



# Bosanska Krupa, a municipality with a favorable business environment



**Your Next  
Location for  
Starting a  
Business**



# Content

- Basic Information
- Key Industries
- Business Environment
- Labor Force
- Business Zones
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# Basic information

Area	Altitude	Number of inhabitants	Population density per km <sup>2</sup>
<b>561 km<sup>2</sup></b>	<b>177 m</b>	<b>25.545</b>	<b>49,9</b>

Climate	Average annual temperature	Time zone	Currency
<b>Temperate continental</b>	<b>11° C</b>	<b>UTC +1</b>	<b>BAM</b>

# Strategic Position

Distance to border crossings to the European Union:

Izačić 50 km, Gradiška 140 km

**GEOGRAPHIC  
POSITION**



**Bosnia & Herzegovina in Europe**



**Una-Sana Canton in  
Bosnia & Herzegovina**

# Proximity of International Airports, Sea and River Ports

Location	Distance (km)
Bihać, B&H	33
Banja Luka, B&H (international airport)	120
Zagreb, Croatia (international airport)	150
Rijeka, Croatia (international sea port)	180
Ljubljana, Slovenia (international airport)	265
Trieste, Italy (international sea port)	300
Koper, Slovenia (sea port)	300
Sarajevo, B&H (international airport)	350
Ploče, Croatia (sea port)	400
Brčko, B&H (river port)	410
Belgrade, Serbia (international airport)	439

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# Key Economic Sectors

- Metal industry
- Wood industry
- Agriculture/Food industry



# Top 10 Companies

- Tradition in the metal and wood industry

<b>Metal industry</b> Name of company /Number of employees 2020	<b>Wood industry</b> Name of company/Number of employees 2020	<b>Agriculture and food industry</b> Name of company/Number of employees 2020
Krupa-kabine d.o.o. (361)	Smrča d.o.o. (39)	MS – ALEM d.o.o. (37)
Bosankar d.o.o. (112)	Aldža & Elvis d.o.o. (7)	Perna – F d.o.o. (8)
ZAH d.o.o. (95)	Ba & Ham d.o.o. (6)	
ACMA-GROUP d.o.o. (31)		
RINGSPANN d.o.o. (22)		

88 business entities are active in the processing industry (65 legal entities and 23 craftsmen)  
International companies in Bosanska Krupa in the metal sector: Krupa-kabine, Bosankar, Zah



# Overview of the Metal Industry

**15**  
**companies**

**Over 600**  
**employees**

**298**  
**available labor force**

**5**  
**exporters**

# Overview of the Wood Industry

**20**

**wood processing  
companies**

**127**

**employees**

**340**

**available labor force**

**5 sawmills**

**7 production sites for  
furniture, doors and  
windows**

**8**

**exporters**

# 48% of the Municipal Area is Covered by Forests

- 23391 ha are managed by ŠPD „UNSKO-SANSKE ŠUME” d.o.o.
- approx 250 km of forest communications
- 9,9 km/1000 ha

Wood mass stocks in m <sup>3</sup>			
Categories of forests	Deciduous trees (m <sup>3</sup> )	Coniferous trees (m <sup>3</sup> )	Total (m <sup>3</sup> )
High forests	3.626.417	1.224.344	4.850.761
Sprout forests	419.669	-	419.669
Forest cultures	9.150	120.921	130.071
<b>TOTAL</b>	<b>4.055.236</b>	<b>1.345.265</b>	<b>5.400.501</b>

# Available Forest Resources

- The use, afforestation and protection of forest resources are managed by the branch of the company „Šumarija” Bosanska Krupa

Average annual yield in m <sup>3</sup>			
Categories of forests	Deciduous trees (m <sup>3</sup> )	Coniferous trees (m <sup>3</sup> )	Total (m <sup>3</sup> )
High forests	85.660	22.013	107.673
Sprout forests	9.535	-	9.535
Forest cultures	-	1.697	1.697
<b>TOTAL</b>	<b>95.195</b>	<b>23.170</b>	<b>118.905</b>

# Overview of the Agriculture/Food Industry

**18**  
agriculture  
companies

**572**  
employees

**44**  
available labor force

**2.500**  
agriculture farms

**3 exporters**  
in agriculture and food  
industry

- The largest milk producer in Una Sana Canton (more than a million of liters of milk per year)
- 150 t of vegetables in greenhouses
- 40 ha of raspberry plantations
- Around 3.500 ha of planted cereals
- Around 3.000 bee colonies.

# Agricultural and Cattle Breeding System

- A predominantly agricultural and cattle breeding production system:
  - Corn and wheat,
  - Milk,
  - Vegetables in greenhouses (13.000m<sup>2</sup>), and
  - Berry fruit (40 ha of raspberry plantations).

Land by type of use in ha					
Category	Cropland	Orchards	Pasture	Arable land	Grazeland
Area	16.855	495	4.225	21.605	6.210

# Overview of Water Resources

- The hydrographical system of the municipality consists of I and II category watercourses:
  - River Una (32,4 km) and Krušnica (6,0 km) with their tributaries, with an average water flow of 26 l/s km<sup>2</sup> (B&H - 18 l/s km<sup>2</sup>)
- Sufficient quantities of reserve potable water sources – the alluvium of Una river, Crno lake, the spring of Krušnica river.
- Potential for developing water tourism

Characteristic water flow m<sup>3</sup>/s

Profile	Qsr	Qmin	Qmax	Qmax 1/100
Una Bos.Krupa	105	14,5	846	927
Krušnica river mouth	13,4	1,86	108	119

# Overview of Available Ores and Minerals

- Different minerals and ores are available: bauxite, dolomite and limestone deposits.
- At the moment, dolomite and limestone deposits are being used, and the use of bauxite deposits has been stopped.

Mineral raw materials	Location	Reserve
bauxite	Suvaja - Šolaje	247.000 t
bauxite	Jasenica - Benakovac	80.000 t
dolomite	Ilića Do	1.379.000 m <sup>3</sup>
limestone	Ivanjska	912.000 m <sup>3</sup>



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# Strategic Development Indications of the Municipality

- Processing capacity building and increase in the level of production finalization in the metal, wood and food industry
- Economic development support infrastructure development
- Adaptation of education curricula to market needs in cooperation with the private sector
- Development of rural parts of the municipality and market orientation of the agricultural production
- Development of tourism offer in order to attract a higher number of domestic and foreign tourists

# Efficient Municipal Administration



- A complete list of administrative procedures available for the business community and citizens on the website of the municipality.\*
- A regulatory reform program implemented in cooperation with the International Financial Corporation (IFC).
- Incentivizing measures and reliefs for investments in the production sector.
- An entrepreneurship development support center is being established in the business zone Pilana in Una Sana Canton (USC).
- An economic committee was established in December 2014. in order to better plan the development of the municipality in cooperation with the business community.

\*[http://opcinabosanskakrupa.ba/index.php?option=com\\_content&view=article&id=6293:euprava&catid=76:nacbk](http://opcinabosanskakrupa.ba/index.php?option=com_content&view=article&id=6293:euprava&catid=76:nacbk)

# International Agreements

- CEFTA provides an opportunity to sell products in the international market.
- Central European Free Trade Agreement\*.
- Stabilization and Accession Agreement with the European Union and its Member States and the Interim Agreement on Trade and Trade-Related Matters.
- Free Trade Agreement with the Republic of Turkey
- Regional and bilateral foreign trade agreements with the EU, USA, Japan, Switzerland, New Zealand, Norway and Iran.

\*Signatories of the Agreement are Bosnia and Herzegovina, Albania, Croatia, FYR Macedonia, Moldavia, Montenegro, Serbia and United Nations Interim Administration Mission in Kosovo.

# Tax Policy in Bosnia and Herzegovina

- Incentivizing tax policy in Bosnia and Herzegovina

VAT	PROFIT TAX	INCOME TAX
17%	10%	10%

A tax payer generating more than 30% of the total generated income in a year for which a profit tax is specified is exempted from the obligation to pay profit tax in that year and receives also other reliefs.

# Tax policy in Bosnia and Herzegovina

- Social contributions as an obligation of employers in the Federation of Bosnia and Herzegovina

Contribution	Percentage
Pension and disability insurance	6%
Health insurance	4%
Unemployment insurance	0,5%
Total from the gross salary	10,5%

# Overview of Prices of Energy Sources

## Electricity:

Connection price  
195.00 BAM / 1 KW +  
VAT (17%)

## Waste disposal:

38.50 BAM  
per container of 1100  
l + VAT

## Phone:

Connection price  
35.10 BAM

## Water:

Average water  
connection price 3000  
BAM; consumption  
price  
2.0 BAM/m<sup>3</sup> + VAT

## Wastewater removal:

35% of the total  
used water + VAT

# Reliefs for the Production Sector

- A. The land development fee is reduced by 40%** with the possibility of payment in 6-12 installments
- B. The rental fee is reduced by 10-90%** depending on the number of employees, with the possibility of payment in 6-12 installments
- C. Economic operators** in the business zone are **exempted from utility taxes and fees** for the first three years of operations, and during the following three years they pay 50%



# Industrial production

- 88 business entities are active in the processing industry, out of which 65 are legal entities and 23 are craftsmen
- The largest companies operate in the sectors of metal and wood industry
- In the last 3 years, the metal processing sector has recorded positive trends and significant growth compared to 2018, revenue growth was 9% and employment growth was 12%

# Import and export

In the municipality of Bosanska Krupa, exports amounted to 52,000,000 BAM in 2017, which is by 13,46% more than the exports in 2016. The total share of the municipality of Bosanska Krupa in the total export of the Una-Sana canton for 2017 amounts to 16.7%

Foreign trade exchange	Imports in thousands of BAM	Import share in %	Exports in thousands of BAM	Export share in %	Coverage of imports with exports in %	Balans of trade in 000 BAM
2015	30.749	0,29	44.197	0,72	143,73	13.448
2016	31.430	0,29	45.381	0,72	144,39	13.951
2017	37.027	0,30	52.257	0,72	141,13	15.229

# Export (countries)

Name of company	Country
Bosancar, Adaco, Lelić-Komerc, BA&HAM, HNK – Company, Jela- Grmeč, H-SAAM, Lonić-Comp, Izudin	Italy
ZAH, ACMA, Sandin, CNC N&K Tehnik, Ibrahimović, Hodžić Inox Metal BAU, BS-Kobra	Deutschland
RENI Inžinjeri, Safebus, RGC, ASEH, El-Gradnja	Slovenia
SMRČA	United Kingdom
WALD-Projekt	Montenegro
Aldža&Elvis, Pištaljanka, Hodžić Inox Metal BAU	Austria
Infosys	Croatia

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# Overview of Labor Force in the Municipality

	Total (Ø2019)*	Total (Ø2020)	Men	Women
Population	25.545	25.545**	12.548	12.997
Labor force	17.413			
Employed	3.378	3.280***		
Available labor force	6.970			

- **Education**

Schools: 4 primary schools, 2 secondary schools (1 vocational school)

- **Foreign languages:** English and German

# An overview of average earnings per worker

Period	Gross average salary (in BAM)	Net average salary (in BAM)
2017	1.238	813
2018	1.286	825
2019	1.338	865

# Level of employment in Bosanska Krupa

Observed over years	Population (data is estimated on June 30th)	Number of employees	Workable population	Work force	Number of unemployed	Workable population/employment rate	Active population/employment rate
2017	25.149	3.142	17.723	7.594	4.453	17,7	42,9
2018	25.010	3.343	17.582	7.403	4.060	19,0	42,1
2019	24.804	3.378	17.413	6.970	3.592	19,4	40,0
USC in 2019	267.874	38.220	193.742	74.058	35.838	19,7	38,2

## Qualification, gender and age structure of the unemployed in Bosanska Krupa Municipality and the Una Sana Canton

Qualification	Bosanska Krupa			Una Sana Canton		
	TOTAL	Women	%	TOTAL	Women	%
NKV - Unqualified worker	1.439	801	55.66%	14.353	8.187	57.04%
PK - Low-qualified worker	105	26	24.76%	1.053	322	30.58%
KV - qualified worker	894	389	43.51%	9.817	4.583	46.68%
VKV - Highly qualified worker	6	0	0.00%	87	9	10.34%
NSS - Low-skilled worker, Elementary school	12	11	91.67%	38	34	89.47%
SSS - Specialized (or general) qualified worker	834	570	68.35%	7.712	5.020	65.09%
VŠS - First cycle of higher education	32	23	71.88%	302	192	63.58%
VSS - Second cycle of higher education	195	141	72.31%	1673	1.209	72.27%
Total as of May 31, 2020	3.457	1.939	56.09%	34.982	19.473	55.67%



# Professional Training

- **Professional training:**  
Vocational schools in Una Sana Canton, Employment Office of Una Sana Canton, Development Agency of Una Sana Canton, institutions providing re-training and additional training services for adults in Una Sana Canton
- **Costs of work:**  
Average net salary in FBiH for 12/2020 amounts to 993 KM, and gross salary amounts to 1.532 KM  
Average net salary in FBiH for 2020 amounts to 956 KM, and gross salary amounts to 1.472
- **Working hours:**  
40 working hours per week

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# Available Business Zones

Name of zone	Total area (ha)	Taken area (ha)	Available for investments (ha)	Assessed price
Business zone "Pilana"	17	14,127	2,873	15 € /m <sup>2</sup>
Industrial zone	56,7	45,74	10,96	The price is established by court expert.
Business zone "Vatreni mlin"	9	7,011	1,989	The price is established by court expert.

# Business Zone “Pilana”

- **Distance to border crossings:** Izačić 50 km, Gradiška 140 km, Novi Grad 33 km
- **Total area of the business zone:** 17.00 ha
- **Land ownership:** 90% private, 10% owned by the municipality and state
- **Business zone occupancy:** 83% of area and 19 companies in the zone
- **Type of companies in the zone by industries:** metal industry, trade, Entrepreneurship Support Center, management of the public company Unsko-Sanske šume
- **Available land in the business zone:** 2.873 ha
- **Price of land:** 15€/m<sup>2</sup>
- **Available infrastructure:** water supply, sanitation system, including a water treatment facility, electrical installations that match production capacities, internal roads adapted to production plant needs, telephone/internet installations are available to all plots, solid waste disposal

# Business Zone “Pilana”

- Cost-effective prices of land in the business zone

Classification of costs	Price
Costs of land per m <sup>2</sup>	15€
Costs of infrastructure works per ha	150€
Costs of building construction per m <sup>2</sup>	600€
Administrative costs per m <sup>2</sup>	50€
Total costs of municipal taxes per m <sup>2</sup>	160€



# Business Zone “Industrial zone”

- **Distance from border crossings:** Izačić 50km, Gradiška 140km, Novi Grad 33 km
- **Zone along the motorway M-14 and railway**
- **Total area of the business zone:** 56.70 ha
- **Occupancy rate of the business zone:** area of 80% and 9 companies in the zone
- **Type of companies in the zone by sectors:** metal industry, use of mineral raw materials, trade centers
- **Available land in the business zone:** an area of 10.96 ha
- **Price of land:** The price is established by court expert.
- **Presence of infrastructure in the zone:** water supply and electricity network, telephone/internet installations are available, solid waste disposal

# Investment Locations Planned in the Physical Plan of the Municipality

No.	Inhabited locality	Area in ha	No.	Inhabited locality	Area in ha
1.	Arapuša	0.89	11.	Pištaline	44.25
2.	Baštra	3.86	12.	Pučenic	7.40
3.	Banjani	19.43	13.	Veliki Radić	5.06
4.	Bosanska Krupa	75.27	14.	Vojevac	2.66
5.	Gorinja	0.83	15.	Voloder	11.82
6.	Jasenica	3.26	16.	Vranjska	17.24
7.	Jezerski	6.52			
8.	Ljusina	47.41			
9.	Mahmić Selo	10.16			
10.	Bosanska Otoka	26.61		<b>TOTAL</b>	<b>282,67</b>

Working zones either have no infrastructure or have partial infrastructure

## Export and import

- Export in municipality Bosanska Krupa and USC in I-XII 2018. i 2019. (in BAM thousand)

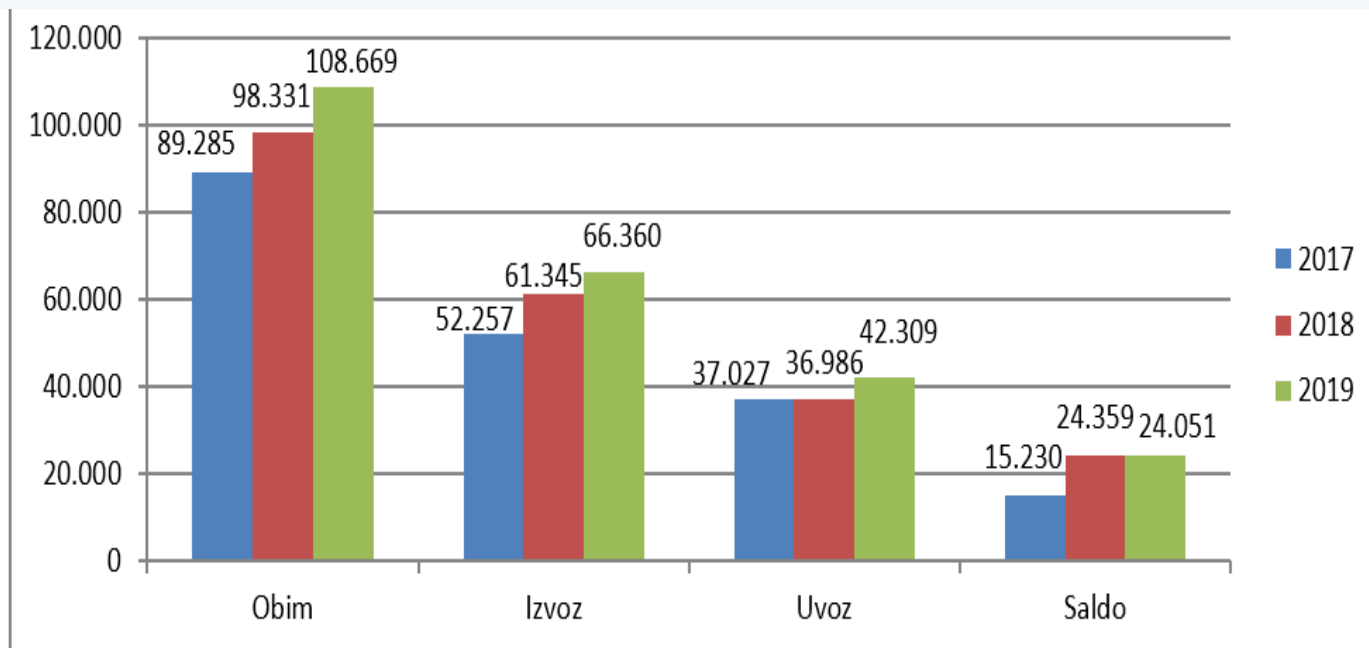
Municipality	2018.	2019.	Index
Bosanska Krupa	61.345	66.360	108,17
Total USC	342.783	385.647	112,50
Share of Bosanska Krupa in USC	17,89%	17,20%	-

- Import in municipality Bosanska Krupa and USC in I-XII 2013. i 2014. (in BAM thousand)

Municipality	2018.	2019.	Index
Bosanska Krupa	36.988	42.309	114,38
Total USC	390.672	419.697	107,43
Share of Bosanska Krupa in USC	9,46%	10,08%	-

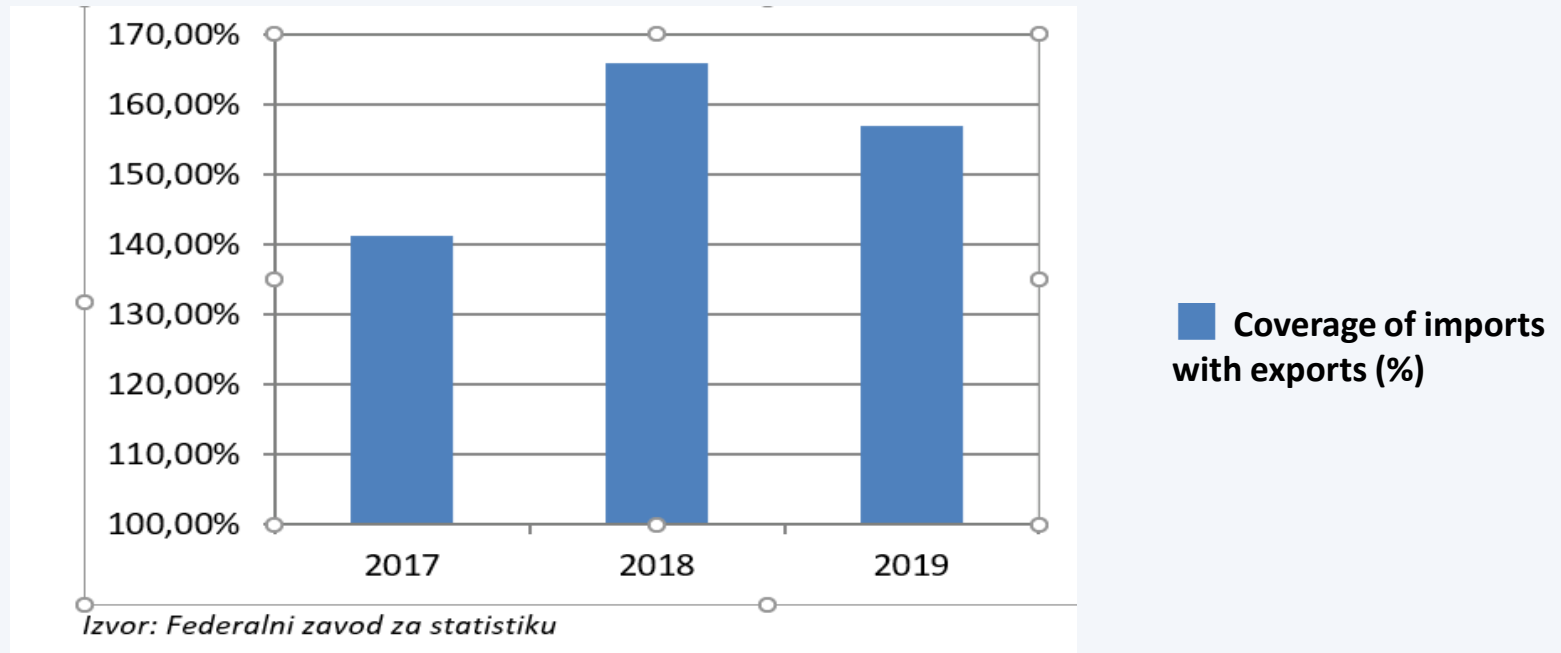


## Exports and imports in the Municipality of Bosanska Krupa in the last 3 years (in BAM thousand)



Izvor: Federalni zavod za statistiku

## Coverage of imports with exports in the Municipality of Bosanska Krupa in the last 3 years (%)



# Testimonials



"KRUPA CAB has very positive experience with the services provided by Municipality of Bosanska Krupa . Construction permits were issued in the most efficient manner. Incentives package and assistance with identifying of qualified workers were of great value for our company. As foreign investor we were provided with all necessary support for successful launch of operations in this market" Aida Fojnica, Human Resources

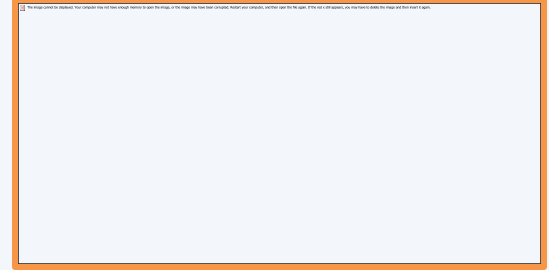


# Quality of Life





# Quality of Life



# 10 reasons to invest in Bosanska Krupa

50 km Distance to border crossings to the European Union , and EU market with population of 600 million

Incentive municipal incentives for the development of the manufacturing sector

Infrastructure of business zones adapted to the needs of production

A long tradition in the metal and wood industry

Skilled workforce adaptable to market needs

Over 90% of domestic and foreign export-oriented companies

Incentive tax policy and contributions at the level of BiH

Effective local government

Favorable land prices

Abundance of natural resources

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# Contacts

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