

KEY FACTS

Official name: Republika Bosne i Hercegovine (BiH) (Republic of Bosnia and Herzegovina). BiH consists of two distinct entities: Federacija Bosne i Hercegovine (FBiH) (Federation of Bosnia and Herzegovina) and Republika Srpska (RS) (Serb Republic)

Head of State: Three-member rotating collective presidency (began with Nebojsa Radmanovic (SNSD (Serb)) (from 2006; re-elected Oct 2010), Zeljko Komsic (SDP BiH (Croat)) (from 2006; re-elected Oct 2010), Bakir Izetbegovic (SDA (Bosniak/Muslim)) (elected Oct 2010)

Head of government: Prime Minister Vjekoslav Bevanda (HDZ) (from 12 Jan 2012); UN High Representative and EU Special Representative: Valentin Inzko (25 Mar 2009)

Ruling party: Seven-party coalition government (formed 9 Jan 2007)

Area: 51,129 square km

Population: 3.88 million (2012)*

Capital: Sarajevo (BiH)

Official language: Bosanski (Bosnian)

Currency: Konvertibilna marka (KM) = 100 fennings

Exchange rate: KM1.48 per US\$ (Jul 2013)

GDP per capita: US\$4,461 (2012)*

GDP real growth: -0.70% (2012)*

GDP: US\$17.33 billion (2012)*

Labour force: 1.23 million (2011)

Unemployment: 28.00% (2012)*

Inflation: 2.05% (2012)*

Balance of trade: -US\$5.54 billion (2012)*

* estimated figure

Bosnia and Herzegovina Republic



In a report on the progress of democracy in the Bosnia and Herzegovina Republic (BiH), the human rights lobby group, Open Democracy, notes that Bosnia is, by European standards, seriously over-governed. The diminutive (population of 3.8 million, 51,129sq km) country's political and administrative system oversees one internationally recognised state, two entities (Federacija Bosne i Hercegovine (FBiH) (Federation of Bosnia-Herzegovina) and Republika Srpska (RS) (Serb Republic)), one district (Brcko District), ten cantons – all in all some thirteen 'governments' at all levels. This apparatus is manned by 180 ministers of all kinds, 600 members of various parliaments, as well as an army of public servants. That in itself should give cause for concern; but just as worrying is the fact that this bloated, inefficient bureaucracy costs an already poor country no less than two thirds of its entire budget.

Nor is Bosnia the only European country riven by an ethnic, or religious, divide. However, it does differ from most in that in Bosnia there is a three-way split that impinges on every political decision. In June 2013, a unique and possibly promising development took place as Bosnia's weary citizens took to the streets demanding of their politicians that they reach agreement on what, at first sight, appeared to be the straightforward matter of unique civic registration numbers.

Trivial pursuit?

In May 2011 BiH's Constitutional Court decided that the law on unique citizen ID numbers – which are needed to obtain passports and other official documents – was unconstitutional since – as a result of what in any other country would appear to be no more than a drafting error – one of its articles failed to list the new names of a small number of

municipalities in the Serb zone. As a matter of course, the Court ruled that the Bosnian Parliament should amend the law within six months. In the way of parliaments, the six-month period ended with no changes made or approved by Bosnia's parliamentarians. So the Court had no option but to simply abolish the law. Logically enough, this resulted in government offices actually ceasing to issue registration numbers.

Thus from February 2013, despite the provisions of the Constitution, Bosnia's babies no longer existed as citizens of their country. Chaos followed as parents justifiably complained, harassed civil servants proffered no answers and acute problems began to present themselves. Open Democracy highlighted one case where a vital stem cell transplantation was required for a three month old baby; the operation could only be carried out in Germany. But the critically ill baby was not able to leave Bosnia. Bosnian bureaucracy had replaced common sense.

In its report on the situation in BiH, Open Democracy noted that there is a pattern when it comes to issues of citizenship, ethnicity and nationality being discussed by the parliament. If, as a member of the BiH parliament, you wish to block a decision on any particular issue, the simplest way is to present it as a question of ethno-national interest, or as crucial in the balance of power between ethnic groups. In this case, the conflict is between those advocating more decentralisation – usually demanded by the parties based in the Republika Srpska, the Serb-dominated entity – and those opting for more competences for the central government, the Bosniak-Croat dominated entity, especially by the Bosniaks and non-ethnic parties. In the debate over civic registration numbers, the Serb representatives demanded not only that the new law includes the new names of municipalities in the Serb entity, but also that the ID numbers reflect the division of the country along national-ethnic lines. The FBiH's representatives claimed that the amendments should only reflect the new names and that these changes should not be tied to a re-definition of registration areas, some of which currently cross entity borders and their numbers.

The protests started in June 2013 when a group of citizens gathered in front of the Parliament building to protest. They decided not to move until politicians found a solution to the problem. The protest grew, blocking access to Parliament until the laws were adopted and Bosnia's well-paid

politicians began to do the job they were paid to do. As a provisional measure the government permitted the issue of citizen ID numbers.

The High Representative of the international community and the European Union (EU), not normally known for its concern over the rights (and lack thereof) of Bosnia's citizens demanded that the protesters ceased to blockade the Parliament building, promising that the issue 'would be discussed at an urgently convened meeting of the Council for Peace Implementation'. Hardly the stuff of forthright action. Unsurprisingly, this intervention wasn't enough for Bosnian citizens. Protests soon erupted in all major cities in BiH. Students protested in both Sarajevo and Banja Luka. Alongside the protests, a new dimension in Bosnian politics appeared as protesters began to send messages of solidarity to each other across the ethnic divides.

Open Democracy reported that the response of the Bosnian political establishment was true to form, in that they started to blame each other. Serb entity politicians claimed that the protests were 'anti-Serb' and the Bosniak member of the tripartite Presidency tamely called upon protesters to go home and try their luck at the next elections. But they knew that the message of defiance was directed against them all. By preventing citizens from acquiring the basic citizenship right of a registration number, Bosnia's partisan nationalists provoked an unexpected reaction: they had given a political meaning to what they wished to deny, the common citizenship of all Bosnians and Herzegovinians.

Non-accession problems

When Croatia joined the EU in July 2013 Bosnians were no longer able to export eggs, meat and dairy products to their neighbour. Common sense had again failed, as Bosnia's politicians failed to agree on who should certify whether their producers met the EU's sanitary and veterinary rules. Muslim Bosniaks wanted the job done by a central body, but the Serbs preferred to see agencies in the two autonomous parts of Bosnia. The EU was not bothered who did the certifying, but it wanted one central body to talk to. The dispute over the certification of farm produce is typical of Bosnia's problems. Under the terms of the peace deal that ended Bosnia's war in 1995 many elected posts are specifically reserved for Serbs, Bosniaks or Croats.

KEY FACTS

Official name: Federacija Bosne i Hercegovine (FBiH) (Federation of Bosnia-Herzegovina)

Head of State: President Zivko Budimir (Stranka Pravde i Povjerenja (SPP) (Party of Justice and Trust) (from 17 Mar 2011))

Head of government: Prime Minister Nermin Nikšić (Hrvatska Demokratska Zajednica (HDZ) (Democratic People's Union)) (from 17 Mar 2011)

Ruling party: Coalition government with 16 members chosen from the quota of nationalities. There are eight Bosniak, five Croat and three Serb cabinet ministers.

Capital: Sarajevo

Currency: Konvertibilna marka (KM) (The Croatian kuna also circulate widely)

Exchange rate: KM1.48 per US\$ (Jul 2013)(pegged at KM1.96 per euro)

GDP per capita: US\$2,129 *

* estimated figure

KEY FACTS

Official name: Republika Srpska (RS)
(Serb Republic)

Head of State: President Milorad
Dodik (from 15 Nov 2010)

Head of government: Prime Minister
Željka Cvijanovic (SNSD (from 12
Mar 2013)

Ruling party: Stranka Nezavisnih
Socijaldemokrata (SNSD) (Alliance
of Independent Social Democrats)
(from 3 Oct 2011)

Area: 25,053 square km

Population: 1.46 million (2011)*

Capital: Sarajevo (*de jure*); Banja
Luka (*de facto*)

Currency: Konvertibilna marka (KM)
= 100 fennings (pegged to the
euro at KM1 per €0.51 (since
2001); the KM is the only legal
tender

Exchange rate: KM1.48 per US\$ (Jul
2013)

* estimated figure

In 2009 the European Court of Human Rights (ECHR) had ruled that this should change. After four failed efforts to find a deal between Bosnia's ethnic groups that enabled the state to function, there was a danger of losing two more years in the run-up to the elections due in 2014. However, although the Serbs and Bosniaks may agree to reform, the Croats, the least numerous of the three groups, worry that a new system would leave them even more marginalised. According to the London *Economist* magazine, the delays in implementing the ECHR decision have meant that Bosnia's EU accession has also stalled. Only if the deadlock is broken can Bosnia formally apply to join the EU. And as the country's leaders quarrel over how to change the constitution, they blindly neglect the bread-and-butter policies, such as health care and education.

In the 2012 Transparency International *Corruption Perceptions Index* BiH ranked 72 out of the 177 countries surveyed – ahead of Serbia and Montenegro, but behind Macedonia and Croatia. In 2013 the president of the Muslim-Croat entity, Zivko Budimir, was arrested on corruption charges. Mr Budimir and four other officials are accused of taking bribes to arrange pardons for convicts. Mr Budimir had refused to step down from office in the wake of a political crisis that blew up in 2012, splitting the ruling coalition. Equally depressingly, a United Nations (UN) tribunal found six former Bosnian Croat leaders guilty of war crimes and crimes against humanity during the 1990s Balkan wars. The men were convicted of persecuting and murdering Bosnian Muslims and other non-Croats as part of a plan to create an ethnic Croat state in Bosnia.

The economy

According to the European Bank for Reconstruction and Development (EBRD) in its 2012 *Transition Report* weak domestic demand, an unfavourable external environment and political stalemate have held back economic recovery. Following a year of anaemic growth in 2010, the economy showed some signs of revival in early 2011. However, weaker growth in the euro-zone negatively affected BiH's exporting activity and capital inflows in the second half of the year and the beginning of 2012.

Exports fell and at the same time domestic consumption remained subdued, largely owing to the austerity measures implemented by the authorities in 2011–12 as well as the weakened contribution from remittances, which were

significantly below pre-crisis levels. As a result, overall gross domestic product (GDP) growth in 2012 was a negative -0.7 per cent. Inflation remained low at 2.5 per cent. The disinflationary pressures that dominated much of the post-crisis period were reversed for a brief interval in early 2012, but inflation has been on a generally downward path. A new Stand-By Arrangement (SBA) with the International Monetary Fund (IMF) was approved in September 2012. The 24-month US\$520.6 million SBA will provide a buffer against external shocks from the continuing euro-zone crisis as well as an anchor for the important structural reforms envisioned in BiH's 2012–14 economic programme. The new arrangement followed the expiration of a 36 month SBA, which was put on hold in 2011 due to the political stalemate that left the country without a central government for over 15 months after the October 2010 elections.

The economic programme envisaged continued fiscal consolidation accompanied by structural fiscal reforms to safeguard medium-term fiscal sustainability. The economic outlook for 2013 remains bleak. The weak external and domestic environment will constrain growth in BiH in 2013 and beyond. The economy remains vulnerable on many fronts, not only because the whole region is struggling but also because the internal complexity of the country's political structure and the poor investment climate have been major deterrents to investment.

In its annual Progress Report published in October 2012, the European Commission (EC) once again urged Bosnia to make greater headway on economic and structural reforms. It highlighted the need for reforms to boost the productive capacity and competitiveness of the economy, including labour market reforms and to improve the business environment and upgrade the country's infrastructure. The EC also emphasised the need for reforms in the social benefits system – particularly the high and poorly targeted social transfers – to boost job creation and reduce the high unemployment rate. BiH is the only South East Europe (SEE) country that has not yet submitted an application for EU membership. In June 2012 the EU and the Bosnian authorities launched a High Level Dialogue on the accession process. However, the results so far have been uneven.

Business environment indicators remain poor. In the 2012 World Bank Doing Business Report, BiH's ranking rose by

two places compared with the previous year, mainly due to improvements in the ease of obtaining construction permits. However, at 125, BiH remains the lowest ranked SEE country with respect to the overall ease of doing business and it has the second lowest ranking in the entire EBRD region of operations after Uzbekistan. In the view of the EC, Bosnia continues to perform particularly poorly on construction permits, starting a business, obtaining electricity connections and enforcing contracts.

The banking sector in BiH remains liquid and well-capitalised, but the level of non-performing loans (NPLs) is rising. Out of the 29 banks that operate across the two entities, 19 are foreign owned. More importantly, the foreign banks accounted for 92.1 per cent of total assets at the end of 2011. The banking sector was not subject to the large credit outflows to parent banks and the system remains fairly liquid. However, NPLs have been increasing substantially. In mid-2012 they stood at 12.6 per cent of total loans, compared with 7.1 per cent in 2010 and 5.9 per cent in 2009.

Risk assessment

Economy	Poor
Politics	Poor
Regional stability	Poor

COUNTRY PROFILE

Historical profile

1463 Bosnia and Herzegovina (BiH) became a province of the Ottoman Empire. Many of BiH's Christian Slavic population (principally Serb and Croat) were converted to Islam.

1877–78 The Congress of Berlin assigned BiH to the Austro-Hungarian Empire following the end of the Russo-Turkish War.

1914 Gavrilo Princip, a Serbian nationalist, assassinated Austrian Archduke Ferdinand in Sarajevo (capital of BiH), precipitating the First World War.

1918 The defeat of the Austro-Hungarian empire during the First World War saw the creation of the Kingdom of the Serbs, Croats and Slovenes, encompassing BiH, Croatia, parts of Dalmatia and Macedonia, Montenegro, Serbia, Slavonia and Slovenia.

1929 The Kingdom was renamed Yugoslavia.

1941 Parts of Yugoslavia were occupied by the Germans, Italians, Hungarians and Bulgarians. Most of BiH was incorporated into Croatia, which was granted independence by the Axis powers (Germany, Italy and Japan) and ruled by the country's fascist Ustasha movement. Two

opposition movements, the communist Partisans led by Josip Broz Tito and the royalist Chetniks led by Draza Mihailovic and backed by the Allied powers, formed to resist Nazi rule.

1944–45 After hostilities broke out between the Chetniks and Partisans, the Allies withdrew support for the Chetniks and backed the Partisans. The Partisans then defeated the occupying forces, the Ustasha, and the Chetniks.

1945 BiH became a constituent republic of a new Yugoslav federation. Tito assumed power and adopted a Soviet-style constitution. The rest of the Yugoslav federation comprised Croatia, Macedonia, Slovenia, Montenegro, Serbia and the two autonomous regions of Vojvodina and Kosovo. In an attempt to create a Yugoslav unity, Tito imposed restrictions on religious worship, while socialism was encouraged as the country's national ideology.

1953 Constitutions adopted in 1953, 1963 and 1974 increased the autonomy of the constituent republics.

1989 Following the death of Tito in 1980 and the fall of communism elsewhere in eastern Europe, friction between the wealthier republics, Slovenia and Croatia, and the different ethnic groupings intensified.

1990 Multi-party elections in BiH brought to power a government which supported outright independence.

1992 After independence from Yugoslavia, civil war engulfed the whole of BiH.

1993 The Yugoslav dinar was replaced by the new dinar as the national currency.

1995 Hostilities were brought to an end by the Dayton Peace Agreement in late 1995. BiH was divided almost equally

into two distinct entities, based along ethnic lines: the Federacija Bosne i Hercegovine (FBiH) (Federation of Bosnia and Herzegovina) (comprising the Croat and Muslim population, 51 per cent of BiH) and the RS (comprising the Serb population, 49 per cent of BiH). The disputed region of Brcko in the north-west of the country became a self-governing district within BiH. A multi-national Nato military force was deployed in BiH to enforce the military aspects of Dayton.

1996 A democratic government was elected comprising the main nationalist parties of the three ethnic communities: the Muslim Stranka Demokratski Akije (SDA) (Democratic Action Party), Hrvatska Demokratska Zajednica Bosne i Hercegovine (HDZ BiH) (Croatian Democratic Union of Bosnia and Herzegovina) and the Srpska Demokratska Stranka (SDS) (Serb Democratic Party). Alija Izetbegovic, Ante Jelavic and Zivko Radisic were elected to the three-member collective presidency.

1999 The new dinar was replaced by the Konvertibilna marka as the national currency.

2000 Nationalists did well in the general election and international hopes of multi-ethnic political co-operation declined. The Organisation for Security and Co-operation in Europe (OSCE) reported that several political parties abused the regulations during the elections.

2001 Ante Jelavic threatened to form his own government in Croat-dominated parts of the FBiH and was dismissed from the BiH presidency by UN High Representative Wolfgang Petritsch. Jozo Krizanovic became BiH president. Bozidar Matic

KEY INDICATORS

BiH Republic

	Unit	2008	2009	2010	2011	2012
Population	m	*3.99	*3.90	*3.84	*3.89	*3.88
Gross domestic product (GDP)	US\$bn	18.50	17.10	16.60	18.00	*17.33
GDP per capita	US\$	4,625	4,279	4,255	4,618	*4,461
GDP real growth	%	5.7	-3.4	0.7	1.7	*-0.7
Inflation	%	7.4	-0.4	2.1	3.7	*2.0
Unemployment	%	40.1	41.5	42.9	44.1	*28.0
Exports (fob) (goods)	US\$m	5,194.0	4,079.9	4,937.0	3,653.3	3,306.0
Imports (fob) (goods)	US\$m	12,286.4	8,829.1	9,230.2	9,590.6	8,849.0
Balance of trade	US\$m	-7,092.3	-4,749.2	-4,293.2	-5,937.3	-5,543.0
Current account	US\$m	-2,766.0	-1,174.6	-916.0	-1,735.0	*-1,675.0
Total reserves minus gold	US\$m	3,516.0	3,245.0	4,383.0	4,421.0	4,283.0
Foreign exchange	US\$m	3,515.0	3,241.0	4,383.0	4,421.0	4,280.0
Exchange rate	per US\$	1.34	1.41	1.48	1.39	1.51
* estimated figure						

resigned and the BiH parliament elected Zlatko Lagumdžija to replace him.

2002 Dragan Covic (Croat), Mirko Sarovic (Serb) and Sulejman Tihic (Muslim) were elected to the BiH presidency in the presidential elections. The SDA won the BiH parliamentary elections.

2003 Mirko Sarovic resigned from the BiH presidency after accusations that he had been involved with illegal arms sales to Iraq; he was replaced by Borislav Paravac.

2004 Sulejman Tihic became chairman of the presidency. UN High Representative, Paddy Ashdown, dismissed 60 top officials in the RS for failing to implement measures to catch Radovan Karadzic and General Ratko Mladic, both of whom were indicted on war-crimes charges. EU force (EUFOR) took over NATO's peace-keeping mission in Bosnia. Dragan Mikerevic, prime minister of the RS, resigned.

2005 RS parliament elected Pero Bukeļlovic as prime minister. Dragan Covic was dismissed by the High Representative; Ivo Miro Jovic was appointed as the Croat member of the presidency. The EU agreed to stabilisation and association agreement talks as pre-entry measures for BiH to join the EU.

2006 The BiH rotating presidential elections were won by Haris Silajdzic, Nebojsa Radmanovic and Zeljko Komsic. In Zastupnicki dom (House of Representatives) elections the SDA won nine seats (out of 42); Stranka za Bosnu i Hercegovinu (SBiH) (Party of Bosnia and Hercegovina) won eight; Savez Nezavisnih Socijaldemokrata (SNSD) (Alliance of Independent Social Democrats) won seven; Socijaldemokratska Partija BiH (Socijaldemokrati) (Social Democratic Party of BiH) (Social Democrats) won five; HDZ BiH and SDS each won three seats and six political parties shared the remaining seven seats.

2007 Nikola Spiric became prime minister of BiH. President Milan Jelic died and Igor Radojicic (SNSD) became acting-President of RS. Spiric resigned as prime minister in protest at measures introduced by the UN High Representative to speed up decision making in the central parliament. BiH began reforms (seen as moves towards EU pre-membership) which are designed to strengthen central government and deny regional legislatures a veto on legislation. In RS presidential elections Rajko Kuzmanovic (SNSD) won with 41.8 per cent of the vote; his closest rival, Ognjen Tadic (SDP), had 35.2 per cent. Nikola Spiric was re-appointed prime minister of BiH.

2008 Haris Silajdzic became president of the BiH. BiH signed the Stabilisation and Association Agreement with the European

Union. Full membership may not be achieved until 2018. The agreement was seen as a measure to bolster democratic values and counter ethnic tensions. Former Bosnian Serb leader Radovan Karadzic was arrested in Belgrade. Seven Bosnian Serbs were convicted of genocide in aiding the systematic killing of over 8,000 Bosnian Muslim men and boys during the siege of Srebrenica in 1995. All defendants had been members of either the police or army and were each given jail terms of 38–42 years. Local elections were won by nationalist political parties, which still divide communities along ethnic lines.

2009 Austrian diplomat, Valentin Inzko was appointed UN High Representative and EU Special Representative. Nedžad Brankovic resigned as prime minister of the FBiH. Former president Karadzic was charged with war crimes, genocide and crimes against humanity. The rail link between Belgrade (Serbia) and Sarajevo closed since the conflict in the 1990s, was reopened.

2010 Haris Silajdzic became chairman of the rotating presidency. The Serbian parliament offered an apology for the 1995 Srebrenica massacre. In presidential and parliamentary elections, Zeljko Komsic (SDP BiH) won 60.6 per cent of the Croat vote, for the rotating federal presidency, along with Bakir Izetbegovic (SDA) with 34.9 per cent of the Bosniaks vote and Nebojsa Radmanovic (SNSD) with 48.9 per cent of the Serb vote. Milorad Dodik was appointed president of RS. Nebojsa Radmanovic (Serb) took office as the first in the rotating BiH presidency.

2011 President Dodik (RS) appointed Aleksandar Džombic (SNSD) as prime minister of RS; he took office in February. In March, Zivko Budimir (Hrvatska Stranka Prava (HSP) (Croatian Party of Rights)) was elected president and Nermin Nikšić (Hrvatska Demokratska Zajednica (HDZ) (Democratic People's Union)) as prime minister of the Federation of BiH. The presidency proposed Slavo Kukic as federal (BiH Republic) prime minister in June, but Serb representatives rejected his candidature and the post remained unfilled.

2012 The BiH parliament confirmed the appointment of Vjekoslav Bevanda (HDZ) as prime minister on 12 January. On 10 March, Bakir Izetbegovic became chairman of the (BiH) presidency. On 26 September, the IMF agreed a two-year, €405 million (US\$522 million) standby loan to support the BiH economic programme and contain any external shocks. On 15 October, a pilot census was launched, in preparation for BiH's first full census since the 1992–05 civil war. The test run will highlight any problems likely to arise and affect the decision to hold or postpone the

full census due in April 2013. On 10 November, Nebojsa Radmanovic became chairman of the presidency.

2013 Momcilo Krajsnik, who had been convicted by the International Criminal Tribunal for former Yugoslavia (ICTY) in the Hague of persecuting and forcibly expelling non-Serbs during the 1992–95 war in Bosnia, returned to his home town of Pale on 30 August. He had been released early from his prison in the UK after being called a 'model prisoner' by the authorities and said he was 'prepared to help seek reconciliation between the three peoples in Bosnia-Herzegovina.' He was welcomed home by several thousand cheering Serbs.

Political structure

Constitution

The effective founding constitution of modern Republika Bosne i Hercegovine (BiH) (Republic of Bosnia and Hercegovina) is the 1995 Dayton Peace Agreement. This set out the federal state, divided between the Federacija Bosne i Hercegovine (FBiH) (Federation of Bosnia and Hercegovina) and the Republika Srpska (RS) (Serb Republic). The two republics are then subdivided into cantons based on the Swiss model. A European Union pre-membership agreement in December 2007 produced parliamentary reforms to strengthen the BiH central government, whereby FBiH and RS legislatures will no longer be able to block and boycott a BiH vote.

The disputed region of Brcko in the north-west of the country was placed under international arbitration in 1995. In March 1998, the Brcko Tribunal declared the Brcko municipality a separate self-governing neutral district under the sovereignty of BiH.

In 2002, the FBiH and RS governments signed an agreement to make constitutional amendments designed to give equal status to all ethnic Muslims, Croats and Serbs in BiH.

Under the terms of the Dayton Agreement, the BiH is responsible for foreign affairs, foreign trade, monetary policy and law enforcement. The FBiH and RS are primarily responsible for fiscal policy, defence and law.

Constitutional government is not yet in full operation. The UN's Office of the High Representative (OHR) is responsible for overseeing and implementing the civilian aspects of the Dayton Agreement.

Universal suffrage at 18 years of age (16 years if employed). The 2001 election law only allows voters to cast ballots for members of their own ethnic group in elections for the collective three-member presidency. Voters may only vote in

constituencies where they lived prior to the 1992–95 civil war.

Form of state

Confederated parliamentary democratic republic, separated into two constituent states – Bosnia-Herzegovina Federation and Bosnia Serb Republic (RS).

The executive

BiH has a three-member collective presidency, one representative from each of the three main ethnic groups (Bosniaks, Croats and Serbs). Although this is nominally the president for the whole country, in practice, the RS appoints its own president and has frequently disregarded the authority of the three-man presidency. In 2002, the collective presidency was elected for its first four-year mandate. The president nominates (and the Zastupnicki dom sanctions) members of the Zastupnicki dom to form the council of ministers (government). The council appoints a chairman (prime minister) as head of government; in 2005, the post of prime minister was enhanced, with power to appoint and dismiss ministers. The UN High Representative holds *de facto* power, delegated to local politicians.

National legislature

The central legislature is the bicameral Parlamentarna Skupština BiH (National Parliament of BiH), with representatives from both of the state parliaments as members. The Predstavnički dom (House of Representatives) (lower house) has 42 members elected by party-list proportional representation, for a four-year term – 28 members from the FBiH (14 Bosniaks and 14 Croats) and 14 from the RS. The Dom Naroda (House of the Peoples) (upper house) has 15 members appointed from the lower house and elected by the Zastupnicki dom, with equal representation of the three ethnic groups, five Bosniaks, five Croats and five Serbs. BiH has two state parliaments (FBiH and NSRS – see below) and one central legislature.

The Federacija Bosne i Hercegovina (FBiH) (Bosniak/Croat Federation of Bosnia and Herzegovina) has a bicameral parliament with a House of Representatives (98 seats – members elected by popular vote for four-year terms); and a House of Peoples (30 Bosniak and 30 Croat seats).

The Narodna Skupština Republika Srpska (NSRS) (Serb Republic National Parliament) is unicameral, with 83 members elected for a four-year term by proportional representation.

The Brčko Distrikt (Brčko district), in north-east BiH, is under internationally administered supervision.

Legal system

Civil law system of former Yugoslavia. Legal infrastructure has been in disarray since the war.

Last elections

3 October 2010 (BiH presidency and parliament; state presidential and state parliaments)

Results: BiH Republic. Presidential (three-member rotating presidency): (Croats) Zeljko Komsic (SDP BiH) won 60.6 per cent of the vote, Borjana Kristo (HDZ BiH) 19.7 per cent, Martin Raguz (coalition) 10.8 per cent; four other Croat candidates each won less than 9 per cent. Bosniaks: Bakir Izatbegovic (SDA) won 34.9 per cent of the vote, Fahrudin Radonic (SBB BiH) won 30.5 per cent, Haris Silajdzic (SBIH) 25.1 per cent; six other Bosniak candidates each won less than 3 per cent. Serbs: Nebojsa Radmanovic (SNSD) won 48.9 per cent of the vote, Mladen Ivanic (coalition) 47.3 per cent; one other candidate won less than 4 per cent.

Parlamentarna Skupština BiH (National Parliament of BiH), Zastupnicki dom (House of Representatives) (lower house): Socijaldemokratska Partija BiH (Socijaldemokrati) (Social Democratic Party of BiH) (SDP BiH) won eight seats (out of 42), Savez Nezavisnih Socijaldemokrata (SNSD) (Alliance of Independent Social Democrats) eight seats, (Muslim) Stranka Demokratski Akcije (SDA) (Democratic Action Party), seven seats, Srpska Demokratska Stranka (SDS) (Serb Democratic Party) four seats, Savez za Bolju Buducnost BiH (SBB BiH) (Union for a better BiH) four seats, Hrvatska Demokratska Zajednica Bosne i Hercegovine (HDZ BiH) (Croatian Democratic Union of BiH) three seats; five other political parties and one coalition of three parties shared the remaining eight seats. Republika Srpska presidency: Milorad Dodik (SNSD) won 50.52 per cent of the vote, Ognjen Tadic 35.92 per cent; eight other candidates each won less than 3 per cent. Parliamentary (RS): Savez Nezavisnih Socijaldemokrata (SNSD), (Alliance of Independent Social Democrats (AISD) won 41 seats (out of 83), Srpska Demokratska Stranka (SDS) (Serbian Democratic Party) (SDP) 15, Partija Demokratskog Progresa (PDP) (Party of Democratic Progress) (PDP) eight, Demokratski Narodni Savez (DNS) (Democratic People's Alliance) (DPA) four, Stranka za Bosnu i Hercegovinu (SBIH) (Party for Bosnia and Herzegovina) (PBH) four, Socijalisticka Partija (SP) (Social Party) (Socialists) three, Stranka Demokratske Akcije (SDA) (Party of Democratic Action) (PDA) three, Srpska Radikalna Stranka (SRS) (Serbian Radical Party) (SRP) two, Socijaldemokratska

Partija (Social Democratic Party) (SDP) one, independent one.

Next elections

October 2014 (presidential and parliamentary)

Political parties

Ruling party

Seven-party coalition government (formed 9 Jan 2007)

Population

3.88 million (2012)*

About 21 per cent of the population is under 15 years.

The UN High Commissioner for Refugees (UNHCR) registered a year-on-year increase of almost 70 per cent in the number of BiH refugees returning to their homes in the first eight months of 2001.

More than 50 per cent returned to areas not dominated by their own ethnic group. Over half of the estimated 1.5 million refugees have returned to BiH since 1995.

Last census: March 1991: 4,377,033

Population density: 76 inhabitants per square km. Urban population 49 per cent (2010 Unicef).

Annual growth rate: -0.7 per cent, 1990–2010 (Unicef).

Internally Displaced Persons (IDP)

330,000 (UNHCR 2004)

Ethnic make-up

Muslims (44 per cent), Serbs (31 per cent) and Croats (17 per cent). The RS is a mostly Serb enclave, while Muslims (also known as 'Bosniaks') and Croats control and inhabit the FBiH.

Religions

Islam (Muslims), Serbian Eastern Orthodox (Serbs), Roman Catholicism (Croats).

Education

The education system in BiH was largely destroyed by the civil war and is now influenced by politics. International aid and tax revenues are being used by the entity governments to re-build and fund the education system. In the FBiH, each canton has responsibility for education. The RS has responsibility for its own education system.

Despite the FBiH and RS signing the Declaration and Agreement on Education in BiH in 2000 to introduce much-needed reforms to the post-war education system, educational curriculums in each of the entities follow ethnic and religious lines. Segregation of students along ethnic lines is not uncommon.

BiH has universities at Banja Luka, Mostar, Sarajevo and Tuzla. Higher education is also poorly financed and most international aid has come from non-governmental organisations (NGOs).

Literacy rate: 95 per cent adult rate; 100 per cent youth rate (15–24) (Unesco 2005).

Health

The health system in BiH is poor and receives little funding from the central government, having handed down the funding responsibilities to cantonal and local government. The health system is largely dependent on aid but is also financed through employee insurance schemes.

Life expectancy: 76 years, 2010 (Unicef 2012)

Fertility rate/Maternal mortality rate: 1.1 births per woman, 2010 (Unicef 2012)

Child (under 5 years) mortality rate (per 1,000): 7 per 1,000 live births (WHO 2012)

Welfare

Higher spending on specific areas of the welfare system compared to other areas of the economy has become a major impediment to achieving economic growth in BiH. The welfare system is highly geared to supporting military veterans, war widows and their families, thus only benefiting around 230,000 people – about six per cent of the population.

According to the IMF, benefits and spending for military invalids and war widows in the FBiH and the RS account for 10–12 per cent of the country's government revenues. These payments also accounted for over 80 per cent of the annual pension fund.

The unemployment benefit system in BiH is of limited assistance to the claimant. Unemployment benefits – 30 per cent of the state average wage – in the FBiH are only available for six months – although these are available longer for those who had been in continuous employment for more than five years. Claimants need to have paid through an insurance scheme to gain unemployment benefits, while military invalids and war widows are funded by the state. As a result of the system, few register as unemployed, confusing official statistics of the unemployed in BiH (estimated at 40 per cent in 2003). About 5 per cent of those registered as unemployed actually receive state benefits.

Main cities

Sarajevo (capital, estimated population 300,855 in 2012), Banja Luka (capital of RS) (238,353), Tuzla (99,543), Zenica (93,233), Bijeljina (78,960), Mostar (the main town in Hercegovina province) (68,392), Prijedor (43,307), (64,301), Brcko (38,968), Bihac (37,511), Dobojo (31,794).

Languages spoken

Bosanski (Bosnian) is one of the southern Slavonic languages and is most closely related to Serbian, Croatian and Slovene. Croatian and Serbian are also spoken.

Bosnian is written in Latin script but can also be seen written in the Cyrillic alphabet.

German is a useful language for the business traveller.

English is not widely spoken, but is becoming more common as a language for business.

Official language/s

Bosanski (Bosnian)

Media

The civil war of the 1990s resulted in a highly polarised media, which the Dayton Agreement addressed by developing a media to bridge inter-communal groupings. The media is partially free although state bodies and political parties have endeavoured to bring pressure on journalists and media outlets.

Press

Dailies: From Sarajevo in Bosnian, *Dnevni Avaz* (www.avaz.ba), and the independent *Oslobodjenje* (www.oslobodjenje.ba). From Banja Luka, in Serbian, *Nezavisne Novine* (www.nezavisne.com) and the Bosnian Serb government *Glas Srpske* (www.glassrpske.com). From Mostar, in Croatian, *Dnevni List* (www.dnevni-list.ba).

Weeklies: From Sarajevo in Bosnian, *Dani* (www.bhdani.com), *Slobodna Bosna* (www.slobodna-bosna.ba), and from Banja Luka *Reporter* an independent bi-weekly.

Broadcasting

National, public broadcasting is provided by Radio Televizija Bosne i Hercegovine (BHRT) (www.bhrt.ba), by Radio Televizija BiH in the Bosniak-Croat region (RTBiH) (www.rtvbih.ba) and in the Serb region by Radio Televizija Republik Srpske (RTRS) (www.rtrs.tv).

Radio: Public radio has the highest listening figures. There are over 200 commercial radio stations; however the number has been restricted due to the inadequate advertising market.

The BHRT (www4.bhrt.ba) broadcasts two national networks and one international. Popular commercial stations include Bosanska Radio Mreza (Boram) (www.boram.ba), BM Radio (www.bmradio.com), Radio Stari Grad (<http://rsg.software.ba>), Radio M (www.radiom.net), Radio Tuzla (www.radiotuzla.com) and Big Radio 2 (www.bigradiobl.com).

Television: BHRT, RTVBiH and RTRS provide public services in all local languages. There are over 40 channels to choose from, the majority are provided by foreign cable or satellite networks. Domestic commercial channels include Balkanmedia 7 (www.balkanmedia.com), BN TV Bijeljina (www.rtvbn.com) and Mreza Plus (www.mrezaplus.ba).

National news agency: FENA (Federal News Agency)

Other news agencies: SRNA (Bosnian Serb): www.srna.co.yu

Onasa (independent):

www.onasa.com.ba

Economy

Structural reforms and private sector-led growth have led to a level of revitalisation since the end of the civil war in 1995. BiH has natural resources in hydropower, coal, ore and minerals, good agricultural prospects, producing wheat, fruits and livestock, timber and forest products and an industrial manufacturing base in steel, aluminium, vehicle assembly and parts, textiles, furniture, munitions, domestic appliances, aircraft repair and oil refining. The after-effects of the civil war, which left deep divisions within civil society, are still hampering development. Although the three rival federal regions have come together and agreed to strengthen central government the divergence complicates policymaking as conflicting views impede planning and investment. Growth in tourism, particularly along the Adriatic coast, has successfully boosted the economy and provided employment

GDP growth in 2007 was 6.2 per cent, underpinned by growing exports, as products were shifted towards higher-value added manufactured goods. This in turn increased the capital-intensive sector – in aluminium production and metals – and a growth in output and wages. However, employment fell as labour-intensive employment declined. GDP growth in 2008 was 5.7 per cent, but as the global economic crisis struck, the economy fell into recession the following year with GDP growth of -2.9 per cent. Recovery came in 2010 as growth reached 0.7 per cent and further to an estimated 1.7 per cent for 2011. Per capita income that had been US\$4,733 in 2008, fell to US\$4,255 in 2010, before rising to an estimated US\$4,618 in 2011.

Unemployment in BiH is high at over 40 per cent, although unofficial data that includes the grey economy estimate a rate of 18–22 per cent. Job creation is of primary importance and the lack of jobs accounts for a high level of migration for employment. Foreign remittances in 2009 were US\$2.1 billion, falling to US\$1.9 billion in 2010 (12.9 per cent of GDP); the figure for 2011 is estimated at US\$2 billion.

BiH entered a Stabilisation and Association Agreement (SAA) and Interim Agreement (IA) with the EU in 2008, which created a nascent free trade area to progressively open markets in BiH and foster economic and social developments. The agreement is expected to run until 2013

with a functioning free trade area to be fully operational before membership of the EU is confirmed.

Public debt grew by €766 million (US\$987 million) in the first half of 2012, of which €453 million (US\$584 million) was incurred by the federal entities of BiH and €313 million (US\$403 million) by RS entities. On 10 September, the 2012 budget was modified to restrict public spending and repay existing foreign debt. On 26 September 2012, the IMF agreed a two-year, €405 million (US\$522 million) standby loan to support the BiH economic programme and contain any external shocks.

External trade

As of September 2010, BiH was still working towards WTO membership. It is a member of the Central European Free Trade Agreement (Cefta), along with seven other countries in the region. Cefta has an association agreement with the EU, which is its primary trading partner. A Stabilisation and Association Agreement (SAA) with the EU was signed in December 2009, with the prospect of enhanced trading links.

The EU as a whole is BiH's largest trading partner, trading in miscellaneous manufactured articles, textiles, machinery and vehicle parts and raw materials (excluding hydrocarbons).

Industrial production includes heavy industries such as steel, aluminium and mining, with vehicle and aircraft assembly and oil refining. Lighter industries include furniture and domestic appliances manufacture.

Imports

Imports consist of fuels, foodstuffs, chemicals, machinery and equipment.

Main sources: Croatia (14.4 per cent of total in 2012), Germany (11.3 per cent), Russia (9.8 per cent).

Exports

Exports consist of mainly steel, minerals, clothing and textiles, aluminium and timber products.

Main destinations: Germany (15.4 per cent of total in 2012), Croatia (14.8 per cent), Italy (12 per cent).

Agriculture

The legacy of war in the region has implications for BiH's agricultural policy. There is considerable uncertainty over land rights, with fragmented and small-sized farm units hindering any large-scale investment opportunities.

The varying climatic conditions in BiH offer wide possibilities both in terms of crop choice and cultivation of land farming, fruit-growing, vine-growing, vegetable-growing, forage crops and livestock production.

Agricultural activities in the RS extend over different farming systems including mixed farming enterprises (crops and cattle) on lower flat lands that alternate with more extensive sheep grazing systems in mountainous areas.

Most of the FBiH is mountainous, with farms in the south and south-east growing vegetables, fruits and rearing livestock. The issue of land mines in rural areas complicates policies related to post-war agricultural development.

Agriculture provided 11.9 per cent of GDP in 2004, with an average annual growth of 15.8 per cent.

Fishing is of little importance to BiH's agricultural sector as a whole with the fish catch totalling some 2,500 tonnes per year.

Over half of BiH's land area is forested, covering over 2.2 million hectares (ha). Three-fifths of woodland are used for wood supply, mostly for export. Most of the woodland is state-owned. The country has a small forest sector, which produces mainly sawnwood and wood-based panels from domestic resources.

Industry and manufacturing

The industrial sector accounted for 27.5 per cent of GDP in 2004, of which manufacturing was 12.5 per cent. Average annual growth was 2.5 per cent and 2.9 per cent respectively.

Since the end of the civil war, the construction industry has been the main engine of industrial growth, and since the Zenica steelworks was sold to LNM Group in 2004 steel production has boosted state industrial production based on the resurgent metals sector, as well as the civil engineering projects and Balkan regeneration.

State-owned telecommunication entities are due to be one of the first organisations offered up for privatisation.

Tourism

Bosnia and Hercegovina project an image of energetic tourism with plenty of water sports, winter skiing and other activities to attract the young. Its location along the Adriatic and its less commercialised resorts compared with Italy, also attracts those looking for more sedate resort holidays. There are a number of historic sites, including two sites included on the Unesco World Heritage list, for the less frenetic.

Tourism in BiH has grown quickly and solidly since 2000, with tourist numbers reaching over 656,000 in 2010, of which international arrivals accounted for 54.5 per cent. According to the World Tourism Organisation, direct and total contribution to GDP of travel and tourism both rose by 5.7 per cent in 2011, with employment in the industry rising by 1.5 per cent, to

reach 7.5 per cent (81,000 jobs) of total employment. Visitor revenue from travel and tourism fell from a record high of US\$920 million in 2008 to US\$722 million in 2011. However revenue rose again in 2010 to US\$702 million.

Mining

BiH has deposits of iron ores and good reserves of bauxite, as it used to be a major source of minerals for former Yugoslavia.

There are no oil reserves. Consumption is over 29,000 barrels per day, all of which was imported, mainly from Russia.

Domestic downstream activities are limited to the Bosanski Brod oil refinery. In October 2012, the operator, Rafinerija Nafte Brod, signed a licencing agreement to upgrade BiH's the refinery with US technology (Honeywell and ExxonMobil) to increase yields; the project is schedule for completion in 2016.

Natural gas imports are supplied by Russia via the Bratsvo gas pipeline through Hungary and Serbia.

The EU and World Bank have backed plans for the Ionian-Adriatic Pipeline (IAP) to supply natural gas from the Middle East to BiH via Albania and Montenegro. Following IAP's detailed engineering phase, construction should begin in 2010-11.

BiH has deposits of coal and produces enough for its own consumption. The government has included the coal industry in the programme of its Agency for Privatisation. The Visca mines, near Tuzla in the north, produce 1,000 tonnes of coal a day, used in the domestic steel industry and power generation.

In September 2012 a memorandum of co-operation was signed in Republika Srpska (RS) (Serbian Republic) to enable it to become a member of the South Stream natural gas pipeline consortium led by the Russia energy company Gazprom.

Energy

Total installed generating capacity was 4,300MW in 2007, generating 12.8 billion kilowatt hours (kWh); this figure is still only 90 per cent of pre-war output. As BiH consumption is lower than its capacity it is a net exporter of electricity. The state-owned Elektroprivreda Republika Srpska, operates one of the largest coal-fired power plants in BiH at Ugljevik. Plans for an additional 2,000MW are under consideration, in particular the Gacko II coal-fired power plant.

The energy market was opened up for competition for sales to commercial customers in 2008 and will be opened up for domestic customers in 2015. The transmission system has been unified into a single grid. Two joint stock companies have been created to undertake the

operations of assets (Transco) and authorities (ISO).

Financial markets

Stock exchange

SASE (Sarajevska Berza) (Sarajevo Stock Exchange)

Banking and insurance

BiH's banking system has undergone reform since 1995. Although heavily indebted and close to bankruptcy, a number of banks underwent privatisation in the late 1990s. Foreign companies that have already invested in BiH banking have streamlined and modernised major banks. Croatia's Zagrebacka Banka has taken a major share in the banking sector, acquiring stakes in four banks. Three RS banks were granted licences from the Federation Banking Agency (FBA) and opened branches in the FBiH, assisted by the introduction of a harmonised banking code between the entities.

The central bank has responsibility as the monetary authority and currency board.

Central bank

The Centralna Banka Bosne i Hercegovine (CBBH) (Central Bank of Bosnia and Hercegovina)

Time

GMT plus one hour (daylight saving, late March to late October, GMT plus two hours)

Geography

BiH is a mountainous territory with only about 20km of coastline. Croatia forms its western border (running from north-west to south-east, along the Dinaric Alps) and its northern border. Serbia lies to the east and Montenegro to the south-east. The ancient province of BiH lies between the Sava, Drina and Una rivers. There are fertile lowlands along the River Sava which forms the northern border.

Hemisphere

Northern

Climate

The climate in BiH is continental with warm summers and cold winters. The temperature averages one degree Celsius (C) in January and 21 degrees C in July. As the country is dominated by mountainous and hilly terrain, with central and southern BiH dominated by the Dinaric Alps, the weather can be unpredictable in valley areas in the spring and winter months.

Dress codes

During the summer, light clothing is recommended, with warmer clothes essential during the winter months.

Entry requirements

Passports

Required by all except nationals of Austria, Belgium, Finland, France, Germany,

Greece, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain and Sweden, who only need a national identity card.

Visa

Not required by citizens of Europe, North America, Australasia, Kuwait, Qatar, South Korea, Malaysia and Brunei.

Currency advice/regulations

BiH has a cash economy. The Konvertibilna marka (KM) is the local currency. The dollar and euro, but not sterling, are the most acceptable foreign currencies, but it is likely that change will be supplied in KM. Credit card facilities are limited, although hotels, restaurants and shops in the major centres are beginning to accept them. Travellers cheques can be changed at only a few banks in major cities and are not recommended. Import and export of local currency are permitted to a limit of KM200,000. There are no restrictions on import and export of foreign currencies.

Customs

A unified customs territory has been established in BiH. 200 cigarettes, 20 cigars or 200g of tobacco; one litre of wine or spirits; one bottle of perfume; and gifts up to eur76.70 are admitted duty-free.

Health (for visitors)

Medical services are not comprehensive. Visitors should carry a sufficient supply of medicines or prescription drugs. Ensure that personal travel and health insurance covers all eventualities, including accident and evacuation.

Mandatory precautions

None.

Advisable precautions

Typhoid, tetanus and hepatitis A and B vaccinations are recommended. Water and food precautions advisable.

Credit cards

Credit cards can be used in some shops, hotels and travel agencies (Croatia Airlines, Air Bosna) in Sarajevo and is accepted by the Privredna Banka Sarajevo for cash withdrawals.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 7 Jan (Orthodox Christmas Day), 14 Jan (Orthodox New Year), 1 Mar (Independence Day), 1 May (Labour Day), 15 Aug (Assumption Day), 28 Aug (Orthodox Assumption Day), 8 Sep (Nativity of the Virgin Mary), 21 Sep (Orthodox Nativity of the Virgin Mary), 1 Nov (All Saints' Day), 2 Nov (All Souls' Day), 25 Nov (National Statehood Day), 25 Dec (Christmas Day).

Variable dates

Easter, Orthodox Easter, Eid al Adha, Birth of the Prophet, Eid al Fitr.

Islamic year 1435 (5 Nov 2013–24

Oct 2014): The Islamic year contains 354 or 355 days, with the result that Muslim feasts advance by 10–12 days against the Gregorian calendar. Dates of feasts vary according to the sighting of the new moon, so cannot be forecast exactly.

Working hours

Banking

Mon–Fri: 0800–1900.

Business

Mon–Fri: 0800–1700.

Government

Mon–Fri: 0730–1530, except Wed, 0730–1730.

Shops

Mon–Fri: 0800–1200 and 1700–2000, Sat: 0800–1500, but many shops open throughout day.

Telecommunications

Mobile/cell phones

GSM 900 facilities are available throughout most of the country.

Electricity supply

220V AC

Social customs/useful tips

Punctuality depends on the region: it is important in some, more casual in others. It is customary to shake hands on meeting and taking leave.

Security

Unexploded mines are still a danger away from main centres and routes and travellers should keep to roads or paved areas. There is a threat from terrorism. Visitors are advised to keep clear of demonstrations or crowds. Beware of pickpockets in Sarajevo and tourist areas.

Getting there

Air

National airline: B&H Airlines

International airport/s: Sarajevo International Airport (SJJ), 12km south of the city centre.

Other airport/s: Mostar (OMO) and Banja Luka (BNX).

Airport tax: US\$12. Transit passengers remaining in airport transport area are exempt.

Surface

BiH is included in the Pan-European Corridor 5 scheme. The project has some 3,270km of railways, linking Kiev in the Ukraine with western Europe via Italy, and 2,850 of new and upgraded roads.

Road: From Zagreb (Croatia) the border can be crossed at Zupanja/Orasje, Stara Gradiska/Bosanska Gradiska, Maljevac/Velika Kladusa and Licko Petrovo Selo/Izacic. From Split (Croatia): Kamensko/Livno and Metkovic/Capljina.

Rail: The newly reopened Belgrade (Serbia) and Sarajevo line takes six hours by train.

Water: Bosnia has 20km of coastline on the Adriatic, but no ports.

Getting about

National transport

Air: The BiH national airline is B&H Airlines. Air Srpska operates from the RS.

Road: Night travel by road is not advised and travellers on back roads risk landmines left over from the war. Drivers should also be aware of the local population's disregard for the country's traffic laws. Speeding, particularly on dangerous valley roadways, is commonplace. Horse transport is used by substantial numbers of the local population.

Buses: Buses run between Split and Zagreb to Sarajevo. Journey times from Split vary between five hours during the summer to six in the winter. Journey times from Zagreb take eight hours in the summer and 11 in the winter.

Rail: The country's two railway services are BiH's Željeznice Bosne i Hercegovina (ZBH) and RS's Željeznice Republike Srpska (ZRS).

City transport

Taxis: Inexpensive taxi services operate in all the main cities. All taxis are metered, but there is no basic charge. A 10 per cent tip is usual.

Buses, trams & metro: Most city centres are served by trams, while buses serve the suburbs. The service is generally cheap and regular. Bus transfers operate out of Sarajevo airport.

Car hire

Avis and Hertz and other international car hire companies operate in neighbouring Croatia. Although the majority of hire cars have Croatian licence plates and are normally insured for travelling within BiH, it is advisable to check before booking. Car rental firms mainly operate from Sarajevo airport.

Because the international Green Card is not applicable in BiH, car insurance is restricted to Third Party only. Travellers are likely to be asked for either a large deposit or to leave an open credit card voucher with the hire company. Should travellers have an accident in BiH which is reported to the police, the hire company will impose an automatic charge fine, over and above any other hire costs; check all agreements carefully. Drivers should be 21 years with a minimum of two years' driving experience. It is recommended that visitors who rent a car also hire a driver, especially if they intend to travel outside Sarajevo.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling (IDD) code for BiH is +387 followed by area code and subscriber's number.

Banja Luka	51	Sarajevo	33
Mostar	36	Tuzla	35
Pale	57	Zenica	72

Useful telephone numbers

Vehicle assistance: 1282
 Fire and rescue: 123/124
 Police: 122
 Ambulance: 124
 Emergency hospital, Koldovorska Street, Sarajevo (English spoken): 611-111

Chambers of Commerce

American Chamber of Commerce in Bosnia and Herzegovina, 4 Zmaja Od Bosne, 71000 Sarajevo (tel: 269-230; fax: 269-232; e-mail: amcham@lsinter.net).

Bosnia-Herzegovina Chamber of Foreign Trade, 10 Branislava Durdeva, 71000 Sarajevo (tel: 663-631; fax: 663-632; e-mail: cis@komorabih.com).

Federation of Bosnia-Herzegovina Chamber of Economy, 10 Branislava Durdeva, 71000 Sarajevo (tel: 217-782; fax: 217-783; e-mail: info@kfbih.com).

Sarajevo Canton Chamber of Economy, 8 La Benevolencije, 71000 Sarajevo (tel: 250-100; fax: 250-137).

Banking

Aurobanka, Mostar (tel: 444-444, 444-445, 444-456; fax: 444-400; internet site: www.aurobanka.com; e-mail: aurobanka.com).

Gospodarska Banka, International Division, Ferhadija 11/III, 71000 Sarajevo (tel: 208-907, 667-688; fax: 444-605).

Hercegovačka banka, Kneza Domagoja Street, Sarajevo (tel: 320-555; fax: 324-771; internet site: www.hercegovačka-banka.com; e-mail: herbank@hercegovačka-banka.com).

Hrvatska Banka, Kardinala Stepinca bb, 88000 Mostar (tel: 312-112; fax: 312-121).

Hrvatska Postanska Banka, Kneza Domagoja, Mostar (tel/fax: 316-020; e-mail: hpb-hb@int.tel.hr).

Investment Bank of the Federation of Bosnia and Herzegovina, Igmanska 1, 71000 Sarajevo (tel: 277-900; fax: 668-952; e-mail: info@ibf-bih.com).

Komercijalna Banka, Džafer mahala 65/67, 75000 Tuzla (tel/fax: 259-000, 252-630; internet site: www.kombanka.com.ba; e-mail: kombanka@kombanka.com.ba).

Privredna Banka Sarajevo, Obala Vojvode Stepe 19, 71000 Sarajevo (tel: 213-144).

Universal Banka, Branilaca sarajeva 20/V, 71000 Sarajevo (tel: 664-139; fax: 668-239; internet site: www.universalbanka.ba; e-mail: uniba@bih.net.ba).

Central bank

Central Bank of Bosnia and Herzegovina, Maršala Tita 25, 71000 Sarajevo (tel: 278-100; fax: 278-299; e-mail: contact@cbbh.ba).

Stock exchange

SASE (Sarajevska Berza) (Sarajevo Stock Exchange), www.sase.ba,

Banjalucka berza (Banja Luka Stock Exchange), www.blberza.com

Travel information

B&H Airlines, Kurta Schorka 36, Sarajevo (tel: 767-725; fax: 767-726; e-mail: opc@airbosna.ba).

Air Commerce, Sarajevo (tel: 663-396; fax: 663-395).

Avio Express, Sarajevo (tel/fax: 653-179).

Air Srpska, Veselina Maslese 28, 78000 Banja Luka (tel: 212-806; fax: 211-348).

Ministries

Ministry of External Trade and International Communication, 9 Musala, 71000 Sarajevo (tel: 664-831; fax: 655-060).

Ministry of Foreign Affairs of BiH, Musala 2, Sarajevo (tel: 281-100; internet site: http://www.mvp.gov.ba/Index_eng.htm).

RS Ministry of Foreign Economic Affairs, Vuka Karadzica 4, 51000 Banja Luka (tel: 331-430; fax: 331-436).

RS Ministry of Trade and Tourism, Vuka Karadzica 4, 51000 Banja Luka (tel: 331-523; fax: (331-499).

Other useful addresses

Agency for Privatisation in Federation of Bosnia and Herzegovina, Alipasina 41, Sarajevo (tel: 218-550; fax: 218-552; e-mail: apftbiro@bih.net.ba).

US Embassy of Bosnia and Herzegovina, 2109 E Street, NW, Washington DC 20037 (tel: 337-1500; fax: 337-1502; e-mail: info@bosnianembassy.org).

British Embassy, BFPO 543, 8 Tina Ujevic, Sarajevo (tel: 444-429; fax: 666-131; e-mail: briteмба@bih.net.ba).

British Embassy Commercial Department, Petrakijina 22, Sarajevo (tel: 204-781, 204-782, 679-635; fax: 204-780).

Nations of the World: A Political, Economic and Business Handbook

Communications and Regulatory agency (CRA), Vilsonovo Setaliste 10, 71000 Sarajevo.

Directorate for Reconstruction and Development, Sarajevo (tel: 650-563).

RS Directorate for Privatisation, Mladena Stojanovica 4, Banja Luka (tel: 308-311; fax: 311-245; e-mail: dip@inecco.net).

Elektrodistribucija (Power Distribution Company), Sarajevo (tel: 472-462).

Elektroprivreda BiH, Vilsonovo setaliste 20, 71000 Sarajevo (tel: 651-722; fax: 653-004).

Gras (Public Transport Company), Sarajevo (tel: 664-624).

Institute for City Development Planning, Sarajevo (tel: 664-638).

Institute for City Construction, Sarajevo (tel: 663-901).

Institute for Information and Statistics, Sarajevo (tel: 664-450).

Office of the High Representative, Emerika Bluma 1, 71 000 Sarajevo (tel: 283-500; fax: 283-501).

Public Information Office HQ SFOR, Butmir Camp, 71 000 Sarajevo (tel: 495-149).

PTT (Post/Telegraph/Telephone), Sarajevo (tel: 664-813).

Sarajevo City Council, Reisa Dz Causevica Street No 3, Sarajevo (tel: 664-773; fax: 648-016).

Sarajevogas (Gas Company), Sarajevo (tel: 467-713).

Sarajevostan (Housing Company), Sarajevo (tel: 663-522).

Sarajevski Sajam (trade fairs), Terezije bb, 71 000 Sarajevo (tel: 664-163, 201-208, 445-156; fax: 201-178, 201-208).

Telekom Srpske (e-mail: tskabinet@telekom-rs.com).

World Bank Resident Mission, Bosnia and Hercegovina, Hamdije Kresevljakovica 19, 71000 Sarajevo (tel: 440-293; fax: 440-108).

National news agency: FENA (Federal News Agency)

(email: fena@fena.ba; internet: www.fena.ba).

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RS Directorate for Privatisation: www.rsprivatizacija.com

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UN Office of the High Representative: www.ohr.int