Executive Director of the Foreign Investors Council in Bosnia and Herzegovina, Sanja Miovcic was a guest at the 26th International Fair of Construction and Electro-Mechanical Industry, Grames-Demi 2023, which was held in the period from March 15 to 18, 2023, in Banja Luka, organized by Sajam d.o.o. Banja Luka. This is the only specialized construction and electro-mechanical trade fair in Bosnia and Herzegovina with the certified status of an international fair. The fair was attended by a large number of important companies from Bosnia and Herzegovina and the region as far as Italy, Austria and China, and among the participants and exhibitors were some members of the Foreign Investors Council in Bosnia and Herzegovina. The general sponsor of the fair was the company Wienerberger, which unites the brands Tondach tile, Semmelrock, Pipelife and Porotherm in its group. The sponsor of the "Building the future" conference was a member of FIC - the company Tvornica cementa Kakanj (HeidelbergCement Group). As part of the fair, an international conference was held with the participation of ten expert lecturers who presented innovative solutions, ideas and challenges in the way of modern construction. The partners of the fair were the Government of the Republic of Srpska as well as the Ministry of Foreign Trade and Economic Relations of BiH, the City of Banja Luka, and the Faculty of Architecture, Civil Engineering and Surveying in Banja Luka.

PARTICIPATION
WESTERN BALKANS INVESTMENT CONFERENCE

The Foreign Investors Council of Bosnia and Herzegovina participated in the Six-Chamber Investment Forum of the Western Balkans (WB6 CIF), which was held on March 29 in Skopje, organized by the RCC and the EU delegation. The main topic of the investment forum was the common regional market, and how business associations can unite our region. At the forum, awards were also given to companies that are regional leaders in their industry, and among them were members of the Foreign Investors Council, such as Nelt Group, Kolektor, Mikroelektronika, Sarajevski kiseljak, who also contributed to a high-quality panel discussion on the topic "One region - one economy - progress towards the single EU market for Western Balkan businesses".



PARTICIPATION
WESTERN BALKANS ESG SUMMIT

Executive Director of the FIC in BiH, Sanja Miovcic, was a participant of the Western Balkans ESG Summit, which was held from April 26 to 28, 2023 in Tivat, Montenegro. The organizers of the Summit were the Montenegrin FIC and the consulting firm Sustineri Partners from London. The topic of the summit was the application of ESG standards in the region and that companies in the region are increasingly showing interest in ESG. The summit brought together more than 450 participants, representatives of 150 companies from the entire region and beyond, who showed their willingness to follow new standards and modern practices in the way of managing their businesses. During the two days of the summit, lecturers, leading experts on ESG standards from around the world, presented this topic through presentations, panel discussions and the presentation of innovation practices. A special place was also occupied by the launch of the Women on Boards Adria initiative for greater participation of women in the management bodies of companies. The summit was opened by the President of Montenegro, Jakov Milatovic, and Prime Minister Dritan Abazovic closed the Summit with his address.

PARTICIPATION
JAHORINA ECONOMIC FORUM

Representatives of the Foreign Investors Council were participants of the 6th Jahorina Economic Forum, whose general sponsor was a member of FIC - company m:tel. The Jahorina Economic Forum is one of the most prestigious regional business events where, through discussions between representatives of state institutions, companies and experts, relevant conclusions are reached on how to improve public policies, the economy and the quality of life of the citizens of Bosnia and Herzegovina, as well as the region. The forum lasted from April 26 to 28, 2023 in Jahorina, and traditionally, heads of state, distinguished scientists, ministers, businessmen, media and cultural workers gathered at this event. This year, the leading theme of the Forum is Regional Integration and Bosnia and Herzegovina, and within the Forum, the panel "One Region - One Market" was held. In addition, topics about the importance and role of digitalization, the field of insurance, energy transition, sport as the region's strongest brand, but also sustainable agriculture, smart cities, and the importance of the creative sector were also discussed.

PARTICIPATION
ENERGY SUMMIT OF BOSNIA AND HERZEGOVINA IN NEUM



ENERGETSKI SAMIT 2023
u Bosni i Hercegovini

The representatives of FIC were participants of the Energy Summit of Bosnia and Herzegovina 2023, which was held from April 26 to 27 in Neum. This year's summit addressed many open issues that await Bosnia and Herzegovina in the process of global decarbonization and fair energy transition, such as the issue of future investments in renewable energy sources, and the determination of carbon prices (through the establishment of the ETS - Emission Trading System mechanism or through CBAM - Carbon Border Adjustment Mechanism) and the impact they could have on Bosnia and Herzegovina and the competitiveness of its economy. With their positive examples from practice and energy efficiency projects, our members have shown that despite high energy consumption in certain industrial sectors, it is possible to reduce the overall carbon footprint, and concretely contribute to the path of the energy transition of Bosnia and Herzegovina.



PARTICIPATION
WORLD INVESTMENT ENERGY SUMMIT

Representatives of FIC were participants in the conference on renewable energy sources, environmental protection and tourism, which was held on May 16, 2023, in Visoko, Bosnia and Herzegovina. The Ministry of Economy of Zenica-Doboj Canton (ZDK) supported the organization and was one of the partners of this business forum. The organizers were the agency "EventExpo KIK BiH" and the Wood cluster of BiH "Furniture and wood", whose representatives noted that this is the third event they are organizing at the area of the Bosnian pyramids "Park Ravne 2" in Visoko. Participants of the conference were companies from BiH, chambers, institutions from the state, federal and cantonal levels, economic departments of embassies, the financial sector and a very significant number of FIC members. The guests of the conference were also representatives of companies from Croatia and Austria, so the gathering had an international character. At the conference, it was concluded that a large number of businessmen talk a lot about investments in renewable energy sources - with an emphasis on solar energy, which is also expanding in ZDK. The participants noted that there are already 340 companies in ZDK that are currently engaged in the production of electricity from renewable sources, more precisely from solar energy sources.

PROCREDIT BANK PRESENTED THE PROGREN ACCOUNT

On August 3, 2023, a party for clients and partners was held in a fairy-tale, natural environment on Kromolje and with a spectacular view of Sarajevo, where the ProGreen account and the first biodegradable card in Bosnia and Herzegovina were presented. ProGreen is an account that ProCredit Bank designed on the basis of all previous experiences and efforts to make the green, ecological agenda visible in Bosnia and Herzegovina. The card linked to the ProGreen account is the first biodegradable card in Bosnia and Herzegovina and is made of corn fibers. Additionally, new and existing bank clients who decide to open a ProGreen account will have the opportunity to enjoy numerous benefits. One of them is the possibility of purchasing energy-efficient technologies with a return of 10 percent of the total amount, up to a maximum of 200 KM. Essentially, this means that, among other things, every appliance from the household white goods program with the A+ mark and above is cheaper if paid with this card. As innovative as ProGreen is, the party in its honor was unlike any other. Along with the guests, their pets were also welcome at the party, and guests had the opportunity to answer trivia quiz questions. You can find out more about the possibilities of this account and how you can open it on the website or Instagram and Facebook channels of ProCredit Bank.



PARTICIPATION INTERNATIONAL BUSINESS FAIR MOSTAR 2023

Representatives of the Foreign Investors Council in BiH were guests of the 24th International Business Fair - Mostar 2023, which was held from May 2 to 6, 2023, where about 800 exhibitors from 30 countries presented themselves. The partner country of this year's fair was the State of Israel. The opening ceremony of the Mostar fair was attended by the High Representative for Bosnia and Herzegovina, presidents and prime ministers of neighboring countries, as well as high representatives of partner countries and presidents of chambers of commerce. Investments in Bosnia and Herzegovina, the use of European funds, cross-border cooperation, gastronomy, youth employment and the IT sector were discussed at the fair. The fair exhibition was accompanied by the traditional sub-fair event, the Tourism Fair, that is, the wine and winegrowers' fair, and a diverse cultural and entertainment program. During the fair, several well-attended and significant conferences, forums, expert meetings, workshops and round tables were held, of which the following conferences stand out: "Future in the Sun", "Future of Medicine", "Cyber Security Exposure in the Balkans", "Return into the future - an imagined journey to the year 2042", and the panel session "Solar energy the way to savings", organized by our member UniCredit Bank. Through this interesting panel discussion, the participants reflected on the importance of green energy as a safe path to a more sustainable future, discussed the impact of legislation on business with a focus on examples from practice. Special attention was focused on the new FBiH Law on Renewable Energy Sources, which introduced the prosumer concept in the Federation of Bosnia and Herzegovina, the advantages that the adoption of the new Law on Renewable Energy Sources would bring compared to the existing one, and the possibility of connecting a solar power plant for individuals and legal entities. Given that the transition to solar energy brings with it certain challenges, the panel participants made themselves available for additional explanations regarding the installation of solar power plants and connection to voltage networks and pointed to the economically profitable potential that solar energy brings with it.



UPARTICIPATION CONNECTO CONFERENCE

IThis year, FIC BiH also participated in the CONNECTO conference, which attracts more and more attention every year and gathers proactive and enterprising people from BiH, the Western Balkans region and the whole world. INTERA Technology Park, together with partners and co-organizers, and with the support of the European Entrepreneurial Network (EEN), in 2023 organized a new edition of this B2B conference in the period from July 25 to 27. This year, the focus of the conference is on industry and production - from processing of raw materials, production of semi-finished products to final products, such as: metallurgy and metal processing, metal parts and components, furniture and wood products, doors and windows, electrical items (cables, switches, sockets), automotive components, tools/moulds, machinery and equipment, as well as many other products that require knowledge, technologies and skills to survive in the international market. Special attention is paid to the business diaspora of Bosnia and Herzegovina. CONNECTO was conceived as a platform for connecting the BH business diaspora with entrepreneurs in BH, as well as other interested parties, who will ultimately be able to: export products and services to the global market, create new, well-paid jobs, create innovative products and solutions, enable new opportunities for young people in Bosnia and Herzegovina, to maximize and use the exceptional potential of the labor market of Bosnia and Herzegovina.



PARTICIPATION WESTERN BALKANS – WEST AFRICA BUSINESS FORUM



As a result of the event called "Global Business Executive Retreat 2021" organized by the Foreign Investors Council in Bosnia and Herzegovina, we continue our business trip and networking between companies from our region and the region of West Africa. After successful business meetings in Budapest, between entrepreneurs from the region of the Western Balkans and West Africa, an important business forum was organized in Belgrade from September 15 to 16, 2023. The Foreign Investors Council in Bosnia and Herzegovina proudly participated as a partner of this forum, which focused on opportunities and the global need for building business partnerships and access to markets in specific world regions, with the aim of achieving the restoration of social and economic prosperity. Entrepreneurs from the Balkan countries of Albania, Kosovo, Serbia, North Macedonia, Bosnia and Herzegovina and Montenegro had the opportunity to meet and discuss the possibilities of cooperation with business representatives from Lagos, Nigeria. The delegation from Nigeria was led by the president of the Lagos Chamber of Commerce, and the Forum was also attended by Nigeria's ambassador for South-Eastern Europe, Her Excellency Mrs. Mudupe Enitan Irele, whose seat is in Budapest. The main topic of the forum was connecting nations and advancing visions for investment in Nigerian-Balkan affairs. The members of the delegation from Nigeria were representatives of companies from the sectors of agriculture, tourism, ICT, construction, processing, oil and gas.

**PARTICIPATION
INFOSEC CONFERENCE**

FIC Executive Director, Sanja Miovcic was a guest at the "Infosec 2023" conference, the most significant regional event on cyber security, which was held for the 13th time in the organization of TeleGroup Ltd, in Jahorina, on October 5, 2023. TeleGroup, one of the leading technology companies in the region specializing in the development of IT solutions and infrastructure engineering, prepared the 13th InfoSec conference. InfoSec has been one of the most important meetings in the field of information security in the region for years. The goal of the conference is to provide a platform for the exchange of knowledge and best practices in the field of cyber security. Participants had the opportunity to attend lectures, panel discussions, workshops and presentations held by experts in this field. Artificial intelligence in the fight against cybercrime, the dark side of the Internet, trends and challenges of digitization in public administration, and gender diversity and inclusion are just some of the topics covered through excellent panel sessions and presentations.



**PARTICIPATION
POLICY DIALOGUE ON
ALIGNING PRIORITIES IN THE
WESTERN BALKANS**

CONFERENCE



**Policy Dialogue
on Aligning Priorities in the
Western Balkans**

Pathways: Digital • Green • Health •

Vision 2030



Sarajevo, Bosnia & Herzegovina
13 September 2023



Representatives of the Foreign Investors Council in BiH were participants at the conference "Policy Dialogue on Aligning Priorities in the Western Balkans – Vision 2030 – Digital/Green/Health Pathways", which was held in Sarajevo on September 13, 2023. The aim of the conference was to stimulate institutional dialogue on how to harmonize priorities in the Western Balkans (WB), focusing on the development of policies and strategic documents, the involvement of stakeholders, as well as on the definition of tools for the implementation of policies in three thematic areas: Digital Transformation, the Green Deal and Healthy Societies. The organization of this important event is part of the "Policy Answers" project, which aims to build bridges between national/regional priorities and European Union priorities, as well as support the inclusion of the Western Balkans in relevant EU initiatives and platforms, such as European partnerships, mission and platform for smart specialization, towards a digital, green and healthy future in the Western Balkans. The conference brought together representatives of governments from the Western Balkans and other key stakeholders, representatives of the European Commission as well as experts from primary fields, to discuss the situation in the Western Balkans and consider priorities for the next period, i.e. Vision 2030. This conference was an opportunity for experts from different fields to engage in a constructive and progressive dialogue, and to propose effective solutions and instruments for harmonizing the priorities of the Western Balkans with those of the European Union, and to work together to build greener, more digital and more resilient economies, as well as healthier societies.

**PARTICIPATION
BANJA LUKA ENERGY FORUM – „LET'S SAVE ENERGY“**

Representatives of the Foreign Investors Council in Bosnia and Herzegovina were participants in the Energy Forum in Banja Luka organized by the Union of Employers of the Republika Srpska with the support of the Ministry of Economy and Entrepreneurship of the Republika Srpska, which was held on September 7, 2023, in the complex "Stara Ada Island" in Banja Luka. The goal of the event "BANJALUKA ENERGY FORUM - LET'S SAVE ENERGY" is to provide information to domestic companies about the possibilities of energy saving and to present the latest technical solutions in the field of renewable energy sources. At the Forum, successfully implemented energy saving projects in companies were presented, as well as financing opportunities for improving energy efficiency. The event was organized as an open-air fair with an introductory presentation and a panel on the position of the business community in relation to electricity pricing policies and energy efficiency in general. The event gathered 30 exhibitors, 300 participants, including regional producers in the field of energy efficiency, potential users - companies, representatives of the Government of Republika Srpska, representatives of the banking sector and international organizations. Exhibitors from Bosnia and Herzegovina, Serbia and Slovenia presented their products and services. The forum was a good opportunity for business networking and information about new technological achievements in the field of energy efficiency.



PARTICIPATION VI CONFERENCE AND III WOMEN'S ENTREPRENEURSHIP FAIR IN THE REPUBLIKA SRPSKA

FIC attended the 6th Conference and 3rd Women's Entrepreneurship Fair in Republika Srpska - "Sustainability as an Imperative" organized by the Republika Srpska Chamber of Commerce (PKRS), which were held on October 27, 2023, in Banja Luka. The main goal of the Conference, in addition to the promotion of women's entrepreneurship and the exchange of experiences of entrepreneurs from the country and the region, is to start a dialogue about the sustainability of business and all the challenges it brings. The event program included panels with interesting guests, experiences and examples of good practice, interesting accompanying content, and fair presentations of local producers. Our representative was Executive Director, Sanja Miovcic, who participated in a panel discussion on "Sustainable supply chains" and shared useful information regarding the engagement of FIC and its members in the introduction and promotion of ESG standards in Bosnia and Herzegovina. The panel was moderated by the general secretary of the PKRS, Dragana Kokot. Numerous FIC members also attended the conference. The ladies had the opportunity to exchange best practices and experiences related to business challenges and demands that are increasingly coming from the European Union in terms of business sustainability, proving the origin of energy, the origin of raw materials, safety at work and other issues that are important for all companies, especially for export-oriented companies. We would like to thank the organizer, the Chamber of Commerce of the Republika Srpska, for the invitation and congratulations on the excellent organization. This was an excellent opportunity to strengthen cooperation, promote entrepreneurship, empower women, network and exchange experiences in order to achieve better competitiveness of our market.



PARTICIPATION AT THE CONFERENCE LABOUR COST BURDEN AND LABOR MARKET IN FBiH

On October 10, 2023, the Employers' Association of FBiH (UP FBiH) organized a conference entitled "Labor cost burden and the labor market in FBiH", which was held at the Hotel Hills in Sarajevo. The goal of the conference was to contribute to solutions for creating a more favorable business environment, increasing wages and living standards of citizens and the competitiveness of the FBiH economy, with the synergy of economic policy makers, i.e. representatives of the government and the business community. At the conference, which was attended by representatives of the Foreign Investors Council in Bosnia and Herzegovina, two thematic panels were held: "Labor cost burden" and "Labor market".

URGENT TAX REFORM IS NEEDED

The common conclusion and assessment of all the presenters, moderators, panelists and participants of the conference was that these two selected topics of the conference represent key problems in the business of companies in the real sector in FBiH. The participants took advantage of the opportunity and exchanged information about the presented plans, program activities and key challenges related to fiscal reforms, as well as labor market reforms. These are long-awaited necessary and urgent reforms with the aim of improving the business environment, lowering the cost of labor, ensuring and stopping the departure of labor force from FBiH and facilitating the import of labor force, where necessary. The general assessment was that the reforms in terms of the two key topics of the conference are not taking place with the expected dynamics and that the condition for improving the situation is the urgent adoption of new tax regulations. The participants of the conference welcomed the announcements of the representatives of the FBiH Government that by the end of October 2023, the working group which is working on the preparation of a set of fiscal regulations, will complete the drafts of these regulations, after which the Federation of the BiH Government will initiate the legislative procedure. Representatives of employers, participants of the conference requested that representatives of social partners be immediately included in the work of this working group.

PARTICIPATION WESTERN BALKANS DIGITAL SUMMIT

The Foreign Investors Council in Bosnia and Herzegovina participated in the 6th Western Balkans Digital Summit (WBDS), hosted by the Ministry of Communications and Transport of Bosnia and Herzegovina on behalf of the Government of Bosnia and Herzegovina, with the co-organization of the Regional Cooperation Council (RCC), which held in Sarajevo from October 4 to 5, 2023. RCC Secretary General Majlinda Bregu opened the WBDS together with Oliver Varhelyi, EU Commissioner for Neighborhood and Enlargement, Robert Viola, Director General of DG Connect, Stefan Schnor, State Secretary at the Federal Ministry for Digital and Transport (Berlin), Stelian Nader, UNDP Regional Bureau for Europe and CIS, Director of the Istanbul Regional Hub, Doreen Bogdan-Martin, Secretary General of the International Telecommunication Union (ITU) and Edin Forto, Minister of Communications and Transport (Sarajevo). The summit aims to promote cooperation and innovation in the digital sphere among the economies of the Western Balkans, bringing together industry leaders, political decision makers, entrepreneurs and technology enthusiasts. During these two days, participants had the opportunity to participate in informative discussions, attend panel sessions, explore the latest technologies and network with like-minded people from the region and beyond. The digital summit served as a platform for the exchange of knowledge, experiences and best practices with the aim of encouraging digital transformation and economic growth in the Western Balkans.

PARTICIPATION DIGITAL SNOW CONFERENCE

Executive Director of the Foreign Investors Council in Bosnia and Herzegovina, Sanja Miovcic, participated at the Digital Snow conference, which was held in Jahorina in the period from October 6 to 9, 2023. The Digital Snow conference is a leading event in the field of digital innovation and technology in mountain ski centers in the region, in Slovenia, Bosnia and Herzegovina, Serbia, Montenegro, Macedonia, Croatia, Bulgaria, Romania, Armenia and Georgia. This is the third edition of the conference that was held in Jahorina, providing an ideal environment for experts, entrepreneurs, students and everyone interested to engage in deep conversations and exchange ideas, experiences and best practices from different parts of the world, creating a unique opportunity for networking and learning. The conference offered a rich program with diverse topics that focused on digitization, data and process management, data protection, but also nature and economy protection in the context of mountain ski centers. Everyday topics that ski centers encounter, namely ski schools and hoteliers, their influence and importance, as well as a very inspiring idea of networking all ski centers called SkiYU, were covered. Prominent experts in these fields shared their deep knowledge and experience through inspiring lectures, discussions and panels.

**PARTICIPATION
ECOMONDO 2023**



By the invitation of the FIC member MT-KOMEX and the Energy Portal, representatives of the Foreign Investors Council in Bosnia and Herzegovina participated in the ECOMONDO Green Technologies Fair, in the period from November 7 to 10, 2023, which was held in Rimini, Italy. The fair is one of the key ones in Europe and focuses on the circular economy, innovative technologies and ecology, which is why it covers a wide range of topics including water management, waste recycling, bioenergy, agriculture, transport and other similar topics. Conferences, seminars, presentations, exhibitions and the professional program as a whole provided an insight into diverse innovations in the field of sustainable development. This year, the Fair specifically focused on the topic of waste, ideas for reducing pollution of the Mediterranean Basin, recycling electronic waste, and the sustainability of the fashion industry, due to predictions that indicate that this industry could increase its emissions by 60% by the end of this decade. The Ekomondo fair is considered crucial for the promotion of the circular economy, which is essential for reducing waste and fighting climate change, and this was an excellent opportunity for countries and companies to exchange experiences with the leaders of the circular economy. We would like to especially thank the MT-KOMEX and colleagues from the Energy Portal for the invitation and continued support for our activities in BiH.



**PARTICIPATION
ENERGY WEEK WESTERN BALKANS**

Representatives of the Foreign Investors Council in Bosnia and Herzegovina participated in Energy Week Western Balkans 2023, which was held on October 18 in Porto Montenegro. Energy Week Western Balkans is a conference that brings together energy companies, representatives of authorities and state institutions from Montenegro, Bosnia and Herzegovina, North Macedonia, Albania, Serbia and Kosovo. Recognized as a high-impact event with a targeted audience and exceptional networking opportunities, it was attended by representatives of financial institutions, global renewable energy producers and the world's most innovative technology companies. Key topics including energy security, financing the green transition, the future of utilities and the role of transmission were discussed at the conference with decision-makers, senior officials, representatives of the local and international community and companies from the Western Balkan countries. This conference was inspiring and promising, providing a deep exchange of ideas and perspectives.



INITIATIVE: CHANGING THE VAT TREATMENT FOR CARD TRANSACTIONS IN BANKS

FIC members launched an initiative with the BiH Indirect Taxation Authority (ITA BiH) and the Council of Ministers of BiH in order to remove further negative consequences of the illegal actions of the ITA and prevent significant damage to the state of Bosnia and Herzegovina. ITA BiH initiated control in all banks in both entities of Bosnia and Herzegovina, with the aim of collecting VAT on services provided to banks by foreign card organizations VISA and Mastercard. In June 2023 the ITA BiH issued decisions by which all banks in Bosnia and Herzegovina are required to calculate and pay VAT for services invoiced by card organizations, although banks have not paid VAT on this type of service until now, and the ITA BiH has never asked for it, nor has it ever indicated during previous controls that VAT should be calculated on this type of service. It is especially important to emphasize that in the last twenty years there has been no change in the relevant regulations or the factual situation, and that in previous years the ITA issued opinions and notifications to banks that communicated with the ITA through the Association of Banks of BiH, that this type of service represents accompanying financial services which are exempt from VAT, as it is clearly defined by the VAT Law. For the entire time of the existence of the ITA, inspection controls, not only of banks, but also of all other economic entities, are carried out as a rule every five years, and simultaneous controls have never been carried out in all banks. In this case, although in some banks the controls lasted for several years, and in others only a few months, all controls were completed in May 2023, after which control records were delivered almost simultaneously to all banks, as well as decisions on the elimination of additional VAT liability which is due for payment in June 2023. It is obvious that in the adopted decisions there is no freely expressed assessment of the inspector as to whether there is an additional VAT obligation. The consequence of this behavior is not only the illegal collection of VAT from the banks, but in relation to the time period of determining the VAT liability, banks were discriminated against, since each of the banks was charged an additional VAT liability for the period after the previously concluded main control, which essentially means that they VAT liabilities charged to the banks for a period in which they had absolutely no idea that such a liability existed. As a result, some of the banks are obliged to pay this VAT for a period of five years, while others will pay it for a year or more, depending on when the previous control at that bank was completed. In connection with all of the above, the FIC pointed out to the relevant institutions that the actions of the ITA violated the basic postulate of VAT taxation that it charges the end customer, i.e. the user of services, as well as the principle that financial services and services inseparably related to them are not subject to VAT taxation. It is undeniable that this kind of behavior primarily harms Bosnia and Herzegovina and all its citizens. This means that there is complete legal uncertainty in the country and that foreign investment cannot be trusted in any state institution. For every serious investor, this represents a significant uncertainty that certainly cannot lead to new investments in Bosnia and Herzegovina.



INITIATIVE: THE ISSUE OF TRANSPORTING WOODEN PALLETS ACROSS BIH BORDER



The Foreign Investors Council of BiH addressed the FBIH Administration for Inspection Affairs (FUZIP) with an initiative to solve the problem that some of our members – importers, are currently facing, and which may have unwanted effects on the overall business of companies. Namely, several members of the FIC face the problem of transporting wooden pallets when importing their goods into BiH due to the uneven practice of phytosanitary inspectors at border crossings in the Federation of BiH. For some time, phytosanitary inspectors at border crossings have been drawing attention to the fact that imports can only be allowed if the pallets have undergone appropriate heat treatment and have a stamp confirming this. Given that several types of pallets are used during import, some of which do not have the mentioned mark on them but have certificates from the pallet manufacturer that the pallets have undergone appropriate heat treatment. This way of proving the correctness of wooden pallets is acceptable at the border crossings of the Republika Srpska, while the Federal phytosanitary inspectors from the Border Inspection Sector are of the opinion that such a practice cannot be accepted, but that it is necessary for importers in the future to take care that all pallets on trucks must have the appropriate stamp, otherwise the trucks will be returned from the border. In order to eliminate this problem for import companies, and to eliminate the legal unevenness of the actions of the inspection authorities at the border crossings, the Foreign Investors Council addressed this issue and took appropriate measures according to the competent FUZIP, with the intention that the same will be resolved.

ACTIVITIES OF THE FIC TAX WORKING GROUP IN 2023

In February 2023, the first meeting of the FIC Working Group for Taxes and Fiscal Policy, which exists within the structure of the Foreign Investors Council in BiH, was held in Sarajevo. During the meeting, FIC members discussed current tax issues related to the submission of annual tax reports and applications. In addition, the meeting discussed other topics such as the tax treatment of foreign investors, the alignment of tax policies with different activities, withholding tax with a special emphasis on SAP, then the harmonization of the entity's fiscal policy, as well as other practical issues in the domain of taxes and fiscal policy. At the February meeting, initiatives aimed at solving urgent open issues that represent certain obstacles in the daily operations of our companies were proposed, and it was announced that meetings with the relevant ministries of finance and the Indirect Taxation Authority would be initiated as soon as possible so that the representatives of our Tax Working Group could address some of the problems that we have identified as key in business. At the end of 2023, another meeting of the working group was held where the members considered and discussed current tax issues, the resolution of which is of interest to the FIC members. The working group specifically touched on the open issue related to changes in the VAT treatment for card transactions in banks. They also discussed the announced reform processes when it comes to tax policy in FBiH. The members particularly emphasized the importance of insisting on the introduction of electronic business and the use of electronic signatures, because it does not give companies the opportunity to operate more easily in accordance with modern business practices, e.g. impossibility of keeping an electronic archive, issuing and recognizing e-invoices, etc. The meeting also discussed issues related to the withholding tax exemption procedure and that the open issue of submitting separate tax returns in the FBiH for each business unit of companies from the Republika Srpska (RS) should be brought up to date again, because this practice makes it difficult to register and submit tax returns for companies from the RS, and which have a business unit in FBiH. The members also stated at the meeting some other open questions concerning the collection of VAT, and concluded that urgent resolution of the aforementioned issues should be focused and addressed to the relevant institutions.



MEETING OF THE FIC WORKING GROUP FOR THE ENERGY SECTOR

The meeting of the FIC Working Group for the Energy Sector was held on June 17, 2023. Among other topics on the agenda of the meeting was the election of a new team leader of the working group, for whom Mr. Indir Osmic, leading partner in the consulting firm CMS Reich-Rohrwig Hainz, was unanimously elected. Given that a new "White Book" is planned to be published in 2024, members of the working group revised the old recommendations in the area of the energy sector and made proposals for new recommendations that should be included in the new edition. The members also discussed topics that should be the subject of specific advocacy activities of the FIC, such as a meeting with the new federal minister of energy, mining and industry regarding the newly adopted energy laws, then getting involved in the development of a policy framework for the energy sector at the state level, and send a letter to the Ministry of Energy of the Republika Srpska regarding the status of adoption of by-laws for the implementation of the Law on Renewable Energy Sources and the Law on Electricity.



MEETING OF THE WORKING GROUP FOR DIGITIZATION AND ICT

On October 16, 2023, a meeting of the FIC Working Group for Digitization and ICT was held in Sarajevo. The agenda of the meeting was the selection of a new team leader of the working group, then, an overview of the state of implementation of the recommendations from the White Book 2020, update of recommendations and preparation of chapters for the next edition of the White Book 2023/2024, and proposals for concrete advocacy activities in front of the working group. The meeting of the FIC Working Group for Digitization and ICT was opened by Sanja Miovcic, FIC Executive Director, who introduced the present working group members to the working methods and topics that the working group will deal with in the coming period. Mr. Nihad Odobasic, who practices law in Bosnia and Herzegovina in cooperation with Karanović & Partners, was chosen as the leader of the working group. When it comes to the overview of the state of implementation of the recommendations from the previous edition of the White Book, the executive director, Sanja Miovcic, informed the members that FIC plans to prepare and publish a new edition of the White Book during the next year, and that the recommendations from the previous edition need to be revised. She invited members to present their review of the previous recommendations and make possible suggestions for new ones, and opened the discussion. All present members of the working group took part in the discussion, and they stated that we should focus on a few of the most priority recommendations, the implementation of which should be insisted upon in the coming period. Regarding the proposal of specific advocacy activities, the executive director of FIC informed the members that the plan is to organize a workshop/round table in the coming period with all relevant stakeholders where all the mentioned problems of this sector will be addressed, and above all the implementation of electronic signature and business. The idea of this meeting is to openly discuss these problems and to try to find an acceptable solution for companies despite political obstructions. The workshop will be a public event organized with media support. The workshop should be interactive, with 50 to 100 participants. The members supported the proposal, noting that the business community, led by the Foreign Investors Council in Bosnia and Herzegovina, should insist more aggressively on solving these issues.



MEETING OF THE FIC WORKING GROUP FOR ESG STANDARDS

The third meeting of the FIC Working Group for ESG standards was held on October 23, 2023, attended by representatives of our members: Adriatic Metals, Nelt Group, Tvornica cementa Kakanj, G-Petrol, Marić & Co, UniCredit Bank, m.tel, Alba BH, ZGI, Bosnalijek, ProCredit Bank, CMS and dmb partners. The meeting was held with the aim of determining further activities in the field of promotion and implementation of ESG standards in BiH, although the general conclusion of all members was that the awareness of the importance of ESG (Environment, Social, Governance) standards in BH business community in a very short period of time has grown tremendously. The members concluded that it is time to move on to the next phase, i.e. the creation of tools and professional educations that will help companies in BiH to first create quality ESG strategies, then successfully implement them, and thus at the same time satisfy the regulatory requirements towards their trading partners in the European Union. A special novelty is that special professional educations (trainings) will be organized for companies, where leading experts from practice in this field will hold workshops. The first in a series of such activities will be a webinar in November 2023 where Foreign Investors Council's members will be introduced to innovative FinTech reporting and benchmarking solutions that will make it easy for companies to consistently assess and track their progress in meeting sustainability goals over time.



MEETING WITH THE MAYOR OF MOSTAR

The mayor of Mostar dr. Mario Kordic held a meeting on March 21, 2023, in the City Hall with Sanja Miovcic, executive director of the Foreign Investors Council of Bosnia and Herzegovina. The meeting discussed investment opportunities in the city of Mostar, cooperation with existing investors, and current investment projects, especially in the free zone. The executive director of the FIC expressed her satisfaction with the meeting with the mayor and his great interest and desire to attract foreign investors, promote the potential of Mostar and the Mostar region, and the need to establish and improve the regime of free zones, which ultimately leads to an increase in the amount of foreign direct investment. The support of the local community as a key partner in the realization of an investment is an extremely important factor for attracting foreign investments. Experiences from the region show that a business environment that is friendly to existing and potential investors and ready to provide all kinds of support in terms of speeding up procedures, shortening deadlines, and providing certain incentives significantly contributes to the economic development of both local communities and society as a whole - pointed out Miovcic. She also emphasized that the Mostar region is certainly one of the most attractive in that sense and with excellent conditions for investment. In addition, the meeting also discussed infrastructure projects that have been successfully implemented and that are planned to be implemented in Mostar, and in this light, the mayor pointed out that Mostar will be one big construction site next year and that construction and renovation will be carried out on practically every part of the city.

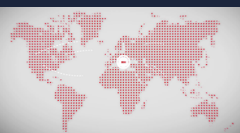


MEETING WITH APIK REPRESENTATIVES

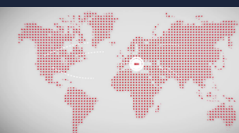
On June 6, 2023, representatives of the Agency for Prevention of Corruption and Coordination of the Fight Against Corruption (APIK) visited the Foreign Investors Council in BiH and held a meeting with the executive director Sanja Miovcic. One of the tasks of APIK, in addition to cooperation with public sector institutions, is to undertake activities aimed at improving the public-private partnership, particularly aimed at preventing corruption in the private sector. The meeting was an excellent opportunity to discuss possible aspects of mutual cooperation between FIC and APIK, especially in the area of improving integrity, the possibility of creating a more favorable business climate with the aim of improving foreign investments, monitoring professional seminars, education, initiating changes to laws, giving opinions on laws, and helping with drafting of strategic documents in the field of anti-corruption activities. Director Elvis Kondzic, deputy director Damirka Mioc and expert advisors Igor Corluka and Ilma Vranac participated in the meeting in front of APIK.

CONSULTATIONS OF THE BUSINESS COMMUNITY IN THE EU DELEGATION

The European Commission initiated the preparation of the annual Enlargement Package, which was published in the fall of 2023, including the Country Report on Bosnia and Herzegovina 2023. The aim of the Report on Bosnia and Herzegovina is to assess progress in the field of European integration, primarily political and economic criteria and compliance with European Union 'legislation since the publication of the last Enlargement Package in October 2022. In order to ensure a close and interactive dialogue with representatives of the business community and civil society in BiH during the preparation of the annual report, the European Commission organized consultations that were held on April 20, 2023, in which representatives of the Foreign Investors Council in BiH also participated. After the oral consultations, the participants had the opportunity to submit to the European Commission (EC) written contributions summarizing their observations in areas related to the sphere of their activities.



ONLINE MEETING WITH THE GLOBAL FIC NETWORK



At the initiative of the Foreign Investors Council in Romania, an online meeting of global FIC associations was held at the beginning of 2023, which was attended by representatives from FIC offices in Romania, Moldova, North Macedonia, Serbia, Kosovo, Bosnia and Herzegovina, Montenegro, Croatia, Denmark, Latvia, Czech Republic, Albania, Turkey, India, Kazakhstan and South Korea. The reason for the meeting was the fact that some of the mentioned associations have a very similar organizational structure and share same projects, such as the "White Book" and have the same global member companies. Also, one of the reasons for the joint gathering is that all the mentioned associations are dedicated to the promotion of FDI and that it would be of great benefit to the region and the international business environment to connect and exchange best practices, projects and information. Ensuring periodic dialogue would strengthen the common goal of supporting foreign direct investment in these countries and encouraging sustainable economic development. This goal could be achieved by using various tools to raise awareness of the activities of global FIC offices such as publishing joint publications, organizing joint events/conferences with members and authorities from each country, and macro analyzes of FDI. Also, a long-term goal would be to establish a future joint international platform that would institutionally unite associations dedicated to foreign investors. The participants of the first meeting also defined the first steps in achieving the stated goals, which relate to the mutual sharing of basic information about each FIC association, then defining joint promotional activities, and determining the framework agenda for subsequent meetings, which are agreed to be held every three months.

MEETING WITH REPRESENTATIVES OF THE INTERNATIONAL MONETARY FUND (IMF)

Representatives of the Foreign Investors Council in BiH held a meeting on May 15, 2023 with members of the International Monetary Fund mission led by Ms. Alina Iancu, in order to conduct regular consultations under Article IV of the IMF Statute with Bosnia and Herzegovina for 2023. Ms. Iancu and her colleagues talked with the representatives of the FIC about the current economic situation in Bosnia and Herzegovina with an emphasis on the effect of spillovers from the economies of the European Union and banking turmoil from advanced economies. The meeting also discussed inflationary trends, government support measures, and their effects and challenges. The representatives of the FIC gave their overview of the current state of the labor market and the business environment, and they also discussed the green economy and the announced introduction of CBAM, as well as the digitalization process and measures to combat money laundering and terrorist financing.



MEETING WITH THE FBIH MINISTER OF ENVIRONMENT AND TOURISM



On June 7, 2023, FIC executive director Sanja Miović and FIC Legal Affairs Coordinator Tea Kajan held a meeting with the new Federal Minister of Environment and Tourism, Ms. Nasiha Pozder. The purpose of the meeting was to familiarize the new minister with the scope of work of the FIC in BiH and to establish closer and longer-term cooperation with this ministry in order to solve key open issues that are currently a barrier to creating an optimal business and investment environment in BiH. The representatives of the FIC addressed to the minister the current open issues that are contained in the latest edition of the "White Book" in the part related to environmental permits, where they also presented possible directions for solving these issues. The meeting also discussed the issues that the FIC members delegated as priority for resolution, such as rehabilitation of industrial landfills, problems of disposal of used oil, disposal of industrial waste, and public insistence support for the development of fuel from waste (municipal or industrial). The minister and her team undertook to consider the open issues that were discussed and to approach the urgent solution of the most priority ones. The Federal Ministry of Environment and Tourism has also committed to support and sponsor all future events and initiatives that FIC plans to implement, which are related to environmental protection, and the promotion and introduction of sustainable business practices.

MEETING WITH THE MAYOR OF TREBINJE

On February 27, 2023, the Executive Director of the FIC, Sanja Miovcic, and the Legal Affairs Coordinator at FIC in BiH, Tea Kajan, held a meeting with the Mayor of the City of Trebinje, Mr. Mirko Curic. The meeting discussed investment opportunities in the city of Trebinje, cooperation with existing investors, and current investment projects. A special topic of the meeting was the initiative to open a free zone in the area of the city of Trebinje, which, due to its proximity to the border with the Republic of Serbia, Montenegro and Croatia, has excellent potential for facilitating foreign trade traffic, which would enable the creation of significant jobs in this city. Ms. Miovcic pointed out that the establishment and improvement of the regime of free zones in the Republika Srpska would also lead to an increase in the amount of direct foreign investments. "Free zones as an integral part of foreign trade policy represent an exceptional mechanism for attracting foreign investments. Experiences from the Western Balkan region show that free zones attract a significant number of foreign investors who currently play an important role in the economies of these countries," said Miovcic. The meeting also discussed other infrastructural projects that have been successfully implemented in this city and whose implementation is planned in next period.



MEETING WITH THE MINISTER OF ENERGY, MINING AND INDUSTRY OF FBIH

On June 13, 2023, representatives of the Foreign Investors Council in Bosnia and Herzegovina held a meeting with the new Federal Minister of Energy, Mining and Industry, Mr. Vedran Lakić. On behalf of the FIC BiH, the meeting was attended by FIC executive director Sanja Miovcic, FIC coordinator for legal affairs, Tea Kajan, team leader of the FIC working group for the energy sector and the representative of the CMS company, Indir Osmic and the representative of the Adriatic Metals company, Sanela Karic. The aim of the meeting was to familiarize the new minister with the scope of work of the FIC and to present the key obstacles that investors face when investing in the energy sector of the Federation of Bosnia and Herzegovina. The meeting also discussed a set of recently adopted new laws (Law on Electricity of the Federation of BiH, Law on Energy and Regulation of Energy Activities in the Federation, Law on the Use of Renewable Energy Sources and Efficient Cogeneration of the FBiH) that should improve operations and implementation of investments in the energy sector, especially in renewable energy sources, and contribute to the easiest possible green energy transition. The minister emphasized that the adopted laws are not sufficient for adequate implementation, and that the ministry started drafting the necessary by-laws, which will also require the help of experts from practice, and called on the members of the FIC to actively participate in this process and contribute to the drafting higher quality acts that will enable the unhindered application of these laws. The adoption of necessary by-laws is expected in the next six months at the latest.

MEETING WITH ADVISOR TO THE MINISTER OF FOREIGN TRADE AND ECONOMIC RELATIONS OF BIH

On June 12, 2023, representatives of the FIC in BiH held a meeting with the advisor to the Minister of Foreign Trade and Economic Relations of Bosnia and Herzegovina in the Energy Sector, Mr. Admir Softić. The meeting discussed the efforts of this ministry to improve the legislative and legal framework in the energy sector and the obligations that the country has towards the Energy Community and the conditions that the EU has put before BiH in the context of the green energy transition. In particular, there was talk about the new energy laws that were adopted at the level of FBiH and how FIC members can contribute to the adoption of high-quality by-laws that will enable their high-quality implementation and enable additional liberalization of the electricity market. Mr. Softić informed and invited FIC members to participate in a series of public consultations related to adopting the draft National Energy and Climate Plan (NECP) of Bosnia and Herzegovina for the period up to 2030, which was held during the summer in the cities of Banja Luka, Mostar and Sarajevo.

MEETING WITH REPRESENTATIVES OF THE GIZ OPEN REGIONAL FUND FOR SOUTH EAST EUROPE

The executive director of Foreign Investors Council, Sanja Miovcic, held a meeting on June 15, 2023 with representatives of GIZ's Open Regional Fund for Southeast Europe/Modernization of Municipal Services, Mr. Peter Wolf and Mr. Dejan Vratonjic. The aim of the meeting was to get acquainted with certain aspects of the new GIZ project of modernization of municipal services and local economic development in six partner countries of the Western Balkans (WB6), in order to obtain perspectives from the FIC on prevailing needs and existing potentials in relation to local economic development. A special focus at the meeting was placed on the roles of municipalities when it comes to local economic development, then, the needs and potential in relation to socio-economic recovery after Covid-19, the potential of municipal services to improve business access, the potential for launching transnational municipal partnerships and clusters competence for joint economic development, and cross-border economic regions and leaders of local economic development.

MEETING WITH THE REPRESENTATIVES OF BRČKO DISTRICT

The executive director of the FIC, Sanja Miovcic and FIC Legal Affairs Coordinator, Tea Kajan, held a meeting on October 24 with Ms. Sanja Alatovic, assistant to the Brčko District Coordinator for Political and Civil Affairs. The purpose of the meeting was to inform each other about the activities and plans of the Brčko District Government and the FIC in Bosnia and Herzegovina, and to define the direction of future cooperation. Ms. Alatović informed the representatives of FIC that the Brčko District recently adopted a new Development Strategy within the framework of which the Brčko District is to be promoted more as a desirable destination for foreign investors. Within the framework of the adopted strategy, three directions are defined, which relate primarily to the marketing of the location for investors, then, the organization of business meetings with a focus on the diaspora, and activities related to regional cooperation. It was also mentioned at the meeting that the Brčko District Government is actively working on the establishment of a business zone for which a spatial plan has already been prepared. The participants of the meeting also discussed the organization of a joint investment conference in the Brčko District, which should be held in the spring of 2024, and in which regional representatives of companies and members of the diaspora will participate in addition to domestic business representatives. The focus of the conference should be on the investment potential of the Brčko District, such as the promotion of the river port, the "green city" projects, zones for the construction of solar power plants, projects suitable for the implementation of public-private partnerships, and the promotion of the entire economy of the Brčko District region.

MEETING WITH THE AMBASSADOR OF BIH IN THE UAE AND BAHRAIN

On July 20, 2023, the executive director of FIC in BiH, Sanja Miovcic, held a meeting with the newly appointed Ambassador of Bosnia and Herzegovina to the United Arab Emirates and Bahrain, H.E. Mr. Bojan Djokic. The topic of the meeting was the presentation of the framework plan related to the economic diplomacy of the Embassy of BiH in the UAE and Bahrain, counting on the support of the Foreign Investors Council in BiH, especially taking into account the business ties that our association has with significant business partners from the UAE and other middle east countries. The special focus of the new ambassador will be devoted to continuing the process that began with BiH's participation in EXPO 2022 in Dubai, where the business delegation from BiH established closer cooperation with these markets, which resulted in some concrete joint projects and the promotion of BiH's tourist offer. The new ambassador pointed out that his first engagement will be to work on obtaining an exemption from the requirement for an entry visa for citizens of Bosnia and Herzegovina in the UAE. On August 16, 2023, the Ambassador of Bosnia and Herzegovina to the UAE, Bojan Djokic, presented the letters of credence to the President of the United Arab Emirates, Sheikh Mohammed Bin Zayed Al Nahyan.

MEETING REGARDING THE FDI ASSESSMENT PROJECT - BIH + CR

Representatives of the Foreign Investors Council in BiH were participants in a meeting organized by the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina on June 26, 2023 in Sarajevo. The occasion for the gathering of all stakeholders was the start of the project "Aid for Trade - Evaluation of Foreign Direct Investment and Improvement of the Investment Environment" financed by the Ministry of Industry and Trade of the Czech Republic. The main goal of the project is to create an FDI methodology for Bosnia and Herzegovina representatives and present the Czech experience with the transposition of EU Regulation 2019/452 (Mechanism for FDI screening). At the meeting, all the invited stakeholders discussed the project's time frame, the project's main goals, the expectations from the project, key areas that for Bosnia and Herzegovina, and the methodology - the structure and the results of the project. As part of the project activities, a study trip for five Bosnia and Herzegovina representatives to the Czech Republic is also planned.

CONSTITUTIVE SESSION OF THE FBIH GOVERNMENT COUNCIL OF FOREIGN INVESTORS

The Foreign Investors Council in Bosnia and Herzegovina participated in the first constitutive session of the Council for Foreign Investors of the Federation of Bosnia and Herzegovina (SSI). The new convocation of the Council held its first constitutive session on July 12, 2023, at the headquarters of the FBIH Government in Sarajevo. The President of the Council is the Federal Minister of Trade Mr. Amir Hasićević, and the Federal Minister of the Environment and Tourism Ms. Nasiha Pozder was elected as the deputy. Minister Hasicovic wished the new Council a successful work, suggesting that in addition to regular reports, the Council should specify its proposals, opinions and advices in the future, all with the aim of creating the best possible preconditions for increasing foreign investments. SSI FBIH is an advisory body of the Government of FBIH, established to help and encourage foreign investments, to improve the overall business environment for foreign investors in the Federation, and which completes the coordination and cooperation of federal, cantonal and local level institutions in the field of foreign investments. The Council's tasks, among other things, are to analyze the business environment for foreign investments and to propose measures and procedures to eliminate the present limiting factors for foreign investors, but also to initiate changes in regulations that encourage and facilitate foreign investments. Our members as well as FIC will continue to provide full support to partners in the FBIH Government in the implementation of policies and practices aimed at improving the business environment, providing support to existing ones and attracting new investors.



FIC SUPPORTED THE CONFERENCE "WASTE - RESOURCE FOR THE DEVELOPMENT OF THE CIRCULAR ECONOMY IN BIH"

The Chamber of Commerce of the Federation of BiH and the consulting company nLogic Advisory with their partners, the Chamber of Commerce of the Republika Srpska, Ekopak company and other system operators of packaging waste management in Bosnia and Herzegovina, have decided to take a step forward and organize a thematic conference focusing on the use of waste as a resource. The goal of the conference, which was held in Sarajevo in the period from December 7 to 8, 2023, was to establish cooperation between the scientific, professional, economic and communal sectors in order to start a discussion on innovative strategies, technologies and policies that promote the reduction and new uses of waste. recycling and circular economy principles to create a cleaner and healthier environment for future generations. Waste is an inevitable product of our existence, and only by practicing recycling, with other measures, we can make 60% of waste a useful resource again, therefore the purpose of the conference was to identify with key actors certain guidelines for improving waste management from a technological and ecological aspect and its further use as resources. At the two-day conference, we had the opportunity to hear excellent presentations and panel discussions on the topic of the energy potential of biowaste, the possibilities of RDF production in FBiH, efficient waste management systems as well as good circular economy practices implemented in BiH and other countries. The Foreign Investors Council of Bosnia and Herzegovina was presented at the conference by Tea Kajan, FIC legal affairs coordinator, who in her presentation and panel discussion spoke about the impact of ESG standards on the development of the circular economy, especially considering that environmental sustainability plays a key role in the development of the circular economy, and that investors are increasingly using environmental, social and governance (ESG) criteria to assess companies' environmental impact, ethical practices and financial performance. It was concluded that companies that prioritize ESG factors are more likely to adopt sustainable practices that support the transition to a circular economy. Given that the Foreign Investors Council of Bosnia and Herzegovina is recognized as a socially responsible association, at the end of the conference it was presented with a certificate of appreciation for supporting and promoting the development of the circular economy in Bosnia and Herzegovina.



FIC PARTICIPANT OF THE UNDP PARTNERSHIP PLATFORM FOR GREEN TRANSITION



Following the discussion started during the Sustainable Development Goals Week 2023, and responding to the interest expressed by numerous participants, UNDP, in partnership with the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, gathered all stakeholders and launched the Partnership Platform for Green Transition as an informal networking space. The purpose of this platform is to exchange knowledge and ideas that accelerate the green transition in Bosnia and Herzegovina. The focus of the first meeting was on decarbonization and climate change. The FIC legal affairs coordinator Tea Kajan, attended the first meeting, which was held on December 18, 2023 in Sarajevo. The aim of the meeting was to bring together representatives of the public and private sector, the academic community and civil society to discuss the purpose and functions of the Partnership Platform for Green Transition in Bosnia and Herzegovina, as an informal network led by the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, which enables the exchange of knowledge, solutions and ideas throughout the ecosystem that can accelerate the green transition in Bosnia and Herzegovina. These efforts aim to stimulate collective thinking about how the green economy and society in Bosnia and Herzegovina could look like in the future and identify priority areas in which efforts can bring faster positive changes, and review the state and existing good practices (domestic and international) in the area decarbonization and climate change in BiH.

FIC SUPPORTED THE 12TH SARAJEVO BUSINESS FORUM

The Foreign Investors Council in Bosnia and Herzegovina was a proud partner of the most important investment forum that is reflected in Bosnia and Herzegovina - the 12th Sarajevo Business Forum (SBF), which was organized in the period from May 17 to 18, 2023 at the Hotel Hills Sarajevo. On the second day of the Sarajevo Business Forum, the president of the Foreign Investors Council in Bosnia and Herzegovina, Mr. Branimir Muidza, participated in the panel "Successful Investment Stories of the Region". Talking about the experiences of foreign investors in Bosnia and Herzegovina and the region, Mr. Muidza emphasized that so far not a single serious investor has left the country, and that in almost every economic sector in BiH there are two foreign investors in the top three, which proves that this country is full of potential for attracting direct foreign investments. He emphasized that it is very important for politicians to start listening to entrepreneurs and companies as much as possible, because they are the ones who know how to create something completely new, how to invest, maintain, develop and improve business. Mr. Paul Cronin, CEO of Adriatic Metals PLC, a company from the United Kingdom and a member of the Foreign Investors Council in Bosnia and Herzegovina, took part in the same panel. Mr. Cronin shared his experiences during the implementation of one of the largest and most significant investments in the mining industry that were realized in Bosnia and Herzegovina.



FIC HELD ESG PANEL AS PART OF SARAJEVO ENERGY AND CLIMATE WEEK 2023

Organized by the FBiH Chamber of Commerce and numerous domestic and international companies partners and institutions, the first "Sarajevo Energy Climate Week - SECW 2023, was held in the period from September 25 to 29, 2023 and gathered over 1000 experts from all over the world, and over 200 panelists who explained all segments of the complete energy transition in BiH, which needs to be fully implemented by 2050. The key task of the Sarajevo Energy and Climate Week is to connect experts in the field of energy with relevant ministries at all levels of government, as well as with foreign funds and investors for the implementation of the energy transition project in Bosnia and Herzegovina. On the fourth day of the Sarajevo Energy and Climate Week, FIC presented itself together with its members through a panel discussion on the sustainability of companies through the introduction of ESG standards in business. Through an interesting discussion, in the role of moderator, the participants were led by Tea Kajan, FIC coordinator for legal affairs, while the panelists were Samila Brkic, ESG manager at PwC Bosnia and Herzegovina, Almir Bajtarevic, head of quality and environmental protection at Tvornica cementa Kakanj (HeidelbergCement Group), Vildana Mahmutovic, head of the Sustainability Department at Adriatic Metals Plc, Berin Lakomica, director of the business sector at NLB Banka Sarajevo, Elma Veleđar Arifagic, partner and co-founder of the dmb partners law office, who shared with the conference visitors their experiences and best practices when it comes to the implementation of ESG strategies. Before the panel, the executive director of FIC, Sanja Miovcic, presented the work of the FIC and gave a brief overview of the activities carried out by the FIC Working Group for ESG and announced the next activities.



PARTNERSHIP IN THE IMPLEMENTATION OF THE "READY" PROJECT

The Foreign Investors Council in BiH, the Enterprise Development Agency - EDA from Banja Luka and the Faculty of Electrical Engineering in Banja Luka, at the beginning of November 2023, were entrusted with the implementation of the project READy - Resource Efficiency Advanced by Digitalization in Manufacturing SMEs). The READy project is supported within the project "Innovations and digitization of small and medium-sized enterprises in Bosnia and Herzegovina/EU4DigitalSME" co-financed by the European Union and the Ministry for Economic Cooperation and Development of the Federal Republic of Germany (BMZ), and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. The purpose of the project is to provide support to interested private companies from the category of SMEs in BiH in private ownership, with the aim of improving energy management by introducing digital solutions. Support for companies will be provided in the procurement of sensor equipment and advisory support in the introduction of digital solutions in the field of energy management. Technical support will be provided during this project, with the fact that all activities should be completed by the end of June 2024. EDA Banja Luka has the role of the project leader, undertaking project management, administration, reporting and promotional activities, as well as focusing on the activities of developing models of readiness for digital and energy management for manufacturing small and medium-sized enterprises and managing the activities of the application of sensor technology for monitoring of energy systems testing and piloting in the production of small and medium enterprises. The Faculty of Electrical Engineering in Banja Luka will focus on training program activities, as well as providing support for other project activities, as needed, while the FIC in will participate in project activities aimed on promoting networking and regional exchange of practices and experiences, as well as supporting other project activities as needed. All partners will intensively cooperate on regional technology transfer activities and promotion of good practices of the READy project as well as on promotion of partnership between industry, academic community and think thank organizations.

PARTICIPATION IN CONSULTATIONS ON THE NECP BIH DRAFT

The Foreign Investors Council and its members participated in public consultations organized on the occasion of the preparation of the Draft National Energy and Climate Plan of Bosnia and Herzegovina for the period up to 2030 (NECP). The coordinator in the preparation of this important document is the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina (MVTEO), which prepared the draft NECP and delivered it to the relevant stakeholders on June 30, 2023. In addition to participating in the formed working groups where stakeholders made their significant contribution to the preparation of this document, all stakeholders could submit their written comments no later than July 20, 2023. The Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, in cooperation with the Ministry of Energy and Mining of the Republika Srpska and the Federal Ministry of Energy, Industry and Mining during the summer of 2023, launched a series of public consultations related to the draft National Energy and Climate Plan of Bosnia and Herzegovina, which were held in Banja Luka, Mostar and Sarajevo. The first public consultations of the draft NECP BiH were held in the city of Banja Luka on July 14, 2023, in Mostar were held on July 18, 2023, and in Sarajevo were held on July 20, 2023.

FIPA AWARDS "MOST SIGNIFICANT INVESTOR IN BIH"

On December 20, 2023, the Foreign Investments Promotion Agency in Bosnia and Herzegovina (FIPA) organized an event in Mostar called "The Selection of the Most Significant Investor in Bosnia and Herzegovina" for the year 2023. FIPA has been organizing this event for 18 years in order to express gratitude to foreign companies that invest in BiH, employ BH citizens and contribute to the economic development of Bosnia and Herzegovina. This year, 12 companies received a plaque for the achieved results in business, and among them were the members of the Foreign Investors Council in BiH. Our members Telemach BH and Adriatic Metals Plc received these prestigious award. The executive director of FIC, Sanja Miovcic, was a member of the commission responsible for selecting the most important investor in Bosnia and Herzegovina for 2023. Ms. Miovcic, as a member of the commission and a member of the FIPA Board of Directors, had the honor of presenting this award. "Their unwavering commitment to the development of the local community, together with consistent annual investments, serves as evidence of a successful and socially responsible business practice that brings together international and domestic professionals. These investors remain steadfast in their commitment to cooperation with the authorities at all levels in Bosnia and Herzegovina, with the aim of improving the business environment and attracting more investments. Our members, in addition to other important investors, continue to be the best ambassadors of Bosnia and Herzegovina, and with that we congratulate them once again!" - said Miovcic.



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