

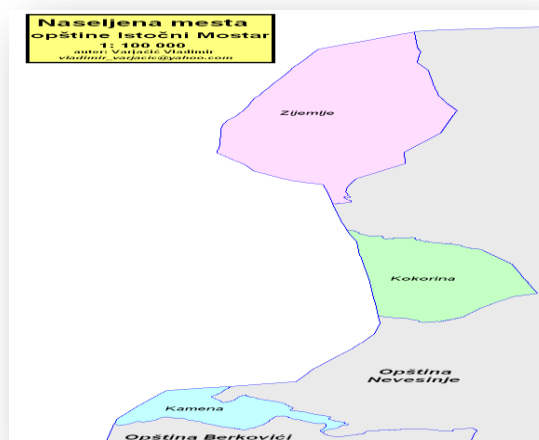
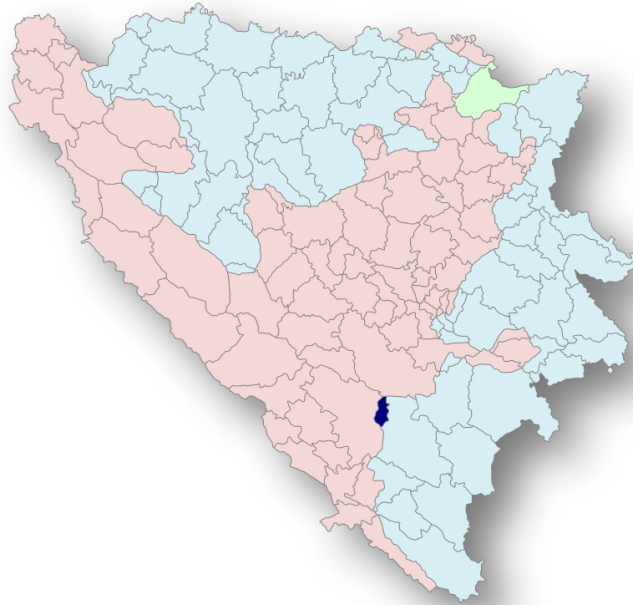
**ISTOČNI MOSTAR
MUNICIPALITY**

INVESTMENT SUMMARY

**WELCOME TO THE
MUNICIPALITY OF
ISTOČNI MOSTAR**

MUNICIPALITY OF ISTOČNIMOSTAR

Municipality of IstočniMostar is located at south-eastern part of Bosnia and Herzegovina and the Republic of Srpska and is integral part of the region Eastern Herzegovina. Municipality of IstočniMostar was established in 1992 by the Dayton Peace Agreement.



GENERAL INFORMATION ABOUT THE MUNICIPALITY OF ISTOČNI MOSTAR

- Location: Southeast of Bosnia and Herzegovina
- Area: 88,38 km²
- Altitude: 450 - 1968 m
- Climate : Continental climate
- The population : 400
- Administrative affiliations(Canton, Entity): Republic of Srpska
- The nearest administrative centre: Municipality of Nevesinje and City of Mostar
- Time zone : Central European time (GMT+1)

The geographical position

- Distance from the largest city in the region : Mostar (30 km)
- More significant roads nearby: Regional road Mostar-Sarajevo
- Distance from the airport: Mostar – 40 km and Sarajevo – 105 km
- Distance from train station : Jablanica – 63 km
- Distance from the seaport: Ploče – 104 km (The Republic of Croatia)

Distance from Istočni Mostar to some European cities

		Number of driving hours
Zagreb (Croatia)	585 km	6 h
Beograd (Serbia)	396 km	6 h
München (Germany)	1049 km	11 h
Berlin (Germany)	1623 km	16 h
Vienna (Austria)	939 km	9 h
Milano (Italy)	1083 km	11 h
Rotterdam (Netherlands)	1906 km	19 h
Budapest (Hungary)	644 km	8 h
Bruxelles (Belgium)	1848 km	18 h

HUMAN RESOURCES

Municipality of Istočni Mostar follows the labour market needs and demands of investors for certain profile of staff.

Currently Municipality has 400 inhabitants in 160 households.

From the industry most represented are: agriculture (potatoes, carrots, corn), livestock (small livestock, more than 1,500 sheep and 400 cattle) and forestry (harvest, extraction and processing of round logs).

Agricultural activity is very popular from private individuals. Very pure nature favours the production of organic food, which is all the more appreciated. Another highlight in this area is the famous "Zijemlja potato".

In addition to the great investment potential and natural resources currently there is no registered economic activity.

BUSINESS OPPORTUNITIES IN THE MUNICIPALITY OF ISTOČNI MOSTAR

The potential for economic development in the Municipality of Istočni Mostar according to natural and human resources are available in the following sectors:

- Energy sector (wind power, solar energy)
- Agriculture and processing of agricultural products
- Adventure tourism
- Wood industry

POTENTIALS IN THE ENERGY SECTOR

Wind energy

Municipality of Istočni Mostar is a very interesting area that has a considerable potential for wind energy. Based on the results of measurements in the former Yugoslavia, this area is classified as III wind zone with the most intensive average winds at the location of the Dinarides and the Balkans.

Windiness of the municipality is higher than the surrounding areas because of the altitude that is greater than 600 meters. Here is a longer period duration wind (frequency), especially in the period from May to November because of the "ascending" thermal flow caused by temperature differences.

According to data provided by the German government (measured in the period from 1978 to 2007), the Municipalities of Istočni Mostar, Nevesinje and Berkovići have great potential for wind energy use. Measurements have shown that in this region the annual average wind speed at a height of 50 m above the surface for the same period is 7-7.7 m/s. Otherwise, wind speeds necessary for efficient and effective use of wind power for energy production amounted to an average of 3-4 m/s at low altitude above the surface continuity with the wind direction.

The company "Omega-plus" from Belgrade has identified two sites suitable for the location of wind farms, Golo Brdo (power 102.5 MW) and Gornja Kamena (power 70 MW).

Solar energy

Small cloudiness in the municipality of Istočni Mostar causes a lot of insolation duration. The area of Zijemlja and the northern part of Kokorina is located in the zone of 2000 - 2200 hours of sunshine a year, the southern part of Kokorina and eastern part of the Kamena is in the zone of 2200 - 2400 hours of sunshine per year, while the highest insolation has the western part of the Kamena over 2400 hours per year. Greater use of alternative energy sources must be preceded by detailed research in the study.

AGRICULTURE AND FOOD PROCESSING INDUSTRY

Agricultural land is a natural resource of the Municipality of Istočni Mostar. According to the data, total agricultural land in the municipality of Istočni Mostar is 3047.72 hectares and makes 34.48% of the total area of the Municipality. Within the structure of agricultural land largest share have meadows with 45.41%, while the cultivated area has 293 hectares, or 9.63%. The least share in the structure of agricultural land has predominantly agricultural land with the participation of natural vegetation (other agricultural land) with 6.71%.

The largest share of pasture in the total agricultural land is present in Kokorina, and meadows are represented in a populated area Zijemlja. Category 'cultivable land' (groups of arable plots) and fields correspond to fields and gardens, situated in Zijemlja.

Irrigation of meadows and pastures as well with the application of agro-technical measures may create favourable conditions for the development of cattle breeding and achievement of good results in the production of animal feed, seeds and agricultural products (potatoes, spring wheat, oats, barley and rye).

ADVENTURE TOURISM

Sports - Adventure Tourism

Largely it could mean a combination of adventure, recreation, relaxation and entertainment, and in the municipality area can be presented in the following forms: trekking (hiking accompanied by the mountain guides), hiking (long walks in nature), climbing (climbing - rock climbing), paragliding, mountain biking, riding terrain vehicles, riding in nature, caving, hunting, survival or everything that represents an active holiday in nature.

In the area of the Municipality of Istočni Mostar tourism is the industry that, besides energy and agriculture can base the further development of the Municipality. Area of the municipality is characterized by a significant tourist potential, primarily refers to the hilly - mountainous and rural areas, where the effects of tourism development could lead to a positive development (stopping depopulation, economic growth, etc.).

The Municipality is located in the tourist zone of Herzegovina (Trebinje-Bileća-Nevesinje zone), and it is the tourist zone of the entity significance (zone of special tourist predisposition or potential tourist significance). Otherwise, in this area, spatial plan of Republic of Srpska emphasizes the development of cultural - religious tourism, tourism in the water, mountain, winter, as well as rural and eco-tourism. The conditions for the development of tourism in the Municipality of Istočni Mostar are primarily based on natural conditions and resources.

Hunting tourism

In areas of forest and land in the Municipality of Istočni Mostar two hunting grounds were established:

- Hunting Ground "Velez" (the northern part of the Municipality), which is given to the use of forest economy, "Botin" Nevesinje and
- Hunting Ground Nevesinje (central and southern part of the Municipality) which is given to the use of the hunting society "Srndać" from Nevesinje.

The northern part of the Municipality is very valuable area in terms of hunting, with rich high-grade wild animals, where following species are especially present: chamois, wild deer, bear, wild boar and rabbit.

These facts make the Municipality of Istočni Mostar very attractive destination for hunting and every weekend attracts a large number of hunters from Herzegovina.

WOOD INDUSTRY

According to ecological - vegetation forest zoning in Bosnia and Herzegovina, Istočni Mostar is located within the framework of Mediterranean - Dinaric area.

The central and northern parts of the Municipality (Zijemlja and Kokorina) from the aspect of forestry production represents significant zone, because economically valuable community of mountain beech (*Fagetum montanum*) or beech and fir forests (*Abieti - Fagetum*) are represented in this area.

Wood is an important energy source in the Municipality of Istočni Mostar. Forests and woodlands cover about 64.74% of the municipal territory.

There is an opportunity for the construction of pellet plants, because of the huge potential of woodwaste, as well as incentives of the Municipality for potential investors.

CONTACT

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