



BOSNA I HERCEGOVINA
FEDERACIJA BOSNE I HERCEGOVINE
TUZLANSKI KANTON
OPĆINA SREBRENİK

BOSNIA AND HERZEGOVINA
FEDERATION OF BOSNIA AND HERZEGOVINA
TUZLA CANTON
SREBRENİK MUNICIPALITY

SREBRENİK MUNICIPALITY INVESTMENT SUMMARY

MUNICIPALITY WITH SOUND BUSINESS CLIMATE, ATTRACTIVE TO INVESTORS,
USES ITS NATURAL RESOURCES AND CULTURAL DIVERSITY TO CREATE A BETTER LIVING ENVIRONMENT



GEOGRAPHIC POSITION OF SREBRENİK MUNICIPALITY

Srebrenik Municipality is situated in Northeastern part of Bosnia and Herzegovina (BiH), geographic coordinates 44°42' N 18°30' E. The climate is moderate continental with the variations of annual temperature and precipitation. The Municipality is a perspective agriculture region with high potentials in agriculture sector.



*Position of Bosnia and Herzegovina
on the map of Europe*



*Position of Srebrenik
on the map of Bosnia and Herzegovina*

BASIC INFORMATION

Surface area	249 km²
Population	45,000
Per capita GDP (2012)	3,139 BAM
Administrative affiliation	Tuzla Canton, Federation BiH
Municipality mayor	M.Sc. Sanel Buljubašić
Web adress	www.srebrenik.ba
E-mail	opc.sreb@bih.net.ba
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WHY TO INVEST IN SREBRENİK MUNICIPALITY?

- Srebrenik Municipality offers to investors an attractive geographic location, 50 km from border crossings with the Republic of Croatia (EU) - (Brčko and Orašje border crossings) and 80 km away from Republic of Serbia (border crossing near Bijeljina), close to transport corridors and rivers port of Brcko District BiH, with qualified workforce, competitive labor costs and positive experience of existing foreign investors in doing business in the Municipality.
- In cooperation with the International Finance Corporation (IFC), World Bank Group member, municipal administrative fees have been substantially reduced, together with the number and deadlines for issuance of necessary municipal documents for starting up a new business (about 30% less time in processing) and with significant savings for existing and future businesses (about 20% less costs) which is now more favorable in comparison to other municipalities of Tuzla Canton. Also, the Municipality has established "one-stop-shop", i.e. counter for issuance of licenses/approvals.
- Business opportunities in Srebrenik Municipality are significant untapped resources in the agriculture production and processing (available high-quality land and unexploited opportunity for development of farming, animal husbandry, fruit and vegetable growing) and tourism sectors (a tourism jewel "Stari grad Srebrenik" – "The Old Town Srebrenik", ecologically preserved Mount Majeвица with a „Mount Center“, sports and recreation center "Orion" in Ormanica, etc.).
- Attractive location of the Business Zone in Špionica, situated on the main road Tuzla-Orašje, 6 km from Srebrenik and 44 km from the national border with the Republic of Croatia (EU), offers to investors production facilities under lease and through joint venture with owners.

GEO-STRATEGIC POSITION AND INFRASTRUCTURE FOR TRADE LOGISTICS



Position of Bosnia and Herzegovina and Srebrenik municipality in relation to international transportation corridors

Distance of Srebrenik from particular locations, by car (km)	Srebrenik – Sarajevo	146 km
	Srebrenik – Bijeljina	78 km
	Srebrenik – Tuzla	35 km
	Srebrenik – Banja Luka	157 km
	Srebrenik – Zagreb (Croatia)	301 km
	Srebrenik – Belgrade (Serbia)	202 km
	Srebrenik – Ljubljana (Slovenia)	441 km
	Srebrenik – Istanbul (Turkey)	1,168 km
	Srebrenik – Budapest (Hungary)	409 km
	Srebrenik – Vienna (Austria)	624 km
Distance of Srebrenik from international roadways 	Zagreb-Belgrade Highway (E 70)	55 km
	Budapest-Belgrade-Athens Highway (E 75)	202 km
	Ploče–Budapest Highway (E 73)	40 km
Distance of Srebrenik from railway hubs 	Vinkovci (biggest railway hub in Croatia and the region)	50 km
	Doboj (biggest railway hub in BiH)	40 km
Distance of Srebrenik from airports 	Srebrenik - Tuzla	50 km
	Srebrenik - Sarajevo	150 km
Distance of Srebrenik from river and sea ports 	Brčko (river port on the River Sava, BiH)	50 km
	Ploče (sea port on the Adriatic Sea, Croatia)	332 km



Market size

- BiH market of 4.5 million consumers and the market of Tuzla Canton around 0.5 million consumers.
- As a result of free trade agreements, it is possible to export free of customs duty into South East Europe markets (into the Central European Free Trade Agreement (CEFTA) countries: Albania, Macedonia, Moldova, Montenegro and Serbia), i.e. a market of approximately 30 million consumers.
- Free trade agreement between BiH and Turkey allows investors from Turkey a favorable access to the entire BiH market with no barriers to trade and spreading to the EU market of over 500 million consumers.

HUMAN RESOURCES

Job holders Source: "Integrated Development Strategy of Srebrenik Municipality, 2011-2020"	Number		Average net salary in BAM		% of working-age population from 15 to 64		% of young population from 0 to 14	
	4,674		627.39		68		20	
Job seekers Source: http://fzzz.ba/statistika/pdf/2014/Bilten_FZZZ_05_2014.pdf (June 2014)	Number	% of female	% of skilled	% of non-skilled	% of high-school degree	% of under-graduate degree	% of elementary school degree	
	8,571	50.59	37.45	30.35	23.82	5.52	2.86	
Some of profiles of particular categories and their number								
Bachelor of Economics (undergraduate degree)							87	
Bachelor of Laws (undergraduate degree)							52	
Bachelor of Electrical Engineering (undergraduate degree)							18	
Bachelor of Civil Engineering (undergraduate degree)							0	
Bachelor of Mechanical Engineering (undergraduate degree)							4	
Economic technician (high-school degree)							67	
Transportation technician (high-school degree)							22	
Business technician (high-school degree)							116	
Electrical technician (high-school degree)							53	
Locksmith (high-school degree)							242	
Welder (high-school degree)							60	
Car mechanic (high-school degree)							322	
Driver (high-school degree)							443	
Cook (high-school degree)							251	
Waiter (high-school degree)							159	
Sales person (high-school degree)							889	
Medical technician (high-school degree)							103	

- The vocational high school in Srebrenik provides education for mechanical, electrical, economic, trade and catering professions. The school also organizes education and pre-qualification of human resources as per the labor market needs.
- The Tuzla University, located in the city of Tuzla (35 km), university and administrative center of Tuzla Canton, provides undergraduate and postgraduate study at thirteen faculties. More information available at: <http://www.untz.ba>.



High school Srebrenik with multidisciplinary curriculum

BUSINESS ENVIRONMENT IN SREBRENİK MUNICIPALITY

(According to statistics from 2014)

- 377 active legal entities have been registered in Srebrenik Municipality, of which 375 private companies – mainly SMEs, and two state-owned enterprises – JP "Vodovod i kanalizacija" (Public Company "Water and Sewer") and JKP "9. Septembar" (Public Utility Company "9th September").
- Industrial facilities are mainly situated along the river bed of the River Tinja, the railway track and the main road. The predominant business activity are the extraction of ore and stone (approx. 1 million tons p.a.) and manufacturing and trade in construction joinery (approx. 40 to 50 million BAM p.a.).

SECTORS WITH POTENTIAL FOR INVESTMENTS

Municipality Srebrenik has the potential for development of agriculture and tourism sectors.

Agriculture/Food Production and Processing

Agriculture sector's potentials are the large area of plough land with opportunities for growing fruit and vegetable and cultures for livestock farming and for building processing capacities for fruit and vegetables and for meat, milk and eggs.



Growing fruit in Srebrenik Municipality

- In Srebrenik Municipality 24,792 hectares of land is available, out of which 44.12% are forests and infertile land, and 55.88% is agricultural land. According to land classification, 1,782 hectares (11.9%) of high-quality land, most readily arable, is located in the alluvium of Tinja river and its tributaries.
- Out of 10,511 hectares of plough land and gardens, only 4,048 hectares (38.51%) are cultivated, which provides an unexploited opportunity for further development of farming, animal husbandry (cattle and sheep farming), fruit (mostly plum and apple) and vegetable growing (potatoes, cabbage, onions, gherkins and greenhouse production of tomatoes and peppers) in particular.
- There are potentials for building of processing capacities for fruit, vegetables and medicinal herbs. Currently only two food processors are operational, namely "Fana" d.o.o. and "Corn Flips" d.o.o. and large quantities of fruit and vegetables remain unused (about 3,000 tons of plums and 1,000 tons of apples unused in 2013). Significant land area can be used for farming of corn, silage and hay as a base for livestock farming (intensive farming of cattle, sheep, etc.), i.e. for meat and milk production and for development of poultry farming capacities. In addition to potentials for production, there is also a strong potential for building of facilities for final processing of meat, milk and eggs and production of a wide range of products from these raw materials.



Processing fruits and vegetables in "Fana" facility in Srebrenik

Tourism

The tourism is a sector with potentials to support a sustainable economic development of the Municipality.

The tourist offer includes:

- A tourist jewel, "Stari grad Srebrenik", architectural ensemble dating from the year 1333, is the best known cultural and historical monument in Srebrenik Municipality. That same year, Srebrenik was first mentioned in written historical sources in the Charter of Bosnian Ban Stjepan II Kotromanić.
- The surrounding region of ecologically preserved Mount Majeveca with the highest peak of 917 meters is available for sports and recreation and tourism (hunting, fishing, mountain biking, hill motocross races and winter tourism). The "Mount center" at Majeveca Mt is a place for traditional gathering of mountaineers from BiH and neighboring countries.
- The sports and recreation center and motel "Orion" in Ormanica with tennis courts, swimming pools, swimming artificial lake, well-equipped conference hall, restaurant and accommodation capacities offers opportunities for sports and recreation tourism.
- An artificial lake "Fishing story", located close to Orion, is abundant in various types of fish (predominantly carp) providing excellent opportunities for fishing. The terrain with nice landscape is suitable for a family gathering, picnics etc.
- The Municipality is host of the Open City of Art festival ("OGUS") founded in 1977 that every year in August gathers artists from the wider region who present art, music, performance, literature, sport and community.
- The most visited islamic pilgrimage sites in the Municipality are Seona-Ratiš and Brnjičani-Prisadi (religious tourism).
- Four motels and several restaurants are available to visitors and tourists (about 300 rooms).



"Stari grad Srebrenik", a tourism jewel, dating back to 1333



Part of Sports and recreation center "Orion" in Ormanica



Investment opportunity with PPP model

Project title	Construction of a Center to accommodate elderly on the Mount Majevisa
Location	The foothills of the Mount Majevisa, at the altitude of 600 m above the sea level, the locality of a former elementary school in Donji Srebrenik
Location advantages	The best quality of air in this part of Europe (according to measurements performed in 80s)
The distance of the location from the connection with the main road Tuzla-Orašje	5.5 km
Formalization of the project	The Decision on proclaiming general public interest and making the old school building together with land of 12,098 m ² of surface area available for the purpose adopted by the Assembly of Srebrenik Municipality on December 2, 1991 (No 01-473-1/91)
	The project is planned within the "Integrated Development Strategy of the Municipality of Srebrenik, 2011-2020"

BUSINESS ZONE "Špionica I"

LOCATION	6 km away from the Center of Srebrenik Municipality
SURFACE	30 hectares
LAND	<ul style="list-style-type: none"> • Regulated through high-quality spatial planning documents • Modifications possible in cooperation with potential investors • Mostly privately owned - the land price is a matter of negotiations with the owners • The staff at the Srebrenik Municipality is at your disposal for providing assistance at any given time
INFRASTRUCTURE	<ul style="list-style-type: none"> • Partly constructed by companies operating in the business zone ("Zaharex", "Kopex Sarajlić", "Murex", "Tempoplast" etc.) • The existing infrastructure includes roads; connections of business buildings to electricity, water and sewage; telephone network and the internet; and a connection to the public road
INDUSTRY	<ul style="list-style-type: none"> • Food industry, metal processing, wood processing, textile industry, electrical industry, multi-purpose business, shopping centers, etc.
FACILITIES/BUSINESS OPPORTUNITY	<ul style="list-style-type: none"> • Several already constructed business buildings – production facilities available either under lease or for starting the production through joint investment with their owners • Completely private property; all business terms (the lease or the commencement of production) are agreed between owners and investors



Business zone Špionica 1 – area covered



UTILITY COSTS

Cost of utilities inclusive of VAT			
Water and sewage	Water	Sewage	Maintenance of water meter
	3.53 BAM/m ³	0.47 BAM/m ³	9.36 BAM monthly
Waste collection and disposal	Household		Companies
	0.095 BAM/m ²		Flat rate/monthly
Electricity	Higher tariff		Lower tariff
	0.2865 BAM/kwh		0.1433 BAM/kwh
Phone	19.19 BAM monthly subscription		
Internet	19.90 BAM monthly subscription		

SUPPORT TO INVESTORS

In order to create a better business environment, Srebrenik Municipality has launched several major reforms:

- Srebrenik Municipality has established operating standards in line with ISO 9001:2008 standard procedures, as the first Municipality in Tuzla Canton and among the first in BiH.
- The Municipality issues the following documentation to investors: urban planning permit, construction permit, use permit and various approvals (e.g., sanitary approval for the design and technical documentation and as-built status, etc.). The Municipality completed regulatory simplification of all licenses, permits and approvals resulting in faster processing, less costs and significant savings for businesses.
- Srebrenik Municipality adopted the key municipal documents including urban and planning documentation, Integrated Development Strategy of Srebrenik Municipality 2011-2020 and Local Ecological Action Plan of Srebrenik Municipality 2012-2017 (LEAP).
- In 2006 the Municipality was awarded the Beacon Scheme Certificate for the effective strategic planning.
- A well developed public infrastructure is available to investors in the Municipality including roads electricity network, water supply facilities, waste water drainage and filtering system, postal and telecommunications network, available ADSL internet service.
- Branch offices of seven banks and eight insurance companies are located in Srebrenik.

Other services for investors

Electronic registers with details on permits and licenses that investors could be faced with in BiH, Federation of BiH and Srebrenik Municipality including costs:	
Srebrenik Municipality	http://www.srebrenik.ba
Federation BiH	http://fbihvlada.gov.ba/bosanski/index.php
BiH Ministry of Foreign Trade and Economic Relations (MOFTER)	http://rap.mvteo.gov.ba/egfVwOdlukaJedinice.aspx
Fiscal and non-fiscal investment incentives are available to investors at all government levels in BiH. The list of fiscal and non-fiscal investment incentives at the level of BiH is available at the following web sites:	
BiH Ministry of Foreign Trade and Economic Relations (MOFTER)	http://www.mvteo.gov.ba/izvjestaji_publikacije/izvjestaji/default.aspx?id=6175&langTag=en-US
BiH Foreign Investment Promotion Agency (FIPA)	http://www.fipa.gov.ba/informacije/povlastice/strani_investitori/default.aspx?id=141&langTag=en-US
Company registration - Steps required to start operations available at the link:	
BiH Foreign Investment Promotion Agency (FIPA)	http://www.fipa.gov.ba/informacije/posao/koraci/default.aspx?langTag=en-US



EXISTING KEY INVESTORS

Among the biggest and most important companies in Srebrenik are:

Company for production of flips, chips, packaging of coffee and powdered products, the only exporter in Srebrenik of confectionery products, "Corn Flips".

CORN FLIPS

Large fruit tree nursery in BiH, with a modern cold storage, the largest provider of seedlings in Srebrenik, "Voćni rasadnik".

VOĆNI RASADNIK

Large and significant manufacturer and the biggest provider and exporter in Srebrenik of soft polyurethane foam, pillows, down blanket, sheets and wire cores, "Zaharex".

ZAHAREX

The largest PVC and ALU construction joinery manufacturer, the biggest of all private companies (about 29 million BAM of income in 2013), the biggest exporter (export share in total revenue is over 65%) and the biggest employer (264 employees in 2013) in Srebrenik, "Herceg".

HERCEG

Limestone rock mine, stone extraction, manufacturing of concrete elements and lime, the third biggest employer in Srebrenik (about 200 employees), "Ingram".

INGRAM

PVC and ALU construction joinery manufacturing company, established exclusively in Srebrenik as a daughter company of Yavuz International Company, "Tempoplast".

TEMPOPLAST

Company for domestic and international transportation and services with the highest profit at the transport sector in 2013 in Srebrenik, "Ripče-trans".

RIPČE - TRANS

Web presentation of other companies and sole proprietorships from the territory of the Municipality Srebrenik are available at: www.srebrenik.biz and www.srebrenik.ba

"Qualified workforce, favorable labor rate, safe environment, vicinity of markets (BiH, neighboring countries, EU) and bilateral treaties are competitive advantages of Srebrenik for attracting potential investors."

Mustafa Yavuz, CEO of company "Tempoplast" d.o.o. Srebrenik.

