



**REPUBLIC OF SRPSKA
CITY OF TREBINJE
Mayor**

Number:11-053-396/20
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**Embassy of the Republic of Poland
His Excellency Mr. Jaroslaw Lindenberg
20 Višnjik
71000 Sarajevo
Bosnia and Herzegovina**

Subject: Trebinje Free Zone, notification

Dear Mr. Lindenberg,

We are pleased to inform you that the City of Trebinje has initiated the procedure for the establishment of the Trebinje Free Zone, which will be the first free zone in the Republic of Srpska. We hereby would like to inform interested potential domestic and foreign investors about the conditions for doing business in the free zone.

The City of Trebinje has provided land which, according to the valid spatial planning documentation, represents a zone for business and industrial purposes and which is intended for *greenfield* investments.

Domestic and foreign investors are offered the opportunity to operate in the free zone, with direct benefits and privileges when renting land for construction and investment, as well as benefits related to doing business.

Within the Free Zone of Trebinje, customs service, freight- forwarding services, security service, a restaurant for workers, maintenance of common infrastructure facilities, manipulative services, bookkeeping services, legal and other services, identified as necessary, will be provided.

Construction conditions:

- construction of commercial and production facilities
- minimum allowed plot area: 800 m²
- maximum allowed plot area is not limited
- maximum allowed building height: determined in accordance with technological requirements
- obligation to build the facility and start business within two years from the conclusion of the contract

Direct benefits and reliefs for investors (*greenfield* investments)

- long-term lease of land at a stimulating lease price;
- one stop shop-office for legal, bookkeeping, advisory assistance to investors;
- non-payment of customs duties and VAT on imported raw materials and parts used in production.
- possibility of deferred payment of customs duties and VAT on those imported goods used as raw materials, spare parts or other input material that is eventually sold in BiH
- fast customs processing;
- 99% reduction for the payment of annuity fee
- 25% reduction for fee of building land development costs
- reservation of land for a period of one year, free of charge, with the obligation to enter into a pre-agreement on the lease of the land in question
- possibility of adjusting the size of plots to the needs of investors

Advantages of investment in the Free zone of Trebinje

1. Location-favorable geographic position

City of Trebinje is located in the southeast of Republic of Srpska and Bosnia and Herzegovina. The Trebinje free zone is planned near the borders with Croatia and Montenegro, at the junction of the M6 and M20 highways. Two large ports are relatively close - Ploče (120 km) and Bar (125 km). The following international airports are located near the city: Dubrovnik (Čilipi) - 41 km; Podgorica-117 km; Tivat-93km; Mostar-114km; Sarajevo-198km. The border with the EU is 20 km away. Trebinje airport is being built in the immediate vicinity of the planned free zone. The route of the Adriatic-Ionian highway stretches through the territory of the City. Trebinje is the economic and cultural center of the region of Eastern Herzegovina. There are three border crossings on the territory of the City, one with Croatia (EU) -Ivanica and two with Montenegro-Klobuk and Zupci.

2. Planned activities

Advantage will be given to labor-intensive enterprises, investments where there are positive effects of technology transfer, as well as those that can support strategic directions of development (agriculture, tourism, renewable energy sources). Industrial plants of all kinds are allowed, provided that they are not pollutants.

It is envisaged that companies of different business profiles will operate in the free zone. The advantage is the possibility of connecting with other companies or joint investment with partners or suppliers in the same location.

3. Quality base

There is a long tradition in the processing industry, especially: metal processing, agri-food, construction industry. This gives advantages in the possibilities of business connections and maintaining a quality workforce base.

4. Availability of the city administration and accompanying business services

The City Administration of Trebinje is characterized by great promptness, transparency and speed in obtaining the necessary permits and accompanying documentation, and it is at the service of investors. It will ensure that the duration of the various procedures is kept to a minimum. Supporting business services will also be available: professional assistance and cooperation in the development and implementation of the investment; assisting investors in connecting with local and regional institutions, businesses and business service providers; organization of free education, counseling and various forms of investor promotion. The City has raised standards in the functioning of the administration, as evidenced by the ISO 9001 standard as well as the BFC standard (Business Friendly Certificate). If you are interested in finding out more details about doing business in the Free Zone of Trebinje, you can contact our Service for Local Economic Development, Investments and Energy Efficiency, where the contact person is Nataša Tučić (e-mail: natasa.tucic@trebinje.rs.ba; tel: +387 59 274 402) or the Mayor's Office (+387 59 273 460, fax: +387 59 260 742, e-mail: grad@trebinje.rs.ba).

Yours sincerely,


Mayor

Mirko Čurić