

# THE UNA SANA CANTON: **EURO REGION AND EMERALD OF BOSNIA & HERZEGOVINA**



RAUSK

DEVELOPMENT AGENCY OF  
THE UNA-SANA CANTON



Government of  
the Una-Sana Canton

## GEOGRAPHIC POSITION



Bosnia & Herzegovina in Europe



Una-Sana Canton in Bosnia & Herzegovina

Una-Sana Canton (USC) is one of the ten cantons within the Federation of B&H. USC was established by the Decision of the Presidency of Bosnia & Herzegovina (B&H) on 27 May 1995. USC is located at the very North-West part of B&H on the border with the South and South-Eastern part of the Republic of Croatia. B&H is a member of Central European Free Trade Agreement (CEFTA) and European Free Trade Association (EFTA).

## WHY INVEST IN UNA-SANA CANTON?

- Favorable geographic position on the border with the EU with the market of cca 490 million consumers and richness of natural resources
- Long standing tradition in wood processing, food industry, and metal processing, especially production of automotive components
- Highly educated, skilled, and pricely competitive workforce; organization of vocational trainings as per needs of a labor market
- Well-grounded entrepreneurial infrastructure – local authorities oriented to improvement of business environment and support to investors (Development Agency of USC established and regulatory reform completed)

## GENERAL INFORMATION

Population	299.343
Surface	4.125,00 km <sup>2</sup>
Percentage of the surface from B&H	8,05%
Percentage of the surface of the Federation of B&H	15,79%
Settlements	355
Density	69,8

## ADMINISTRATIVE AND TERRITORIAL ORGANIZATION

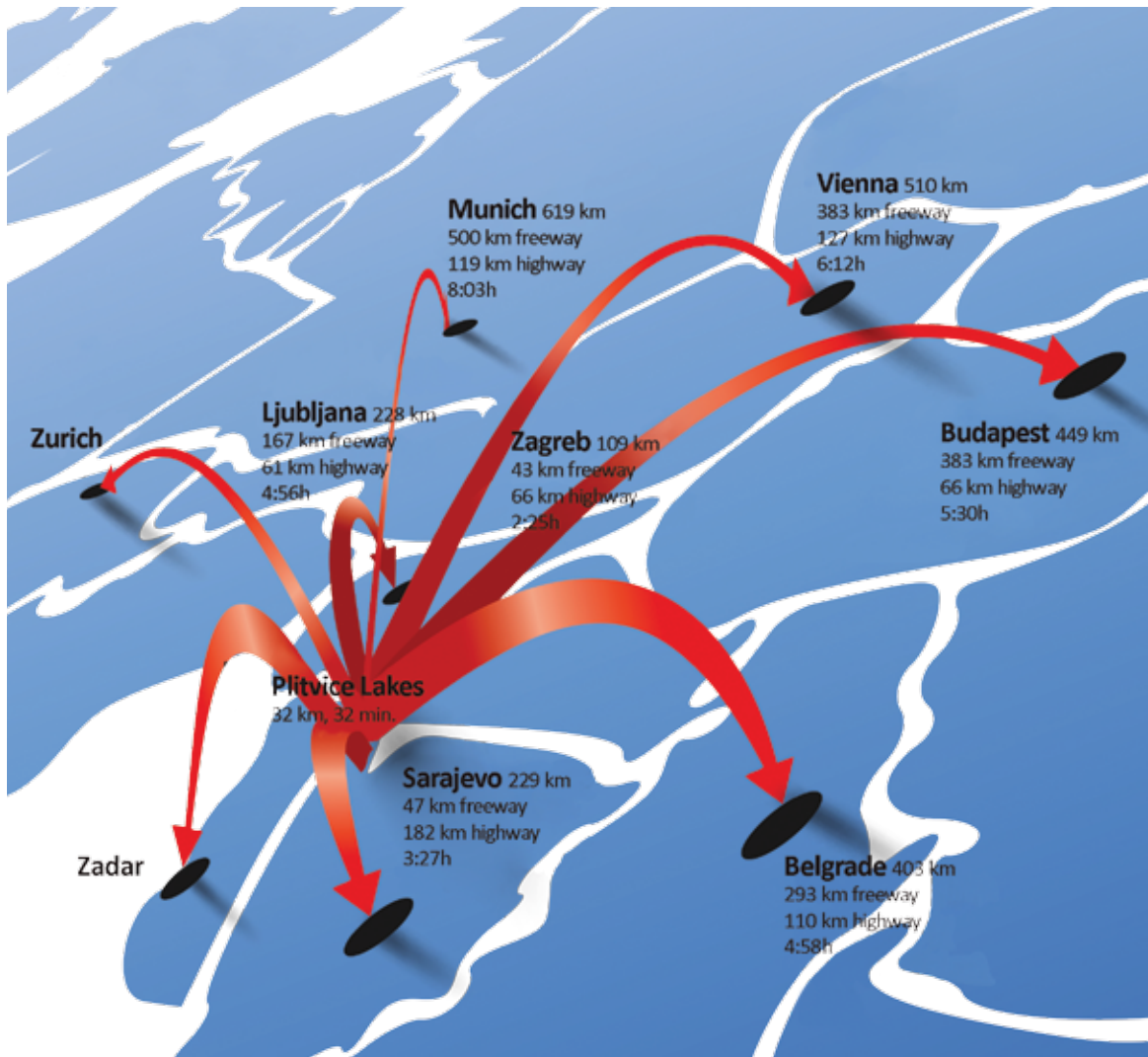
<p><b>EXECUTIVE BRANCH</b></p> <p><b>LEGISLATIVE BRANCH</b></p> <p><b>JUDICIAL BRANCH</b></p>	<p><b>GOVERNMENT OF USC</b></p> <p><b>ASSEMBLY OF USC</b></p> <p><b>COURT OF USC</b></p>	<p><b>Border with EU</b></p>
<p><b>MUNICIPALITY</b></p> <p>Bihać</p> <p>Bosanska Krupa</p> <p>Bosanski Petrovac</p> <p>Bužim</p> <p>Cazin</p> <p>Ključ</p> <p>Sanski Most</p> <p>Velika Kladuša</p>	<p><b>INHABITANTS</b></p> <p>61.186</p> <p>29.659</p> <p>7.946</p> <p>20.298</p> <p>69.411</p> <p>18.714</p> <p>47.359</p> <p>44.770</p>	
<p><b>LENGTH OF THE BORDER WITH EU IN KM</b></p> <p><b>BORDERS CROSSING WITH EU</b></p>	<p>242</p> <p>IZAČIĆ, UŽLJEBIĆ, VELIKA KLADUŠA</p>	

## STRATEGIC POSITION OF USC

- USC is located on the direction of main traffic corridors Europe – Mediterranean - Middle East. Such a favorable position provides development opportunities for B&H and the South Europe.
- Regional and main roads (M4-2, M5, M14, M14.2, M15 and M16) connect USC with other big cities in B&H.



## DISTANCE OF USC FROM LARGER CITIES



## CLOSEST PORTS

Rijeka (Croatia)	195 km
Koper (Slovenia)	275 km
Ploče (Croatia)	376 km
Trieste (Italy)	265 km
Brčko (B&H)	273 km
Beograd (Serbia)	403 km

## CLOSEST AIRPORTS

Zagreb (Croatia)	100 km
Zadar (Croatia)	152 km
Rijeka (Croatia)	215 km

## BUSINESS ENVIRONMENT OF THE USC

- The economy of USC is dominated by micro enterprises (up to 9 employees) that make approx. 70% of all registered companies in USC.
- The structure of companies in USC per annual income almost all enterprises belong to the group of companies with an annual income up to 5 million EUR.

## KEY ECONOMIC PARAMETERS OF USC

<b>GDP (in millions KM) 2012</b>	<b>1.211</b>
<b>GDP per capita (in millions KM) 2012</b>	<b>4.205</b>
<b>CURRENCY</b>	<b>BAM</b>
<b>EXCHANGE RATE (FIXED TO EURO)</b>	<b>1 € = 1,95583 KM</b>
<b>IMPORT (in millions KM) 2012</b>	<b>281</b>
<b>EXPORT (in millions KM) 2012</b>	<b>188</b>
<b>INVESTMENTS (in millions KM) 2012</b>	<b>92</b>

## KEY SECTORS/ INDUSTRIES

### Metal processing

- The metal processing sector of USC has a continuous growth. This is due to established entrepreneurial infrastructure, competitive workforce, tradition in metal industry, and to favorable geographic position.
- In USC exist 45 metal processing companies, and most of them are in the automotive industry. Key companies are established with a foreign capital, and most of them are working under the label of foreign companies.
- The automotive industry is developed, especially production of exhaust systems for Remus Ltd. (Austria); bodies for motor vehicles for SIAC group (Italy), manufacturing of bodies for working machines, parts for machinery Novi Most Ltd. (Slovenia).

### Agriculture and Food Processing

- Based on natural resources, USC is among the largest producers of milk and dairy products, fish and other food of animal origin in B&H.
- Meggle Ltd. From Germany recognized natural resources of USC, and is the most important investor in food and agriculture industry of USC.
- Production of fruit and vegetables has a significant potential of growth, especially berry fruit and cucumber. It was recognized by agricultural cooperatives from the USC who are exporting fruit and vegetables to EU countries.

### Wood industry

- The wood industry of USC has a great potential of growth, especially richness of natural resources such as forest. Wood resources are managed by the Public Company Unsko-sanske šume.
- In the USC exist 50 companies in this sector, producing furniture and other semi products from wood.

## BUSINESS ZONES IN USC

8 Business Zones are available to investors in USC.

Municipality	Business Zone	Surface (ha)	Number of business entities in the Zone	Total surface of facilities (m <sup>2</sup> )	The basic fee for construction land per m <sup>2</sup>	Utility fee and rent per m <sup>2</sup>	Contact
Bosanska Krupa	Pilana	17,2	12	20.000	30,00 KM	27,38 KM	Emir Tatarević emirtbk@gmail.com
Ključ	Velagići	26,6	9	2.660	-	-	Nermin Kapetanović opckljuc@bih.net.ba
Bosanski Petrovac	Gorinčani	10,0	1	1.470	4,00 KM	-	Nevsad Ramić nevsad.ramic@yahoo.com
Bihać	Bihać	39,2	9	-	-	-	Nijaz Lipovača razvoj@bihac.org
Bihać	Kamenica I	39,2	8	-	63,07 KM	62,58 KM	Nijaz Lipovača razvoj@bihac.org
Sanski Most	Šejkovača	12	-	51.938	11,19 KM	-	Irfan Hadžić razvoj@sanskimost.gov.ba
Cazin	Ratkovac	75,0	1	16.700	5,00-200,00 KM	-	Amir Mulalić arcagencija@gmail.com
Bužim	Varoška Rijeka	70,784	-	-	-	-	Nedžad Kudelić buzim.opc@bih.net.ba

## HUMAN RESOURCES

- The USC is the first Canton of the Federation of B&H that adopted the Adult Education Law. The Law enables vocational training according to specific needs of foreign investors and the labor market in USC.
- Development Agency of USC provides, with support from local authorities, vocational trainings for specific labor force for which investors expressed needs.

### According to the 2013 data the highest number of unemployed persons is:

- with the university degree: social sciences (1.157) and biotechnical sciences (222);
- with the high school degree: economic technicians (1.721), mechanical technicians (1.029), agriculture and food technicians (733) and final wood processing technicians (321);
- among skilled workers: textile trade workers (1.653), plumbers (1.187), locksmith (756), masons (566), and machinists (546).

<b>AVERAGE NUMBER OF EMPLOYED PERSONS IN USC IN 2012</b>		<b>31.683</b>			
<b>AVERAGE NUMBER OF UNEMPLOYED PERSONS IN USC IN 2012</b>		<b>44.734</b>			
<b>% OF EMPLOYMENT</b>		<b>41,46%</b>			
<b>% OF UNEMPLOYMENT</b>		<b>58,54%</b>			
<b>AVERAGE NET SALARY IN USC</b>		<b>776 KM</b>			
<b>AVERAGE NET SALARY IN BIH</b>		<b>819 KM</b>			
<b>STRUCTURE OF UNEMPLOYED (April 2013)</b>		<b>KNOWLEDGE OF FOREIGN LANGUAGE</b>			
			<b>ENGLISH</b>		<b>GERMAN</b>
<b>NUMBER OF REGISTERED UNEMPLOYED PERSONS</b>	<b>44.923</b>	<b>4,17 %</b>	<b>1873</b>	<b>3,08 %</b>	<b>1385</b>
<b>University Degree</b>	<b>1.942</b>	<b>24,87 %</b>	<b>483</b>	<b>10,92 %</b>	<b>212</b>
<b>College degree</b>	<b>578</b>	<b>15,22 %</b>	<b>88</b>	<b>9,00 %</b>	<b>52</b>
<b>High School Diploma</b>	<b>8.578</b>	<b>12,67 %</b>	<b>1087</b>	<b>8,57 %</b>	<b>735</b>
<b>Elementary School Diploma</b>	<b>81</b>	<b>1,23 %</b>	<b>1</b>	<b>2,47 %</b>	<b>2</b>
<b>Highly Skilled Worker</b>	<b>198</b>	<b>1,01 %</b>	<b>2</b>	<b>3,03 %</b>	<b>6</b>
<b>Skilled Worker</b>	<b>13.634</b>	<b>1,34 %</b>	<b>183</b>	<b>1,97 %</b>	<b>269</b>
<b>Semi-skilled worker</b>	<b>1.646</b>	<b>0,43 %</b>	<b>7</b>	<b>1,03 %</b>	<b>17</b>
<b>Unskilled worker</b>	<b>18.266</b>	<b>0,12 %</b>	<b>22</b>	<b>0,50 %</b>	<b>92</b>

Source: Employment Institute of the USC

	<b>No of enrolled students in 2011/2012</b>			
			<b>On the regular basis</b>	
	<b>TOTAL</b>	<b>WOMEN</b>	<b>TOTAL</b>	<b>WOMEN</b>
<b>Technical</b>	<b>832</b>	<b>257</b>	<b>756</b>	<b>238</b>
<b>Economic</b>	<b>797</b>	<b>516</b>	<b>546</b>	<b>362</b>
<b>Law School</b>	<b>570</b>	<b>364</b>	<b>392</b>	<b>260</b>
<b>Biotechnical</b>	<b>490</b>	<b>255</b>	<b>490</b>	<b>255</b>
<b>Pedagogical</b>	<b>967</b>	<b>727</b>	<b>756</b>	<b>563</b>
<b>High Medical School</b>	<b>557</b>	<b>410</b>	<b>310</b>	<b>210</b>
<b>Islamic Pedagogic Faculty</b>	<b>245</b>	<b>102</b>	<b>73</b>	<b>42</b>
<b>Total University of Bihać</b>	<b>4.458</b>	<b>2.631</b>	<b>3.323</b>	<b>1.930</b>

## CREATING A BETTER BUSINESS ENVIRONMENT

In order to create a better business environment, the Government of USC has launched several major reforms:

- Completed regulatory simplification of all licenses, permits, approvals that are cantonal competencies, resulting in faster processing, less costs and significant savings for existing and future businesses .
- Established the Development Agency of Una-Sana Canton (RAUSK). RAUSK is the main contact point for investors in USC and acts as a main capacity for regional development. Link: <http://www.rausk.ba/en/>

### Services that RAUSK provides to investors:

- Information on business environment in USC and BiH
- Technical support throughout the investment process
- Investment projects
- Projects with partner institutions aimed at assisting start-ups and improving employability
- Support to existing investors through the aftercare program implemented by the collaborative framework of different government levels in BiH
- Information on support programs for investors offered by other government levels and international institutions

More information about RAUSK services and support to investors in USC available at the web page: <http://www.rausk.ba/en/>

### Other services for investors

- Electronic registers with details on permits and licenses that investors could be faced with in Federation of B&H:
  - Federation B&H: <http://fbihvlada.gov.ba/bosanski/index.php>
  - Una-Sana Canton: <http://www.vladausk.ba/v2/IFC.php>
  - Bihać Municipality: <http://www.bihac.org/docs/>
  - Bosanska Krupa Municipality: <http://www.opcinabosanskakrupa.ba/>
- Fiscal and non-fiscal investment incentives are available to investors at all government levels in B&H. The list of fiscal and non-fiscal investment incentives at the level of B&H are available at the following web sites:
  - BiH Ministry of Foreign Trade and Economic Relations (MOFTER) [http://www.mvteo.gov.ba/izvjestaji\\_publikacije/izvjestaji/default.aspx?id=6176&langTag=bs-BA](http://www.mvteo.gov.ba/izvjestaji_publikacije/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](http://www.fipa.gov.ba/informacije/povlastice/strani_investitori/default.aspx?id=141&langTag=bs-BA)

### Contact person for investors in the USC:

Development Agency of USC (DA USC), **Haris Komić, Director** • Tel: 037/224-048 • Fax: 037/221-784 • Mail: [info@rausk.ba](mailto:info@rausk.ba)

## KEY COMPANIES IN USC / KEY COMPANIES IN METAL PROCESSING SECTOR OF USC

Municipality	Company	Key business	No of employees
Bihać	C-J Ltd.	Manufacturing of metal structures and parts of structures, metal surface for boilers and radiators	100
	BIRA JSC	Production of refrigeration appliances	220
Bosanska Krupa	Krupa kabine Ltd.	Manufacturing of bodies for motor vehicles	225
	ZAH Ltd.	Surface treatment of metals, grinding, polishing, production of locks for car doors, sewing machines feed dogs	31
	Bosancar Ltd.	Manufacturing of bodies for working machines	40
	Novi Most Ltd.	Manufacturing of bodies for buses, parts for agricultural machinery, animal feed mills and other parts for machinery	60
	ACMA Ltd.	Metal processing and maintenance of agricultural machinery	20
Cazin	Civić Ltd.	Production and installation of construction metal ware, hook gutters, clout, pipes, production of steel flashing, central heating equipment	30
	Limometal Ltd.	Production and installation of roof-façade profiled sheets	70
Sanski Most	Remus Innovation Ltd.	Production of sports exhaust	75
	GAT Ltd.	Production of refrigeration appliances	35
Velika Kladuša	ADSI montaža	Metal ware, manufacturing of chimney caps	105
	Limotehna Ltd.	Manufacturing of other metal products and manufacture of roof structures and covering	23 full time and 10 seasonal

## KEY COMPANIES IN AGRICULTURE AND FOOD PROCESSING SECTOR OF USC

Municipality	Company	Key business	No of employees
Bihać	Meggle Ltd.	Manufacturing of dairy products	100
	Bihačka pivovara d.d.	Production and sale of alcoholic and non-alcoholic beverages	120
	RIZ Krajina Ltd.	Raising and trade of fish	50
Bosanska Krupa	Rolend Ltd.	Breeding, buying and selling raspberries	15
Velika Kladuša	Agricultural Cooperative „Agromerkantilija“	Cooperative production of cucumbers, strawberries and raspberries	13
Sanski Most	Čapljanka Ltd.	Manufacturing of dairy products	20



## KEY COMPANIES IN WOOD PROCESSING SECTOR OF USC

Municipality	Company	Key business	No of employees
Bihać	Laser Ltd.	Production of furniture, cabinets, dresser, kitchen, wooden bedrooms, bathroom and kitchen furniture	96
	Pogy Ltd.	Beech and fir lumber, semi-finished products for furniture	40
	Sani global	Beech elements, universal table, glued beech, panels of solid wood, producing beds	18
	Bor Ltd.	Facade and interior doors and windows	12
	Del Ltd.	Board furniture for living and children's rooms	6
	A.S.B. EXPAN Ltd.	All types of sawn timber, decking, door and windows, wooden houses, massive furniture panels	8
	Freeli gradnja Ltd.	Manufacturing of wood and PVC doors and windows and wooden prefabricated houses	16
Bosanska Krupa	Smrča Ltd.	Sawn timber, wood products. Primary and final production, furniture manufacture and production of pellets	48
	Unsko-sanske šume	Public company, exploitation of forests	600
Bosanski Petrovac	RHM Ltd.	Production of sawn timber: boards, laths, production of construction materials	7
	Interwork Ltd.	Production of pellets	20
Cazin	Al-Dihani Ltd.	Production of laminated solid wood panels and furniture	25
Ključ	K-asa Ltd.	Upholstered furniture, kitchen, sawn timber, doors and windows	18
Sanski Most	Horozović Ltd.	Manufacturing of wood and products of wood, manufacture of wooden elements, finished products and semi-finished wood products	32
	ECOCAT Ltd.	Processing of wood waste and production of heating fuel	14
Velika Kladuša	Brijest promet Ltd.	Production of wooden doors and windows	14
	Drvopromet Ltd.	Wood processing, sawn timber	25

## IMPORTANT INVESTORS IN OTHER SECTORS

Municipality	Company	Key business	No of employees
Bihać	Austrotherm BH Ltd.	Manufacturing of plastics in primary forms	60
Cazin	DKS Loversan	Production of medical disposables	273
Velika Kladuša	2 B Ltd.	Production of scotch tape for packing	15



## STATEMENTS OF INVESTORS IN USC

### Bosancar d.o.o. Bosnia, Escar s.r.l., Bosanska Krupa, Italian investor

"Bosnia and Herzegovina is a very interesting area for Western European companies and investors. Basic things that made me invest approximately € 2.5 million in B&H so far are the following: availability of skilled labor, availability of all types of energy with relatively affordable price: lower electricity prices, as well as proximity to EU and possibility of transportation of products by the domestic carriers to European destinations within 48 hours - almost all European countries. Liabilities for employees (taxes and contributions) to wage are real. Income tax is the main item for genuine investors - favorable 0 % and this should remain to allow other investors to invest in B&H, primarily because of their personal interest, and at the same time the interest of areas that they invest in. Local communities (municipalities) provide quality support. Support by the local population in terms of kindness and appreciation of what we do. Overall environment is beautiful with beautiful Una River and other natural features that complement and add special value to the items above."

### Edin Muslić, Executive Director of Remus Innovation Ltd. Sanski Most, Austrian investor, (July 2013).

"REMUS SEBRING HOLDING AG of Austria, a world leader in the manufacture of sports muffler and exhaust systems and components in engineering design and welding for the automotive industry, made a decision on implementation of business idea - starting production in B&H, namely in Sanski Most. The project involved an investment of € 5.3 million and the possibility of employing 300 workers in the final stages of project implementation. Implementation of the project began by registration of the company in January 2012. The next steps were transportation of equipment from Austria to B&H, its installation, defining operations and processes, training of employees. Only three months after its establishment, the factory had already had the first delivery of the products. Since then, the factory has recorded steady intensive growth in all business parameters. There is a big misconception that B&H is not a favorable business environment. On the contrary, our example proves, that in case of a serious investor who has serious intentions and understand the viability of a business, as in our case, the investor can expect to be supported by local and cantonal administration, and also besides expected effect of investment to fulfill social and public accountability with mutual respect of all participants in the project."

### Mejwel Ayed Al-Daihani, President of Memar Investment Holding, Mejwel Ayed Al-Daihani, Cazin, Kuwait investor

"Cazin Municipality has become a place where projects and investors meet, and the friendliness and kindness of good people influenced our decision to implement this investment in the Municipality of Cazin. Investment of 9 million KM in a manufacturing plant of laminated solid wood panels and furniture is just the beginning for many other projects. It is necessary to present the potentials of the area to potential investors, and many possibilities and similar types of cooperation will be opened after this project."

### Armin Halitović, Mayor of Bosanska Krupa Municipality

"Bosanska Krupa has a very good infrastructure in our business zone, efficient administration that is to serve the interested investors at all times, as well as existing investors, which is proven by the fact that there is more and more interested investors who want to do business in Bosanska Krupa, while existing investors expand their business."



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**Government of  
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