Profile of City of Bihac: The PLACE to Invest

Bosnia and Herzegovina

September, 2019
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Why Invest in Bihac?

14 km (6.7 mi) away from the border to the European Union and a market with approximately 600 million consumers

- Stimulating incentives for the development of the production sector
- A long tradition in the metal and wood industry
- More than 8,000 people ready to be employed immediately
- Prime location for adventure tourism with two national parks within 30 km (18.64 mi)
- Incentivizing tax policy and social contributions in Bosnia and Herzegovina
- Efficient local government
- Favorable land prices
Bihac: The PLACE to Invest

KEY FACTS
### Key Facts About Bihac

<table>
<thead>
<tr>
<th>Area</th>
<th>Altitude</th>
<th>Number of inhabitants</th>
<th>Population density per km²</th>
</tr>
</thead>
<tbody>
<tr>
<td>900 km²</td>
<td>224 m</td>
<td>56,261</td>
<td>68</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Climate</th>
<th>Average annual temperature</th>
<th>Time zone</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temperate continental</td>
<td>Summer 20° C, Winter 2° C</td>
<td>UTC +1</td>
<td>BAM</td>
</tr>
</tbody>
</table>
Bihac: The PLACE to Invest

OUR LOCATION
Number of inhabitants in BiH:
3,531,159

Number of inhabitants in wider area:
273,261

EU Border:
14 km (6.7 mi)
Easy and Fast Access to European Business Centers

- Zagreb International Airport serves more than 2.8 million passengers a year with non-stop service to major European destinations including Paris, Berlin, Frankfurt, London, Istanbul and Brussels.

- It takes less than 2 hours to be in more than six European locations!

<table>
<thead>
<tr>
<th>Distance from major cities in EU</th>
<th>km/miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vienna</td>
<td>510/317</td>
</tr>
<tr>
<td>Budapest</td>
<td>500/311</td>
</tr>
<tr>
<td>Ljubljana</td>
<td>230/143</td>
</tr>
<tr>
<td>Zagreb</td>
<td>150/93</td>
</tr>
<tr>
<td>Rijeka</td>
<td>170/106</td>
</tr>
</tbody>
</table>
Bihac: The PLACE for Access

<table>
<thead>
<tr>
<th>Closest Ports</th>
<th>Distance in km/miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rijeka, Croatia</td>
<td>195/121</td>
</tr>
<tr>
<td>Trieste, Italy</td>
<td>265/165</td>
</tr>
<tr>
<td>Brčko, BiH</td>
<td>273/170</td>
</tr>
<tr>
<td>Koper, Slovenia</td>
<td>275/171</td>
</tr>
<tr>
<td>Ploce, Croatia</td>
<td>376/234</td>
</tr>
<tr>
<td>Beograd, Serbia</td>
<td>403/250</td>
</tr>
</tbody>
</table>

Brčko Port  Koper Port  Trieste Port  Rijeka Port
Key Industries

- Wood
- Metal processing
- Agriculture and food processing
- Tourism
**Metal Processing**

*Industry that is steadily increasing*

Una Sana Canton’s metal sector continues to grow. This is due to established entrepreneurial infrastructure, competitive workforce, tradition in metal industry, and to favorable geographic position.

**Agriculture and Food Processing**

*Strong nature potential*

Based on natural resources, Una Sana Canton is among the largest producers of milk and dairy products, fish and other food of animal origin in BiH. Production of fruit and vegetables has significant potential for growth, especially berry fruit and cucumber.

**Tourism**

*Strong nature potential and tradition*

Beautiful rivers and springs about in Una Sana Canton and National Park Una offers one of the most impressive natural environments in the country. USC is a haven for fly-fishermen, rafters, and hikers.

**Wood Industry**

Una Sana Canton’s wood industry has great potential for growth due to availability of skilled labor and close proximity to natural resources.
Top 20 Companies

Wood Industry
Above 420 employees

- Sani global, Laser, Pogy, Bor, Freeli gradnja, Brzi, Tehnocen

Agriculture and Food Processing
Around 330 employees

- Meggle Mljekara, Bihaćka pivovara, Lejikomerc, Poljo-prom Riz-Krajina

Tourism
Around 230 employees

- HUT Aduna d.d., Kostelski buk Bihać d.o.o., Hotel Paviljon, Hotel Opal exclusive, Hotel Emporium

Metal Processing
Around 270 employees

- Č.J., Elumatec maschinen VS- TRENDS
Bihac: The PLACE to Invest

WORKFORCE
Bihac: The PLACE with Skilled Labor

workforce of 8,100

more than 5,047 (VŠS, SSS, NS, VKV, KV and PK) ready to be trained in specific skills
Workforce Overview

Total available workforce: 8,100

Available Workforce by sectors: 1,166

- Tourism 540
- Metal 319
- Agriculture and Food Processing 181
- Wood 126

Available Workforce by education:

- University degree: 98
- High School education: 496
- Qualified: 572

*December 2018
Bihac: The PLACE to Invest

INVESTMENT LOCATIONS
### Investment Locations

**Greenfield locations**

<table>
<thead>
<tr>
<th>r/b</th>
<th>Name of location</th>
<th>Land</th>
<th>Municipality/City</th>
<th>Area (ha)</th>
<th>Owner structure</th>
<th>Price (EUR/m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ribić-Novonaselje, k.č.br.6256/45</td>
<td>constructional</td>
<td>K.o.Bihać-Grad</td>
<td>74354m²</td>
<td>Municipality Bihać</td>
<td>50/1m²</td>
</tr>
<tr>
<td>2</td>
<td>Ribićka glavica, k.č.br.6282</td>
<td>constructional</td>
<td>K.o.Bihać-Grad</td>
<td>11402m²</td>
<td>Municipality Bihać</td>
<td>50/1m²</td>
</tr>
<tr>
<td>3</td>
<td>Ribićka glavica, k.č.br.6283</td>
<td>constructional</td>
<td>k.o.Bihać-grad</td>
<td>10320m²</td>
<td>Municipality Bihać</td>
<td>50/1m²</td>
</tr>
<tr>
<td>4</td>
<td>Ribićka glavica, k.č.br.6284</td>
<td>constructional</td>
<td>k.o.Bihać-Grad</td>
<td>10555m²</td>
<td>Municipality Bihać</td>
<td>50/1m²</td>
</tr>
<tr>
<td>5</td>
<td>LUKE-kod stadiona &quot;Jedinstvo&quot;, k.č.br.7978</td>
<td>constructional</td>
<td>K.o.Bihać-Grad</td>
<td>51803m²</td>
<td>Municipality Bihać</td>
<td>75/m²</td>
</tr>
<tr>
<td>6</td>
<td>&quot;BORIĆI&quot;k.č.br.7991/1</td>
<td>constructional</td>
<td>k.o.Bihać-Grad</td>
<td>6063m²</td>
<td>Municipality Bihać</td>
<td>75/m²</td>
</tr>
<tr>
<td>7</td>
<td>&quot;BORIĆI&quot;k.č.br.7991/4</td>
<td>constructional</td>
<td>k.o.Bihać-Grad</td>
<td>1744m²</td>
<td>Municipality Bihać</td>
<td>75/m²</td>
</tr>
<tr>
<td>8</td>
<td>&quot;ISLAMOVAC&quot;k.č.br.8113/1</td>
<td>constructional</td>
<td>k.o.Bihać-Grad</td>
<td>4712m²</td>
<td>Municipality Bihać</td>
<td>75/m²</td>
</tr>
<tr>
<td>9</td>
<td>&quot;KOSIRNICE&quot;, k.č.br.872/1</td>
<td>constructional</td>
<td>k.o.Golubić</td>
<td>57467m²</td>
<td>Municipality Bihać</td>
<td>25/m²</td>
</tr>
</tbody>
</table>
## Investment Locations

### Greenfield locations

<table>
<thead>
<tr>
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<th>Name of location</th>
<th>Land</th>
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<th>Owner structure</th>
<th>Price (EUR/m2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>&quot;POSLOVNA ZONA RIPAČ&quot;</td>
<td>constructional</td>
<td>k.o.Ripač</td>
<td>7343m²</td>
<td>općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>11</td>
<td>&quot;KAMENICA_BREZOVICE&quot;, k.č.br.2334/1</td>
<td>constructional</td>
<td>k.o.Kralje</td>
<td>115839m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>12</td>
<td>&quot;KAMENICA_BREZOVICE&quot;, k.č.br.2336</td>
<td>constructional</td>
<td>k.o.Kralje</td>
<td>16400m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>13</td>
<td>&quot;KAMENICA_BREZOVICE&quot;, k.č.br.2333/1</td>
<td>constructional</td>
<td>k.o.Kralje</td>
<td>3466m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>14</td>
<td>&quot;KAMENICA_BREZOVICE&quot;, k.č.br.2335</td>
<td>constructional</td>
<td>k.o.Kralje</td>
<td>10693m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>15</td>
<td>&quot;KAMENICA_VRKAŠIĆ, k.č.br.2126&quot;</td>
<td>constructional</td>
<td>k.o.Kralje</td>
<td>30240m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>16</td>
<td>&quot;KAMENICA_VRKAŠIĆ&quot;, k.č.br.2127/1</td>
<td>constructional</td>
<td>k.o.Kralje</td>
<td>98196m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>17</td>
<td>&quot;KAMENICA_VRKAŠIĆ&quot;, k.č.br.2123</td>
<td>constructional</td>
<td>K.o.Kralje</td>
<td>4803m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
<tr>
<td>18</td>
<td>&quot;KAMENICA_VRKAŠIĆ&quot;, k.č.br.2157/1</td>
<td>constructional</td>
<td>k.o.Kralje</td>
<td>37729m²</td>
<td>Općina Bihač</td>
<td>25/m²</td>
</tr>
</tbody>
</table>
### Investment Locations

#### Brownfield locations

<table>
<thead>
<tr>
<th>Br.</th>
<th>Name of location</th>
<th>Land</th>
<th>Municipality/City</th>
<th>Area(ha)</th>
<th>Owner structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>&quot;Đački Dom-Borići&quot;, k.č. br. 7985</td>
<td>Object and land</td>
<td>k.o.Bihać-Grad</td>
<td>3573m²</td>
<td>Municipality Bihać</td>
</tr>
<tr>
<td>2</td>
<td>&quot;KAMENICA_BRIZOVICE_ŠTALE&quot;, k.č. br. 2331/1,2332</td>
<td>Object and land</td>
<td>k.o.Bihać-Grad</td>
<td>14044</td>
<td>Municipality Bihać</td>
</tr>
</tbody>
</table>

Location: Borići
Allowances for Investors - Rent amount

Amount of Rent in case of city allocation building land to use for the purpose of building a manufacturing space, are reduced as followed:

- 10% if in this space employs up to 5 workers
- 20% if in this space employs 6-10 workers
- 30% if in this space employs 11-20 workers
- 40% if in this space employs 21-30 workers
- 50% if in this space employs 31 and more workers

Bihac: The PLACE for Investment

BUSINESS ENVIRONMENT
Efficient City Administration

- Efficient administrative departments and issue of permits.
- List of all administrative procedures available on the municipal website.
- Functional Economic Council secures constructive cooperation with the private sector.
- City have BFC Certificate – Business Friendly Certificate
- Department for Entrepreneurship and Investors Support.
Department for Entrepreneurship and Investors Support

The Department for Entrepreneurship and Investors Support carries out the tasks related to:

a) implementation of the established policy, implementation and monitoring of laws, other regulations and general acts in the field of small and medium-sized enterprises

b) drafting regulations and other acts within the competence of the Section issued by the City Council or the Mayor, normotechnical processing of these regulations, giving opinions, proposals and suggestions when drafting regulations adopted by others competent authorities

c) conducting the first instance administrative procedure within the competence of the Section

d) drafting contracts and agreements and other acts within the scope of work of the Service and monitoring their implementation

e) establishment, keeping and updating of prescribed records and registers within the scope of work of the Department

f) issuing certificates of fact on which official records are kept and certificates of facts on which official records are not kept

g) assisting businessmen and new investors in preparing and obtaining documentation from the competences of the city administration body, coordinating with other competent services, bodies and institutions

h) establishing cooperation with the Diaspora on the implementation of joint development programs and projects

i) developing programs and updating promotional materials for the City of Bihac, organizing business forums and direct cooperation with the Diaspora, organizing participation in trade fairs and other events in order to promote the City and attract new investments

j) other affairs determined by law, other regulations, and decisions of the Mayor and the City Council

Source: Official Gazette of the City of Bihać No. 6/18, p.13.
International Agreements

- CEFTA provides an opportunity to sell products in the international market.
- Stabilization and Accession Agreement with the European Union and its Member States and the Interim Agreement on Trade and Trade-Related Matters.
- Free Trade Agreement with the Republic of Turkey
- Regional and bilateral foreign trade agreements with the EU, USA, Japan, Switzerland, New Zealand, Norway and Iran.
A tax payer generating more than 30% of the total generated income in a year for which a profit tax is specified is exempted from the obligation to pay profit tax in that year and receives also other reliefs.
Bihac: The PLACE for Investment

QUALITY OF LIFE
Quality of Life

• Among the safest cities in Bosnia and Herzegovina

• Healthy living with abundance of clean air and drinking water

• Short drive to the Adriatic coast

• University of Bihać features 7 faculties (Biotechnical Sciences, Economics, Law, Pedagogy, Technical Engineering, Islamic Faculty of Education, College of Nursing Studies) - 1,992 students in 2018/2019

• Presence of 2 international secondary schools

• Rich cultural and historic heritage (38 old towns in Una Sana Canton dating back to XI century – within 60 km/37 miles)
Quality of Life
Quality of Life

Old city Sokolac

Monastry Rmanj

Old city Ostrovica
Adventure

- Prime location for adventure tourism with two national parks within 30km/18.64 mi
- World-class rafting, hiking and flyfishing
- More than 180 km/112 miles of hiking and biking trails in the immediate area
Strategic Development Goals

- Establish system to support the development of the manufacturing industry, small and medium enterprises, agriculture and tourism
- Strengthen local capacities to improve the competitiveness of the local economy and attract investors
- Develop in partnership with civil society social infrastructure in the areas of education, culture and sport with social sensitivity
Bihac: The Place for Your Clients

- Low cost location with high customer access
- Over **8,000 people ready to be employed immediately in key economic sectors such as metals, wood products, agriculture and food, and tourism.**
- Tradition of entrepreneurship that infuses innovation into the business culture.

Carve out your space in the European Union market today...using Bihac as a low cost but highly accessible base for your operations.
Get in Touch

Contact Person:
Šuhret Fazlić, Mayor of Bihac

Address:
Bosanska 4, 77 000 Bihac, Bosnia and Herzegovina

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Fax: +387 37 22 22 20
E-mail: kabinet@bihac.org
www.bihac.org
THANK YOU FOR YOUR ATTENTION!