

# *"Invest in Banja Luka"*

Ministry of Economic Relations and Regional Cooperation



City Development Agency CIDEA



Investors Center





# Why Banja Luka?



**Academic Centre**



**Modern Infrastructure**



**Regional Trade Centre**



**Presence of Foreign  
Investors**



**Competitive Tax Rates  
and  
Business-Friendly Policy**



**Large and Stable  
Financial Centre**



**Affordable Energy  
and  
Environmental Focus**



**Regional Media Centre**



**Regional Service  
Centre for Services**



**Outstanding  
Quality of Life**

# WORKFORCE



## An Overview of Banja Luka's Workforce

### Employed – 66 304

*Wood – 1134*

*Metal – 1075*

*Food industry 1598*

*Textile – 1655*

*Construction – 2642*

*Manufacturing - 8104*

*Others – 57 226*

### Available Workforce – 14 192

*Wood – 340*

*Metal – 1392*

*Food industry - 744*

*Textile – 490*

*Construction – 893*

*Others – 10 333*

## An Overview of Banja Luka's Workforce

- *December 2016 – 14 192 in comparison with July 2017 – 12 815*
  - *Wood, metal and food industry are growing sectors*
    - *Available qualified and competitive workforce*
      - *6 universities and 44 faculties*



# TRANSPORT and COMMUNICATIONS



## Transport



airport

**BL Regional Airport**



airport

**International Airports:**

Zagreb, Croatia - 150 km



airport

Belgrade, Serbia - 257 km

### FLIGHTS:

Paris  
London  
Munich  
Moscow  
Amsterdam  
Dubrovnik  
Athens  
Roma  
Copenhagen  
Vienna  
Frankfurt  
Istanbul  
Brussels  
Doha  
Tel Aviv  
Stuttgart  
...



### FLIGHTS:

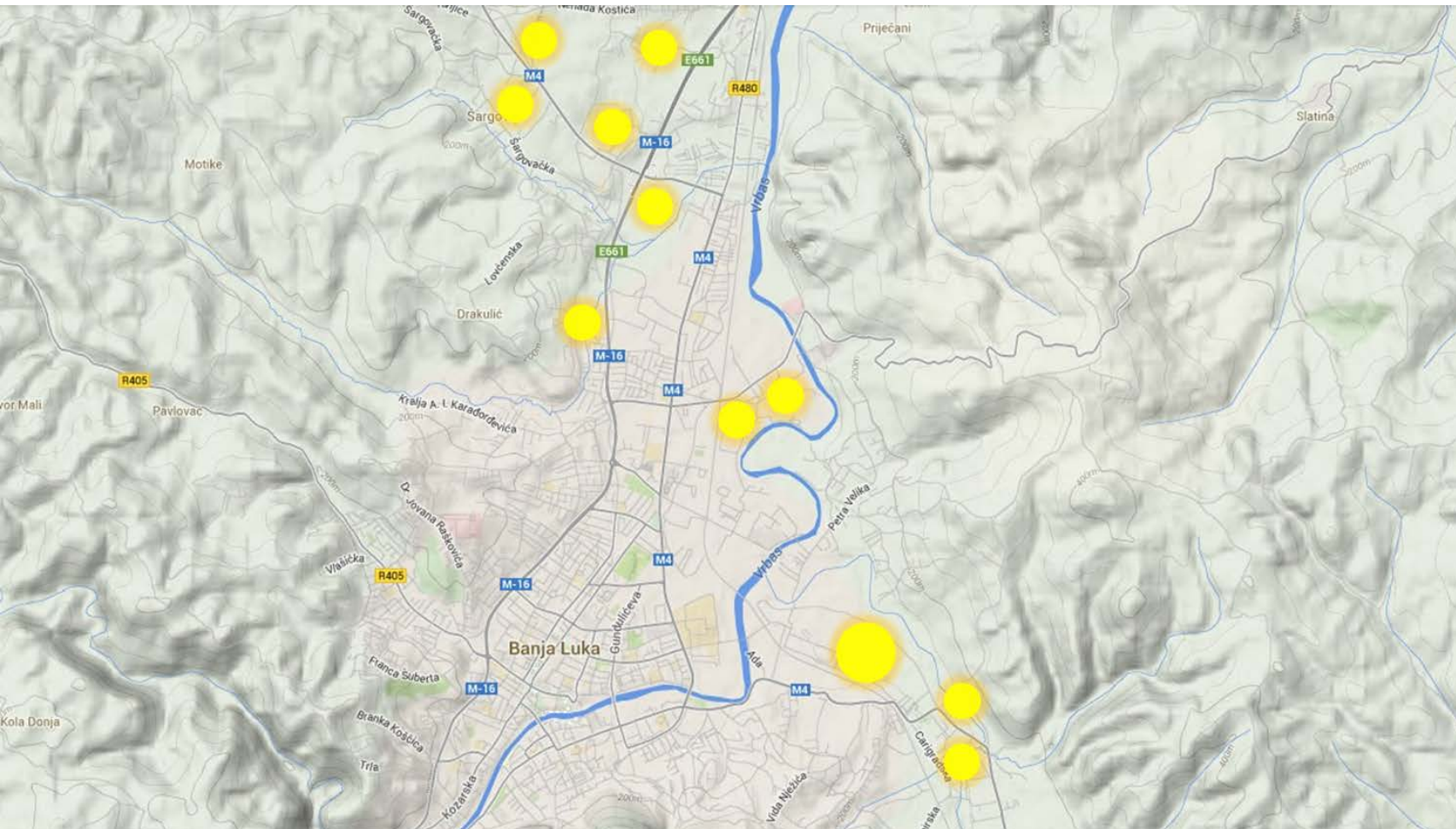
London  
Warsaw  
Abu Dhabi  
Amsterdam  
Moscow  
Munich  
Brussels  
Paris  
Dubai  
Frankfurt  
Geneva  
Zurich  
Athens  
Pula  
Istanbul  
Sofia  
Dubrovnik  
Sarajevo  
Banja Luka  
Barcelona  
Basei  
Mulhose  
Beirut  
Beirut  
Berlin  
Tegel  
Vienna  
Budapest  
Bucharest  
...



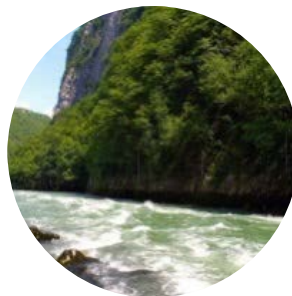
## INVESTMENT LOCATIONS



## Banja Luka offers Modern and Accessible Investment Locations



# QUALITY of LIFE

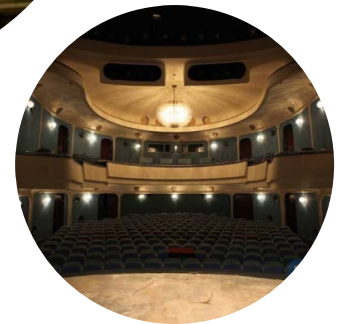




- ✓ Banja Luka is a “green” city, boasting kilometers of parks, trails and tree-lined boulevards
- ✓ Sports facilities and adventure everywhere you go!
- ✓ Modern and affordable health services
- ✓ Fast and efficient public transport



## Banja Luka is Alive with Youth and Culture!



# BUSINESS ENVIRONMENT





## Business Environment and Incentives



**Energy Costs  
well below  
those in Europe**



**Competitive and  
Highly Skilled  
Workforce**



**Stimulating  
Tax Policy**



**Company  
Registration  
within Three  
Days**



**Liberal Trade  
Policies**



**Available Greenfield and  
Brownfield Locations**



**Modern  
Infrastructure**



**Risk Insurance**



**Customized  
Incentives  
Programs**



**Proximity to Other  
Regional Centers**

## Business Environment and Incentives

### Incentive programs

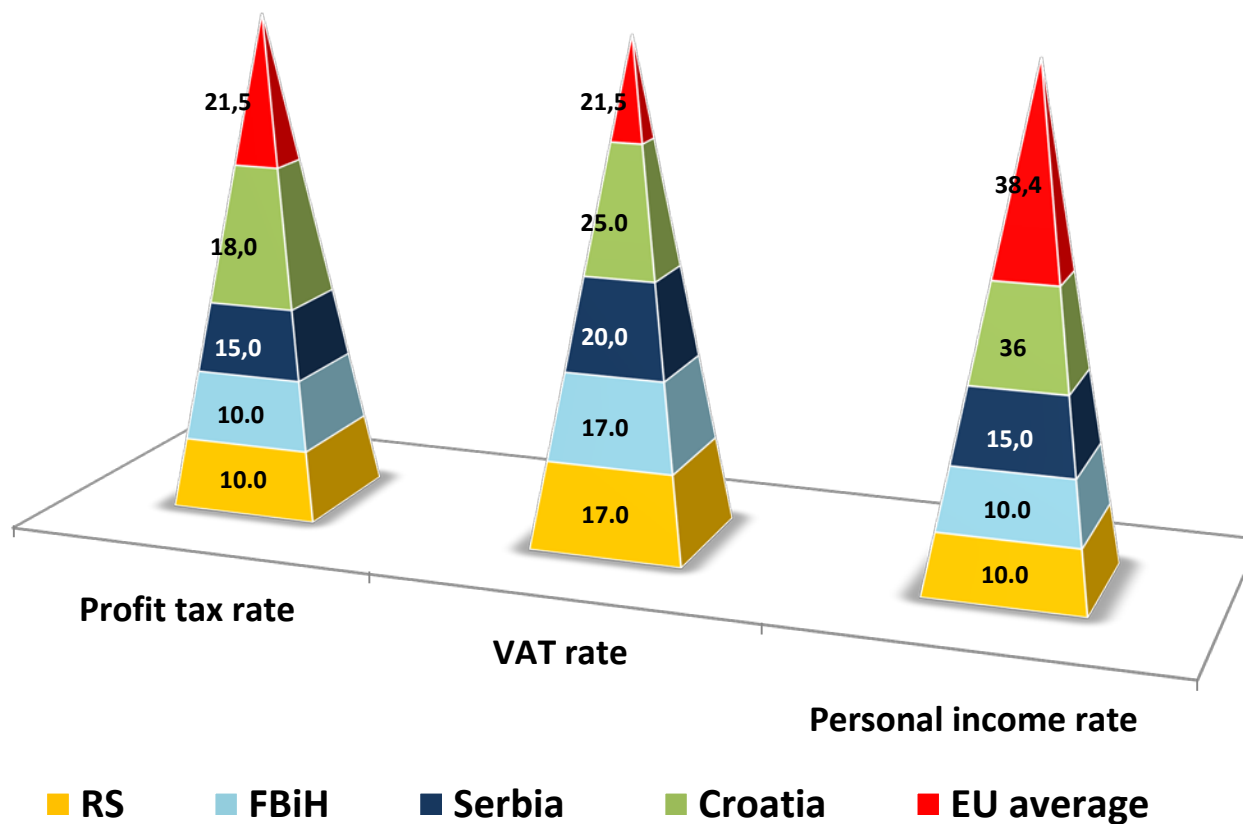
Financial and  
Technical Assistance  
Investment Incentives



Low Taxes  
Untaxable Portion  
of Net Income

Incentive programs are customized for each prospect based on the size of the investment, the number of jobs and value of jobs in a priority sector.  
Banja Luka has 24.6% of all investment in the RS (2015).

## Business Environment: Competitive Tax Rates



The average prices of utility services for business users in the City of Banja Luka are:

Name	Units of measure	The price in EUR with VAT
Water supply and sewerage	m <sup>3</sup>	1,595
Garbage disposal for business users	m <sup>2</sup>	0,281
Electricity for business users	kWh	0,0476 – 0,1238
Butane gas	kg	0,40
The price of land in the industrial zone	m <sup>2</sup>	10 – 30

*\*At least 20% cheaper than the region*

*\*The rate of contribution to gross wages is 33%*

## METAL SECTOR





## Metal sector overview

F  
A  
C  
T  
S

53

FIRMS

46

MILLION EUR  
REVENUE

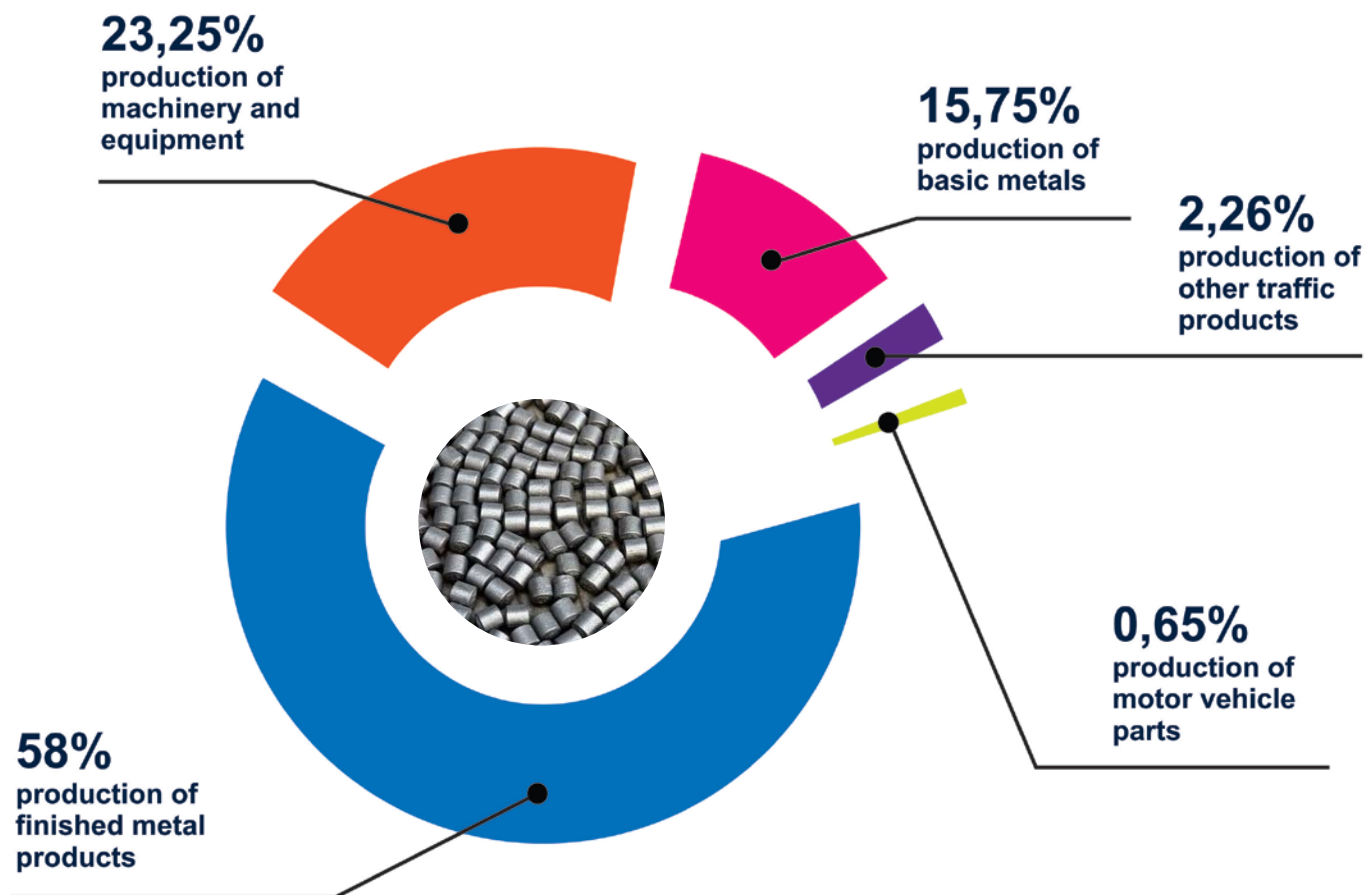
1075

#OF  
EMPLOYEES

328<sub>EUR</sub>

AVERAGE  
NET  
SALARY





Metal Products Revenues in 2016

## Metal Sector: Metalurgy and Metal Processing - benefits

- ✓ *The sector with significant growth potential – technological aspect, exports and etc.*
- ✓ *Available industrial and business zones (Jelšingrad and Ramići-Banja Luka)*
- ✓ *Over 75% of the existing companies are involved in the production of processed products – very competitive to EU prices*
- ✓ *A qualified higher educational institution for education of the required staff*
- ✓ *Cluster metal – 4 companies, with more than 25 employees, who successfully export the products to the EU market*

## WOOD SECTOR





## Wood sector overview

F  
A  
C  
T  
S

44

FIRMS

36

MILLION EUR  
REVENUE

1134

#OF  
EMPLOYEES

320<sub>EUR</sub>

AVERAGE  
NET  
SALARY

33%

Sawing and  
blanching the wood  
(manufacture of cut  
materials),  
impregnation of  
wood

40%

Furniture  
manufacturing

20%

Manufacturing  
products of wood,  
cork, straw and  
plaiting materials

7%

Forestry and cutting  
wood



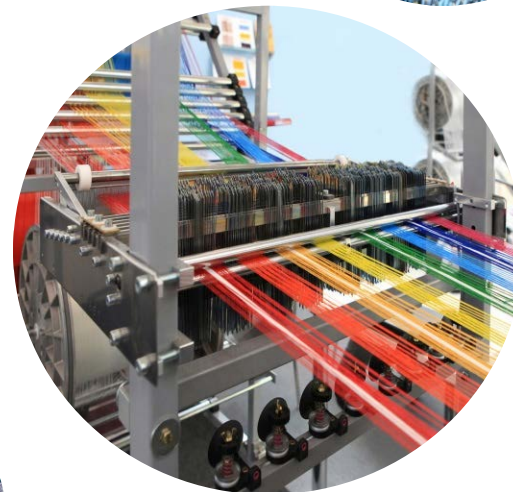
Wood Products Revenues in 2016

## Wood Sector: Banja Luka Offers....

- ✓ **high quality of wood**
- ✓ **respectable production capacities with a long tradition**
- ✓ lower product prices due to raw materials, electricity and other elements affecting the production of the furniture



## TEXTILE SECTOR





## Textile sector overview

F  
A  
C  
T  
S

36

FIRMS

15

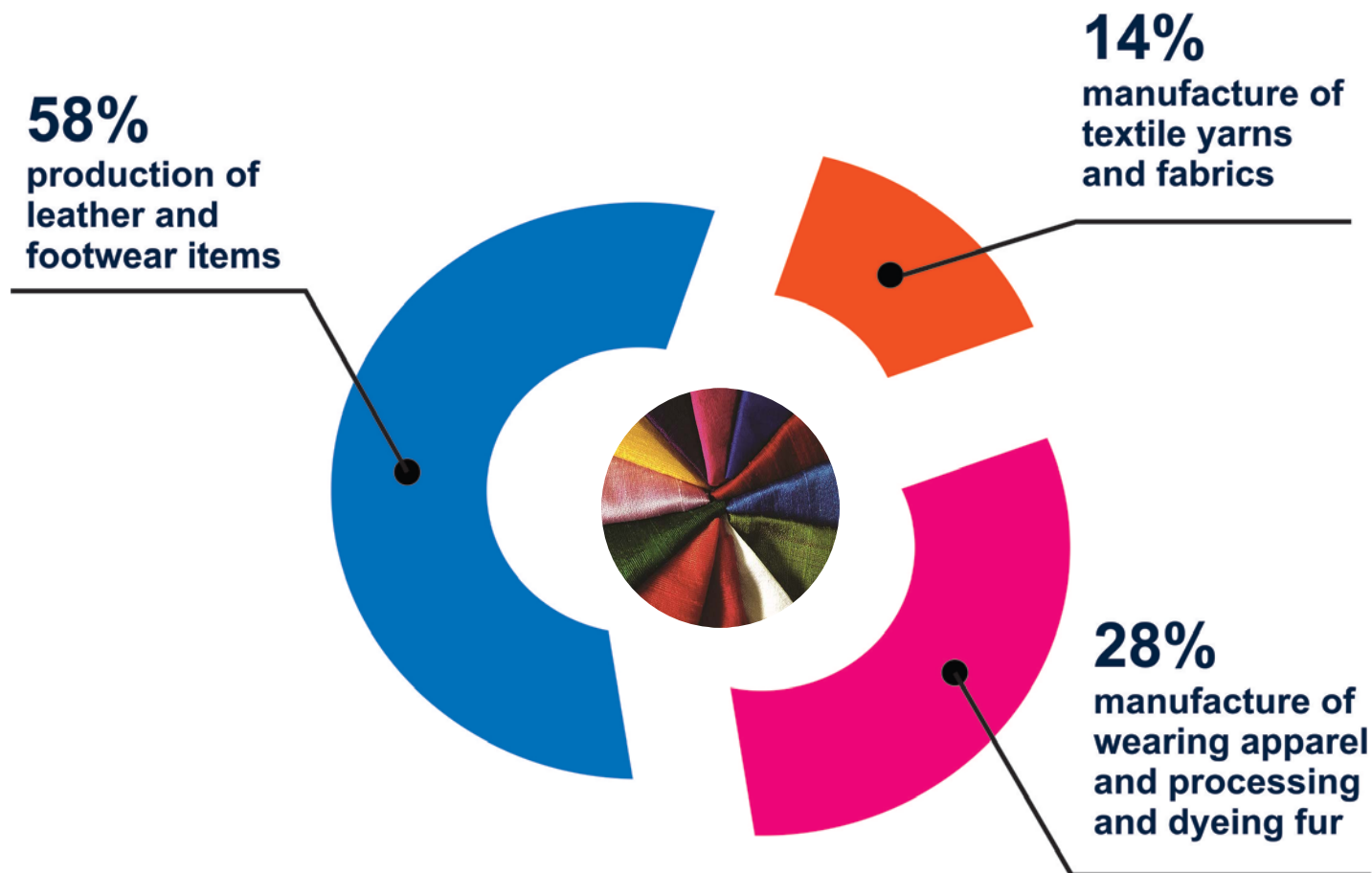
MILLION EUR  
REVENUE

1655

#OF  
EMPLOYEES

320<sub>EUR</sub>

AVERAGE  
NET  
SALARY



Textile Products Revenues in 2016

## Textile Sector: Banja Luka Offers....

- ✓ *unused existing manufacturing production capacities*
- ✓ *large unused resources of raw skins and wool in area of BL*
- ✓ *reduced gross salaries by 25% instead of 33% to employees in textile, leather and footwear industry*

# CONSTRUCTION SECTOR







## Construction sector overview

F  
A  
C  
T  
S

149

FIRMS

143

MILLION EUR  
REVENUE

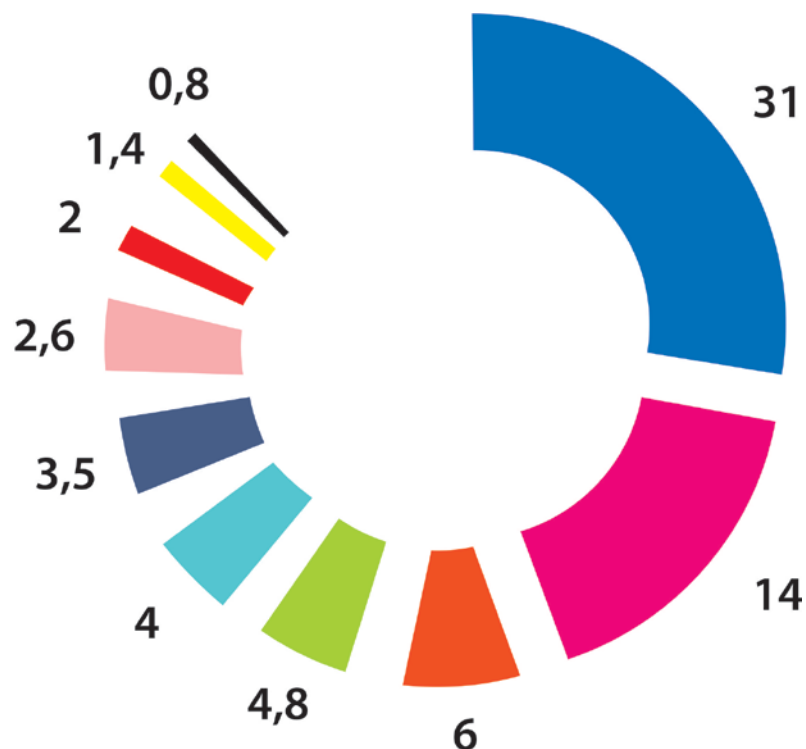
2642

#OF  
EMPLOYEES

275<sub>EUR</sub>

AVERAGE  
NET  
SALARY





- ✓ building the residential and non – residential buildings – **31%**
- ✓ construction of roads and highways – **4,8%**
- ✓ building the bridges and tunnels – **0,8%**
- ✓ pipeline construction for liquids and gases – **1,4%**
- ✓ construction of the power lines and telecommunications – **2%**
- ✓ construction of the hydrographic facilities – **6%**
- ✓ construction of other civil engineering buildings – **3,5%**
- ✓ removal of objects – **2%**
- ✓ preparatory works on the building site – **2%**
- ✓ testing the construction terrain for drilling and probing – **0,8%**
- ✓ electro installation works – **14%**
- ✓ installation of water supply, sewerage, gas and heating and air conditioning installations- **14%**
- ✓ other construction installation works – **4%**
- ✓ facade and stucco works – **0,8%**
- ✓ installation of carpentry – **1,4%**
- ✓ installation of the floor and wall coverings – **2,6%**
- ✓ redecorating and glaziers works – **1,4%**
- ✓ others final constructions works – **3,5%**
- ✓ other specialized construction activities – **4%**

## Construction Sector: Banja Luka Offers....

- ✓ *Prices of the real estates and land are cheaper than abroad*
- ✓ *Good collaboration with countries from Europe and world – many works are completed abroad*
- ✓ *Existence of natural resources which prices are lower compared to other countries in region*

## FOOD INDUSTRY SECTOR





## Food industries sector overview

F  
A  
C  
T  
S

58

FIRMS

97

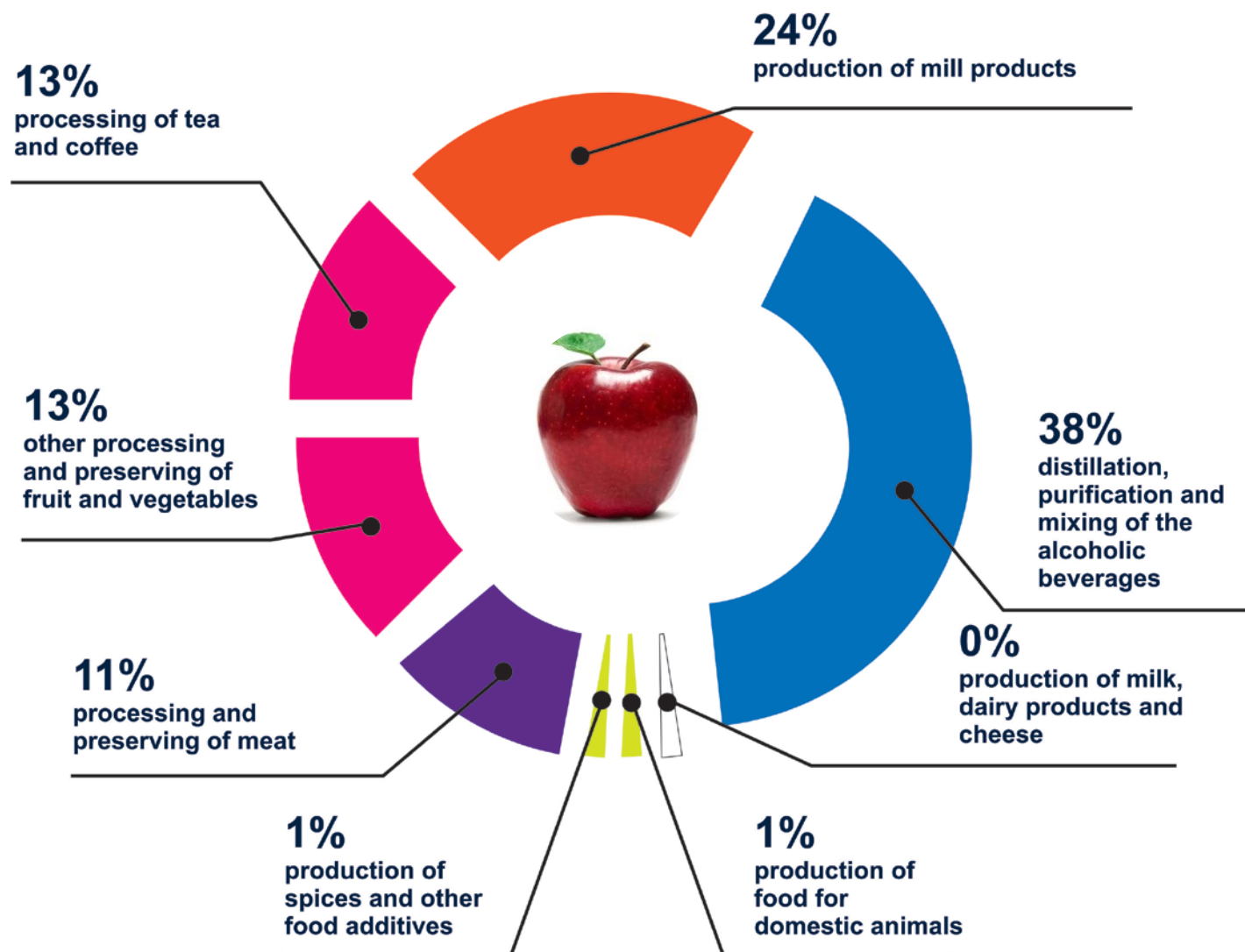
MILLION EUR  
REVENUE

1598

#OF  
EMPLOYEES

337 EUR

AVERAGE  
NET  
SALARY



Food Products Revenues in 2016



## Food Sector: Banja Luka Offers....

- *85% of the territory belongs to the rural area and 45% of that area belongs to the agricultural land (90% privately owned, 1551 agricultural holdings)*
- *There is a necessity for milk processing, as well as fruit and vegetables – there are not independent entrepreneurs in a given area*
- *There are additional educations that are covering needs in the field of food production and processing*
- *The local market for food products (high quality, homemade and healthy) is large, with over than 500 000 inhabitants in the region – the biggest number of schools, kindergartens and other institutions*

## Other Growing Sectors

Agriculture  
and organic  
manufacturing



Tourism



Transport  
/Logistics



Financial  
Enterprises



Thank You for Your Attention