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## PREFACE

Let me invite you to get to know Republika Srpska better by entering the world of numbers, in a simpler and picturesque way, through the publication "This is Republika Srpska" published fourth year in a row by the Institute of Statistics.

A new approach was used in this publication to highlight current areas of life and work in Republika Srpska, by focusing on the five year period, while at the same time revealing the position of Republika Srpska through comparison of the data with comparable data from the neighbouring countries.

It is with pleasure that we present new surveys, innovation in Republika Srpska and research and development.

The publication is also available in English, and it can also be accessed on the website of the Institute of Statistics.

I would like to thank everyone who participated in the preparation of this publication, as well as users for their suggestions concerning improvement of the content and layout of this valuable publication.

Radmila Čičković, PhD  
Director of the Republika Srpska Institute of Statistics



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## SYMBOLS AND ABBREVIATIONS

-	no occurrence
...	data not available
0	data lower than 0.5 of the given unit of measure
Ø	average
( )	less reliable data – coefficient of variation (CV) lower than 0.20 and equal to or higher than 0.10, or expressed in percentage as follows $10\% \leq CV < 20\%$
(( ))	unreliable data – coefficient of variation (CV) lower than 0.30 and equal to or higher than 0.20, or expressed in percentage as follows
•	extremely unreliable data – coefficient of variation (CV) equal to or higher than 0.30, or expressed in percentage as follows $CV \geq 30\%$
:	statistically unreliable data (up to 20 occurrences)
*	corrected data
***	confidential data
1	symbol for footnote in a table
°C	degree Celsius
m	metre
m <sup>2</sup>	square metre
m <sup>3</sup>	cubic metre
km	kilometre
km <sup>2</sup>	square kilometre
elev.	elevation
ha	hectare
t	ton
kW	kilowatt
GWh	gigawatt hour
thous.	thousand
mill.	million
HBS	Household Budget Survey
LFS	Labour Force Survey
GDP	Gross Domestic Product
COICOP	Classification of Individual Consumption by Purpose
ISCED	International Standard Classification of Education
NACE Rev.1.1	European Classification of Economic Activities
KM	konvertibilna marka

**Sections of Economic activity<sup>1</sup>**



- A Agriculture, hunting and forestry
- B Fishing
- C Mining and quarrying
- D Manufacturing
- E Electricity, gas and water supply
- F Construction
- G Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods
- H Hotels and restaurants
- I Transport, storage and communication
- J Financial intermediation
- K Real estate, renting and business activities
- L Public administration and defence, compulsory social security
- M Education
- N Health and social work
- O Other community, social and personal service activities
- P Activities of households
- Q Extraterritorial organisations and bodies

<sup>1</sup> According to NACE Rev.1.1.



Republika Srpska was proclaimed on 9<sup>th</sup> January 1992, while as an entity within Bosnia and Herzegovina it was verified by the Dayton Peace Agreement and peace ratification in Paris on 14<sup>th</sup> December 1995.

Today, Republika Srpska is a parliamentary republic, with limited international subjectivity. The largest city in Republika Srpska is Banja Luka which is the administrative, economic and cultural centre of the country,

	<b>Name</b>	REPUBLIKA SRPSKA
<b>Symbols</b>	<b>emblem</b>	
	<b>flag</b>	
<b>Official languages</b>		language of Serbian people language of Bosniak people language of Croatian people
<b>Official scripts</b>		Cyrillic and Latin alphabet
<b>Population (2010, estimate)</b>		1 433 038
<b>Area<sup>1</sup></b>		24 858 km <sup>2</sup>
<b>Territorial organisation</b>	<b>Municipalities</b>	61
	<b>Cities</b>	2
<b>Currency</b>		Konvertibilna marka (KM)
<b>International banking code (ISO code)</b>		BAM

<sup>1</sup> Source: Republic Administration for Geodetic and Property-Legal Affairs

### **Geographical location of Republika Srpska is very favourable.**

The latitude and longitude of the territory of Republika Srpska are between 42°33'N and 45°16'N, and 16°13'E and 19°38'E, respectively, that is, its territory covers northern and eastern parts of the geographical area of Bosnia and Herzegovina. The surface area of Republika Srpska is 24 858 km<sup>2</sup>.

Republika Srpska belongs to the group of continental areas – it has no access to the sea, and it is located at the meeting point of two large natural geographic and socio-economic regional units – Pannonian and Mediterranean.

According to the territorial organisation, on the territory of Republika Srpska there are two cities: the City of Banja Luka and the city of Istočno Sarajevo, and 61 municipalities. The City of Banja Luka has no municipalities in its composition, while the territory of the City of Istočno Sarajevo consists of the municipalities Istočna Ilidža, Istočno Novo Sarajevo, Pale, Sokolac, Istočni Stari Grad, and Trnovo. The City of Banja Luka is the largest city in Republika Srpska, while also being the administrative, economic and cultural centre of the country.

### **Republika Srpska is located on the intersection of vital communication links.**

In terms of transport and geography, location of Republika Srpska is of particular importance. This is especially the case when it comes to the meridional direction which, by means of interconnected river valleys of Bosna and Neretva, while going through the Dinara mountain complex, connects Central European with Mediterranean macro region. No less important is the zonal direction which connects Republika Srpska with the Central Balkans and Western European area. It is necessary to mention the importance of Republika Srpska's access to the river Sava, by means of which it is connected to the European Rhine – Main – Danube Canal. Natural characteristics of Republika Srpska are quite complex, which is the result of it being part of various natural and geographic units and their geomorphological evolution.



## 1.1. Geographical coordinates of the extreme points

	North geographic latitude	East geographic longitude <sup>1</sup>	Municipality	Settlement
North	45° 16'	16° 56'	Kozarska Dubica	Middle of the river Sava - 1 km north-east of the settlement Gradina Donja
South	42° 33'	18° 27'	Trebinje	5 km south of the settlement Grab
East	44° 03'	19° 38'	Bratunac	4 km south-east of the settlement Žitjebac
West	44° 57'	16° 13'	Krupa na Uni	Karanovo Brdo near the settlement Srednji Bušević

<sup>1</sup> By Greenwich

Source: Republic Administration for Geodetic and Prorietarv-Leoal Affairs

In the northern, Peri-Pannonian part, the hilly terrain composed of Cenozoic deposits gradually descends to the flat land with alluvial plateaus and fluvial terraces, and this is at the same time the most fertile part of Republika Srpska. There are only a few scattered mountains in this area – Kozara, Prosara, Motajica, Vučijak, Ozren and Trebovac, as well as the furthestmost northeastern slopes of Majejica. Towards the south, the flat land gradually turns first into the hilly terrain and then into the mountainous region which covers the largest portion of the territory of Republika Srpska. The highest mountain peak on the territory of Republika Srpska is Maglič, located at 2 386 metres above sea level, on the mountain also named Maglič.

The longest rivers in Republika Srpska are Drina (305 km), Sava (202 km), and Vrbas (117 km), and these belong to the Black Sea drainage basin. All waters south of the mountain pass Čemerno, in Eastern Herzegovina, belong to the Adriatic drainage basin (Trebišnjica, Neretva). Other large rivers in Republika Srpska are Bosna and Trebišnjica. The largest lake in Republika Srpska is Bilečko (on Trebišnjica), with the square area of 27 064 km<sup>2</sup>, and this lake is also the largest artificial lake in the Balkan Peninsula. The largest natural lake is Štirinsko (on the mountain Zelengora), with the square area of 129 km<sup>2</sup>.

**Natural resources** are certainly one of the key factors in the present and future development of Republika Srpska and its economic and geographic formation. In this sense, the most important natural resources are agricultural land, forest areas, hydro-climatic conditions, and mining and mineral resources.

## 1.2. Highest mountains and mountain peaks

Mountain	Peak	Height above sea level,
		m
Maglić	Maglić	2 386
Volujak	Volujak	2 336
Lelija	Velika Lelija	2 032
Zelengora	Bregoč	2 014
Klekovača	Klekovača	1 961
Crvanj	Zimomor	1 920
Jahorina	Ogorjelica	1 916
Vitorog	Veliki Vitorog	1 906
Bjelasnica (Gatačka)	Bjelasnica	1 867
Baba	Đed	1 735
Vučevo	Žrvanj	1 696
Romanija	Veliki Lupoglav	1 652
Trebević	Trebević	1 629
Javor	Veliki Žep	1 537

Source: Faculty of Natural Sciences and Mathematics Banja Luka, Department of Physical Geography

## 1.3. Longest rivers

Rivers	Length, km	
	total	In Republika Srpska
Drina	341.0	305.0
Sava	945.0	202.0
Vrba	249.9	117.0
Vrbanja	95.4	95.4
Sana	157.7	85.0
Una	212.5	82.0
Ukrina	80.9	80.9

## 1.4. Largest lakes and fishponds

	Area, km <sup>2</sup>	Height above sea level, m	Maximum depth, m	Water volume, mill. m <sup>3</sup>
<b>ARTIFICIAL LAKES</b>				
Bilečko (on Trebišnjica)	27.064	400	104.0	1 280.0
Perućačko (on Drina)	12.401	290	70.0	355.0
Zvoničko (on Drina)	8.876	140	28.0	89.0
Višegradsko (on Drina)	8.900	336	78.0	161.0
Boćac (on Vrba)	2.330	282	62.0	52.7
<b>NATURAL LAKES</b>				
Štirinsko (on Zelengora)	0.129	1 672	4.5	0.255
Kotlaničko (on Zelengora)	0.044	1 528	10.0	0.250
Uloško (on Crvanj)	0.043	1 058	14.0	0.255
Donje Bare (on Zelengora)	0.021	1 475	4.5	0.057
Orlovačko (on Zelengora)	0.021	1 438	5.0	0.054
<b>FISHPONDS</b>				
Saničani (on Gomjenica)	11.179	143	4.0	...
Bardača (on Matura)	7.472	90	2.2	...
Pmjavor (on Vijaka)	6.664	134	3.5	...
Sjekovac (on Ukrina)	3.980	85	3.0	...

Source: Faculty of

Source: Faculty of Natural Sciences and Mathematics Banja Luka, Department of Physical Geography

## Climatic characteristics

Various climatic influences in force on the territory of Republika Srpska are the result of natural factors and the rules of general circulation of air masses in this region. Thus, there are three climate types on the territory of Republika Srpska, and these are:

### 1. Northern Peri-Pannonian region, with its moderate continental climate.

This region's climate is characterised by moderately cold winters and warm summers. Average annual air temperature ranges for this climate type are between 12°C and 19°C.

**2. Alpine and Pannonian climate** covers the largest part of Republika Srpska. Mountain ranges are characterised by short and cool summers, and cold and snowy winters, with high snow cover which persists for a long time. Average annual air temperature is between 5°C and 7°C. Hilly terrain, hollows and valleys are however characterised by a somewhat milder climate.

Average annual air temperature in the areas with the Alpine and Pannonian climate is approximately 10°C. Winters are moderately cold, with snow, common temperature inversions, and fog. Summers are moderately warm.

1.5. Annual values of main meteorological parametres, 2010

Measuring station	Temperature, annual mean, °C	Cloudiness, tenths	Humidity, %	Insolation, hours
Banja Luka	11.6	6.5	78	1 636
Bijeljina	11.9	6.4	81	-
Bileća	12.4	5.5	73	2 085
Višegrad	11.2	-	76	-
Gradiška	11.9	5.9	75	-
Doboj	11.3	6.8	80	1 621
Mrkonjić Grad	9.4	6.4	78	-
Novi Grad	10.8	6.2	76	-
Prijedor	11.5	6.5	76	1 636
Ribnik	10.5	6.1	79	-
Sokolac	7.6	6.4	79	1 628
Srbac	10.4	-	75	-
Trebinje	14.4	4.9	63	-

Source: Republic Hydrometeorological Service

1.6 Earthquakes<sup>2</sup>

Place	Intensity degree	Time of earthquake		
		date	hour	minute
Gacko	6-7	25 Oct 1902	21	45
Vlasenica	6-7	25 Dec 1908	21	30
Ljubinje	8	14 Feb 1927	3	43
Derventa	7	17 Dec 1940	10	52
Treskavica (mountain)	8	11 Jun 1962	7	15
Zlovrh (mountain)	7	3 Jul 1967	2	55
Banja Luka	8	26 Oct 1969	15	36
Banja Luka	9	27 Oct 1969	8	10
Banja Luka	8	31 Dec 1969	13	18
Velež (mountain)	8	3 Oct 1979	22	57
Berkovići	6-7	27 Sep 2005	0	25
Trebinje	6-7	14 Nov 2008	13	26
Pale	5-6	31 Mar 2009	1	46

Source: Republic Hydrometeorological Service

## DID YOU KNOW...

...that the most precious pearl among numerous natural treasures of the Sutjeska National Park is the Strict Nature Reserve Perućica, one of the rare remaining rain forests in Europe.

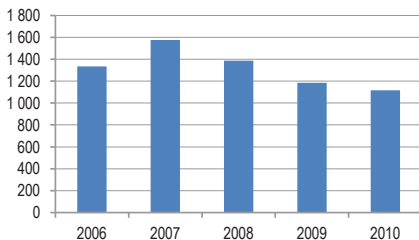
### 3. Modified Mediterranean-Adriatic climate.

The southern region of Republika Srpska, also known as lower Herzegovina, is characterised by the modified Adriatic climate. This region is called Humine, as opposed to the region called Rudine which covers higher mountainous parts of the karst of Herzegovina with a variant of both the Alpine climate and the climate of Humine. Average annual air temperature is between 14°C and 14.7°C. Trebinje, the warmest city in Republika Srpska, is located in this climatic region.

<sup>2</sup> Only the earthquakes with the intensity of six degrees and more are shown. Intensity of earthquake at the epicentre is rated by the MCS (Mercalli-Cancani-Sieberg) scale. The time is presented in GMT (Greenwich Mean Time).

### Reduced number of established legal entities in 2010.

The number of established legal entities has been showing a declining trend since 2007. Negative effects of the global financial and economic crisis influenced the number of established legal entities in 2010 as well.



Graph 2.1. Number of established legal entities by year, 2006 – 2010

Out of the total number of established legal entities in 2010, those classified by their main activity into the section Other community, social and personal service activities had the largest share with 36.92%, followed by legal entities classified into the section Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods with 20.70%, and those from the section Real estate, renting and business activities with 9.14%.

#### DID YOU KNOW...

...that in less than a quarter of the total number of established legal entities in Republika Srpska directors/managers are women.

### Trade activity has the largest share in the total number.

When observing the total number of legal entities registered in Republika Srpska, structure is somewhat different. According to their main activity, majority of legal entities are classified into the section Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods.

Data on legal entities were obtained from the administrative Register of units of classification maintained in the Institute of Statistics. Classification of legal entities according to the activity they perform is defined in the Law on Classification of Activities and Register of units of classification. The Register includes all entities with headquarters on the territory of Republika Srpska. Physical persons engaged in entrepreneurial activities are not recorded in the Register.

2.1. Number of legal entities according to the Classification of Activities, as of 31<sup>st</sup> December

Sections	2006	2007	2008	2009	2010
TOTAL	18 880	20 453	21 835	22 993	24 055
A	667	717	778	815	845
B	28	31	33	35	37
C	106	123	139	144	148
D	2 870	3 101	3 284	3 415	3 510
E	114	135	152	165	174
F	1 003	1 092	1 175	1 243	1 290
G	6 706	7 067	7 330	7 613	7 807
H	259	282	297	314	323
I	1 060	1 156	1 245	1 282	1 333
J	117	143	153	157	160
K	1 034	1 173	1 326	1 413	1 510
L	645	598	584	586	578
M	453	455	475	468	477
N	242	260	274	284	383
O	3 576	4 119	4 589	5 058	5 479
Q	-	1	1	1	1

## Population of Republika Srpska

Estimated number of citizens in Republika Srpska in 2010 was 1 433 038, which was 2 141 citizens less than the previous year. One of the reasons for the population decline is a negative natural increase.

When observing the neighbouring countries, Slovenia was the only one with a slight population growth.

### Live births

In 2010, number of live births in Republika Srpska decreased by 4.3%. Average age of mothers giving birth to the first child was 25.9. Since 2006, total average age of mother at childbirth increased by one year, and now this age is 27.7. In the last period, approximately 85% of children were born in wedlock.

3.1. Total average age of mother at childbirth, 2009 (comparative review)

	Average age
Republika Srpska	27.7
Republic of Serbia	28.2
Croatia	28.9
Montenegro	28.4
Slovenia	29.9
EU-27	29.7

### DID YOU KNOW...

...that population of Republika Srpska decreases each year by the size of a municipality such as Istočni Stari Grad, Berkovići, etc.

## Deaths in Republika Srpska

Total number of deaths in 2010, compared to the previous year, was 1.87% lower. Average age of deceased persons in Republika Srpska was 72.1. On average, women live five years longer than men. Almost half of the total number of deaths

was due to diseases of the circulatory system, while a quarter of those was due to malignant tumours.

Per thousand live births, on average four newborns up to one year of age died. After Slovenia, Republika Srpska has the lowest infant mortality rate in the countries in the region.

3.2. Deaths in Republika Srpska, 2006-2010

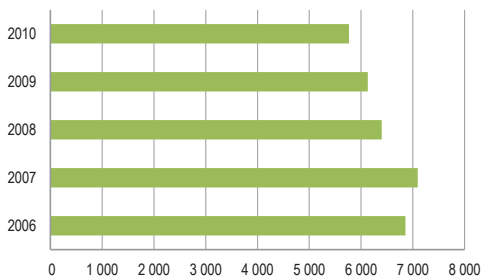
	2006	2007	2008	2009	2010
All	13 232	14 146	13 501	13 775	13 517
Male	6 904	7 302	7 058	7 099	6 935
Female	6 328	6 844	6 443	6 676	6 582

## Marriages

Since 2007, number of new marriages has been decreasing. On average there were four new marriages per thousand citizens.

The oldest groom in 2010 was 90 years old, while the oldest bride was 85. The youngest groom was 17, and the youngest bride 16 years old.

Average age of brides was 27.4, while for first marriages this age was 25.9. Average age of grooms was 31, and for first marriages 29.2.



Graph 3.1. Marriages, by year



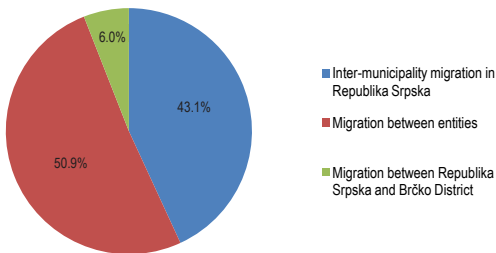
## Migration in Republika Srpska

About half of internal migration in Republika Srpska is migration between Republika Srpska and the Federation of Bosnia and Herzegovina, while slightly over one third is migration between municipalities in Republika Srpska.

The largest population movements were recorded in the age group of 20 – 29. When it comes to this age group, women opt for moving more often than men, while in the age group of 30 and older, participation of men in migration is higher.

### DID YOU KNOW...

...that the number of people who moved to Republika Srpska from the Federation of Bosnia and Herzegovina and Brčko District is higher than the number of those who moved from Republika Srpska to the Federation of Bosnia and Herzegovina and Brčko District.



Graph 3.2. Internal migration (immigration/emigration) in Republika Srpska, 2010

### Average wage was constantly increasing between 2006 and 2009

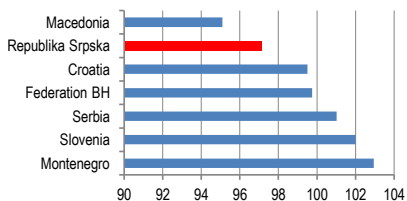
Average net wage was constantly increasing between 2006 and 2009, but in 2010 it decreased by 0.5% compared to 2009. Global economic crisis, which began in 2008, had a negative effect on wage movements in 2010. Wage movements, as one of main indicators of the labour market state, are influenced by labour force supply which increased significantly in 2010 and labour force demand or need for new vacancies which decreased significantly during the same year.

4.1. Average net wages by Section of Economic Activities, 2006-2010

	2006	2007	2008	2009	2010
TOTAL	521	585	755	788	784
A	446	516	618	605	583
B	446	531	680	646	631
C	602	689	849	893	944
D	379	434	490	524	551
E	678	701	828	927	920
F	418	484	536	551	555
G	371	429	506	547	585
H	349	384	457	487	531
I	652	676	758	792	773
J	1 088	1 200	1 219	1 260	1 221
K	535	618	639	629	619
L	773	888	1 023	1 082	1 046
M	458	491	832	901	885
N	529	614	1 109	1 037	1 018
O	457	514	582	644	615

In 2010 in Republika Srpska over 3.1 billion KM was paid for gross wages of workers, which is more than a third of gross domestic product.

The highest net wage in 2010 was received by those employed in the section Financial intermediation, 1221 KM. Out of the total number of workers in Republika Srpska, 2.5% were employed in this section where every second worker had completed two-year college or university qualification. On the other hand, those employed in catering trade, construction, agriculture or manufacturing received wages which were significantly lower than the average. The lowest wage was the one received by workers employed in the section Hotels and restaurants, 531 KM. Out of the total number of workers, 1.4% were employed in this section, and 9.2% of these had completed two-year college or university qualification.



Graph 4.1. Real wage movements (2010/2009), indices

Until 2009, average net wage was constantly increasing in the neighbouring countries as well, but in 2010 wage growth stopped and wages decreased.

#### DID YOU KNOW...

...that the average net wage in Slovenia is almost three times higher than in Republika Srpska.

### Unemployment rate increasing trend continued in 2010.

Global economic crisis has also affected the labour market in Republika Srpska after 2008. After the unemployment rate dropped from 28.5% in 2006 to 20.5% in 2008, in 2009 it began increasing again. Unemployment rate in 2009 increased by 0.9 percentage points and in 2010 by 2.2 percentage points.

Observed by sex, female unemployment rate in 2010 was 3.5% percentage points higher than in 2009, while male unemployment rate increased by 1.4% percentage points.

In spite of the global economic crisis, employment rate changes in the period between 2008 and 2010 were less than one percentage point.

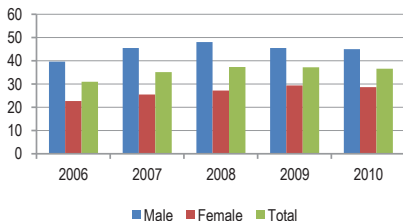
Male employment rate in 2010 was 45.0%, which was 16.4% percentage points higher than female employment rate, which is a common difference for this region

5.1. Unemployment rates<sup>1</sup>

	2006	2007	2008	2009	2010
Male	27.6	23.8	18.2	20.6	22.0
Female	30.0	27.5	24.1	22.4	25.9
TOTAL	28.5	25.2	20.5	21.4	23.6

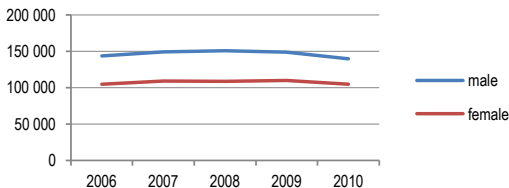
#### DID YOU KNOW...

... that unemployment rate in the age group of 15 to 24 year olds is more than twice higher than the EU unemployment rate, but only slightly higher than in Spain.



Graph 5.1. Employment rates (15-64 years of age)

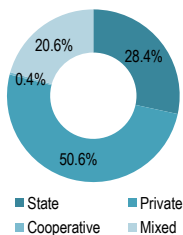
<sup>1</sup> Source: Labour Force Survey



Graph 5.2. Employees by sex, annual average

### Number of employed persons decreased in 2010.

Decrease in number of employed persons which was characteristic for 2009 also continued during 2010. Compared to 2009, the number of employed persons in 2010 decreased by 5.5%, while the number of unemployed persons increased by 4.2%.



Graph 5.3. Employees by type of ownership, 2010

Every second employee was employed in business entities in private ownership, and every fifth employee was an entrepreneur or worked for an entrepreneur. Half of the total number of employees in Republika Srpska worked in Manufacturing, Trade and Public administration. Every second worker had completed secondary school or some lower level of education, and every fourth worker had completed two-year college or university qualification. Every sixth employee was younger than 30 years of age, while a quarter of employed persons were older than 50.

Every second person seeking employment had completed secondary school, while only one in fifteen of them had completed two-year college or university qualification. A third of the total number of unemployed persons were younger than 30 years of age, while one in five of them were older than 50.

## 5.2. Employees by section of NACE, annual average

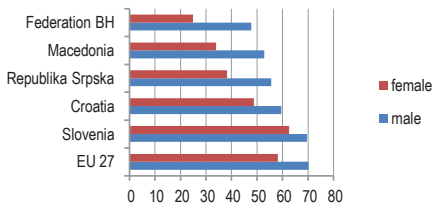
Section of NACE	2006	2007	2008	2009	2010
TOTAL	248 139	258 236	259 205	258 634	244 453
A	8 074	8 098	8 918	8 869	8 632
B	261	282	315	317	288
C	3 561	4 348	4 970	4 759	5 022
D	51 590	50 490	58 356	55 117	49 014
E	9 188	8 959	9 347	9 494	9 515
F	12 078	12 700	14 447	15 012	12 774
G	47 036	50 688	53 081	53 327	46 839
H	14 649	15 598	14 685	14 010	11 895
I	15 205	16 089	15 078	15 396	19 983
J	2 792	3 272	3 890	5 227	5 108
K	9 204	10 173	9 500	9 295	8 039
L	19 405	20 245	21 092	22 797	22 552
M	17 111	17 692	18 196	18 886	19 611
N	15 800	15 926	15 692	16 145	16 525
O	22 185	23 676	11 638	9 983	8 656

## DID YOU KNOW...

...that the number of employed Doctors of Science and Masters of Science doubled between 2006 and 2010.

### Decrease of employment was also recorded in the neighbouring countries.

Neighbouring countries are also still affected by the global economic crisis, which means that in 2010 they recorded decrease in number of employed persons and increase in number of unemployed persons as well.

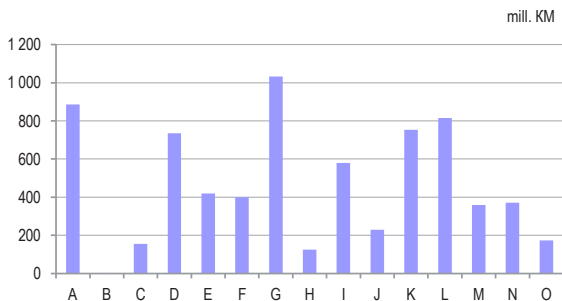


Graph 5.4. Employment rates in the neighbouring countries

High rates of nominal and real growth of gross domestic product characterised the period between 2005 and 2008. As a consequence of the global financial and economic crisis in 2009 GDP had a negative growth rate, after which, in 2010, slight nominal increase by 1.0% and real increase by 0.8% were recorded.

## 6.1. Gross domestic product and gross value added, 2010

	Current prices, thous. KM	Real growth rate, %
A Agriculture, hunting and forestry	886 709	-5.7
B Fishing	2 833	-32.9
C Mining and quarrying	155 527	11.0
D Manufacturing	735 440	4.5
E Electricity, gas and water supply	419 960	3.0
F Construction	399 596	-7.9
G Wholesale and retail trade	1 033 400	2.1
H Hotels and restaurants	124 775	3.6
I Transport, storage and communication	579 199	2.5
J Financial intermediation	228 301	0.9
K Real estate, renting and business activities	753 770	2.5
L Public administration and defence, compulsory social security	814 873	0.8
M Education	358 329	2.8
N Health and social work	371 393	4.1
O Other community, social and personal service activities	172 972	3.4
FISIM (minus)	174 243	3.7
<b>Gross value added</b>	<b>6 862 834</b>	<b>0.8</b>
Taxes on products and services, subsidies on products excluded	1 445 286	0.8
<b>Gross domestic product</b>	<b>8 308 120</b>	<b>0.8</b>



Graph 6.1. Gross value added, current prices, 2010

### Over 1 300 million KM of the gross value added originated from industrial activities.

In total gross domestic product in 2010 Manufacturing participated with 8.9%, Electricity, gas and water supply with 5.1%, and Mining and quarrying with 1.8%. When considering employment these three sections are also dominant, since they employ more than a quarter of the total number of employed persons.

#### 6.2. Gross domestic product, current prices, structures

	2006	2007	2008	2009	2010
Agricultural activities	13.2	12.6	11.6	11.3	10.7
Non-agricultural activities	20.1	20.5	21.3	22.0	20.6
Service activities	48.2	48.3	51.3	52.6	53.4
FISIM (minus)	1.3	2.0	2.1	2.3	2.1
Gross value added	80.2	79.4	82.1	83.6	82.6
Taxes on products and services, subsidies on products excluded	19.8	20.6	17.9	16.4	17.4
Gross domestic product	100.0	100.0	100.0	100.0	100.0



Certain changes in the structure of gross domestic product in Republika Srpska can be observed in the five-year period. Participation of agricultural activities (agriculture, hunting, forestry and fishing) was in decline, while participation of service activities was increasing constantly and in 2010 it was 5.2 percentage points higher than in 2006.

### 6.3. Gross value added by institutional sector, current prices, structures

	2006	2007	2008	2009	2010
Non-financial sector	43.9	46.4	49.9	48.6	49.4
Financial sector	2.5	3.3	3.1	3.4	3.2
State sector	18.1	18.5	20.6	22.0	21.9
Households sector	36.4	33.5	28.1	28.1	27.2
Non-profit institutional units serving households sector	0.8	0.8	0.9	0.6	0.8
FISIM (minus)	1.7	2.5	2.6	2.7	2.5
Gross value added	100.0	100.0	100.0	100.0	100.0

Non-financial sector has the highest share in the calculation of gross value added, and in 2010 it was 49.4%. Participation of this sector in the gross value added had increased by 5.5 percentage points since 2006. Non-financial sector includes private and public enterprises which realise their income on the market.

#### DID YOU KNOW...

...that 62.3% of gross value added in 2010 was realised by business entities in private or mixed ownership.

### 6.4. Gross domestic product

	2006	2007	2008	2009	2010
Gross domestic product, current prices, thous. KM	6 543 726	7 350 985	8 489 287	8 222 974	8 308 120
Gross domestic product per capita, KM	4 533	5 106	5 906	5 730	5 798
Gross domestic product, real growth rates	6.0	6.7	6.2	-3.0	0.8

Gross domestic product per capita, as an indicator of the country's standard of living, was approximately 30% higher in 2010 than in 2006, which means that it increased by 1 265 KM.

6.5. Income components of gross domestic product, current prices, thous. KM

	2006	2007	2008	2009	2010
Gross domestic product	6 543 726	7 350 985	8 489 287	8 222 974	8 308 120
Compensation of employees	2 595 000	3 007 528	3 745 187	3 831 982	3 902 252
Net taxes on products, services and production	1 308 655	1 508 092	1 510 735	1 320 604	1 413 153
Gross operating surplus /Gross mixed income	2 640 071	2 835 365	3 233 365	3 070 388	2 992 715

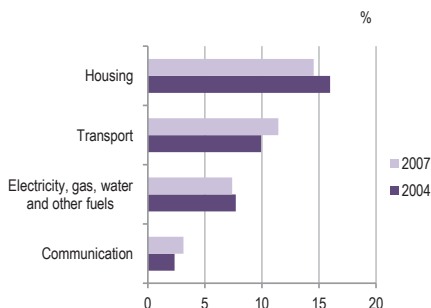
#### DID YOU KNOW...

...that 20% of the total compensation of employees are other payments to employees.

#### The largest part of gross domestic product is allocated for compensation of employees.

Allocation of gross domestic product calculated by production approach in 2010 was as follows: 47.0% for compensation of employees, 36.0% for gross operating surplus and gross mixed income, and 17.0% for net taxes. Compensation of employees in the reference period was constantly increasing, and compared to 2006 it increased by 7.3 percentage points.

In 2007, total average monthly expenditure of households in Republika Srpska was 1 364.31 KM, which was 11.2% higher than in 2004<sup>1</sup>. In households, a third of total monthly expenditure went on purchase of food and beverages, while more than a fifth of it went on housing, bills and transport. In the structure of consumption of food and beverages in 2007 significant increase in expenditure on meat and non-alcoholic beverages was recorded in comparison with 2004.



Graph 7.1. Participation of expenditure on housing, transport, bills and communication in total average monthly expenditure for consumption, 2004 and 2007

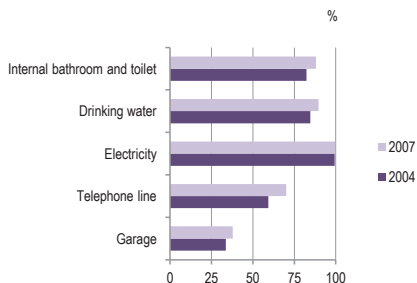
### Average floor area of main dwelling unit was 70 m<sup>2</sup>.

On average, single persons lived in smaller dwelling units than those who were part of other household types. In terms of ownership of durable consumer goods, households in Republika Srpska were at the same level as those in the neighbouring countries. There was a significant increase in use of personal computers, so the number of these doubled during the period between 2004 and 2007.

#### DID YOU KNOW...

...that a third of total monthly expenditure went on purchase of food and beverages.

<sup>1</sup> Consumption expenditure in 2004 did not cover informal payments for education and health services, consumption expenditure for bank cards, bank transaction costs, rental of safe deposit boxes, and expenditure for other bank costs, while all of these were included in 2007.



Graph 7.2. Services of the main dwelling unit, 2004 and 2007

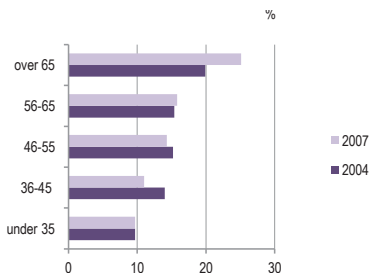
## 7.1. Relative poverty

	2004	2007
Relative poverty line by adjusted household member, monthly KM	298.96	350.22
Percentage of the poor by adjusted household member (%)	15.8	15.6

Out of the total population of Republika Srpska, 15.6% were relatively poor, that is, they lived in households whose monthly consumption by adjusted household member was lower than 350.22 KM (in 2007). This poverty percentage was almost the same as it was in 2004. Situation was the worst for single persons over 65 years of age, since 30% of them were relatively poor. Approximately 8% of households lived at the poverty threshold.

## DID YOU KNOW...

...that the poorest were old single member households and households in which the head was unable to work.



Graph 7.3. Poverty incidence by age of the household head, 2004 and 2007

Gross fixed capital formation, as a prerequisite and initiator of economic development, was constantly increasing in Republika Srpska during the period between 2006 and 2008.

By activity of investor, the largest participation in the structure of gross fixed capital formation was that of the following activities: Public administration and defence, compulsory social security, Trade, and Manufacturing. By purpose of gross fixed capital formation in fixed assets, the largest participation was that of Construction, Trade, and Manufacturing.

After several years of gross fixed capital formation growth, these activities were reduced in 2009 and 2010, and as a consequence gross fixed capital formation in 2010 was 6.8% lower than in 2009, while financing of gross fixed capital formation was 7.8% lower. By activity of investor, gross fixed capital formation decreased by 27.6% for the section Manufacturing, 19.4% for Transport, 5.6% for Trade, and 0.7% for Public administration and defence, compulsory social security.

8.1. Gross fixed capital formation in fixed assets by activity of investor, 2010

	Value of gross fixed capital formation, thous. KM	Structure, %
A Agriculture, hunting and forestry	41 454	2.9
B Fishing	49	0.0
C Mining and quarrying	28 356	2.0
D Manufacturing	195 218	13.5
E Electricity, gas and water supply	161 491	11.2
F Construction	55 703	3.9
G Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods	206 846	14.3
H Hotels and restaurants	14 741	1.0
I Transport, storage and communication	136 279	9.4
J Financial intermediation	36 698	2.5
K Real estate, renting and business activities	43 630	3.0
L Public administration and defence, compulsory social security	422 116	29.2
M Education	16 390	1.1
N Health and social work	73 942	5.1
O Other community, social and personal service activities	13 716	0.9
Total gross fixed capital formation	1 446 629	100.0

## Over 800 million KM were invested in construction objects and spaces.

By technical composition, more than a half of total gross fixed capital formation was invested in construction objects and spaces. In 2010, largest investments in Machinery, equipment and transport assets were those of business entities engaged in the following activities: Electricity, gas and water supply with 21.7%, Manufacturing with 19.8%, and Transport and storage with 15.2%.

8.2. Structure of gross fixed capital formation in fixed assets by technical composition

	2006	2007	2008	2009	2010
Gross fixed capital formation	100.0	100.0	100.0	100.0	100.0
Construction objects and spaces	52.1	54.0	56.0	58.2	55.6
Machinery, equipment and transport assets	44.2	42.2	41.2	37.3	40.2
Other	3.7	3.8	2.8	4.5	4.2

8.3. Financing of gross fixed capital formation and gross fixed capital formation

	thous. KM				
	2006	2007	2008	2009	2010
Financing of gross fixed capital formation	955 594	1 190 741	1 673 858	1 565 353	1 443 308
Gross fixed capital formation	975 058	1 367 648	1 784 784	1 551 808	1 446 629

### DID YOU KNOW....

...that in terms of kind of construction more than a half of gross fixed capital formation in new fixed assets referred to building of new capacities.

When it comes to intangible (non-monetary) fixed assets, participation was as follows: Public administration 24.4%, Financial intermediation 21.9%, Manufacturing 13.8%, and both Electricity, gas and water supply, and Transport and storage 11.8%.

### DID YOU KNOW...

...that compared to 2006 gross fixed capital formation increased by 48.4% in 2010.

In the structure of financing sources in 2010, the largest share was that of own financial assets with 50.5%, followed by financial credits with 29.0%, assets of funds and budgets with 8.4%, other sources with 6.7%, financial leasing with 2.9%, and joint assets with 2.5%.

**Inflation in 2010 was 2.5%.**

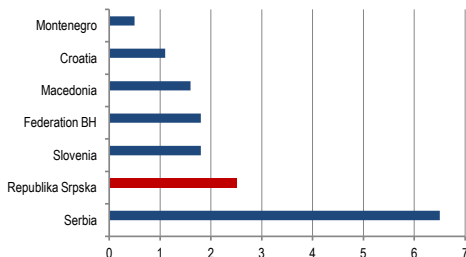
Consumer prices in Republika Srpska increased by 2.5% in 2010.

The highest increase was recorded in prices of fuels and energy, public and telecommunication services, and tobacco. Prices of fuels on domestic market were under direct influence of increase in prices of oil and oil derivatives on the world market, which subsequently caused increase in prices of other products and services. On the other hand, increase in prices of tobacco and tobacco products was seen as a consequence of the need to harmonise domestic excise rates with the EU regulations.

9.1. Consumer price indices according to the COICOP, 2008-2010

Name	previous year=100		
	2008	2009	2010
TOTAL	107.2	99.6	102.5
Food and non-alcoholic beverages	111.2	98.3	99.2
Alcoholic beverages and tobacco	101.2	111.0	120.5
Clothing and footwear	98.2	96.9	96.3
Housing, water, electricity, gas and other	108.2	104.4	104.1
Furnishings, household equipment and routine maintenance of the house	102.0	100.8	99.8
Health	101.5	101.1	102.8
Transport	112.5	90.0	106.5
Communication	104.9	102.1	108.3
Recreation and culture	103.1	102.2	100.0
Education	103.2	100.8	105.4
Restaurants and hotels	104.4	103.5	100.4
Other products and services	102.7	102.9	100.7

In 2010 inflation was not recorded only in Republika Srpska, but also in the neighbouring countries, as follows: 6.5% in Serbia, 1.8% in Slovenia, 1.8% in the Federation of Bosnia and Herzegovina, 1.6% in Macedonia, 1.1% in Croatia, and 0.5% in Montenegro.



Graph 9.1. Inflation in 2010 - comparison

**DID YOU KNOW... ..**  
...that average increase in producer prices of industrial products in 2010 was 2.3%.

### **Average increase in producer prices of industrial products in 2010 was 2.3%.**

In terms of sections of industrial production according to the Classification of activities in Bosnia and Herzegovina, the highest increase in prices in 2010 compared to 2009 was recorded in the section Electricity, gas and water supply, as a consequence of increase in prices of electricity.

Increase in prices of industrial production was also, to a lesser extent, influenced by increase in prices of production of other transport equipment, recycling, manufacture of basic metals, and production of pulp, paper and paper products.

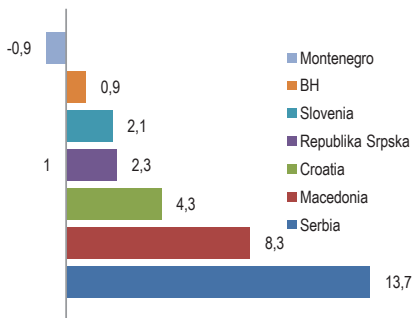


## 9.2. Producer price indices of industrial products by section of the Classification of activities, 2007-2010

Sections	previous year=100			
	2007 <sup>1)</sup>	2008	2009	2010
INDUSTRY TOTAL	101.2	108.8	97.6	102.3
Mining and quarrying	105.2	108.0	101.2	101.3
Manufacturing	101.2	108.6	96.3	101.8
Electricity, gas and water supply	99.8	109.4	98.8	103.8

<sup>1)</sup>Indices for 2007 were compiled to the base December 2006

Increase in producer prices of industrial products in 2010 was not recorded only in Republika Srpska, but also in most of the neighbouring countries.



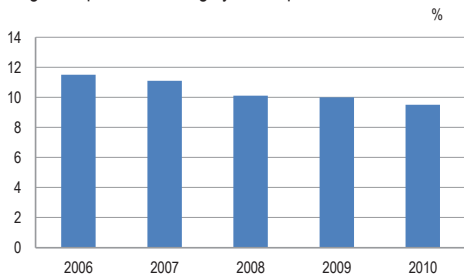
Graph 9.2. Producer prices of industrial products - comparison

### Share of agriculture in GDP was 9.5%.

Agroindustry<sup>1</sup> was one of the most significant areas of economy in Republika Srpska, which in the structure of gross domestic product (GDP) participated with 11.8%.

Share of agricultural gross value added in GDP in 2010 was 9.5%.

In spite of the fact that share of agriculture in the structure of GDP decreases with time, it is still high compared to the highly developed countries.



Graph 10.1. Share of agriculture in the structure of GDP

### Third of the total number of employees was employed in primary agriculture.

Agricultural production in Republika Srpska, as one of important areas of economy, continued to employ a significant percentage of the total employed labour force.

According to the results of the Labour force survey in 2010, 104 000 workers were employed in the agricultural activity, which was almost a third (31.6%) of the total number of employed persons in Republika Srpska.

<sup>1</sup> Section A area 01 and section D area 15 according to the Classification of activities based on NACE Rev.1.1.

## 10.1. Number of employed persons in agricultural activities, thousands

	2006	2007	2008	2009	2010
Total number of employed persons	298	340	350	345	329
Number of employed persons in agriculture	93	106	110	112	104

<sup>1</sup>Source: Labour force survey (Statistical Bulletin 2010; Sections A and B, NACE Rev. 1.1)

### Value of external trade of agricultural products was 244 million KM.

Balance of trade of agricultural products in Republika Srpska with foreign countries realised during 2010 showed that the value of export was 49.9 million KM, which was an increase by 138% compared to the previous year, with a share of 2.3% in the total export of goods.

At the same time, the value of import was 194.2 million KM, which was 12.3% higher than in the previous year, with a share of 4.8% in the total import of goods.

The deficit realised in external trade of agricultural products in 2010 decreased by 5.1% compared to 2009, and it was 144.3 million KM. The rate of coverage of import of raw agricultural products by export was only 25.7%.

10.2. Value of external trade of primary agricultural products<sup>1</sup>

	2006	2007	2008	2009	2010
	thous. KM				
Export	11 113	13 718	17 914	20 957	49 870
Import	122 465	157 208	216 539	172 988	194 187
Scope	133 578	170 926	234 453	193 945	244 057
Balance	-111 352	-143 490	-198 625	-152 031	-144 317
Coverage	9.1	8.7	8.3	12.1	25.7

<sup>1</sup>Source: external trade statistics (Statistical Bulletin 2011; export and import of products from the section A01 according to the NACE Rev. 1.1)

The most important agricultural products in Republika Srpska were cow's milk and maize, and their joint share in the structure of realised value of annual agricultural production was 23.7%.

## Milk, the most important agricultural product.

Raw cow's milk, as the most important agricultural product in Republika Srpska, participated with 12.9% in the total realised value of agricultural production in 2010.

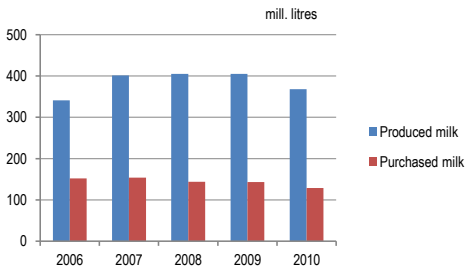
Total production of cow's milk in Republika Srpska in 2010 was 386.1 million litres. Compared to the previous year, decrease by 9.1% was recorded, but compared to the annual production during the five-year period (2005-2009) there was increase by 3%.

**DID YOU KNOW...**  
...that in 2010 in Republika Srpska 257 litres of milk were produced per capita.

In 2010, production of milk was slightly higher, and its amount was 2 851 litres per animal, but the total number of animals decreased by 7.9%.

Traditionally, the largest part of raw cow's milk was produced by small family farms (97.3%), and it is mostly used for own needs (64.9%).

In 2010, dairies took over from producers only a third of the total volume of produced cow's milk (35.1%), which was approximately 129 million litres. This amount was 9.8% lower compared to the previous year.



Graph 10.2 Production and purchase of cow's milk

## Maize, the most important agricultural crop

After milk, maize was the second most important agricultural product in Republika Srpska, with a share of 10.8% in the total realised value of agricultural production in 2010.

Being sown on approximately 139.4 thousand hectares, which made up 44.4% of the total sown area, maize was the dominant crop in the structure of crop production. Most areas were sown with mercantile maize (99.5%) and were part of family farms (97.8%).

In 2010, maize harvest was carried out over an area of approximately 137 thousand hectares, with the total yield of 626.5 thousand tons of grains, or 4.6 tons of grains per area unit.

### Higher indices of prices of agricultural products (by 15.6%) and resources used in agricultural production (28.6%).

Indices of prices of agricultural products had been constantly increasing during the period between 2006 and 2010. Prices of crops increased by 34.1% compared to 2005, while prices of livestock products increased by 0.6%.

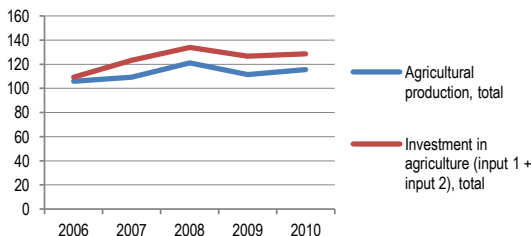
During the reference period, constant increase was recorded in prices of resources used in agricultural production.

#### DID YOU KNOW...

...that in 2010 the value of maize for seed exported by Republika Srpska was 927 000 KM.

Prices of resources for current expenditure in agriculture were 28.6% higher compared to 2005, while prices of resources intended for investment in agriculture were 29.3% higher.

Bigger increase was recorded in prices of resources used in agricultural production than in prices of agricultural products, which suggests that agriculture becomes less profitable. This trend was also observed in the neighbouring countries.



Graph 10.3. Annual indices of input and output prices

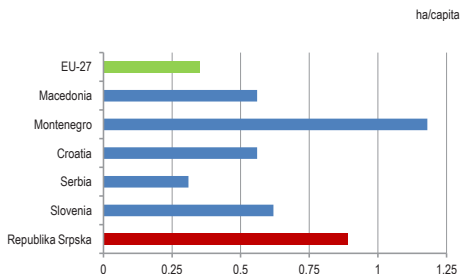
Forests are one of the greatest natural resources of Republika Srpska, and they spread over an area of 1 036 062 ha. Out of the total area of forest land, 750 642 ha or 72.5% are forests in state ownership, while the remaining 27.5% are forests in private ownership.

Ecologically, forests belong to various biogeographic regions and they are adapted to different natural conditions. This variety has a positive influence on average annual increment of felled timber in high forests. Hence, felled timber increased by 8.07 m<sup>3</sup>/ha (in state and private forests), and this increment was significantly higher than the increment of 5.80 m<sup>3</sup>/ha recorded in the EU-27 countries.

11.1. Forest area and stocks of felled timber

	Forest and forest land area (1 000 ha)	Commercial forests <sup>1</sup> (1 000 ha)	Stocks of total felled timber by hectare (m <sup>3</sup> /ha)
EU-27	177 757	132 605	163
Slovenia	1 274	1 175	332
Serbia	2 252	1 589	161
Croatia	2 474	1 741	213
Montenegro	744	386	175
Macedonia	1 141	804	82
Republika Srpska	1 279	910	236

<sup>1</sup> Forests in which annual increment of timber is at least 1.4 m<sup>3</sup> per hectare, excluding forests withdrawn from timber production by administrative regulations or other acts.



Graph 11.1. Forest area and forest land per capita

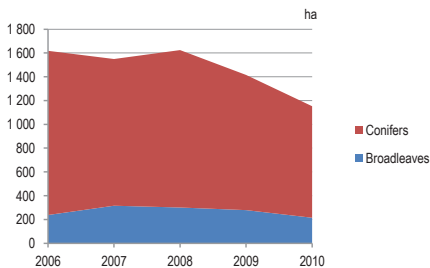
Gross felled timber in the forest and outside the forest in 2010 was almost the same as in 2009, and its amount was 2 550 thous.m<sup>3</sup>. Out of this amount, 2 314 thous.m<sup>3</sup> belonged to the state sector, while only small part belonged to the private sector, since the state sector covered 91% of the total felled timber.

Last year, 421 thous.m<sup>3</sup> of timber was felled in forests of pure stands, while 2 086 thous.m<sup>3</sup> was felled in forests of mixed stands.

11.2. Forest exploitation					thous. m <sup>3</sup>	
	Gross felled timber			Broadleaves	Conifers	
	total	state forests	private forests			
2006	2 976	2 556	420	1 845	1 131	
2007	2 802	2 417	385	1 678	1 124	
2008	2 943	2 582	361	1 787	1 156	
2009	2 543	2 325	218	1 595	949	
2010	2 550	2 314	236	1 523	1 028	

11.3. Production and sale of forest assortments in state forests					m <sup>3</sup>
	2006	2007	2008	2009	2010
Production total	1 911 926	1 790 446	1 958 081	1 750 475	1 771 841
logs for cutting	1 010 120	963 390	1 007 351	812 106	812 047
Sale total	1 938 407	1 788 479	1 939 855	1 682 983	1 809 701
logs for cutting	1 037 225	973 678	1 001 533	784 429	847 965

Total afforested area in 2010 was 1 152 ha, and it was on the same level as the previous year data. Conifer afforestation covered an area of 938 ha, which was 81% of the total afforested area in 2010. Afforestation in the state sector covered an area of 1 063 ha, and in the private sector 89 ha.



Graph 11.2. Artificial afforestation

Damages caused by fire in 2010 were recorded over an area of 1 698 ha, while 4 878 m<sup>3</sup> of felled timber was damaged.

#### DID YOU KNOW...

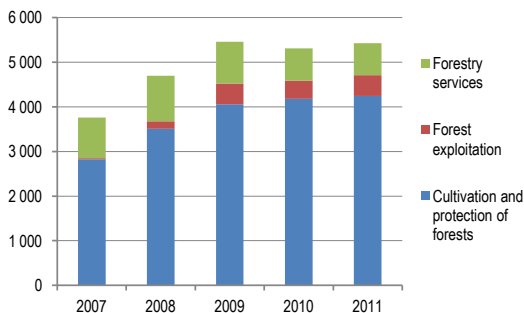
...that Republika Srpska has 91 hunting areas and over 21 000 registered hunters.

Forestry contributes to a great extent to the economy of Republika Srpska, and it also has great importance in terms of acquiring raw materials and energy, and employment.

#### 11.4. Gross value added in the forestry sector

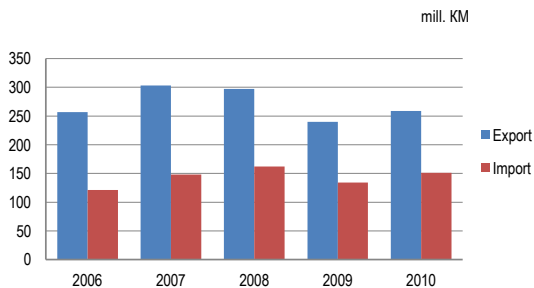
	2006	2007	2008	2009	2010
Gross value added in forestry, thous. KM	103 471	99 576	116 755	96 942	98 814
Gross domestic product	6 543 726	7 350 985	8 489 287	8 222 974	8 308 120
Structure, %	1.6	1.4	1.4	1.2	1.2





Graph 11.3. Employment structure in the forestry sector

Commercial forestry and industry<sup>2</sup> using wood as raw material largely participated in the export structure in Republika Srpska in 2010, with 11.9%.



Graph 11.4. Import/Export of forestry products, primary wood processing, pulp and paper

<sup>2</sup> Except manufacture of furniture

**In 2010 in Republika Srpska 52 996 000 m<sup>3</sup> of water was delivered to users, which was only 57% of the total volume of captured water in the public water supply system. Remaining 43% were losses in the water supply network.**

Since the water supply network system was gradually reconstructed during the period between 2006 and 2010, share of lost water in the total volume of captured water decreased by 4.0%, while length of distribution network in the same period was continually increasing, so in 2010 it was 37% longer than in 2006. At the same time, there were no significant changes concerning the level of water delivery to users during the same period.

Along with the reconstruction of water supply network during the period between 2006 and 2010, works were carried out in order to improve the public system of waste water transport. Nevertheless, recorded increase of length of sewage network by 11% during the given period was significantly lower than increase of length of water supply network.

**In contrast to the European Union countries where disposal of waste to waste disposal sites is rarely used as treatment process, permanent disposal is a dominant procedure of waste management in Republika Srpska.**

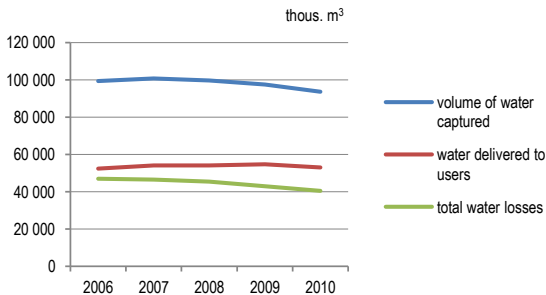
In 2010, registered waste disposal sites received 306 888 t of waste, while the estimated volume of total generated waste was 392 891 t. Apart from public utility services, waste was also transferred to waste disposal sites by independent manufacturing enterprises and physical entities.

Concerning management of waste collected by public utility services, 99% of the total amount of collected waste was permanently disposed to waste disposal sites, while the remaining 1% was submitted for processing to enterprises in Republika Srpska and the Federation of Bosnia and Herzegovina. Sources of collected communal waste were mainly households, with participation of approximately

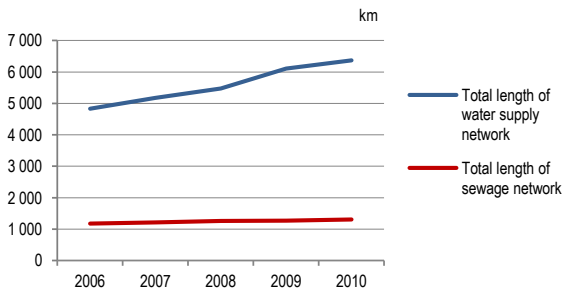
76% of the total collected amount, and this percentage is within the range of the European Union countries where this participation varied between 60% and 90%. The remaining 24% of collected waste came from service activities and to a lesser extent from industry.

Observed per capita, estimated volume of generated communal waste in Republika Srpska in 2010 was 274 kg, which was a slight decrease when compared to 2009, when it was 276 kg. This value is significantly lower than the average of the European Union countries, which in 2009 was 512 kg of generated communal waste per capita. However, when it comes to waste management, volume of waste permanently disposed to waste disposal sites per capita in the European Union in 2009 was 191 kg, while according to the estimates this volume in Republika Srpska in the same year was 12% higher with 216 kg.

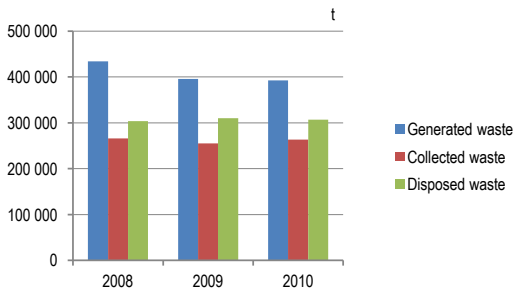
Compared to the total volume of generated waste, volume of waste treated by certain procedures is a more evident indicator of quality of the system of waste management which is one of the indicators of the sustainable society development.



Graph 12.1. Captured and delivered water, water losses

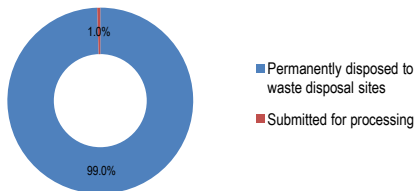


Graph 12.2. Total length of water supply network and sewage network



Graph 12.3. Generated, collected and disposed waste

**DID YOU KNOW...**  
 ...that over 99% of the total collected waste was permanently disposed to waste disposal sites, while less than 1% was submitted for further processing.



Graph 12.4. Waste management in 2010

### Industrial production was constantly increasing in the period between 2006 and 2010.

Since 2006, industrial production has been increasing. Increase by 5% was recorded in 2010 compared to 2009.

The most important were electricity production, manufacture of food products, wood processing, mining of metal ores, manufacture of hydrated alumina, manufacture of products of metal and concrete, and manufacture of refined petroleum products.

Increase in industrial production was also recorded in Slovenia (6.4%), Serbia (2.9%) and the Federation of Bosnia and Herzegovina (4.2%), while decrease was recorded in Croatia (-1.4%) and Macedonia (-4.8%).

13.1. Indices of industrial production by section of NACE, 2006-2010

Section of NACE	previous year = 100				
	2006	2007	2008	2009	2010
INDUSTRY TOTAL	119.1	101.4	116.8	119.0	105.0
Mining and quarrying	120.6	102.7	114.1	92.5	109.1
Manufacturing	121.3	104.1	119.4	135.1	105.1
Electricity, gas and water supply	109.7	94.6	110.5	107.9	103.0

### Over 300 million KM was invested in industry in 2010.

Gross fixed capital formation in new fixed assets in industrial activities was approximately 312 million KM, which accounted for 23.6% of the total gross fixed capital formation in new fixed assets in 2010 in Republika Srpska.

Industry had a significant share in gross domestic product (15.3%), while the biggest participation was that of Manufacturing (8.9%). At the end of 2010 there were 3 771 registered industrial enterprises, out of which 86% were in private ownership.

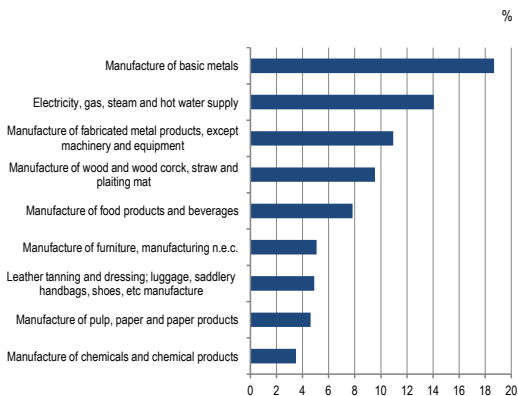
**DID YOU KNOW...**

...that the main activity of every sixth business subject in Republika Srpska was industrial activity.

Most industrial enterprises, 93.1% of them, are engaged in Manufacturing, while 3.9% of enterprises are engaged in Mining and quarrying, and 3% in Electricity, gas, steam and hot water supply. Almost 60 thousand workers were employed in industrial enterprises, and this was more than a quarter of the total number of employed persons in Republika Srpska. Number of employed persons in industrial activities in 2010 was 3.6% lower than in 2009.

### Export accounts for 40% of the value of sale of industrial products.

In 2010, industrial enterprises realised export of approximately 1.4 billion KM, which was 40% of their total value of sale.



Graph 13.1. Industrial sections with the largest share in total export of industrial products, 2010

### Products of Manufacturing account for two thirds of the total sale.

Sale of industrial products increased by 17% in 2010 compared to 2009. Products of Manufacturing accounted for two thirds of the total value of sale.

The largest share in the total value of sale of industrial products in the same

year was that of Electricity, gas, steam and hot water supply (27.3%), followed by Manufacture of food products and beverages (17.4%), Manufacture of basic metals (8.6%), and Manufacture of fabricated metal products, except machinery and equipment (7.2%).

13.2. Value of sale by division of activities, mill. KM, 2006-2010

Divisions of activities	2006	2007	2008	2009	2010
<b>INDUSTRY TOTAL</b>	<b>2 282</b>	<b>2 644</b>	<b>3 244</b>	<b>2 915</b>	<b>3 412</b>
Mining of coal and lignite; extraction of peat	22	17	28	31	35
Mining of metal ores	72	81	91	56	90
Other mining and quarrying	30	30	42	31	28
Manufacture of food products and beverages	353	466	537	516	595
Manufacture of tobacco products	10	8	9	10	7
Manufacture of textiles	31	41	43	50	44
Manufacture of wearing apparel; dressing and dyeing of fur	33	42	43	38	34
Leather tanning and dressing; luggage, saddlery, handbags, shoes, etc.manufacture	46	51	56	64	78
Manufacture of wood, and wood, cork, straw and plaiting mat.products	193	240	248	183	214
Manufacture of pulp, paper and paper products	71	82	92	90	88
Publishing, printing and reproduction of recorded media	28	30	29	28	24 <sup>1)</sup>
Manufacture of coke and refined petroleum products	41	42	46	86	97
Manufacture of chemicals and chemical products	29	34	41	67	73
Manufacture of rubber and plastic products	58	71	85	79	80
Manufacture of other non-metallic mineral products	74	83	124	113	152
Manufacture of basic metals	237	243	294	166	292
Manufacture of fabricated metal products, except machinery and equipment	193	268	321	215	244
Manufacture of machinery and equipment, n.e.c.	16	25	41	31	44
Manufacture of office machinery and computers	5	9	15	14	9
Manufacture of electrical machinery and apparatus, n.e.c.	26	48	57	39	54
Manufacture of radio, television and communication equipment and apparatus	1	5	5	3	3
Manufacture of medical, precision and optical instruments, watches and clocks	4	5	4	5	6
Manufacture of motor vehicles and trailers	11	15	18	13	12
Manufacture of other transport equipment	13	13	9	14	19
Manufacture of furniture, manufacture n.e.c.	60	87	104	92	107
Recycling	41	49	49	21	51
Electricity, gas, steam and hot water supply	583	558	813	857	932

<sup>1)</sup>Publishing was excluded.

**The share of electricity from renewable energy sources in the total net production of electricity was 53.7%.**

Total demand for electricity in Republika Srpska was met by production in domestic power plants, while the excess electricity was exported. Production in 2010 was the highest realised production in power plants over the past five years, which was mostly a result of good hydrological situation.

Realised net production of electricity in 2010 was 6 183 GWh, out of which 3 318 GWh or 53.7% was produced in hydroelectric power plants, 2 856 GWh or 46.2% in thermal power stations, and 9 GWh or 0.1% in industrial power plants.

In the period between 2006 and 2010 a slight increasing trend of final consumption of electricity was recorded.

**Out of the total amount of produced heat in 2010, 63.2% was obtained from mazut.**

Brown coal and lignite are significant natural resources in Republika Srpska. Out of the total available amount of coal, over 95% was used for energy production, while the rest was used for general consumption.

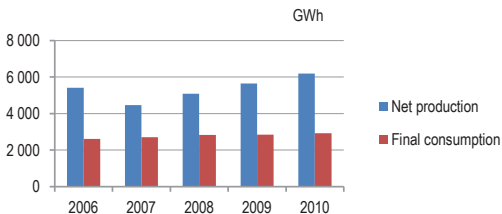
Most heat was obtained from mazut, followed by coal, biomass and natural gas. Republika Srpska imported all the necessary amounts of natural gas, while the largest final consumer of gas was industry which participated with 90.1% in total consumption of gas.



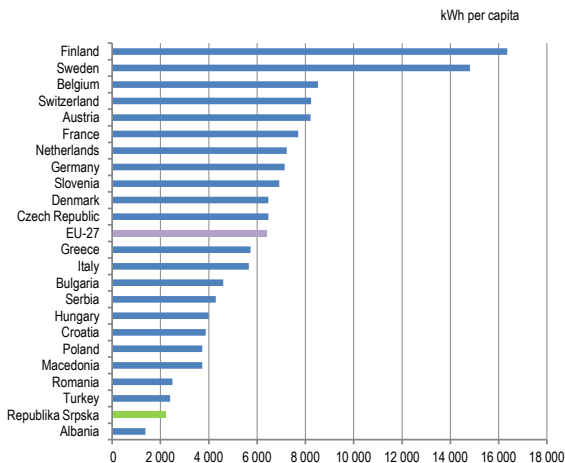
## 14.1. Production and final consumption of energy and fuels

Production of fuels and energy	2009	2010
Brown coal (1000 t)	1 930	1 550
Lignite (1000 t)	2 834	3 042
Electricity <sup>1)</sup> (GWh)	5 640	6 183
Hydroelectric power plants <sup>1)</sup> (GWh)	2 638	3 318
Thermal power stations <sup>1)</sup> (GWh)	2 993	2 856
Other production <sup>1)</sup> (GWh)	9	9
Heat (TJ)	1 547	1 680
Final consumption of fuels and energy	2009	2010
Brown coal (1 000 t)	63	74
Lignite (1 000 t)	98	104
Electricity (GWh)	2 847	2 922
Heat (TJ)	1 378	1 483
Natural gas (thous. Sm <sup>3</sup> )	32 097	36 026

<sup>1)</sup> Production at threshold



14.1. Net production and final consumption of electricity



14.2. Electricity consumption per capita, 2008 (IEA)

### In 2010, over 180 million KM was invested in the energy sector.

Gross fixed capital formation in new fixed assets in the energy sector (sections 10, 11, 23 and 40) was 181 million KM, which was 13.7% of total realised gross fixed capital formation in new fixed assets in Republika Srpska in 2010.

The share of the energy sector in gross domestic products was 5.1%. Approximately 11 000 workers were employed in the energy sector, which was 5.7% of the total number of employed persons in Republika Srpska. Number of employed persons in the energy sector in 2010 increased by 0.2% compared to 2009.

In 2010, value of performed works in civil engineering was 13.6% higher than in 2009, and it accounted for 60.5% of the total value of performed works. Decrease in value by 37.8% was recorded in building construction.

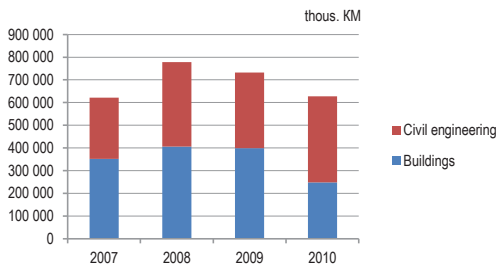
As in the last few years, as a consequence of the global financial and economic crisis, trend of decreasing total value of performed construction works was also observed in 2010. Compared to 2009, this decrease was 14.4%. At the same time, decrease by 14.9% was recorded in number of employed persons in construction which employed 5.2% of the total number of employed persons in Republika Srpska.

Value of performed works abroad decreased by 56.9% compared to 2009, while the share of these works in the total value of performed works was 2.7%.

Participation of gross value added of construction in gross domestic product in 2010 was 4.8%.

Gross fixed capital formation in new fixed assets in construction accounted for almost a quarter of the total gross fixed capital formation in new fixed assets in Republika Srpska in 2010.

Compared to the previous year, number of completed dwellings in 2010 was 13.3% higher. Decrease in building of dwellings was recorded only in one-room dwellings (7.8%). In 2010, the largest share in the total number of completed dwellings was that of two-room dwellings (45.0%), followed by one-room dwellings (37.0%), while the rest were three or more-room dwellings.



Graph 15.1 Value of performed works

## 15.1. Completed dwellings by number of rooms

	Unit of measure	2010
TOTAL	number	2 883
	m <sup>2</sup>	149 105
One-room dwellings	number	1 066
	m <sup>2</sup>	39 087
Two-room dwellings	number	1 297
	m <sup>2</sup>	68 635
Three-room dwellings	number	464
	m <sup>2</sup>	33 584
Four or more-room dwellings	number	56
	m <sup>2</sup>	7 799

### Increase in export in 2010.

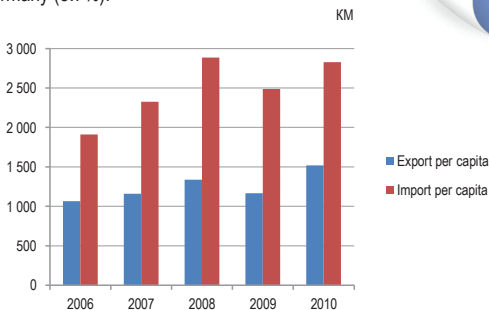
During the period between 2006 and 2010, export from Republika Srpska was constantly increasing, except in 2009. In 2010 export increased by 30.2% compared to 2009, while import increased by 13.6%.

In 2010, volume of external trade of Republika Srpska was 6.2 billion KM, out of which 2.2 billion KM referred to export and 4.1 billion KM to import. External trade deficit in the same year was 1.9 billion KM.

Majority of Republika Srpska's export was to Serbia (17.6%), followed by Italy (15.6%), Croatia (13.2%), Slovenia (9.7%) and Germany (8.3%). In the same year, majority of import was from Russia (23.4%), followed by Serbia (21.0%), Italy (8.8%), Croatia (8.2%) and Germany (5.7%).

#### DID YOU KNOW...

...that half of total export from Republika Srpska in 2010 was to the European Union countries.



Graph 16.1. Export and import per capita

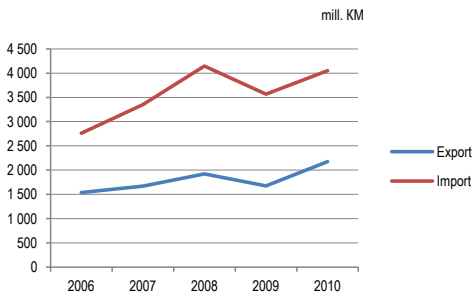
### Coverage of import with export in 2010 was 53.7%.

In comparison with the neighbouring countries, coverage of import with export in Republika Srpska also increased from 2009 to 2010.

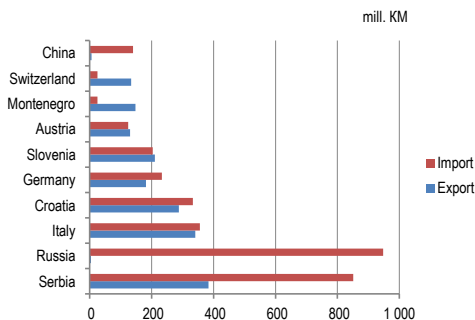
## In total volume of trade of Republika Srpska with foreign countries in 2010 the largest share was that of mineral products.

In the structure of export in 2010, the largest share was that of the section Mineral products (26.2%), followed by the sections Base metals and articles of base metals (14.6%) and Products of the chemical or allied industries (10.0%).

In the structure of import in the same year, the largest share was that of the section Mineral products (29.3%), followed by the sections Foodstuffs, beverages, spirits, tobacco (11.2%) and Machinery, equipment, apparatus for reproduction of image and sound (10.4%).



Graph 16.2. External trade balance



Graph 16.3. Countries with largest participation in the scope of external trade with Republika Srpska, 2010

### Increase in turnover in 2010.

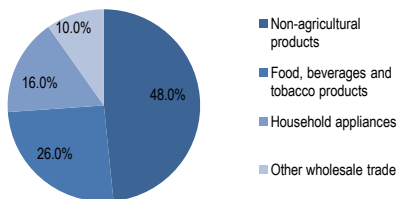
Dynamics of wholesale and retail trade development was reflected in the continuous growth rate of total turnover in the rate of participation in gross domestic product.

In the period 2006-2010, growth rate of total turnover was between 2.0% and 16.5%. If wholesale trade and retail trade are observed separately, their growth rates were fairly equal, except in 2009 when decrease in turnover compared to 2008 was recorded in retail trade, which was also the case in the neighbouring countries.

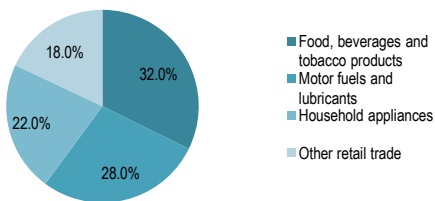
Compared to 2009, turnover in wholesale trade in 2010 increased by 14.4% and in retail trade by 6.7%.



Graph 17.1. Turnover in wholesale and retail trade, 2006-2010



Graph 17.2. The most significant groups of products in realised turnover in wholesale trade



Graph 17.3. The most significant groups of products in realised turnover in retail trade

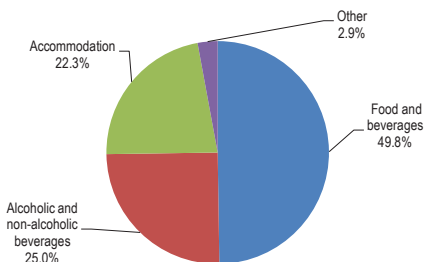
#### DID YOU KNOW...

...that almost 70% of total turnover referring to food, beverages and tobacco products was realised in large shopping malls and supermarkets.

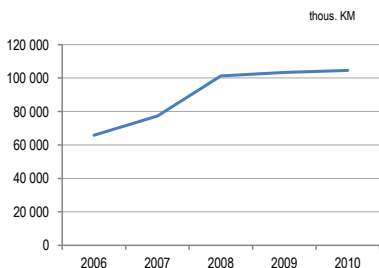


During the period between 2006 and 2010, a significant increase by 31.0% in comparison with the previous year in turnover in hotels and restaurants was recorded in 2008, while in the following years it showed a slight increasing trend. Value of total realised turnover in 2010 was 1.1% higher than in 2009, while the same ratio remained in the category of food and beverages.

Data do not cover entrepreneurs.



Graph 18.1. Structure of turnover in hotels and restaurants by type of services, 2010



Graph 18.2. Turnover in hotels and restaurants by year

**DID YOU KNOW...**

...that the trend of purchase of spirits in hotels and restaurants mainly followed the trend of purchase of food.

**Analysis showed that more than a quarter of the total turnover in hotels and restaurants in Republika Srpska was realised in Banja Luka.**

Republika Srpska fulfills certain conditions necessary for the development of various types of tourism, since it possesses exquisite natural beauty, cultural and historical wealth, suitable climatic conditions, and other natural resources characteristic for this region.

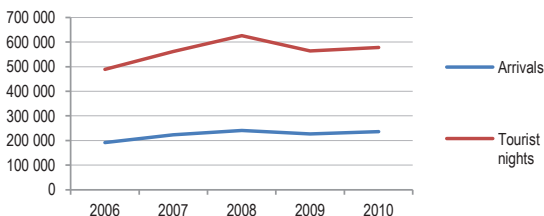
Number of tourist arrivals increased by 4.1% in 2010 compared to 2009, while number of tourist nights increased by 2.4% during the same period.

Most tourist nights by foreign tourists in 2010 were realised by tourists from Serbia (41.4%), Croatia (12.2%), Montenegro (8.1%), and Slovenia (7.8%), while the sum of individual shares of other countries in the total structure of tourist nights by foreign tourists was 30.5%.

**Tourists from Montenegro had the largest share in the average number of tourist nights by foreign tourists per arrival with 3.4, followed by tourists from Egypt with 3.2, while tourists from Republika Srpska had the largest share in the category of domestic tourists.**

#### DID YOU KNOW...

...that five times more tourist nights in spa resorts in Republika Srpska were realised by domestic tourists than by foreign tourists.



Graph 19.1. Arrivals and tourist nights by year

## Transport of goods and passengers

Over the past five years, positive growth rate was recorded in transport of passengers in road and urban transport, while transport of passengers in railway transport showed the opposite tendency.

20.1. Transport of goods and passengers by mode of transport, 2006-2010

	2006	2007	2008	2009	2010
<b>Road and urban transport</b>					
Length of roads, km	12 304	12 700	12 785	13 092	13 904
Passengers transported, thous.	25 828	27 858	28 791	29 026	30 901
Goods transported, thous.tons	960	1 310	1 548	1 397	1 447
<b>Railway transport</b>					
Length of tracks, km	416	416	416	416	426
Passengers transported, thous.	768	711	728	448	402
Goods transported, thous.tons	5 346	5 323	5 076	4 101	5 087
<b>Air transport services</b>					
Number of flights	628	713	1154	896	662
Passengers transported	6 467	5 526	11 889	6 973	4 566

In 2010, 30 million passengers were transported, which was 6.5% more than in 2009. "Željeznice Republike Srpske" transported 1.3% of the total number of transported passengers, while increase by 3.7% was recorded in urban and suburban transport of passengers, which at the same time had a share of 75% in the total transport of passengers in Republika Srpska.

Positive growth rate was also recorded in transport of goods in road transport. Transport companies transported 3.6% more goods in 2010 than in 2009. Average length of road per ton of goods increased from 444 km to 476 km.

Increase in volume of transported goods was also characteristic for railway transport, since 24.1% more goods were transported than in the previous year. Railway transport was used to transport 77.9% of the total volume of transported goods.

## Postal services

20.2. Development of postal services, 2006-2010

	2006	2007	2008	2009	2010
Posts, number	292	268	275	274	280
Letter mail, thous.units	18 439	19 213	23 641	27 995	20 396
Parcels, unit	154 009	93 661	105 448	69 658	69 886
Telegrams, unit	49 426	40 872	42 745	9 391	8 952

Compared to the previous year, number of letter mails in 2010 decreased by 27.1% and number of telegrams decreased by 4.7%, while number of parcels increased by 0.3% during the same period.

## Registered vehicles

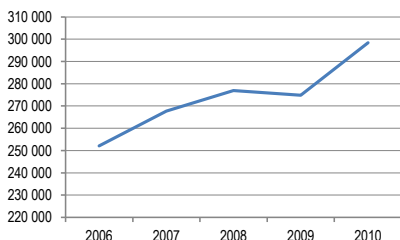
Compared to the previous year, 8.6% more vehicles were registered in 2010. Out of the total number of registered vehicles 85.2% were passenger vehicles.

### DID YOU KNOW...

...that each post office in Republika Srpska covers a territory of 90 square kilometres and provides services to 1 340 households. Looking at the entire territory, each postman serves approximately 2 300 citizens of Republika Srpska.

**DID YOU KNOW...**

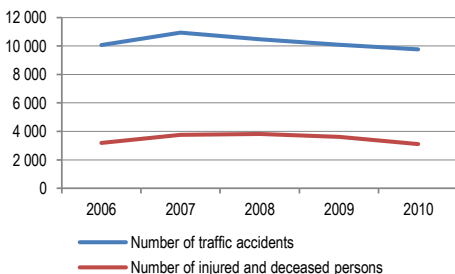
...that in the age structure of vehicles registered in 2010, 55.6% were vehicles older than 15 years, while only 2.8% were vehicles up to one year old.



Graph 20.1. Total number of registered vehicles, 2006-2010

## Traffic accidents

Compared to 2009, number of traffic accidents in 2010 was 3.2% lower. Number of persons deceased as a consequence of traffic accidents decreased by 22.7%, while number of persons injured in traffic accidents decreased by 14% in the same period.



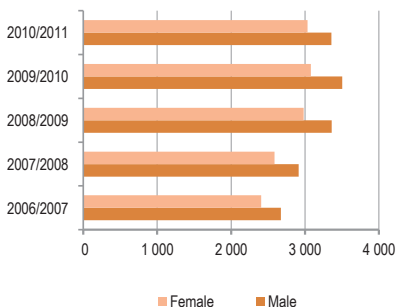
Graph 20.2. Traffic accidents and injured and deceased persons, 2006-2010

## PRE-SCHOOL EDUCATION

### There were more boys than girls in nurseries and kindergartens.

In the school year 2010/2011 in Republika Srpska, as of 1st December 2010, there were 6 394 children in nurseries and kindergartens.

There were more boys than girls, especially at nursery age, that is, among children between 2 and 3 years of age. Increase in number of children was recorded in comparison with previous years, except in comparison with 2009. Slight decrease by 2.9% in number of children applied mainly to private pre-school education institutions.

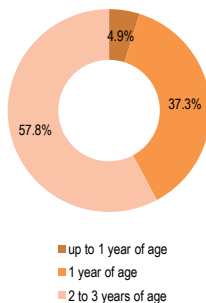


Graph 21.1. Number of children in pre-school education institutions

Children with special needs participated with 1% in the total number of children in kindergartens, with most of these cases being in mixed age groups from 3 to 6 years of age.

**DID YOU KNOW...**

...that because capacities of public kindergartens in Republika Srpska were full, 1 251 children waited for enrolment.



Graph 21.2. Children in nurseries by age, school year 2010/2011

Pre-school education programme carried out in kindergartens, primary schools and other institutions prior to school enrolment, included 891 children.

## PRIMARY EDUCATION

Compared to the previous school year, there were 3 708 pupils less in 2010/2011.

### The right to education is a basic human right.

It is well known that the most developed and richest countries in the world have the best systems of education. It should also be emphasised that the more educated a person is, the less likely he or she is to be poor.

Beginning with the school year 2003/2004 primary education in Republika Srpska lasts nine years. Primary education is compulsory and free of charge.

During the last five years number of pupils in primary schools decreased, which was a consequence of the negative natural population growth.



21.1. Pupils in primary schools at the beginning of the school year

	Total	Female pupils
2006/2007	116 888	56 978
2007/2008	115 430	56 116
2008/2009	113 320	55 081
2009/2010	108 736	52 909
2010/2011	105 028	51 003

21.2. Pupils who changed school and pupils who dropped out of school, end of the school year 2009/2010

Total	Changed school	Dropped out of school
925	899	26

21.3. Number of personal computers in schools at the beginning of the school year 2010/2011

Number of personal computers	For teachers	For pupils
4 386	1 343	3 043

## SECONDARY EDUCATION

### Secondary education in Republika Srpska lasts between two and five years.

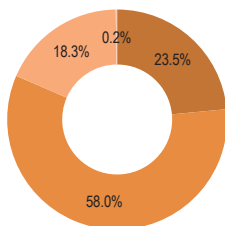
In 94 secondary schools in 2010/2010, 48 788 pupils were enrolled. The largest number of students attended technical schools and grammar schools. Graduating from these schools enables students to enrol to higher education institutions.

Graduates from elementary schools mostly enrolled in grammar schools or technical schools, such as secondary schools of economics or mechanical engineering. Other vocational professions were less popular among pupils.

In the school year 2010/2011, 23% of the total number of pupils attended grammar schools, 58% were in technical schools, while approximately 18% of pupils attended vocational schools and schools for children with special needs.

## 21.4. Pupils in secondary schools at the beginning of the school year

	Grammar schools	Technical schools	Vocational schools	Art schools	Religious schools
2006/2007	10 748	27 946	11 687	373	104
2007/2008	10 840	27 564	9 949	369	99
2008/2009	10 875	27 029	8 579	364	91
2009/2010	11 208	27 873	8 630	426	88
2010/2011	11 336	27 977	8 928	443	104



- Grammar schools
- Secondary technical schools
- Secondary vocational schools
- Secondary schools for pupils with special needs

Graph 21.3. Pupils in secondary schools at the beginning of the school year 2010/011 by type of school

#### The highest number of pupils in the school year 2010/2011

Grammar school-general studies	9 659
Economic technician	4 856
Business legal technician	2 384
Mechanical engineering technician	2 342

#### The lowest number of pupils was being educated for the following

Precision mechanics	8
Mechanic	10
Metal worker	12

## HIGHER EDUCATION

### **Number of enrolled students in Republika Srpska increases constantly.**

Number of students enrolled in the first cycle of studies in Republika Srpska has been constantly increasing since the school year 2006/2007. As opposed to the neighbouring countries where fluctuations in number of enrolled students can be observed, this number has been constantly increasing in Republika Srpska. Study programmes in social sciences continue to attract the largest number of students.

### **In Republika Srpska, in the school year 2010/2011, there were 47 521 students.**

In the first cycle of studies 45 966 students were enrolled. Most of the students, 89% of them, were full-time students.

Out of the total number of students, 83% studied according to the Bologna-compliant programme, while the rest still studied according to the old programme of education.

There were 1 477 students enrolled in the second cycle of studies. Out of this total number of students, 1 301 were enrolled in master studies and gender representation is almost equal. Out of the total number of students enrolled in specialist studies, which was 176, majority were women (66%).

All specialists were enrolled according to the old programme of studies, while 55% of those enrolled in master studies were enrolled according to the Bologna-compliant programme.

There were 78 doctoral candidates enrolled in the third cycle of studies, and a third of them were female. Majority of doctoral candidates registered their doctoral dissertations according to the old programme of education.

### **In 2010 studies were completed by 7 649 students.**

In the first cycle of studies, 7 328 students graduated. More than half of the graduates were female (59.2%). Most of the graduates were 30 years of age or older.

In 2010, academic degrees master of science and specialist were acquired by 256 students, out of which more than half were female. Academic degree doctor of science was acquired by 65 students.

Majority of master's theses and specialist projects were from the field of social sciences (45%), while the lowest number of these was from the field of agricultural sciences (1%). The largest number of doctoral dissertations was from the field of social sciences as well (63%), while the lowest number of these was from the field of medical sciences (2%).

**There were 2 724 teachers and assistants employed at higher education institutions.**

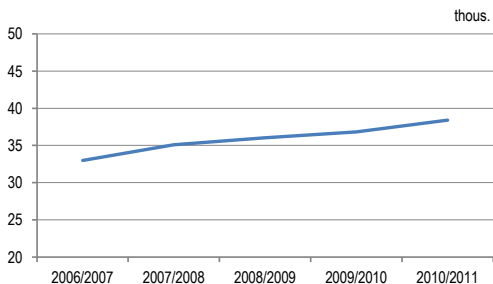
In the school year 2010/2011, there were 2 724 teachers employed at higher education institutions. Expressed in full-time equivalent, total number of teachers and assistants was 2 091.6. Half of the teachers and assistants held the academic degree doctor of science.

21.5. Enrolled students in Republika Srpska, school year 2010/2011

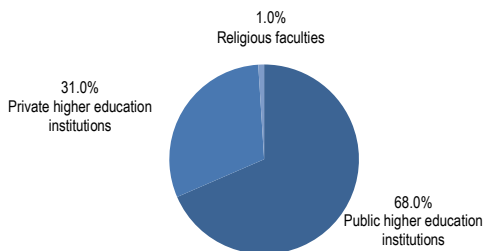
	Total number of enrolled students		Old programme		Bologna programme	
	all	female	all	female	all	female
TOTAL	47 521	26 353	8 709	5 156	38 812	21 197
1 <sup>st</sup> cycle	45 966	25 594	7 878	4 758	38 088	20 836
2 <sup>nd</sup> cycle	1 477	736	759	375	718	361
3 <sup>rd</sup> cycle	78	23	72	23	6	-

21.6. Graduated students, masters of science, specialists and doctors of science, 2010

	Graduated students		Masters of science		Specialists		Doctors of science	
	all	female	all	female	all	female	all	female
TOTAL	7 328	4 336	192	85	64	45	65	24



Graph 21.4. Students enrolled in first-cycle studies, school years 2006/2007 – 2010/2011



Graph 21.5. Enrolled students in Republika Srpska, school year 2010/2011

**DID YOU KNOW...**

...that most graduated students were 30 years of age or older.

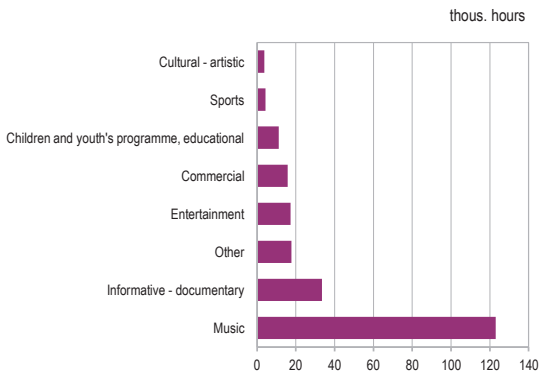
## FEATURE PROGRAMME MOST COMMON ON TELEVISION

### Increase in number of visitors of performances and users of libraries and archives

Compared to 2009, increasing trend in 2010 was recorded in number of visitors of cinemas, museums and theatres, as well as in number of users of libraries and archives.

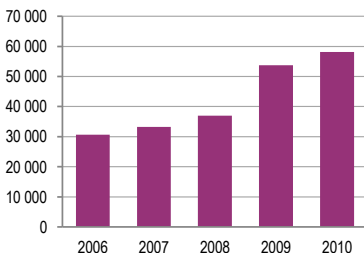
Over the last five years, number of broadcast hours from radio stations was constantly increasing. Mainly music was broadcast, while sports were the least represented.

In 2010 as well mainly music was broadcast, followed by informative and commercial programme. Cultural and artistic programme, sports, children and youth's educational programme were the least represented.



Graph 22.1. Radio stations broadcast programme, 2010

Over the last five years, number of broadcast hours from television stations in Republika Srpska was constantly increasing.



Graph 22.2. Broadcast programme from television stations, hours

Compared to 2009, there were 4 378 more broadcast hours in 2010.

Programmes produced by other TV stations, but broadcast from domestic TV stations in 2010 were mostly foreign, while the situation was different in 2009 when the majority of broadcast programmes were domestic.

Films broadcast from own television stations in 2010 were mostly foreign.

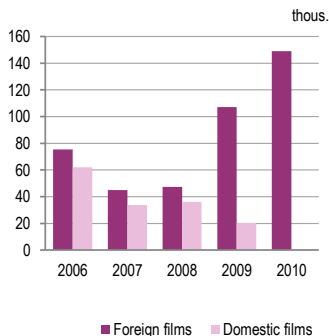
Number of cinema performances and visitors increased in 2010. Mainly foreign films were shown in cinemas, and as a consequence there were more cinema visitors in this category than in the category of domestic films.

#### DID YOU KNOW...

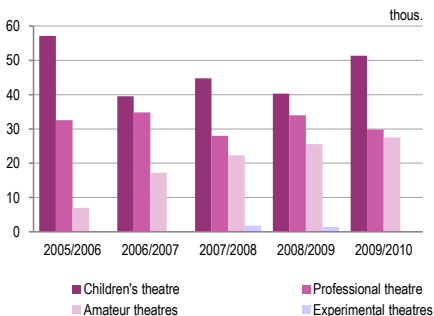
...that mainly feature programmes were broadcast from television stations in Republika Srpska in 2010, while children and youth's programmes were the least represented.

### Children's theatres were the most visited.

Number of theatre visitors in Republika Srpska also increased. Children's theatres were the most visited, with the average of 285 visitors per performance, while drama had 173 visitors on the average.



Graph 22.3. Cinema visitors



Graph 22.4. Theatre visitors

Compared to 2009, number of users of libraries increased in 2010. Increase by 13.6% was recorded in number of museum visitors and increase by 11% in number of archives users.



In 2010 in health institutions (public and private) in Republika Srpska there were 3 332 employed doctors of medicine, which means that there was one doctor of medicine per 430 citizens.

#### 23.1. Doctors of medicine in health institutions, 2010

Public health	3 196
Private clinics	136

Source: Republika Srpska Public Health Institute

#### 23.2. Number of infectious disease and parasitic disease cases in Republika Srpska, 2006 – 2010

	Number of cases
2006	10 237
2007	18 376
2008	15 674
2009	17 344
2010	11 643

Source: Republika Srpska Public Health Institute

So far, 62 cases of HIV/AIDS were recorded in Republika Srpska, out of which four new cases in 2010. Out of the total number of registered cases, approximately two thirds were male.

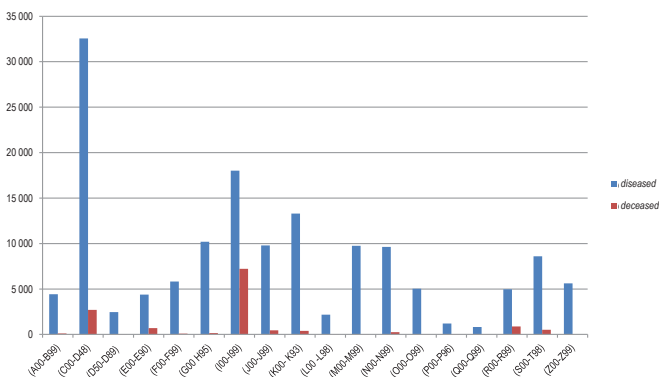
**DID YOU KNOW ...**  
...that 15 persons have died due to AIDS so far.

## 23.3. Morbidity and mortality by specific disease group, 2010

	Diseased	Deceased
Diseases of the circulatory system (I00-I99)	18 011	7 211
Neoplasms (C00-D48)	32 566	270
Diseases of the respiratory system (J00-J99)	9 799	450
Endocrine and metabolic diseases (E00-E88)	4 379	691
Injuries and poisonings (S00-T98)	8 603	511
Other causes of death	75 388	1 954
TOTAL	148 746	13 517

Source of data on morbidity: Republika Srpska Public Health Institute

Out of the total number of diseased persons, 22% were cases of neoplasms, while approximately 20% of death cases were due to neoplasms.



Graph 23.1. Total morbidity and mortality by group of diseases in 2010

In 2010 in Republika Srpska there were just over one million of insured persons. Compared to 2009, there was increase by 2.16% in number of insured persons. The largest increase in 2010 compared to the previous year was recorded in the category of active insured persons.

In the period between 2006 and 2010 total number of health insurance beneficiaries was constantly increasing. By insurance category during the same period, number of active insured persons was constantly increasing by 2007, but in 2008 decrease was recorded. Number of active insured persons significantly increased in 2009.

Insured persons who exercised their right to health insurance were temporarily unable to work for almost 595 thousand days in 2010, which was approximately 5 thousand days less than in 2009. During the period between 2006 and 2009, number of days when insured persons were temporarily unable to work was constantly increasing, while in 2010 this number decreased by 0.7%.

**In 2010, 5.9 million prescriptions were issued, which was 13.8% more than in the previous year.**

In the period 2006 – 2010, number of issued prescriptions was constantly increasing.

#### 24.1. Active insured persons and insured persons by category of health insurance (annual average)

Health insurance category	2006	2007	2008	2009	2010
TOTAL	810 007	943 375	963 552	1 025 518	1 047 688
Active insured persons	182 508	205 669	198 675	251 831	262 878
Beneficiaries of insurance from PDI	190 534	204 088	213 392	217 372	217 073
Unemployed persons	132 814	191 746	187 864	172 782	177 186
Family members of an insured person	304 151	341 872	363 621	383 533	390 551

Source: Health Insurance Fund of Republika Srpska

#### 24.2. Exercise of health insurance rights

	2006	2007	2008	2009	2010
Temporary inability to work - Number of days	203 454	279 746	495 505	599 156	594 879
Number of issued prescriptions	3 165 810	3 856 078	4 676 662	5 185 817	5 902 575

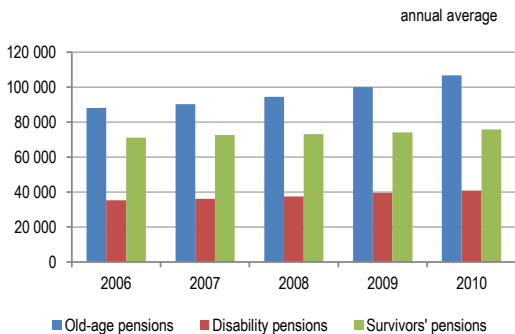
Source: Health Insurance Fund of Republika Srpska

## PENSION AND DISABILITY INSURANCE

In 2010 in Republika Srpska the average number of pension beneficiaries was 222 885, which was increase by 4.3% compared to 2009. Out of the total number of pension beneficiaries in 2010, the biggest increase in comparison with the previous year was recorded in number of old-age pension beneficiaries.

In the period between 2006 and 2010, number of pension beneficiaries was constantly increasing. The biggest increase in comparison with the previous year in 2010 was recorded in number of old-age pension beneficiaries.

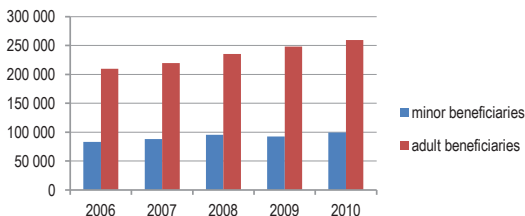
Average pension in 2010 was 303.31 KM, which was 16.57 KM less than in 2009. Average pension was also constantly increasing in the period between 2006 and 2009. When comparing the year 2010 with 2009, pension decreased by 5.18%.



Graph 24.1. Pension right beneficiaries

In Republika Srpska in 2010 at least one form of social welfare was received by 358 663 persons, out of which 72.3% were adults, and 27.7% minors.

**Social welfare beneficiaries were mostly adults.  
Most beneficiaries were over 65 years of age.**



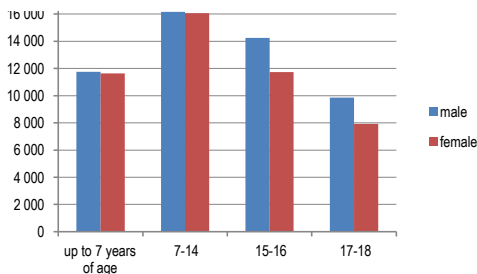
Graph 25.1. Number of social welfare beneficiaries

The number of adult social welfare beneficiaries was constantly increasing in the period between 2006 and 2010, while the number of minor beneficiaries was increasing until 2009, when it decreased in comparison with the previous year, and then increased again in 2010.

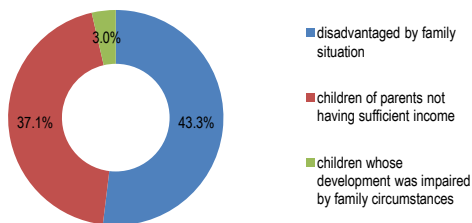
In 2010 at least one form of social welfare was received by 99 335 minors, which was 7.5% more than in the previous year.

By category, most minor beneficiaries in 2010 were those from the category of the disadvantaged by family situation, 43.3%. The same category included most children of parents not having sufficient income and most children whose development was impaired by family circumstances.

## More minor social welfare beneficiaries in 2010.



Graph 25.2. Minor beneficiaries by sex and age, 2010

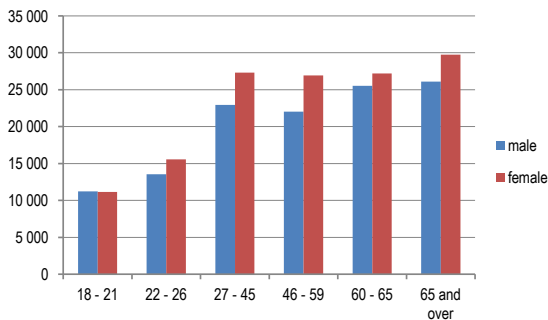


Graph 25.3 Minor beneficiaries by category, 2010

## Adult social welfare beneficiaries

In 2010, at least one of forms of social welfare was received by 259 323 adults, out of which most over 65 years of age. During the period between 2006 and 2010 the number of adult beneficiaries was constantly increasing, and in 2010 this number increased by 4.5% compared to 2009.

The biggest share in the total number of adult beneficiaries was that of the category of persons in different social and protection needs with 52.7%, and beneficiaries not having sufficient income to support themselves with 27.3%.

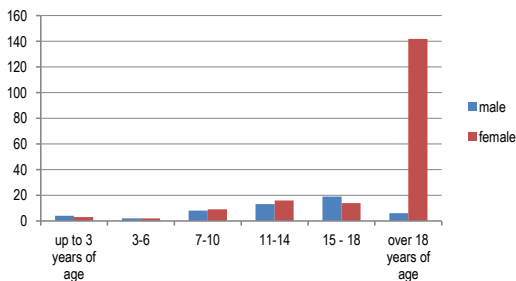


Graph 25.4 Adult beneficiaries by sex and age, 2010

### Homes for children and youth

In 2010 there were 238 beneficiaries in homes for children and youth, most of them being over 18 years of age (148 persons), mostly female (95.9%). Institutions of social welfare for disabled children and youth with physical and mental disabilities in 2010 accommodated 308 persons, most of them being over 21 years of age.

Institutions of social welfare for the elderly in 2010 accommodated 857 persons, most of them female (65.2%). Most beneficiaries were over 80 years of age (304 persons), out of which 202 were female.



Graph 25.5. Homes for children and youth beneficiaries by sex and age, 2010



**Modern business environment with competition on the global level requires continued development from business entities, and this development cannot be imagined without research and development and innovation activities.**

**In 2010 in Republika Srpska 20 779 000 KM were spent on research and development.**

In 2010 in Republika Srpska, 20 779 000 KM were spent on research and development, which was 15% less than in 2009. Current costs, which include labour costs and costs of compensation of employed and hired persons, material costs of research and development, and other current costs, had the share of 4/5 in gross domestic expenditures.

By field of science, most resources for research and development, 38%, were spent in the field Engineering and Technology which covers construction, architecture, electrical engineering, electronics, IT, mechanical, chemical and medical engineering, environmental engineering, and other engineering and technologies.

Almost half of the resources were spent in the sector of higher education. Also, the largest number of research and development works belonged to this sector, 61% of the total number of works in 2010 (379).

Almost half of the resources spent in research and development were invested by the republic and local administration (47.8%).

In 2010 in Republika Srpska, 1 534 persons were engaged in research and development activities, out of which 70% were researchers. Out of the total number of researchers, 1/3 was female. Expressed by full-time equivalent, in 2010 there were 946.2 persons working full-time in research and development activities.

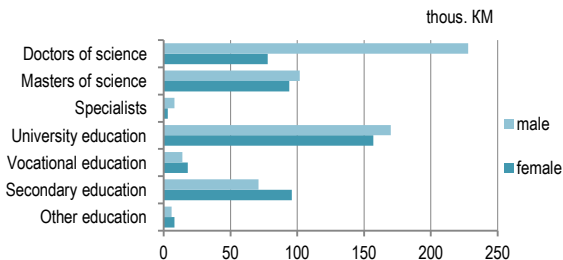
**In the period 2008 – 2010 in Republika Srpska, 29.8% of the total number of enterprises was innovation active. Innovation activity of enterprises increases in proportion to their size.**

Innovation – active enterprises are those that have introduced product innovation and/or process innovation, as well as those that have begun their innovation activities or abandoned them, and/or introduced innovation in enterprise organisation and/or marketing innovation.

Innovation active enterprises with technological innovation, the share of which in the period 2008 – 2010 in Republika Srpska was  $\frac{1}{5}$ , are enterprises which introduced new or significantly improved product or service and/or new or significantly improved production or delivery method, that is, those enterprises that have begun innovation activities or abandoned them, before the end of 2010.

Innovation active enterprises with non-technological innovation, the share of which in the observed period in Republika Srpska was  $\frac{1}{4}$ , are enterprises which introduced new organisation method in business practice and/or new marketing concept or strategy which are different from the existing ones in the enterprise.

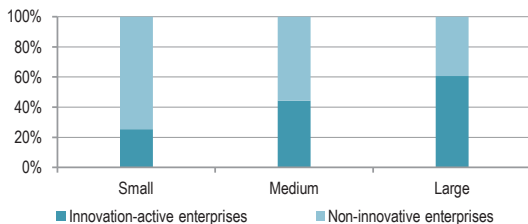
In the period 2008 – 2010, in order to introduce innovation in their business, enterprises mostly acquired machinery and equipment. Sources within the enterprise or enterprise group were marked as very important by the largest number of enterprises. By introducing innovation, most enterprises improved the quality of goods and services, or increased or maintained their existing market shares.



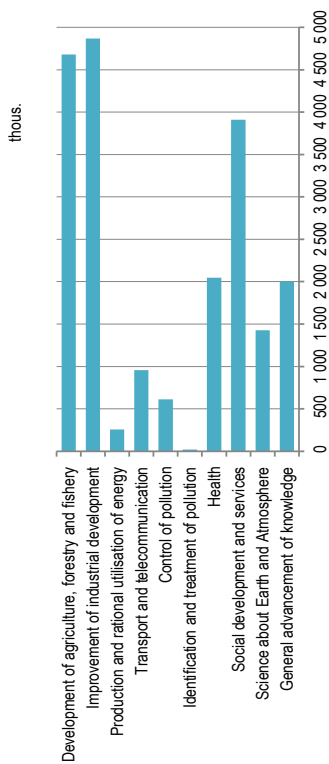
Graph 26.1. Persons engaged in Research and Development by level of education, 2010

26.1. Gross domestic expenditure on research and development by sector and source of funds

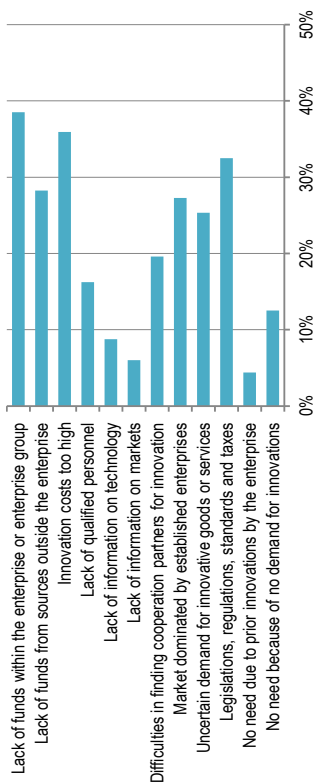
Sources of funds	thous. KM				
	Total	Sector			
		business	government	higher education	non-profit
2009	24 566	10 017	1 670	12 879	-
2010	20 779	8 520	2 019	10 091	149
TOTAL	20 779	8 520	2 019	10 091	149
Funds of Republika Srpska	20 284	8 496	2 019	9 620	149
Republic and local government	9 935	2 624	1 990	5 172	149
Private and public enterprises	293	205	-	88	-
Non-profit organisations	4	4	-	-	-
Own funds	10 052	5 663	29	4 360	-
Funds from abroad	414	2	-	412	-
Funds of common institutions of Bosnia and Herzegovina	63	4	-	59	-
Funds from the Federation of Bosnia and Herzegovina or Brčko District	18	18	-	-	-



Graph 26.2. Enterprises in Republika Srpska by innovation activity, 2008-2010



Graph 26.3. Resources for Research and Development activity by major socio-economic goal, 2010



Graph 26.4. Factors marked by enterprises of observed sample as very important in preventing or hampering innovation activities, 2008-2010

#### DID YOU KNOW...

...that most of resources for Research and Development in 2010, almost 10 million KM, was spent with the aim of improving industrial development and developing agriculture, forestry and fishery.