



GUIDE FOR INVESTORS



STANARI MUNICIPALITY



Dear respected,

The youngest unit of local self-government in the Republic of Srpska, as well in the whole of BiH, is the municipality of Stanari. This is something that I, as the first man of the local community, am very proud of, yet on the other hand it is a very significant obligation which, together with my team, have in sight regarding the meeting of the needs of our citizens and representatives of the business community.

Our recent experiences speak in favor of the fact that determination for a place of businesses establishing and development, that is a choice of location for carrying out business deals represents one of the key decisions of a successfully accomplished business

The municipality of Stanari is a local community with the highest value of the accomplished individual direct foreign investment within the last three years, in the Republic of Srpska region, as well as in the whole of the BiH region. The highest average salary in the RS is being reached in Stanari municipality, primarily thanking to the work of the coal mine "Rudnik" and the thermal power plant "Stanari".

Numerous interlocutors are asking us how we have made it

There are many important factors that insure successful marketing valorization of the products and services. The marketing approach by the implementation of the methods is not conductible without application of informative/communicative technologies. By informative/communicative technologies, which means Internet, it is made possible the approach of the buyer, which means producer, at any time of the day or night. The existing infrastructure from this area in Stanari enables in full a quality use of innovative/technological blessing, of the mentioned. When we add the geostrategic situation of the Stanari municipality which is attached to the traffic infrastructure, then the appeal of the business development is increasing. It is necessary to state that through the area of the Stanari municipality goes a railway with three railways stations with a built in loading ramp in Dragalovci. Besides this, there is a traffic road Banjaluka - Doboj in it's final state of construction, with access roads in the locality of Prnjavor and "Ninkovići" Osinja which gravitate to the area of the Stanari municipality. The local community recognized a long time ago, a chance which, for the development of the business activities, opens a good traffic connection, so it has been predicted by the Spatial Plan of the Stanari municipality which has predicted the realization of the business zone "Jelanjska" in the immediate vicinity of the Banjaluka-Doboj highway. A good communication connection in road traffic is the depicted by two regional roads leading through the center of our municipality and connecting us with Prnjavor, Teslić, Doboj, Tešanj and Derventa, and even further towards international traffic corridors of EU countries and wider. During the next year the regional highway P474 will be re-constructed in full to give quality answer to the needs of transport of passengers and goods, with the goal of motivating the economic activities in this area. We should not forget a significant competitive advantage of this area represents the complete energetic stability in a sense of servicing the needs of all potential investors without any limitations. All of that is enabled by installing the thermal power plant "Termoelektrana Stanari" and accessibility of electro-net with built electro line and with substations, by which it is enabled a reliable and quality sturdy energy supply.

At the end, keeping in mind, that we need new investors, the message I could pass to all the good willed people, potential investors and representatives of the business community, says:

"Come and become Stanari, tenants in communicational and energy center as investment destination of the West Balkans"

Stanari, September 2017

Dušan Panić
The Mayor



LOCATION AND DISTANCE TO THE IMPORTANT DESTINATIONS

The Stanari municipality is located in the north-eastern part of the Republic of Srpska, between 17° 83' eastern geographical length and 17° 50' northern geographical width and borders with the towns of Doboj, Derventa, Prnjavor and Teslić. Doboj town is the closest center with which Stanari municipality is strongly connected both economically and in the area of social development. Stanari municipality is going to be connected with administrative headquarters of the Republic of Srpska and the border crossing "Gradiška", between the BiH and Croatia, during 2018 by the highway Doboj-Banjaluka-Gradiška.



World and regional centers	Distance (km)	Logistic centers	Distance (km)
Rotterdam	1.270	Border crossing Gradiška (BiH – Croatia)	100
Munich	780	Border crossing Brod (BiH – Croatia)	65
Berlin	1.270	Border crossing Domaljevac (BiH – Croatia)	85
Vienna	780	Railway junction and customs branch Doboj	25
Budapest	425	Airport Banjaluka	70
Bruxelles	1.515	Airport Sarajevo	180
Milan	860	Airport Tuzla	85
Istanbul	1.200	Airport Mostar	300
Zagreb	235	Port Brčko	120
Belgrade	250	Port Ploče (CRO)	360
Ljubljana	372	Port Kopar (SLO)	475
Podgorica	400	Port Rijeka (CRO)	400
Skopje	685	Port Kotor (MNE)	440

Economy of the Stanari municipality is tightly related to the history of coal mining and energetics in this area together with important roads and railways leading through the Municipality territory.

The Stanari territory, where 100 years ago began the exploitation of coal and through which 60 years ago went the railway Banjaluka-Doboj, surely in the greatest measure has become recognizable by those two above mentioned elements of economical, as well as entire social development of this area. The coal exploitation in Stanari began in 1948, at the open coal mine "Raškovac", as the underground exploitation began in 1955 in the northern part of the mining basin. In the southern part of the basin the excavations were carried out from 1974 to 1980, in the coal seam "Ostružnja". Starting from 1974, coal excavation has been mostly concentrated on surface mines, yet before that it was presented also the underground exploitation. Today, the surface mine "Raškovac" is the only one in use, since the mine "Ostružnja" is currently out of use.

Stanari lignite is of high quality it contains low levels of sulfur and ash, as well as acceptable heat value for lignite coals.



In 2004 the Government of the Republic of Srpska announced an international tender in order to find a private partner for the Lignite mine "Stanari". In that year, the Mine was bought by the company "EFT" which started with the investment cycles which have resulted with the establishment of the Thermal Power Plant "Stanari" together with increasing of coal production to 2.5 mil. tons and installed power in electricity production of 300 MW.

As accompanying raw material in coal reserve, there are many bentonite in a form of interlayered clay, with estimated reserves of approximately 10 mil. tons, together with big supplies of sand and gravel.

Besides the above mentioned capacities for development of energetics and coal mining, on the local level, there are presumptions of wood processing, agricultural and crafts sector. According to the latest data, there are 63 business entities on the territory of the Municipality, from which direct foreign come from EU countries, and export of the domestic products is realized to the markets of Austria, Germany, Switzerland, Slovenia, Croatia, etc.

LEADING ECONOMICAL SECTORS

The local economy is depicted through coal mining and energetics, wood processing, agriculture and small businesses.

Number of registered firms

Kind of firm	2015.		2016.	
	Private	State	Private	State
Micro (To 9 workers)	5	0	11	2
Small (10-49 workers)	1	0	1	2
Medium (50-250 workers)	0	1	0	1
Large (Over 250 workers)	1	0	1*	0
Total	7	1	13	5

Five leading entities on the territory of the Municipality are:

Title of the firm	Income(KM)	No. of workers	Investments (KM)	Export (KM)
1. "EFT Rudnik i Termoelektrana Stanari" ltd.	120.000.000,00 KM	750	1.075.000 KM	1.003.256,00 KM
2. "Vukajlović" ltd.	2.000.000,00 KM	10	N/A	N/A
3. "Boro"ltd.	550.000,00 KM	7	N/A	412.152,00 KM
4. "Drvoex"ltd	150.000,00 KM	6	N/A	120.762,00 KM
5. "Plava linija" ltd	120.000,00 KM	5	N/A	N/A

The two greatest exporters from the Stanari municipality are "EFT Runik i Termoelektrana Stanari" ltd. and "DRVOEX"ltd. The export of local economy goods and services is given in the table below (source APIF):

Title of the firm	Description of work	Export 2015	Export 2016	Import 2015	Import 2016
DEC, Project Office Stanari	Construction of buildings	33.767,00		0,00	
"GAS Kompany"ltd. Ostružnja Stanari	Lithotomy	0,00	4.889,00	18.011,76	2.105,88
"PEJGRAD"ltd. Ostružnja Stanari	Construction of buildings	172.535,00		70.252,94	
"DRVOEX"ltd Cerovica Stanari.	Production of joinery	0,00	120.762,00	0,00	2.405,88
"TIGAR elastic" ltd. Stanari	Retail			0,00	30.925,29
" EFT Rudnik i Termoelektrana Stanari"ltd.	Power generation	3.882.735,00	1.003.256,00	38.188.482,35	13.116.600,00
"BORO" ltd	Transport	0,00	412.152,00	0,00	
Association "POLJOPRIVREDNIK"	Association of agricultural producers	0,00		44.194,12	

Forests occupy 53% of the total area of the Stanari municipality territory, while 39% of the surface is characterized as agricultural land. All of the mentioned create significant presumptions for the development of agriculture and wood processing.

ПОЉОПРИВРЕДА

The total area of agricultural land is 6.084,6 ha or approximately, 39% of the total space of Stanari municipality. All arable land and gardens, orchards, pastures and meadows are in private possession. The area of Stanari Municipality, with the elevation of 138 to 343 m, passes ecological requirements that suit the agricultural development. The moderate continental climate together with suitable configuration of the land, open the condition for the development of the agricultural production. The traffic acts as an important factor promotion of the agricultural production, as well as the commerce between the agricultural producer and the market. The traffic connection of the agricultural land within the Municipality is on the satisfying level, together with the wider surrounding.



It is important to point out that on the area of Stanari municipality, there is a great interest for agricultural production, so we have 4.5ha under plantation of hazelnut, 3,2ha under plantation of raspberries, 1,3ha under plantation of strawberries, 1ha under plantation of aronia, and during the latest time period there have been 2,2ha under plantation of cucumbers, so it could be said that the green house production is developing, covering 1,4ha of the land surface.

A SUCESSFUL STORY FROM THE SECTOR OF WOOD PROCESSING

"DRVOEX" Ltd. Cerovica-Stanari
Cerovica 66, 74.265 Vitkovci
www.drvoex.com

"DRVOEX" Ltd. is a modern firm, established from a carpenters workshop "Stolarija Cvijanović", which poured over 20 years of experience and love towards the processing of the wood. The production is situated in Cerovica, in the immediate vicinity of the regional road P474. The product placement besides the domestic market, is by the greater part oriented towards the export for the market of the Western Europe, primarily Austria, Germany and Slovenia.

Throughout the years a work, the focus of production has been directed towards the room doors, massive furniture, as well as the interior by measure, with use of the newest technologies applied together with their own project solutions and quality making.



The continuous investment in modernization and to-date machinery has enabled the greater part of the production orientation towards the export market, which has recognized the quality of services, making and design of "DRVOEX" firm

According to the words of the Manger in Chief:

"Since 2014, "DRVOEX" has been working at the EU market through the representative firm "TF Tehnik" Ltd., registered in Slovenia in order to make the placement of the products and the services easier for buyers on the foreign market, with minimal limitations in administrative and sales

process. Working and presenting together at the new markets, these two firms have a further addition of widening of the work and production capacities, in order to continue family tradition and justify the trust of our buyers and numerous co-workers.



"EFT" Coal mine and thermal power plant Stanari

The company "EFT" deals with marketing and investments within the energy sector. It leads the development of electric energy market in South-East Europe, the development of electric energy complex Stanari is the biggest investment in energy sector if BiH until now.



The very fact that there is the biggest thermal power block in the RS, on the territory of Stanari, indicates the long term favorable perspective for the development of this area's energetics. However, this area is already covered with a modern transmission network and substations, with the capacity for far beyond today's needs of the population, industry and traffic. By the building of the Thermal Power Plant "Stanari", it is not only that the energy balance of the RS is substantially improved, but it also removes weaknesses in supplying of the western part of the RS, together with reduction of losses. By the building of the Coal Mine and the Thermal Power Plant "Stanari", with over 750 employees, the municipality of Stanari has become a very perspective environment. The development of infrastructural objects in the very place of Stanari, together with existence of a good transport network, makes this environment very suitable for the development of production-industry utilities.

One of the most important factors for the development of any kind of industry are the human resources the commitment of the young people to stay in Stanari is already noticeable and by the building of the new industrial utilities it would be even more confirmed over 85% of the EFT-Rudnik employees are from the local community from which everybody can conclude that there is a great number of young and educated staff who have proved themselves as good workers.

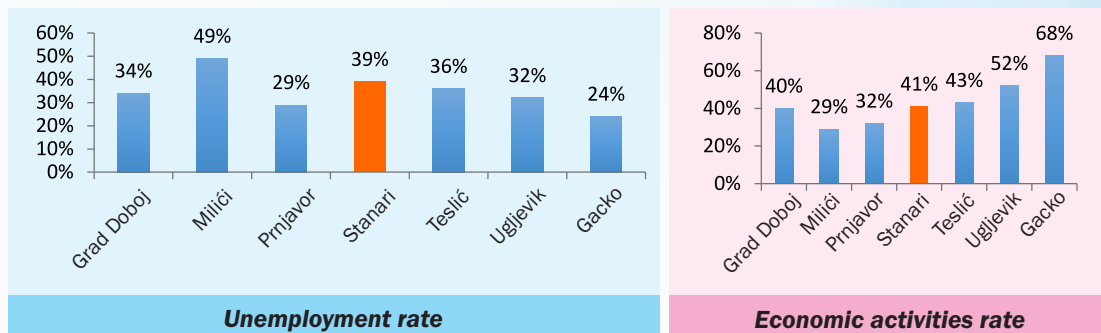
Also, it should be pointed out that good business relations and readiness for co-operations of the Municipality representatives, with whom we have taken part together in several projects, as the building up of the House of culture and cinema. –

Said Stevan Lončar the Technical Director of "Rudnik".

MANPOWER IN NUMBERS

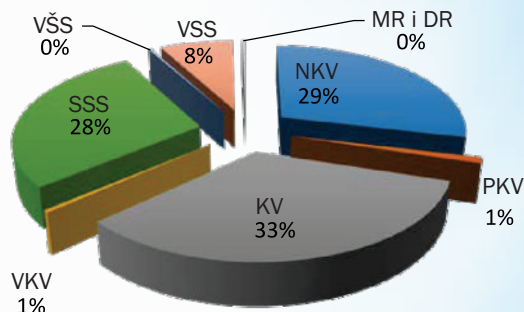
At the area of the Stanari municipality it has been registered 1098 employees, while the number of the unemployed reaches 1187 people, out of which 653 people are actively looking for a job.

The unemployment rate was 39%, by the rate of economic activity from 41% in 2015.

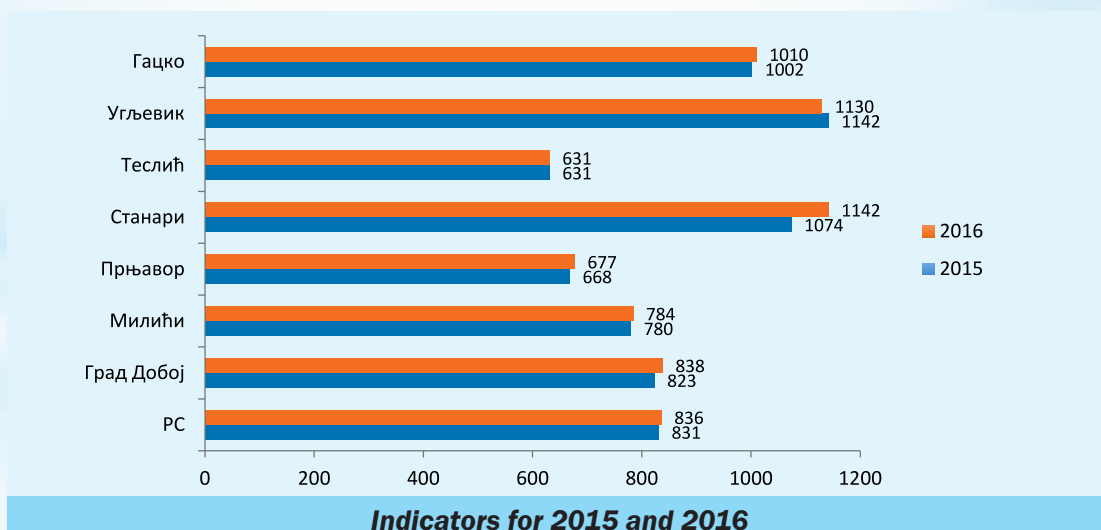


Educational structure of the unemployed

Educational structure of the unemployed on the area of Stanari municipality has given in % on the picture.



Stanari municipality, by the average salary, is lined up to the very top in the RS and the BiH, the indicators are in BAM for 2015 and 2016, given on the picture



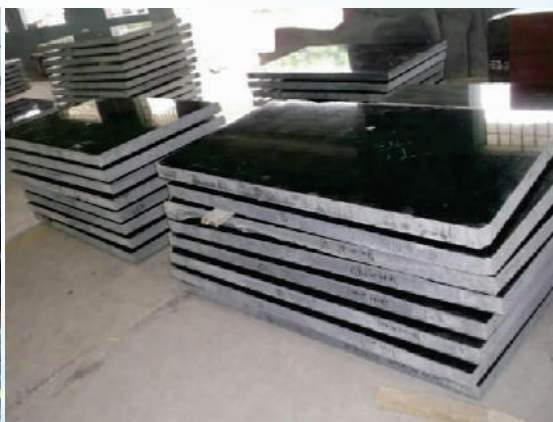
"Granit Đermanović" Ltd.
Stanari bb, 74,208 Stanari
Tel/Fax: +387(0)53 290 145;
E-mail: djerma_s@hotmail.com

The enterprise "Granit Đermanović" Ltd. was founded in 2016 in Stanari by Mr. Siniša Đermanović, from Stanari. The core business of the firm is cutting, shaping and processing of stone. Beside the core business, the firm is registered for several secondary activities, as handling and loading of various cargoes and similar. All of the above mentioned activities the firm performs both on the territory of the BiH and abroad.

Concerning the fact that firm has been operating only less than a year I have to point out that I am satisfied with previous work. We are acquiring contacts and trust both with domestic and foreign buyers and suppliers. We have accomplished co-operations with firms from Italy, India, BiH, Serbia, Croatia and Slovenia.

On the occasion of the founding, the firm was helped by the Stanari municipality in the form of money for employment and self-employment, which the Stanari municipality carried out in 2016.

These resources were a great help to our firm, but as the volume of further investments is big, I hope that we will continue our co-operation through other projects in the future on the other hand, we, as a firm which carries out its activities on the territory of the Stanari municipality, will make an effort to contribute to the development of the Municipality, through openings of new jobs expecting on the other hand, the support of the Stanari municipality, as it has been used in previous work. – said the Director, Siniša Đermanović.



"Vukajlović" ltd.

Stanari bb, 74,208 Stanari

Tel: 053/292-130 053/292-132; Fax: 053/292-131

E-mail: vukajlovic.doo@hotmail.com

The firm "Vukajlović"ltd. headquartered in Stanari is located next to the regional road P474, and has operated since 1999. Since the firm deals with oil trade and oil products, and beside a gas station, it owns a business building in which there is a tire-repair shop with a car-wash and self-service store, motel with the accommodation capacity of 8 units, together with a coffee-bar within the building.



The firm "Vukajlović"ltd. now employs 11 workers, with the annual turnover of 2mil. BAM. In the next period together with the completion of the building we're planning to employ some more workers. We are satisfied with the co-operation with the municipal administration, because they, very timely, effectively and expeditiously perform activities in their jurisdiction, which is very important for business of our firm.

We hope that our currently co-operation will continue in the future period of time on mutual satisfaction and with that the satisfaction of Stanari municipality citizens. –
Said the Director, Stevo Vukajlović.

10 MOST COMMON OCCUPATIONS AMONG THE UNEMPLOYED

According to the latest available information it has been identified 54 persons with a university degree (VSS), 188 persons with a high school education (SSS) and 223 persons with elementary school education (KV), in the Stanari municipality.

Structure of the unemployed with VSS and their age

Num.	Title of the faculty	Num.	Age
1.	Faculty of Economics	10	24-55
2.	Faculty of Transportation	9	24-35
3.	Faculty of Science	8	27-35
4.	Faculty of Law	6	24-40
5.	Faculty of Agriculture	4	24-45
6.	Faculty of Philosophy	3	24-35
7.	Faculty of Medicine	3	27-35
8.	Faculty of PE & Sport	2	27-35
9.	Faculty of Philology	2	27-50
10.	Faculty of Arch. CE, Geo d.	2	27-30

Structure of 10 most common occupations with SSS among the unemployed in Stanari.

Num.	Title of the secondary school education	Num.	Age
1.	Economics technician	20	20-65
2.	Electro-technician	16	20-50
3.	Mechanical technician	15	20-65
4.	Nurse	14	20-55
5.	Trade technician	12	18-40
6.	Road transport technician	10	20-55
7.	Cooking technologist	8	30-50
8.	Banking technician	7	18-24
9.	Tourist technician	7	20-24
10.	Construction technician	6	24-27

Structure of 10 common occupations among the unemployed with primary school education (KV)

Num.	Title of the primary school education	Num.	Age
1.	Shopkeeper	37	20-60
2.	Auto mechanic	27	20-55
3.	Cargo vehicle driver	21	24-65
4.	Cook	17	20-60
5.	Waiter	15	24-60
6.	Locksmith	12	24-60
7.	Technical secretary	8	18-60
8.	Turner	8	20-65
9.	Electrician	6	20-24
10.	Bricklayer	6	35-65

The basic points of the development of infrastructure are :

- **A good road connection with the regional centers (highway Banja Luka –Doboj)**
- **A developed railway in the segment of transport of passengers and goods**
- **An excellent electro-energy infrastructure**
- **A good telecommunication infrastructure, coordinated with the needed standards**

Transport infrastructure

The main roads in the area of the Stanari municipality are : the regional road Doboj-Prnjavor, P474, of 9.13 km in length, Prnjavor-Jelah P474, of 19.5 km in length and Tedin Han-Teslić P473, of 2.1 km in length (the given data are related on the road parts leading through the Stanari municipality) There are totally 111 km of asphalted roads of different categories. The road network is in a good shape. A part of the highway Doboj-Banja Luka borders between Stanari and Derventa municipalities.

Electricity infrastructure

The area of the Stanari municipality is supplied by electric power from the Substation 110/35 kV, 10MVA and Substation 400/110 kV " Stanari", 300 MVA. The installed capacity in the Substation 400/110kV meets all the needs of municipal development, counting on planned increasing of load of 2% annually. The Thermal power plant built in Stanari indicates a long term favorable perspective of the energetics development.



Telecommunication infrastructure

There are two switchboards in the area of the Stanari municipality, one of which is a digital ATC with 1440 numbers, and the other is an analog ATC with 900 numbers and an analog ATC with 240 numbers in Dragalovci. The area of the Municipality connected by optical and TK cables.

Water supply system

There is a water supply system network in the Stanari municipality that supplies the inhabited place Stanari center. The system is supplied with water from a well of 60m in depth, with a capacity of 400 m³, currently supplying 400 users. While in other local communities, the water supply mostly comes out from the individual wells. The residents of Cerovica and Radnja Donja, together with Vitkovci (Teslić municipality), are supplied through private water supply systems. The industrial and economic capacities are supplied by technological water from their own wells and water supplies. The total length of the water supply network in the area of the Stanari municipality is 45km. 847 households are connected to the water supply network. There are big losses of water distribution because of frizzle and that is why for the upcoming period of time it has been planned a building up of a new water supply network which would meet the needs of all residents of the Stanari municipality.



Sewage system

The sewage network does not exist in the area of the municipality and it is consisted of individual septic tanks.

Handling of the solid waste

There is an organized system of gathering of the solid waste.

Public lightning

About 10% of the Stanari municipality population is covered by the public lightning in the urban area where the important business entities of the Municipality are located..

Public utilities costs

Average prices of the public utilities for the business entities in the area of the Stanari municipality are given in the table below.

Title	Measure unit	Average price in Euros (with added value tax)
Water for business users	m ³	0,7
Garbage transport for business users	m ³	11
Electric power for business users – higher (daily) price	kWh	0,23 (winter) and 0,095 (summer)
Electric power for business users – lower (nightly) price	kWh	0,078 (winter) and 0,047 (summer)
Butane gas	kg	0,40
Monthly pre-paid for landline phone – business users	Pre-paid	9,6
Prices for conversation of landline phone (local calls)	Minute	0,024
Prices for conversation of landline phone for business users (international calls)	Minute	0,0264
Monthly pre-paid for mobile phone – business users	Pre-paid	8,77 - 46,80
Prices of conversation for mobile phone for business users (local calls)	Minute	0,087
Prices of conversation for mobile phones for business users (international calls)	Minute	0,14 - 5,85
Prices of internet for business users (NetBiz)	Pre-paid	17,5 - 58,5
Prices of mobile internet (m:net)	Pre-paid	2,92 - 23,00

Fuel prices in BiH

Average prices are:

Eurodiesel	0.920 EUR
Motor gas 98 octanes	1.023 EUR
Motor gas BMB 95 octanes	0.920 EUR

Source: Statistics Agency BiH, average consumers prices in BiH, December 2016

Prices of real estate in Stanari

- Prices of the real estate depend on several factors: location, condition and equipment, age and current situation of the market
- Prices of the sale/rent of the office space are in following frames:
- Renting of the office space: 10 EUR/m² – 20 EUR/m² monthly
- Buying of the office space:
- Central location 700 EUR/m² – 800 EUR/m²
- Price of the agricultural land 0,3 EUR/m² – 0,5 EUR/m²
- Price of the building land: 10 EUR/m² – 15 EUR/m²

Customs fees

The customs system in BiH is regulated by several autonomous and international regulations and is applied uniquely on BiH territory. The Law on BiH customs regulates the policy of the basic elements of the system for customs protection of the BiH economy, rights and obligations of all subjects in customs procedures of goods and passengers. There are regulated customs territory, customs line, customs border belt, customs control, the customs clearance procedure of goods and other institutes that regulate system of custom protection.

Customs tariff contains the range of rates from 0 – 15%. Customs regulations are carried out uniquely on the BiH territory. The customs clearance of goods imported to customs territory of the BiH is carried out by the customs office to which the goods are reported for the customs clearance.

There are four regional centers in the BiH: Customs office Banjaluka, Customs office Sarajevo, Customs office Tuzla and Customs office Mostar.

By the signing of the Agreement on Stabilization and Association, it is enabled the free export of almost all goods which fulfill the standards of EU, and at the same time, the BiH market is opening for the goods from EU according to the dynamics agreed in annexes and protocols which are belonging parts of the Agreement. The BiH has signed Free Trade Agreement CEFTA with the following countries: Albania, Montenegro, Macedonia, Moldova, Serbia and UNMIK/Kosovo. By the CEFTA Agreement it has been replaced but also supplemented the existing agreements on trade with individuals countries from the region. By that, it is enabled a greater transparency and the rules of the game close to the EU standards, as well as the access to the market of approximately 30mil. people. Also, it has been signed the Free Trade Agreement with Turkey, the Preferential Trade Agreement with Iran, and the Free Trade Agreement with EFTA countries: Switzerland, Liechtenstein, Norway and Iceland.

Exemption from payment of customs duties

The foreign investors can be exempted from payment of import customs duties on the equipment put into free circulation which represents a deposit of a foreign person.

Export limits on equipment which is a part of foreign investments

The equipment which is imported to the BiH as a foreign investment must not be older than 10 years. It is needed to obtain a certificate of the competent body which proves that the equipment suits the standards of life environment protection and safety at work.

Border crossings: Novi Grad, Kostajnica, Kozarska Dubica, Gradiška, Bosanski Brod, Šamac, Rača, Pavlovića most, Karakaj, Zvornik, Klobuk, Vračanovići, Deleusna, Dobrun, Zubci, Nudo, Ivanica.

Customs crossings: Novi Grad, Kozarska Dubica, Gradiška, Bosanski Brod, Rača, Pavlovića most, Karakaj, Klobuk, Vračanovići, Deleusna, Dobrun.

Notary services

Notary service is a public services performed by notaries as autonomous and independent officers. The public notary's task is to process, verify and confirm public documents and perform other tasks according to the law.

The introducing of the notary to the RS in 2008 is a significant contribution to the rule of law, safety of the legal work and legal transactions by the article 68, the law on notaries ("The RS Official Gazette" number 96/04, 74/05, 91/06, 37/07, 50/10, 78/11, and 20/14), there were regulated legal affairs for which it is obligated a notary processing of the documents. Legal affairs which require the notary document processing for their legal validity refer to:

- Legal affairs on regulation of the property relations between spouses, as well as persons living in a common law marriage
- Disposal of assets of minors and business incapable persons
- Legal affairs that promise some act of gift, except that the lack of notary form in this case is replenished by the execution of the promised act
- Legal affairs which subject is a transfer or acquisition of ownership or other real rights on real estate and
- Founding acts of companies

The legal affairs that are not subject to the notary processing are legal affairs that mutually conclude the Republic of Srpska and local governments, as well as the agreements among local governments, whose subject is acquiring of the ownership rights and other real rights on founding acts of companies, if the founder is the RS or a local government.

The obligations of the notary document processing can be predicted also in other cases, such as:

- The parties have right to demand notary document processing also for other legal affairs for which it is no predicted and obligatory notary document processing

The notaries have right on award and compensation for their work in height and in a manner arranged by the Regulation on determination of notary's awards and compensation in the RS. ("The RS Official Gazette", number 54/12, 103/13 and 6/17).

More information at www.notarrs.com

Legal services

By the Law on advocacy of the RS ("The RS Official Gazette", number 80/15) it is regulated legal services, the conditions of performing advocacy, forms of law practice, rights and obligations of the lawyers, associates for legal affairs and law clerks and organization and work of the Bar association of the RS.

The advocacy is independent and the custom autonomous service of giving of the legal help to physical and legal entities. In accordance to the Law on advocacy of the RS the prices of the legal services are determined by the tariff on awards and compensation of the costs for the work of advocacy in the RS ("The RS Official Gazette" number 68/05).

Membership fees in the Chamber of commerce

According to the Law on Foreign trade chamber, the tax payers are members of the Chamber, that means companies, banks, insurance companies and other legal entities, registered for the performing of the work with foreign countries of the territory of the BiH.

Monthly sum of the membership fee in the Chamber is limited on three average net salaries at the level of the BiH, they are as follows:

- Chamber of Commerce of the RS regulates the membership fee on annual level of 0,03 % on realized income in previous year;

- Foreign trade Chamber of the BiH regulates the membership fee of minimum 20KM monthly, that means, 0,1% of the total import.

Tax and property

- The Decision on height values of the real estate on the territory of the Stanari Municipality by zones for needs of determining of tax on real estate in 2017 – by this decision it is determined the height of tax of real estate on the territory of the Stanari municipality, by the zones in 2017

More information at www.opstinastanari.com

Fees for forests

- Forest and forest land user is due to pay fee for using of a forest and forest land in height of 20% of income realized by selling of forestry wood products (determined by prices in forest on the stump by the price list of the user) to the account of public revenue of the RS and a fee of 10% (determined by prices free on roadside for a specific calendar year) to the account of public revenue of the Stanari municipality.

More information at www.opstinastanari.com

Law on forests

More information at www.poreskauprava.com

Changes and annexes of the Law on forests

More information at www.vladars.net

Contributions and taxes on various bases - The fee for change of a change of use of the land – is paid in accordance with the Law on agricultural land ("The RS Official Gazette" number 93/06, 86/07, 14/10 and 5/12) and by the decision in assessment of cadastral income from the land on the territory of the RS ("The RS Official Gazette" number 28/13).

Municipal administrative taxes - The taxes are paid in accordance with Decision on municipal administrative taxes, ("The RS Official Gazette" number 1/15). By this Decision it is assessed the obligation of paying municipal administrative taxes for documents and acts in procedure in front of organs of administrative service of the Stanari municipality, public administration and companies and other organizations which carry out public authorizations, if it is by the Law or Municipal Decision trusted on solving in administrative matters on certain rights and obligations

More information at www.opstinastanari.com

Utility fees - Are paid in accordance to the Decision on utility fees ("Stanari municipality Official Gazette" number 1/15). By this Decision it is assessed the kind, height terms and method of the payment of the utility firm.

More information at www.opstinastanari.com

Height of annuities - Is paid in accordance to the Decision on utility fees ("Stanari municipality Official Gazette" number 1/15). By this Decision it is assessed conditions and the method of disposal of the town building land by the zones, base and benchmark for the calculation of the fee for development of the town building land and the annuity fee, method of payment of the fees, conditions for the building of the out buildings and the placement of the temporary facilities and devices, the method of the renting of the location conditions for felling of trees decorating of facades, as well as other issues of importance for landscaping and building on the Municipality's territory.

More information at www.opstinastanari.com

Incentives at the level of the Stanari municipality

Aiming for the better economy and agricultural development, the municipality of Stanari, since it's establishing has been realizing incentives in economy and agriculture through the Academic policies on conditions and mode of recruitment of the new workers and self-recruitment in production, crafts and service industry and Program of incentives of agricultural production which are brought annually.

The above mentioned Academic Policies and Program are on the internet page of the Stanari municipality.

More information at www.opstinastanari.com

Incentives at the level of the RS

To a taxpayer, who, on the territory of the RS, invests in equipment, plants and real estate for performing of the registered productive work in value greater than 50% of realized profit (tax base) of the current tax period of time, it lessens the obligation of the tax on profit by 30%.

Incentives at the level of BiH

In accordance to the Law on policy of the direct foreign investments in the BiH ("The BiH Official Gazette" number 17/98, 13/03, 48/10 and 22/15), the foreign investors are guaranteed the following:

- National treatment to the foreign investors which means that the foreign investors have the same rights and obligations as the BiH residents
- The foreign investors have the right for their investments, on the territory of the BiH to open accounts in any business in domestic or free convertible currency.
- The foreign investors will have the right to freely employ foreign citizens from abroad unless it is differently determined by the BiH laws on work and immigration.
- The foreign investors are protected from nationalization, expropriation, requisition and measures with similar effect. Such measures can be taken exclusively in public interest, according to the applicable laws and bylaws, with payment of appropriate compensation.
- The foreign investors have the same ownership rights over real estate as the legal entities of the BiH.
- The foreign investors have right on transfers abroad, freely and without delay in freely convertible currency, gains that are made as the result of their investments in the BiH. Rights and benefits given to the foreign investors and obligations which come out from the Law on policy on direct foreign investments, cannot be neither abolished nor nullified by coming into effect of subsequently passed laws and bylaws.

If such subsequently passed laws and bylaws are more favorable for foreign investors, they have the right to choose which one will be authoritative for their investments.

Customs benefits

Foreign investments will be exempt from customs and customs duties, except passenger vehicles, slot machines for fun and games of chance

For the use of customs benefit with the written application for exemption of payment of the import duties the benefit user, to customs authority competent to the place of the benefit user's seat, is submitting:

- Contract or other appropriate act on investment, upon which is imported equipment for which is asked the exemption of import duties
- The proof of registration of foreign investment at competent authority of the state
- Specification of the equipment by the tariff code and appointment of the Customs Tariff of the BiH, with labeling volumes and individual and total value, which is authenticated by the benefit's user
- Statement of the investment that the equipment is no older than 10 years
- Confirmation that the imported equipment meets the standards concerning the protection of the environment and other standards of work safety, issued by an institution or other competent authority for the area of that activity.

Customs Agency brings a decision within 15 days from the day of the submitting of the application.

Free zones

The free zones in the BiH are the part of customs territory of the BiH and have the status of a legal entity. According to the Law on free zones of the BiH, the founder of a free zone can be one or more domestic or foreign, legal or natural entity who are registered in the BiH. The Users of a free zone do not pay value-added tax and import duties equipment which is to be used for production. Investments in a free zone, the transfer of profit and the transfer of investments are free.

The establishment of a free zone is economically justified if on the basis of the attached study on economic justification of the established free zone and other submitted evidences, it could be estimated if the value of goods, which are exported from the free zone will cross at least 50% of total value of the manufactured goods that leave the free zone within a period of time of 12 months.

INSTITUTIONS AVAILABLE TO THE INVESTORS

Ministry of economic relations and regional co-operation (MEOPC)

Ministry of economic relations and regional co-operation (MEOPC) performs administrative and other professional activities, which among other things, aim to encourage the foreign investments and export, through following, analysis and proposing of measures for improvement of the legal framework for foreign investments, follow-up and analysis of the investment environment, co-ordination and initiating of activities for improvement of overall ambience for foreign investments, professional support to foreign investors during the preparations and realization of the foreign investment, promoting of the investment potentials of the RS at home and abroad, co-operation and co-ordination with line ministries in the RS Government, the RS representations abroad, institutions and organizations on the BiH level (FIPA and other), international organizations and institutions, institutions of similar characteristics outside of the RS.

RS representations abroad

The RS representations abroad are formed with the aim of establishing of economic, scientific and technological, cultural, social, informative, educational, sport, and other co-operation with entities abroad.

The representations which are currently active are in: Serbia, Russia, Israel, USA, Austria, Greece, Germany, and there is an opening of the representation in preparation in Croatia.

RS Chamber of Commerce

RS Chamber of Commerce with Regional Chamber which make a unique Chamber system, works on establishing of economic ambience.

RS Chamber of Commerce with the Regional center in Doboj, lobbies for the key questions of influence for creating a more favorable business environment.

RS Investment-Development Bank (IRBRS)

RS Investment-Development Bank (IRBRS) is established with the aim to encourage investments and stimulate the development of the RS.

The activities of the IRBRS, primarily are focused on financing of the development projects of importance of the RS economy in connection with the increase of the employment, construction of the infrastructure facilities in the RS, export oriented production, the improvement of corporative governance and capital market, small and medium entrepreneurship, environmental protection, balanced regional development, improvement of agricultural production, residential and office building, effective carrying out of the privatization, restructuring of the companies in the context of privatization, encouraging of the production that reduces import dependence, international promotion of investment possibilities in the RS.

Republic Agency for small and medium companies (PAPC)

Republic agency for small and medium companies is a generator of the entire system of support to the development of small and medium companies. Through numerous projects and preparations of support to the local economic development, the development of the small and the medium companies and entrepreneurs, its aim is the increase of participation of the small and the medium companies in the RS economy, the increase of technological development, competitiveness and opening of the new market for the small and the medium companies, the increase of number in business entities and newly employed workers in these companies, establishing of the regional co-operation with neighboring countries in order of developing of the experience, etc.

The business zone "Thermal Power Plant" represents a place of future economic development of the Stanari municipality and the home of new investments. The business zone is in final phase of preparation of the terrain on the surface of 3.3ha with 9 parcels meant for the investors, for which some, of whom have already expressed the interest.

The business zone "Thermal Power Plant"	
Location	The place of Dragalovci at the crossroads of regional roads P474 and P474a
Type	Green
Kind	Industrial, entrepreneur-crafts
Mode of governance	Not defined
Ownership	100% Municipal
Number of economy entities	Expressed interest of firms
Surface	3,3 ha
Number of free parcels	9
The land price in the zone	30,00 KM/M ²
Characteristics of the terrain	Flat
Flood, landslides and other hazards	No
Transport infrastructure in the zone	Ensured approach to all parcels by the side of regional roads P474 and P474a
Electric power	Yes, No limitations
Potable and technological water	Finalization of the works by the end of 2017
Telephone	Yes, connected by optical cables
Gas	No
Sewer system	Septic tanks
Possibility of solid waste disposal	Yes







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