



REPUBLIKA SRPSKA INSTITUTE OF STATISTICS

THIS IS REPUBLIKA SRPSKA 2017





РЕПУБЛИКА СРПСКА
РЕПУБЛИЧКИ ЗАВОД ЗА СТАТИСТИКУ
REPUBLIKA SRPSKA
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PREFACE

In 2017, Republika Srpska is celebrating 25 years of existence. The Republika Srpska Institute of Statistics, as an important institution in Srpska ever since its establishment, also celebrated a quarter century of its work on 23 November this year. Our celebration ceremony was lovely and dignified, with many distinguished friends and guests we are proud of.

As part of this double celebration, our work is a fitting celebration this important jubilee of Republika Srpska and results and achievement are best represented by our publications. They are all dedicated to Srpska. The Statistical Yearbook for this year has already been published. We will follow it with the first edition of the "Cities and Municipalities of Republika Srpska" as a separate new publication, while the publication "Women and Men in Republika Srpska", which is always interesting, is being prepared to be printed. The publication "This is Republika Srpska" is not only a very popular and user friendly statistical identity card of Srpska, with which we are gladly identified, but also a very important publication whose title itself obliges us to improve continuously.

We are succeeding in this as we are progressing. Every day we leave behind us makes us richer for another one, because the days we have lived brought us new insights and experiences. By collecting the days, being rich already, we celebrate the days past and look forward to the new ones with great joy.

We dedicate this edition to the fantastic and powerful river Drina, as one of the geographical and actual symbols and features of Srpska. Life is on its shores. The energy of the Drina transferred to electricity that largely illuminates the beautiful face of Republika Srpska is not the only energy the Drina provides – it also provides hunting, fishing, tourism, forestry and agriculture, construction,... To the Drina and over the Drina new, modern roads are planned. We are all pleased to know that our lovely Podrinje will be even better connected with other regions in Srpska.

All chapters are enriched with selected Andrić's thoughts. We consider this appropriate, as Ivo grew up in Višegrad and perpetuated it worldwide. Readers should always rejoice when reading his works, interpreting them all over again, as Andrić's sentences are multilayered and timeless. Fighting evil, Ivo fought for good. And he was doing good deeds. All the money he received for the Nobel Prize, he gave to libraries and for books, knowing the importance and power of enlightenment and culture for this region. We at the Institute are also aware of this, thus we provide users from all over the world with both printed and electronic forms of our publications.

The end of the book presents user guide, symbols and abbreviations, sections of economic activities and a very interesting chapter Little School of Statistics.

We hope readers will find this edition as interesting and useful, as our previous editions.

Banja Luka, December 2017

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



- These photos you have made of the Bridge on the Drina are fantastic. Are there more joyous ones though?

- That bridge has a drama of its own, its heaviness through centuries. Somehow, I do not see something joyous around there. Whenever you are there, there is some indeterminate light, kind of foggy, which gives that special atmosphere and the dark green colour of water and the entire environment some sort of a particular mysticism. Even when the Sun is shining bright, you do not feel joy, not to mention the landscape surrounding the bridge – it tends to get rather gloomy – I find it romantic, which is as joyous as it gets. It all really resembles Andrić's novel. The place is incredible, one must experience it.

It seems to me that whoever was there, around that bridge, passing through Višegrad, has these thoughts. Here, Melina, the photographer who gave us the beautiful photographs of the Drina for the cover, actually beautifully expressed my own thoughts. I could have photographed the Drina myself in its upper course, where it is more tranquil, tame even, to catch the sun shining over the water, use filters to make it even more joyous. However, I believe it would be lost without the bridge, just like a bride who has just lost her wedding ring. Indeed, the Drina is ennobled by this glorious bridge. What Melina said about the colour is also true; affectionately and intimately, the people living there often call this wandering river Zelenka or Zelenika – the Green River. The entire upper course of the Drina is located in the high mountains of the Dinarides, among karst, and the very concentration of dissolved limestone gives the water of the Drina its characteristic, unrealistically green emerald colour.

This publication is not only statistical, but also a patriotic one, as it carries the name of the fatherland. Thus, our wish is to invite our readers to the eastern regions of our country, especially to Podrinje. The Drina (etymologically from the pagan god Drinos) is the longest river in the territory of Srpska and largely represents its eastern border. Of the total of 341 km of its flow, 308.5 km is in Srpska. Born by the merging of the Montenegrin rivers Piva and Tara near Šćepan Polje, right at the border, the Drina enters the Eastern Herzegovina. Travelling through Srpska, the Drina passes through Foča, Višegrad and Zvornik, while it also flows through the territories of the municipalities of Novo Goražde, Srebrenica and Bratunaca and the City of Bijeljina.

The motives to experience and smell the Drina and to write about it are endless. It is a strange river; no river in the region has so much power, strength and grace, both peace and turmoil, no other river provides so much, while taking so much, devastating and enriching. That Green River creates and destroys, connects and separates.

The Drina has indeed divided the great Empires, states and nations, but it has also connected people: in good and bad, since forever, the inhabitants on the left and right shore "bridged" this powerful river, with scaffolding, rafts, boats, even steamers, all the way to Zvornik, at the time of the reign of Austria they sailed, traded and supported each other. In ancient times, after the death of Emperor Theodosius in 395 AD, the Drina was a natural border between the Eastern and Western Roman Empire. Turkey and afterwards the Austro-Hungarian Empire broke on its banks. There are testimonies of this not only in historical documents and memories, but also in one of the most beautiful and most popular marches in the world – "The March on the Drina", by Stanislav Binički. The Drina has its own music, its own story, and the deep memory, inconceivable to us, mere passers-by.

The Drina is invaluable, clear, and full of varied fish, surrounded by dense forests, with the true richness of flora and fauna. When it is at its gloomiest, when it gets stronger and sprouts and overflows after rains, when all gets dark, this is when it gives the most power and electricity. This is no wonder, as the legendary Sutjeska comes to it from the left side, together with Bistrica, Prača and Janja, while from the right side it is soaked by Čehotina, Lim, Rzav, Žepa, Ljubovija, Drinjača and Jadar. So much water! The

Drina is among the richest basins in Europe, its potential hydropower is overwhelming. From the limestone massifs at an altitude of 2,000 metres, going through crags, it descend to its mouth at 80 metres above the sea level, spreading and strutting over the plain. The difference in altitudes is impressive (the Drina canyon is at a depth of 1,000 to 700 metres, the third in the world and the second in Europe, right behind the Tara canyon). Affected by snow and rain, on 27 March 1896, the Drina reached a water level of 14 metres above the normal one, flooding the Bridge in Višegrad. Such an unexpected and sudden rise in water level is known only in tropical regions. This event, and the terrible consequences of the flood, still remain in the collective consciousness as the "great flood". Andrić, who got his own stone city on the Drina, wrote in one of his novels:

"But by the next summer the recollection of the great flood had begun to pass into the memory of the older men, where it would live long, while the younger people sat singing and talking on the smooth white stone *kapia* over the water which flowed far below them and accompanied their songs with its murmurings. Forgetfulness heals everything and song is the most beautiful manner of forgetting, for in song man feels only what he loves. So, at the *kapia*, between the skies, the river and the hills, generation after generation learnt not to mourn overmuch what the troubled waters had borne away.. They entered there into the unconscious philosophy of the town; that life was an incomprehensible marvel, since it was incessantly wasted and spent, yet none the less it lasted and endured 'like the bridge on the Drina'".

However, as everything that springs must also sink somewhere, we will sail to the mouth of the Drina, in the village Crna Bara, near Sremska Rača, where Vuk Isaković, the hero of the novel "Migrations" of Miloš Crnjanski, and the famous Hajduk Stanko, who was immortalised in a novel by Janko Veselinović, were born. Janko was also born along the Drina River, in the village Salaš Cmobaraki, in the then Principality of Serbia. It is probable that the unforgettable lyrical descriptions of the marshes in "Migrations", both poetical and gloomy, actually represent the landscapes around the Drina; there, the river stretches, wrapped up in magic and fog, strangely calm and powerful.

At the place where the beginning of its end is, never meek, it meanders and floods. I admit, that is where I like it the least. There are so many rugs and traps, swamps, made by men while removing huge amounts of gravel from its banks. As if getting its revenge, the Drina returned the blow. When it floods the homes and fields of labourers in Semberija, as it happened in 2014, it does this ruthlessly and inexplicably, aware that it is its very own purpose. Generally, the question is whether it flows into the Sava – I'd rather say that they merge equally. If one looks at this huge mouth, almost a river delta, from a high place, it is easily observed that the Drina has changed the Sava's course completely, refusing to forget its mountainous nature and the force of its dragging. Hugging each other, they dance towards the Danube, because the Sava, intoxicated, suddenly begins to meander.

But man is like that, taming everything. There are three hydropower plants on the Drina, its cataracts: Višegrad, Zvornik and Bajina Bašta. It is calmed by three magnificent lakes: Višegradsko, Zvorničko, Perućac. New bridges and roads are being built and planned. In 2017, on the territory of Srebrenica, the National Park Drina was established. The Mehmed Paša Sokolović Bridge, built by Sinan in 1571, stands proud – as the world heritage under the protection of UNESCO, eternally testifying that the mightiest Turkish vizier was in fact a boy named Bajo Nenadić from Sokolovići near Rudo. He bridged his pain.

The Drina may also be described through statistics, while music may be expressed through mathematics. We will not do this in this text – the data are in the book. The Drina must be experienced with all senses. One has to love it, not only because it is ours. One has to love it sincerely, like the excellent Robert De Niro who named his daughter Drina after this beauty.



Editor in Chief:
Velimir Savić

TABLE OF CONTENTS

Preface	3
Statistics as Music	4
01 General Information	7
02 Geographical and Meteorological Data	8
03 Register of Business Entities	15
04 Population.....	17
05 Wages.....	20
06 Labour Market	22
07 Gross Domestic Product	26
08 Gross Fixed Capital Formation.....	30
09 Standard of Living and Poverty.....	33
10 Structural Business Statistics.....	36
11 Prices	40
12 Agriculture.....	43
13 Forestry.....	48
14 Environment.....	52
15 Industry.....	55
16 Energy.....	59
17 Construction.....	64
18 External Trade.....	66
19 Distributive Trade.....	69
20 Tourism	71
21 Transport and Communications.....	73
22 Education.....	78
23 Culture and Art.....	85
24 Health Care.....	88
25 Health, Pension and Disability Insurance.....	91
26 Social Welfare.....	93
27 Research and Development.....	99
28 Crime.....	104
User Guide.....	107
Symbols and Abbreviations.....	108
Sections of Economic Activity.....	109
Little School of Statistics	110

01 GENERAL INFORMATION



Republika Srpska was proclaimed on 9th January 1992, while as an entity within Bosnia and Herzegovina it was verified by the Dayton Peace Agreement and peace ratification in Paris, on 14th December 1995. Today, Republika Srpska is a parliamentary republic, with limited international subjectivity. The largest city in Republika Srpska is Banja Luka and it is the administrative, economic and cultural centre of Republika Srpska.

NAME	Republika Srpska
SYMBOLS	
амблем	
застава	
OFFICIAL LANGUAGES	language of the Serbian people, language of the Bosniak people, language of the Croatian people
OFFICIAL SCRIPTS	Cyrillic alphabet, Latin alphabet
POPULATION (2016, estimate)	1,157,516
SURFACE AREA ¹⁾	24,641 km ²
TERRITORIAL ORGANISATION	
municipalities	57
cities	7
CURRENCY	Convertible Mark (KM)
International banking code (ISO code)	BAM

¹⁾ Preliminary data on the surface area of Republika Srpska, excluding a portion of Brčko District.
Source: Republic Administration for Geodetic and Property-Legal Affairs

02 GEOGRAPHICAL AND METEOROLOGICAL DATA

No one knows what it means to be born and to live on the brink, between two worlds, knowing and understanding both of them, and to be unable to do anything to help explain them to each other and bring them closer, to love and hate both, to hesitate and waver all one's life. To have two homelands and yet have none. To be everywhere at home and to remain forever a stranger. In short, to be torn on a rack, but as both victim and torturer at once.

Geographical location of Republika Srpska

The latitude and longitude of the territory of Republika Srpska are between 42°33'N and 45°17'N and 16°12'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 24,641 km².

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, the territory of Republika Srpska consists of seven cities: Banja Luka, Istočno Sarajevo, Prijedor, Doboj, Bijeljina, Trebinje and Zvornik, and 57 municipalities. While six cities have no municipalities in their composition, the City of Istočno Sarajevo consists of the following 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 and the administrative, economic and cultural centre of Republika Srpska.

Republika Srpska is located at the intersection of vital communication links

In terms of transport and geography, the location of Republika Srpska is of particular importance. This is especially the case when it comes to the meridional direction which, by means of the river valleys of Bosna and Neretva, while going through the Dinara mountain complex, connects Central European with Mediterranean macroregion. 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 features of Republika Srpska

Complex and curious natural features of Republika Srpska result from it being part of various natural and geographical units and their geomorphological evolution.

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 Majevica.

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 Maglić, located at 2,386 metres above sea level, on the mountain also named Maglić.

The longest rivers in Republika Srpska are Drina (308.5 km), Sava (204.8 km) and Vrbas (131.9 km) and these belong to the Black Sea drainage basin. All smaller rivers in Republika Srpska, except those in Eastern Herzegovina, belong to the Drina and Sava river basin. All waters south of the mountain pass Čemerno, in Eastern Herzegovina, belong to the Adriatic drainage basin.

2.1. Geographical coordinates of the extreme points

	North geographic latitude	East geographic longitude ¹⁾	Settlement
North	45° 16' 36"	16° 56' 08"	Donja Gradina – Municipality of Kozarska Dubica
South	42° 33' 18"	18° 26' 45"	Podštirovnik - City of Trebinje
East	44° 02' 59"	19° 37' 44"	Žlijebac – Municipality of Bratunac
West	44° 56' 52"	16° 12' 18"	Srednji Bušević – Municipality of Krupa na Uni

¹⁾ By Greenwich

2.2. The 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
Zelenčora	Bregoč	2,014
Klekovača	Klekovača	1,961
Crvanj	Zimomor	1,920
Jahorina	Ogorjelica	1,916
Vitorog	Veliki Vitorog	1,906
Trebova planina	Velika Košuta	1,872
Bjelasnica (Gatačka)	Bjelasnica	1,867
Sniježnica (Tjentište)*	Sniježnica	1,787
Baba	Đed	1,735
Vučevo (Površ)	Živanj	1,696
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

DO YOU KNOW?

The largest lake in Republika Srpska is Bilečko, an accumulation on the river Trebišnjica. It's square area is 27.064 km², so it is one of the largest artificial lakes in the Balkan Peninsula.

2.3. The longest rivers (length of river flow)

River	km	
	TOTAL	in Republika Srpska
Drina	341.0	308.5
Sava	945.0	204.8
Vrbas	249.9	131.9
Bosna	279.4	98.0
Vrbanja	95.4	95.4
Una	212.5	91.8
Sana	157.7	85.0
Ukrina	80.9	80.9

Source: Public Institution "Vode Srpske", Bijeljina

2.4. The largest lakes and fishponds

	Surface area, km ²	Height above sea level, m	Max. depth, m	Water volume, mill. m ³
ARTIFICIAL LAKES				
Bilečko (on Trebišnjica)	27.064	400	104.0	1 280.0
Perućačko (on Drina)	12.401	290	70.0	355.0
Zvorničko (on Drina)	8.876	140	28.0	89.0
Višegradsko (on Drina)	8.900	336	78.0	161.0
Bočac (on Vrbas)	2.330	282	62.0	52.7
NATURAL LAKES				
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
FISHPONDS				
Saničani (on Gomjenica)	11.179	143	4.0	...
Bardača (on Matura)	7.472	90	2.2	...
Prnjavor (on Vijaka)	6.664	134	3.5	...
Sjekovac (on Ukrina)	3.980	85	3.0	...

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

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

Climatic characteristics

Various climatic influences in force on the territory of Republika Srpska are result of the natural factors and 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.

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.

2.5. Annual values of major meteorological parameters and average monthly air temperatures, 2016

Measuring station	Air temperature, annual average, °C	Cloudiness, tenths	Humidity, %	Insolation, hours
Banja Luka	12.40	5.90	75.00	1,959.50
Bijeljina	12.70	6.00	79.00	1,864.90
Bileća	12.80	4.70	69.00	2,393.30
Višegrad	11.50	6.90	71.00	-
Gradiška	12.60	5.00	75.00	-
Doboj	12.20	6.40	76.00	1,837.20
Kalinovik	8.10	5.80	74.00	-
Mrkonjić Grad	10.30	6.00	76.00	1,691.50
Novi Grad	11.60	6.40	73.00	-
Prijedor	12.00	6.00	77.00	1,847.20
Ribnik	11.10	6.00	71.00	-
Rudo	11.00	6.30	67.00	-
Sokolac	8.10	5.90	77.00	1,824.90
Srbac	11.80	6.50	75.00	-
Srebrenica	10.80	6.60	81.00	1,444.80
Trebinje	15.10	4.40	64.00	-
Foča	10.70	6.60	80.00	-
Han Pijesak	7.40	6.00	87.00	1,700.90
Čemerno	7.10	5.60	79.00	1,920.00
ipovo	10.30	5.60	79.00	-

Source: Republic Hydrometeorological Service

Earthquakes in Republika Srpska

The Balkan Region is affected both by the large lithospheric plates of Eurasia and Africa, as well as by smaller units such as the Arabian plate and the Adriatic microplate. In addition, numerous tectonic shifts located inland contribute to pressure accumulation, which from time to time produces major seismic activity.

2.6. Earthquakes

Place (location)	Date	Hypocentre time ²⁾	Latitude	Longitude	Magnitude ³⁾	Intensity ⁴⁾
Bočac	20 Feb 1996	14:12:13	44.50	17.23	4.7	6-7
Teslić	26 Feb 1998	12:09:20	44.72	17.71	4.1	5-6
Istočni Drvar	15 Apr 1998	23:30:47	44.37	16.63	4.1	5-6
Trebinje	22 Jul 2001	20:08:16	42.79	18.18	4.6	6-7
Kotor Varoš	29 Mar 2002	16:04:01	44.60	17.39	4.0	5-6
Milići	14 Dec 2003	10:09:29	44.08	19.09	5.1	6-7
Nevesinje	21 Sep 2004	04:46:09	43.18	18.13	4.2	5-6
Berkovići	27 Sep 2005	00:25:34	43.22	18.15	5.1	6-7
Nevesinje	17 Jun 2006	20:01:10	43.39	18.09	4.3	6
Nevesinje	17 Jun 2006	20:09:26	43.36	18.15	4.2	5-6
Trebinje	14 Nov 2008	13:26:05	42.56	18.60	4.7	6-7
Pale	31 Mar 2009	01:46:03	43.84	18.54	4.1	5-6
Volujak	25 Jan 2013	18:52:26	43.26	18.70	4.1	6
Volujak	3 Feb 2013	12:01:00	43.22	18.67	4.1	6
Srebrenica Region	28 Aug 2013	05:16:41	44.02	19.23	3.1	4-6
Potkozarje Region	28 Jan 2014	00:03:32	44.99	17.13	4.2	6
Gacko Region	4 May 2014	23:29:53	44.52	17.56	3.9	5-6
Gacko Region	30 Sep 2014	15:12:43	43.06	18.40	4.0	5-6
Jahorina	12 Apr 2015	00:05:32	43.75	18.56	4.2	6
Maslovare	28 Apr 2015	16:16:50	44.52	17.56	4.0	5-6
Slatina (Banja Luka Region)	3 Nov 2016	15:04:04	44.80	17.30	3.9	5-6
Bileća Region	9 Nov 2016	15:58:44	42.93	18.47	4.1	5-6

²⁾ Time of earthquake is presented by UTC (Coordinated Universal Time)

³⁾ Magnitude of earthquake is expressed in the Richter scale units

⁴⁾ Intensity of earthquake at the epicentre is rated by the MCS (Mercalli-Cancani-Sieberg) scale ("MCS").

Source: Republic Hydrometeorological Service

DO YOU KNOW?

The bottom of the Kladopoljsko Lake is covered by fallen tree trunks, although there are no trees near the lake. The lake was formed when shepherds from the area clogged the sinkhole into which the brook plunged with fallen tree trunks.

The lake is located at the foot of the mountains Zeleznora and Lelija, at an elevation of 1,380 m, with the surface area of 2.5 hectares, and the depth of 8 to 10 metres.

03 REGISTER OF BUSINESS ENTITIES

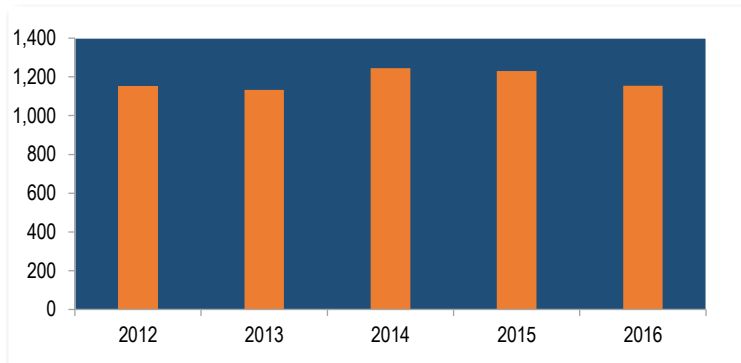
At night, only at night, the skies grew alive and burst open into infinity and the power of that world where a living being is lost, and has no longer the sense of what he is, where he is going or what he wishes or what he must do.

Data on business entities are obtained from the Register of Business Entities with headquarters on the territory of Republika Srpska. Physical entities engaged in entrepreneurial activity are not entered into the Register.

Through the establishment of a one-stop system in the business entity registration procedure, pursuant to the Law on registration of business entities in Republika Srpska ("Official Gazette of Republika Srpska", No. 67/13 and 57/16) and Law on the Agency for Intermediacy, IT and Financial Services ("Official Gazette of Republika Srpska", No. 96/05, 74/10 and 68/13), on 1 December 2013 the Agency for Intermediacy, IT and Financial Services became responsible for the procedure of registration and classification of business entities by activity in the Register of Business Entities.

A slight decrease in the number of established business entities in 2016 in comparison with the previous year

There were 1,155 newly established business entities in 2016, of which the largest percentage was established in the sections *Wholesale and retail trade; repair of motor vehicles and motorcycles* (21.47%) and *Other service activities* (23.1%).



Graph 3.1. Number of established business entities

Source: For 2013, 2014, 2015 and 2016, Agency for Intermediacy, IT and Financial Services

Trade activity remains the most common activity

One third of all registered business entities, based on their predominant activity, are classified into the section *Wholesale and retail trade; repair of motor vehicles and motorcycles*.

3.1. Number of business entities by section of activity classification, as on 31 December

Section	2012	2013 ¹⁾	2014 ¹⁾	2015 ¹⁾	2016 ¹⁾
TOTAL	26,233	27,207	28,348	29,140	30,275
A	938	983	1,025	1,057	1,106
B	161	169	176	178	182
C	3,576	3,701	3,840	3,941	4,075
D	136	158	168	171	189
E	203	214	226	233	241
F	1,438	1,479	1,534	1,556	1,625
G	8,087	8,272	8,510	8,588	8,829
H	1,253	1,286	1,337	1,368	1,419
I	343	359	374	389	407
J	458	487	510	544	595
K	165	167	177	177	184
L	126	144	151	158	174
M	1,173	1,241	1,326	1,399	1,490
N	307	322	346	361	396
O	468	341	342	342	342
P	528	548	570	591	615
Q	603	646	691	714	754
R	1,968	2,092	2,154	2,203	2,258
S	4,301	4,597	4,890	5,167	5,391
T	-	-	-	2	2
U	1	1	1	1	1

¹⁾ Source: Agency for Intermediacy, IT and Financial Services

DO YOU KNOW?

Of the total number of business entities registered on the territory of Republika Srpska, 59.2% are organised as limited liability companies.

04 POPULATION

The woman stands, like a gate, at the exit and at the entrance of this world.

Live-born children

Average age of mother at birth of the first child in Republika Srpska is 26.9 years, which represented a decrease by 0.3 years in comparison with the previous year. Average age of mother at birth of the first child in the EU (according to the latest available data provided by Eurostat, referring to 2015) was 30.5 years. The data indicate that women postpone giving birth, thus the age of mother at birth has been increasing. Total average age of mother at birth in Republika Srpska in 2016 was 28.8 years.

In the previous period, observing live-born children and the five-year average, approximately 83% of children have been born in marriage.

Deaths in Republika Srpska

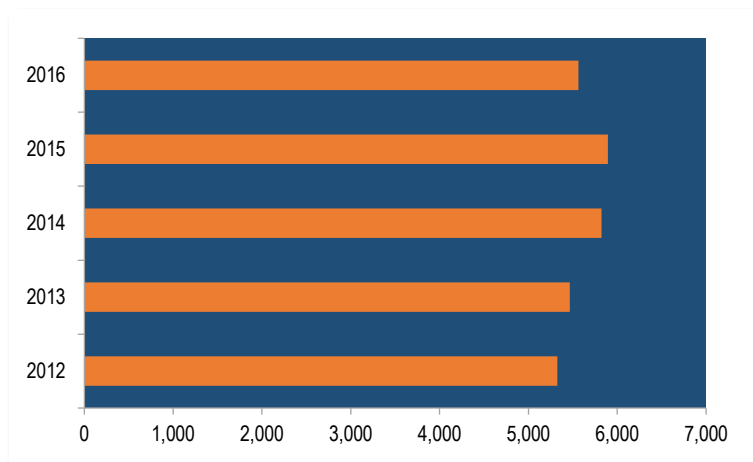
In comparison with the previous year, the total number of deceased persons decreased by 7.8% in 2016. In Republika Srpska, the average age at death was 73.8 years. On the average, women live approximately six years longer than men. More than a half of all deceased persons died due to diseases of the circulatory system, while approximately one fifth died due to malignant tumors. Per one thousand live-born babies, on the average two babies up to one year of age decrease. Republika Srpska has a low infant mortality rate when compared with the neighbouring countries and it amounted to 2.4‰ in 2016.

4.1. Deaths in Republika Srpska

	2012	2013	2014	2015	2016
ALL	13,796	13,978	14,409	15,054	13,970
Male	7,064	7,237	7,386	7,640	7,198
Female	6,732	6,741	7,023	7,419	6,772

New marriages

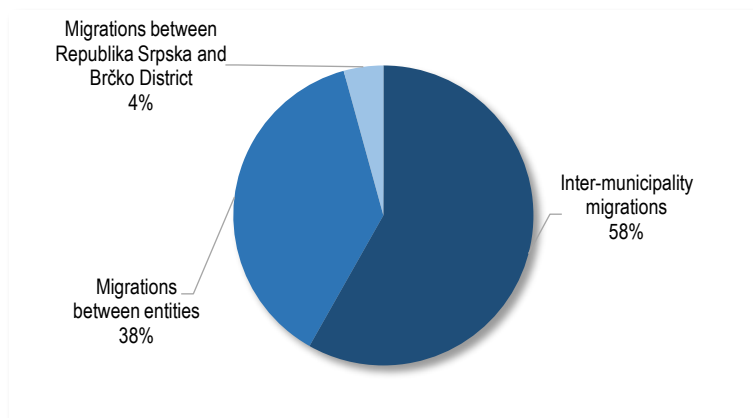
In Republika Srpska, there are approximately five new marriages per one thousand citizens. In 2016, the number of new marriages decreased by 5.9% in comparison with 2015. The oldest groom in 2016 was 88 years old, while the oldest bride was 76 years old. The youngest groom was 17 years old and the youngest bride was 16. Average age of bride at marriage in 2016 was 28.3, while women enter into their first marriage at the average age of 26.7 years. Average age of men at marriage in 2016 was 31.9 years and grooms enter their first marriage at the average age of 29.9.



Graph 4.1. New marriages

Migrations in Republika Srpska

The largest population movements in Republika Srpska were recorded in the age group of 20 to 34 years. When it comes to this age group, women opt for moving more often than men. In the age group of 35 years and older, participation of men in migration is higher than that of women



Graph 4.2. Internal migrations (immigration/emigration) in Republika Srpska, 2016

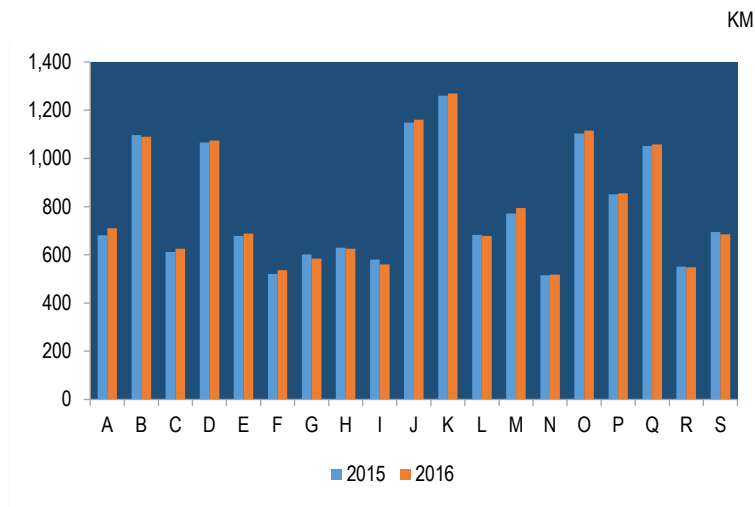
DO YOU KNOW?

A long-term trend in internal migrations, by which the number of immigrants to Republika Srpska is higher than the number of immigrants to the Federation of BiH, has been continued. Thus, in 2015 there were 800 more emigrants from the FBiH to Republika Srpska than emigrants from Republika Srpska to the FBiH.

In that exciting circulation of gold, silver and negotiable paper, every man could warm his hands or at least “gladden his eyes,” for it created even the poorest of men the illusion that his own bad luck was only temporary and therefore the more bearable.

Increase in average net wage in 2016 compared to the previous year

The average net wage increased for the third year in a row. In 2016, the average net wage increased by 5 KM, which represented a nominal increase by 0.6% compared to the previous year. The highest nominal increase in net wage was recorded in the sections *Agriculture, forestry and fishing* 4.1% and *Construction* 3.3%. On the other hand, the highest nominal decrease in net wage was recorded in the sections *Accommodation and food service activities* 3.4% and *Wholesale and retail trade; repair of motor vehicles and motorcycles* 2.9%



Graph 5.1. Average net wages by section of activity classification

Real index of average net wage, which represents the ratio between the nominal index of average net wage and consumer price index in certain period, also recorded an increase for the third year in a row. Thus, compared to 2015, the real growth of average net wage amounted to 1.8% in 2016 in Republika Srpska, with a similar trend being recorded in the neighbouring countries as well

In Slovenia, average net wage was really 1.8% higher, in the Federation of BiH 2.2% higher and in Serbia and Croatia 2.5% and 2.7%, respectively. In Montenegro, average net wage in 2016 increased by as much as 4.2% in comparison with 2015.

In the past five years, average net wage increased by 2.2%. The highest wage was still that of those employed in the section *Financial and insurance activities*, in which every second employee has completed a higher education school or has a university degree. They account for 2.6% of the total number of employed persons and receive on the average 1,269 KM per month. In 2016, the lowest net monthly wage, 518 KM, was earned by those employed in the section *Administrative and support service activities*, which employs 1.3% of the total number of employed persons. In this section, 68.1% of employed persons completed secondary school, while 19.6% of them completed a higher education school or have a university degree.

DO YOU KNOW?

The highest increase in average net wage in the five-year period, by 8.7%, was recorded in the section Information and communication, so it now amounts to 93 KM more.

5.1. Average net wages by section of activity classification

	KM				
	2012	2013	2014	2015	2016
TOTAL	818	808	825	831	836
A	645	650	675	682	710
B	1,015	1,044	1,072	1,097	1,090
C	579	587	601	612	626
D	1 017	1,039	1,060	1,067	1,074
E	631	637	666	679	688
F	578	549	531	520	537
G	601	603	610	602	585
H	624	621	618	629	626
I	546	534	555	581	561
J	1,068	1,107	1,182	1,149	1,161
K	1,280	1,293	1,268	1,261	1,269
L	784	712	723	683	679
M	824	771	817	772	794
N	532	542	483	515	518
O	1,081	1,027	1,083	1,104	1,115
P	875	819	843	851	855
Q	1,045	1,037	1,045	1,052	1,059
R	585	554	566	551	548
S	829	808	703	695	685

Only active people and their flightiness and recklessness drive life forward, but only passive people and their patience and goodness maintain life, making it possible and bearable.

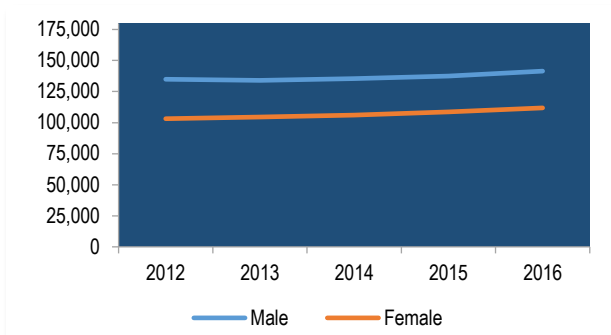
In 2016, labour market in Republika Srpska has kept recovering from negative effects of the global economic crisis. After the unemployment rate increased by 1.1 percentage points in 2012 and by 1.4 percentage points in 2013, it decreased by 1.3 percentage points in 2014, by 0.5 percentage points in 2015 and by 0.4 percentage points in 2016.

By sex, female unemployment rate in 2016 was 1.2 percentage points higher than in the previous year, while male unemployment rate decreased by 1.8 percentage points

6.1. Unemployment rate					%
	2012	2013	2014	2015	2016
TOTAL	25.6	27.0	25.7	25.2	24.8
Male	23.8	25.3	23.8	23.4	21.6
Female	28.2	29.5	28.4	27.7	29.5

The structure of employed persons by group of sections of economic activity in 2016 was as follows: agricultural 29.0%, industrial (non-agricultural) 27.2% and services 43.8%. By type of employment, the structure was: employed persons working for a wage (employees) 66.0%, self-employees 28.1% and unpaid supporting family members 6.0%.

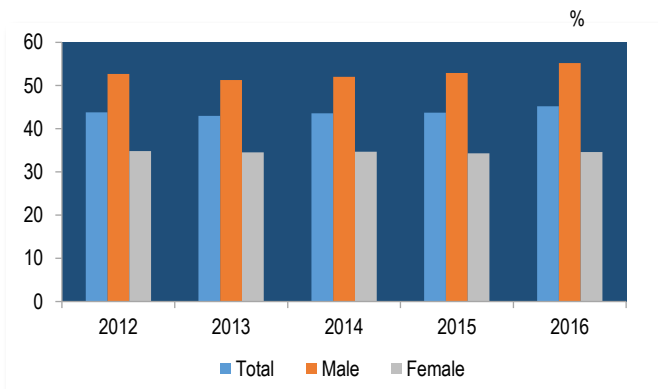
Developed countries are characterised by a dominant share of those employed in the services sector, as well as high participation of those employed for a wage in total employment.



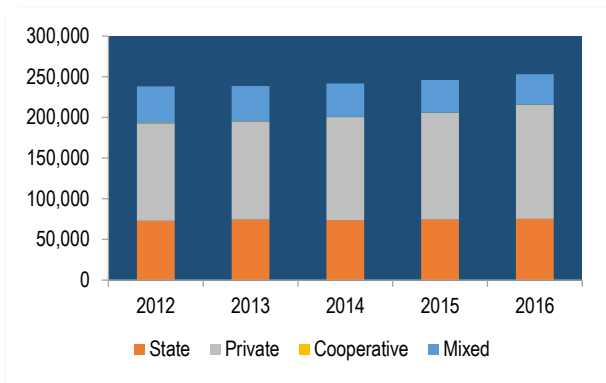
Graph 6.1. Employment rates (15–64 years of age)

DO YOU KNOW?

The employment rate of male population was 19.4 percentage points higher than that of female population.



Graph 6.2. Employed persons by sex, annual average



Graph 6.3. Employed persons by type of ownership

Every second employed person works in business entities in private ownership, while every sixth is an entrepreneur or works for an entrepreneur.

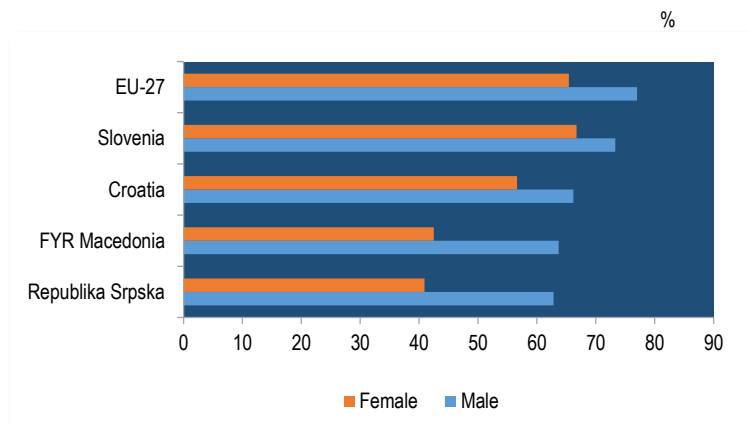
Half of all employed persons in Republika Srpska work in *Manufacturing, Trade and Public Administration*. Every second employed person has completed secondary education, and every fourth has completed a higher education school or has a university degree.

Every sixth employed person is under 30 years of age, while one in four employed persons is older than 50.

Every second person seeking employment has completed secondary education, while every fifteenth person has completed a higher education school or has a university degree. One in three unemployed persons is under the age of 30, while one in five is older than 50.

6.2. Employed persons by section of activity classification, annual average

	2012	2013	2014	2015	2016
TOTAL	238,178	238,640	241,544	245,975	253,305
A	7,816	7,788	8,307	8,345	8,468
B	4,932	4,866	5,155	5,288	5,277
C	45,968	45,844	48,935	49,857	52,116
D	7,114	7,166	7,565	7,832	7,854
E	4,566	4,637	4,828	4,788	4,833
F	11,702	11,003	10,970	11,072	11,542
G	45,902	44,750	41,983	42,595	44,909
H	11,032	10,970	11,479	11,570	11,761
I	11,330	11,345	11,181	11,602	12,106
J	5,106	5,088	5,081	5,168	5,150
K	5,616	5,664	5,608	5,608	5,558
L	608	670	508	493	519
M	6,938	7,084	6,809	7,130	7,423
N	2,550	2,540	2,719	2,850	2,948
O	23,198	23,681	23,843	24,135	24,202
P	21,156	21,484	21,917	22,314	22,608
Q	16,350	16,755	16,785	17,054	17,198
R	2,540	2,814	3,123	3,293	3,583
S	3,754	4,491	4,748	4,981	5,250



Graph 6.4. Employment rates in the neighbouring countries (20-64 years of age)

07 GROSS DOMESTIC PRODUCT

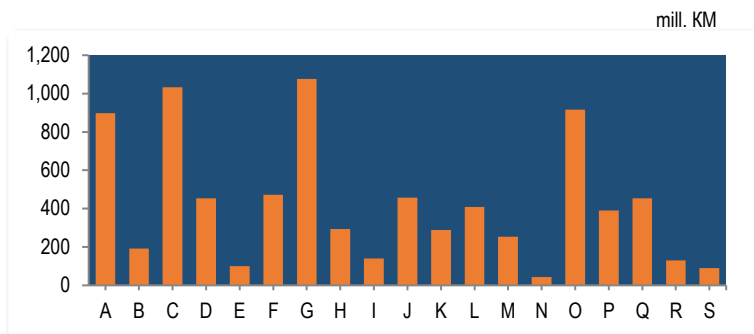
One can never get enough of the starry sky and the human heart.

Economic activity of Republika Srpska, measured with the real growth rate of GDP, increased by 3.5% in 2016, which represented the highest real growth rate in the last eight years.

7.1. Gross domestic product and Gross value added¹⁾, 2016

	Current prices, thous. KM	Real growth rate, %
Agriculture, forestry and fishing	897,523	5.8
Mining and quarrying	192,020	-0.5
Manufacturing	1,032,544	3.8
Electricity, gas, steam and air-conditioning supply	453,919	19.5
Water supply; sewerage, waste management and remediation activities	99,454	0.8
Construction	472,208	7.1
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,075,600	1.7
Transportation and storage	293,741	2.1
Accommodation and food service activities	140,749	4.5
Information and communication	457,948	-2.6
Financial and insurance activities	289,088	0.5
Real estate activities	409,419	0.1
Professional, scientific and technical activities	254,383	11.7
Administrative and support service activities	43,880	-3.2
Public administration and defence; compulsory social security	915,553	0.2
Education	390,881	1.7
Human health and social work activities	454,316	1.0
Arts, entertainment and recreation	129,997	3.8
Other service activities	89,312	5.9
FISIM (minus)	197,559	1.8
Gross value added	7,894,976	3.4
Taxes on products less subsidies on products	1,735,593	4.3
Gross domestic product	9,630,569	3.5

¹⁾ The calculation of Gross domestic product is based on the international methodology of the European System of Accounts - ESA 2010. Previously released data referring to the period 2005-2015 have been revised in accordance with the ESA 2010.



Graph 7.1. Gross value added, current prices, 2016

Over 1.7 billion KM of Gross value added originated from industrial activities

In the total Gross domestic product in 2016, the section *Manufacturing* had a share of 10.7%, *Electricity, gas, steam and air conditioning supply* 4.7%, *Mining and quarrying* had a share of 2.0%, while the section *Water supply; sewerage, waste management and remediation activities* had a share of 1.0%. In terms of employment, these sections were also dominant, as they employ approximately a quarter of the total number of employed persons.

7.2. Gross domestic product and Gross value added, current prices, structures

	%				
	2012	2013	2014	2015	2016
Agricultural activities (A)	9.7	10.4	9.4	9.3	9.3
Industrial activities (B,C,D,E)	15.2	16.5	16.4	17.4	18.4
Construction (F)	4.3	4.4	4.8	4.7	4.9
Service activities (G,H,I,J,K,L,M, N,O,P,Q,R,S)	54.7	53.5	53.6	52.8	51.5
FISIM (минус)	2.3	2.1	2.0	2.0	2.1
Gross value added	81.6	82.7	82.2	82.2	82.0
Taxes on products less subsidies on products	18.4	17.3	17.8	17.8	18.0
Gross domestic product	100.0	100.0	100.0	100.0	100.0

In terms of its scope, the economy of Republika Srpska is very small. Thus, it is not realistic to expect its structure to change significantly in a short period of time. It is characterised by a dominant share of activities that rely on domestic resources, such as agriculture, forestry, mining and energy.

In the observed five-year period, slight shifts in the structure of GDP have been observed; the share of agricultural activities has been decreasing, while the shares of industrial activities and Construction have been increasing.

DO YOU KNOW?

Of the total number of market enterprises in the section *Manufacturing*, 1.9% are large enterprises, which generate 37.5% of Gross value added.

7.3. Gross value added by institutional sector, current prices, structures

	2012	2013	2014	2015	2016
					%
Non-financial sector	49.1	50.4	50.7	51.9	53.6
Financial sector	3.8	3.6	3.8	3.8	3.7
Government sector	23.6	22.4	22.8	22.3	21.4
Households sector	25.5	25.5	24.4	23.7	23.1
Sector of non-profit institutional units serving households	0.8	0.7	0.7	0.7	0.7
FISIM (minus)	2.8	2.6	2.4	2.4	2.5
Gross value added	100.0	100.0	100.0	100.0	100.0

07 GROSS DOMESTIC PRODUCT

7.4. Gross domestic product

	2012	2013	2014	2015	2016
Gross domestic product, current prices, thous. KM	8,614,704	8,792,917	8,887,307	9,205,038	9,630,569
Gross domestic product per capita ²⁾ , KM	7,343	7,508	7,615	7,921	8,320
Gross domestic product, real growth rate, %	-0.8	1.7	0.3	2.8	3.5

²⁾ The population estimate is based on the results of the Census of Population 2013

Gross domestic product per capita, as an indicator of the achieved level of welfare of the population of an economy, amounted to 8,320 KM in 2016, which represented an increase by 13.3% compared to 2012.

The largest part of the Gross domestic product is allocated for compensation of employees

DO YOU KNOW?

Other payments to employees (various benefits not included in the wage) account for 18.0% of the total compensation of employees.

Allocation of the Gross domestic product realised in 2016 was as follows: 45.7% for compensation of employees, 36.0% for gross operating surplus and gross mixed income, and 18.3% for net taxes on products and production.

7.5. Income components of Gross domestic product, current prices

	2012	2013	2014	2015	2016
Gross domestic product	8,614,704	8,792,917	8,887,307	9,205,038	9,630,569
Compensation of employees	4,259,335	4,251,962	4,304,121	4,396,844	4,400,367
Net taxes on products and production	1,583,303	1,543,182	1,592,993	1,663,040	1,758,514
Gross operating surplus/ Gross mixed income	2,772,066	2,997,773	2,990,193	3,145,154	3,471,688

thous. KM

08 GROSS FIXED CAPITAL FORMATION

Between the fear that something would happen and the hope that still it wouldn't, there is much more space than one thinks. On that narrow, hard, bare and dark space a lot of us spend their lives.

Gross fixed capital formation of business entities with headquarters in Republika Srpska increased by 1.1% in 2016.

A significant increase in gross fixed capital formation was recorded in the sections *Real estate activities* by 404.2%, *Human health and social work activities* by 131.9% and *Transportation and storage* by 55.7%.

8.1. Gross fixed capital formation in fixed assets by activity of investor, 2016

	Value of gross fixed capital formation, thous. KM	Structure, %
Total gross fixed capital formation	1,668,689	100.0
Agriculture, forestry and fishing	48,831	2.9
Mining and quarrying	69,285	4.2
Manufacturing	240,111	14.4
Electricity, gas, steam and air-conditioning supply	214,477	12.8
Water supply; sewerage, waste management and remediation activities	14,188	0.9
Construction	61,001	3.7
Wholesale and retail trade; repair of motor vehicles and motorcycles	165,029	9.9
Transportation and storage	68,039	4.0
Accommodation and food service activities	6,881	0.4
Information and communication	141,723	8.5
Financial and insurance activities	31,164	1.9
Real estate activities	17,945	1.1
Professional, scientific and technical activities	17,423	1.0
Administrative and support service activities	5,395	0.3
Public administration and defence; compulsory social security	473,170	28.3
Education	13,776	0.8
Human health and social work activities	66,263	4.0
Arts, entertainment and recreation	9,262	0.6
Other service activities	4,726	0.3

¹⁾ The calculation of gross fixed capital formation in fixed assets is based on the international methodology of the European System of Accounts ESA 2010.

Previously released data referring to the period 2005-2015 have been revised in accordance with the ESA 2010.

By activity of investor, the highest shares in the structure of gross fixed capital formation were those of the following sections: *Public administration and defence; compulsory social security, Manufacturing, Electricity, gas, steam and air-conditioning supply, and Wholesale and retail trade; repair of motor vehicles and motorcycles*. By purpose of gross fixed capital formation in new fixed assets, the highest shares referred to the sections *Construction, Electricity, gas, steam and air-conditioning supply, and Manufacturing*.

Nearly 900 million KM invested in construction structures and spaces

By its technical composition, almost a half of the total gross fixed capital formation was invested in construction structures and spaces. In 2016, the highest gross fixed capital formation in construction structures was that of business entities from the sections *Public administration and defence; compulsory social security* with 45.7%, followed by *Wholesale and retail trade; repair of motor vehicles and motorcycles* with 10.8% and *Electricity, gas, steam and air-conditioning supply* with 8.2%

The highest gross fixed capital formation in machinery, equipment and transport equipment was that of business entities from the section *Manufacturing*, with 23.8%.

When it comes to gross fixed capital formation in non-monetary (intangible) fixed assets, the section *Information and communication* had a share of 26.1%, the section *Electricity, gas, steam and air-conditioning supply* participated with 22.9%, and *Public administration and defence; compulsory social security* with 18.4%.

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

	2012	2013	2014	2015	2016
Gross fixed capital formation	100.0	100.0	100.0	100.0	100.0
Construction structures and spaces	40.7	46.0	59.6	52.0	51.2
Machinery, equipment and transport equipment	43.3	42.8	33.5	41.9	43.2
Other	16.0	11.2	6.9	6.1	5.6

Gross fixed capital formation in 2016 was mostly financed from own financial assets (54.3%), followed by financial loans (32.5%), assets of budgets and funds (5.8%), financial leasing (4.4%), other sources (2.0%) and joint assets (1.0%).

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

	thous. KM				
	2012	2013	2014	2015	2016
Financing of gross fixed capital formation	1,650,890	1,533,584	1,800,882	1,578,537	1,683,292
Gross fixed capital formation	1,642,693	1,563,825	2,009,430	1,650,506	1,668,689

DO YOU KNOW?

Gross fixed capital formation of business entities registered in the section *Public administration and defence; compulsory social security* accounts for 86.5% of the total gross fixed capital formation in the section *Construction*.

09 STANDARD OF LIVING AND POVERTY

Nothing brings men closer together than a common misfortune happily overcome.

Data collected in 2,607 surveyed households in Republika Srpska in 2015 indicate that the average monthly expenditure for consumption of an average household amounted to 1,259.91 KM.

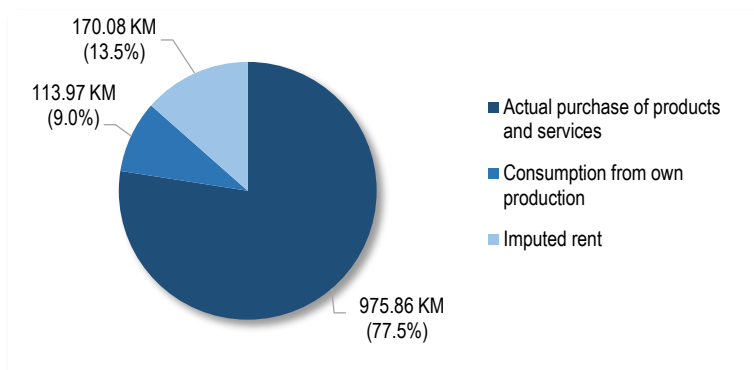
There were on the average 2.74 members per household.

9.1. Average monthly household expenditure by expenditure category

Expenditure category	Value, KM			Structure, %		
	total	city	other	total	city	other
TOTAL	1,259.91	1,426.83	1,153.73	100.0	100.0	100.0
Total – food and beverages	410.55	425.69	400.93	32.6	29.8	34.8
Consumption of food and beverages from own production	97.86	29.84	141.12	7.8	2.1	12.2
Bread and cereals	53.06	55.36	51.60	4.2	3.9	4.5
Meat	104.31	93.72	111.05	8.3	6.6	9.6
Fish	12.35	15.41	10.40	1.0	1.1	0.9
Milk, cheese, eggs	61.88	64.88	59.97	4.9	4.5	5.2
Oils and fats	15.40	16.05	14.99	1.2	1.1	1.3
Fruit	28.38	32.75	25.59	2.3	2.3	2.2
Vegetables	41.85	44.30	40.29	3.3	3.1	3.5
Sugar, jam, honey, confectionery and other food products	41.33	49.24	36.30	3.3	3.5	3.1
Non-alcoholic beverages	34.05	37.38	31.93	2.7	2.6	2.8
Alcoholic beverages	17.95	16.60	18.81	1.4	1.2	1.6
Total – non-food	849.35	1 001.14	752.80	67.4	70.2	65.2
consumption from own production – non-food	16.11	2.19	24.97	1.3	0.2	2.2
Tobacco	31.45	32.32	30.89	2.5	2.3	2.7
Clothing and footwear	64.34	85.81	50.69	5.1	6.0	4.4
Housing	204.69	245.25	178.89	16.2	17.2	15.5
Electricity, gas, water and other energy commodities	118.05	116.47	119.06	9.4	8.2	10.3
Furnishing, household equipment and routine maintenance	57.10	65.06	52.04	4.5	4.6	4.5
Health	49.59	54.01	46.78	3.9	3.8	4.1

9.1. Average monthly household expenditure by expenditure category (continued)

Expenditure category	Value, KM			Structure, %		
	total	city	other	total	city	other
Transport	122.68	139.08	112.24	9.7	9.7	9.7
Communication	60.74	77.98	49.77	4.8	5.5	4.3
Recreation/free time and culture	23.42	31.78	18.10	1.9	2.2	1.6
Education	4.77	6.91	3.40	0.4	0.5	0.3
Catering services	21.57	26.04	18.73	1.7	1.8	1.6
Accommodation services	3.96	7.81	1.51	0.3	0.5	0.1
Other products and services	87.00	112.64	70.69	6.9	7.9	6.1



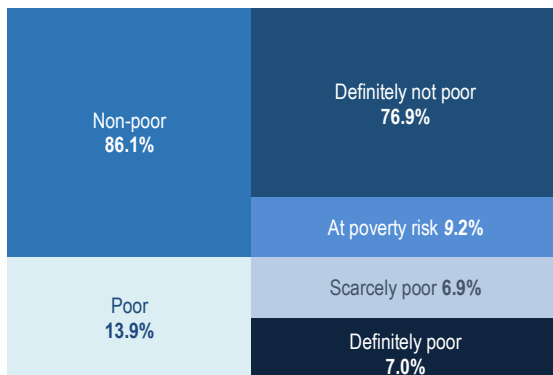
Graph 9.1. Average monthly expenditure: actual purchase, consumption from own production and imputed rent¹⁾

¹⁾ Consumption from own production includes consumption for food and consumption for non-food.

DO YOU KNOW?

During the year, each household member consumes on average 3.7 litres of spirits, 2.5 litres of wine and 27.14 litres of beer.

Relative poverty line allows for comparisons between standards of different categories of population within a society, depending on their consumption expenditure on the observed territory.



Graph 9.2. Poor and non-poor households by three different poverty lines, 2015

9.2. Poverty line

	%
50% of expenditure median (301.95 KM)	7.0
60% of expenditure median (362.34 KM)	13.9
70% of expenditure median (422.73 KM)	23.0
Definitely poor	7.0
Scarcely poor	6.9
At poverty risk	9.2
Definitely not poor	76.9

10 STRUCTURAL BUSINESS STATISTICS

By a natural law the people resisted every innovation but did not go to extremes, for to most of them life was always more important and more urgent than the forms by which they lived.

Information and communication was the most productive section of economic activities in 2015, while Real estate activities was the most profitable one

Average profitability rate, as a measure of the share of gross operating surplus in turnover, amounted to 12.9% in Republika Srpska.

By business operations in 2015, the section *Information and communication* may be singled out as one of the most successful sections of activity in the economy of Republika Srpska. With 253 enterprises and 79 entrepreneurs, as well as 5,600 employed persons, this section has a share of over 9% in the total value added. It also realises the highest labour productivity with 72,180 KM and its labour costs of 24,903 KM per employed person and profitability rate of 35.6% are high.

10.1. Indicators of success of non-financial business economy

	Turnover per employed person	Value added per employed person (productivity)	Labour costs per employed person	Gross operating surplus per employed person
TOTAL	110,586	26,312	13,593	14,284
Industrial activities	90,211	25,976	14,923	11,516
Construction	105,233	32,312	11,530	21,480
Trade	208,237	25,465	11,019	16,391
Non-financial service activities	56,069	25,997	14,199	14,600

Market business entities (enterprises and entrepreneurs) in the sections of industry employ over 40% of all employed persons, while they also provide the greatest contribution to the formation of total value added at factor costs, approximately 40%, which in 2015 amounted to 4.4 billion KM.

Of the total number of business entities in the non-financial business economy of Srpska, one third operates in the trade sector, which employs one quarter of the total number of employed persons. The section *Electricity, gas, steam and air-conditioning supply* involved the lowest number of business entities, namely 60 enterprises, but this section also had the best-paying jobs, that is, the highest average personnel costs per employed person, with 26,992 KM at the annual level.

DO YOU KNOW?

Enterprises from the section of industrial activities account for 72% of large business entities in Republika Srpska.

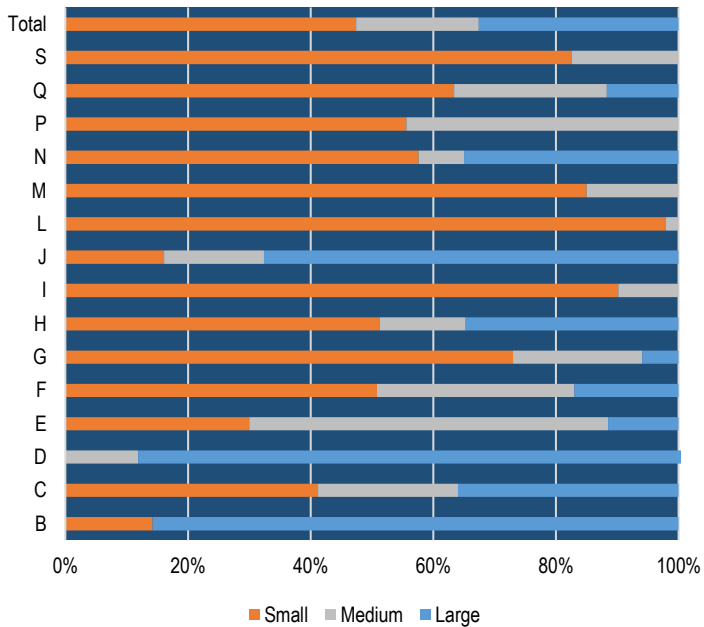
10.2. Indicators of business activities of non-financial business economy, structures

	Number of business entities	Number of employed persons	Turnover	Value added at factor costs	Gross operating surplus
TOTAL	100.0	100.0	100.0	100.0	100.0
Industrial activities	13.9	40.4	33.0	39.9	32.6
Construction	4.9	7.2	6.8	8.8	10.8
Trade	36.9	24.4	46.0	23.7	28.0
Non-financial service activities	44.3	28.0	14.2	27.6	28.6

Small business entities (with less than 50 employed persons) account for over 98% in the non-financial business economy of Republika Srpska

By size of business entities, the highest profitability was realised by large enterprises, namely 19.4%, which was 6.5 percentage points higher than the Republika Srpska average.

In addition, large enterprises were also the most productive, with 34,713 KM, while the lowest productivity was realised by medium business entities, with 23,531 KM. At the level of Republika Srpska, realised productivity amounted to 26,312 KM.



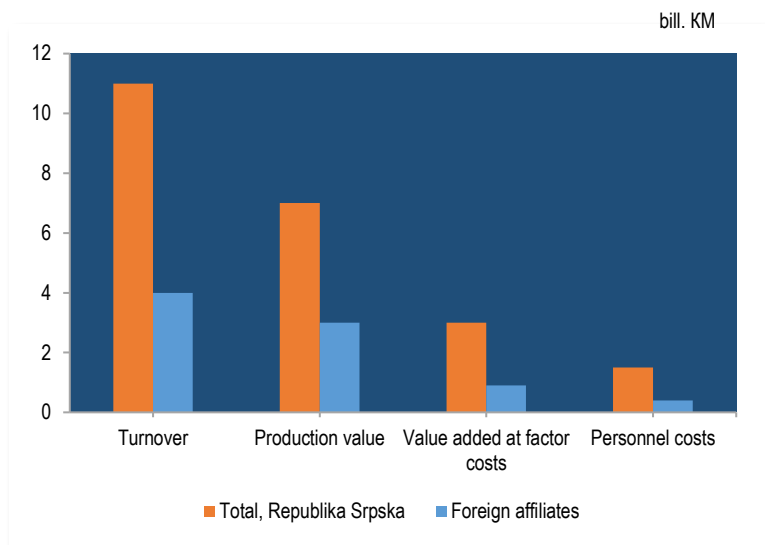
Graph 10.1. Value added at factor costs, by size of enterprises, 2015

DO YOU KNOW?

Of the total number of foreign-owned enterprises operating on the territory of Republika Srpska, most are owned by Serbia (21%), followed by Italy (16%) and Slovenia (10%).

Foreign investors were most interested in enterprises from industrial sections (62%), followed by the sections of trade (20%), services (14%) and construction (4%).

Foreign affiliates, or enterprises which are majority foreign-owned, operated in 2015 with the profitability rate of 11.6%.



Graph 10.2. Indicators of business activities of foreign affiliates in the non-financial business economy of Republika Srpska

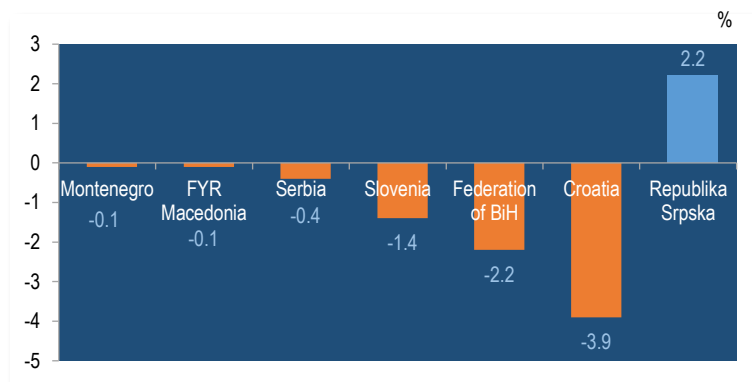
Thus it often happens among us that a girl who is much spoken of remains for that very reason without suitors and “sits out”, whereas girls who in no way measure up to her marry quickly and easily.

Producer prices of industrial products in 2016 increased on the average by 2.2% compared to 2015

By section of industrial production, based on the Classification of Economic Activities BiH, compared to 2015, an increase in prices in 2016 was recorded in the sections *Electricity, gas, steam and air-conditioning supply* by 6.5% and *Mining and quarrying* by 1.7%, while a decrease by 0.7% was recorded in the section *Manufacturing*.

11.1. Producer price indices of industrial products

Section of activity classification	previous year=100				
	2012	2013	2014	2015	2016
TOTAL	100.4	100.0	99.3	99.7	102.2
Mining and quarrying	102.8	101.1	99.7	101.2	101.7
Manufacturing	100.4	99.9	98.8	99.3	99.3
Electricity, gas, steam and air-conditioning supply	100.1	100.0	100.0	100.0	106.5



Graph 11.1. Rate of producer prices of industrial products, 2016

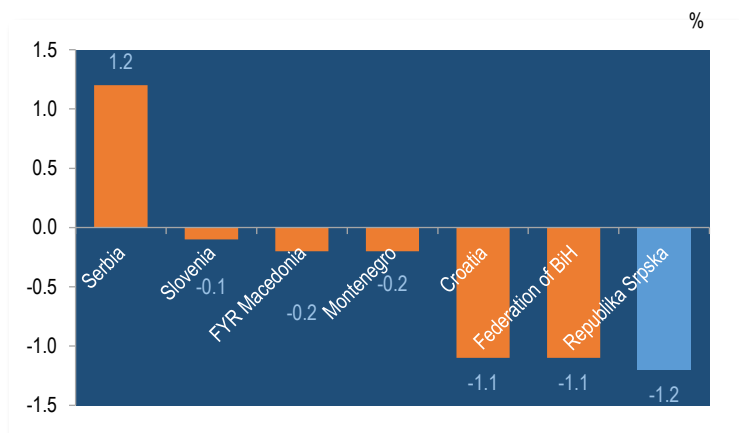
Consumer prices in Republika Srpska in 2016, compared to 2015, decreased on the average by 1.2%.

By main division of consumption, by purpose, the highest increase in prices in 2016 was once again recorded in the division Alcoholic beverages and tobacco 6.7%, while the highest decrease in prices was recorded in the division Clothing and footwear 10.7%.

11.2. Consumer price indices according to the COICOP

Name	previous year=100				
	2012	2013	2014	2015	2016
TOTAL	102.1	100.0	98.8	98.6	98.8
Food and non-alcoholic beverages	101.7	100.4	97.1	99.0	99.0
Alcoholic beverages and tobacco	109.1	105.4	106.3	106.3	106.7
Clothing and footwear	96.1	91.7	92.9	90.9	89.3
Housing, water, electricity, gas and other energy commodities	101.2	100.3	99.9	100.8	101.3
Furnishing, household equipment and routine maintenance	101.1	99.9	98.8	99.4	98.6
Health	99.9	100.0	101.3	102.4	101.3
Transport	105.4	99.1	98.8	92.7	93.9
Communication	104.3	99.9	103.9	99.3	100.0
Recreation and culture	99.8	100.5	99.2	100.1	99.9
Education	100.3	101.4	100.6	100.5	100.2
Restaurants and hotels	100.2	100.0	100.0	101.0	102.5
Other goods and services	100.5	100.2	99.6	99.6	99.7

In 2016, an average decrease in consumer prices was recorded in all neighbouring countries, except in Serbia, where an increase by 1.2% was recorded.



Graph 11.2. Inflation, 2016

DO YOU KNOW?

Inflation in Republika Srpska, measured with consumer price indices, has recorded a negative trend in the last three years.

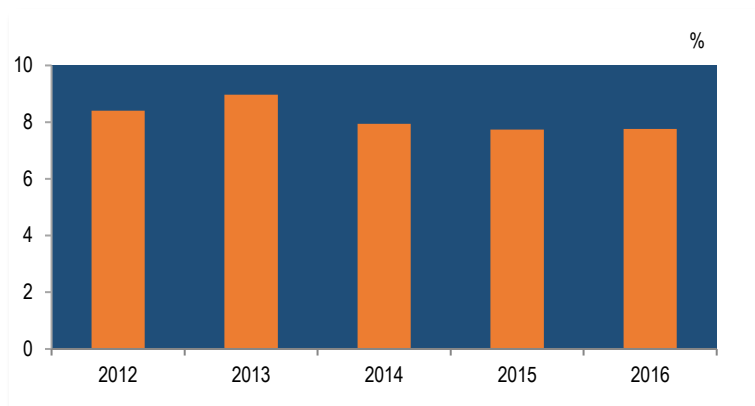
12 AGRICULTURE

Only not every wish bears fruit, nor has everyone the will and the power to turn his dreams into reality.

Share of agriculture in the GDP formation was 7.8%

In 2016, the share of agricultural Gross value added in the formation of Gross domestic product was 7.8%, which represented an increase by 0.1% compared to the share realised in the previous year, and a decrease by 0.6% compared to the one realised in 2012.

With a share of 10.6% in the Gross domestic product formation, agroindustry¹⁾ (production and processing of agricultural products) represents one of the most significant areas of the economy in Republika Srpska.



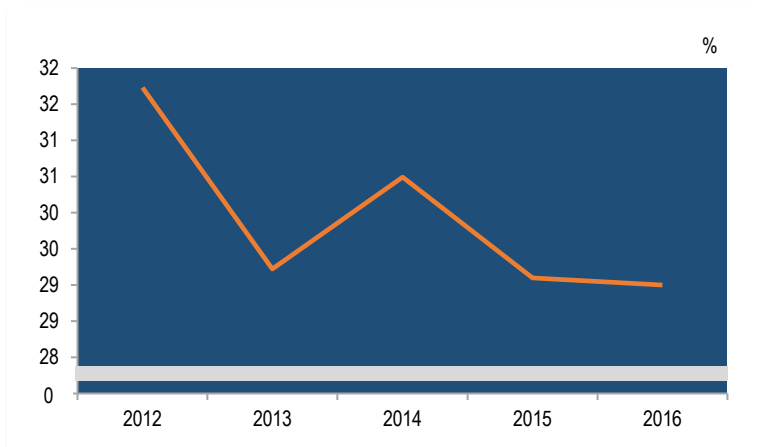
Graph 12.1. Share of agriculture in the structure of GDP

Primary agriculture employs 29.0% of all employed persons

¹⁾ Section A division 01 and section C divisions 10, 11 and 12 of the Classification of Economic Activities based on NACE Rev.2.

According to the data obtained through the Labour Force Survey in 2016, 89,000 persons were employed in agriculture, which represented a decrease by 2.2% compared to the previous year. The number of persons employed in agriculture accounts for 29.0% of the total number of employed persons, or 10.3% of the total working-age population.

Of the total number of persons employed in agriculture, 87.0% were full-time employees, while the remaining 13.0% were part-time employees. The average weekly working hours in agriculture in 2016 amounted to 43.3 hours, namely 45.9 for men and 38.4 for women employed in agriculture.



Graph 12.2. Share of persons employed in agricultural activities

Value of realised external trade of agricultural products was 328.2 million KM

The value of total external trade of agricultural products in 2016 amounted to 328.2 million KM, which represented an increase by 11.7% (or 34.4 million KM more) in comparison with the previous year.

Total import of agricultural products in 2016, compared to the import realised in the previous year, increased by 4.4% or 10.2 million KM, while total export increased by 40.4% or 24.2 million KM.

The share of agricultural products in total export was 2.9%, while in total import they participated with 5.5%. The coverage of import with export amounted to 34.5%, which represented an increase by 8.8% compared to 2015, when it amounted to 25.7%.

Fresh apples, pears and quinces are the products with the highest share in the structure of total export, with 24.4 million KM or 28.9% of the total value of export of agricultural products realised during 2016. The largest amount of apples, pears and quinces, valued at 21.5 million KM, was exported to Russia.

12.1. Total value of export and import of agricultural products, thous. KM

	Export	Import	Coverage of import with export, %
2012	34,825	203,304	17.1
2013	40,181	202,450	19.8
2014	45,473	217,913	20.9
2015	60,003	233,773	25.7
2016	84,236	243,980	34.5

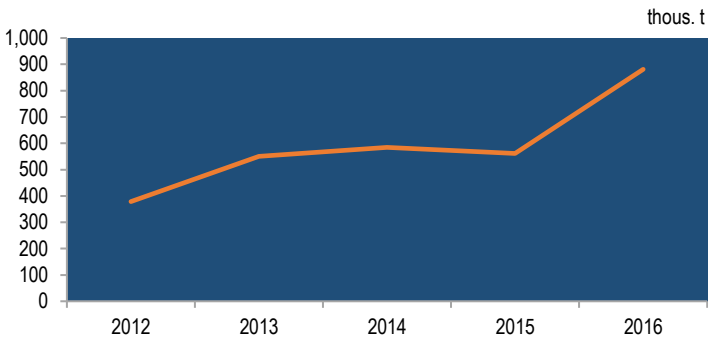
In the structure of import, the most represented agricultural product in 2016 was maize. The value of imported maize amounted to 71.5 million KM or 29.3% of the value of total realised import in the section of agriculture. The largest amount of maize was imported from Serbia, namely 89.6% of the total value.

The most significant partner of Republika Srpska in external trade of agricultural products in 2016 was Serbia, with a share of 46.3% (112.9 million KM) in total realised import and a share of 12.1% (10.2 million KM) in total realised export of agricultural products.

Record production of maize and potato

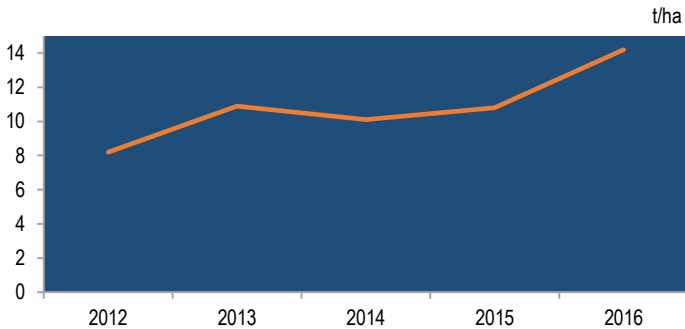
According to statistical data, in 2016, farmers in Republika Srpska produced significantly larger amounts of cereals and potatoes than in the previous year, as a result of larger sown areas and good yields per hectare.

Thus, in 2016, record production of maize was achieved, totaling 880,997 tonnes, which represented an increase by 57.0% in comparison with the production realised in 2015 (Graph 12.3). The average yield was 6.4 t per hectare, which represented an increase by 60.0% compared to the previous year.



Graph 12.3. Production of maize

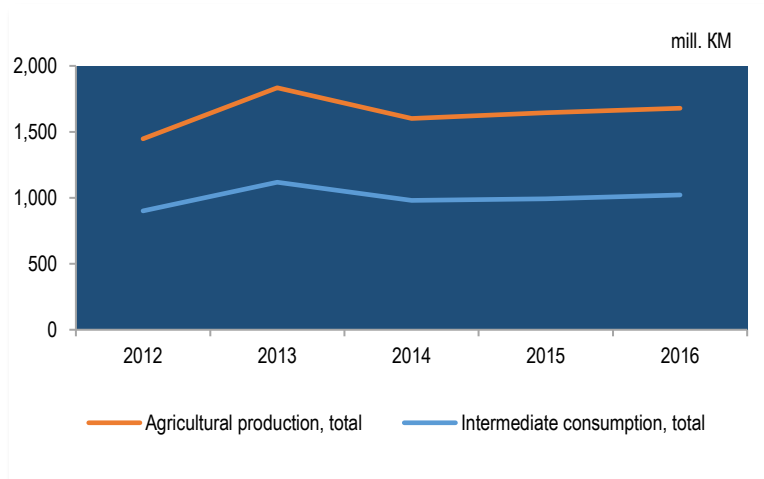
The production of potatoes in 2016 amounted to 192,491 t, which, compared to the previous year, was 46.6 thousand t more, representing an increase by 32.0%. The record average yield of potatoes was achieved, with 14.2 t/ha, which is the best yield in the last twenty years, 31.5% higher than the last year's average.



Graph 12.4. Average yield of potato

Value of agricultural production in 2016 amounted to 1.7 million KM

The total value of agricultural production in 2016 amounted to approximately 1.7 million KM, which represented an increase by 2.1% in comparison with the previous year. During the same period, the value of total intermediate consumption amounted to 1.022 million KM, which represented an increase by 3.0% in comparison with the previous year.



Graph 12.5. Value of total agricultural production and intermediate consumption

DO YOU KNOW?

In 2016, dairies produced 2,611 t of cow's milk cheese.

Loneliness is a splendor of rich spirits.

Ecologically, forests of Republika Srpska belong to different biogeographical regions and are adapted to different natural conditions. The Adriatic Sea in the south, high mountains in the central part and fertile plains in the north have a favourable effect on the diversity of forest communities and on a significantly higher average annual growth in comparison with the surroundings.

In addition to their generally beneficial ecological functions, forests also represent a very important economic resource of Republika Srpska. Forests are managed in a sustainable way and to the extent which permanently maintains and improves their productivity, biodiversity, regeneration capacity and vitality. All forests in Republika Srpska are covered by the FSC (*The Forest Stewardship Council*™ – FSC) international certificate. The objective of the FSC programme is to promote environmentally appropriate, socially beneficial and economically viable management of the world's forests, by establishing general standards that will be recognised and respected through the principles of sustainable forest management. In Republika Srpska, forests are a major element of national parks, nature parks and hunting areas (hunting grounds).

In Republika Srpska, the average annual increase of timber in high forests with natural regeneration amounts to 8.12 m³/ha (state forests). Of the total surface area of Republika Srpska, approximately 50% are areas covered with forests, which is approximately 0.75 ha per capita. Approximately one million hectares of forests and forest lands are in state ownership, while private forests cover approximately 20% of the total forest area in Republika Srpska.

13.1. Forest exploitation

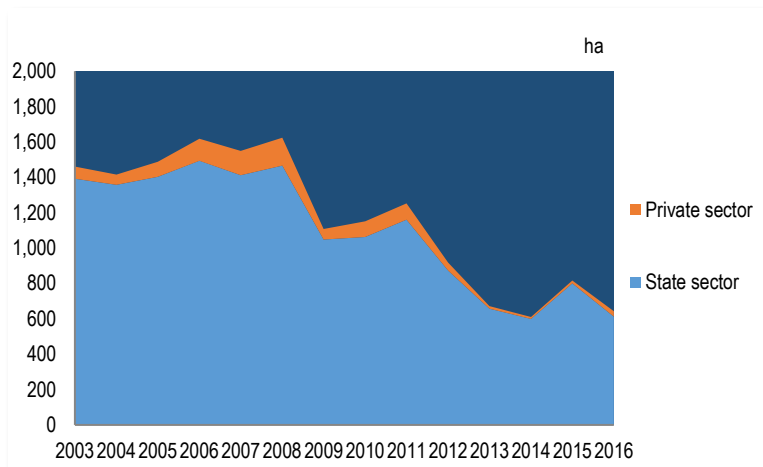
	Gross felled timber			thous. m ³	
	total	state forests	private forests	Broadleaves	Conifers
2012	2,853	2,558	296	1,585	1,269
2013	2,966	2,670	297	1,617	1,350
2014	3,016	2,742	274	1,550	1,466
2015	3,274	2,913	362	1,763	1,511
2016	3,368	2,921	436	1,802	1,555

Gross felled timber in the forest and outside the forest in 2016 increased in comparison with 2015 and it amounted to approximately 3,368 thousand m³. Out of this sum, 2,921 thousand m³ belongs to the state sector, which is significantly more than in the private sector, as the state sector covers 87% of the total felled timber

13.2. Production and sale of forest assortments in state forests

	2012	2013	2014	2015	2016
Production, total	1,848,712	1,925,029	1,944,658	2,062,708	2,101,196
logs for cutting	862,997	931,740	943,848	1,013,860	1,021,763
Sale, total	1,815,978	1,892,033	1,908,874	2,139,793	2,107,004
logs for cutting	862,869	922,327	939,572	1,063,600	1,027,755

In 2016, forest afforestation activities in Republika Srpska decreased significantly in comparison with 2015. Thus, total afforested area in 2016 covered 643 ha, which represented a decrease by 21.3% compared to 2015, while it represented an increase by 5.2% compared to 2014. Conifer afforestation covered an area of 507 ha, which accounted for nearly 79% of the total area afforested during 2016.



Graph 13.1. Artificial afforestation

13.3. Average price of sold forest assortments in state forests, VAT excluded

	TOTAL	Conifers	Broadleaves
2012	79.92	97.96	65.29
2013	82.50	97.30	70.49
2014	82.67	96.08	70.16
2015	83.84	99.97	71.26
2016	82.94	96.91	70.41

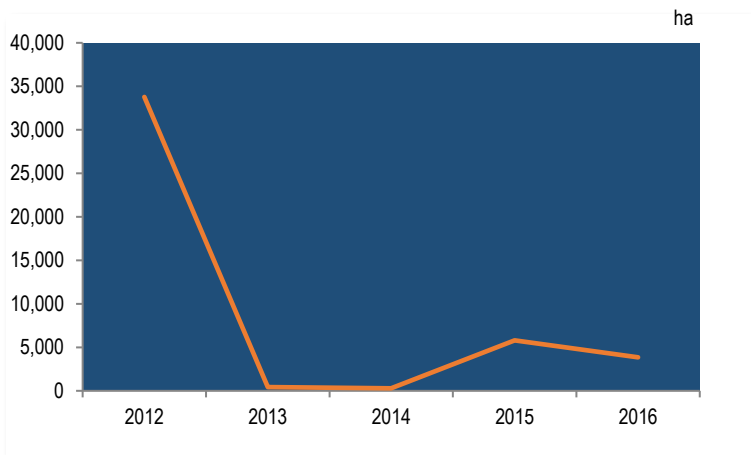
13.4. Gross value added in the forestry sector*

	2012	2013	2014	2015	2016
Forestry gross value added, thous. KM	109,337	124,264	129,640	143,534	148,434
Gross domestic product at market prices, thous. KM	8,614,704	8,792,917	8,887,307	9,205,038	9,630,569
Structure, %	1.3	1.4	1.5	1.6	1.5

* Data for the period 2012-2015 have been revised in accordance with the ESA 2010.

In accordance with the Standard International Trade Classification (SITC Rev.4), commercial forestry and industry¹⁾ based on wood as raw material had a significant share in the structure of export of Republika Srpska in 2015, with 16.2%, and its value was 466 million KM.

¹⁾Cork and wood, pulp and waste paper, cork and wood manufactures and paper, cardboard and pulp products (excluding furniture)



Graph 13.2. Forest area and forest land affected by fire

Damages caused by fire in 2016 were recorded over an area of 3,860 ha, with 19,688 m³ of damaged felled timber, which represented a significant increase in comparison with the previous year.

DO YOU KNOW?

Experts have found that a tree with a surface area of leaves of 150 m² in 100 years produces the amount of oxygen needed for a man to live for 20 years. Also, 1 ha of high forest consumes around 4 tonnes of CO₂ daily, while it produces around 3 tonnes of O₂. According to this, high forests with natural regeneration in Republika Srpska consume approximately 600 million tonnes of CO₂ and produce around 500 million tonnes of O₂ each year.

Nature is raw, people powerless.

One of the most important natural resources of each country is water wealth. Water as a necessity in industry, agriculture, the entire economy, and man in general, forms the basis of life on Earth. As the planet is experiencing an intensified climate change and an increasing number of inhabitants, available water resources are, however, becoming endangered. An increasing population requires more drinking water, at the same time causing greater pollution of water. Consequently, there is an important need to increase the share of treated waters in discharged wastewaters, in order to reduce the burden on water resources with organic pollutants and nutrients.

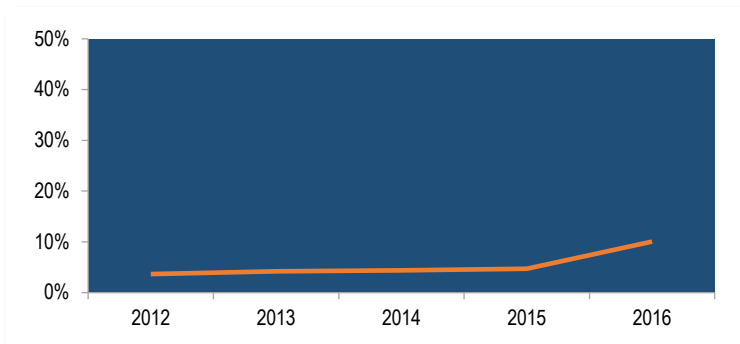
Contrary to the global problems of drinking water shortage and pollution increase caused by the rise of the world's population, Republika Srpska is facing the challenge of establishing an appropriate waste water management system.

Municipal wastewaters

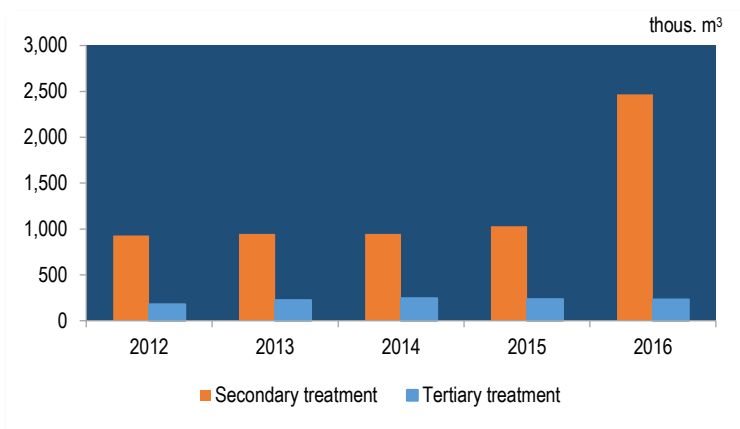
During the period 2012-2016, the amount of discharged municipal wastewaters in Republika Srpska has shown a slight decline. During the same period, the amount of municipal wastewaters purified before discharge into water recipients has been evidently increasing. A significant increase was recorded in 2016, when the share of treated waters in total discharged municipal wastewaters rose to 10.1%. Just a year before, this percentage was only 4.7%.

The largest part of municipal wastewaters, namely over 90%, is treated by secondary treatment. Secondary treatment refers to the wastewater treatment by biological processes with secondary sedimentation and other processes through which the biological oxygen demand (BOD) is reduced by at least 70% and the chemical oxygen demand (COD) is reduced by at least 75%.

Tertiary treatment, through which the remaining 10% of municipal wastewaters in Republika Srpska is treated, implies additional treatment of nitrogen and/or phosphorus after secondary treatment of wastewaters, as well as removal of other pollutants affecting the quality of water, such as microbiological contamination, paint, etc.



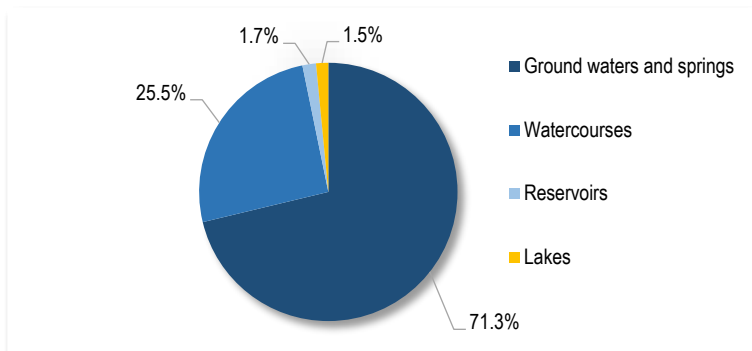
Graph 14.1. Purified municipal wastewater



Graph 14.2. Treatment of municipal wastewaters

Rivers and ground waters – sources and recipients of water

While watercourses and rivers represent the recipient for 90% of municipal wastewaters, ground water is a source of slightly over 70% of total captured waters in the public water supply system. This percentage did not change significantly in the period 2012-2016.



Graph 14.3. Water sources in the public water supply system, 2016

When it comes to industrial enterprises, surface waters are both the most common source and the most common recipient. Over 80% of industrial wastewaters are treated by some type of treatment before being discharged.

DO YOU KNOW?

In 2016, in Republika Srpska, the quantity of purified municipal wastewater increased by 113.1% when compared with the previous year.

15 INDUSTRY

Even more good is expected from those who do good.

Industrial production increased by 8.1% in 2016 compared to 2015

Industrial production has been increasing in the last five years, except in 2012, when a decrease was recorded. In 2016, an increase by 8.1% was recorded in comparison with 2015.

Manufacture of electricity, manufacture of wood, manufacture of fabricated metal products, manufacture of food products, mining of coal and metal ores, manufacture of refined petroleum products and manufacture of footwear were the most important.

For comparison, in the same year an increase in industrial production was also recorded in the neighbouring countries, as follows: Serbia 4.7%, FYR Macedonia 3.4%, Slovenia 6.6%, and Croatia 5.3%. An increase by 2.6% was also recorded in the Federation of BiH.

15.1. Indices of industrial production by section of activity classification

Section	previous year=100				
	2012	2013	2014	2015	2016
INDUSTRY, TOTAL	96.0	104.1	100.6	103.0	108.1
B	96.1	104.1	96.6	110.5	100.7
C	95.6	104.2	104.9	103.2	103.5
D (except group 35.3)	96.3	101.1	91.0	99.0	125.3

15.2. Indices of industrial production by section of activity classification

Section	2010=100				
	2012	2013	2014	2015	2016
INDUSTRY, TOTAL	100.5	104.7	105.4	108.6	117.4
B	113.6	118.3	114.3	126.3	127.2
C	99.8	103.9	109.1	112.5	116.4
D (except group 35.3)	96.3	97.4	88.7	87.8	110.0

Industry had a share of 17.5% in the total Gross domestic product of Republika Srpska

Gross fixed capital formation in new fixed assets in industrial activities in 2016 amounted to 480 million KM, which represented a decrease by 24.8% compared to 2015.

Gross value added of industrial activities in 2016 increased by 11.8% in comparison with 2015, totaling 1.7 million KM, with *Manufacturing* having the highest share with 61.5%.

At the end of 2016, there were 4,492 registered industrial enterprises, of which 89.3% in private ownership.

DO YOU KNOW?

Gross fixed capital formation in industry in 2016 accounted for 32.2% of the total gross fixed capital formation in Republika Srpska.

In 2016, 181 business entities were recorded into the Register of Business Entities and classified into industrial activities.

Most industrial enterprises, namely 90.7% of them, were engaged in *Manufacturing*, while 4.1% were engaged in *Mining and quarrying*, 4.2% in *Electricity, gas, steam and air conditioning supply*, and 1.0% in *Materials recovery*.

Industrial enterprises employ 27.6% of the total number of employed persons in Republika Srpska; these enterprises employ 57,015 workers, of which 77.4% in *Manufacturing*.

According to reports of industrial enterprises, value of sale of industrial products in 2016 amounted to 5.138 billion KM, with products of *Manufacturing* accounting for 71.9% of the total value. Value of sale of industrial products increased by 5.1% in 2016 in comparison with 2015.

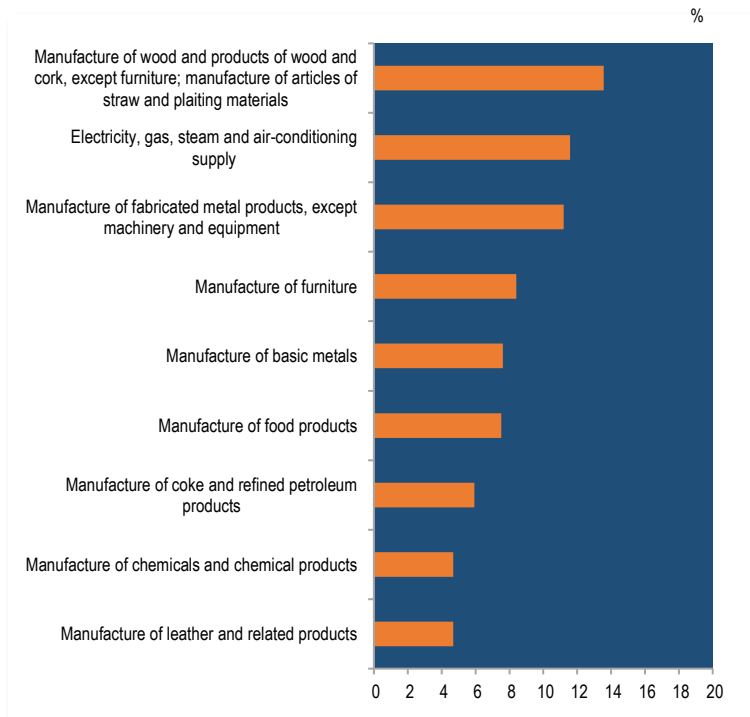
Five industrial divisions realise 64.6% of the total value of sale of industrial products, namely *Electricity, gas, steam and air conditioning supply* 23.0%, *Manufacture of food products* 16.2%, *Manufacture of coke and refined petroleum products* 11.1%, *Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials* 7.8%, and *Manufacture of fabricated metal products, except machinery and equipment* 6.5%.

15.3. Value of sale by industrial division

INDUSTRIAL DIVISION	mill. KM				
	2012	2013	2014	2015	2016
INDUSTRY, TOTAL	5,032	4,901	5,185	4,874	5,138
Mining of coal and lignite (brown coal)	61	63	72	75	51
Mining of metal ores	135	141	137	147	132
Other mining and quarrying	32	33	32	36	35
Mining and quarrying support service activities	-	-	-	-	-
Manufacture of food products	609	649	703	790	834
Manufacture of beverages	72	76	80	93	102
Manufacture of tobacco products	4	5	3	18	19
Manufacture of textiles	36	28	29	31	37
Manufacture of wearing apparel	33	41	49	64	50
Manufacture of leather and related products	71	95	113	107	124
Manufacture of wood and of products of wood and cork	269	290	337	358	398
Manufacture of paper and paper products	103	108	114	118	118
Printing and reproduction of recorded media	14	12	30	21	28
Manufacture of coke and refined petroleum products	1,331	1,174	1,116	661	570
Manufacture of chemicals and chemical products	60	52	76	93	133
Manufacture of basic pharmaceutical products and pharmaceutical preparations	38	42	34	37	50
Manufacture of rubber and plastic products	81	84	99	126	145
Manufacture of other non-metallic mineral products	125	89	106	112	128
Manufacture of basic metals	274	230	194	168	163
Manufacture of fabricated metal products, except machinery and equipment	257	262	293	299	335
Manufacture of computer, electronic and optical products	7	8	7	8	9
Manufacture of electrical equipment	51	59	77	71	78
Manufacture of machinery and equipment, n.e.c.	46	46	50	55	64
Manufacture of motor vehicles, trailers and semi-trailers	26	31	32	31	28
Manufacture of other transport equipment	7	11	15	12	11
Manufacture of furniture	136	149	168	183	207
Other manufacturing	12	13	14	14	17
Repair and installation of machinery and equipment	74	49	47	46	49
Electricity, gas, steam and air-conditioning supply	1,030	1,026	1,125	1,059	1,181
Materials recovery	38	35	33	40	40

Of the total value of sale realised by industrial enterprises, 36.7% referred to export

Export realised by industrial enterprises in 2016 amounted to 1.9 million KM, of which 84.3% was realised in *Manufacturing*.



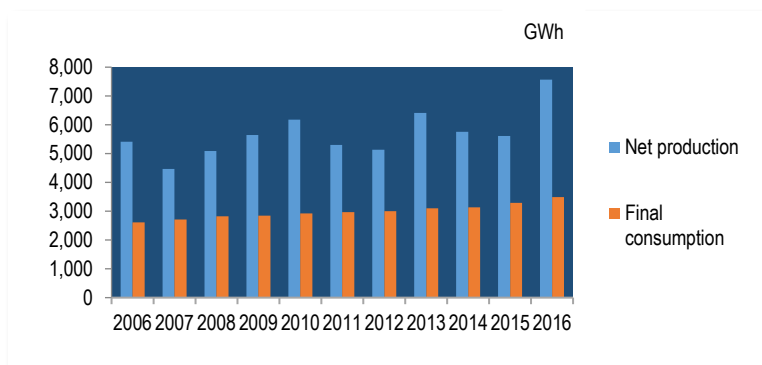
Graph 15.1. Industrial divisions with the highest share export in the total export of industrial enterprises, 2016

As long as there is darkness, there is dawn.

Electricity consumption in Republika Srpska is completely covered by production from own sources, while a significant amount is being exported. In 2016, a significant increase in production of electricity has been recorded as a new thermal power plant has started operating.

Total net production of electricity in 2016 amounted to 7,565 GWh. In the structure of total net production, thermal power stations participated with 63.8%, hydro power plants with 35.4%, autoproducers with 0.7% and solar power plants with 0.1%.

In recent years, there has been a steady rise in final consumption of electricity.



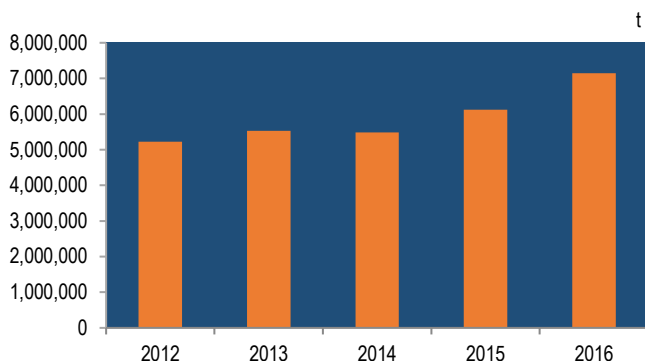
Graph 16.1. Net production and final consumption of electricity

An increase in coal production in mines

Compared to 2015, production of coal in 2016 increased by 16.6%. In 2016 mines realised the highest production of coal in the last ten years.

Of the total available amount of coal in Republika Srpska, approximately 95% was consumed for production of energy, while the rest was used in mass consumption.

The largest consumer of coal in final consumption was industry, with a share of 46.9%.



Graph 16.2. Production of coal

An increase in production of heat from biomass

Since Republika Srpska does not produce natural gas, all the necessary amounts are imported. In final consumption of natural gas, the highest share is that of industry, namely 94.1%, while the remaining 5.9% is consumed by households and other consumers.

Production of heat from fuel oil has been decreasing constantly, while production of heat from biomass has been increasing and its share in total production in 2015 was 31.2%.

Compared to 2015, production of heat from biomass increased by 46.7% in 2016.

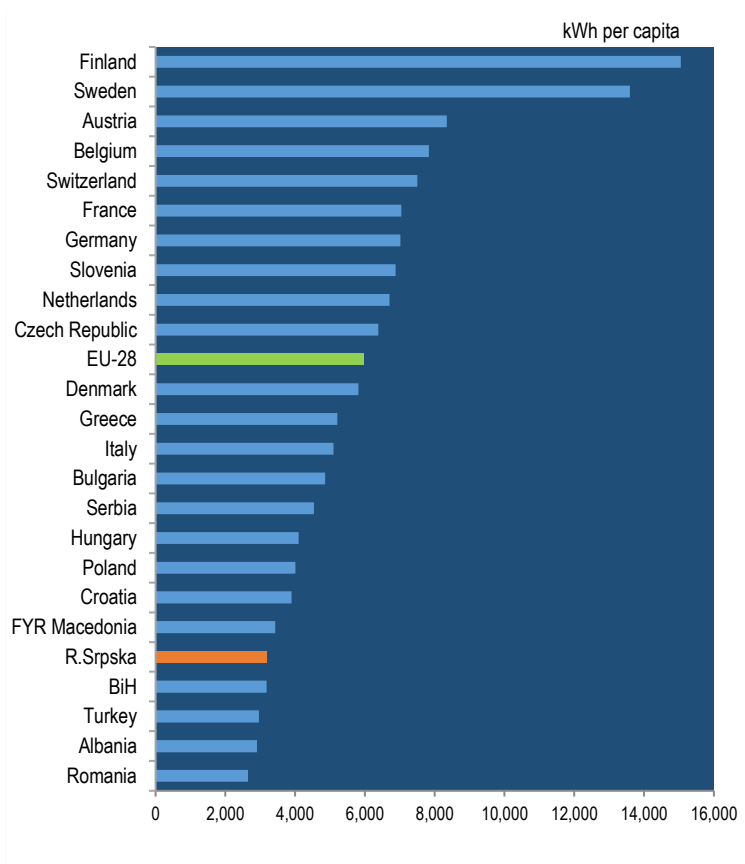
DO YOU KNOW?

Production of electricity in 2016 increased by 35.8% compared to 2015.

16.1. Production and final consumption of fuels and energy

	2012	2013	2014	2015	2016
Production of fuels and energy					
Brown coal (thous. t)	2,201	2,194	2,001	2,239	2,240
Lignite (thous. t)	3,024	3,334	3,484	3,887	4,902
Electricity ¹⁾ (GWh)	5,130	6,416	5,758	5,610	7,565
Hydro power plants ¹⁾ (GWh)	1,878	3,004	2,612	2,267	2,680
Thermal power plants ¹⁾ (GWh)	3,252	3,390	3,134	3,298	4,828
Solar power plants ¹⁾ (GWh)	-	-	-	-	4
Other production ¹⁾ (GWh)	-	22	12	45	53
Heat (TJ)	1,806	1,697	1,378	1,488	1,521
Final consumption of fuels and energy					
Brown coal (thous. t)	71	171	175	242	168
Lignite (thous. t)	133	94	118	112	121
Electricity (GWh)	3,000	3,104	3,129	3,293	3,489
Heat (TJ)	1,506	1,433	1,246	1,425*	1,457
Natural gas (thous. Sm ³)	58,755	21,923	27,655	42,511	59,223

¹⁾ Production at threshold



Graph 16.3. Electricity consumption per capita, 2015 (IEA)

In 2016, approximately 300 million KM was invested in energy

Gross fixed capital formation in new fixed assets in energy (divisions 5, 19 and 35) amounted to approximately 300 million KM, which accounted for 17.6% of the total financing of gross fixed capital formation in new fixed assets in Republika Srpska in 2016.

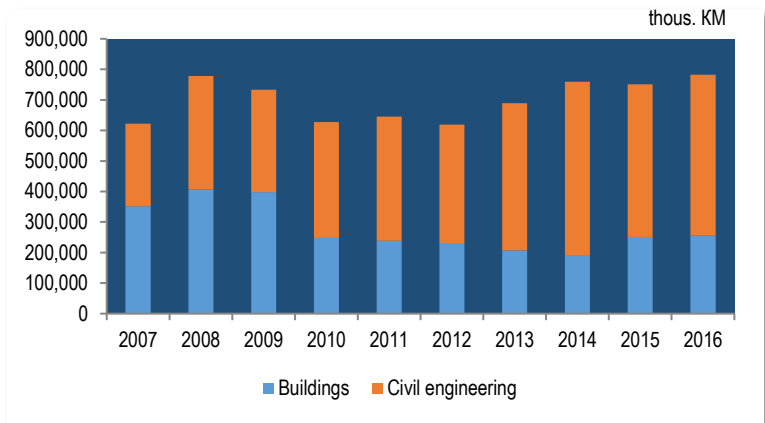
Energy had a share of 6.0% in the total Gross domestic product.

Approximately 12 thousand workers were employed in energy, which accounted for around 6% of all employed persons in Republika Srpska. The number of persons employed in energy was 1.5% lower in 2016 than in 2015.

Of everything that man erects and builds in his urge for living nothing is in my eyes better and more valuable than bridges. They are more important than houses, more sacred than shrines. Belonging to everyone and being equal to everyone, useful, always built with a sense, on the spot where most human needs are crossing, they are more durable than other buildings and they do not serve for anything secret or bad.

Value of performed construction works in Republika Srpska increased by 4.2% in 2016 compared to 2015. Civil engineering accounted for 67.3% of the total value of performed works and their value increased by 5.5%, while for buildings an increase by 1.6% was recorded. During the same period, the number of employed persons in construction decreased by 1.6%.

In 2016, Gross value added of construction had a share of 4.9% in the formation of Gross domestic product of Republika Srpska, while gross fixed capital formation in new fixed assets in construction participated with 22.4% in the total gross fixed capital formation.



Graph 17.1. Value of performed works

Compared to the previous year, the number of completed dwellings in 2016 was 31.9% higher. A decrease in dwelling construction was recorded for one-room dwellings, by 13.0%. The highest share in the structure of completed dwellings was that of two-room dwellings, namely 43.0%, followed by one-room dwellings with 26.9%, while the rest were three or more-room dwellings.

17.1. Completed dwellings by number of rooms

	Unit of measure	2015	2016
TOTAL	number	1,227	1,618
	m ²	63,387	89,487
One-room dwellings	number	501	436
	m ²	19,191	16,179
Two-room dwellings	number	441	696
	m ²	22,849	35,315
Three-room dwellings	number	232	382
	m ²	15,862	26,548
Four or more-room dwellings	number	53	104
	m ²	5,485	11,445

The section Construction employs 4.6% of the total number of employed persons in Republika Srpska

DO YOU KNOW?

Average price of sold new dwellings in 2016 amounted to 1,482 KM/m² (VAT included).

The people made use of money orders like medicines. Now everybody incurred debts more freely. But the more money a man had the more he needed. Only to those who spent more than they gained did life seem easy and good.

Data on import and export refer to business entities with headquarters in Republika Srpska.

External trade statistics covers all traffic of goods exported from and imported into the country, homogenous by type of product, country of origin, destination, payment method and moment of border crossing.

In accordance with European standards, data are covered under the special trade system, which means that in addition to regular exports and imports, exports and imports based on the refinement process, i.e. processing and finishing, are also covered, while temporary exports and imports are excluded.

Export and import realised by physical entities is excluded from the total value of export and import.

Increase in export in 2016

In the period between 2012 and 2016, export from Republika Srpska was continually increasing, except in 2015.

Compared to 2015, export increased by 9.8% and import increased by 1.3% in 2016. Volume of external trade of Republika Srpska in 2016 was 7.3 billion KM, of which 2.9 billion KM referred to export and 4.4 billion KM to import. External trade deficit of Republika Srpska in the same year was 1.6 billion KM.

The highest value of export from Republika Srpska in 2016 was that of export to Italy (17.4%), followed by Serbia (12.5%), Germany (10.5%), Slovenia (9.8%) and Croatia (8.9%).

During the same year, the highest value of import was that of import from Serbia (18.2%), followed by Russia (13.0%), Italy (12.3%), Germany (8.0%) and China (6.1%).

Coverage of import with export in 2016 was 64.8%

Coverage of import with export in Republika Srpska, as in most neighbouring countries, increased from 2015 to 2016.

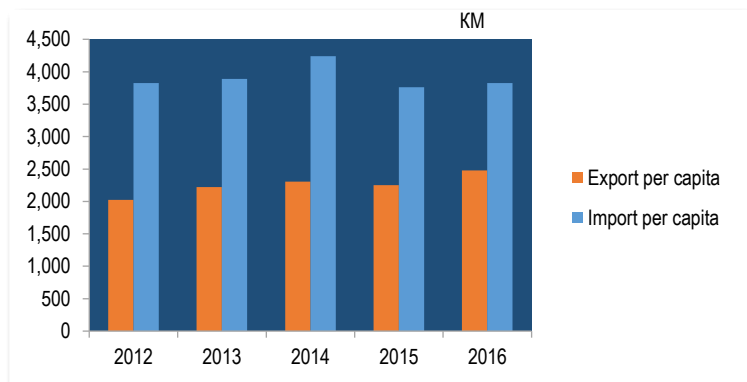
In Republika Srpska's trade of goods with foreign countries in 2016, the highest share was that of products in the division Footwear, hats and other headgear, umbrellas, sticks, prepared feathers, artificial flowers and articles of human hair, while the highest share in import was that of products in the division Mineral products.

In the structure of export in 2016, the highest share was that of the division Footwear, headgear, umbrellas, sticks, prepared feathers, artificial flowers and articles of human hair with 13.1%, followed by the division Wood; wood charcoal; cork; articles of straw with 13.0% and the division Basic metals and related products with 11.9%.

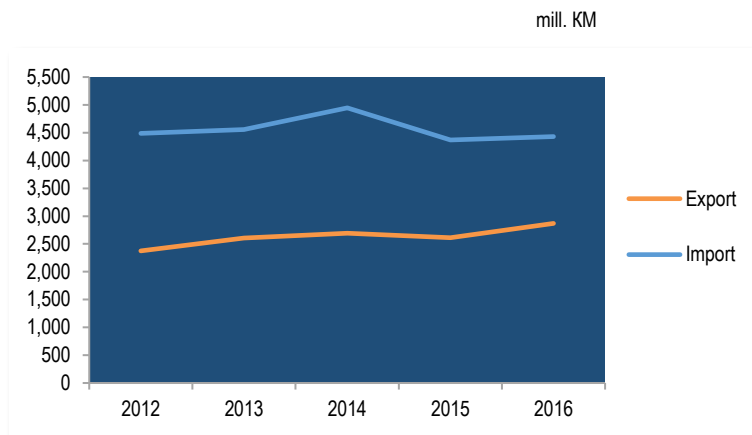
In the structure of import in the same year, the highest share was that of the division Mineral products with 16.0%, followed by the division Machinery; equipment; apparatus for reproduction of image and sound with 13.0% and the division Products of the chemical or allied industries with 10.9%.

DO YOU KNOW?

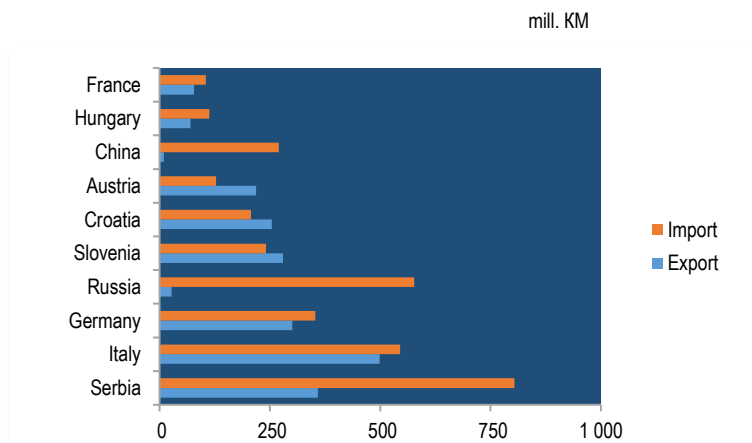
In 2016, 91.2% of total export from Republika Srpska was export to the EU member states and CEFTA countries.



Graph 18.1. Export and import per capita



Graph 18.2. External trade balance



Graph 18.3. Countries with the highest share in volume trade with Republika Srpska, 2016

19 DISTRIBUTIVE TRADE

Every human generation has its own illusions with regard to civilisation; some believe that they are taking part in its upsurge, others that they are witnesses of its extinction.

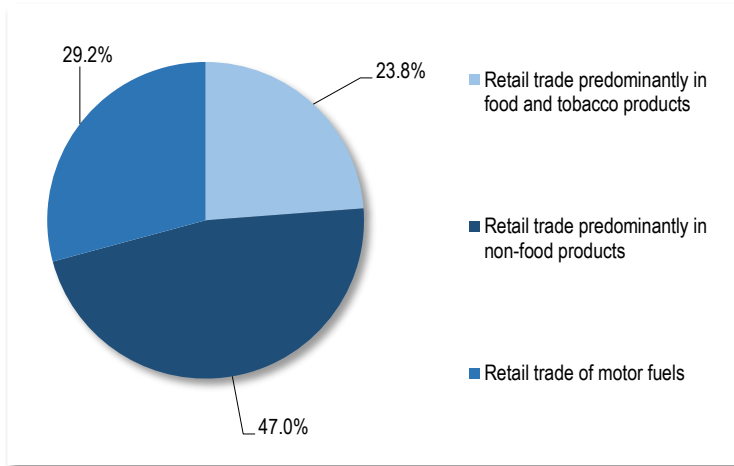
Distributive trade includes all forms of trade activities, from the purchase of goods from manufacturers to the delivery of goods to final consumers on domestic market. It covers wholesale trade for own account, intermediation in wholesale trade, retail trade and repair of motor vehicles and motorcycles, and retail trade of household goods.

Data on turnover realised by entrepreneurs are not included in total turnover.

Turnover in retail trade in 2016, compared to the base year 2010, was nominally 33.9% higher and really 36.5% higher. During the same period, turnover in wholesale trade, measures by the nominal growth rate, decreased by 25.5%.

19.1. Turnover indices in distributive trade by section of activity classification

	Distributive trade, total	Wholesale and retail trade and repair of motor vehicles and motorcycles	Wholesale trade, except of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	
				nominal	real
2012	89.1	102.9	79.8	112.2	104.0
2013	88.5	101.8	78.2	135.0	126.1
2014	87.3	125.7	79.5	123.5	116.9
2015	87.9	125.0	77.8	123.3	121.7
2016	87.4	131.6	75.0	133.9	136.5



Graph 19.1. Share of turnover according to the Classification of Economic Activities in total retail trade turnover, 2016

DO YOU KNOW?

In 2016, approximately a third of total retail trade turnover referred to consumption of fuel.

20 TOURISM

Oh God! Why did you endow me with a heart pulling me incessantly towards the distance and beauty of unseen corners?

The natural beauties of Republika Srpska are so enchanting that its inhabitants are often unaware of them. They seem to be used to this "scent" and the beauty is often taken for granted. After the screening of Emir Kusturica's film "On the Milky Road" in Cannes, almost all critics agreed in one, that the main protagonist in the film is Nature. Monica Bellucci, the heroine of the film, noted that she did not believe Europe had such beautiful and untouched nature as the plateau Morine, appropriately called the "Tibet of Herzegovina". Even Andrić wrote of these remarkable areas. We have written about Drina, which is to become a great tourist treasure, because it is still intact and unexplored in its upper course.

The development of tourism certainly depends on advertising films, decisive performances, promotion and investments in the necessary infrastructure. However, facts indicate that efforts are made in this regard. Priority for safe arrival are roads and they are being built at a fast pace. The construction of the road towards Sutjeska and Tjentište opened new routes for festival tourism, but they also provided a new type of tourist offer (very popular OK Fest), as well as the access to Perućica. Trebinje and Andrićgrad are becoming essential tourist destinations. There is an obvious need to develop air travel, which would include the involvement of low-cost airlines.

It is evident that additional investment in capacities and facilities in Banja Vrućica gave results not only in terms of spa tourism, but also in terms of congress tourism. Ethno villages, such as Stanišići near Bijeljina and Kotromanićevo near Doboj, are very popular among tourists. There have also been significant investments in the mountain Jahorina, especially when winter tourism is concerned. When it comes to this type of tourism, Kozara is becoming increasingly popular. The biggest shopping centre in the region is being built in Banja Luka. Thus, it can be expected that Banja Luka will enhance its tourist offer with the so-called shopping tourism, in addition to the wonderful Vrbas, Kastel and excellent gastronomic offer.

Sports events, such as the Belgrade-Banja Luka bicycle race, half-marathons in many places in Srpska and the so-called ultra-trails (Jahorina), serve to develop sports tourism as well. Needless to say, the evident breakthrough of wines from Republika Srpska to wine cards worldwide and increasingly popular wine routes and festivals will certainly result in visits of fans of this top-class beverage.

DO YOU KNOW?

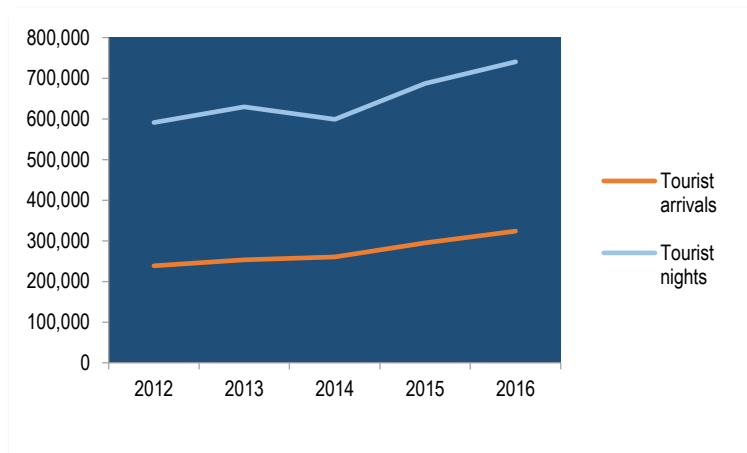
Tourist nights realised by foreign tourists in Republika Srpska in 2016 accounted for 48.8% of the total number of realised tourist nights, while in 1997 this percentage was only 23.8%.

All the above has significantly affected or will affect the increase in the number of guests in Republika Srpska. The goal is not only to keep the guests and make them want to extend their stay, but also to give them a reason to visit again.

Some travelers keep returning to Republika Srpska simply because they like the people, observed as the country's greatest wealth.

In 2016, the number of tourist arrivals increased by 9.9% in comparison with 2015, while the number of tourist nights increased by 7.8% during the same period. Of the total number of nights realised by foreign tourists, tourists from Serbia realised the highest number of nights, with a share of 26.4%, followed by tourists from Croatia with 22.5% and Slovenia with 9.0%.

It would be useful to analyse whether the evident increasing trend in the number of tourist arrivals and tourist nights will continue in the following year as well.



Graph 20.1. Tourist arrivals and nights, by year¹⁾

1) Since January 2013, for accommodation facilities in spa resorts where people stay for medical rehabilitation, only arrivals and nights for persons who pay for the stay themselves are shown. The data referring to 2012 were recalculated.

21 TRANSPORT AND COMMUNICATIONS

The meaning and dignity of the road exist only if we are able to find them within ourselves.

Transport of passengers and goods

In 2016, approximately 28 million passengers were transported, which represented a decrease by 3.8% compared to the previous year, with 80.1% of the total number of passengers being transported in municipal transport.

21.1. Transport of passengers and goods by transport branch

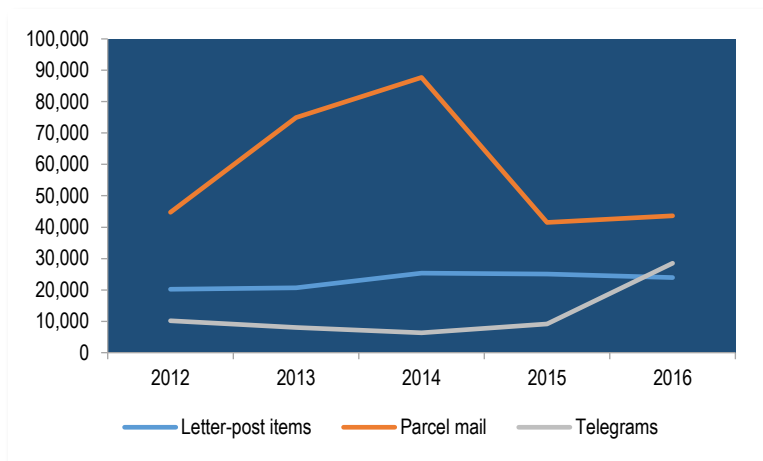
	2012	2013	2014	2015	2016
Road and urban transport					
Length of roads, km ¹⁾	14,299	14,040	14,141*	14,226*	14,336
Transported passengers, thous.	32,612	31,745	29,752	29,568	28,477
Transported goods, thous.tonnes	2,063	2,444	2,665	3,747	3,522
Railway transport					
Lengths of tracks, km	426	426	426	426	417
Transported passengers, thous.	321	211	173	178	160
Transported goods, thous.t	5,372	5,191	5,009	4,964	4,416
Air transport services					
Number of flights	658	739	1,053	1,043	1,474
Number of passengers	6,397	8,734	27,734	22,793	21,697

¹⁾ Source: Units of local self-government, public enterprise "Putevi Republike Srpske" and public enterprise "Aerodromi Republike Srpske"

A decrease by 6.0% was recorded in transport of goods in comparison with 2015, with a decrease by 11.0% in transport of goods in railway transport. Railway transport served to transport approximately 56% of all transported goods.

Postal activities

The number of letter-post items in 2016 decreased by 4.7%, while the number of parcel mail items increased by 5.2% compared to the previous year.

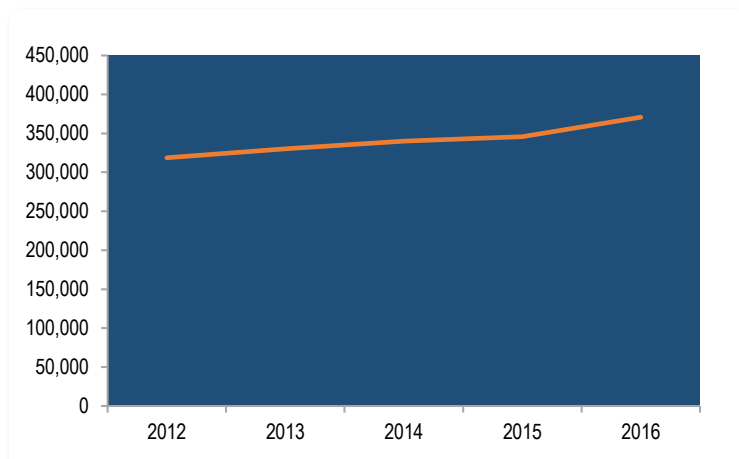


Graph 21.1. Postal activities

Registered vehicles

In 2016, in Republika Srpska, the number of registered vehicles increased by 7.3% compared to 2015.

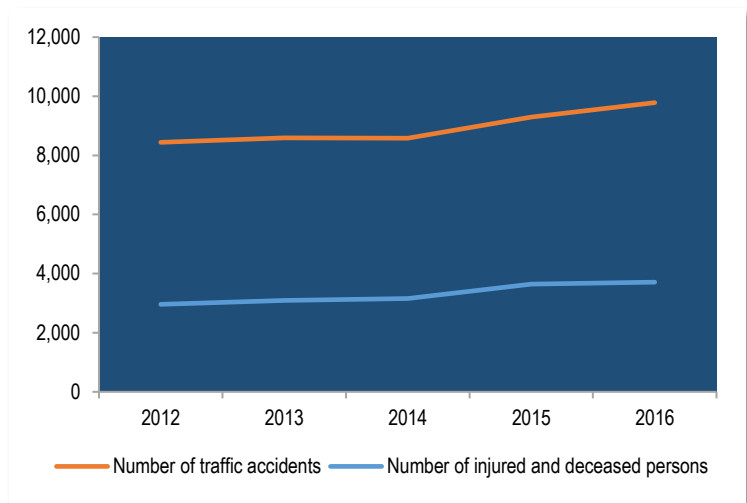
Of the total number of registered vehicles, 82.0% were registered passenger vehicles.



Graph 21.2. Total number of registered vehicles

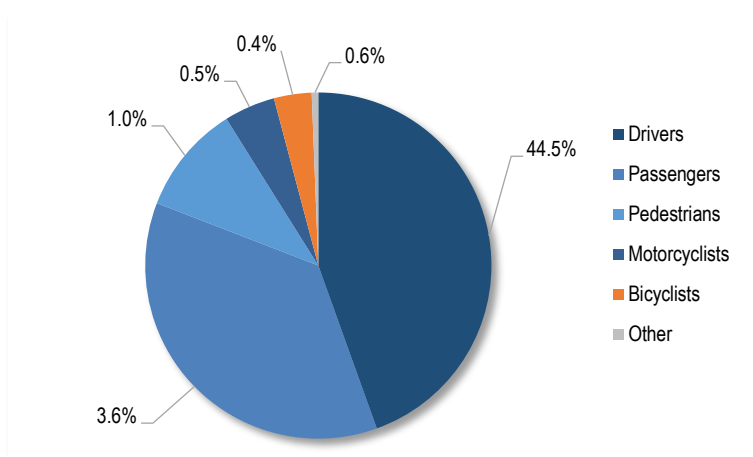
Traffic accidents

Compared to 2015, the number of traffic accidents in Republika Srpska in 2016 increased by 5.2%. The number of persons who deceased due to traffic accidents decreased by 13.9%, while the number of injured persons increased by 2.5% compared to the previous year.



Graph 21.3. Traffic accidents and injured and deceased persons

In 2016, one in three persons who deceased as a result of traffic accidents was over the age of 60 years. The most numerous among those who deceased due to traffic accidents were drivers, 44.5%. Speeding remains the most common cause of traffic accidents.



Graph 21.4. Injured and deceased persons by their participation in traffic accidents, 2016

DO YOU KNOW?

Traffic accidents most often happen on Mondays and Thursdays.

In children, the river of mankind is renewed and purified.

PRESCHOOL EDUCATION AND UPBRINGING

The system of preschool education and upbringing in 2016 consisted of 132 preschool institutions, of which 82 were established by local communities and 50 were established by private entities, citizens' associations and religious organisations.

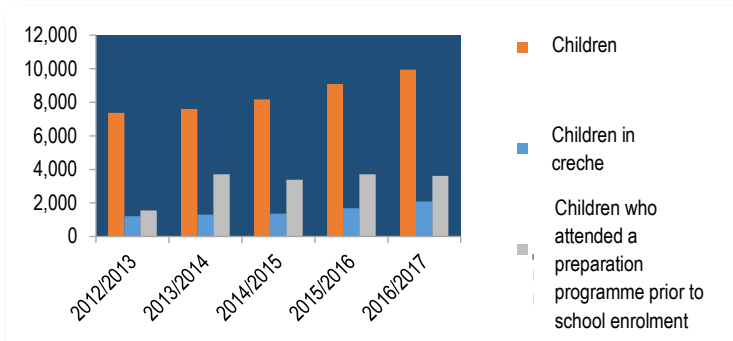
There were 9,953 children in preschool institutions in the school year 2016/2017, of which 5,184 (52%) boys and 4,769 (48%) girls. Twenty municipalities in Republika Srpska have no preschool institution.

In the school year 2016/2017, there were 1,518 employed persons in preschool institutions, of which 794 were educators.

In the structure of employed persons in preschool institutions, 91.6% were female, which indicates an underrepresentation of male educators and other male employees in general. However, this is also a typical situation in systems of preschool upbringing and education of developed countries.

22.1. Preschool education and upbringing

School year	Number of institutions	Children	Girls	Children in creche	Preparation programme prior to school enrolment	Employed persons, total	Female	Educators
2012/2013	95	7,369	3,473	1,205	1,551	1,110	1,021	538
2013/2014	99	7,599	3,610	1,312	3,700	1,156	1,061	574
2014/2015	113	8,166	3,927	1,360	3,377	1,268	1,161	630
2015/2016	124	9,093	4,367	1,675	3,705	1,392	1,276	724
2016/2017	132	9,953	4,769	2,081	3,602	1,518	1,389	794



Graph 22.1. Preschool education and upbringing

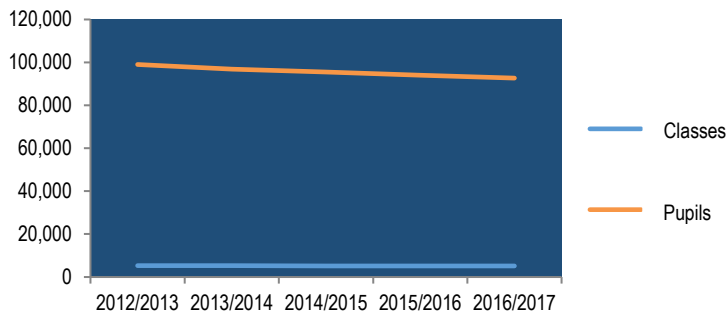
PRIMARY EDUCATION AND UPBRINGING

Decreased birth rate, negative migration balance, fewer new marriages and a growing number of divorces are just some of the reasons that directly affect the population decline, thus also causing a decrease in the number of children who enroll in primary school. Therefore, primary education statistics referring to the previous five-year period indicate that the so-called "white plague" is becoming an increasingly serious problem.

At the beginning of the school year 2016/2017, compared to 2015/2016, the number of pupils decreased by 1.5%, therefore there were 1,381 pupils fewer. There were 30 classes fewer, while there were two teachers fewer. There were 18 pupils per class on the average, while this percentage in the EU is 25 to 30. In accordance with the Law on Primary Education and Upbringing, a class should optimally have 25 pupils, with the minimum of 18 and the maximum of 30, or 32 if there is only one class of the given grade.

22.2. Primary education and upbringing at the beginning of the school year

	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Number of primary schools	727	721	720	708	701
Pupils	99,025	96,932	95,460	94,064	92,683
Classes	5,310	5,251	5,231	5,189	5,159
Teachers	8,448	8,535	8,138	8,181	8,179
Average number of pupils per class	19	18	18	18	18
Average number of pupils per teachers	12	11	12	11	11



Graph 22.2. Classes and pupils in primary schools

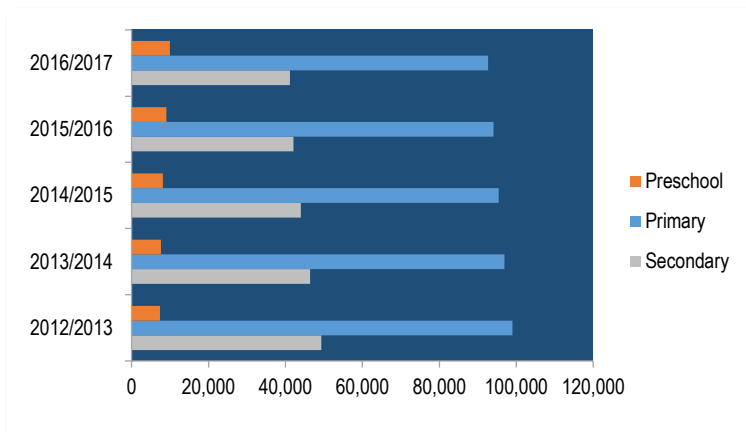
SECONDARY EDUCATION AND UPBRINGING

The main objective of secondary education is to develop and improve knowledge, competences and skills required for vocational work, to provide internationally comparable level of knowledge, and to prepare for further education at higher education institutions.

There were 41,136 pupils in secondary schools at the beginning of the school year 2016/2017, which represents a decrease by 4.5% compared to 2015/2016. As in the previous years, the most popular school among pupils was grammar school, thus 9,443 pupils or 23.0% of all pupils were enrolled at grammar schools.

22.3. Secondary education and upbringing at the beginning of the school year

	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Number of secondary schools	94	94	94	94	94
Pupils	49,367	46,421	43,975	42,089	41,136
Classes	1,963	1,872	1,869	1,794	1,826
Teachers	4,013	3,947	3,785	3,872	3,820
Average number of pupils per class	25	25	24	23	23
Average number of pupils per teacher	12	12	12	11	11



Graph 22.3. Children-pupils in institutions of education at the beginning of the school year

DO YOU KNOW?

In the school year 2016/2017, години most male pupils enrolled a school for the occupation "auto mechanic", while most female pupils enrolled a school for "hairdressers".

Boarding homes for pupils and students

Pupils and students' boarding homes are educational institutions providing accommodation, food and upbringing to pupils and students during their schooling. The main role of these homes is to provide pupils and students, who are separated from their families, with educational activities, accommodation, food, learning conditions, completion of their school obligations, and cultural and sporting activities.

If we observe beneficiaries of boarding homes for pupils and students by sex, it can be concluded that there are more female beneficiaries in boarding homes for pupils, with the percentage of 55.1%, while this percentage is even higher in boarding homes for students, namely 58.4%.

22.4. Boarding homes for pupils and students

	2013	2014	2015	2016	2017
Boarding homes	12	13	13	14	11
Pupils and students in boarding homes	3,291	3,342	3,223	3,204	3,715
Number of rooms	910	969	964	945	1,325
Number of teachers	26	28	29	29	26

HIGHER EDUCATION

Declining trend in the number of students enrolled in the first cycle of studies continues

At higher education institutions in Republika Srpska, the total number of enrolled students at all three cycles of studies was 37,473, which represents a decrease by 6.7% compared to the previous academic year. In the academic year 2016/2017, the decreasing trend in the number of enrolled students at the first cycle of studies was continued. There were 2,598 students fewer than in the previous academic year. At the second cycle of studies, there were 104 students fewer, while there were 11 students more at the third cycle.

By sex structure of enrolled students, there were more female students at the first and second cycles of studies, while at the third cycle of studies, female and male students are equally represented.

In Republika Srpska, nearly 3/4 of students are enrolled at public higher education institutions, namely 73.5% of them. Of the total of 21 higher education institutions in Republika Srpska, there are four public institutions, namely the University of Banja Luka, the University of Istočno Sarajevo, High Medical School in Prijedor and Higher School of Hotel Management and Tourism in Trebinje.

There were 34,792 students enrolled in the first cycle of studies and slightly over half of them belong to the age group between 20 and 24 years.

Of the total number of those enrolled in the second cycle of studies, 59 students were enrolled in master studies according to the old programme and 2,456 in master studies according to the new programme, while 71 students were enrolled. Approximately 68% of those enrolled in the second cycle of studies were persons under 30 years of age.

There were 95 doctoral candidates enrolled in the third cycle of studies, where female and male students are equally represented. Approximately 62% of those enrolled in doctoral studies were persons under 39 years of age.

In 2016, studies were completed by 6,114 students

At the first cycle of studies there were 5,474 students who graduated. More than half of graduated students were female (58%). Almost half of students who graduated in 2016 completed studies in the field Social sciences, business and law (45%), while the lowest number of graduated students was recorded in the field Services (3%).

The title of master of science and the title of specialist in 2016 were awarded to 593 candidates, of which approximately 46% were male. The title of doctor of science was awarded to 47 candidates.

The highest number of master's and specialist's theses was in the field Social sciences (38.8%), while the lowest number of these was recorded in Natural sciences (4.7%) and Agricultural sciences (3.7%).

The highest number of doctoral candidates defended their doctoral dissertations in the field Social sciences (48.9%), while the lowest number of defended doctoral dissertations was in the fields Agricultural sciences and Natural sciences (2.1%).

At higher education institutions, there were 2,775 employed teachers and assistants

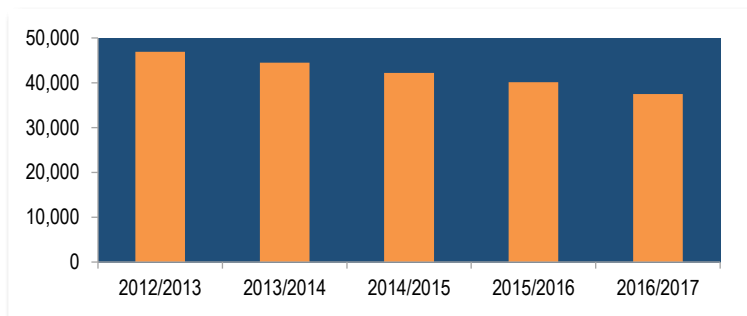
At higher education institutions, in the academic year 2016/2017, there were 2,775 employed teachers and assistants. Presented by full-time equivalent, the total number of teachers and assistants was 2,147.5. Most of the teachers had the academic title docent professor (36%), while most assistants were senior assistants (50%).

22.5. Enrolled students in Republika Srpska, academic year 2016/2017

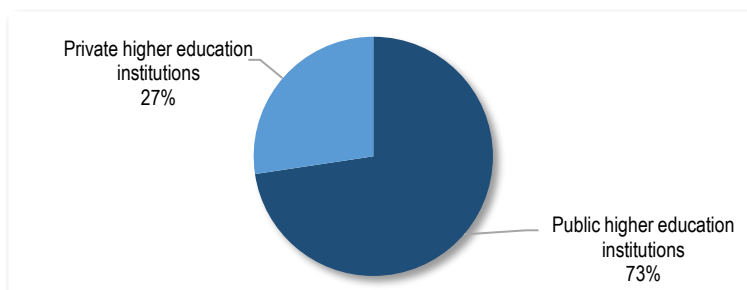
	Enrolled students, total		Old programme		Bologna-compliant programme	
	all	female	all	female	all	female
TOTAL	37,473	21,196	1,085	644	36,388	20,552
1 st cycle	34,792	19,677	991	610	33,801	19,067
2 nd cycle	2,586	1,473	59	22	2,527	1,451
3 rd cycle	95	46	35	12	60	34

21.6. Graduated students, masters of science, specialists and doctors of science, 2016

	Graduated students		Masters of science (old programme)		Masters of science (new programme)		Specialists		Doctors of science	
	all	female	all	female	all	female	all	female	all	female
TOTAL	5,474	3,185	72	29	420	220	101	69	47	20



Graph 22.4. Students enrolled in all three cycles of studies in Republika Srpska



Graph 22.5. Enrolled students in Republika Srpska by type of ownership of higher education institutions, academic year 2016/2017

23 CULTURE AND ART

His dance bore him onward where his walk would never have borne him.

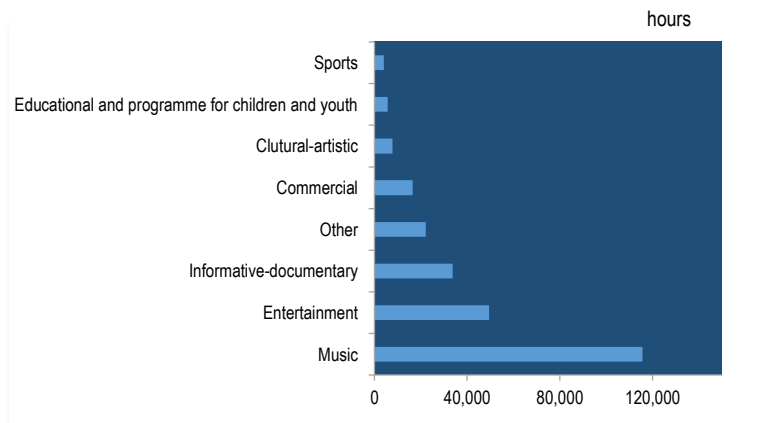
In Republika Srpska, compared to 2016, an increasing trend was recorded in the number of visitors of both domestic and foreign film screenings and in the number of children's theatre and amateur theatre plays.

The number of cinema visitors in 2016, compared to 2015, increased by 150.8%, especially at foreign film screenings (160.1%).

The highest number of visitors per theatre play (188) in 2016 in 2016 was recorded in professional theatre.

Mainly music, entertainment, informative-documentary, commercial and cultural-artistic programmes were broadcast by radio stations in 2016, while programmes for children and youth, educational and sports programmes were least represented.

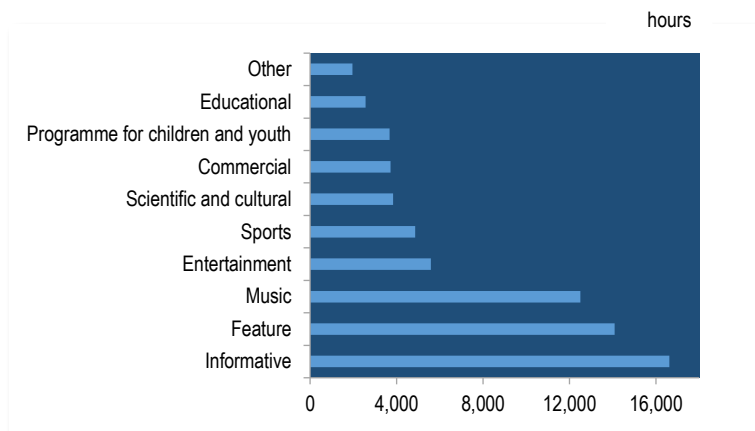
Compared to 2015, the number of broadcast hours of radio stations increased by 5.7% in 2016.



Graph 23.1. Programme broadcast by radio stations, 2016

In 2016, mainly informative, feature, music, entertainment, sports, scientific and cultural and commercial programmes were broadcast by TV stations, while programme for children and educational programme were least represented.

Compared to 2015, the number of broadcast hours increased by 4.4% in 2016.

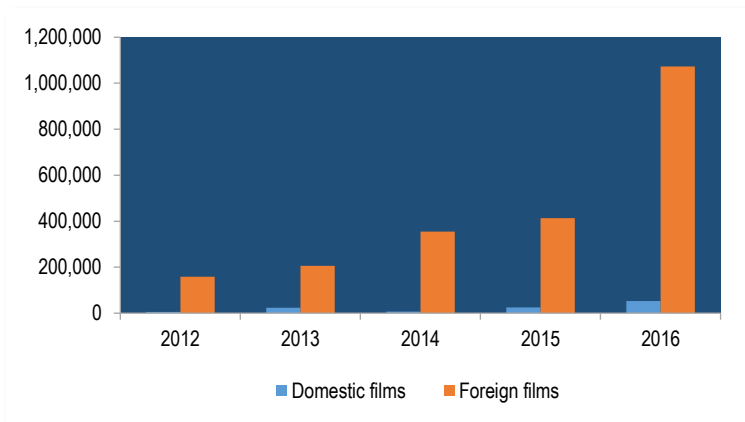


Graph 23.2. Programme broadcast by TV stations, 2016

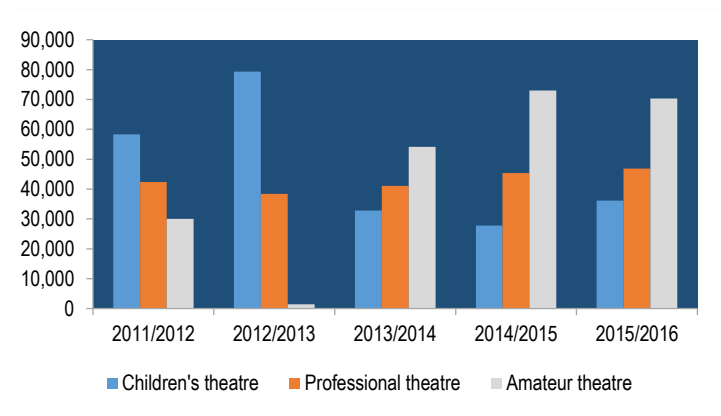
In 2016, the number of users of the library fund in Republika Srpska increased by 2.5% compared to 2015.

DO YOU KNOW?

In Republika Srpska, an increase was recorded in the number of visitors of both domestic and foreign film screenings in 2016.



Graph 23.3. Cinema visitors



Graph 23.4. Theatre visitors

But the bridge still stood, the same as it had always been, with the eternal youth of a perfect conception, one of the great and good works of man, which do not know what it means to change and grow old and which, or so it seemed, do not share the fate of the transient things of this world.

In the public health sector of Republika Srpska in 2016 there were 13,398 employed medical staff and associates, out of which 39.6% were employed at health care centres. Out of the total number of employed persons, 20.1% were doctors of medicine. In the same period, private health care institutions employed 2,361 persons, out of which 9.8% were doctors of medicine.

There were approximately 4.48 million visits to the General and Family Medicine services and approximately 25.6% of these were first visits to the physician. The first visit is a contact realised for the first time with a physician due to a disease, condition or injury. One person may, in the course of one year, visit a physician several times, but each time due to different disease, and in that case each visit is considered to be the first visit due to that disease.

In 2016, 198,819 persons concluded their hospital treatment, which represented a decrease by 0.1% compared to 2015.

24.1. Doctors of medicine in health care institutions

	2015	2016
TOTAL	2,737	2,761
In public health	2,491	2,530
In private clinics	246	231

Source: Republika Srpska Public Health Institute

Cases of varicella were the most common

Compared to 2015, the number of reported cases of infectious and parasitic diseases decreased by 13.0% in 2016.

In the total number of cases in 2016, there was a significant number of varicella cases (approximately 5.4 thousand), with an increase by 14.3% compared to 2015.

In 2016, a weakening of the measles (B05) epidemic observed in 2014 in Republika Srpska was recorded. The share of measles cases in the total number of diseased persons in 2015 was 14.7%, while in 2016 this share amounted to 0.1%.

DO YOU KNOW?

The total number of dentists who perform their primary activity in public health has been increasing constantly. In 2015, the total number of doctors increased by 9.3% compared to 2011, while it increased by 20.5% compared to the total number of dentists in public health in 2006.

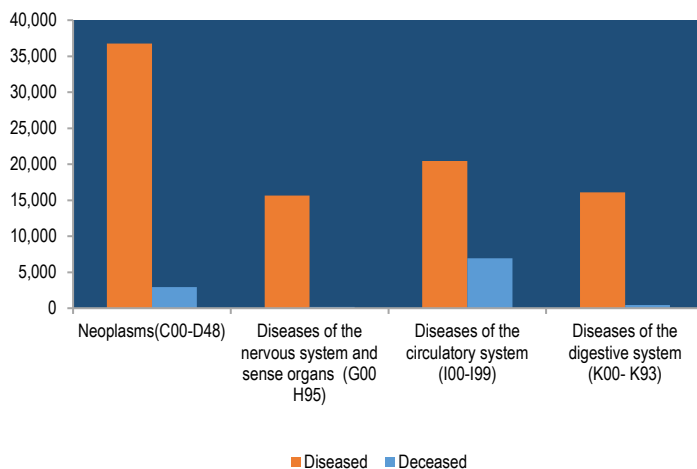
24.2. Reported cases of infectious and parasitic diseases in Republika Srpska

	Number of reported cases
2012	19,434
2013	16,707
2014	16,979
2015	16,418
2016	14,289

Source: Republika Srpska Public Health Institute

Among diseased persons, the most frequent were cases of neoplasms, while most deaths occurred due to diseases of the circulatory system

In 2016, there were 188,515 cases of diseased persons in Republika Srpska. Out of the total number of disease cases, 19.5% were cases of neoplasms and during this period approximately 21.1% of persons deceased due to this disease. There were 6,920 persons, or 49.5% of all deceased persons, who deceased due to the diseases of the circulatory system, which affected approximately 10.8% of persons in the previous year.



Graph 24.1. Morbidity and mortality by specific disease group, 2016

Source of data on morbidity: Republika Srpska Public Health Institute

25 HEALTH, PENSION AND DISABILITY INSURANCE

Misfortunes do not last forever (this they have in common with joys) but pass away or are at least diminished and become lost in oblivion.

Health insurance

In 2016, in Republika Srpska there were 917,000 beneficiaries of health insurance; thus, there were 7,000 beneficiaries more than in 2015.

Insured persons who exercised their right to health insurance in 2016 were temporarily unable to work for 531,000 days, in slightly over 10,000 cases.

DO YOU KNOW?

Compared to 2015, nearly 309 thousand prescriptions more were issued in Republika Srpska in

25.1. Insured persons by category of health insurance (average)

Category of insurance	2012	2013	2014	2015	2016
TOTAL	928,561	910,958	909,813	910,055	917,357
Active insured persons	211,814	202,413	192,059	191,583	195,471
Beneficiaries of the insurance of the PDI Fund	204,577	205,663	206,867	214,574	211,044
Unemployed persons	158,992	167,130	171,096	176,631	183,318
Family members of an insured person	353,178	335,752	339,791	327,267	327,524

Source: Health Insurance Fund of Republika Srpska

25.2. Exercise of health insurance rights

	2012	2013	2014	2015	2016
Temporary inability to work, number of days	578,208	473,978	440,186	528,964	531,360
Number of issued prescriptions	6,690,369	6,636,527	6,128,173	6,573,847	6,882,844

Source: Health Insurance Fund of Republika Srpska

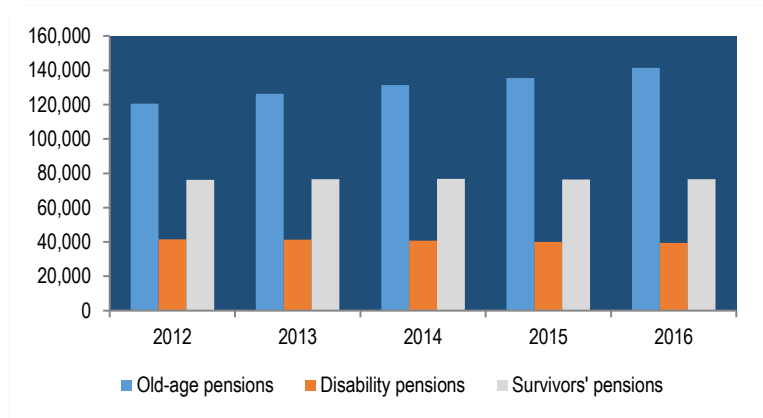
Pension and disability insurance

The total number of pension right beneficiaries on the last day of 2016 was over 257,000. Of these, approximately 141,000 were old-age pension beneficiaries, around 39,000 were disability pension beneficiaries, and nearly 77,000 were survivors' pension beneficiaries.

Total average pension in 2016 amounted to 309 KM; average old-age pension was 339 KM, average disability pension was 289 KM, while average survivors' pension was the lowest, with 265 KM.

DO YOU KNOW?

Of 141,427 old-pension beneficiaries on 31 December 2016, 52,159 were female.



Graph 25.1. Pension right beneficiaries (as on 31 December)

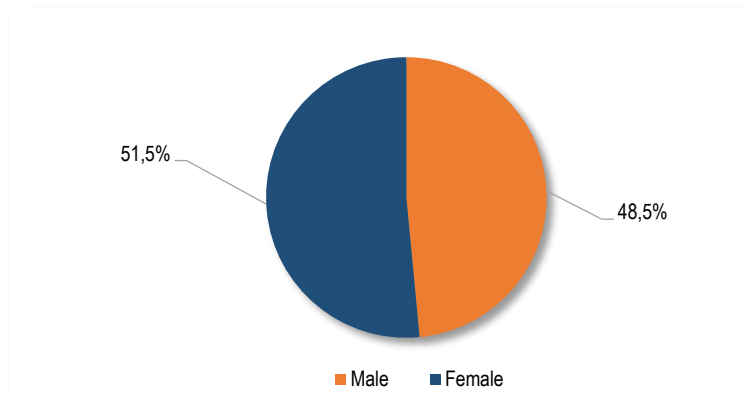
Source: Pension and Disability Insurance Fund of Republika Srpska

26 SOCIAL WELFARE

Life only returns what we give to others.

In Republika Srpska, in 2016 at least one form of social welfare was received by 191,604 persons, of which a majority were adults, namely 72.0%, while 28.0% of beneficiaries were minors.

By sex, there were more female beneficiaries of social welfare



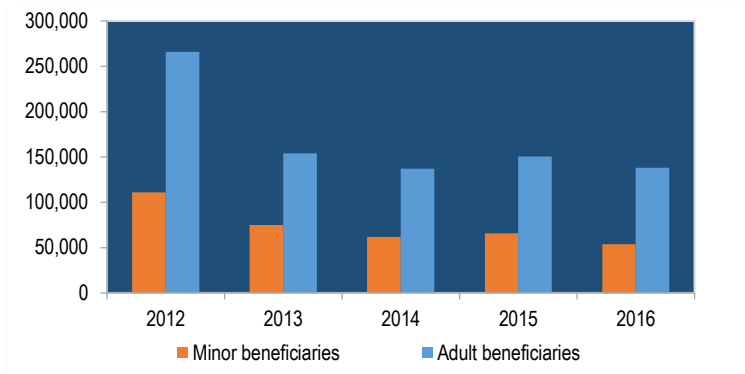
Graph 26.1. Social welfare beneficiaries by sex, 2016

In 2016, the number of social welfare beneficiaries decreased by 11.3% compared to 2015.

DO YOU KNOW?

In 2016, fifteen children were adopted in Republika Srpska.

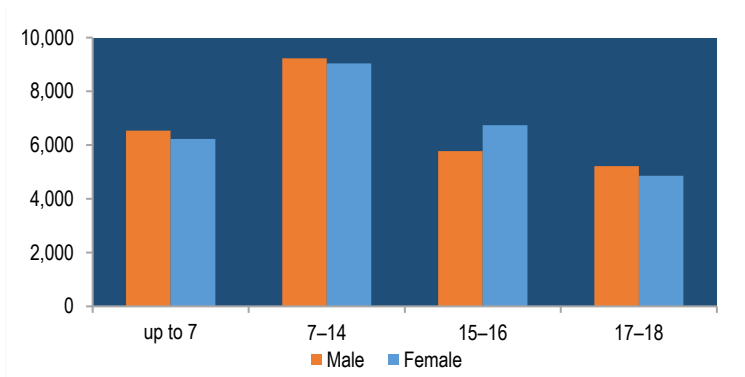
The number of minor beneficiaries decreased by 18.2% and the number of adult beneficiaries decreased by 8.3%



Graph 26.2. Number of social welfare beneficiaries

Since 2012, the number of social welfare beneficiaries has been decreasing steadily. From 2012 to 2016, the number of beneficiaries decreased by 49%.

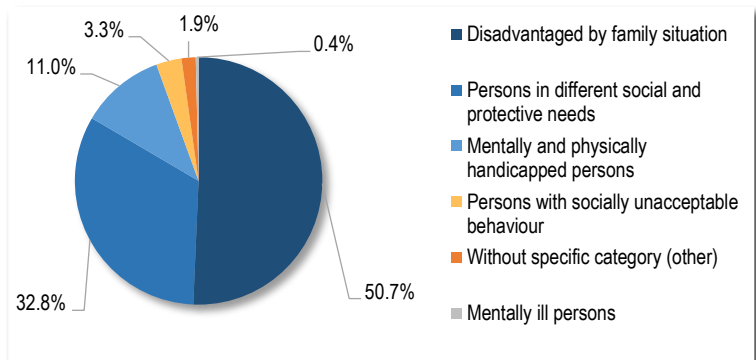
In 2016, in Republika Srpska 53,648 minor beneficiaries of social welfare were recorded. Most of them were between 7 and 14 years of age, while those belonging to the category 17 and 18 years of age were least represented.



Graph 26.3. Minor beneficiaries by sex and age, 2016

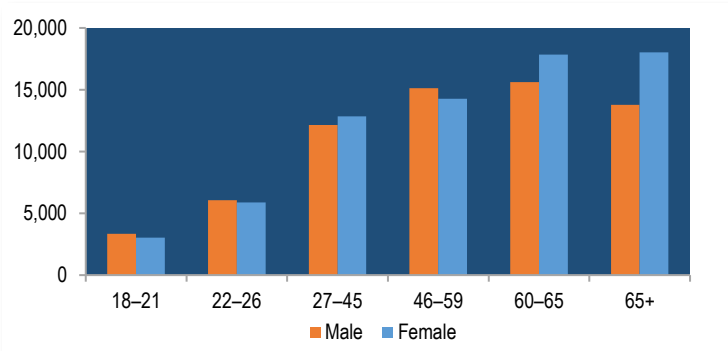
26 SOCIAL WELFARE

By category, most minor beneficiaries were those from the category of the disadvantaged by family situation (50.7%). Most children of parents not having sufficient income to support the family (77.3%) also belonged to the same category.



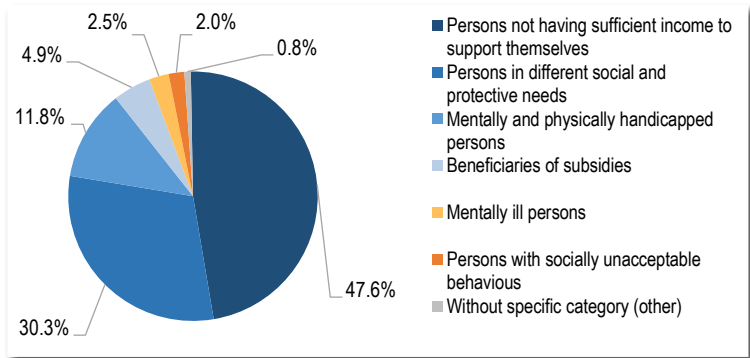
Graph 26.4. Minor beneficiaries by main categories, 2016
(state at the end of the year)

In 2016, one of the forms of social welfare was received by 137,956 adults. Majority of them were aged between 60 and 65, while those from the age group between 18 and 21 years were least represented.



Graph 26.5. Adult beneficiaries by sex and age, 2016

The largest share in the total number of adult beneficiaries was that of the category of persons not having sufficient income to support themselves (47.6%). Within this category, the most common were Other persons in different social needs (25.2%).

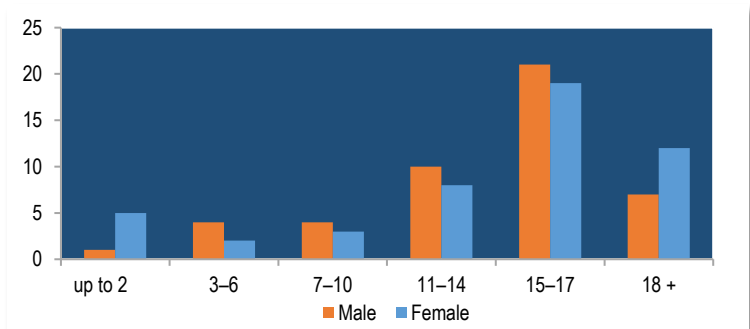


Graph 26.6. Adult beneficiaries by main categories, 2016
(state at the end of the year)

Social welfare institutions

In 2016, there were 96 beneficiaries in homes for children and youth. Most of them were between 15 and 17 years of age, while those aged up to 2 years and 3 to 6 years were least represented.

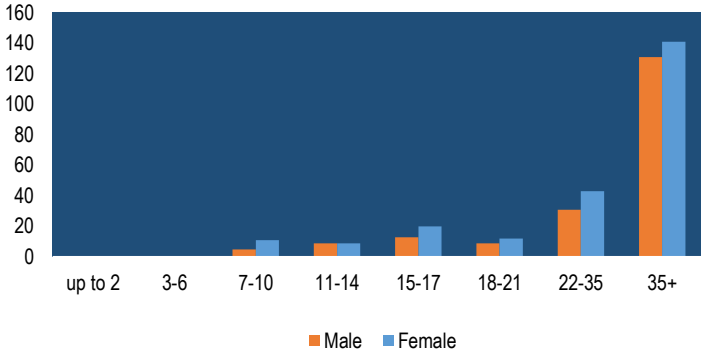
There were more female beneficiaries in homes (51.0%).



Graph 26.7. Beneficiaries of homes for children and youth by sex and age, 2016

26 SOCIAL WELFARE

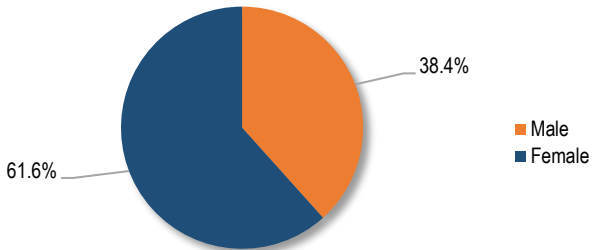
Institutions of social welfare for disabled children and youth with physical and mental disabilities in 2016 accommodated 434 persons, most of them older than 35 years of age (62.7%).



Graph 26.8. Beneficiaries of institutions for disabled children and youth by sex and age, 2016

In 2016, institutions for adult disabled persons accommodated 41 beneficiaries, most of them physically disabled, 80.5%.

Institutions of social welfare for the elderly in 2016 accommodated 1,979 persons, most of them female (61.6%). Most beneficiaries were over 80 years of age (885 persons).



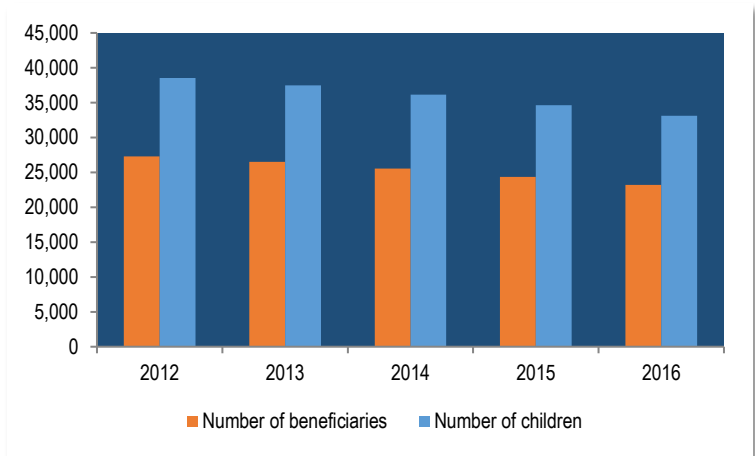
Graph 26.9. Beneficiaries of institutions for the elderly by sex, 2016

Child support beneficiaries

The total number of beneficiaries realising the right to child support in 2016 was 23,202 and the number of children realising the right to child support in the same year was 33,125.

In 2016, the total number of beneficiaries realising the right to child support decreased by 4.7%, while the number of children realising this right decreased by 4.4%.

Since 2012, the number of beneficiaries and the number of children realising the right to child support has been decreasing steadily. From 2012 to 2016, the number of beneficiaries decreased by 15.0% and the number of children decreased by 14.0%.



Graph 26.10. Number of child support beneficiaries and number of children

27 RESEARCH AND DEVELOPMENT

Silence is difficult only to those who do not think.

The modern market is characterised by permanent uncertainty and the need for constant adjustment, which can be achieved only by systematic investment in research and innovation.

In 2016 in Republika Srpska, 16.7 million KM was spent for research and development, of which 11.3 million KM was spent in the business sector.

Gross domestic expenditure for research and development in Republika Srpska in 2016 was 16,736,000 KM, out of which current expenditure, covering labour costs, costs of compensation to employees and other current costs, accounted for 87.5% of the total funds spent on research and development, while the remaining amount were investment expenditures. Investment expenditures cover expenditure for land and buildings, machinery and equipment, patents, licences, studies and projects, hardware and software, and other investment expenditures.

Of the total gross domestic expenditure for research and development, 68.0% of total funds was spent in the business sector, 23.6% in higher education, 4.9% in the government sector, and 3.5% in the non-profit sector.

Gross domestic expenditures were the highest in the field of *Engineering and Technology* (59.7%). *Engineering and Technology* is a field of science that covers construction and architecture, materials, electrical engineering, electronics and information engineering, as well as mechanical, chemical, medical and environmental engineering, industrial and environmental biotechnology, nanotechnology and other engineering and technology.

In 2016, there were 868 persons engaged in 167 research and development works, or 567.4 persons if expressed in full-time equivalent. Full-time equivalent represents the number of persons engaged full-time in research and development. Slightly over half of the works belonged to applied research, undertaken in order to acquire new knowledge, aimed at solving a practical task or achieving a practical goal.

Of the total number of employed and hired persons, including researchers, research associates, technicians, managers and other staff, 2/3 were researchers. If observed by field of science of research, half of the researchers were employed in *Engineering and technology* (50.5%), while the highest number of hired researchers was recorded in the field *Natural sciences*, namely 29.2%.

In the period 2014-2016 in Republika Srpska, 22.7% of enterprises were 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 2014–2016 in Republika Srpska was 19.4%, 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 2016.

Innovation active enterprises with non-technological innovation, the share of which in the observed period in Republika Srpska was 15.9%, are enterprises which introduced new organisational method in business practice and/or new marketing concept or strategy which are different from the existing ones in the enterprise.

In Republika Srpska, in the period 2014-2016, 77.3% of enterprises did not introduce innovation at all. Three quarters of non-innovative enterprises marked low market demand for innovations, no need for innovation due to earlier innovation of the enterprise, very little competition in the market and the lack of good ideas for innovation as the reasons for the lack of innovation activities.

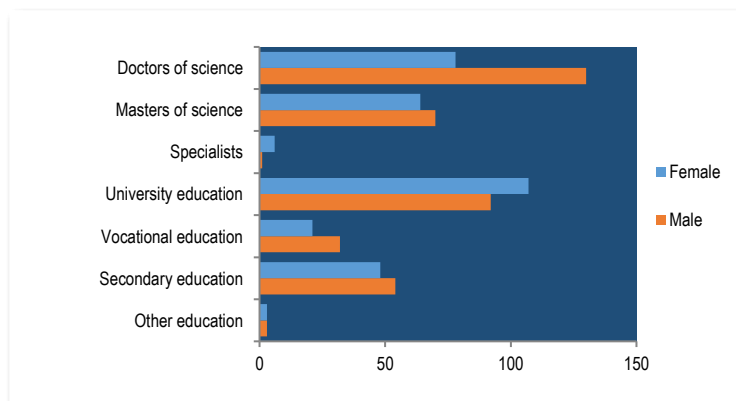
Other non-innovative enterprises, namely 23.6% of them, did not introduce innovation due to excessive barriers to innovation.

DO YOU KNOW?

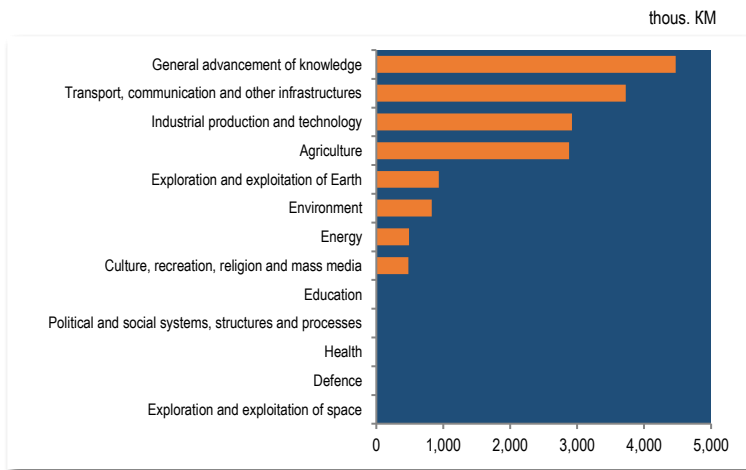
Innovation active enterprises in 2014 – 2016 mostly purchased machinery, equipment, software and buildings, namely 78.4%.

27.1. Research and development in Republika Srpska

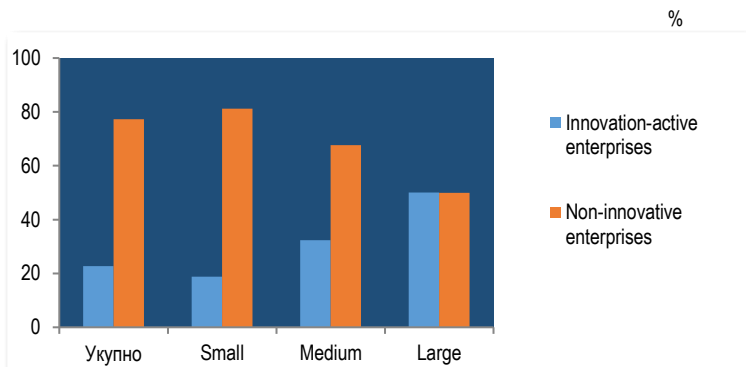
	Persons engaged in research and development				Research and development works				Gross domestic expenditure on research and development (thous. KM)		
	all	female	researchers	female	total	fundamental	applied	development	total	current expenditure	capital expenditure
2012	814	337	532	194	342	68	183	91	34,297	15,098	19,199
2013	1,014	456	675	288	309	28	168	113	49,035	12,487	36,548
2014	1,007	468	631	254	288	82	163	43	17,839	11,630	6,209
2015	884	368	559	220	237	46	119	72	17,935	14,547	3,388
2016	709	327	438	204	167	30	100	37	16,736	14,650	2,086



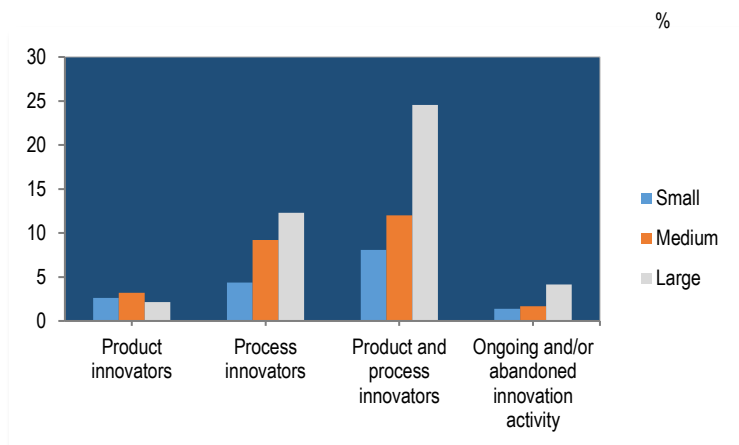
Graph 27.1. Number of persons engaged in research and development by level of education, 2016



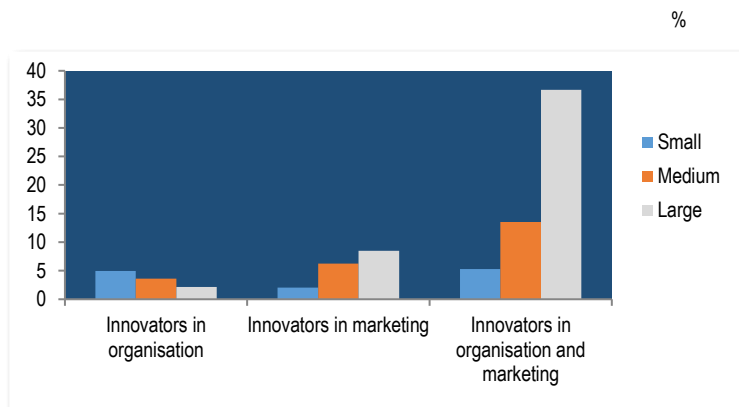
Graph 27.2. Funds for research and development by socio-economic goal, 2016



Graph 27.3. Enterprises by size of enterprise and by innovation activity, 2014 – 2016



Graph 27.4. Enterprises with technological innovations by type of innovations, 2014 – 2016



Graph 27.5. Enterprises with non-technological innovations by type of innovations, 2014 – 2016

The kingdom was reborn, redeemed by trials and founded on truth.

Fight against crime and criminal activities is manifested through detecting and resolving criminal offences and the prosecution and punishment of offenders.

A criminal offence in any case represents an attack against social and civilisation values which each country seeks to ensure maximum protection. Therefore, all modern legal systems have an interest and will to respond effectively to threats to their protected values by sanctioning criminal offences.

At a time when contemporary crime becomes a transnational phenomenon, reactions of a legal state to its manifestations are becoming increasingly important.

Criminal and legal liability and imposing sanctions for perpetrated criminal offences pursuant to legislative solutions are for obvious reasons defined and applied (and also statistically monitored) for both adult and juvenile offenders.

ADULT PERPETRATORS

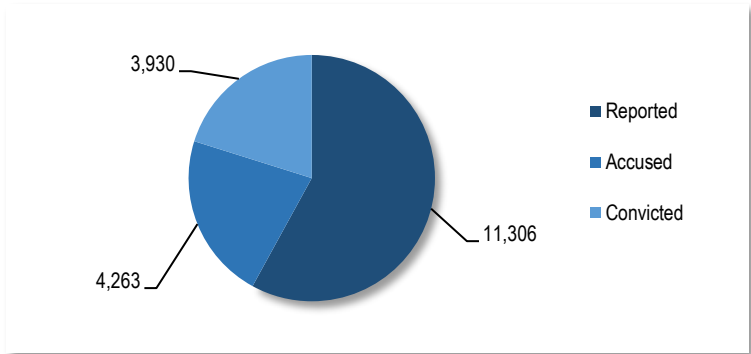
In 2016, Public Prosecutor's Offices resolved 11,306 criminal charges filed against adults and for 26.9% of these the identity of the perpetrator was not determined. As in the previous year, criminal offences against property were the most common offences. Thus, these accounted for 44.3% of the total number of criminal charges.

During the same period, 4,263 persons were accused and 3,930 persons were convicted at the competent courts. Of all convicted persons, 92.9% were male, of which 22.2% were between 30 and 39 years of age. Nearly one in three accused persons was charged with property offences. One in eight perpetrators was charged with criminal offences against public order and criminal offences against life and body.

When it comes to perpetrators who were found guilty, the most common sanction was conditional sentence, which was recorded in 59.5% of cases. Fine was imposed in 24.5% of cases, while in 15.3% of cases unconditional imprisonment was imposed.

DO YOU KNOW?

In 2016, compared to 2015, a decrease by 40.6% was recorded in the number of resolved criminal charges filed for environmental offences.



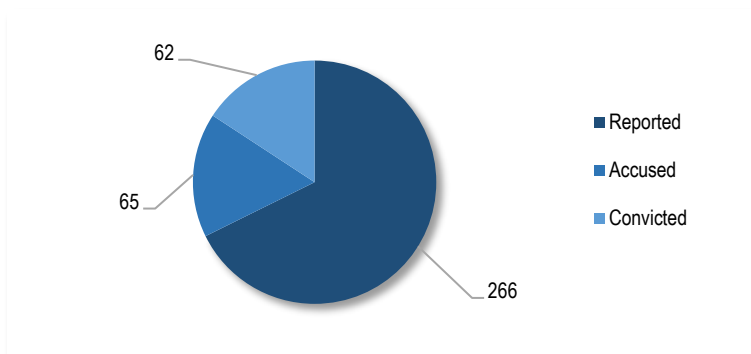
Graph 28.1. Adult perpetrators of criminal offences – reported, accused and convicted, 2016

JUVENILE PERPETRATORS

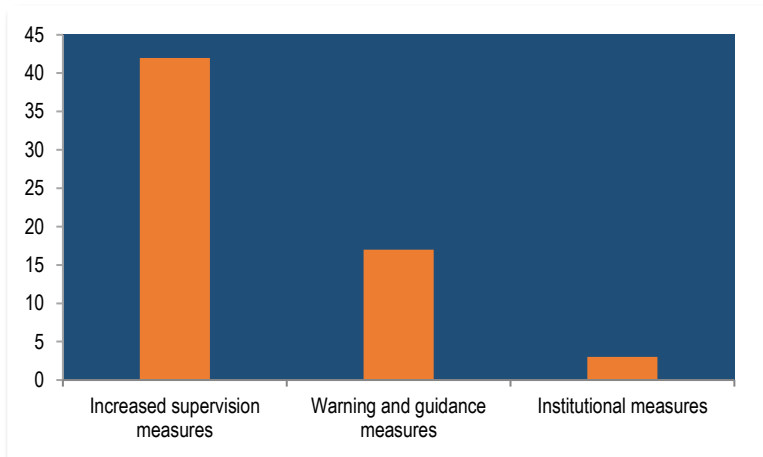
Out of the total of 266 resolved criminal charges for juvenile persons in 2016, 181 referred to older juvenile persons (persons who completed 16 years of age, but still did not complete 18 years of age). Criminal offences against property were the most common among reported persons, namely 64.3%, followed by criminal offences against life and body, with 16.2%.

The indictment for perpetrated criminal offence was filed for 65 juvenile persons and for 95.4% of them educational-correctional measure was imposed. In 3.1% of cases, safety measures were imposed, while in 1.5% of cases a decision was made to suspend the proceedings. Besides property offences, of which 53.8% of all accused juveniles were accused, 16.9% of juveniles were accused of criminal offences against life and body.

Of the total of 62 imposed criminal sanctions, 98.4% were imposed against male persons. There were no cases of juvenile imprisonment being imposed in 2016. The most common measures were increased supervision, 67.7%, followed by warning and guidance measures 27.4% and institutional measures 4.8%.



Graph 28.2. Juvenile perpetrators of criminal offences – reported, accused and convicted, 2016



Graph 28.3. Imposed criminal sanctions for juvenile perpetrators, 2016

USER GUIDE

Dear Users,

This publication is intended for a wide range of users, providing main indicators of the situation and changes in the economic and social life of Republika Srpska.

Regular statistical activities carried out by the Institute of Statistics are the main source of data for tables and graphs for which source of data is not specified.

For all tables and graphs which present data collected and processed by other authorised bodies and organisations, source of data is given under the given table or graph.

For easy reference, data in certain tables and graphs are given in larger units of measure (thousand, million), while, due to the rounding-off, total amounts do not always correspond to sums of data for individual categories.

Data presented by specific level of the activity classification are presented pursuant to the KD BiH 2010, which is in its content and structure fully harmonised with the EU Statistical Classification of Economic Activities NACE Rev.2.

In order to achieve compliance with the current regulations in the field of short-term statistics and EU standards, since 2015 the Republika Srpska Institute of Statistics has been carrying the survey "Quarterly indicators in hotels and restaurants" instead of the quarterly survey on hotels and restaurants, in order to regularly produce and publish relative indicators, at the quarterly level. Data obtained through this survey are linked to data referring to previous years by means of the recalculation using growth rates, the series of indices in the field of hotels and restaurants has therefore been preserved.

Note: In chapters which provide tabulated data by the KD BiH, sections of the activity classification are specified by English alphabet letter codes, in accordance with international labelling, while a full explanation of these codes is given at the beginning of this publication, in the chapter entitled "Sections of Economic Activity".

When using data from this publication, we would appreciate it if you cited the source (Republika Srpska Institute of Statistics and the title of this publication).

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 0.2 and equal to or higher than 0.1, or expressed in percentage as follows $10\% \leq CV < 20\%$
(())	unreliable data - coefficient of variation (CV) lower than 0.3 and equal to or higher than 0.2, or expressed in percentage as follows $20\% \leq CV < 30\%$
*	extremely unreliable data - coefficient of variation (CV) equal to or higher than 0.3, 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 ²	square metre
m ³	cubic metre
km	kilometre
km ²	square kilometre
elev.	elevation
ha	hectare
t	tone
kW	kilowatt
GWh	gigawatt hour
Gg	gigagram
CO _{2-eq}	carbon dioxide equivalent
thous.	thousand
mill.	million
bn	billion
pcs	pieces
Sm ³	a cubic metre of gas under a standard condition
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. 2	European Classification of Economic Activities
KM	Convertible Mark (BAM)
KD	Classification of Economic Activities

SECTIONS OF ECONOMIC ACTIVITY¹⁾

A	Agriculture, forestry and fishing
B	Mining and quarrying
C	Manufacturing
D	Electricity, gas, steam and air-conditioning supply
E	Water supply; sewerage, waste management and remediation
F	Construction
G	Wholesale and retail trade; repair of motor vehicles and motorcycles
H	Transportation and storage
I	Accommodation and food service activities
J	Information and communication
K	Financial and insurance activities
L	Real estate activities
M	Professional, scientific and technical activities
N	Administrative and support service activities
O	Public administration and defence; compulsory social security
P	Education
Q	Human health and social work activities
R	Arts, entertainment and recreation
S	Other service activities
T	Activities of households as employers; undifferentiated goods- and services- producing activities of households for own use
U	Activities of extra-territorial organisations and bodies

¹⁾ Pursuant to the Regulation on the Classification of Economic Activities of Republika Srpska ("Official Gazette of Republika Srpska", No.8/14).

In the end, dear readers, we wish to provide you in this book with at least some statistical concepts you might not know – knowing these could be useful.

CONCEPTS

Statistics

Statistics is a science that deals with the collection, analysis and interpretation of data on variable phenomena, based on the probability theory.

Statistical set

Statistical set (basic set or population) is a set of all elements on which a certain variable phenomenon is manifested and statistically observed.

Characteristic

Properties based on which units within a statistical set differ from one another and which are subject to a statistical survey are called characteristics (variables). Various forms in which one characteristic may occur are called **modalities** or **values** of this characteristic.

Statistical sample

Statistical sample is a *part* of a statistical set. Based on its characteristics we make statistical conclusions about relevant characteristics of the population the sample was selected from.

Representative sample

A sample is representative if its characteristics faithfully reflect characteristics of the statistical set the sample was selected from.

Statistical census

Statistical census covers all units of a set at a specific moment called **critical moment**.

Statistical series

Statistical series are sequences of data arranged by values of characteristics or chronologically. If they are arranged by characteristics they represent **structural series**; if they are arranged chronologically they represent **time series**.

Arithmetic mean

Arithmetic mean (or mean) is mean value most commonly used in practice. It is often called **average**. It represents the sum of values of an observed characteristic divided by the number of the values.

Geometric mean

Geometric mean represents a measure of the central tendency that compensates proportional changes observed between data in the observed series. Values of characteristics are multiplied in succession and then the root of the total product is taken, with an exponent which is equal to the number of observed units.

Median

Median is the value of a characteristic which is in the middle of a series whose data are arranged by size. It separates a data series into two equal parts (50% of units is lower than the median, while 50% is higher, in terms of characteristic value).

Variance

Variance shows the average squared deviation of all data from their arithmetic mean.

Standard deviation

Standard deviation represents the average deviation of all individual data from their arithmetic mean. Standard deviation may be calculated directly from variance, as a positive value of the squared root of variance.

Indices

Indices are relative numbers that indicate the ratio between levels of one or more occurrences in the current (reporting) period in comparison with the base period. They are usually expressed as percentages.

Current period

Current period (year, quarter, month, etc.) is a period in which the level of occurrence is observed, while the period with which this level is compared is called **base period** or **base**.

Average growth rate

Average growth rate (geometric growth rate) is the rate at which an occurrence increases or decreases during the period covered by the time series.

Time series

Time series are sequences of numerical data on an occurrence, arranged chronologically in successive and equal intervals.

Trend

Trend (secular tendency) is a developmental tendency of an occurrence within the observed period.

Seasonal adjustment

Seasonal adjustment is a process through which seasonal effects are eliminated from original data in a time series. In the multiplicative model, this is accomplished by dividing the original data by seasonal indices and multiplying by 100.

Source: Lovrić, M.; Komić, J.; Stević, C. (2006). Statistička analiza – metodi i primjena. Banja Luka: Faculty of Economics of the University of Banja Luka.

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