



www.trebinje.rs.ba

Trebinje

BREEDING GROUND FOR YOUR INVESTMENTS



■ GEOGRAPHIC POSITION

The City of Trebinje is located in the southeast part of Bosnia and Herzegovina (BiH), in the entity of Republika Srpska (RS), close to the triple border between Bosnia and Herzegovina, Montenegro, and Croatia. Trebinje is the south-most city in BiH and RS, on the very border with the Republic of Croatia/European Union (EU).

In 2018, fDi Magazine of the prestigious Financial Times ranked:

Republika Srpska in the 9th place in the category of top 10 small European regions of the future for 2018/2019 for the strategy for attracting foreign direct investment.

Bosnia and Herzegovina in the 3rd place in the category of top 10 medium-large European regions of the future for attracting foreign investment on the basis of cost efficiency.

Tax policy in BiH and Republika Srpska is stimulative: VAT rates of 17% and profit tax rates of 10% are amongst the lowest in the region and in Europe.

■ CITY OF TREBINJE

Surface area	904 km ²
Population	31,433 <i>(2013 Population Census Final Results)</i>
Relief	Dinarides mountain range karst with karst water springs, crevasses, caves and other forms of karst hydrology.
Climate	2 types: Mediterranean and moderate continental climate Around 260 sunny days annually
Altitude	275 m (urban part)
Time zone	GMT+1

Source: 2018-2027 Trebinje City Development Strategy



Position of Trebinje in BiH



Position of Bosnia and Herzegovina (BiH) in Europe





TREBINJE

Breeding Ground for Your Investments

Excellent location of Volujac Business zone for greenfield investments

- In the immediate vicinity of M20 primary road toward the EU market (1 km), the railway (70 km), the sea port (30 km) and the airport (45 km). Surface area of 85 hectares with parcels that can both be consolidated and divided.
- Along with incentives of the city administration for construction of manufacturing plants, availability of highly qualified and price competitive workforce and favorable operating costs, it represents an attractive investment location for investments in the processing sector and other sectors.

Trebinje has mild climate, abundance of water, arable land and 260 days of sunlight annually.

- Large wealth of natural resources of Trebinje that is insufficiently utilized offers opportunities for investing in the agricultural sector.
- Early spring Mediterranean fruit and vegetables in this area ripen 30 to 40 days earlier than in continental areas.

Tourism is a fast-growing sector in Trebinje

- From 2012 to 2017, an increase in the number of tourist arrivals (+216%) and overnight stays (+183%) was recorded.
- City in the immediate vicinity of the Adriatic Sea, on the banks of river Trebišnjica under the mountain of Leotar with all the natural beauty, cultural and historical monuments and excellent gastronomy offer, provides excellent opportunities for investing in tourism infrastructure.

Robust energy sector

- In the energy sector, under the project of “Upper Horizons of Trebišnjica River” of the Trebišnjica Hydro Power System, it is envisaged to construct three new hydro power plants within the territory of Republika Srpska, with total installed power of 257 MW.

Environment for investments and doing business is continuously improved

- City administration is focused on service provision and cooperation with potential and current investors through proactive, transparent and efficient operations. Our objective is a continuous improvement of conditions for investments and business operations of companies.



TRANSPORT INFRASTRUCTURE

Trebinje is located at a significant intersection of roads leading from North to South and from East to West.

Roads

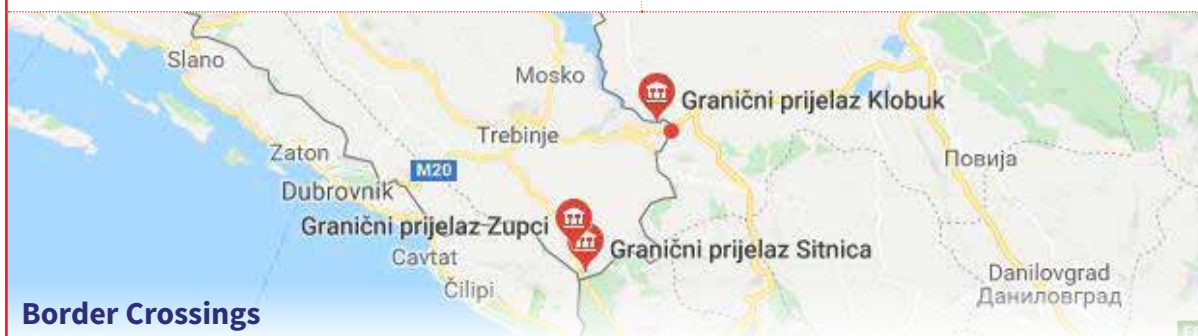
- **M20 Primary Road** stretches along the direction from North to South and connects Trebinje directly with Croatia/EU on the border crossing of Ivanica (Goražde-Foča-Gacko-Trebinje-Border Crossing Ivanica).
- **M6 Primary Road** connects Border Crossing Gorica with Croatia/EU and Border Crossing Klobuk with Montenegro (Border Crossing Gorica-Grude-Ljubuški-Čapljina-Stolac-Trebinje-Border Crossing Klobuk).

Airports

BiH: Sarajevo (cargo)-198 km,
Mostar-114 km
Croatia/EU: Čilipi-Dubrovnik (cargo)-41 km
Montenegro: Podgorica (cargo)-117 km,
Tivat-93 km

Ports

Sea ports:
Croatia/EU: Dubrovnik-31 km,
Ploče-130 km
Montenegro: Bar-120 km
River ports:
BiH: Brčko-382 km



Border Crossings

Within the territory of Trebinje there are three border crossings:

Two border crossings with Montenegro (towards Nikšić and Herceg Novi):

- Klobuk/Illino brdo - International border crossing of category I in road transport for persons, all types of goods and means of transport
- Zupci/Sitnica - International border crossing of category II

One border crossing with Croatia/EU (towards Dubrovnik):

- Ivanica – the south-most crossing of BiH towards the European Union International border crossing of category I in road transport for persons, all types of goods and means of transport

Other border crossings with Croatia/EU:

- Bijača (Ljubuški)/Nova Sela – Exit to A1 highway (Zagreb-Split-Dubrovnik)
One of two border crossings in BiH for transport of fruit and vegetables that are subject to checks for conformity with market standards and tests of health safety when transported across a common state border

Border crossings with Serbia:

- Rača/Sremska Rača
- Karakaj/Mali Zvornik
- Vardište/Kotroman

All three border crossings are international border crossings of category I in road transport for persons, all types of goods and means of transport

Source:

- Decision on Determination of Border Crossings in Bosnia and Herzegovina ("Official Gazette of BiH", Issue No. 39 dated May 22, 2012);
- Contract between Bosnia and Herzegovina and Republic of Croatia on Border Crossings and Agreement between Bosnia and Herzegovina and Republic of Croatia on Cross-border Traffic (June 19, 2013)

Source: <http://www.viamichelin.com/>



BUSINESS ENVIRONMENT

Economy of Trebinje is based on small enterprises and entrepreneurs, in addition to several medium and large enterprises.

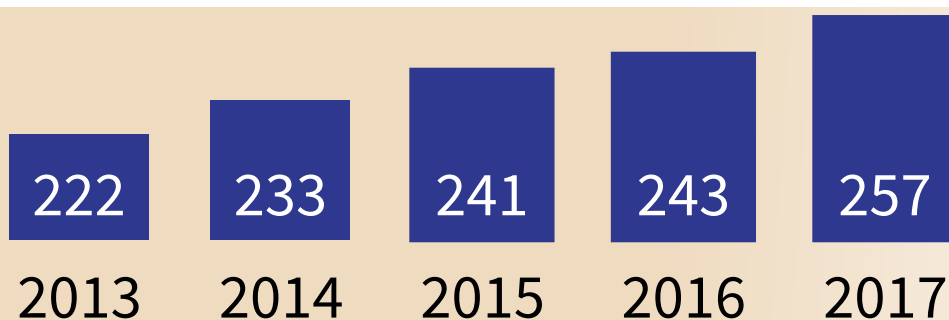
Business and Economic Trends

During 2013-2017, continuous growth was recorded in Trebinje of:

- The number of registered companies (+16%) and independent entrepreneurs (+27%)
- Employed persons (+5%)

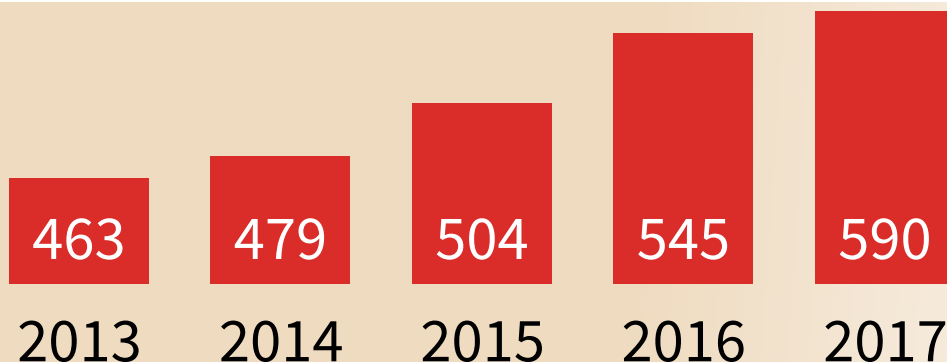
During 2016-2017, growth was recorded in exports (+25%) and coverage of imports with exports (+11%).

Number of registered companies in Trebinje for 2013-2017



Source: 2018-2027 Trebinje City Development Strategy, APiF

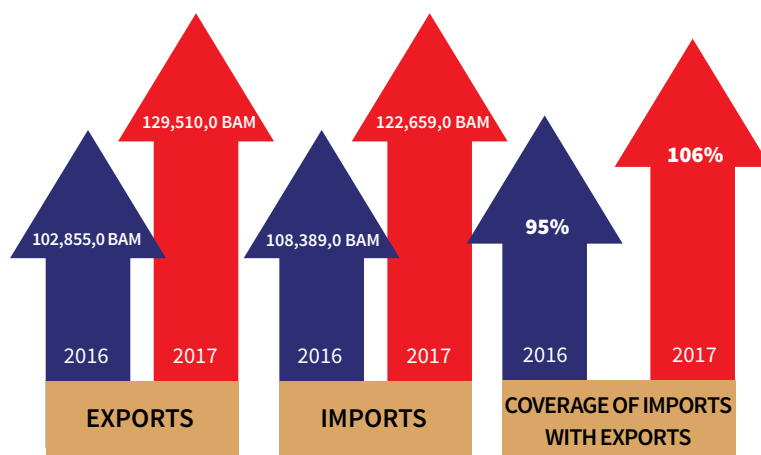
Number of registered independent entrepreneurs in Trebinje for 2013-2017



Source: 2018-2027 Trebinje City Development Strategy

Foreign trade exchange of Trebinje for 2016-2017 (in BAM thousand)

- The most significant products exported from Trebinje come from one segment of the food processing sector – the confectionary products (exports exceeding BAM 30 million), tools for mechanical industry (exports exceeding BAM 14 million) and electricity (exports of BAM 5 million).
- Amongst other exporting products in 2017, increased export of alcoholic beverages, mostly wine, and etheric oils was registered.
- Other key exporting products from Trebinje are fish (trout) and medicinal plants.

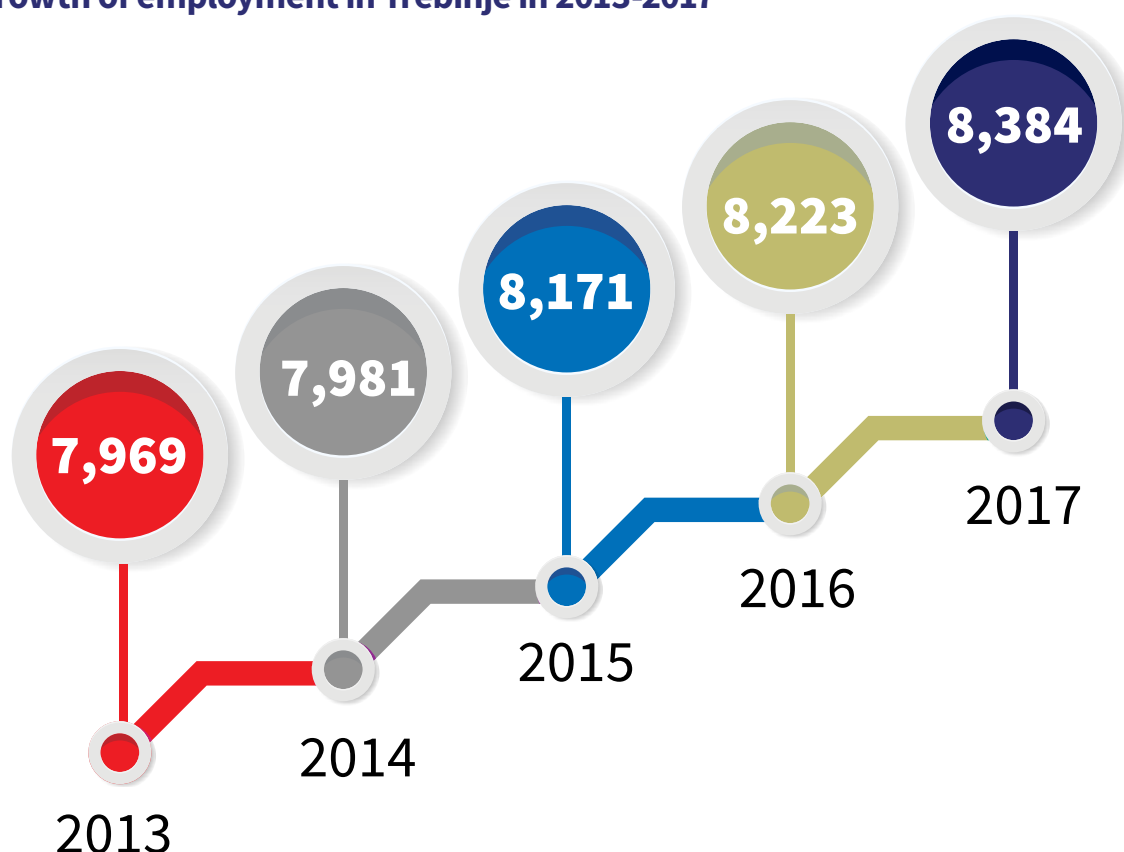


Source: Trebinje City, Data for 2017

Source: Foreign Trade Chamber of BiH, Regional Chamber of Commerce of Trebinje, IDB Portal / Economic Indicators

HUMAN RESOURCES

Growth of employment in Trebinje in 2013-2017



Source: Trebinje City, 2018-2027 Trebinje City Development Strategy

August 2018

Unemployed persons who are actively seeking employment 2,488

Unemployed persons who are actively seeking employment represent the basis for workforce engagement. Persons with all degrees of professional qualifications are available. Re-training and additional training in line with requirements of an investor's business process are also possible.

Unemployed persons actively seeking employment in Trebinje by degree of professional education, August 31, 2018

TREBINJE TOTAL	NON-QUALIFIED	SEMI QUALIFIED /PRIMARY SCHOOL	QUALIFIED	SECONDARY SCHOOL	HIGHLY QUALIFIED	COLLEGE EQUIVALENT	UNIVERSITY EQUIVALENT
2,488	240	15	712	896	15	85	525

Source: Republika Srpska Employment Institute, Bulletin – Statistical Review, August 2018, Table 6

Average net and gross salary for August 2018 (in BAM)

	Net salary	Gross salary
Bosnia and Herzegovina	888	1.382
Republika Srpska	852	1.364
City of Trebinje	889	1.439

Source: BiH Agency for Statistics – Announcements: Average Monthly Gross Salaries of Employed Persons for August of 2018;

Average monthly Disbursed Net Salaries of Employed Persons for August 2018; Republika Srpska – Republic Institute for Statistics, Monthly Statistical Review, August 2018



Educational institutions in Trebinje

Secondary Schools	<ul style="list-style-type: none">• Gymnasium “Jovan Dučić”• Technical School (electrical engineering, mechanical engineering - technician for CNC technologies, transportation and civil engineering)• Secondary School Center (Schools of Economics, Trade, Tourism, and Medicine)• Secondary Music School
University	<ul style="list-style-type: none">• University School for Manufacturing and Management is the center of knowledge and the source of staff for energy management and generation of energy for the entire region, and for processing industry.• University School for Business Engineering and Management (PiM) is a center for development of human resources for modern law practice and scientific work in economics.• College for Tourism and Hotel Industry is the regional center of knowledge and source of staff for the growing industry of relaxation and recreation.• Academy of Visual Arts contributes to the development of creative industries, which, in the new global economy (knowledge and experience economy) are exhibiting excellent potential for growth.

NATURAL RESOURCES

Water - Thanks to climate conditions and abundance of precipitation, the area of Trebinje is among the areas of the Balkan and Europe that are rich in water. The largest source of water is the watershed of river Trebišnjica, which was explored in detail and covers 4,457 km of surface area. Water potential is used for water supply of the population, power generation, industrial and servicing activities, and high quality irrigation of Trebinje and Popovo fields.

Land - Of the total surface area of Trebinje, 20,106 hectares represent agricultural land.

Climate - Geographic position of Trebinje provides for very favorable climatic characteristics for agricultural production and, in general, for activities and lives of people.

Construction material (stone, gravel, sand) – Significant unused wealth of Trebinje. Significant reserves of high-quality construction stone exist on 15 localities along the entire valley of river Trebišnjica – the edges of karst fields – Trebinjsko, Popovo and Zubačko field.

Medicinal and aromatic herbs - More than 2,000 medicinal plant species, with around 300 species of interest for pharmacology.



COMPETITIVE SECTORS FOR INVESTING

Trebinje offers to investors excellent opportunities for investments in sectors of agriculture, tourism, energy and processing industry.

Under Spatial Regulation Plan of Republika Srpska for the period until 2025, the city of Trebinje is envisaged as the primary regional center of the energy, agricultural and tourism region of Trebinje-Foča (with around 104,000 inhabitants).

Source: 2018-2027 Trebinje City Development Strategy

Agricultural Sector

An advantage Trebinje has for investments in the agricultural and food processing sector is the possibility of irrigation of each part of arable land.

Thanks to the mild climate and wealth of water, it is possible to grow various crops in Trebinje throughout the year, and especially Mediterranean crops: tobacco, spring vegetables and fruit and specific species of citrus fruit. Available to investors in the agricultural sector in Trebinje is 4,935 hectares of arable land, mostly alluvial soils.

- Increasing is growing of apple (15,000 trees planted in 2017), pears (12,000 trees planted in 2017), medicinal plants (growth by 15 times from 2012 to 2017), mostly immortelle and lavender; Mediterranean fruit, mostly figs (7,500 trees planted in 2016) and olives (production volume doubled from 1t to 2t during 2016-2017).
- With its surface area of more than 34,000 hectares of grasslands and pasturelands, Trebinje has excellent conditions for investments in livestock keeping.
- Unpolluted land with grassland flora is favorable for development of beekeeping and production of exceptionally high-quality Herzegovina honey. 220-300 tons of honey are produced annually.
- Vineyard cultivation is a new sub-sector, developed in recent years. In Trebinje there are more than 20 wineries that export their products to countries of the region and beyond.

Trebinje cheeses, škripavac, cheese from bellows and cheese from oil, along with wines, are an inescapable part of the gastronomic offer.





In 2017, in the agricultural sector a significant increase in revenues (+75%), number of employed persons (+50%) and average salaries (+1%) compared to 2016 was registered. In 2014-2017 total revenue growth in this sector is 309%, two leading companies ("Agrofin" and "Popovo field") had significant profit in 2017.

Source: Trebinje City

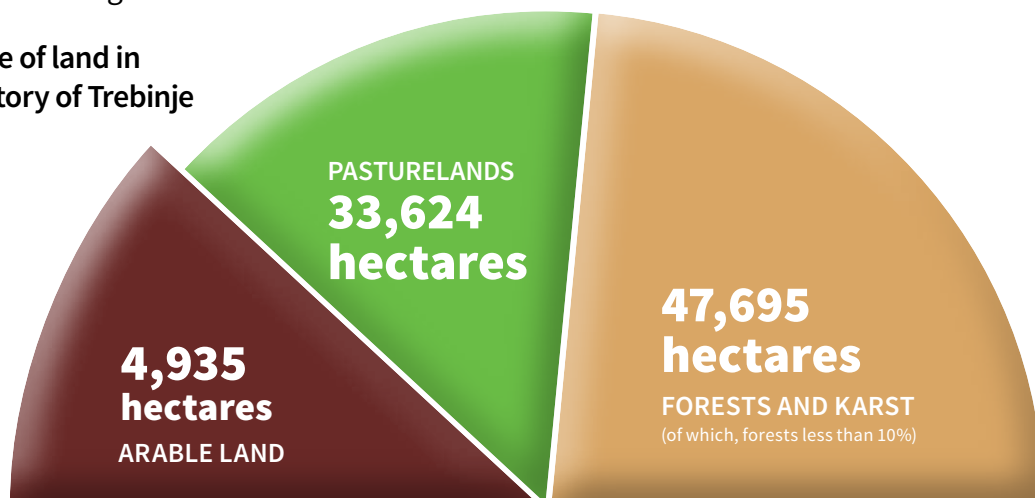
Branding the autochthonous products of the Herzegovina area, the cheese, the honey, and of the fruit species - figs, pomegranates, cherries etc. is ongoing.

On 70% of agricultural land there is an irrigation system that enables the irrigation for plants in the dry periods.

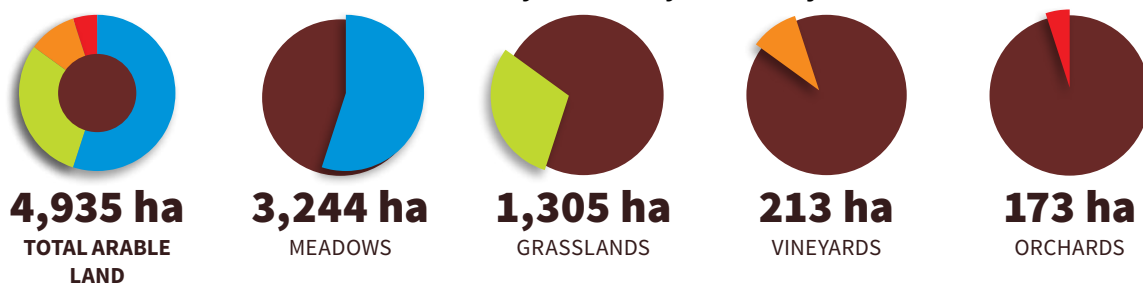
Business opportunities:

- Construction of new and expansion of existing cold storages and warehouses
- Construction of collection stations, processing capacities and drying plants for fruit and vegetables
- Production of organic food

Structure of land in the territory of Trebinje



Structure of arable land in the territory of the city of Trebinje



Source: 2018-2027 Trebinje City Development Strategy

Environmental protection

City of Trebinje recognized the importance of environment preservation, thus in the 2018-2027 Trebinje City Development Strategy the environmental protection measures were marked as exceptionally important. The local community assesses ecological potentials and promotes ways of use that ensures improvement of the local population life and, simultaneously, protection of the ecologically clean

Mediterranean environment.

To this end, the Trebinje City Assembly adopted the 2018-2027 Local Environmental Action Plan identifying priority areas with specific activities that are continuously implemented to ensure the environmental quality remains at high level.



Tourism

Trebinje is an exceptionally attractive tourism destination whose offer attracts a growing number of tourists each year. It is in the center of the triangle whose points are cities with UNESCO registered heritage: Dubrovnik/EU (28 km), Kotor (90 km) and Mostar (120 km).

Tourism is a fast-growing sector in Trebinje, which in 2012-2017 registered an increase in the number of tourist arrivals (+216%) and overnight stays (+183%).

Services of accommodation, preparation and food delivery, hotel industry and catering achieved total revenue growth of 23.5% in the period 2014-2017.

Trebinje offers:

- abundant and well-preserved nature
- diverse cultural and historic monuments and cultural events
- healthy food, excellent wine and traditional Herzegovina food

In 2018, growth in the tourism sector continues throughout the world

International tourism arrivals have grown by 6% in the first four months of 2018, and, compared with the same period of last year, not only have they continued with the strong trend from 2017, but they have exceeded the forecast of the UNWTO for 2018. The highest growth was recorded in Asia and the Pacific (+8%), and in Europe (+7%).

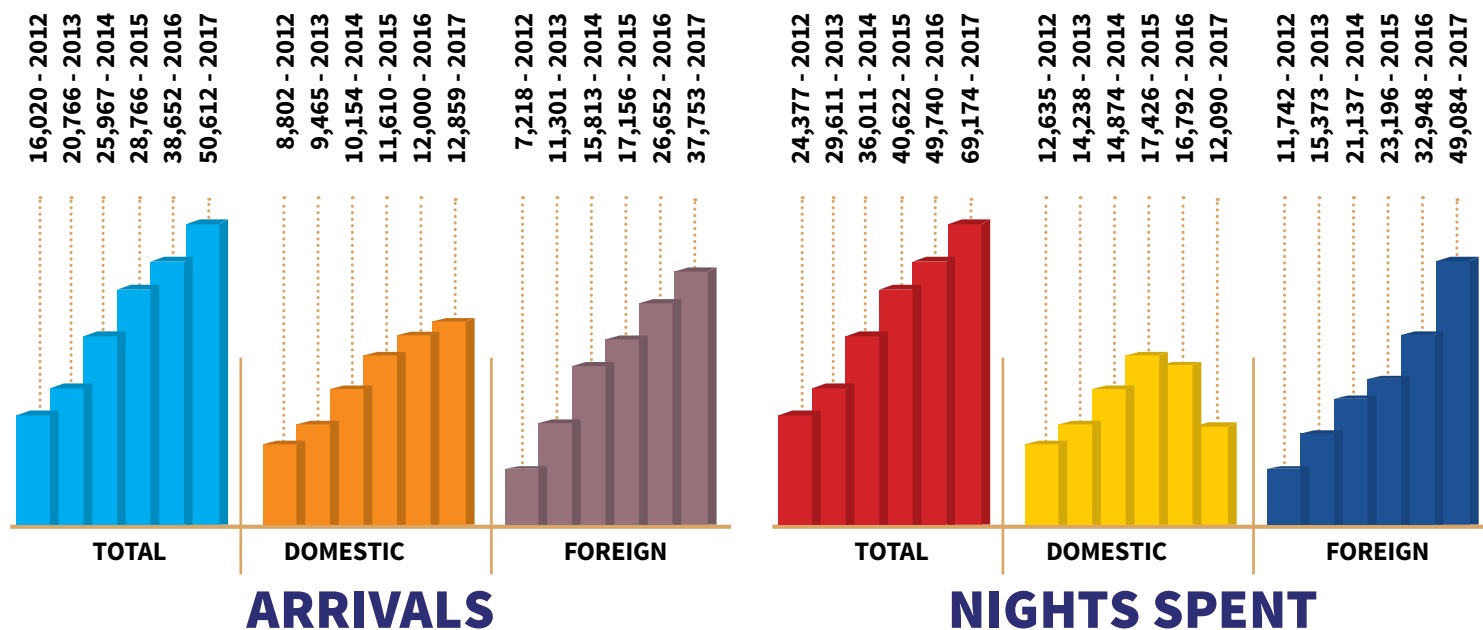
The biggest global tourism region, Europe, has also realized strong growth in the period from January to April of 2018 (+7%), and it is led by destinations in south and Mediterranean Europe and in west Europe (+8%).

Source: United Nations World Tourism Organization (UNWTO), Publication: UNWTO Barometer 2018 June Edition, link: UNWTO Barometer 2018 June Edition





TOURIST ARRIVALS AND OVERNIGHT STAYS IN 2012-2017



Source: Republika Srpska, Republic Institute of Statistics, Cities and Municipalities of Republika Srpska, 2017; Trebinje City

Business opportunities:

- Investments in tourism infrastructure and services for various types of tourism: adventure, recreational, sports, educational, congress, cultural and historical tourism, and religious tourism

TREBINJE

NATURAL ATTRACTIONS	CULTURAL AND HISTORICAL MONUMENTS EVENTS
<ul style="list-style-type: none"> • Trebišnjica River (98 km), at one time the longest underground river in Europe, flows, in its most beautiful part, through the very city. Because of its calm flow it is favorable for holding sports events in many disciplines, and because of the large abundance of fish it is a large attraction for fishermen. • “White human fish”, the only amphibian in Europe that lives in caves, can be found in 46 underground locations in Trebinje. Trebinje possesses the first and only observatory for observation of human fish in the world. • Vjetrenica, the most famous cave in Bosnia and Herzegovina, protected natural monument with the total of 6,700 m of underground channels discovered. • Area of the Orjen massive is recognized as the most attractive for “active relaxation” – spending time in nature, hiking and mountaineering, and for speleological activities (exploration of crevasses and caves). 	<ul style="list-style-type: none"> • Cultural and historical monuments – Old town of Kastel, Hercegovina Museum, Perovića (Arslanagića) bridge; gifts of the poet Jovan Dučić to the city: monument to fallen soldiers of World War I, figure of Jelena Anžuska, Cupid’s fountain in the park, Dučić drinking fountain, lion figures, monument to Njegoš • Religious facilities – monasteries of Tvrdoš, Petropavlovski, Duži, Zavala, Temple of Holy Mother of God – Hercegovina’s Gračanica; churches of Holy Transformation, Holy Kliment and Holy Arhandel; Catholic Cathedral; Osman-pasha Mosque and Emperor’s Mosque • Plane trees are one of the most recognizable symbols of Trebinje. For many visitors of the city, the summer garden of plane trees represents an oasis in hot days where they can get refreshed in the shade of trees more than 120 years old. • Dučić evenings of poetry is the cultural event that has, traditionally, been held in Trebinje for 51 years and gathers the most prominent artists from BiH and the region. It is devoted to Jovan Dučić, Serbian and Bosnian-Herzegovinian poet and diplomat born in Trebinje. On this occasion, poetry nights are held, in addition to theatre shows, visual arts exhibitions, and “poetry for the youngest generations” gatherings. • Visual arts colonies Lastva and Kolo • Festival of Mediterranean and European film • Trebinje cultural summer • Motorcycle gathering – Motorijada • Summer school of sports

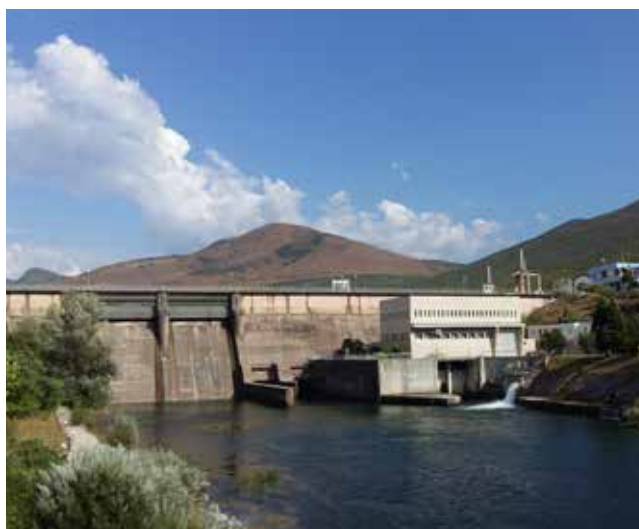
Tourist organization of Trebinje www.gotrebinnie.com

Energy Sector

Hydro Power

Thanks to climate conditions and wealth of precipitation, the area of Trebinje is among the areas in the Balkans and in Europe that are rich in water.

The largest source of water is the watershed area of Trebišnjica river with total surface area of 4,457 m². The concept adopted for the construction of the Hydro Power System of Trebišnjica pointed to the possibility to construct seven hydro power plants and six reservoirs in the entire system. To this day, 4 hydro power plants have been constructed as part of the project of "Lower Horizons" (Trebinje I and II, Dubrovnik-Plat and HE Čapljina).



In Trebinje, the head-quarter of MH "Elektroprivreda" Republika Srpska" is located.

Contact for information:

Tel: +387 59 277 101; Fax: +387 59 277 120

Web: <http://ers.ba/>

Business opportunities:

The Project of "Upper Horizons of Trebišnjica River", which includes the unconstructed part of the hydropower system upstream from the "Bileća" reservoir is, in its essence, a very complex project that treats the entire area as a single water management unit. The energy part of the project involves the construction of three new hydro power plants in the territory of Republika Srpska: HPP Nevesinje (61 MW), HPP Dabar (160 MW) and HPP Bileća (36 MW). HPP Dabar is in the initial phase of construction.

Technical indicators of constructed hydro power plants in the system of Hydro Power Plants on Trebišnjica river:

Name of HPP	No. of agr.	Nominal power		Power on threshold	Average annual generation	Median annual flow	Useful volume of reservoir	Maximum gross slope
		MVA	MW	MW	GWh	m ³ /s	mil.m ³	m
Trebinje I	3	3×67	3×60	180	479.4	71	1 082.3	104.15
Trebinje II	1	10	8	7.6	12.5	82.9	9.3	22
Dubrovnik	2	2×120	2×108	2×105	1 391.1	82.9	9.3	295
PHE Čapljina	2		2×220	440	451	28.9	6.5	227

Source: Republika Srpska Power Company, River Basin of Trebišnjica, link: <https://ers.ba/ers/investicije-i-razvoj/hidroenergetski-potencijal/sliv-trebinjske/>

Contact for information:

Hydro Power Plants on Trebišnjica-HET

Telephone: +387 59 260 213

e-mail: het@henatrebisnjici.com

Web: <https://henatrebisnjici.com>





Solar energy

Trebinje is located in the sunniest part of Bosnia and Herzegovina. Solar insulation is at the level of 1,800 kWh of heat energy per m², which classifies Herzegovina and Trebinje amongst the most favorable locations in the region and Europe for investing in renewable sources of energy from the sun.

Business opportunities

- Investments in power generation from solar energy for own needs and delivery of energy surpluses into the system

Contact for information:

Regulatory Commission for Energy of Republika Srpska

Telephone: +387 59 272 400

E-mail: regulator@reers.ba

Web: <http://www.reers.ba>

Processing sector

Processing industry has a long tradition in the economy of Trebinje and East Herzegovina and the sector changes and adjusts to modern economy and growth of demand in the market.

In recent times, the focus of processing industry in Trebinje is on the food processing sector, which is dominated by confectionery products and production of wine, but also the metal processing, and production of etheric oils.

In the structure of total revenues by activities in 2017 in Trebinje, the processing sector participates with 15%.

Structure of total revenues in processing industry in 2017 in Trebinje

Chemical and pharmaceutical industry

2%

Other industries

3.37%

Beverages manufacturing

3.59%

Non-metal mineral products

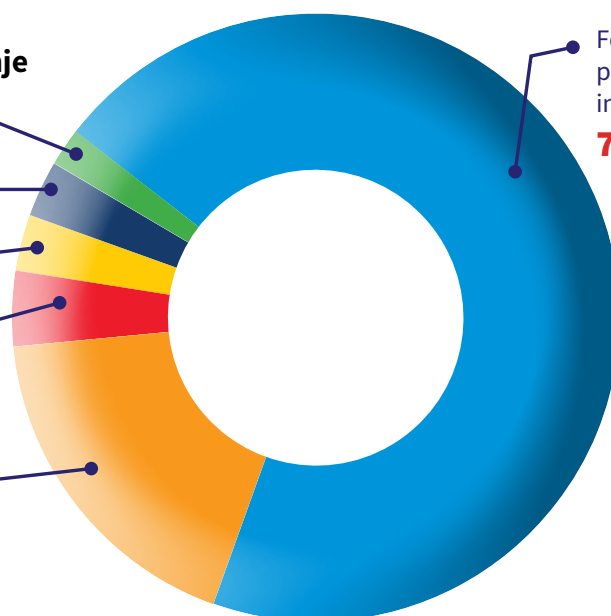
3.81%

Metal processing

15.39%

Food processing industry

71.84%



Source: 2018-2027 Trebinje City Development Strategy; Trebinje City

Business opportunities:

- In the food processing sector, unused potentials exist in final fruit and vegetable processing and production of dried fruits and vegetables.
- Non-polluted environment, Mediterranean climate, construction of the irrigation system in Petrovo and Trebinje field and significant unused agricultural areas in Popovo field represent excellent opportunities for investing in production and processing on the basis of natural resources.

Other sectors

- In last couple of years, strong growth has been recorded in the construction sector. In this sector, revenues achieved growth of 42% in the period 2014-2017.
- In 2018 significant foreign investment was realized in the textiles sector.

COSTS OF DOING BUSINESS FOR INVESTORS

Favorable operational costs

Permits in the process of construction within competence of Trebinje City Administration

- Time and costs of issuance of location requirements, construction permit and usage permit

Applications for issuance of permits are submitted to the Department for Spatial Development of the City of Trebinje.

Contact: Marko Rikalo, Head of Department

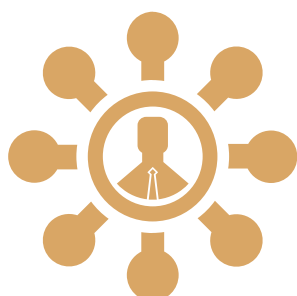
Telephone: +387 59 273 471

E-mail: urbanizam.trebinje@gmail.com

No.	Type of permit	Deadline for issuance	Costs
1.	Location requirements	5 days (3 days for review whether the application is complete)	<ul style="list-style-type: none"> • City administrative fee for the application amounts to BAM 2 • City administrative fee for issuance of the location requirements amounts to BAM 20 • Fee for preparation of urban and technical requirements and issuance of the location requirements: <ul style="list-style-type: none"> - business facilities with surface area of up to 50 m²-BAM 100, - business facilities with surface area of up to 100 m²-BAM 150, - business facilities with surface area of between 100 m² and 400 m²-BAM 200, - petrol pumps BAM 500, - infrastructural facilities (transport, energy, water supplies and sanitation, telecommunications and similar) BAM 300, - reconstruction, expansion, extension and change of purpose of the facility BAM 80, - facilities referred to in Article 125 of the Law on Spatial Development and Construction BAM 40, - construction of temporary business facilities BAM 80. <p>Investors pay 50% of determined amounts for changing the urban and technical conditions. Fee for the location requirements for facilities for which the urban and technical conditions, i.e. expert opinion, are prepared by legal persons authorized for development of spatial planning documentation amounts to BAM 50.</p>



No.	Type of permit	Deadline for issuance	Costs
2.	Construction permit	5 days (3 days for review whether the application is complete)	<ul style="list-style-type: none"> • Contribution for surveying and establishment of the real estate cadaster-0.3% of an estimated value of construction works • City administrative fee for the application amounts to BAM 2 • City administrative fee for issuance of decision on the approval for construction-0.3 tens of percentage point of an estimated value of the construction and crafts works, the fee cannot amount to less than BAM 20 • Rent: average final construction price of m² of useful surface of residential and commercial space amounts to BAM 983.60. Zone I 6% of average final construction price-BAM 59.02/m², Zone II 5% of average final construction price-BAM 49.18/m², Zone III 4% of average final construction price-BAM 39.34/m², Zone IV 3% of average final construction price-BAM 29.51/m², Zone V 2% of average final construction price-BAM 19.67/m², Zone VI 1% of average final construction price-BAM 9.83/m². • Fee for development of city construction land: Zone I-BAM 100.70/m², Zone II-BAM 82.93/m², Zone III-BAM 69.03/m², Zone IV-BAM 50.24/m², Zone V-BAM 38.37/m², Zone VI - BAM 27.50/m². • Fee for staking out the facility: <ul style="list-style-type: none"> - business facilities of any purpose with surface area of up to 50 m²-BAM 100, - business facilities of any purpose with surface area of up to 100 m²-BAM 150, - business facilities of any purpose with surface area between 100 m² and 400 m² -BAM 150, - petrol pumps BAM 250, - infrastructural facilities (transport, energy, water supplies and sanitation) BAM 250, - expansion of facilities BAM 40, - facilities referred to in Article 125 of the Law on Spatial Development and Construction BAM 40, - construction of temporary business facilities BAM 80.
3.	Usage permit	15 days for technical examination of the facility, 8 days for report of the expert commission and 5 days for issuance of the usage permit (3 days for review whether the application is complete)	<ul style="list-style-type: none"> • City administrative fee on the application amounts to BAM 2 • City administrative fee for issuance of the usage permit – 0.3 tens of percentage point of an estimated amount of construction and crafts works, the fee cannot amount to less than BAM 20 • Costs of work of the commission for technical examination (when it is appointed by a decision of the authority): <ul style="list-style-type: none"> - business facilities, i.e. premises up to 50 m²-BAM 150, - business facilities, i.e. premises between 50 and 100 m²-BAM 200, - business facilities, i.e. premises exceeding 100 m²-BAM 2/m², - multistory residential and commercial facilities BAM 2.50/m², - facilities referred to in Article 125 of the Law on Spatial Development and Construction BAM 60, - temporary business facilities BAM 200, - petrol pumps 0.50% of the facility investment value, - infrastructural facilities (transport, energy, postal services and telephones, water supplies and sanitation) and development of the surroundings: <ul style="list-style-type: none"> • up to BAM 100,000-0.60% of investment value, • between BAM 100,000.00 and BAM 200,000.00-0.50% of investment value, • between BAM 200,000.00 and BAM 500,000.00-0.40% of investment value, • between BAM 500,000.00 and 1,000,000.00-0.30% of investment value, • exceeding BAM 1,000,000.00-0.20% of investment value, • bridge construction, tunnel construction, dams-0.50% of investment value, • boiler rooms BAM 600.



- Time and costs of issuance of agricultural approval for changing use of agricultural land

The competent authority is the Department for Economy of the City of Trebinje.

Contact: Radenko Drašković, Head of Department

Telephone: +387 59 273 472

E-mail: privreda.nacelnik@trebinje.rs.ba

No.	Type of permit	Deadline for issuance	Cost
1.	Agricultural approval for changing use of agricultural land	5 days (3 days for review whether the application is complete)	<ul style="list-style-type: none"> • Fee for converting agricultural into non-agricultural land: fee depends on the land class and is calculated in such a manner that the cadaster revenue is increased: <ol style="list-style-type: none"> a) 500 times for land class I, b) 400 times for land class II, c) 300 times for land class III, d) 200 times for land class IV, e) 100 times for land classes V, VI, VII, VIII. If it concerns a temporary facility, fee is reduced by 50% compared to a permanent change of land use. • City administrative fee for the application amounts to BAM 2

Utilities

Costs of utility services

Type of service	Unit of measurement	Average price in EUR (including VAT)
Water supply including sanitation	m ³	1.59
Waste collection	m ²	0.28
District heating	MWh	102.07
Power	kWh	Higher tariff 0.067 Lower tariff 0.047-0.123
Telephone	Connection	Subscription for land line 8.91-11.34 Land line 0.02-0.18 per minute Subscription for mobile phones 5.98-53.84 Mobile 0.08-0.14 per minute
Broadband Internet	Subscription	12.56-131.61 Mobile Internet 5.98-23.93



SUPPORT FOR INVESTORS PROVIDED BY TREBINJE CITY ADMINISTRATION

Reforms for improvement of business environment

- The city administration of Trebinje implemented a regulatory reform, resulted in simplified procedures for issuance of permits and licenses under competence of the City, faster processing, lower costs, and significant savings for investors.
- Transparency of operations of the administration was increased through the establishment of the electronic register of administrative procedures and electronic register of incentives awarded by the City to investors.
- Aftercare program for existing investors was established, through cooperation with higher government levels within the Collaborative Network.
- Work of the Local Economic Council was improved aiming at higher quality public and private cooperation and dialogue on all topics of importance for the private sector.
- Department for Local Economic Development, Investments and Energy Efficiency provides support to investors in the implementation of their investment projects.
- The Business Incubator of the City of Trebinje was established to assist startups, new small and medium enterprises.
- Agency for Development of Small and Medium Enterprises of the City of Trebinje was established to support potential entrepreneurs and enterprises in development.
- For the private sector, the city administration provides several programs of support and incentives with the objective to develop business operations and the overall local economy.
- During 2017 and 2018, through a Public Call, over 190 ha of agricultural land was awarded to local agricultural producers through the lease for a period of 10 to 20 years that makes additional potential for developing base of agricultural - processing capacity.
- The Agrarian Fund of the City of Trebinje was established to support local agriculture producers to accelerate the agricultural production development, and potential entrepreneurs and companies in this sector.
- Trebinje possesses BFC standard, which guarantees that the City is an investor friendly business environment.





PRACTICAL INFORMATION FOR INVESTORS

Business registration

- Business registration is under competence of the Commercial Court in Trebinje. Detailed information on the process of business registration is available on the following link: www.preduzetnickiportalsrpske.net/registracija/privredno-drustvo/
Intermediary in registration is the Agency for Intermediary, Information Technology and Financial Services, APIF, link: www.apif.net
- Registration of independent entrepreneurs is under competence of the Department for Economy. The city administration adopts a decision on registration within the deadline of 2 days from the date of receiving a complete application.

Business services

Available to investors are: nine banks, six microcredit organizations, ten insurance firms, notary offices, law firms, agencies for accounting services.

- **Electronic registers** with detailed lists of permits and licenses necessary for investors in BiH, Republika Srpska and the City of Trebinje, including costs, are accessible on the following websites:

Trebinje City

<http://eregistar-trebinje.com/>

Republika Srpska Government

<http://www.regodobrenja.net/index.php?jezik=1>

BiH Ministry of Foreign Trade and Economic Relations

<http://rap.mvteo.gov.ba/egfVwOdlukaJedinice.aspx>

- **Lists of investment fiscal and non-fiscal incentives** on all levels of government in BiH are accessible on the following links:

Trebinje City

<https://www.trebinje.rs.ba/bs/lista-podsticaja/>

Republika Srpska Government /Invest Srpska

<http://www.investsrpska.net/index.aspx?PageID=436&menuID=215&langid=3>

BiH Ministry of Foreign Trade and Economic Relations

http://www.mvteo.gov.ba/izvjestaji_publicacije/izvjestaji/default.aspx?id=6176&langTag=bs-BA

BiH Foreign Investment Promotion Agency (FIPA)

http://www.fipa.gov.ba/informacije/povlastice/strani_investitori/default.aspx?id=141&langTag=bs-BA



List of institutions and organizations that may be useful in the process of preparation and realization of investment and during business operations:

- Republika Srpska Government /Invest Srpska <http://www.investsrpska.net/>
- BiH Foreign Investment Promotion Agency (FIPA) <http://www.fipa.gov.ba/>
- Foreign Trade Chamber of BiH <http://komorabih.ba/>
- Republika Srpska Chamber of Commerce <https://komorars.ba/>
- Republika Srpska Chamber of Commerce / Regional Chamber of Commerce in Trebinje <http://tb.komorars.ba/>
- Republika Srpska Employment Institute <http://www.zzrs.org/>
- Agency for Development of Small and Medium Enterprises of the City of Trebinje <http://msptb.net/>
- Agrarian Fund of the City of Trebinje <https://agrarnifond.com/>
- Department for Economic Development, Investments and Energy Efficiency <https://www.trebinje.rs.ba/>

ATTRACTIVE INVESTMENT LOCATIONS AT THE VERY BORDER WITH EU

Available to investors in Trebinje are Business zone Volujac, parcels for greenfield investments and former “Novoteks” facility for brownfield investments.

Locations for greenfield investments

Contact for inquiries for greenfield locations:

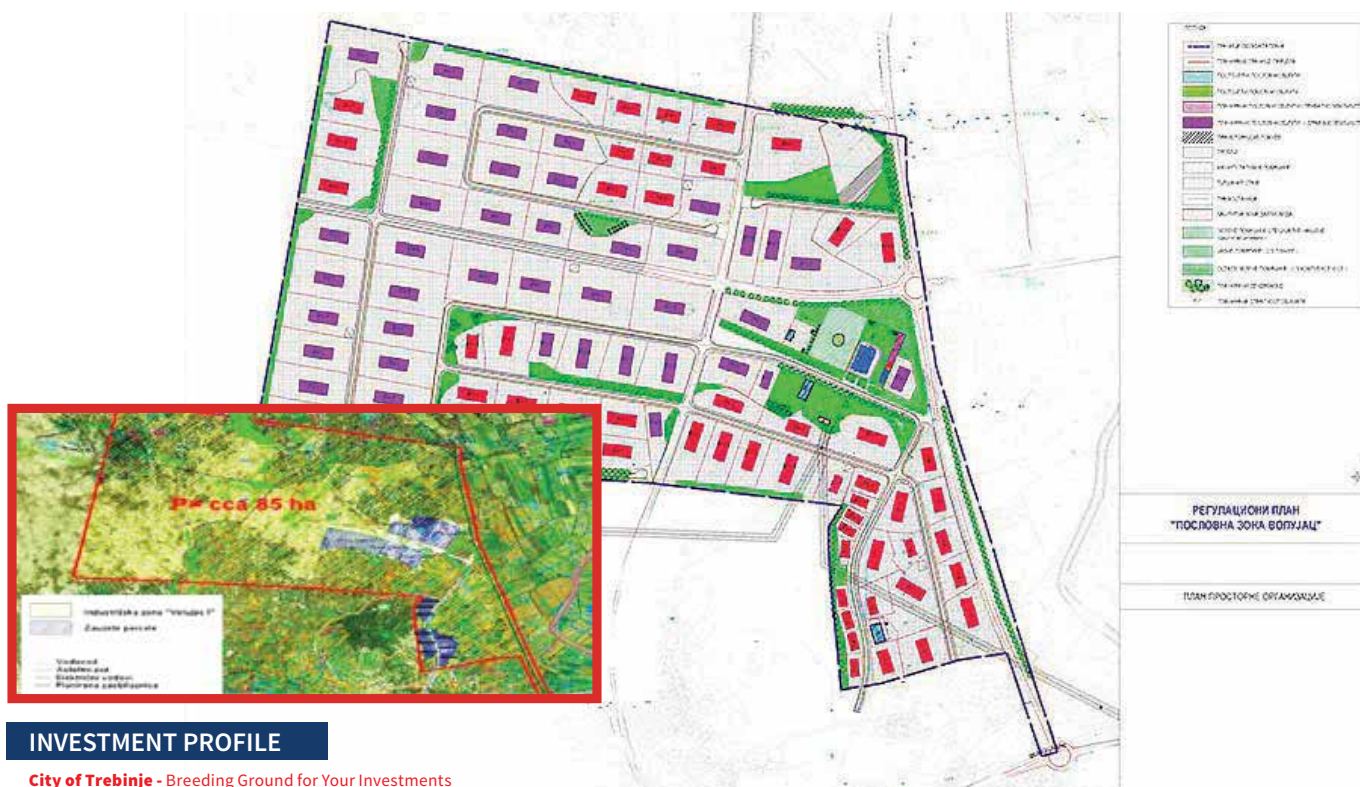
Department for Spatial Development of the City of Trebinje

Contact: Marko Rikalo, Head of Department

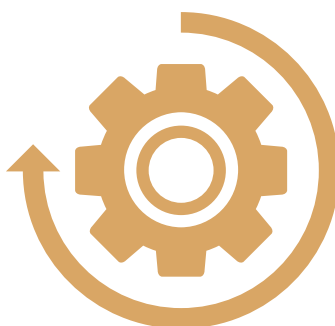
Telephone: +387 59 273 471

E-mail: urbanizam.trebinje@gmail.com

Volujac Business Zone



No	Type of information	Information
	Name of the zone	Volujac Business Zone
2	Type of investment (greenfield, brownfield)	Greenfield
3	Surface area	85 hectares
4	Ownership	Ownership over parcels for construction: 55% of the City and 45% private (expropriation possible)
5	Description of the zone's location in relation to transport corridors	It is around 5 km from the city center, immediately along the M20 Primary Road (Trebinje-Dubrovnik, Croatia/EU). The distance of the Business Zone from the M20 Primary Road is 1 km, from the railway 70 km, from the sea port 30 km, and from the airport 45 km. There is an adopted Regulation Plan.
6	Number and surface area of parcels that are free and available for investing	Construction parcels are planned in such a manner that their size can be tailored to needs of an investor. In the course of development of the Regulation Plan (RP), care was taken of the fact that in that moment in time it was not possible to fully analyze needs of future investors, so the RP envisages the possibility of consolidation, i.e. division of construction parcels.
7	Business opportunity	Purchase of land
8	Price	The price of 1 m ² of construction land in the Volujac Business Zone amounts to BAM 12. Costs of construction land development amount to BAM 38.37/m ² , rent amounts to BAM 19.66/m ² . The City facilitates a reduction in the rent and costs of development for constructing manufacturing plants in the Business Zone, specifically: 99% for the rent and 25% for the costs of development.
9	Infrastructure	35/10 kV substation, possibility of connecting to the low voltage network. Water supply infrastructure is developed (pipes with diameter of 100 mm). Road in the Business Zone is partially constructed, and in 2018 the construction of roads in the Business Zone will be continued.
10	Priority sectors for investing in the zone	Within the Business Zone construction of manufacturing plants (clean industry), trade and warehousing facilities is envisaged.
11	Existing companies in the zone	In the Volujac Business Zone, 5 enterprises currently operate.
12	Documentation necessary for investing in the zone and who is issuing it	There is an adopted Regulation Plan





Other available land for greenfield investments

The City of Trebinje also has available parcels that are envisaged for construction of commercial and business facilities.

Locations for brownfield investments

Contact for inquiries for brownfield location:

Department for Economy of the City of Trebinje

Contact: Radenko Drašković, Head of Department

Telephone: +387 59 273 472

E-mail: privreda.nacelnik@trebinje.rs.ba

The City of Trebinje offers to investors one facility for brownfield investments. It is a part of the facility of former "Novoteks" (actual facility name is Tini Business Center). Around 3,000 m² of commercial / manufacturing space is available for investors. The facility is connected to utility infrastructure and is located immediately next to the city bypass, around 2 km from the city center. It was built in the 1980s, purposefully for manufacturing and warehousing in textiles industry.



TESTIMONIES OF INVESTORS IN TREBINJE

Director of Swisslion IAT Trebinje, Ms. Branka Ratković

„Collaboration of the City of Trebinje and SL IAT Trebinje-ad is realized primarily through the Economic Council where, through a mutual exchange of information on obstacles, initiatives for solving them are launched. And not just obstacles faced by this company, but companies in general. An ongoing obstacle of lack of work force and adequate staff is successfully solved by programs of active support to work force's employment through public calls that are announced and carried out by the City of Trebinje. An interactive relationship between the City and SL IAT (one of the most important companies in the city) is a right path of support for this company, economy as a whole and for the development of the City of Trebinje in general”.

Owner and Director of "Trebinjka" joint-stock company, Mr. Nebojša Preković

„I haven't expected something so successfull in this area, quick, simple and functional. Competent departments in the city administration have always provided assistance to me according to their capacities. We don't communicate often but, whatever we need, they meet our needs and we are gratefull to them. We are not here to deal with small things, important is that they react timely when some bigger issues are in question“.



SIGNIFICANT COMPANIES IN TREBINJE

The list of significant companies was created based on the 2017 business results.

Agriculture, forestry and fishing	<ul style="list-style-type: none"> • “Popovo polje“, joint-stock company - Production of fruit - apples, cherries, and grapes. The firm was founded in 1977. Upon intensive investments of the shareholders the firm was modernized, and the production was harmonized with the most up-to-date global standards, along with continuous increase in the volume of production. Under the slogan “I love fruit” the company is successful in cultivation and selling high-quality fruit both in the country and abroad. http://www.popovopolje.com/index.php/sr/onama • “Agrofin“, Ltd - Production and sale of wine grape. Black varieties offer: vranac, merlot and cabernet. White varieties offer: žilavka, shardonay and smederevka. E-mail: agrofindoo@gmail.com
Processing sector	<ul style="list-style-type: none"> • “Swisslion“, Ltd Trebinje - Manufacturing of confectionary goods. The Sweet house is a retail chain specializing in promotion and selling of salty and sweet products of Swisslion-Takovo. The retail chain consists of 112 shops in Serbia and shops in Bosnia and Herzegovina, Croatia, Macedonia and Montenegro. http://www.swisslion-takovo.com/o-nama/ • “Swisslion IAT“ - Tool Industries in Trebinje is manufacturing cut tools for more than 55 years and is amongst the largest producers in Europe. Tools are produced from the highest quality steel (Molybdenum, Cobalt and other alloy fast cutting steel). https://www.ecomex.co.rs/rezni-i-brusni-alati/iat-swisslion-iat/150-industrija-alata-trebinje.html • “Monting-energetika“, Ltd – One of modern privately owned metal processing companies in Herzegovina founded in Trebinje in 2001. The company’s business activities are the production and installation of process equipment, metal structures and spare parts for various industrial facilities. By quality improvement, it is increasingly becoming a recognizable company in its sector. E-mail: montinge@teol.net • “Vukoje Wine Cellars 1982“ - For the fourth decade already the company’s business activity is a limited production of premium wines and alcoholic beverages. The winery relies on modern technologies, controlled fermentation processes and the traditional method of wine aging in oak barrique barrels in basements located eight meters below the surface of the earth. The company is a winner of over 150 gold medals at domestic and international wine competitions, and in past half of year, it won 10 gold and silver medals in AWC Vienna 2015, the most significant and officially the biggest World Wine Contest, and was declared the best national producer in BiH. E-mail: podrumvukoje@gmail.com • “TDS“ Tarana – The company produces the highest quality meat and meat products in Herzegovina and in years, it has been considered one of the most successful brands in Herzegovina and wider. Their long-standing tradition has been sustained by continuous improvement of work and quality and good customer relationship. E-mail: td.s@teol.net
Construction	<ul style="list-style-type: none"> • “Herc invest“, Ltd - The main activity is investment and sale and purchase of real estate. Business activities: selection and purchase of construction land, design of facilities, planning and organization of construction, and performing construction work as per turn-key system with the main motif to satisfy customers’ wishes within deadlines and quality. E-mail: hercinvest.rs@gmail.com • “Hercegovinaputevi“, joint-stock company - Company for roads' maintenance and protection. • “Luč invest“, Ltd - Specialized partner organization for engineering and investing in building business and residential facilities. www.luc-invest.com • “Leoplastik“, Ltd - Construction of residential and business buildings intended for a wider market. Several hundreds of satisfied customers will best confirm the highest quality of construction of apartments and business facilities. E-mail: leomijat@teol.net
Trade	<ul style="list-style-type: none"> • “Swisslion Takovo“, Ltd - Leader in producing quality and healthy food. The application of modern technology and advanced knowledge and their continuous improvement have set high standards of business operations, life and work in Swisslion-Takovo. E-mail: sl.takovo@yahoo.com • “Dim trejd“, Ltd Trebinje - For many years the company's business activity is the wholesale and distribution of consumer goods in the whole of BiH; and for the region of eastern Herzegovina the company is an authorized distributor of "Coca Cola" assortment and certain brands of cigarettes. For several years, a company's retail network is being successfully developed, with more than 30 facilities stretching from Trebinje, via Bileća, Ljubinje and Gacko to Nevesinje. E-mail: djim@teol.net
Services of accommodation, preparation and food delivery; hotel industry and catering	<ul style="list-style-type: none"> • Hotel “LEOTAR“ - Located in the city center, on the banks of the Trebisnjica River, surrounded by greenery, built in the Herzegovinian Mediterranean style. It has luxurious accommodation - 25 rooms and 10 suites, and 64 standard single and double rooms. www.hotelleotar.com • Hotel “PLATANI“ - Located on the main city square in Trebinje. It has 20 rooms and 2 apartments of modern design, which with its comfort and equipment provide guests with a comfortable and pleasant holiday. E-mail: hotel.platani@gmail.com

Source: Trebinje City (APIF)

CONTACTS FOR SUPPORT TO INVESTORS

City of Trebinje

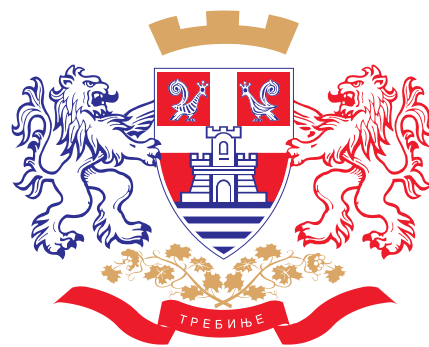
2, Vuka Karadžića Street, 89 101 Trebinje

Telephone: +387 59 273 460

Fax: +387 59 260 742

E-mail: grad@trebinje.rs.ba

web: www.trebinje.rs.ba



Mayor

Telephone: +387 59 274 400

E-mail: gradonacelnik@trebinje.rs.ba

Contact information for investors

Mirko Ćurić, Deputy Mayor

Telephone: +387 59 274 400

E-mail: zamjenikgradonacelnika@trebinje.rs.ba

Nataša Tučić, Department for Local Economic Development, Investments and Energy Efficiency

Telephone: +387 59 272 628

E-mail: ler@trebinje.rs.ba

**TREBINJE IS A CITY THAT HAS RECOGNIZED, SHAPED,
AND OFFERED TO NUMEROUS BUSINESS PEOPLE NEW
OPPORTUNITIES AND EVEN BIGGER CHALLENGES.**



The investment profile was developed as part of the Local Investment-friendly Environment (LIFE), which is being implemented by the World Bank Group in partnership with the UK Government, the Council of Ministers of Bosnia and Herzegovina, the Federation of BiH Government, and the Republika Srpska Government. The project has been funded by UK aid from the UK government; however, the views expressed do not necessarily reflect the UK government's official policies. The findings, interpretations, views and conclusions expressed herein do not reflect the views of the Executive Directors of the World Bank Group or the governments they represent.