



SARAJEVO BUSINESS FORUM REPORT 2012

SARAJEVO, JULY 2012

ENERGY ■ INFRASTRUCTURE ■ AGRICULTURE ■ INDUSTRY ■ EDUCATION ■ FINANCE ■ TOURISM ■ CONSTRUCTION



Vefahan Ocak, Amer Bukvic, Nermin Niksic, Ali Babacan, Bakir Izetbegovic, Mehdi Eker, Haris Silajdzic, Sheikh Ahmad bin Jassim Al-Thani at the official opening ceremony in the building of the B&H Parliament

SARAJEVO - THE PLACE WHERE PROJECTS AND INVESTORS MEET

138 PROJECTS • VALUE OF PROJECTS EUR 8,5 BILLION
• MORE THAN 1.000 PARTICIPANTS



Bakir Izetbegovic
Chairman of the Presidency
of Bosnia and Herzegovina



Dr. Ahmad Mohamed Ali
President of IDB Group



Dr. Haris Silajdzic
Founding honorable patron of SBF



Ali Babacan,
Deputy Prime Minister of the
Republic of Turkey



Sheikh Ahmad bin Jassim Al Thani,
Director General of Al Jazeera Network



Amer Bukvic,
CEO of Bosna Bank International

ORGANIZERS



FORUM PARTNERS





A thousand guests, 650 foreign and local businessmen, 250 representatives of the media, more than 100 officials, 138 projects in the value of EUR 8,5 billion, 190 business to business meetings, 30 participant countries, 10 grand agreements, a thousand positive impressions; this is only a short summary of Sarajevo Business Forum 2012 that was held in Sarajevo from 16th to 18th May 2012.

For days before the start of the largest investment conference of South East Europe, the third Sarajevo Business Forum, media houses wrote about the arrival of foreign investors and preparation of local projects. The organizers of the largest business event in the South East Europe region, Bosna Bank International (BBI) and the Islamic Development Bank (IDB), have been preparing the Forum for months. "We want to bring prosperity and faith in better tomorrow to the citizens of B&H and the region," said the CEO of BBI Bank Amer Bukvić, addressing the nu-

merous guests, investors, businessmen and senior officials at the opening ceremony in the B&H Parliament building. "There is tremendous interest in Bosnia and Herzegovina and the region in the world, evidenced by the fact that investors from Western Europe, North America, the Middle East, China and Japan came to this Forum. Their presence here is testimony that the SBF offers numerous opportunities for investors," said the President of Islamic Development Bank, Dr. Ahmad Mohamed Ali. "If you have the courage to invest in Bosnia and Herzegovina, and if you make an effort

you will see that B&H is a country of great opportunities," said Bakir Izetbegovic, Chairman of the B&H Presidency and the patron of the Sarajevo Business Forum 2012 at the opening ceremony. During second and third day of the Forum, investors from around the world were presented with the projects from tourism, agriculture, infrastructure, construction, education, energy, finance and industry. More than 190 business-to-business (B2B) meetings took place and many investors have extended their stay in the country to visit companies and places in which they are interested to invest.

Besides ten grand agreements signed on official ceremonies during the three days of Sarajevo Business Forum, many agreements have been achieved. The direct contacts and meetings of regional entrepreneurs and foreign investors were held during the whole three days and also in parallel to the panel discussions of the Forum. Three official dinners hosted by H.E. Bakir Izetbegovic, Chairman of the Presidency of B&H, Mr. Alija Behmen, Mayor of the City of Sarajevo, and FENIKS Construction Consortium, sponsor of the Forum, gave special opportunity for participants to connect and discuss business opportunities.

BAKIR IZETBEGOVIC, CHAIRMAN OF THE PRESIDENCY OF BOSNIA AND HERZEGOVINA

SBF is a meeting place for businessmen from the East and the West

"Bosnia and Herzegovina has great potential to easily develop various industries. This country can serve as a meeting place for businessmen from both the East and the West because we share the values and understand the needs of both groups.

"I invite all potential investors from agricultural industries to comprehend our unused potential in this concept. Let me remind you that Bosnia and Herzegovina is very rich in water resources and that this enormous potential is poorly used. This fact presents an opportunity to invest in business with bottled water or electricity production.

In addition, Bosnia and Herzegovina is very rich in coal, forests, high winds, and numerous minerals. Also, we certainly have oil. Representatives of Shell Company are exploring B&H oil fields as we speak. Soon we expect them to publicly announce what research has already confirmed, and that is that Bosnia has significant amounts of oil!

Now we need to focus on building infrastructure. We have made a breakthrough in the recent years.

God willing, we will finish the construction of about 140 km highway on the Corridor 5C by 2014. The highway, when completed, will represent a major physical and psychological link in our country.

Bosnia and Herzegovina also offers many other benefits such as: long industrial tradition, well-educated and disciplined workforce, a stable currency pegged to the Euro, foreign investors rights equal with domestic, companies with a long and rich tradition of doing business in international trade and business, etc.

Therefore, if you really explore and if you are brave enough and creative - our country is a land of many opportunities for you. The city in which this Forum is held is a city of many opportunities for you. Sarajevo is one of the major historical, cultural, media, educational and industrial centres of the region, and it welcomes you with arms wide open".



ISLAMIC DEVELOPMENT BANK

Dr. Mohamed Ali: A safe and healthy environment for investments



President of the Islamic Development Bank (IDB) Dr. Ahmad Mohamed Ali expressed his satisfaction that the implementation of projects agreed on previous SBF has already begun.

"Member countries of the Islamic Development Bank are aware that this Forum will help the development of Bosnia and Herzegovina and will meet the needs B&H has in terms of economic develop-

ment. We want to be a driving force to expand the activities of the B&H market, which will result in such a way that Bosnia and Herzegovina will become a safe and healthy environment for investment" said Dr. Ali. He stressed the interest of IDB to invest in the private sector and cross border investments.



40 successful companies in Feniks construction consortium

Feniks construction consortium – new construction force

Construction consortium Feniks, comprised out of more than 40 successful companies from Bosnia and Herzegovina, Serbia and Slovenia, was presented to the public at the 3rd Sarajevo Business Forum. B&H companies: Euro-asfalt, Energo-invest, ANS Drive and Širbegović group have joined the regional consortium on the first day of the Forum. These are all very well known and respected companies, which have gained their experience not only on construction sites in B&H and the region, but also in other countries. Their intention is to participate in large construction projects around the world. Feniks construction consortium serves, above all, for a joint operation on the foreign markets of Russia and the markets of Eastern and Southeastern Europe and the countries of Middle East North Africa region (MENA). Phoenix, which employs more than 35.000 people, generating EUR 4.5 billion annual turnovers, remains open for further expansion. Companies from Croatia, Montenegro and F.Y.R. Macedonia are preparing to join in the reintegration of the region. The new joint construction force Feniks consortium will compete for jobs whose value is measured in billions of US dollars.



Saudi Fund for Development USD 18.000.000 for sustainable return of refugees

Representatives of the Saudi Fund for Development and the Ministry of Finance and Treasury of Bosnia and Herzegovina, have signed an agreement on financing sustainable return in the amount of USD 18 million within the 3rd Sarajevo Business Forum. Funds from this financing will be used to build more than two thousand housing units for returnees in B&H. Republic of Srpska and the Federation of B&H, were each given 46% of the funds by this agreement and the remainder will be directed to returnees in the Brčko District. Funding is given to 25 years with a five years grace period and the profit rate of one percent.

Kuwait businessmen invest EUR 2.3 million in construction

MIMAR Ltd. Company from Cazin and the Kuwaiti investor Mejwel Al Daihani signed a Memorandum of Understanding that represents a continuation of last year's collaboration. This Memorandum enables the next step in realization of construction of a factory for construction materials. The first contract, worth approximately EUR 1.28 million KM, was signed on the previous SBF and was used to build a factory for producing construction materials. New contract, signed on SBF 2012 in the value of EUR 2.3 million will enable the MIMAR CO. to purchase the technological equipment needed for the plant. Production is supposed to start four months after the signing of the agreement and will provide 120 new jobs.

„Agro-Eco Food“ from Bosnia and Herzegovina & „Al Rakha Investment“ from the Kingdom of Jordan Investment in agricultural plantations

An investor from the Kingdom of Jordan, „Al Rakha Investment“ company, signed an agreement on mutual exchange of expertise and cooperation in the area of cultivation and processing of agricultural products with a B&H company „Agro-Eco Food“ from Blagaj. Vegetable plantations near Mostar in the value of around EUR 1 million are planned by the Memorandum of Understanding. „We have been importing apples from Bosnia and Herzegovina since last year, and these days we will finalize a contract for the export of wood and wood products from B&H to the Kingdom of Jordan. This country has great potentials and investment possibilities in tourism and agriculture and we encourage other institutions and even countries to support Forums like this one“, said Hani Ashour, director of „Al Rakha Investment“ Company.



The Third Sarajevo Business Forum was attended by 30 investors from the Kingdom of Jordan. Many of them have established companies in Bosnia and Herzegovina after attending the last year's Sarajevo Business Forum 2011 and this year they expanded their activities and continued investing in B&H.

BIGMEV and „Mostovi Nade“ Investment in organic production and energy

During the third Sarajevo Business Forum, President of the Turkish company BIGMEV Muzaffer Cilek and the president of NGO „Mostovi Nade“ („Bridges of Hope“) founded by dr. Adil Bushnak have signed a Memorandum of Understanding about the cooperation in promoting B&H economy and quality projects to investors from the whole world.

The Memorandum is worth around EUR 1 million and will provide funds for analyses, research and feasibility studies with a goal to improve social and economic condition for the citizens of Bosnia and Herzegovina.

„Our first goal is to bring investors from around the world to Bosnia and Herzegovina and our second goal is to place B&H brands and products on foreign markets. Our goal is to work in the entire country of Bosnia and Herzegovina by communicating and cooperating with the relevant institutions. We will invest in the organic production and we are also interested in the energy sector and fishery“ said the director of BIGMEV Muzaffer Cilek, whose company operates in 66 countries in the world.



Leading petroleum industry from UAE in Bosnia and Herzegovina

„Eurolube“ - ENOC representative for Bosnia and Herzegovina

A Memorandum of Understanding was signed on the first day of Sarajevo Business Forum between ENOC International Sales, an oil company from United Arab Emirates and „Eurolube“ company by which „Eurolube“ became a distributor and dealer of ENOC petroleum products for the Balkan region.

Leading petroleum industry from United Arab Emirates, with more than 20 subsidiaries around the world, signed an agreement on Sarajevo Business Forum whose articles state that B&H companies will distribute their products over the entire Balkan area.



Investment in sheep and goat breeding

Bosnian company „Apimed“ from Sanski Most, which is participant of Sarajevo Business Forum since its inception and had success by finding its foreign investor for its project in field of honey production, this year has signed a Memorandum of Understanding with „Lativa“ Company by which the production capacity of „Apimed“ in fruit production and processing, sheep and goat breeding will be enhanced and expanded. Memorandum was signed by Mirzet Hodžić, the director of Apimed Ltd. Sanski Most and Mohamed Alfaresi, the director of Lativa Ltd. Sarajevo.

TIKA invests in University infrastructure

Turkish International Cooperation and Development Agency (TIKA) signed a protocol of cooperation and reconstruction of the library and student service at the University of Tuzla. The value of the projects is around EUR 290.000.

Construction of new facilities and reconstruction of eight existing facilities is planned in the future in such a way that the space around the University will be fully exploited and turned into a campus.





More than 190 direct meetings of local businessmen and foreign investors

During the three days of this year's Sarajevo Business Forum (SBF), the largest investment conference in Southeast Europe, businessmen from the most affluent markets in the world made more than 190 direct business meetings with local businessmen. Most meetings were held in Energy, Agriculture and Tourism sectors. Also, many future business deals were initiated during this part of SBF.

A large number of meetings of investors and businessmen from the region were held beside the formal meetings. Investors have visited BH companies along with the local businessmen, discussed and agreed on future cooperation.



HOW WAS SBF 2012 PREPARED

Preparations for the Sarajevo Business Forum 2012 began immediately after the closing of SBF 2011. Presentation and promotion of SBF took place through diplomatic and consular representative bodies of B&H around the world. BBI employees worked on the promotion and preparation for the SBF for six months simultaneously with their jobs in the bank. Visits to major industry centres and chambers of commerce were organized and BBI representatives presented opportunities offered by the Sarajevo Business Forum.

Organizers of Sarajevo Business Forum (BBI VIP Business Club and the Islamic Development Bank), together with PGlobal, a leading consulting company from Turkey, organized a preparatory workshop for businessmen to educate them on how to prepare a presentation of projects in a manner acceptable to foreign investors. The workshops were attended by B&H and regional businessmen and organized on three occasions.

BBI employees from BBI VIP Business Club and Corporate Banking Division who are in direct contact with their clients gave a great contribution to the organization of the Conference because they counselled and assisted their clients in the development of projects that were presented at the Third Sarajevo Business Forum.

Support for the largest investment conference in Southeast Europe was also provided by the Presidency and the Ministry of Foreign Affairs of Bosnia and Herzegovina through diplomatic-consular network promoting SBF throughout the world. Positive impressions and experiences of the investors that visited the previous SBFs was also one of the ways of promotion. Around 300 student volunteers also contributed to Sarajevo Business Forum, an event considered one of the most important events on the global investment map, so called "Balkan Davos" by prominent world economists.

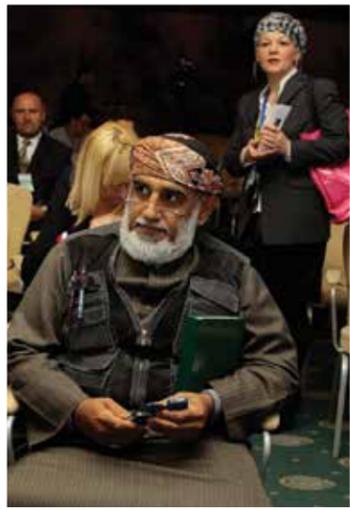
BOOK OF PROJECTS

During Sarajevo Business Forum 2012, BBI VIP Business Club has presented all projects through "Projects book" which is a quality guide for investing in B&H with concrete suggestions and data elaborated in detail. This year, 138 business ideas in field of energy, infrastructure, agriculture, tourism, education, finance and industry are presented in the book. Investors from the whole world have a chance to directly access projects and businessmen and communicate easier. The main objectives of SBF is to bring investors, create jobs and contracts and to spur the economic development of B&H. Sarajevo Business Forum established itself as a regional platform for cooperation between Southeast Europe, Turkey, the Middle East and other countries, thus opening the possibility of fundamental economic diplomacy.



Business Delegations from 30 countries attended SBF 2012

The largest international investment conference, Third Sarajevo Business Forum was attended by business delegations from more than 30 countries of the world. Among others, present at the Forum were the delegations of Turkey, Kingdom of Saudi Arabia, United Arab Emirates, Qatar, China, Japan, Germany, Austria, Serbia, Croatia, F.Y.R. Macedonia, Kuwait, Jordan, etc.





The potential for the development of ecologically clean products



Food production is priority number one for every country in the world, said deputy Prime Minister of the Federation of B&H and Minister of agriculture of FB&H, Mr. Jerko Ivanković-Lijanović, during his speech on agricultural potentials of B&H on 3rd Sarajevo Business Forum. Bosnia and Herzegovina has all natural resources, optimal geographical and climate conditions which are necessary for all agricultural disciplines, including livestock breeding, dairy production and fruit growing as strategic branches, as well as ecological vegetable growing and production of healthy and clean food. According to the data from geodetic administration, agricultural surfaces in Bosnia and Herzegovina occupy approximately half of total land area of the country, of which 1.589.000 hectares of cultivating land and 1.020.000 hectares of arable land. Structure of the land is so that 60% of cultivating land is on 500 meters of altitude, 25,8% in river valleys, and 14,2% of land is among first three quality classes for further cultivation. Suitable continental and submediterranean climate enables most of the land to be successfully cultivated, without frost in the period April - October. Agricultural land in B&H located above 500 to 1.200 meters of altitude is optimal for all types of livestock breeding, winter crops like rye, barley, oats and potato. River valleys and light slopes towards Sava River are optimal for green vegetable and fruit growing of all kinds, from continental to Mediterranean cultures in Popovo polje and valley of Neretva and for greenhouse production during the whole year. Posavina, Semberija, Ljevče polje and other prairies next to Sava River are suitable for industrial production of some agricultural goods, for growing of industrial plants and cereals, wheat and corn. During the panel on agriculture and discussion on potentials of B&H and the region 24 projects were presented. Among others projects like: Agrocenter in Sarajevo, goats breeding, dairy production, bottled water and juices, as well as projects regarding production and buyout of fruits, herbal tea and flowers.

Jerko Ivankovic-Lijanovic, deputy Prime Minister of the Federation of B&H and Minister of agriculture of FB&H

Now is the time to invest in B&H

"Bosnia and Herzegovina's agricultural production in relation to its needs is partially covered, we produce a total of 20% and import 80% of agricultural products," said Jerko Ivankovic-Lijanovic.

According to him, now is the time to invest in B&H because the country is on its path towards the European Union. "Bosnia and Herzegovina must increase agricultural production by 50% over the next five to six years, when it could enter the EU. B&H spends ten times fewer resources for incentives in agriculture when compared with a member of the EU", said Jerko Ivankovic-Lijanovic.



From skiing, rafting and spa to cultural and religious tourism

Bosnia and Herzegovina has a natural beauty and historical and cultural heritage which meet to a great extent the new trends in the travel market, particularly the demands of travellers who are looking for new destinations, adventure and authenticity.

Bosnia and Herzegovina can offer a lot to people who are searching for different experiences away from the crowds, whether you are looking for skiing, rafting, hunting, or perhaps go birds watching. Those who seek more cultural tourism are able to experience centuries old history by visiting various archaeological remains and heritage from the Roman era, and even from prehistoric times. With its rich tourist offer, B&H can meet the needs of world travellers, regardless of their budget and desires. In addition, tourists can enjoy various traditional meals and organic food in Bosnia and Herzegovina. The most promising sectors of B&H tourism are: winter and mountain tourism, eco-tourism, spa tourism, cultural and religious tourism, sports and adventure tourism and marine tourism.

The tourism sector has tremendous potential for development and all preconditions to play a significant role in the economy of the country. Therefore, development of tourism is recognized as one of the most important priorities of the overall national economic development policy.

Potential investors had an opportunity to listen to the presentations of 35 projects on tourism panel. In order to promote the potential of tourism, Semir Osmanagic presented the project "Bosnian Pyramid of the Sun" which is one of the destinations that the participants of Sarajevo Business Forum 2012 visited, where they were familiarized with archaeological sites.



Kai Behrens, Director, Hotel Bristol Sarajevo

We all believe that B&H has a huge potential to grow in the tourism sector

We are also in preparation of opening of another hotel Sarajevo City Center. We are planning a hotel with 5 stars deluxe category with 220 rooms which will be operated as Shaza Sarajevo and is due to open in 2013. All of the projects: Hotel Bristol, Hotel Shaza as well as the Shopping Center and the office tower are investments by Al Shiddi International, a Saudi investor who has brought lot of dedication into this country.



We do take the staff training very serious and we are here in the country not only for our own benefit but we want to accelerate the tourism because we all believe that B&H has a huge potential to grow in the business, in the tourism sector, it just needs more popularity.



EDUCATION



Multi-ethnic atmosphere for a quality education

BBI Bank has already, through Sarajevo Business Forum, promoted the idea of Sarajevo Educational Centre for Southeast Europe. The infrastructure for this idea already exists. Five universities in the capital of Bosnia and Herzegovina offer their students lectures in English language. Two Turkish, an American and two B&H universities are willing to accept foreign students to study in Sarajevo. Highly educated teachers and the multiethnic environment in Sarajevo and Bosnia and Herzegovina provide brand new perspective in addition to quality education that should be invested in. It is estimated that investment in education and training of individuals

Prof. dr. Danica Purg, President of IEDC – Bled School of Management

Educational hub in Bosnia and Herzegovina is a very nice project

Education is important for investors and is needed to run the investments projects and to leave something behind. I tried many times, at different conferences to convince the investors, that if they want to have successful projects they need to have people with competences;

they need to invest at the same time or even before in human resources. Secondly, I think that creativity and innovations are needed for the very complex society that we have and education can be also an excellent export product.

I believe that educational hub in Bosnia and Herzegovina is really a very nice project which we would like to support. I always said on my speeches: Give us the best from the rest and keep the rest. I would like not to make the same mistake; I would like to offer something what you really need, especially in the frame of the CEEMAN association.

Prof. Dr. Murat Yulek, CEO, PGlobal, Turkey

Sarajevo Business Forum aspires the region



Sarajevo Business Forum aspires to make the region around Bosnia, around Sarajevo, a region of cooperation, a region of trade, a region of prosperity and I would say that I would just call up the businessmen, to start with, but also the statesman and international organizations to really work hard to make it a success in these ideas. I thank you all and I hope this third Forum is also a success like the previous ones.



bring profit comparable to investing in physical capital. Therefore, developed countries consider education a national priority, and include it in their development strategies. Education therefore contributes most to economic, social and cultural development of society. Sarajevo and Bosnia and Herzegovina is developing its base of high profiled universities with internationally recognized diplomas. Local universities have excellent cooperation with many universities from either United States or United Kingdom which provides additional benefit for studying in Sarajevo and B&H. Today, more than 2.000 Turkish students are studying in Sarajevo. Diplomas from two Turkish and one American university from Sarajevo are acceptable in Turkey. Sarajevo has all the qualities to become an educational centre of Southeast Europe. Along with its expert staff and professional teachers, Sarajevo attracts a huge number of students because of its beauty, long history and tradition. Apart from students coming from Turkey, young people from Macedonia, Kosovo, Albania and Serbia choose Sarajevo as their educational centre because it is geographically very close to them but they have an opportunity to gain a diploma that is recognized worldwide.

Damir Masic, Minister, Ministry of the education in the Government of the Federation of B&H

The fastest path to economic prosperity

"Education is one of the basic prerequisites for sustainable economic development of Bosnia and Herzegovina", said Federal Minister of Education and Science Damir Masic in his speech during Sarajevo Business Forum.

"The education system in Bosnia and Herzegovina in on one of its most important turning points, which is an opportunity for reform in this area, and thus for new investments in the education system, which would promote regional cohesion and improve competitiveness". Accordingly, the Federal Ministry of Education is ready to support potential investors in order to strengthen public - private partnership. The countries of the Western Balkan are not at the same level of economic and technological development, it is very important to work on the exchange of experiences. This Forum allows us to do so, and therefore it should be used as a platform for joint action by all of us in the future, in order to facilitate sustainable development and new investment", said Federal Minister of Education and Science Mr. Masic, adding that the multi-ethnic atmosphere in Sarajevo and Bosnia and Herzegovina are an additional reason for a quality education that could be invested in.

He commended Turkey's investment in education in Bosnia and Herzegovina, whose positive results are daily reflected by the success of students in mathematics, physics and other fields. Masic has expressed openness of his ministry to cooperate with potential investors in the field of education of B&H, and stressed that "quality is the only requirement."



FINANCE



Operations on the principles of European Union

Bosnia and Herzegovina is the first country in Southeast Europe that is fully committed to reform of its banking system in accordance with the principles of the European Union. Foreign banks have invested considerable resources in the B&H banking sector. According to the data from the Central Bank, foreign banks currently hold in its possession 84% of the B&H banking sector, providing jobs for 10,270 people. Bosna Bank International is the only bank operating in the country according to the principles of Islamic banking. Drawing on its analysis, the agency Standard Poor's confirmed the credit rating of Bosnia and Herzegovina "B" and changed the prospects of "observation-negative," outlook to stable on 28th March 2012. The founding of the Deposit Insurance Agency and competition between well organized international banks have significantly influenced the growth of savings and reduced interest rates on loans. Meanwhile, the stock exchange in the country experienced impressive growth. The panel on the financial sector offered 21 projects to the potential investors.



Mohammad Hadi Mejai, Islamic Development Bank, Jeddah, KSA, Head of Investment

We remain committed for Bosnia and Herzegovina

IDB was the first mover in Bosnia. We started our first operation here in 2000 although Bosnia is not a member country but the shareholders of the bank as a gesture to support the reconstruction effort has given exceptional approval to establish BBI. So far, our experience was very positive and we got all the support we needed to make this bank a success because we moved when nobody was around basically and the country was almost destroyed. We felt, by establishing the banking platform, this will play a mobilize effect. We believe that we have succeeded. We established the bank back then with USD 50 million, today, if we really measure the impact of that initiative, about EUR 300 million of investment and financing happened around this bank either through lines of credit or through additional projects that have happened. Also, we supported BBI to build the first shopping mall here which is BBI Center and again we gave an exceptional approval to support the project in terms of equity and it turned to be a very successful decision and we are happy to see a landmark to be proud of in the center of Sarajevo. Also we supported BBI and Bosnia to establish this Forum as an initiative to help bridge cooperation within the region and Bosnia but also with other parts of the world from our member countries.

We remain committed for Bosnia and for all initiatives and rest assured it is a very decent country and people who are thinking to invest; it is very transparent country. Sometimes process takes a little bit longer but it is really very much transparent and you feel that you are protected here. There are a lot of things to do here in education, power, financial sector or infrastructure and I think that the country needs that and you will certainly get your money back.



Kemal Kozaric, Governor of the Central Bank of Bosnia and Herzegovina

A healthy and strong banking sector

"The banking and financial sector in B&H is strong and healthy. It is a good partner for future investors," said the Governor. Presenting this sector in B&H, the Governor said that 29 banks operate in the market and that the percentage of foreign ownership of the banks 84%. According to his words, unemployment rate in Bosnia in 2011 was 27.6 %, while the average salary was €417. Meanwhile, external debt stood at 25.6% of GDP, which is not a large debt according to the Governor of the CBBiH. He emphasized that the total number of bad loans was 11.8% out of all loans and that is the problem with which this sector is currently facing." Governor also discussed the potential of this sector and he said that B&H has an educated work force that only needs a chance to work. He pointed out that the stability of local currency in Bosnia is guaranteed and is not threatened by outside influences. When it comes to the future challenges of the financial sector, the Governor mentioned ensuring liquidity and adequate capitalization of banks as possible challenges.



Harun Kapetanović, Economic Advisor, Department of Economic Development, Dubai, UAE

Financial industry provides supporting environment for foreign investors

The message is that, from my point of view, the financial industry, financial services industry overall, is good and provides good enabling and a supporting environment for the foreign investors across the sectors of the economy in Bosnia. The industry itself is attractive enough to provide opportunities and solid returns in banking and even more so in the insurance industry as well.





SARAJEVO MEDIA CENTER

Sarajevo – regional media centre is one of the projects that were presented on this year's Sarajevo Business Forum. Goran Milic, director of news on Al Jazeera Balkans, talked about the potential of Sarajevo in becoming a media centre.

„Sarajevo is a city of constant differences, thus this country is constantly interesting to the rest of the world. This city is unlike any other city which makes it a logical choice for a media centre“ said Milic among other things.

One of the panellists, the executive director of national television station - BHT Mr. Milan Trivić, emphasised the fantastic geographic position of Sarajevo for this kind of a centre. He added that Sarajevo is a city with a spirit of both the East and the West and a confluence of many cultures which is demonstrated with the ever growing presence of foreign media redactions in Sarajevo.

Boro Kontić, from "The Media Centre", added that along with a good geographic location Sarajevo has trained and skilled people that will develop the Sarajevo Media Centre project.

„Sarajevo media centre“ project was presented on the Media panel. This project was developed by BHT and it presents a complex that will be located on nearly 50,000 square meters. Adnan Pasic, a professor on the Faculty of Architecture, said that this building will be a centre for culture and all major events in the city. According to him,

the current building of BHT in Sarajevo is a very attractive spot for this kind of centre. „Sarajevo Media Centre would present a commercial building joined by another building that could offer a variety of diverse cultural, commercial and media services. Also, one of the facilities of the Centre would be a press centre“ said Pasic.



WIFI certificates for metal craftsmen

Production and processing of copper, zinc and gold

Metal sector in Bosnia and Herzegovina has a long history, great potential, and has a natural competitive advantage mainly because of the existing resources of raw materials, low wages and heritage. Metal sector provides a strong work force, and a long tradition that allows the sustainable development of various activities.

A project of certification of metal craftsmen by the system applied in European countries was presented on the third Sarajevo Business Forum. Namely, the Austrian Institute for Economic Promotion WIFI opened its department in the capital of Bosnia and Herzegovina. This department will bring leading European experts in education, among other things, for BH metal craftsmen.

Considering and learning on the experiences of developed countries in this area, which perform continuous training of metal industry craftsmen, the local craftsmen can improve and upgrade their skills and gain



Ensar Eminović, Managing Director, WIFI BH

professional certificates through the offices of the Austrian Institute for Economic Promotion WIFI's offices in Bosnia and Herzegovina. This will certainly create significant opportunities for a large number of new jobs and employment of out metal industry craftsmen.

The beginnings of this sector reach deep into the history of Bosnia and Herzegovina, particularly in handicraft works and production.

Bosnia and Herzegovina is rich in mineral resources (iron ore, bauxite, lead, zinc, gold and copper). Processing industry in B&H is quite large and covers the production of base metals - iron, steel and alloys, production of finished metal products that go through the process of forging, pressing and rolling of metals, powder metallurgy, metal processing and coating, and general engineering.

During Sarajevo Business Forum and in the frame of development of metal industry sector WIFI Academy was presented.



CITY OF SARAJEVO

Mayor Behmen presented letters of gratitude for the support and development of the Sarajevo region

Mayor of Sarajevo Alija Behmen presented letters of gratitude to guests and investors who attended Sarajevo Business Forum 2012 in gratitude for the support and encouragement to the development of Sarajevo and the entire region.

Letters of gratitude were presented to: Mr. Sekib Avdagic, Vice President of Istanbul Chamber of Commerce, H.E. Patrick S. Moon, Ambassador of USA in B&H, Sheikh Ahmed bin Jassim Al Thani, Director General of Al Jazeera Network, Mr. Mohd Suhaimi bin Ahmad, Senior

Vice President of Khazanah Nasional Berhad, Mr. Hüseyin Aydin, Director General of Ziraat Bankasi Turkey, Mr. Hayrettin Kaplan, CEO of Turk Eximbank, Mr. Vefahan Ocak, Ambassador of Organization of the Islamic Conference and Mr. Mohamed Hadi Mejai, CEO & Board Member of Oryx Capital Dubai.

The CEO of BBI, Mr. Amer Bukvić, received a letter of gratitude on behalf of BBI bank for the development of the City at the official ceremony in the Parliament of Bosnia and Herzegovina.

Investors at gala dinners

Chairman of the Presidency of Bosnia and Herzegovina and the Mayor of Sarajevo as hosts



Chairman of the Presidency of Bosnia and Herzegovina H.E. Mr. Bakir Izetbegovic and the Mayor of Sarajevo Mr. Alija Behmen hosted a gala dinner during SBF for all participants of Sarajevo Business Forum 2012. Welcome dinner hosted by Chairman of the Presidency Mr. Izetbegovic was held in Hotel "Bristol". Investors from the entire world met with local officials and businessmen on the occasion in order to explore the economic potentials of B&H. The new construction consortium Feniks organized a gala dinner in the Hotel "Europe" with Bosnian specialties served and at which transactions and cooperation on world markets were negotiated.



SBF participants visited Bosnian pyramids

Bosnian valley of pyramids is the world's largest complex of pyramid shaped structures. It consists of the Bosnian Pyramid of the Sun (Visocica) which is, with a height of more than 220 meters, significantly higher than the Cheops pyramid; the Bosnian Pyramid of the Moon (Pljesevica) which is 190 meters high; the Bosnian Pyramid of the Dragon (Buci) which is 90 meters high and processed elevations of Temple of Mother Earth (Krstac) and the Pyramid of Love (Cemerac). Pyramids of the Sun, the Moon and the Dragon form a regular equilateral triangle with a mutual distance of 2.170 meters. The orientation of the sides of every pyramid is correct, aligned with the cosmic north. Fifty-five world's leading experts from 13 countries concluded that the "Bosnian Pyramids" are an archaeological phenomena to be investigated intensively on the First International Scientific Conference on the Bosnian Valley of Pyramids in August 2008.



Ground penetrating radar surveys and thermal scanning of the pyramids have confirmed the existence of passages and rooms inside them. Analyses of samples from the blocks of the Bosnian Pyramid of the Sun at the Institute for Materials in Bosnia, France and Italy

have shown that this material is the best quality concrete covering the pyramids. According to radiocarbon analysis undertaken in 2011 in Poland and soil analyses from 2006, Bosnian pyramids were built more than 10.000 years ago. The underground labyrinth beneath Visoko is over dozens of kilometers long and consists of passages, rooms and artificial groundwater lakes. Research was initiated in April 2005 when the anthropologist Dr. Sci. Semir Osmanagic hypothesized the existence of the pyramids and the complex network of underground tunnels, and resumed in 2006 when a non-profit Foundation "Archaeological Park: Bosnian Pyramid of the Sun" was formed. Today this is the world's largest archaeological research project that draws tens of thousands of tourists in Visoko (Bosnia and Herzegovina) each year.

State Delegations, ministers of finance, agriculture, economy, tourism, presidents of chambers of commerce, directors of investment funds, visited the "Archaeological Park: Bosnian Pyramid of the Sun" in Visoko on the last day of the Sarajevo Business Forum and there they got familiarized with one of the archaeological sites that B&H is abundant of.

SBF LADIES PROGRAM

Cultures and traditions of Bosnia and Herzegovina

As in previous years, a special program was organized for women attending the Forum as well as for those who came in company of their husbands - participants of Sarajevo Business Forum 2012.

At the head of the organizing team of the third meeting of women participating at the Ladies Program of Sarajevo Business Forum (SBF) was Dr. Sebjica Izetbegovic, the wife of the Chairman of the Presidency of Bosnia and Herzegovina, H.E. Mr. Bakir Izetbegovic.

"This is an opportunity to present our culture, folklore and history in the best possible light, as well as to form friendships, both private and business. So far, SBF has hosted many distinguished ladies, among them Tun Dr Siti Hasmah, the wife of the former Prime Minister of Malaysia Tun Dr Mahathir Mohamad, Emine Erdogan, the wife of the Prime Minister of Turkey H.E. Recep Tayyip Erdogan, as well as the wife and daughter of Sheikh Saleh Abdullah Kamel and many other ladies from all over the world. This year most of our guests were from Jordan and Saudi Arabia, and we had a chance to socialize with guests from Doha, United Arab Emirates, Pakistan, Turkey and Great Britain", said Dr. Sebjica Izetbegovic.

Along with the tours to the attractive and historically important destinations, SBF Ladies Program was composed out of a number of in-



teresting cultural events that represent Bosnia and Herzegovina in the best possible way.

Each year a specific topic that is chosen from B&H rich cultural heritage is presented to the guests. This year the program opened with a fashion show presenting ceremony unique creations by Bosnian artists, whose motif is authentic Bosnian art known as "keranje" (a distinctive combination of embroidery and lacemaking).

Besides the guests coming from abroad, the opening ceremony of SBF 2012 Ladies Program was also attended by the wives of ambassadors residing in Bosnia and Herzegovina and many guests from the cultural and political life of our country.



SBF partners

Significant support for BBI in SBF project

• Sarajevo



T.C. ZIRAAT BANKASI



Sarajevo Business Forum, investment conference which is well recognized among business elite from the Middle East and also from Western countries, is constantly supported by many institutions. Its mission in creating conditions for economic prosperity in Bosnia and Herzegovina and Southeast Europe has been met with positive response and contribution from many organizations. Besides BBI Bank and Islamic Development Bank, the Forum receives significant support from **Bushnak Group KSA, Global Alliance for Partnership in International Development - GAPID Malaysia, The Union of Chambers and Stock Exchanges of Turkey – TOBB, Istanbul Chamber of Commerce – ITO, Foreign Economic Relations Board of Turkey – DEIK, Center for the development of relations with Bosnia and Herzegovina– BIGMEV, T.C. Ziraat Bankasi**, and many others. All of them assisted in one way or another in positioning Sarajevo Business Forum the most significant event for economies of Bosnia and Herzegovina and Southeast Europe region.





BBI – SOCIALLY RESPONSIBLE BANK



Sarajevo Business Forum organized by BBI's own resources

Bosna Bank International is one of the youngest banks in Bosnia and Herzegovina and the first and only bank in the Southeast Europe that operates under Islamic (Shariah) principles.

With the support of the Islamic Development Bank (IDB) as its major shareholder, and by utilizing its own staff's knowledge and resourcefulness BBI, in accordance with its corporate social responsibility, organized Sarajevo Business Forum. This important event, held for the third consecutive year, according to observations of many analysts, has been declared a historical and the first class economic event in the modern history of Bosnia and Herzegovina. SBF moved the frontiers and understanding of the concept of investment conference.

BBI is the only bank in Bosnia and Herzegovina that had established its own business club boasting membership by some of the most successful companies in Bosnia and Herzegovina.

By adapting innovative approach to doing business BBI created the link between the local Bosnian companies, financial institutions and corporations from the Gulf region. BBI VIP Business Club thus provided new opportunities for Bosnian companies by facilitating access to new markets and attracting new investments into Bosnia and Herzegovina.

In time of recession BBI bank has been one of the banks least affected by the global financial crisis and in spite of it, its business activities registered positive growth. In the past business year BBI recorded the best business results ever since its inception.

BBI has been awarded with several prestigious prizes: "Superbrands" for 2010 and "The Most Desirable Employer" in banking / insurance sector for 2011 and 2012. BBI bank's CEO, Mr. Amer Bukvic has been awarded by readers of daily newspaper "San" as "Person of the year 2010", and winner of the prize "Manager of the year".

BBI Bank contribution to the economy of Bosnia and Herzegovina and the South East Europe region

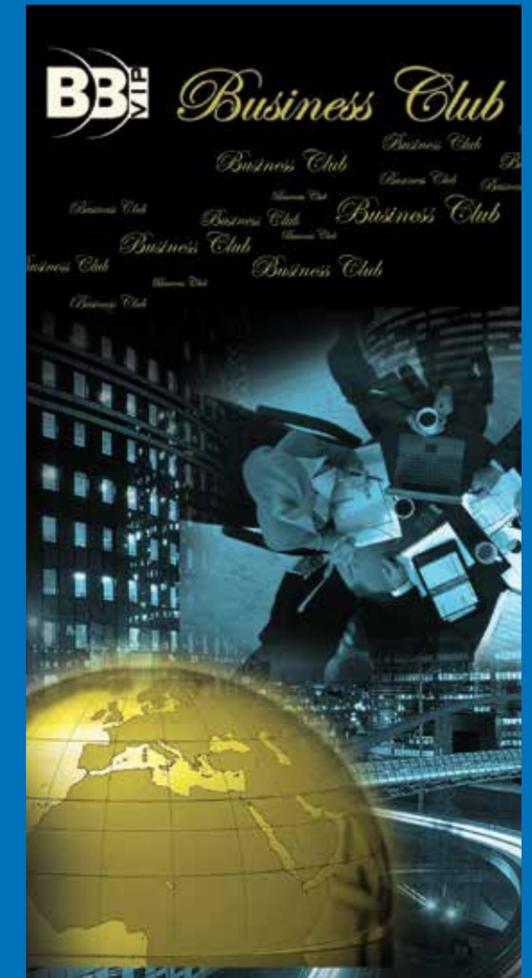


Mission

BBI Business Club is designed as a forum, which is going to provide the local and foreign business entities (retail and corporate customers, economic chambers, associations and similar), and first of all the clients of BBI, with an opportunity of arranging business gatherings, exchange of experiences and views, establishment of business connections and cooperation, realization of concrete deals, attraction of foreign investments, encouragement of export from B&H, as well as realization of other tasks and goals in the aim to strengthen the B&H economy, its connection with the economies of other countries and building up business relations, in the first place with the prosperous countries of the Gulf.

The Club shall function on voluntary basis according to system of gathering of clients and business partners/friends of BBI, within business activities and the space of the Bank. The Club's work shall not be institutionalized in terms of official registration as a company or an association and it will not represent competition to other entities (government or non-government) in the realization of their goals.

Through bodies and individuals of BBI, the Club may establish contacts with domicile and foreign corporate and retail business entities regarding establishment of cooperation, contracting, coordination and provision of visits, business transactions, individual contacts and assistance in their realization, etc.



◆ **LOOKING FOR INVESTMENT OPPORTUNITY IN BOSNIA AND HERZEGOVINA** ◆

BBI VIP Business Club is your key facilitator

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