

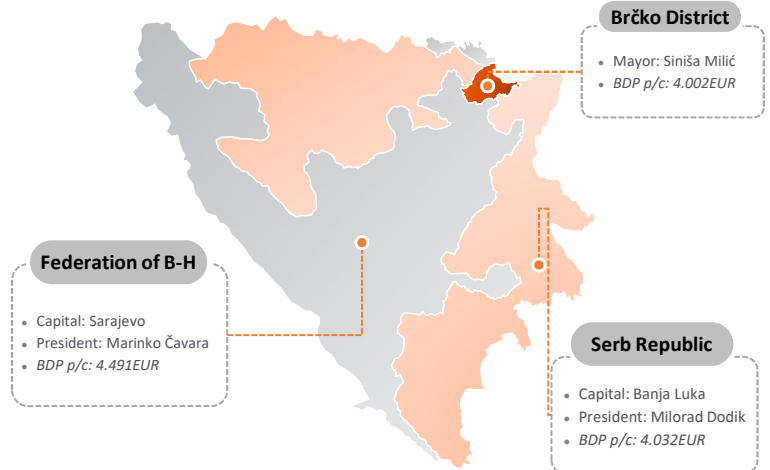
Country Overview

➤ BOSNIA & HERZEGOVINA



General information

Capital:	Sarajevo
Population:	3.531.159
Land area:	51.129 km ²
Official language:	Bosnian, Croatian, Serbian
Currency:	Convertible mark (BAM)



Politics

Government type:

Parliamentary republic

Legislature:

Bicameral Parliamentary Assembly, consisting of: House of Peoples and House of Representatives

Head of state:

Bakir Izetbegović (Chairman), Mladen Ivanić and Dragan Čović (8 months rotating presidency)

Head of Government:

Chairman of the Council of Ministers Denis Zvizdic

- Bicameral **Parliamentary Assembly** consists of the **House of Peoples** (5 Bosniak, 5 Croat, 5 Serb; designated by the FB-H's *House of Peoples* and the RS's *National Assembly*) and the state-level **House of Representatives** (42 seats to include 28 seats allocated to the FB-H and 14 to the RS, elected directly)
- **FB-H** has a bicameral legislature that consists of the **House of Peoples** (17 Bosniak, 17 Croat, 17 Serb, 7 other) and the **House of Representatives** (98 seats, directly elected)
- **RS's** unicameral legislature is the **National Assembly** (83 directly elected)

Economic indicators

	2012	2013	2014	2015	2016	2017
Nominal GDP (EURm)	13.407	13.692	13.988	14.616	15.288	16.121
Real GDP growth (%)	-0,8	2,3	1,1	3,1	3,1	3,0
Annual inflation (%)	2,1	-0,1	-0,9	-1,0	-1,1	1,2
Unemployment rate (%)	28,0	27,5	27,5	27,7	25,4	20,5
Fiscal Balance (% of GDP)	-2,7	-1,8	-2,9	-0,2	0,3	1,9
Current account balance (% of GDP)	-8,6	-5,3	-7,4	-5,4	-4,9	-4,8

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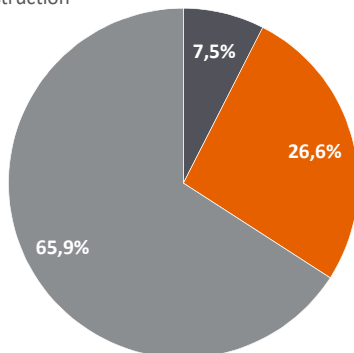
➤ BOSNIA & HERZEGOVINA



- Bosnia and Herzegovina has a **transitional economy** with limited market reforms. The **convertible mark** - the national currency introduced in 1998 - is **pegged to the euro through a currency board arrangement**, which has maintained confidence in the currency and has facilitated reliable trade links with European partners.
- **Highly decentralized government** hampers economic policy coordination and reform, while excessive bureaucracy and segmented market discourage foreign investment. In 2016, **B-H began a three-year IMF loan program**, but it has struggled to meet the economic reform benchmarks required to receive all funding installments.
- **High unemployment remains the most important macroeconomic problem. Public perception of government corruption and misuse of taxpayer money has encouraged persistence of gray economy.**

Share of GDP

- Agriculture, forestry and fishing
- Industry and Construction
- Services



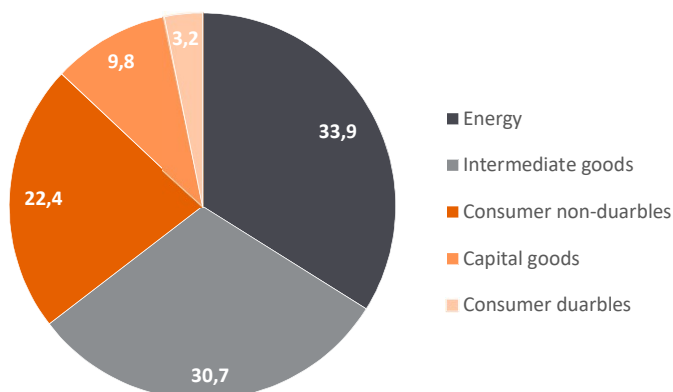
Ease of doing business (2018)

Rank (best 1, worst 190)

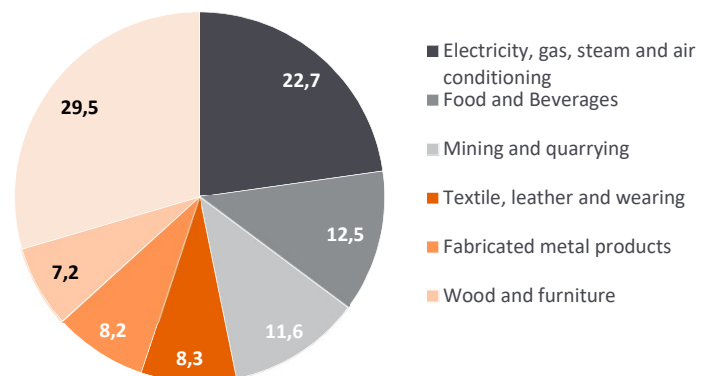
Ease of doing Business	86
Starting a business	175
Dealing with construction permits	166
Getting electricity	122
Getting credit	55
Paying taxes	137
Trading across border	37
Enforcing contracts	71
Resolving insolvency	40

Industry, trade and investments

Industry share by MIGs (%)



Industry share by NACE Rev.2 (%)



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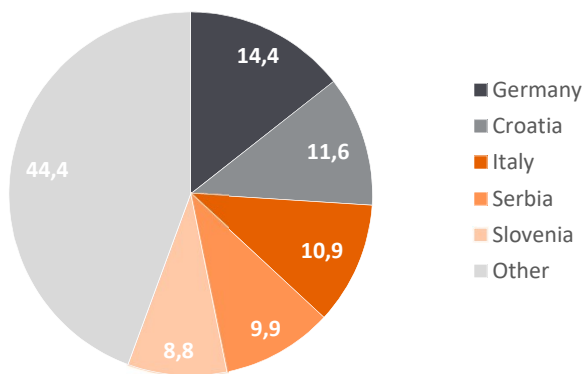
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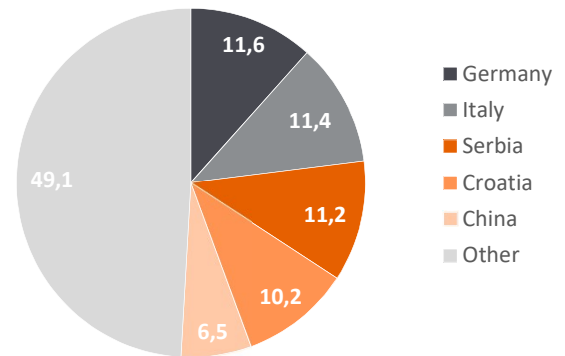
Foreign trade

EURm	2012	2013	2014	2015	2016	2017
Exports	4.008	4.274	4.428	4.584	4.803	5.637
Imports	7.779	7.737	8.262	8.084	8.242	9.248
Trade deficit	-3.771	-3.463	-3.834	-3.501	-3.439	-3.611
Import Coverage	51,52	55,24	53,59	56,70	58,286	60,95

Main export partners (% , 2017)

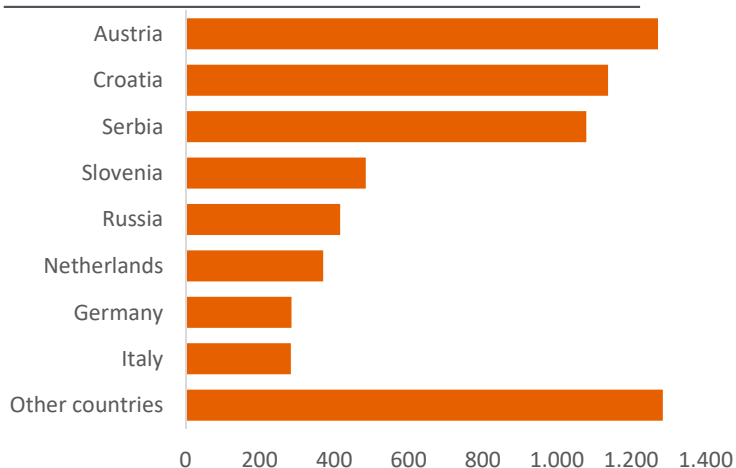


Main import partners (% , 2017)



Investment relationship

Investments inflow by the country of origin (1994-2016, EURm)



Major B-H Exports Products (2017)

	EURm	% of total
Basic metals	569	10,10
Fabricated metals	534	9,48
Furniture	532	9,43
Food products	437	7,75
Leather and related products	389	6,90

Credit rating

B / stable outlook

Standard & Poors

March 9, 2018

B3 / stable outlook

Moody's

February 16, 2018