



Foreign
Investors
Council

NEWSLETTER

September - December 2010

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1. Key highlights from the BoD meetings

- 3 BoD meetings held as of August 2010
- FIC Guide/ Publication proposal activities determined
- White Book 2010 working groups formed and started working
- Cooperation with EBRD on developing an analysis for insolvency sector in BiH
- FIC Cocktail with RS business community held in Banja Luka
- FIC Cocktail with Mr. Kozaric, the Governor of the Central Bank of BiH, held

2. White Book 2010 activities

Official preparations for the White Book 2010 started on October 2010. 8 working groups formed and initial meetings held.

Mr. Harun Gadžo – Messer BH Gas
Mr. Željko Budimir – m:tel
Mr. Vladimir Runić – SHP Celex Group

FIC Office would like to express gratitude to members for allocating time and resources with the aim of helping the development of the White Book 2010

White Book 2010 working group Team Leaders and Members:

Business registration

Mr. Vojislav Puškarević; Raiffeisen bank; Team Leader

Mr. Franjo Marjanović; AllClean d.o.o. Sarajevo
Mr. Dino Sabrihafizović and Ms. Mirna Milanović-Lalić – Joint Law Office Sarajevo
Ms. Amra Isić – Marić Law Company
Ms. Snjezana Tadić – SHP Celex Group

Work permits

Ms. Alma Pupo; HTL d.o.o. Sarajevo; Team Leader

Mr. Nikola Dubajić – EFT Group
Ms. Azra Uzunović – HeidelbergCement Group/ Cement Factory Kakanj
Ms. Belma Zorlak – Marić Law Company
Ms. Dragica Janković – SHP Celex Group
Ms. Aida Samardžić – Triland Development

Law on Enforcement procedure

Ms. Višnja Dizdarević; Marić Law Company – Team leader

Mr. Fahrudin Gvoždjar – Hypo Alpe-Adria-Leasing

Company Law

Ms. Amra Isić – Marić Law Company

Mr. Branko Kecman – Advantis Broker Banja Luka
Ms. Šejla Bakić – HeidelbergCement Group/Cement Factory Kakanj
Mr. Dino Sabrihafizović – Joint Law Office Sarajevo
Mr. Djordje Lazić – SHP Celex Group
Mr. Adnan Šećibović – Unicredit bank

Taxes

Ms. Mubera Brković – PricewaterhouseCoopers; Team Leader

Mr. Franjo Marjanović – AllClean d.o.o. Sarajevo
Ms. Alma Pupo – HTL d.o.o. Sarajevo
Mr. Fahrudin Gvoždjar – Hypo Alpe-Adria-Leasing
Mr. Kemal Hrnjić – Meggle
Ms. Ilinka Gavrilović – m:tel
Ms. Enisa Jašarević – Unicredit bank
Mr. Emir Kadrić – Xella d.o.o. Tuzla

Construction permits

Mr. Nihad Sijerčić – Karanović&Nikolić; Team Leader

Mr. Nikola Dubajić – EFT Group
Mr. Fahrudin Gvoždjar – Hypo Alpe-Adria-Leasing
Mr. Harun Gadžo – Messer BH Gas
Ms. Nataša Laketa – m:tel
Mr. Vladimir Runić – SHP Celex Group

Law on Bankruptcy and Company Liquidation

Mr. Sead Miljković – Wolf Theiss; Team Leader

Mr. Tamir Mostrac - EBRD
Mr. Fahrudin Gvoždjar – Hypo Alpe-Adria–Leasing
Mr. Nihad Sijerčić – Karanović&Nikolić
Mr. Harun Gadžo – Messer BH Gas
Ms. Zinaida Zečević – Raiffeisen bank
Mr. Djorjđe Lazić – SHP Celex Group

Export Certification

Mr. Stevan Dimitrijević – Karanović&Nikolić; Team Leader

Ms. Helena Jovanović – Karanović&Nikolić
Mr. Almir Bajtarević – HeidelbergCement Group/
Cement Factory Kakanj

Mr. Kaled Hašimbegović – Meggle
Mr. Luka Macanović – SHP Celex Group

This year's edition will cover 8 areas providing public with all relevant information on reforms needed to improve business environment in BiH. FIC members hope that the White Book 2010 will serve as a stimulus to newly elected state, entity and municipal authorities to improve the business environment in the country. The White Book represents way of channeling information between FIC members and BH authorities.

As soon as the new Government is formed, the FIC members will publish its White Book 2010.

FIC members will spare no efforts in order to help out the BH authorities in process of reforms implementation

3. FIC Cocktail in Banja Luka on October 21, 2010

FIC members organized Cocktail in Banja Luka with the aim of promoting FIC activities and FIC membership. Participants of the Cocktail were representatives of the business Community from RS. Mr. Giulio Moreno, FIC BoD member and Head of Mission of the EBRD in BiH addressed the audience representing FIC members and its activities. "It is very important that business community is gathered in a way to push forward process of needed reforms in BiH. Only gathered, we can achieve



more in order to improve business environment", Moreno stated finishing his speech.

FIC Member, m:tel, was sponsoring this event.

4. FIC Cocktail with Mr. Kemal Kozaric, Governor of the Central Bank of BiH on November 23, 2010

The Foreign Investors Council organized a Cocktail party with Mr. Kemal Kozaric, the Governor of the Central Bank of Bosnia and Herzegovina on November 23, 2010 at the Hotel Europa, Sarajevo.

The representatives of the business community in BiH, as well as the representatives of the Commercial Departments of the foreign embassies present in BiH, had an opportunity to discuss current economic and political situation with Mr. Kozaric.

Mr. Tie Sosnowski, FIC President of the Board of Directors and Chief Executive Officer of Triland Development, and Mr. Giulio Moreno, Head of Mission of the European Bank for Reconstruction and Development in BiH as well as Mr. Kozaric addressed the guests.

Mr. Kozaric delivered a speech, emphasizing that despite economic crisis export in BiH and foreign reserves increased. The inflation rate was very



low and stable. He also, underlined that the economic growth in 2011 should increase for 3%, but the political security is greatest precondition for each business.

FIC Member, Hypo Alpe-Adria-Bank sponsored this event.

5. FIC Open Letter

BoD members published the FIC Open Letter to the BH authorities, emphasizing importance of reforms implementation in order to improve business environment in BiH. Following reforms were proposed:

- Finalization of the process of privatization
- Improvement of the private-public partnership
- Work permits and construction permits reforms
- Taxes harmonization

- Simplifying procedure of the Business registration process for foreign companies in BiH
- Improvement of the relevant legislation for financial institutions
- Reform of enforcement procedure

22 media followed publication of the FIC Open Letter.

BoD members will decide on the ways of further communication regarding the proposed reforms. (Will decide on further activities related to FIC Open Letter follow up)

6. FIC presence in BH media

• FIC President, Mr. Tie Sosnowski and FIC BoD member, Mr. Stevan Dimitrijevic, an attorney, gave an interview for Dnevni list on behalf of FIC. (Interview published in Dnevni list on August 26, 2010)

• Ms. Aida Soko, FIC BoD member and director of the PricewaterhouseCoopers gave an interview for Oslobodjenje emphasizing importance of cooperation with the BH Governments. (Interview published in Oslobodjenje on November 15, 2010)

• Mr. Sead Miljkovic, attorney and FIC BoD Member, spoke for Reuters about the judiciary system in BiH underlining the administrative and legal obstacles when it comes to the investments in BiH.

• Ekapija, business web portal, has published a FIC BoD members short statement on improvement of the reforms from the White Book 2009

7. Other events/ activities involving FIC

• Cooperation with EBRD on developing an Analysis for insolvency sector in BiH; The EBRD experts will start working on Insolvency issue in BiH. The FIC members decided to contribute to this important report by actively participating in meetings and roundtables that will take place in December 2010. The part of analysis will be, also, included in White Book 2010.

• OECD roundtable- FIC members attend the OECD roundtable on „ Regional Initiative for strengthening competitiveness –Capacity Building Support“

• Presentation of the European Commission’s 2010 Progress Report for Bosnia and Herzegovina to members of the Business community – The EU organized a presentation on BiH progress report to business community. FIC members attended and actively participate.

• EU Member States’ Economic and Commercial Counselors Meeting – Ms. Aida Soko, the FIC BoD members and PricewaterhouseCoopers director presented FIC views about business and foreign investment environment in BiH.

• IFC’s GIPB presentation – ED attended presentation on Global Investment Benchmarking Report

• FIC members along with the Norway Embassy in BiH took part in the initiative regarding the CDM (Clean development Mechanisms) issue. The initiative was aimed to influence BH Government to form the DNA (Designated National Authority) body that would be responsible for collecting the applications for companies to join the CDM. Thanks to the efforts of FIC members and Norwegian Embassy, Designated National Authority for the implementation of the CDM has been formed on October 20, 2010. The decision was proposed by MoFTER and adopted by BH Council of Ministers.

Members who sponsored FIC events in this period:



ANNEX I

Update on state and entity Laws and decisions that are in the procedure or published in the official gazettes in BiH.

Period covered September 24 - November 19, 2010

Below are presented some of the laws, draft laws, decisions and all other relevant data on BH legislation that are being adopted or discussed within the respective Parliaments and ministries as well as other relevant BH and entity institutions.

OFFICIAL GAZETTE OF BOSNIA AND HERZEGOVINA

MINISTRY OF FOREIGN TRADE AND ECONOMIC RELATIONS

- Instructions on submitting, record keeping and disclosing information on FDI in BiH (Official Gazette No. 86/10)
- Official Gazette - International Agreements

PARLIAMENTARY ASSEMBLY OF BiH

- The decision on granting consent to ratification of the Statute of the International Agency for Renewable Energy (Official Gazette - International Agreement No. 11/10)

OFFICIAL GAZETTE OF THE FEDERATION OF BIH

- Regulations on the termination of the regulation concerning mandatory reporting and publicly disclosing statements of the companies managing privatization investment funds and privatization investment funds.
- A decision on amending the assessment on fees for registry services of securities in FBiH (Official Gazette FBiH No. 64/10)

- Ordinance on amending the rules of the content and manner of keeping the funds registry (Official Gazette FBiH No. 67/10)
- Law on amendments to the Law on Courts (Official Gazette FBiH No. 63/10)

FEDERAL MINISTRY OF TRADE

- Instructions on the form and content of the statement stating that the sales facility meets the statutory requirements for carrying out commercial activities (Official Gazette FBiH No. 64/10)
- Regulations on the registration and control of transport of petroleum products through the installed equipment at petrol pump stations in the FBiH (Official Gazette FBiH No. 67/10)

FEDERAL MINISTRY OF ENERGY, MINING AND INDUSTRY

- Ordinance amending the rules of establishing the quality of liquid fuels (Official Gazette FBiH No. 68/10)

OFFICIAL GAZETTE OF THE REPUBLIC SRPSKA

MINISTRY OF FINANCE

- Ordinance on the amending the policy of the dual system of accounting for entrepreneurs (Official Gazette RS No. 99/10)
- Regulation on the manner, forms and deadlines for reporting on credit transactions with abroad (Official Gazette of RS No. 100/10)
- Ordinance amending the regulation on the implementation of the Law on Income Tax (Official Gazette of RS No. 104/10)

MINISTRY OF INDUSTRY, ENERGY AND MINES

- Regulation of energy balance (Official Gazette of RS No. 102/10)

The list is created for informational purposes and includes just laws and decisions that might be of interest to FIC members.