REPUBLIKA SRPSKA INSTITUTE OF STATISTICS

THIS IS
REPUBLIKA SRPSKA
2018

РЕПУБЛИКА СРПСКА
РЕПУБЛИЧКИ ЗАВОД ЗА СТАТИСТИКУ
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PREFACE

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.

Our goal is to provide you with the most interesting statistical data on Republika Srpska, in a direct and popular format.

As every year, this interesting publication is published both in Serbian and in English and in the electronic form at the Institute's website, which makes it available to users worldwide.

Our folk wisdom is a specific and invaluable form of experiential art we are proud of. Thus, at the beginning of each chapter there is one of our proverbs, translated and adapted into English. As part of the *DO YOU KNOW?* section, the chapters also provide interesting statistical facts.

At the end of the book we also provide additional chapters: User Guide, Symbols and Abbreviations, Sections of Economic Activities, as well as a very interesting chapter Little School of Statistics.

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

We would appreciate all suggestions and remarks of our users, in order to improve this publication.

Banja Luka, December 2018

Prof. Dr. Jasmin Komić, Acting Director
Republika Srpska Institute of Statistics

STATISTICS AS A REFLECTION

Big fish seeks big waters.

As a part of our publication is the chapter Geographical and meteorological data, it could be useful to provide some additional information about the Vrbas River. Naturally, you immediately think of Banja Luka, right? I also often think about it, about the eternal inseparability and love of these two lovely toponyms. The noun river in Serbian is feminine, while Vrbas is a noun of male gender – even though it is said that it was derived from the word willow (Serbian: vrba, feminine), as there are many willow trees along the banks of the Vrbas. On the other hand, the word city in Serbian is of male gender, while the name Banja Luka is feminine. A long time ago, someone chose these names wisely. Banja Luka, the peaceful beauty, calms the lovely and wild Vrbas that flows through it, giving it the beauty and shine provided through love. This is why this connection is not only natural, but is also perceived as a perfect harmony. Some say that The Vrbas divides Banja Luka into two parts. However, I know that the Vrbas actually connects it, being its veins, its heart and its bloodstream.

The Vrbas springs from the Zec Mountain, near Srbac, and flows into the Sava River, being its right tributary. Its waters belong to the Black Sea Basin, where the Sava flows together with the Danube. From the spring to the river mouth, the Vrbas is 249.9 km long. Its length in Republika Srpska is 139.9 km. This is what official sources say. However, everyone adds these missing one hundred metres to it, as rounded and jubilant as it sounds. But, one hundred metres of such a powerful river is quite a lot; it is one hundred metres of water and nature. One can never get enough of the lovely the Vrbas.

In its upper stream, the Vrbas is a mountain river with many rapids and waterfalls, because it springs high, just below the clouds (at 1,715 metres above sea level). In its middle part, its riverbed falls steeply, going through deep limestone canyons all the way to Banja Luka. From there, to the river mouth, it is a typical flatland level. Thus, the Vrbas changes its character three times in its flow. In a nutshell, the Vrbas flows through the Skopljanska valley, Vinačka gorge, Jajačka valley, valley canyon Tijesno, Banjalučka valley, then through the plain, through Lijevče to the Sava.

Vrbas has as many as 36 tributaries longer than 10 km, the most important ones being the rivers Pliva, Ugar, Crna Rijeka and Vrbanja. Obviously, this amount of water and its fast flow represent huge hydro potential, so the Vrbas has several big and small hydro power plants. In Republika Srpska, there is the hydro power plant Bočac, as well as the newly-opened hydro power plant Bočac 2.

Biodiversity of the banks of the river Vrbas is very impressive. Flora and fauna of the river and its banks are very rich and diverse. When it comes to the flora, it is so specific that many scientific papers have been written about endemic and protected species in the Vrbas canyon, which is often researched by botanists. The Vrbas is of a beautiful emerald colour, not only from the limestone layer coming from the high Dinarides, but also because of its rich flora.

The waters of the Vrbas are full of fish from the Salmonidae family, such as trout, grayling and salmon. Given the demanding conditions in which such fish can survive, it speaks of the exceptional, high-quality and clean water of the river. In the lower course of the river there are also cyprinid species of fish, such as common nase, chub, barbel,

carp, perch, zander, bullhead and wels catfish. In the river there are also river snakes, aesculapian snake and grass snake, all of them non-poisonous and very useful. There are also lizards and amphibians, especially salamanders.

Above the steep cliffs of the canyon above the Vrbas, one can often see the birds of prey – eagles, hawks and falcons that dominate the sky, circling around and observing everything that is happening on the Vrbas and its banks. Specific species of these birds are common buzzard (from the hawks family), sparrowhawk, common kestrel and hobby. Vrbas abounds with river birds. There are many species of wild ducks, herons (especially gray herons), cormorants, river seagulls, as well as four species of owls (long-eared owl, Eurasian scops owl, little owl, tawny owl) and pheasants. Along the banks there are also small wild animals like foxes, weasels and mustelids. There is also a badger here and there, just like the one celebrated by the most famous writer from this area, Petar Kočić.

The most beautiful and most attractive part of the Vrbas River is certainly the Tijesno Canyon, with its high and steep cliffs, gorges and river terraces. This is one of the most important canyons of the central Dinarides, both for its length and depth and for its magnificent geomorphology. It is only 12 km away from the urban part of Banja Luka, which is extremely rare for big cities. Naturally, the Tijesno Canyon is a protected nature reserve. Even the famous TV channel National Geography has aired a remarkable story about this canyon.

In the Tijesno Canyon, the Vrbas is unusually fast and unpredictable, which is ideal for adrenaline sports, such as wildwater canoeing and kayaking. World and European championships and other competitions in these sports have already been held in Banja Luka. The upcoming World Wildwater Canoeing and Kayaking Championship for juniors and seniors up to the age of 23 years (from 22 to 28 July 2019) will gather more than a thousand contestants. A significant and attractive world record was set in the Tijesno Canyon, in walking the tightrope at an altitude above the ground or water. As part of the so-called adrenaline festival *Drill and Chill,* which has been held in Tijesno for several years, Julian Mittermayer from Germany walked the tightrope above the canyon at an altitude of 413 metres.

For those who are not into extreme sports (including alpinism), this beautiful river also offers the possibility of rafting (in the canyons Podmilačje and Tijesno, 31 km long) or a somewhat more peaceful ride in a dayak, a shallow, elegant, long boat specific for the Vrbas and Banja Luka. Its name comes from the name of a long pole (dayak), using which the boat is driven, standing and resisting the waterbed with the dayak.

Statistics is a set of data, numbers, tables and graphs, but also a reflection of life made using these techniques. In this manner, the data present the Vrbas, pure and powerful, well-known for its beauty, the pride of Republika Srpska.

Managing Editor:

Velimir Savić

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1 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	emblem	
	flag	
OFFICIAL LANGUAGES	language of the Serbian people, language of the Bosniak people, language of the Croatian people	
OFFICIAL SCRIPTS	Cyrillic alphabet Latin alphabet	
POPULATION, 2017 (mid-year estimate)	1,153,017	
SURFACE AREA[1]	24,641 km^2	
municipalities	57	
cities	Banja Luka Bijeljina Doboj Zvornik Istočno Sarajevo Prijedor Trebinje	
TERRITORIAL ORGANISATION		
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

2 GEOGRAPHICAL AND METEOROLOGICAL DATA

After winter must come spring.

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 furthermost northeastern slopes of Majevica.

GEOGRAPHICAL AND METEOROLOGICAL DATA

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
Zelengora	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?
Perućica is one of the last rainforests in Europe. It is located in Republika Srpska/BiH, near the border of Montenegro, and is part of the National Park Sutjeska.

2.3. The longest rivers (length of river flow)

km

River	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

GEOGRAPHICAL AND METEOROLOGICAL DATA

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				
Bilećko (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℃ and 7℃. 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℃. 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℃ and 14.7℃. Trebinje, the warmest city in Republika Srpska, is located in this climatic region.

2.5. Annual values of major meteorological parametres and average monthly air temperatures, 2017

Measuring station	Air temperature, annual average, ℃	Cloudiness, tenths	Humidity, %	Insolation, hours
Banja Luka	12.60	5.40	72.00	2,369.10
Bijeljina	12.90	5.70	77.00	2,047.00
Bileća	12.70	4.20	67.00	2,695.10
Višegrad	11.50	6.10	69.00	-
Gradiška	12.10	5.00	73.00	-
Doboj	12.20	6.20	75.00	2,123.70
Kalinovic	7.80	5.50	67.00	-
Mrkonjić Grad	10.30	5.50	74.00	1,939.20
Novi Grad	12.00	5.80	67.00	-
Prijedor	12.20	5.50	74.00	2,114.90
Ribnik	11.00	5.60	68.00	-
Rudo	11.30	5.90	69.00	-
Sokolac	7.90	5.60	74.00	2,147.70
Srbac	12.00	6.30	74.00	-
Srebrenica	10.70	5.90	78.00	1,615.50
Trebinje	14.90	3.90	62.00	-
Foča	10.80	6.20	78.00	-
Han Pijesak	7.20	5.90	85.00	2,073.10
Čemerno	6.90	5.30	77.00	2,189.20
Šipovo	10.30	5.40	79.00	-

Source: Republic Hydrometeorological Service

GEOGRAPHICAL AND METEOROLOGICAL DATA

Earthquakes in Republika Srpska

An earthquake occurs due to movements of tectonic plates, movements of the Earth's crust or impacts, which result in the shaking of Earth's crust caused by a powerful release of energy. 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. Contrary to the widespread belief that earthquakes are rare, they occur very often, but most of them are of low intensity, occurring in relatively small areas of land or ocean floor.

2.6. Earthquakes

Place (location)	Date	Hypocentre time[2]	Latitude	Longitude	Magnitude[3]	Intensity[4]
Bočac	20 Feb 1996	14:12:1	44.50	17.23	4.7	6–7
Teslić	26 Feb 1998	12:09:2	44.72	17.71	4.1	5–6
Istočni Drvar	15 Apr 1998	23:30:4	44.37	16.63	4.1	5–6
Trebinje	22 Jul 2001	20:08:1	42.79	18.18	4.6	6–7
Kotor Varoš	29 Mar 2002	16:04:0	44.60	17.39	4.0	5–6
Milići	14 Dec 2003	10:09:2	44.08	19.09	5.1	6–7
Nevesinje	21 Sep 2004	04:46:0	43.18	18.13	4.2	5–6
Berkovići	27 Sep 2005	00:25:3	43.22	18.15	5.1	6–7
Nevesinje	17 Jun 2006	20:01:1	43.39	18.09	4.3	6
Nevesinje	17 Jun 2006	20:09:2	43.36	18.15	4.2	5–6
Trebinje	14 Nov 2008	13:26:0	42.56	18.60	4.7	6–7
Pale	31 Mar 2009	01:46:0	43.84	18.54	4.1	5–6
Volujak	25 Jan 2013	18:52:2	43.26	18.70	4.1	6
Volujak	3 Feb 2013	12:01:0	43.22	18.67	4.1	6
Potkozarje Region	28 Jan 2014	00:03:3	44.99	17.13	4.2	6
Gacko Region	4 May 2014	23:29:5	44.52	17.56	3.9	5–6
Gacko Region	30 Sep 2014	15:12:4	43.06	18.40	4.0	5–6
Jahorina	12 Apr 2015	00:05:3	43.75	18.56	4.2	6
Maslovare	28 Apr 2015	16:16:5	44.52	17.56	4.0	5–6
Slatina (Banja Luka Region)	3 Nov 2016	15:04:0	44.80	17.30	3.9	5–6
Bileća Region	9 Nov 2016	15:58:4	42.93	18.47	4.1	5–6
Foča	2 Mar 2017	6:36:23	43.40	18.97	3.6	5

[2] Time of earthquake is shown by UTC (Coordinated Universal Time)

[3] Magnitude of earthquake is expressed in the Richter scale units

[4] Earthquakes of five or more degrees are shown. Intensity of earthquake at the epicentre is rated by the MCS (Mercalli-Cancani-Sieberg) scale (°MCS).

Source: Republic Hydrometeorological Service

DO YOU KNOW?
Natural disasters can be classified into six groups: geological disasters (avalanches, earthquakes, lahar, landslides, and volcanic eruption), hydrological disasters (floods, limnic eruptions, tsunami), meteorological disasters (blizzards, cyclonic storms, droughts, heat waves, tornadoes), wildfires (forest fires), disease (epidemics, mass hunger) and space disasters (gamma rays, impacts of space objects, solar torches, supernova, hypernova).
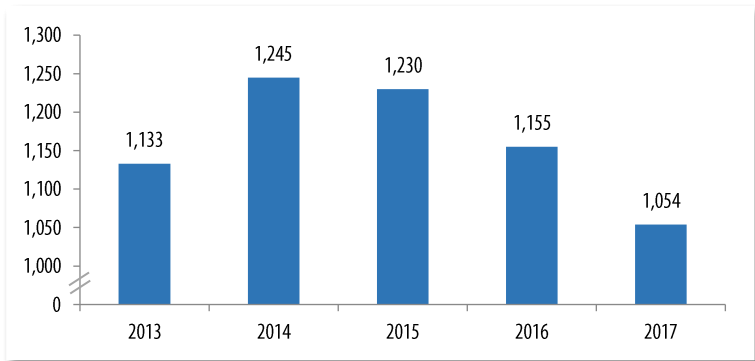
3 REGISTER OF BUSINESS ENTITIES

Never start what you cannot finish.

Data on business entities with headquarters in the territory of Republika Srpska are obtained from the Register of Business Entities. 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 15/16) 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.

The number of established business entities in 2017 decreased in comparison with the previous year. In 2017, there were 1,054 newly established business entities.

Graph 3.1. Number of established business entities

Source: Agency for Intermediacy, IT and Financial Services

REGISTER OF BUSINESS ENTITIES

Trade remains the most common prevailing activity of business entities.

Based on their prevailing activity, approximately one third of all registered business entities 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	2013	2014	2015	2016	2017
TOTAL	27,207	28,348	29,140	30,275	31,286
A	983	1,025	1,057	1,106	1,144
B	169	176	178	182	185
C	3,701	3,840	3,941	4,075	4,187
D	158	168	171	189	200
E	214	226	233	,241	248
F	1,479	1,534	1,556	1,625	1,696
G	8,272	8,510	8,588	8,829	9,029
H	1,286	1,337	1,368	1,419	1,461
I	359	374	,389	407	425
J	487	510	544	595	644
K	167	177	177	184	196
L	144	151	158	174	192
M	1,241	1,326	1,399	1,490	1,570
N	322	346	361	396	423
O	341	342	342	342	349
P	548	570	591	615	636
Q	646	691	714	754	789
R	2,092	2,154	2,203	2,258	2,318
S	4,597	4,890	5,167	5,391	5,591
T	-	-	2	2	2
U	1	1	1	1	1

Source: Agency for Intermediacy, IT and Financial Services

DO YOU KNOW?
Of the total number of business entities with headquarters in the territory of Republika Srpska, 7.9% were established by means of foreign capital.

4 POPULATION

Live-born children

The total number of live-born children in 2017 decreased by 1.2% compared to the previous year. The average age of first-time mothers in Republika Srpska is 27.3 years, which represented an increase by 0.4 years in comparison with the previous year. The average age of first-time mothers in the EU (according to the latest available data provided by Eurostat, referring to 2016) was 29.0 years. The data indicate that women postpone giving birth, thus the age of mother at birth has been increasing. The total average age of mothers at birth in Republika Srpska in 2017 was 29.0 years.

Lately, taking into account live-born children and the five-year average, approximately 83% of children have been born in wedlock.

4.1. Live-born children in Republika Srpska

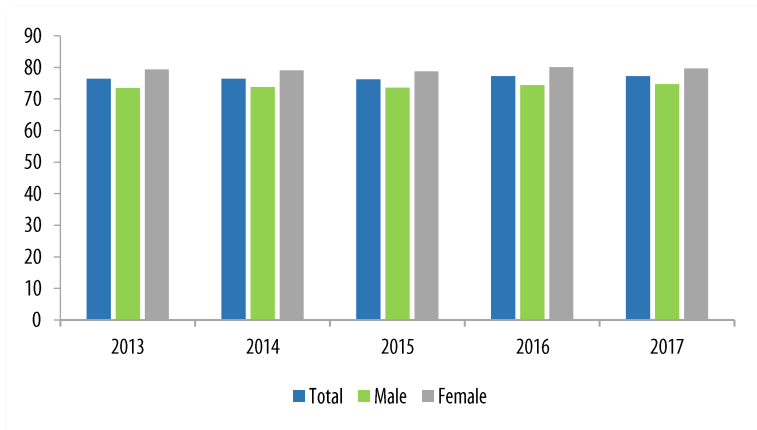|	2013	2014	2015	2016	2017
TOTAL	9,510	9,335	9,357	9,452	9,339
Male	4,907	4,846	4,842	4,931	4,886
Female	4,603	4,489	4,515	4,521	4,453

Life expectancy

In Republika Srpska, life expectancy at birth increased by 0.35 years for women and 1.18 years for men from 2013 to 2017, with the highest increase being recorded between 2015 and 2016. In 2017, life expectancy is 79.71 years for women and 74.68 years for men.

4.2. Life expectancy in Republika Srpska

	TOTAL	Male	Female
2013	76.42	73.50	79.36
2014	76.41	73.76	79.06
2015	76.19	73.60	78.78
2016	77.24	74.40	80.10
2017	77.20	74.68	79.71

Graph 4.1. Life expectancy

4.3. The most common male and female names registered in the birth registers

	2013	2014	2015	2016	2017
Male names	Luka	Luka	Stefan	Stefan	Stefan
	Nikola	Nikola	Luka	Luka	Lazar
	Marko	Stefan	Nikola	Lazar	Luka
	Stefan	Marko	Lazar	Nikola	Nikola
	Andrej	Lazar	Pavle	Pavle	Pavle
Female names	Marija	Marija	Marija	Marija	Marija
	Milica	Milica	Ana	Sofija	Sofija
	Sara	Ana	Milica	Ana	Milica
	Teodora	Jovana	Sofija	Milica	Ana
	Ana	Sofija	Sara	Sara	Dunja

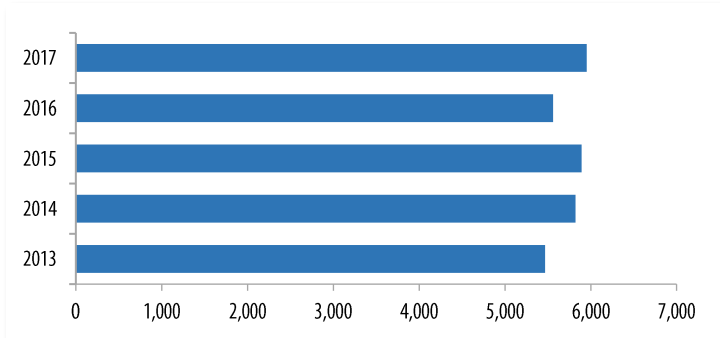# POPULATION

Deaths in Republika Srpska

In comparison with the previous year, the total number of deceased persons in 2017 increased by 4.7%. In Republika Srpska, the average age at death is 74.5 years. On average, women live approximately six years longer than men. More than a half of all deceased persons die due to diseases of the circulatory system, while approximately one fifth of them die due to malignant tumors. Per one thousand live-born babies, on average three babies up to one year of age decease. Republika Srpska has a low infant mortality rate when compared with the neighbouring countries; it amounted to 2.8‰ in 2017.

4.4. Deaths in Republika Srpska

	2013	2014	2015	2016	2017
TOTAL	13,978	14,409	15,054	13,970	14,663
Male	7,237	7,386	7,640	7,198	7,363
Female	6,741	7,023	7,419	6,772	7,300

New marriages

In Republika Srpska, there are approximately five new marriages per one thousand citizens. In 2017, the number of new marriages increased by 6.5% in comparison with 2016. The oldest groom in 2017 was 89 years old, while the oldest bride was 86 years old. The youngest groom was 17 years old and the youngest bride was 16. Average age of bride at marriage was 28.7 years, while women enter into their first marriage at the average age of 27.0 years. Average age of men at marriage was 32.2 years and grooms enter their first marriage at the average age of 30.2.
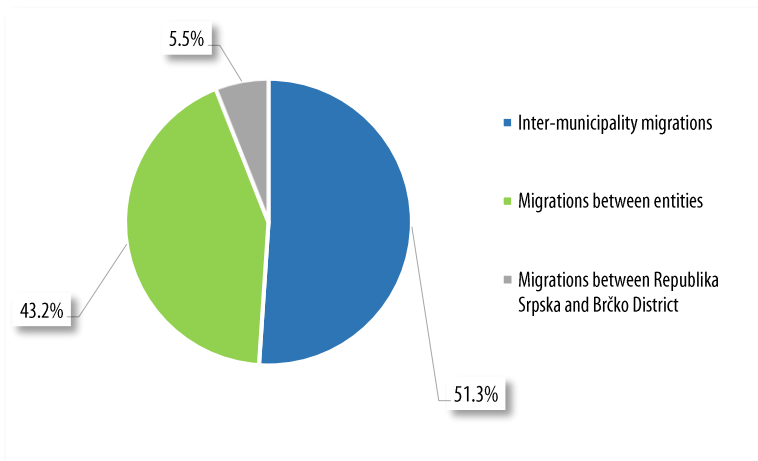

Graph 4.1. New marriages

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, 2017

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 2017 there were 199 more emigrants from the Federation of BiH to Republika Srpska than emigrants from Republika Srpska to the Federation of BiH.

5 WAGES

Decrease in average net wage in 2017 compared to the previous year

After three consecutive years of growth, the average net wage in 2017 decreased by 5 KM compared with the previous year. Nominally, the average net wage decreased by 0.6%. The highest nominal increase in net wage was recorded in the sections *Other service activities* 18.8% and *Professional, scientific and technical activities* 12.9%. On the other hand, the highest nominal decrease in net wage was recorded in the sections *Real estate activities* 8.4% and *Education* 2.6%.

KM
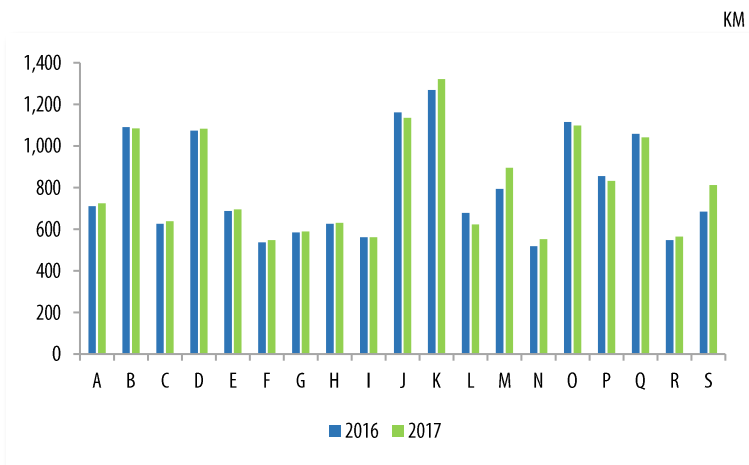
Graph 5.1. Average net wages by section of activity classification

Real index of average net wage, which represents the ratio between the nominal index of average net wage and the consumer price index in certain period, decreased as well. Thus, compared to 2016, the average net wage in 2017 in Republika Srpska decreased in real terms by 1.1%.

The situation in the neighbouring countries is different. In Serbia, the average net wage was really 0.9% higher, in Slovenia it was 1.7% higher, while in Croatia the average net wage was 4.2% higher. In Montenegro, the average net wage was really 0.2% lower in 2017 than in 2016. In the Federation of BiH, the average net wage was really 0.8% higher.

In the past five years, the average net wage increased by 2.8%. 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 accounted for 2.5% of the total number of employed persons in 2017 and they received on average 1,321 KM per month. In 2017, the lowest net monthly wage (548 KM) was earned by those employed in the section *Construction*, which employs 4.8% of the total number of employed persons. In this section, 41.6% of employed persons completed secondary school, 28.2% are qualified workers, while 14.2% 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 16.2%, was recorded in the section *Professional, scientific and technical activities,* so it now amounts to 125 KM more.

5.1. Average net wages by section of activity classification

KM

	2013	2014	2015	2016	2017
TOTAL	808	825	831	836	831
A	650	675	682	710	725
B	1,044	1,072	1,097	1,090	1,084
C	587	601	612	626	638
D	1,039	1,060	1,067	1,074	1,083
E	637	666	679	688	696
F	549	531	520	537	548
G	603	610	602	585	589
H	621	618	629	626	630
I	534	555	581	561	562
J	1,107	1,182	1,149	1,161	1,136
K	1,293	1,268	1,261	1,269	1,321
L	712	723	683	679	623
M	771	817	772	794	896
N	542	483	515	518	552
O	1,027	1,083	1,104	1,115	1,098
P	819	843	851	855	833
Q	1,037	1,045	1,052	1,059	1,041
R	554	566	551	548	564
S	808	703	695	685	813

6 LABOUR MARKET

In 2017, labour market in Republika Srpska kept recovering from negative effects of the global economic crisis. The decreasing unemployment rate is one of the main indicators of the recovering labour market. The unemployment rate has been decreasing gradually since 2013, while in 2017 it decreased significantly, namely by 3.8 percentage points, in comparison with the previous year.

By sex, female unemployment rate in 2017 was 4.4 percentage points lower than in the previous year, while male unemployment rate decreased by 3.6 percentage points.

6.1. Unemployment rate

%

	2013	2014	2015	2016	2017
TOTAL	27.0	25.7	25.2	24.8	21.0
Male	25.3	23.8	23.4	21.6	18.0
Female	29.5	28.4	27.7	29.5	25.1

The structure of employed persons by group of sections of economic activity in 2016 was as follows: agricultural 30.0%, industrial (non-agricultural) 24.8% and services 45.3%. By type of employment, the structure was: employed persons working for a wage (employees) 66.7%, self-employed persons 26.4% and unpaid supporting family members 6.9%. By educational attainment, most employed persons completed secondary school 63.7%.
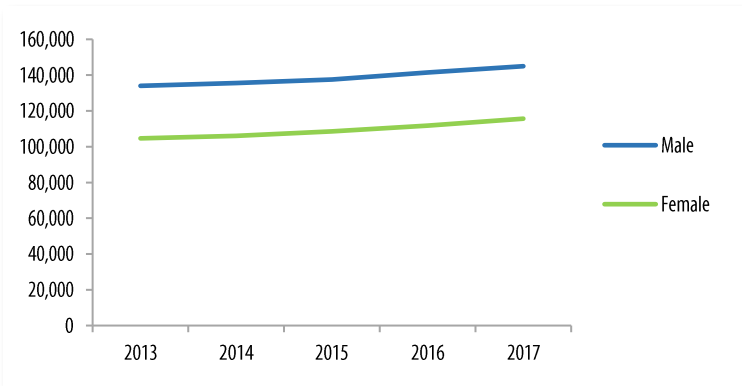
Developed countries are characterised by a dominant share of those employed in the services sector, as well as high participation of those working for a wage in total employment.
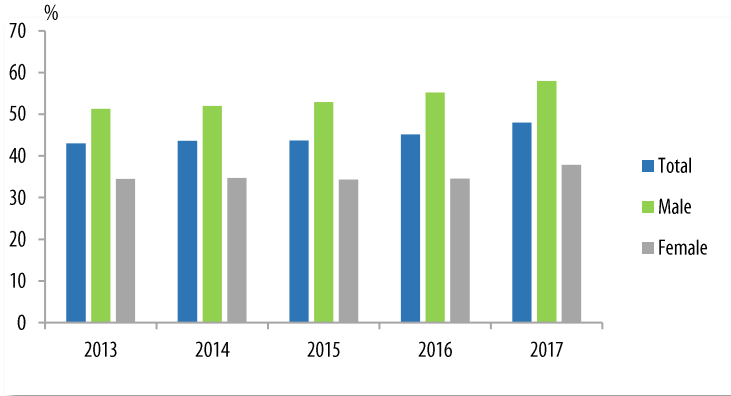
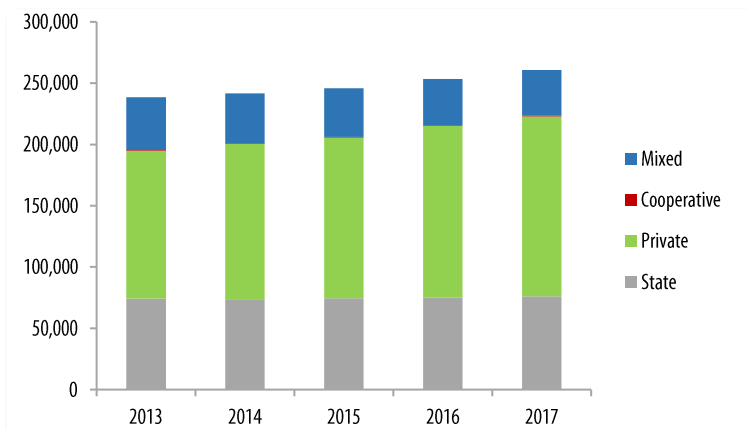Graph 6.1. Employment rates (15–64 years of age)

DO YOU KNOW?
The employment rate of male population was 17.8 percentage points higher than that of female population.

Graph 6.2. Employed persons by sex, annual average

24

LABOUR MARKET

Graph 6.3. Employed persons by type of ownership

Private sector has the highest number of employed persons. 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

	2013	2014	2015	2016	2017
TOTAL	238,640	241,544	245,975	253,305	260,608
A	7,788	8,307	8,345	8,468	8,482
B	4,866	5,155	5,288	5,277	5,357
C	45,844	48,935	49,857	52,116	54,434
D	7,166	7,565	7,832	7,854	8,201
E	4,637	4,828	4,788	4,833	4,956
F	11,003	10,970	11,072	11,542	11,731
G	44,750	41,983	42,595	44,909	46,172
H	10,970	11,479	11,570	11,761	11,987
I	11,345	11,181	11,602	12,106	12,879
J	5,088	5,081	5,168	5,150	5,587
K	5,664	5,608	5,608	5,558	5,505
L	670	508	,493	519	529
M	7,084	6,809	7,130	7,423	7,657
N	2,540	2,719	2,850	2,948	3,134
O	23,681	23,843	24,135	24,202	24,580
P	21,484	21,917	22,314	22,608	22,691
Q	16,755	16,785	17,054	17,198	17,484
R	2,814	3,123	3,293	3,583	3,846
S	4,491	4,748	4,981	5,250	5,396
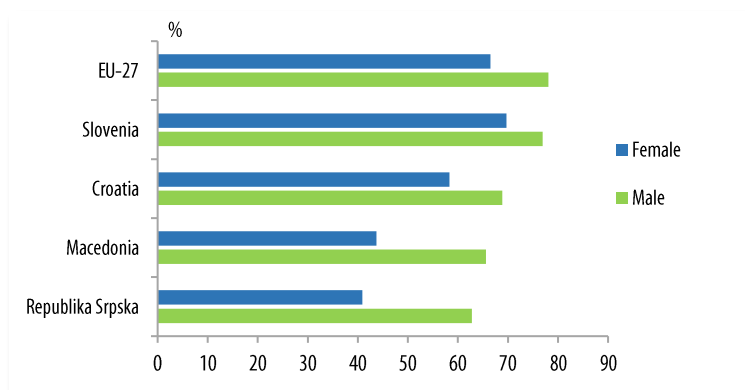
Graph 6.4. Employment rates in the neighbouring countries (20–64 years of age)

7 GROSS DOMESTIC PRODUCT

Wealth is never sated.

Economic activity of Republika Srpska, measured with the real growth rate of GDP, increased by 3.1% in 2017.
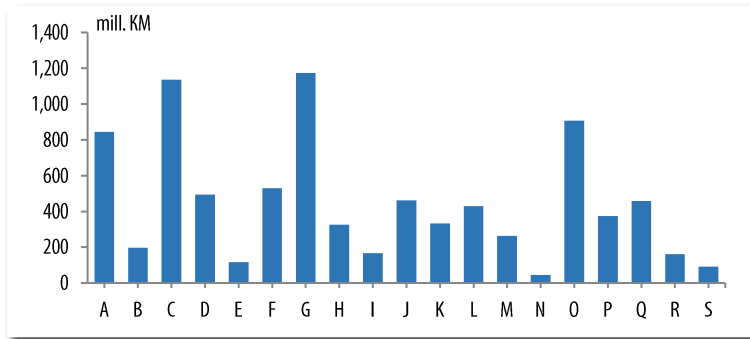
7.1. Gross domestic product and Gross value added[1], 2017

	Current prices, thous. KM	Real growth rate, %
Agriculture, forestry and fishing	843,726	-5.0
Mining and quarrying	197,096	-2.1
Manufacturing	1,135,585	7.9
Electricity, gas, steam and air conditioning supply	494,607	-5.0
Water supply; sewerage, waste management and remediation activities	116,828	3.5
Construction	530,002	7.6
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,174,008	8.4
Transportation and storage	325,280	6.6
Accommodation and food service activities	165,747	12.4
Information and communication	461,353	0.1
Financial and insurance activities	332,148	7.2
Real estate activities	429,596	3.0
Professional, scientific and technical activities	263,322	2.1
Administrative and support service activities	45,235	2.5
Public administration and defence; compulsory social security	907,246	1.4
Education	374,981	-1.0
Human health and social work activities	458,363	1.9
Arts, entertainment and recreation	162,126	8.6
Other service activities	91,963	4.7
FISIM (minus)	206,018	5.1
Gross value added	**8,303,194**	**3.0**
Taxes on products less subsidies on products	1,773,823	3.2
Gross domestic product	**10,077,017**	**3.1**

[1] The calculation of Gross domestic product is based on the international methodology of the European System of Accounts - ESA 2010.

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Graph 7.1. Gross value added, current prices, 2017

Over 1.9 billion KM of Gross value added originated from industrial activities

In the total Gross domestic product in 2017, the section *Manufacturing* had a share of 11.3%, *Electricity, gas, steam and air conditioning supply* 4.9%, *Mining and quarrying* had a share of 2.0%, while the section *Water supply; sewerage, waste management and remediation activities* had a share of 1.1%. 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

%

	2013	2014	2015	2016	2017
Agricultural activities (A)	10.4	9.4	9.3	9.3	8.4
Industrial activities (B,C,D,E)	16.5	16.4	17.4	18.4	19.3
Construction (F)	4.4	4.8	4.7	4.9	5.3
Service activities (G,H,I,J,K,L,M, N,O,P,Q,R,S)	53.5	53.6	52.8	51.5	51.4
FISIM (minus)	2.1	2.0	2.0	2.1	2.0
Gross value added	82.7	82.2	82.2	82.0	82.4
Taxes on products less subsidies on products	17.3	17.8	17.8	18.0	17.6
Gross domestic product	100.0	100.0	100.0	100.0	100.0

GROSS DOMESTIC PRODUCT

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*, 2.1% are large enterprises, which generate 42.6% of Gross value added.

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

%

	2013	2014	2015	2016	2017
Non-financial sector	50.4	50.7	51.9	53.7	55.8
Financial sector	3.6	3.8	3.8	3.7	4.0
Government sector	22.3	22.8	22.3	21.4	20.2
Households sector	25.6	24.4	23.7	23.0	21.9
Sector of non-profit institutional units serving households	0.7	0.7	0.7	0.7	0.6
FISIM (minus)	2.6	2.4	2.4	2.5	2.5
Gross value added	100.0	100.0	100.0	100.0	100.0

7.4. Gross domestic product

	2013	2014	2015	2016	2017
Gross domestic product, current prices, thous. KM	8,792,917	8,887,307	9,205,038	9,630,569	10,077,017
Gross domestic product per capita[2], KM	7,508	7,615	7,921	8,320	8,740
Gross domestic product, real growth rates, %	1.7	0.3	2.8	3.5	3.1

[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 8,740 KM in 2017, which represented an increase by 16.4% compared to 2013.

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

Allocation of the Gross domestic product realised in 2017 was as follows: 44.7% on compensation of employees, 37.5% on gross operating surplus and gross mixed income, and 17.8% on net taxes on products and production.

DO YOU KNOW?
Other payments to employees (various benefits not included in the wage) account for 18.6% of the total compensation of employees.

7.5. Income components of Gross domestic product, current prices

thous. KM

	2013	2014	2015	2016	2017
Gross domestic product	8,792,917	8,887,307	9,205,038	9,630,569	10,077,017
Compensation of employees	4,251,962	4,304,121	4,396,844	4,400,367	4,502,263
Net taxes on products and production	1,543,182	1,592,993	1,663,040	1,758,514	1,799,149
Gross operating surplus/ Gross mixed income	2,997,773	2,990,193	3,145,154	3,471,688	3,775,605

8 GROSS FIXED CAPITAL FORMATION

If you desire the core, break the shell.

Gross fixed capital formation of business entities with headquarters in Republika Srpska in 2017 amounted to 1,612,886,000 KM.

A significant increase in gross fixed capital formation was recorded in the sections *Accommodation and food service activities* (59.7%), *Electricity, gas, steam and air conditioning supply* (49.6%) and *Manufacturing* (28.7%).

8.1. Gross fixed capital formation in fixed assets by activity of investor, 2017

	Value of gross fixed capital formation, thous. KM	Structure, %
Total gross fixed capital formation	1,612,886	100.0
Agriculture, forestry and fishing	50,268	3.1
Mining and quarrying	27,522	1.7
Manufacturing	309,065	19.2
Electricity, gas, steam and air-conditioning supply	320,916	19.9
Water supply; sewerage, waste management and remediation activities	14,109	0.9
Construction	65,696	4.1
Wholesale and retail trade; repair of motor vehicles and motorcycles	153,893	9.5
Transportation and storage	69,627	4.3
Accommodation and food service activities	10,989	0.7
Information and communication	108,707	6.7
Financial and insurance activities	28,684	1.8
Real estate activities	3,635	0.2
Professional, scientific and technical activities	15,661	1.0
Administrative and support service activities	4,210	0.2
Public administration and defence; compulsory social security	384,658	23.8
Education	10,865	0.7
Human health and social work activities	25,501	1.6
Arts, entertainment and recreation	6,006	0.4
Other service activities	2,874	0.2

[1] The calculation of gross fixed capital formation in fixed assets is based on 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 *Electricity, gas, steam and air conditioning supply, Construction* and *Manufacturing.*

Over 800 million KM invested in buildings and other structures

By its technical composition, more than a half of the total gross fixed capital formation was invested in buildings and other structures. In 2017, the highest gross fixed capital formation in construction structures was that of business entities from the sections *Public administration and defence; compulsory social security* (41.8%), followed by *Electricity, gas, steam and air conditioning supply* (16.6%) and *Manufacturing* (15.2%).

The highest gross fixed capital formation in machinery, equipment and transport equipment was that of business entities from the section *Manufacturing* (25.4%).

When it comes to gross fixed capital formation in non-monetary (intangible) fixed assets, the section *Electricity, gas, steam and air conditioning supply* had a share of 27.1%, the section *Information and communication* participated with 23.3%, and *Public administration and defence; compulsory social security* with 22.2%.

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

	2013	2014	2015	2016	2017
Gross fixed capital formation	100.0	100.0	100.0	100.0	100.0
Buildings and other structures	46.0	59.6	52.0	51.2	49.7
Machinery, equipment and transport equipment	42.8	33.5	41.9	43.2	44.0
Other	11.2	6.9	6.1	5.6	6.3

Gross fixed capital formation in 2017 was mostly financed from own financial assets (60.2%), followed by financial loans (29.4%), assets of budgets and funds (3.7%), joint assets (2.9%), other sources (2.6%), and financial leasing (1.2%).

GROSS FIXED CAPITAL FORMATION

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

thous. KM

	2013	2014	2015	2016	2017
Financing of gross fixed capital formation	1,533,584	1,800,882	1,578,537	1,683,292	1,562,817
Gross fixed capital formation	1,563,825	2,009,430	1,650,506	1,668,689	1,612,886

DO YOU KNOW?
Gross fixed capital formation of business entities registered in the section *Public administration and defence; compulsory social security* accounts for 81.4% of the total gross fixed capital formation in the section *Construction*.

9 STANDARD OF LIVING AND POVERTY

A friend is the best asset in life.

The 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.

In 2015, a household spent on average 410.55 KM on food and beverages, while expenditures for non-food goods and services amounted to 849.35 KM. Almost a third of the total monthly expenditures referred to food and beverages (32.6%), while a quarter of the expenditures referred to maintenance of the dwelling and household bills (25.6%). Expenditures for transport and communication accounted for 14.6%. Clothing and footwear accounted for 5.1% of the total monthly expenditures; furnishings, household equipment and services accounted for 4.5%, health accounted for 3.9%, while the remaining 13.7% was spent on miscellaneous goods and services (tobacco, recreation, education, catering services, accommodation services, and other goods and services).
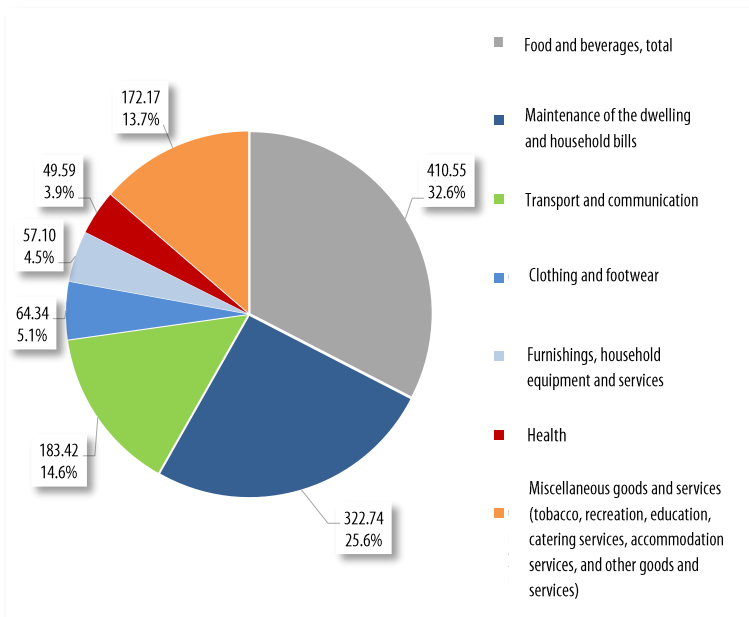
Graph 9.1. Structure of average monthly expenditure by category, 2015

STANDARD OF LIVING AND POVERTY

Relative poverty line allows for comparison of the standard of one population category with other categories in the same society, depending on their consumption expenditures in the observed territory.

%
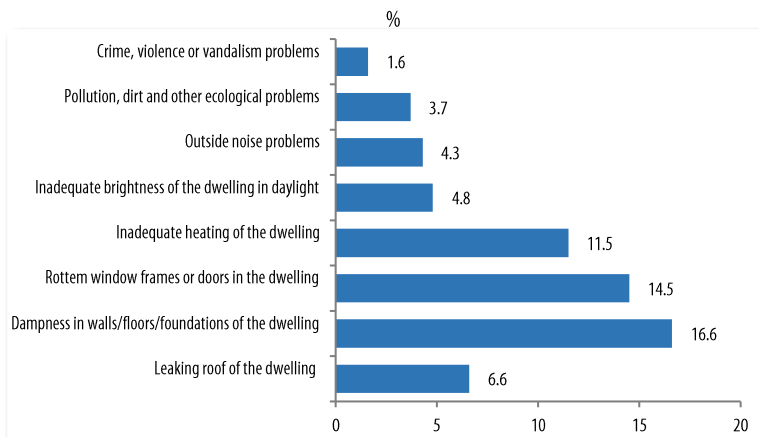
Graph 9.2. Dwelling problems of the household, 2015

9.1. Relative poverty by household size, 2015

%

Household size	Total number of households	Poverty rate
TOTAL	359,567	13.9
1 member	95,009	19.3
2 members	100,126	12.1
3 members	52,263	(11.9)
4 members	59,860	(10.5)
5 or more members	52,309	13.0

DO YOU KNOW?
During the year, every household member drinks on average 58.7 litres of milk and eats 226 eggs.

35

9.2. Relative poverty by household type, 2015

%

HOUSEHOLD TYPE	Total number of households	Poverty rate
TOTAL	359,567	13.9
Single member households <65 years	33,786	(13.2)
Single member households 65+ years	61,223	22.7
Married couple without children <65 years	31,724	(9.5)
Married couple without children 65+ years	43,530	(14.3)
Married couple with one child	38,528	(8.3)
Married couple with two children	48,542	(9.9)
Married couple with three or more children	13,993	:
Single parents	24,202	(15.0)
Single parents + other relatives	11,049	:
Married couple with children + other relatives	20,202	(14.6)
Married couple with children + parents	11,719	:
Other	21,069	(16.1)

10 STRUCTURAL BUSINESS STATISTICS

The more you have, the more you want.

Information and communication was the most productive section of economic activities in 2016, 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 14.0% in Republika Srpska.

By business operations in 2016, the section *Information and communication* can be singled out as one of the most successful sections of activity in the economy of Republika Srpska. With 244 enterprises and 74 entrepreneurs, as well as 5,659 employed persons, , this section has a share of over 8.5% in the total value added. It also realises the highest labour productivity with 69,776 KM, and its labour costs of 24,372 KM per employed person and profitability rate of 35.1% are high.

10.1. Indicators of success of non–financial business economy

KM

	Turnover per person employed	Value added per person employed (productivity)	Labour costs per person employed	Gross operating surplus per person employed
TOTAL	107,996	27,103	13,419	15,165
Industrial activities	91,194	28,123	14,734	13,842
Construction	106,862	31,391	10,507	21,494
Trade	196,987	25,037	11,304	15,601
Non-financial service activities	55,937	26,346	13,875	15,115

Market business entities (enterprises and entrepreneurs) in the sections of industry employ over 40.4% of all employed persons, while they also provide the greatest contribution to the formation of total value added at factor costs, approximately 42%, which in 2016 amounted to over 4.6 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 61 enterprises, but this section also had the best-paying jobs, that is, the highest average personnel costs per employed person, with 26,316 KM at the annual level.

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	14.4	40.5	34.2	42.0	37.0
Construction	4.9	7.0	7.0	8.1	10.0
Trade	35.9	24.3	44.2	22.4	24.9
Non-financial service activities	44.8	28.2	14.6	27.5	28.1

Enterprises from the section of industrial activities account for 70.8% of large business entities in Republika Srpska.

By size of business entities, the highest profitability was realised by large enterprises, namely 18.2%, which was 4.2 percentage points higher than the Republika Srpska average.

In addition, large enterprises were also the most productive, with 34,018 KM, while the lowest productivity was realised by small business entities, with 23,849 KM. At the level of Republika Srpska, realised productivity amounted to 27,103 KM.

STRUCTURAL BUSINESS STATISTICS
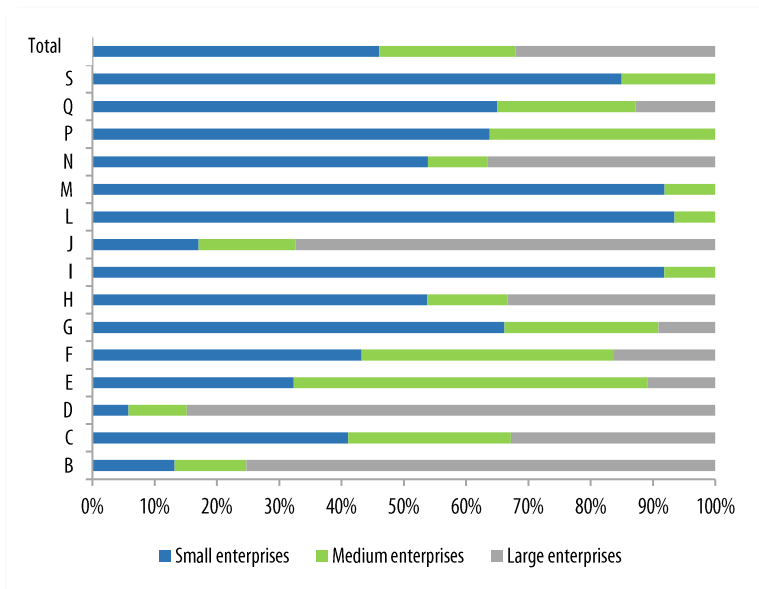
Graph 10.1. Value added at factor costs, by size of enterprises, 2016

> **DO YOU KNOW?**
> Foreign investors were most interested in enterprises from industrial sections (64%), followed by the sections of trade (19%), services (13%) and construction (4%).

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 affiliates, or enterprises which are majority foreign-owned, operated in 2015 with the profitability rate of 14.6%.

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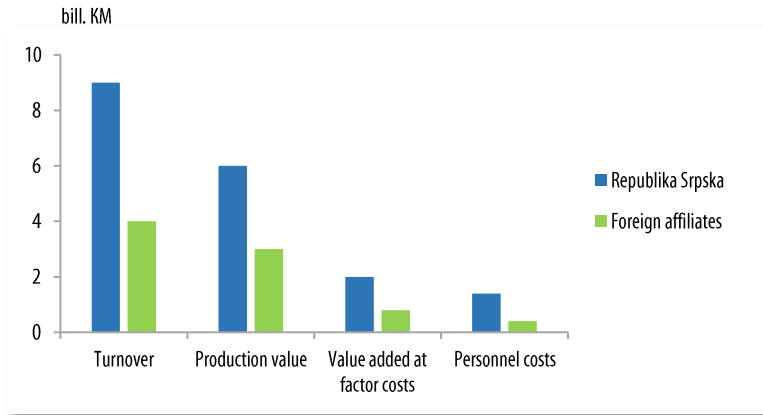
Graph 10.2. Indicators of business activities of foreign affiliates in the non-financial business economy of Republika Srpska

11 PRICES

If the heart was tougher than stone, it would still be melted by gold.

Producer prices of industrial products in 2017 increased on the average by 2.0% compared to 2016

By section of industrial production, based on the Classification of Economic Activities BiH 2010, compared to 2016, an increase in prices in 2017 was recorded in the sections *Mining and quarrying* by 7.7%, *Electricity, gas, steam and air conditioning supply* by 3.4% and *Manufacturing* by 0.5%.

11.1. Industrial producer price indices

previous year=100

Section of activity classification	2013	2014	2015	2016	2017
TOTAL	100.0	99.3	99.8	101.5	102.0
Mining and quarrying	101.1	99.7	101.2	101.0	107.7
Manufacturing	99.9	98.8	99.3	99.1	100.5
Electricity, gas, steam and air conditioning supply	100.0	100.0	100.0	107.3	103.4
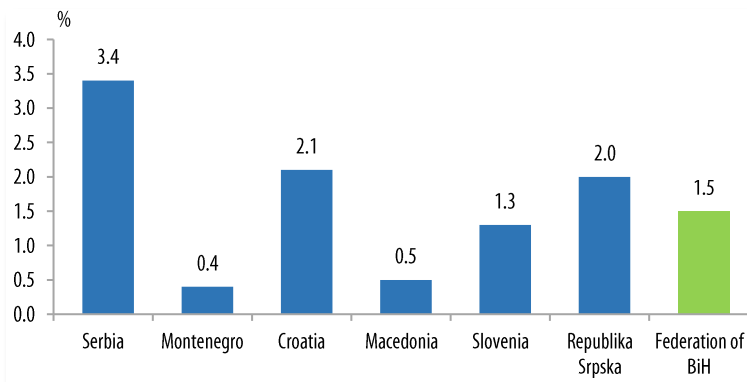
Graph 11.1. Rate of producer prices of industrial products, 2017

Consumer prices in Republika Srpska in 2017, compared to 2016, decreased on average by 0.5%.

By main division of consumption, by purpose, the highest increase in prices in 2017 was once again recorded in the division Alcoholic beverages and tobacco 4.9%, while the highest decrease in prices was recorded in the division Clothing and footwear 11.2%.

11.2. Consumer price indices according to the COICOP

previous year=100

Name	2013	2014	2015	2016	2017
TOTAL	100.0	98.8	98.6	98.8	100.5
Food and non-alcoholic beverages	100.4	97.1	99.0	99.0	100.1
Alcoholic beverages and tobacco	105.4	106.3	106.3	106.7	104.9
Clothing and footwear	91.7	92.9	90.9	89.3	88.8
Housing, water, electricity, gas and other energy commodities	100.3	99.9	100.8	101.3	101.2
Furnishing, household equipment and routine maintenance of the dwelling	99.9	98.8	99.4	98.6	98.3
Health	100.0	101.3	102.4	101.3	102.5
Transport	99.1	98.8	92.7	93.9	104.1
Communication	99.9	103.9	99.3	100.0	100.1
Recreation and culture	100.5	99.2	100.1	99.9	100.6
Education	101.4	100.6	100.5	100.2	100.3
Restaurants and hotels	100.0	100.0	101.0	102.5	100.9
Other goods and services	100.2	99.6	99.6	99.7	99.7

In 2017, an average increase in consumer prices was recorded in all neighbouring countries.

PRICES
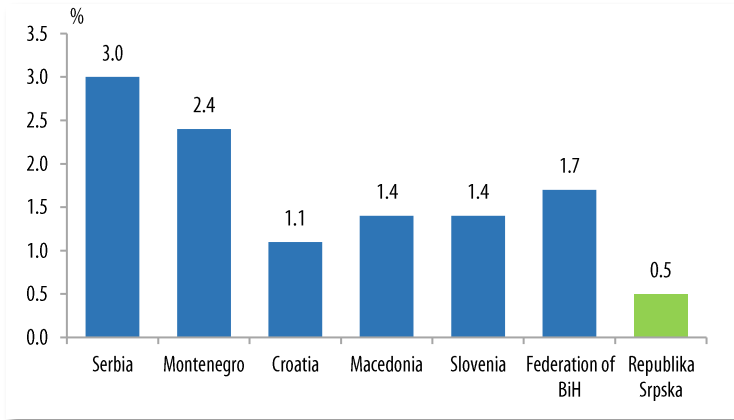
Graph 11.2. Inflation, 2017

Good seeds are in vain if the ploughing is poor.

Share of agriculture in the GDP formation was 6.9%

In 2017, the share of agricultural Gross value added in the formation of Gross domestic product of Republika Srpska was 6.9%, which represented a decrease by 0.8% compared to the share realised in the previous year, and a decrease by 2.1% compared to the one realised in 2013.

With the share of 9.7% in the Gross domestic product formation, agroindustry[1] (production and processing of agricultural products) represents one of the most significant areas of the economy in Republika Srpska.
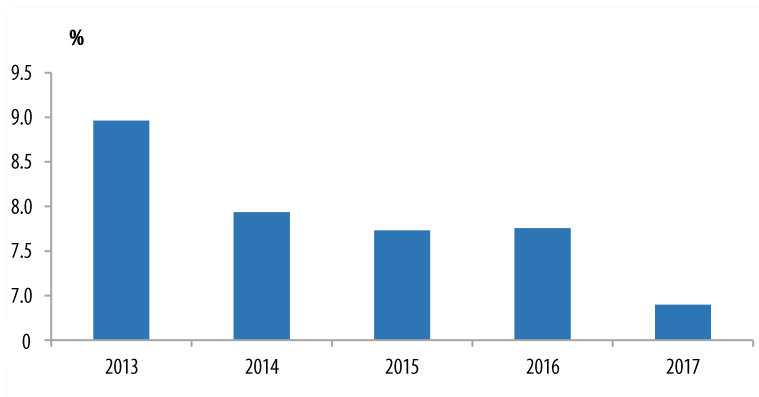
Graph 12.1. Share of agriculture in the structure of GDP, 2017

DO YOU KNOW?
The share of agriculture in the GDP structure in 2017 was 8.6% lower than the share of this activity recorded in 2007.

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

AGRICULTURE

Primary agriculture employs 30.0% of all employed persons

According to the data obtained through the Labour Force Survey in 2017, there were 94 thousand persons employed in agriculture, which represented an increase by 5.6% compared to the previous year. The number of persons employed in agriculture accounts for 30.0% of the total number of employed persons, or 10.2% of the total working-age population.

Of the total number of persons employed in agriculture, 83.0% were full-time employees, while the remaining 17.0% were part-time employees. The average weekly working hours in agriculture in 2017 amounted to 41.4 hours, namely 43.7 for men and 37.6 for women employed in agriculture
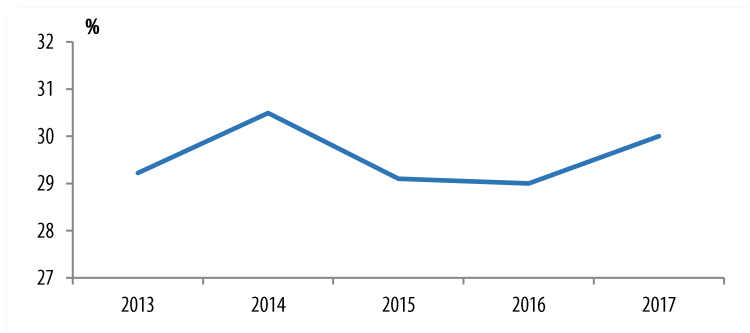
Graph 12.2. Share of persons employed in agricultural activities, 2017

Value of realised external trade of agricultural products was 320.8 million KM

The value of total external trade of agricultural products in 2017 amounted to 320.8 million KM, which represented a decreased by 2.3% (or 7.4 million KM) in comparison with the previous year.

Total import of agricultural products in 2017, compared to the import realised in the previous year, decreased by 5.4 million KM (or 2.2%), while total export decreased by two million KM (or 2.4%).

45
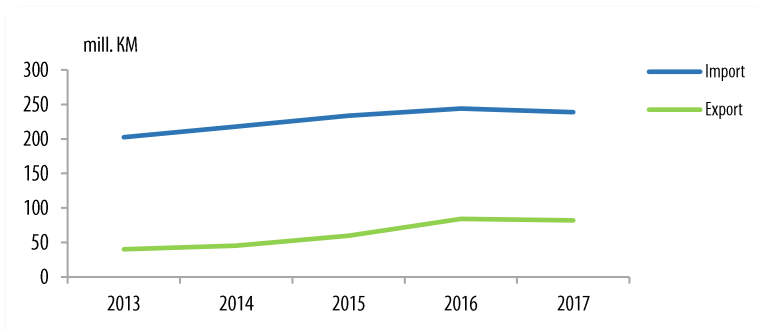
Graph 12.3. Value of realised annual import and export, 2017

The share of agricultural products in total export realised in 2017 was 2.4%, while in total import these products participated with 4.9%. The coverage of import with export amounted to 34.5% and is identical to the coverage recorded in the previous year.

Increase in production of meat, 11%

During 2017, the total amount of meat produced in Republika Srpska was 102.2 thousand tonnes, which represented an increase by 11% compared to the production realised in 2016.

12.1. Production of meat

	2016	2017
Production of beef	19.9	21.6
Production of pork	40.2	40.5
Production of lamb and goat meat	6.6	6.2
Production of poultry meat	25.4	33.9

AGRICULTURE

Observed by individual types of meat, compared to the previous year, in 2017 the production of poultry meat increased by 33.5%, production of beef increased by 8.5% and production of pork increased by 0.7%, while a decrease by 6.1% was recorded in production of lamb and goat meat.

Pork represents the most significant type of meat produced in the territory of Republika Srpska and it accounted for 40% of the total realised meat production in 2017.

Value of agricultural production in 2017 amounted to 1.566 million KM

The total value of agricultural production in 2017 amounted to 1,566 million KM, which represented a decrease by 6.7% compared to the previous year. During the same period, the value of total intermediate consumption amounted to 964 million KM, which represented a decrease by 5.7% in comparison with the previous year.
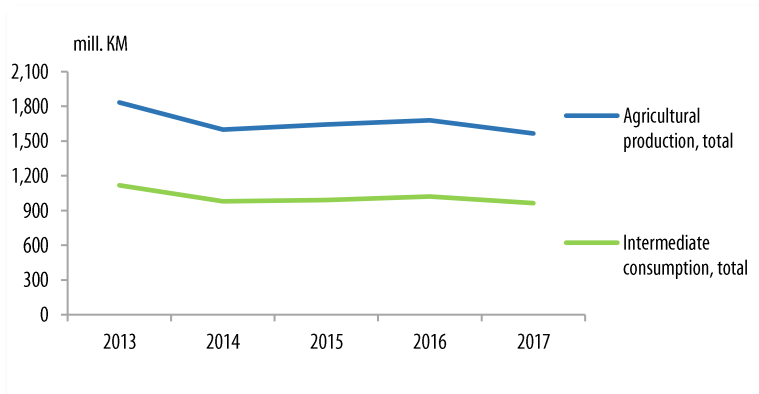
Graph 12.4. Value of total agricultural production and intermediate consumption

13 FORESTRY

Bypassing the forest is better than meeting a wolf using the shortcut.

Republika Srpska is one of the few European regions where forests are predominantly natural, belonging to different biogeographical regions and being 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 Republika Srpska, the average annual increase of timber in high forests with natural regeneration amounts to 8.0 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.

The forests of Republika Srpska are managed by applying all the principles of long-term forest exploitation for the purpose of present and future fulfillment of appropriate environmental, social and social functions of forests at the local, national and global levels.

All forests in Republika Srpska are covered by the *FSC* (*The Forest Stewardship CouncilTM – 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).

13.1. Forest exploitation

thous. m³

|	Gross felled timber			Broadleaves	Conifers
	total	state forests	private forests		
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
2017	3,259	2,782	477	1,856	1,403

FORESTRY

Average gross felled timber in the forest and outside the forest in 2017 decreased in comparison with 2016 and it amounted to 3,259 thousand m³. Out of this sum, 2,782 thousand m³ belongs to the state sector, which is significantly more than in the private sector, as the state sector covers 85% of the total felled timber.

13.2. Production and sale of forest assortments in state forests

m³

	2013	2014	2015	2016	2017
Production, total	1,925,029	1,944,658	2,062,708	2,101,196	2,033,235
logs for cutting	931,740	943,848	1,013,860	1,021,763	1,002,377
Sale, total	1,892,033	1,908,874	2,139,793	2,107,004	2,069,161
logs for cutting	922,327	939,572	1,063,600	1,027,755	1,013,895

Forest afforestation activities in 2017 in Republika Srpska increased slightly in comparison with 2016. Thus, total afforested area in 2017 covered 652 ha, which represented an increase by 1.4% compared to 2016, while it represented a decrease by 20.2% compared to 2015. Conifer afforestation covered an area of 552 ha, which accounted for nearly 85% of the total area afforested during 2017.
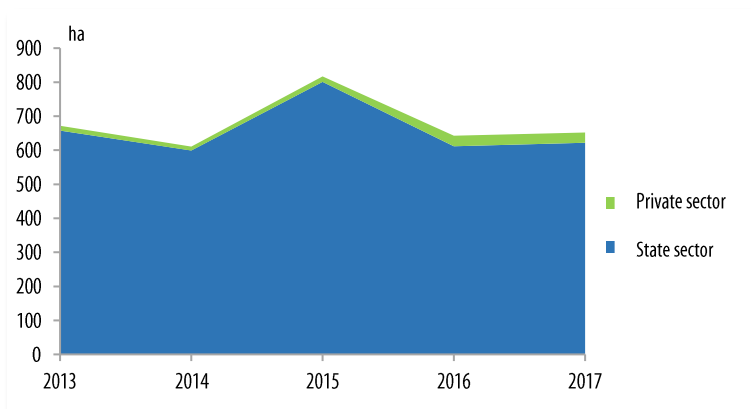
Graph 13.1. Artificial afforestation

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

	TOTAL	Conifers	Broadleaves
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
2017	83.45	98.13	70.95

13.4. Gross value added in the forestry sector[1]

	2013	2014	2015	2016	2017
Forestry gross value added, thous. KM	124,264	129,640	143,534	148,434	145,480
Gross domestic product at market prices, thous. KM	8,792,917	8,887,307	9,205,038	9,630,569	10,077,017
Structure, %	1.4	1.5	1.6	1.5	1.4

In accordance with the Standard International Trade Classification (SITC Rev.4), commercial forestry and industry[2] based on wood as raw material had a significant share in the structure of export of Republika Srpska in 2017, with 13.2%, and its value was 512 million KM.

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[1] Data for the period 2013-2015 have been revised in accordance with the ESA 2010.

[2] Cork and wood, pulp and waste paper, cork and wood manufactures and paper, cardboard and pulp products (excluding furniture)

FORESTRY
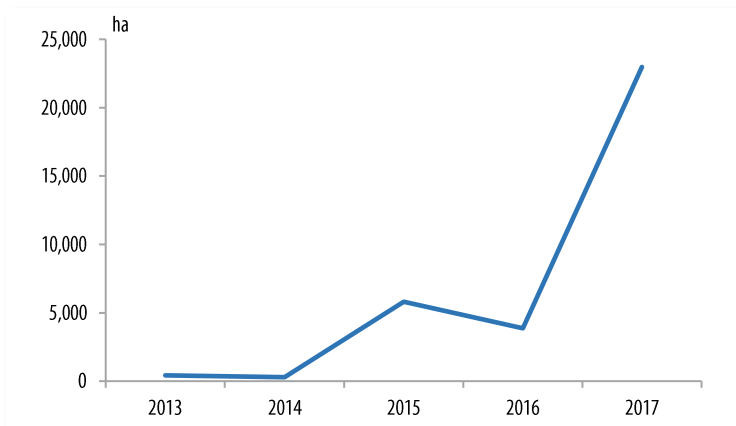
Graph 13.2. Forest area and forest land affected by fire

Damages caused by fire in 2017 were recorded over an area of 22,977 ha, with 122,729 m³ of damaged felled timber, which represented a significant increase in comparison with the previous year.

DO YOU KNOW?

The role of forests in purifying the polluted atmosphere is as important as its role in oxygen production. In a year, 1 ha of coniferous forests filter 30-35 tonnes of dust, while 1 ha of broadleaf forests filter 50-76 tonnes of dust.

According to the above calculation, in Republika Srpska in 2017, broadleaf forests filtered approximately 56 million tonnes of dust, while coniferous forests filtered approximately 6.5 million tonnes of dust.

Shallow waters are easily muddied.

Wastes and wastewaters from industry

The amount of waste generated in sections of industrial activities (KD BiH 2010 B, C and D) was increasing in the period 2012-2016, particularly in 2016. As major mineral wastes are excluded from the observation, the highest share in the total generated industrial waste is that of waste from the section *Electricity, gas, steam and air conditioning supply*. In the given period, the share of waste from this section of economic activity in the total generated industrial waste ranged from 82% in 2012 to 92% in 2016. Due to its large amounts and for improved comparability of data, this share excludes mineral wastes (excavated land, construction and demolition waste and other mineral wastes).
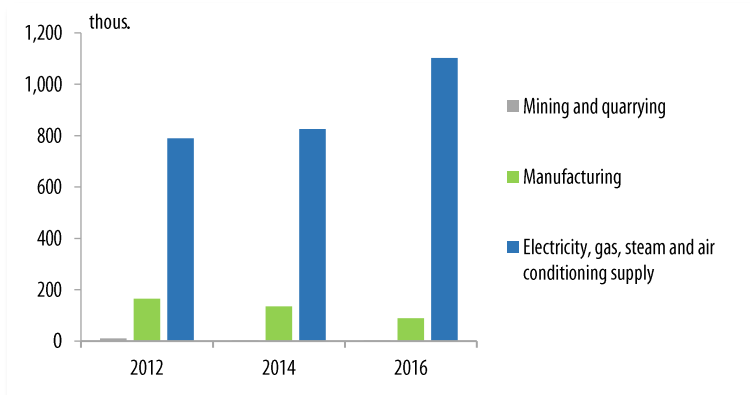
Graph 14.1. Industrial waste, excluding major mineral wastes

The largest amount of the total generated industrial waste, over 90% of the total amount, is disposed of within the business entities in which it is generated.

Wastewaters from industrial processes significantly affect the quality of rivers, lakes and other recipients into which wastewaters are discharged. The amount of discharged wastewaters in 2017 decreased by 33% compared to 2013. In addition, the share of treated wastewaters in the total amount of discharged wastewaters from industry also decreased from 81% in 2013 to 75% in 2017.

ENVIRONMENT
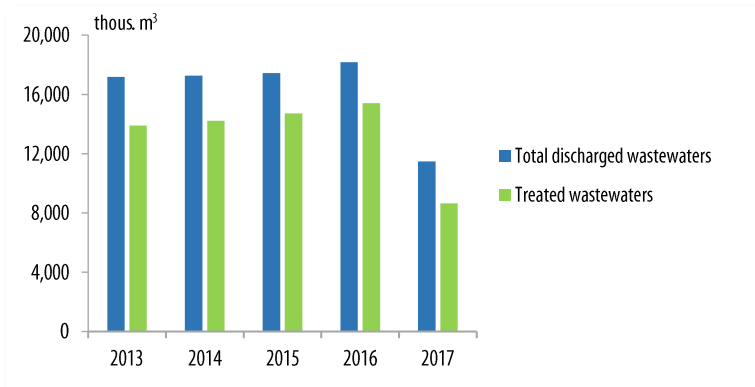
Graph 14.2. Discharged wastewaters from industry

Among the treatment methods, the primary treatment of industrial wastewaters is the most common one. Primary treatment is the first degree of wastewater treatment by physical and/or chemical processes for depositing suspended matter and other processes through which biochemical oxygen demand (BOD) decreases by at least 20% prior to discharging, while total suspended matter is reduced by at least 50%.
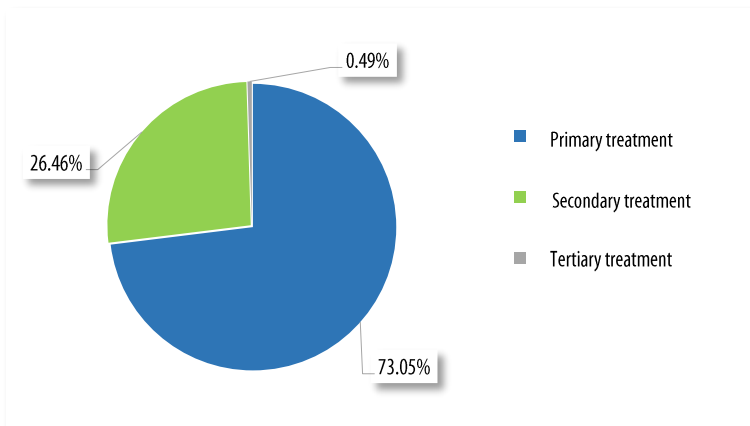
Graph 14.3. Treated wastewaters from industry, 2017

DO YOU KNOW?
In 2017, over 80% of industrial wastewaters in Republika Srpska was discharged into ground waters.

15 INDUSTRY

Actions speak louder than words.

Industrial production increased by 1.2% in 2017 compared to 2016

Industrial production has been increasing in the last five years. In 2017, an increase by 1.2% was recorded in comparison with 2016.

Manufacture of electricity, other mining and quarrying, manufacture of furniture, mining of metal ores, mining of coal, manufacture of wood, manufacture of other non-metallic mineral products and manufacture of refined petroleum products 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 3.5%, FYR Macedonia 0.2%, Slovenia 8.0%, and Croatia 1.4%. An increase by 3.8% was also recorded in the Federation of BiH.

15.1. Indices of industrial production by section of activity classification

previous year=100

Section	2013	2014	2015	2016	2017
INDUSTRY TOTAL	104.1	100.6	103.0	108.1	101.2
B	104.1	96.6	110.5	100.7	97.4
C	104.2	104.9	103.2	103.5	106.2
D (except group 35.3)	101.1	91.0	99.0	125.3	92.5

15.2. Indices of industrial production by section of activity classification

2010=100

Section	2013	2014	2015	2016	2017
INDUSTRY TOTAL	104.7	105.4	108.6	117.4	118.8
B	118.3	114.3	126.3	127.2	123.9
C	103.9	109.1	112.5	116.4	123.6
D (except group 35.3)	97.4	88.7	87.8	110.0	101.7

Industry had a share of 16.8% in the total Gross domestic product of Republika Srpska

Gross fixed capital formation in new fixed assets in industrial activities in 2017 amounted to 588 million KM, which represented a decrease by 22.4% compared to 2016.

Gross value added of industrial activities in 2017 increased by 0.5% in comparison with 2016, totaling 1.7 million KM, with *Manufacturing* having the highest share (60.5%).

At the end of 2017, there were 4,467 registered industrial enterprises, of which 89.5% in private ownership.

DO YOU KNOW?
Share of industry in the total Gross domestic product of Republika Srpska is 16.8%.

In 2017, there were 131 business entities that were recorded into the Register of Business Entities and classified into industrial activities.

Most industrial enterprises, namely 90.0% of them, were engaged in *Manufacturing*, while 4.0% were engaged in *Mining and quarrying*, 4.5% in *Electricity, gas, steam and air conditioning supply*, and 1.5% in *Materials recovery*.

Industrial enterprises employ 28.0% of the total number of employed persons in Republika Srpska; these enterprises employ 61,622 workers, of which 77.6% in *Manufacturing.*

According to reports of industrial enterprises, value of sale of industrial products in 2017 amounted to 5.6 billion KM, with products of *Manufacturing* accounting for 75.1% of the total value. Value of sale of industrial products increased by 9.1% in 2017 in comparison with 2016.

Five industrial divisions realise 62.6% of the total value of sale of industrial products, namely: *Electricity, gas, steam and air conditioning supply* 19.6%, *Manufacture of food products* 14.3%, *Manufacture of coke and refined petroleum products* 13.5%, *Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials* 7.7% and *Manufacture of fabricated metal products, except machinery and equipment* 7.5%.
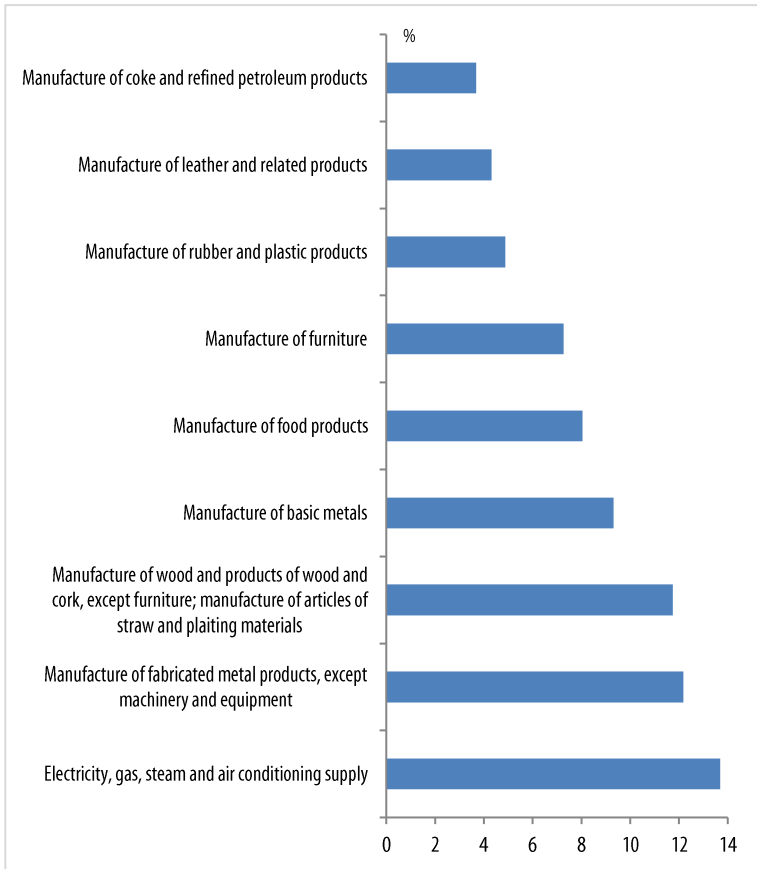
INDUSTRY

15.3. Value of sale by industrial division

mill. KM

INDUSTRIAL DIVISION	2013	2014	2015	2016	2017
INDUSTRY, TOTAL	4,901	5,185	4,874	5,138	5,605
Mining of coal and lignite (brown coal)	63	72	75	51	40
Mining of metal ores	141	137	147	132	150
Other mining and quarrying	33	32	36	35	35
Mining and quarrying support service activities	-	-	-	-	-
Manufacture of food products	649	703	790	834	802
Manufacture of beverages	76	80	93	102	109
Manufacture of tobacco products	5	3	18	19	14
Manufacture of textiles	28	29	31	37	37
Manufacture of wearing apparel	41	49	64	50	51
Manufacture of leather and related products	95	113	107	124	139
Manufacture of wood and of products of wood and cork	290	337	358	398	429
Manufacture of paper and paper products	108	114	118	118	122
Printing and reproduction of recorded media	12	30	21	28	28
Manufacture of coke and refined petroleum products	1,174	1,116	661	570	759
Manufacture of chemicals and chemical products	52	76	93	133	184
Manufacture of basic pharmaceutical products and pharmaceutical preparations	42	34	37	50	29
Manufacture of rubber and plastic products	84	99	126	145	166
Manufacture of other non-metallic mineral products	89	106	112	128	118
Manufacture of basic metals	230	194	168	163	227
Manufacture of fabricated metal products, except machinery and equipment	262	293	299	335	421
Manufacture of computer, electronic and optical products	8	7	8	9	12
Manufacture of electrical equipment	59	77	71	78	98
Manufacture of machinery and equipment, n.e.c.	46	50	55	64	77
Manufacture of motor vehicles, trailers and semi-trailers	31	32	31	28	35
Manufacture of other transport equipment	11	15	12	11	11
Manufacture of furniture	149	168	183	207	215
Other manufacturing	13	14	14	17	17
Repair and installation of machinery and equipment	49	47	46	49	56
Electricity, gas, steam and air-conditioning supply	1,026	1,125	1,059	1,181	1,099
Water collection, treatment and supply	-	-	-	-	77
Materials recovery	35	33	40	40	50

Of the total value of sale realised by industrial enterprises, 41.7% referred to export

Export realised by industrial enterprises in 2017 amounted to 2.3 million KM, of which 81.6% was realised in *Manufacturing*.

Graph 15.1. Industrial divisions with the highest shares of export in the total export of industrial enterprises, 2017

16 ENERGY

If you have fire tongs, do not catch fire with your hands.

Electricity consumption in Republika Srpska is fully covered by production from own sources, with surplus being exported to other markets.

Total net production of electricity in 2017 amounted to 6,708 GWh. In the structure of total net production, thermal power stations participated with 74.6%, hydro power plants with 24.5%, and other producers with 1.0%.

In recent years, there has been a steady rise in final consumption of electricity.
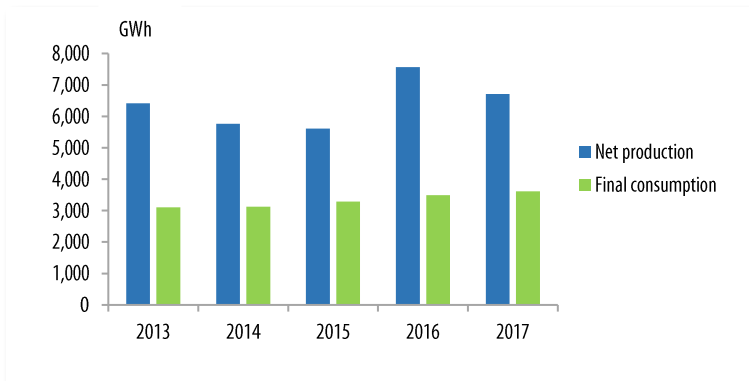
Graph 16.1. Net production and final consumption of electricity

Largest final consumption of coal and natural gas recorded in industry

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 61.7%.

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.
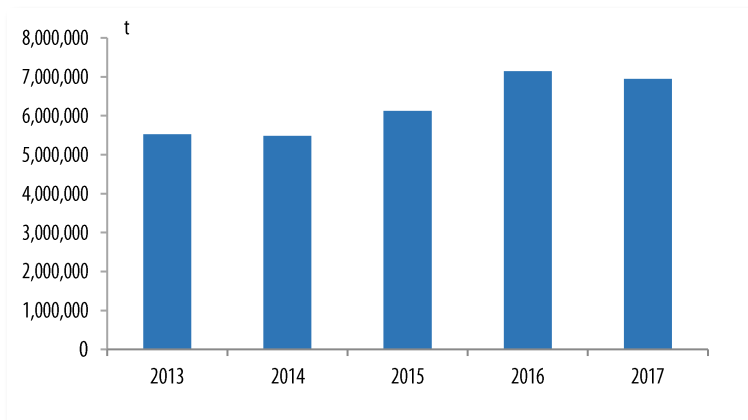
Graph 16.2. Production of coal

Increase in production of heat from biomass

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 2017 was 32.4%.

DO YOU KNOW?
Republika Srpska has started to produce electricity from wood biomass and biogas.

ENERGY

16.1. Production and final consumption of fuels and energy

	2013	2014	2015	2016	2017
Production of fuels and energy					
Brown coal (thous. t)	2,194	2,001	2,239	2,240	1,802
Lignite (thous. t)	3,334	3,484	3,887	4,902	5,151
Electricity[1] (GWh)	6,416	6,758	5,610	7,565	6,708
Hydro power plants[1] (GWh)	3,004	2,612	2,267	2,680	1,740
Thermal power plants[1] (GWh)	3,390	3,134	3,298	4,828	4,897
Other production[1] (GWh)	22	12	45	57	71
Heat (TJ)	1,697	1,378	1,488	1,521	1,499
Biogas (thous. m^3)	-	-	-	-	3,143
Final consumption of fuels and energy					
Brown coal (thous. t)	171	175	242	168	209
Lignite (thous. t)	94	118	112	121	74
Electricity (GWh)	3,104	3,129	3,293	3,489	3,612
Heat (TJ)	1,433	1,246	1,392*	1,414*	1,374
Natural gas (thous. Sm^3)	21,923	27,655	42,511	59,223	66,863

[1] Production at threshold

kWh per capita

Country	kWh per capita
Finland	15,468
Sweden	13,756
Austria	8,258
Belgium	7,778
Switzerland	7,481
France	7,148
Slovenia	6,997
Germany	6,956
Netherlands	6,734
Czech Republic	6,460
EU-28	6,000
Denmark	5,882
Greece	5,501
Italy	5,081
Bulgaria	4,956
Serbia	4,621
Hungary	4,178
Poland	4,141
Croatia	3,967
BiH	3,597
Republika Srpska	3,516
FYR Macedonia	3,197
Turkey	3,114
Romania	2,688
Albania	2,197

Graph 16.3. Electricity consumption per capita, 2016 (IEA)

ENERGY

In 2017, approximately 350 million KM was invested in energy

Gross fixed capital formation in new fixed assets in energy (divisions 5, 19 and 35) amounted to approximately 350 million KM, which accounted for 22.3% of the total financing of gross fixed capital formation in new fixed assets in Republika Srpska in 2017.

Energy had a share of 5.2% 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 2.5% higher in 2017 than in 2016.

He would finish if he was willing to start.

Value of performed construction works in Republika Srpska decreased by 9.7% in 2017 compared to 2016. Civil engineering accounted for 59.4% of the total value of performed works and their value decreased by 20.4%, while for buildings an increase by 12.2% was recorded. During the same period, the number of workers engaged on construction sites increased by 3.9%.

In 2017, Gross value added of construction had a share of 5.3% in the formation of Gross domestic product of Republika Srpska, while gross fixed capital formation in new fixed assets in construction participated with 17.3% in the total gross fixed capital formation.
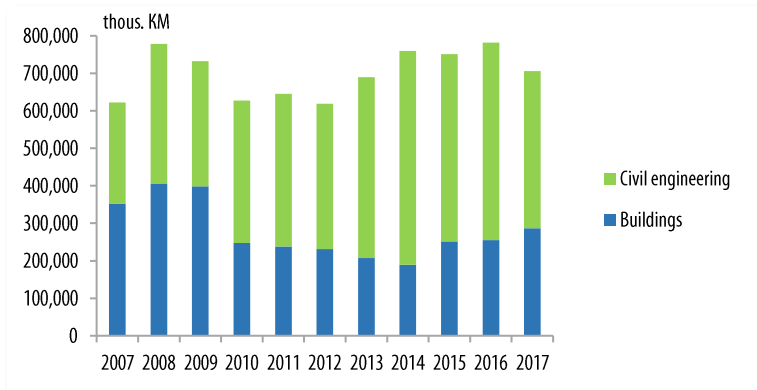
Graph 17.1. Value of performed works

Compared to the previous year, the number of completed dwellings in 2017 was 16.6% higher. A decrease in dwelling construction was recorded for four or more-room dwellings (3.5%). The highest share in the structure of completed dwellings was that of two-room dwellings (43.3%), followed by one-room dwellings with 31.8%, while the rest were three or more-room dwellings.

CONSTRUCTION

17.1. Completed dwellings by number of rooms

	Unit of measure	2016	2017
TOTAL	number	1,618	1,887
	m^2	89,487	99,919
One-room dwellings	number	436	601
	m^2	16,179	22,681
Two-room dwellings	number	696	817
	m^2	35,315	42,362
Three-room dwellings	number	382	414
	m^2	26,548	28,467
Four or more-room dwellings	number	104	55
	m^2	11,445	6,409

DO YOU KNOW?
Average price of sold new dwellings in 2017 amounted to 1,491 KM/m^2 (VAT included).

There is no friendship where accounts are not settled.

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 exports in 2017

In the period between 2013 and 2017, export from Republika Srpska was continually increasing, except in 2015.

Compared to 2016, export increased by 21.2% in 2017, while import increased by 10.7%. Volume of external trade of Republika Srpska in 2017 was 8.4 billion KM, of which 3.5 billion KM referred to export and 4.9 billion KM to import. External trade deficit of Republika Srpska in the same year was 1.4 billion KM.

The highest value of export from Republika Srpska in 2017 was that of export to Italy (15.3%), followed by Croatia (13.4%), Serbia (12.4%), Slovenia (9.9%) and Germany (8.6%).

During the same year, the highest value of import was that of import from Serbia (17.2%), followed by Russia (13.9%), Italy (11.5%), Germany (8.1%) and China (6.1%).

Coverage of import with export in 2017 was 71.0%

Coverage of import with export in Republika Srpska, as in most neighbouring countries, increased from 2016 to 2017.

EXTERNAL TRADE

In Republika Srpska's trade of goods with foreign countries in 2017, the highest share in both export and import was that of products in the division Mineral products

In the structure of export in 2017, the highest share was that of the division Mineral products with 13.8%, followed by the division Basic metals and related products with 12.2% and the division Wood; wood charcoal; cork; articles of straw with 11.9%.

In the structure of import in the same year, the highest share was that of the division Mineral products with 17.0%, followed by the division Machinery; equipment; apparatus for reproduction of image and sound with 13.9% and the division Products of the chemical or allied industries with 9.8%.

DO YOU KNOW?
In 2017, of total export from Republika Srpska, 91.2% was export to the EU member states and CEFTA
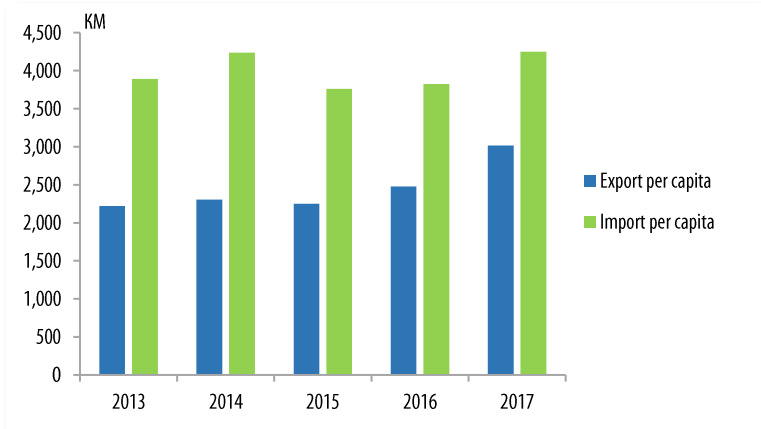
Graph 18.1. Export and import per capita
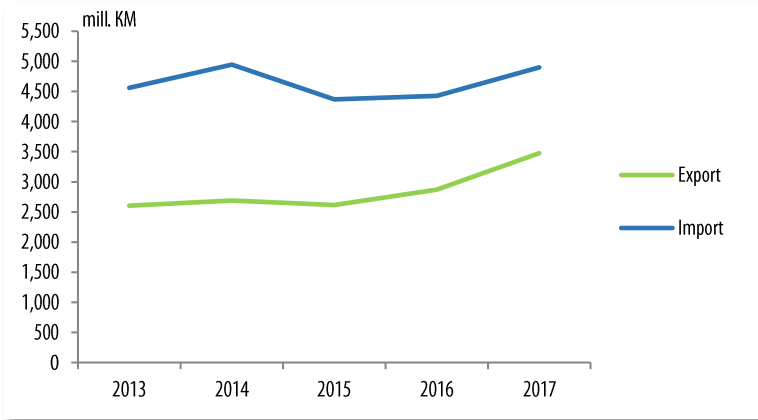
Graph 18.2. External trade balance
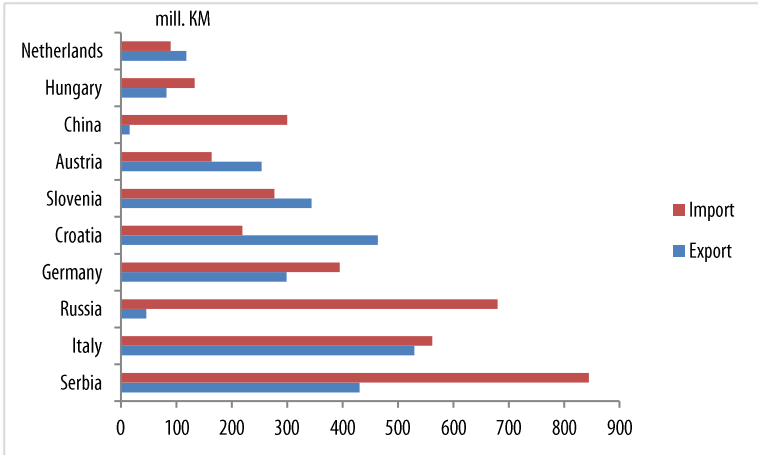
Graph 18.3. Countries with the highest shares in volume of trade with Republika Srpska, 2017

19 DISTRIBUTIVE TRADE

If you often buy what you do not need, you will soon be selling what you do need.

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 2017, compared to the base year 2010, was nominally 39.0% higher and really 40.6% higher. During the same period, turnover in wholesale trade, measures by the nominal growth rate, decreased by 16.4%.

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

	Distributive trade, total	Wholesale and retail trade, except of motor vehicles and motorcycles	Wholesale trade, except of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	
				nominal	real
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
2017	94.1	152.7	83.6	139.0	140.6

29.2%

25.4%

■ Retail trade predominantly in food and tobacco products

■ Retail trade predominantly in non-food products

■ Retail trade of motor fuels

45.3%
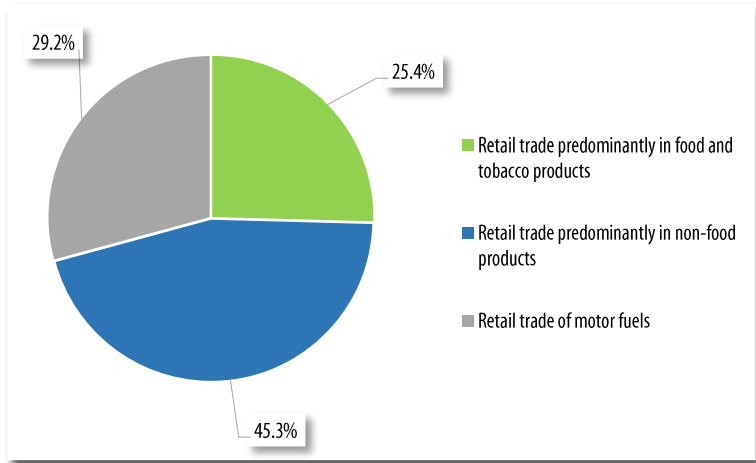
Graph 19.1. Share of turnover according to activity classification in total retail trade turnover, 2017

DO YOU KNOW?
In 2017, 7.8% of retail trade turnover referred to turnover of medicaments and medical and orthopaedic goods.

20 TOURISM

Stick to new roads and old friends.

The trend of intensified tourism growth in Republika Srpska continued in 2017. This was to be expected based on the indicators from 2016 and previous years. The collected and processed data indicate an increase both in the number of tourist arrivals and in the number of tourist nights. The increase in the number of tourist nights has been significant, which is very important. Obviously, this is the key to blossoming tourism; the goal is not only to attract tourists, but also to keep them for a long time. However, numerous natural beauties of Republika Srpska are not sufficient themselves in terms of attracting guests.

The Olympic mountain Jahorina is a proof that investment in infrastructure and a well-planned tourism and marketing strategy pays off. Thus, Jahorina had the best winter season ever. Also, apart from Banja Vrućica which is representative in terms of success, Kulaši, Slatina and Laktaši also achieved good results when it comes to spa tourism. In cultural tourism, both domestic and foreign tourists were especially attracted to Andrićgrad near Višegrad, while national parks Kozara and Sutjeska stand out among the pearls of domestic tourism. The construction of the road towards Sutjeska and Tjentište opened new routes for festival tourism, as a new form of tourist offer (very popular OK Fest), while also allowing communication towards Herzegovina and the sea. We have written about Drina, which will certainly become a great tourist treasure, being intact and unexplored in its upper course. Also, the National Park Drina was founded in the territory of the Municipality of Srebrenica.

In terms of congress tourism, ethno village Stanišići is very important. Also, further development of ethno tourism is expected, as other ethno villages, besides the famous Zelenkovac, Kotromanićevo, Pecka, are also developing. The vicinity of the sea and wine roads, as well as religious tourism, are bringing more and more guests to the destinations in Herzegovina as well, especially to the City of Trebinje. New tourist "products", when it comes to investments, include the impressive Sun City in Trebinje, Ravna Planina near Pale with a new gondola, and "Pecka Outdoor Festival", held in ethno village Pecka near Baraći.

The biggest shopping centre in the region is being built in Banja Luka, which means that this city will add the so-called shopping tourism component to its existing offer, including the beautiful Vrbas, Kastel and excellent gastronomic offer. Sports tourism is also rapidly developing, as prestigious city races for marathon runners and recreational runners are being organised, as well as through the increasingly popular trail running (Jahorina Ultra Trail), bicycle race Belgrade-Banja Luka as a first-class international race, and competitions in kayaking and canoeing in wild waters, especially on Vrbas.

In addition to the existing highway *9 January*, between Banja Luka and Doboj, the announced construction of the Belgrade-Sarajevo highway, the start of activities related to the construction of the Banja Luka-Prijedor highway (concession fee has been paid already) and the 5c corridor, the plan is also to build high-speed roads in Republika Srpska. Such infrastructure will certainly increase tourism income, as many travelers will visit Srpska more often thanks to good roads.

What was emphasised as a priority in the last year's edition of this publication is already being achieved. Air transport is being rapidly developed by means of low-cost airlines, as new routes from the airport Mahovljani near Banja Luka towards Western Europe have been opened (Brussels, Stockholm and Meningen) and new routes announced (Berlin). In this way, Republika Srpska is becoming connected with the world by means of air transport.

It is important to note that the Ministry of Trade and Tourism of Republika Srpska has proclaimed Banja Luka and Sarajevo tourist centres, with the aim of establishing centres that would play a key role in the development of tourism in Republika Srpska.

All the above has or will significantly affect the increase in the number of tourists in Republika Srpska. The goal is to keep the guests and extend their stay, but also to give them a reason to visit again.

DO YOU KNOW?
In 2017, for the first time since we started collecting data on tourism in Republika Srpska, the share of the number of foreign tourist nights exceeded 50% of the total number of realised tourist nights.

In 2017, the number of tourist arrivals increased by 6.4% in comparison with 2016, while the number of tourist nights increased by 7.3% 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 26.5%, followed by tourists from Croatia with 24.0% and Slovenia with 9.1%.
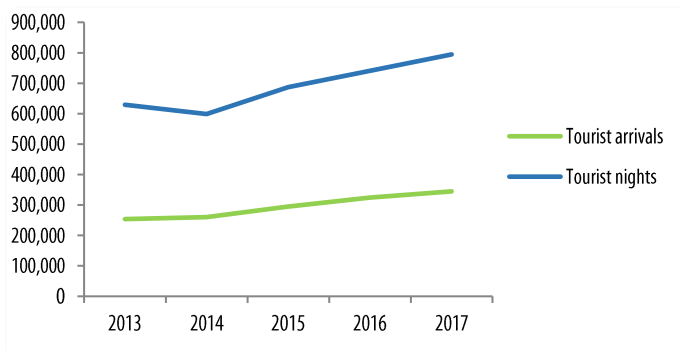
Graph 20.1. Tourist arrivals and nights, by year[1]

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[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.

72

21 TRANSPORT AND COMMUNICATIONS

The girl running to the meeting is already running late.

Transport of passengers and goods

In 2017, approximately 29 million passengers were transported, which represented an increase by 3.0% compared to the previous year, with 78.5% of the total number of passengers being transported in municipal transport.

21.1. Transport of passengers and goods by transport branch

	2013	2014	2015	2016	2017[1]
ROAD AND URBAN TRANSPORT					
Length of roads, km[2]	14,040	14,141	14,226	14,336	13,960
Transported passengers, thous.	31,745	29,752	29,568	28,477	29,334
Transported goods, thous.tonnes	2,444	2,665	3,747	3,522	4,020
RAILWAY TRANSPORT					
Length of tracks, km	426	426	426	417	417
Transported passengers, thous.	211	173	178	160	117
Transported goods, thous.t	5,191	5,009	4,964	4,416	4,529
AIR TRANSPORT SERVICES					
Number of flights	739	1,053	1,043	1,474	1,468
Number of passengers	8,734	27,734	22,793	21,697	20,761

An increase by 14.1% was recorded in transport of goods in comparison with 2016, with an increase by 2.6% in transport of goods in railway transport. Railway transport served to transport approximately 53.0% of all transported goods.

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[1] In 2017, decrease in the length of roads was caused by a recategorisation of local roads into uncategorised roads, within certain local self-government units, pursuant to decisions of the municipal assemblies.

[2] Source: Local self-government units, PE "Putevi Republike Srpske" and PE "Autoputevi Republike Srpske"

Postal activities

The number of letter-post items in 2017 decreased by 2.7% and the number of parcel mail items decreased by 6.1% compared to the previous year.
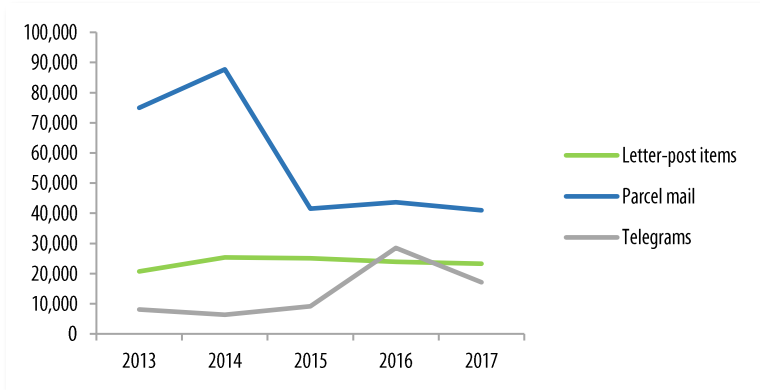
Graph 21.1. Postal activities

Registered vehicles

In 2017, in Republika Srpska, the number of registered vehicles increased by 1.7% compared to 2016.
Of the total number of registered vehicles, 86.4% were registered passenger vehicles.
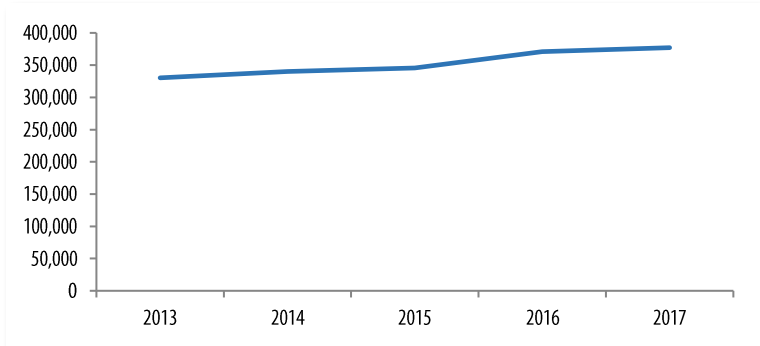

Graph 21.2. Total number of registered vehicles

TRANSPORT AND COMMUNICATIONS

Traffic accidents

Compared to 2016, the number of traffic accidents in Republika Srpska in 2017 decreased by 1.5%. The number of persons who deceased due to traffic accidents decreased by 11.5% and the number of persons injured in traffic accidents decreased by 11.0% compared to the previous year.
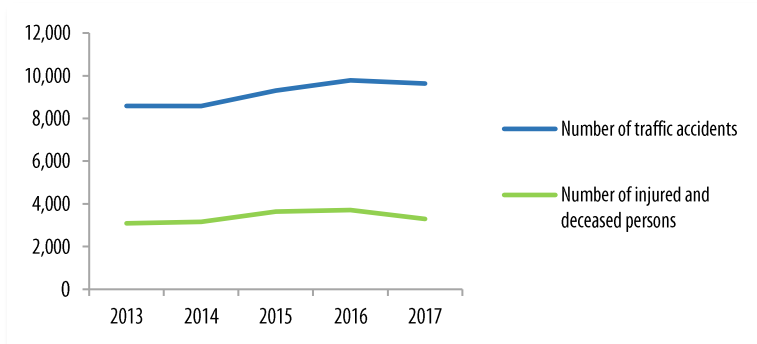
Graph 21.3. Traffic accidents and injured and deceased persons

DO YOU KNOW?
Traffic accidents most often happen on Mondays and Thursdays.

In 2017, 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 (42.5%). Speeding remains the most common cause of traffic accidents.
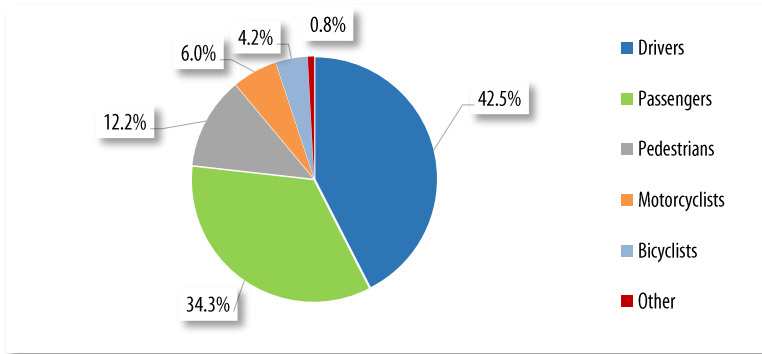
Graph 21.4. Injured persons by their participation in traffic accidents, 2017.
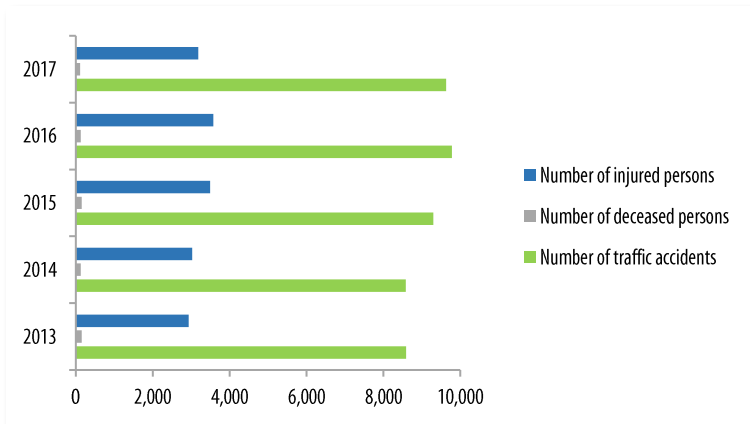
Graph 21.5. Number of traffic accidents, number of injured and deceased persons, 2017

22 EDUCATION

PRESCHOOL EDUCATION AND UPBRINGING

The system of preschool education and upbringing in 2017 consisted of 121 preschool institutions, of which 74 were established by local communities and 47 were established by private entities, citizens' associations and religious organisations.

There were 10,240 children in preschool institutions in the school year 2017/2018, of which 5,298 (51.7%) boys and 4,942 (48.3%) girls. Twenty municipalities in Republika Srpska have no preschool institution.

In the school year 2017/2018, there were 1,587 employed persons in preschool institutions, of which 843 were educators.

In the structure of employed persons in preschool institutions, 91.9% 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
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
2017/2018	121	10,240	4,942	2,097	4,130	1,587	1,459	843
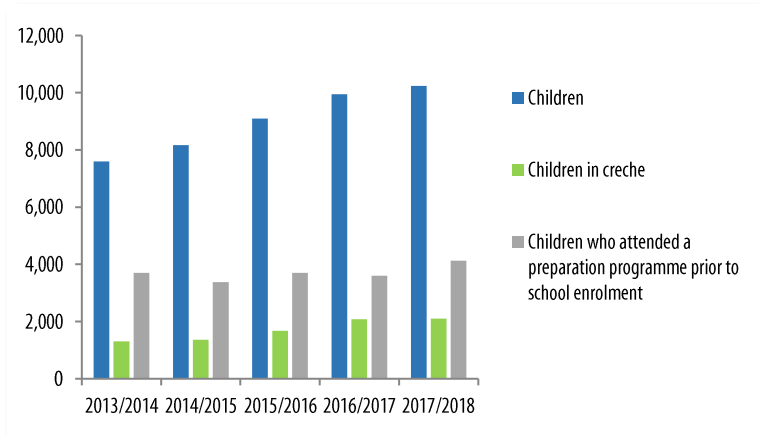
Graph 22.1. Preschool education and upbringing

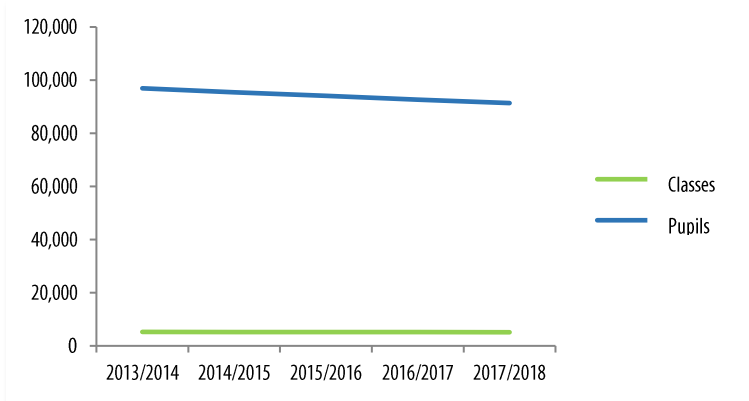## PRIMARY EDUCATION AND UPBRINGING

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 2017/2018, compared to 2016/2017, the number of pupils decreased by 1.4%, therefore there were 1,313 pupils fewer. There were 38 classes fewer, while there were fifteen teachers more. 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

EDUCATION

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

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Number of primary school	721	720	708	701	692
Pupils	96,932	95,460	94,064	92,683	91,370
Classes	5,251	5,231	5,189	5,159	5,121
Teachers	8,535	8,138	8,181	8,179	8,194
Average number of pupils per class	18	18	18	18	18
Average number of pupils per teacher	11	12	11	11	11

Graph 22.2. Classes and pupils in primary schools

DO YOU KNOW?
In the school year 2017/2017, there were 18% pupils who attended primary school in branch schools, in rural areas.

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 39,391 pupils in secondary schools at the beginning of the school year 2017/2018, which represents a decrease by 3.2% compared to 2016/2017. As in the previous years, the most popular school among pupils was grammar school, thus 8,875 pupils or 22.3% of all pupils were enrolled at grammar schools.

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

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Number of secondary schools	94	94	94	94	94
Pupils	46,421	43,975	42,089	41,136	39,831
Classes	1,872	1,869	1,794	1,826	1,758
Teachers	3,947	3,785	3,872	3,820	3,771
Average number of pupils per class	25	24	23	23	23
Average number of pupils per teacher	12	12	11	11	11
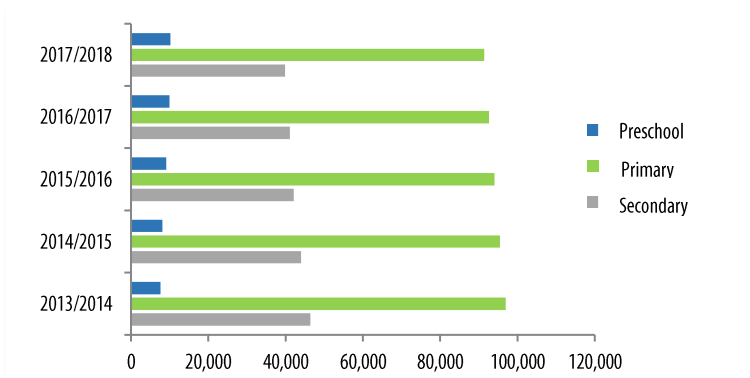
Graph 22.3. Children-pupils in institutions of education at the beginning of the school year

ОБРАЗОВАЊЕ

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 52.3%, while this percentage is even higher in boarding homes for students, namely 59.1%.

22.4. Boarding homes for pupils and students

	2014	2015	2016	2017	2018
Boarding homes	13	13	14	11	11
Pupils and students in boarding homes	3,342	3,223	3,204	3,715	3,502
Number of rooms	969	964	945	1,325	1,326
Number of teachers	28	29	29	26	27

HIGHER EDUCATION

Declining trend in the number of enrolled students continues

At higher education institutions in Republika Srpska, the total number of enrolled students at all three cycles of studies was 34,224, which represents a decrease by 8.7% compared to the previous academic year. In the academic year 2017/2018, the decreasing trend in the number of enrolled students at the first and second cycles of studies was continued. There were 2,942 students fewer than in the previous academic year at the first cycle of studies. At the second cycle of studies, there were 342 students fewer, while there were 35 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 there were more male students.

In Republika Srpska, 24,793 students are enrolled at public higher education institutions, namely 72.4% of all enrolled students. Public higher education institutions are 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 9,431 students (27.6%) enrolled at seventeen private higher education institutions.

There were 31,850 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, 31 students were enrolled in master studies according to the old programme and 2,140 in master studies according to the new programme, while 71 students were enrolled in specialist studies. Two thirds of those enrolled in the second cycle of studies were persons under 30 years of age.

There were 130 doctoral candidates enrolled in the third cycle of studies, with higher participation of male students. More than half of those enrolled in doctoral studies, namely 56% of them, were persons under 39 years of age.

In 2017, studies were completed by 5,669 students

At the first cycle of studies there were 5,081 students who graduated. More than half of graduated students were female (58%). A third of students who graduated in 2017 completed studies in the field Business, administration and law (45%), while the lowest number of graduated students was recorded in the field Services (2.3%).

The title of master of science and master and the title of specialist in 2017 were awarded to 534 candidates, of which approximately 47% were male. The title of doctor of science was awarded to 54 candidates, of which 68% were male.

The highest number of master's and specialist's theses was in the field Health and social protection (22.1%), while the lowest number of these was recorded in Natural sciences, mathematics and statistics (2.8%) and Services (0.2%).

The highest number of doctoral candidates defended their doctoral dissertations in the field Business, administration and law (29.6%), while the lowest number of defended doctoral dissertations was in the fields Health and social protection (1.9%).

At higher education institutions, there were 2,736 employed teachers and assistants

At higher education institutions, in the academic year 2017/2018, there were 2,736 employed teachers and assistants. Presented by full-time equivalent, the total number of teachers and assistants was 2,144.5. Every third teacher had the academic title docent professor, while every second assistant was a senior assistant (52.8%).
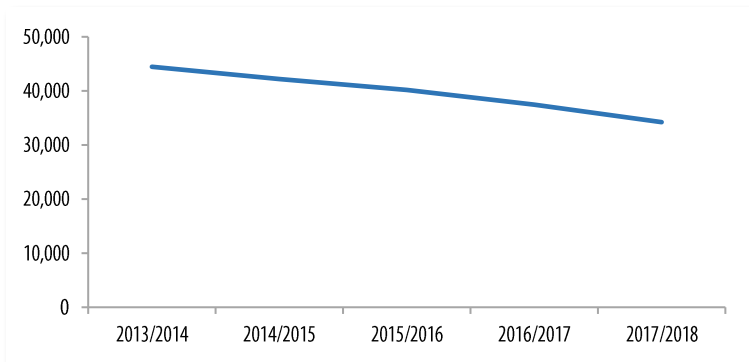
EDUCATION

22.5. Enrolled students in Republika Srpska, academic year 2017/2018

	Enrolled students, total		Old programme		Bologna-compliant programme	
	all	female	all	female	all	female
TOTAL	34,224	19,442	562	346	33,662	19,097
1st cycle	31,850	18,110	518	333	31,332	17,777
2nd cycle	2,244	1,272	31	10	2,,213	1,262
3rd cycle	130	60	13	2	117	58

22.6. Graduated students, masters of science, masters, specialists and doctors of science, 2017

	Graduated students		Masters of science (old programme)		Masters (new programme)		Specialists		Doctors of science	
	all	female	all	female	all	female	all	female	all	female
TOTAL	5,081	2,936	42	20	383	201	109	61	54	17

Graph 22.4. Students enrolled in all three cycles of studies in Republika Srpska, 2013/2014 - 2017/2018
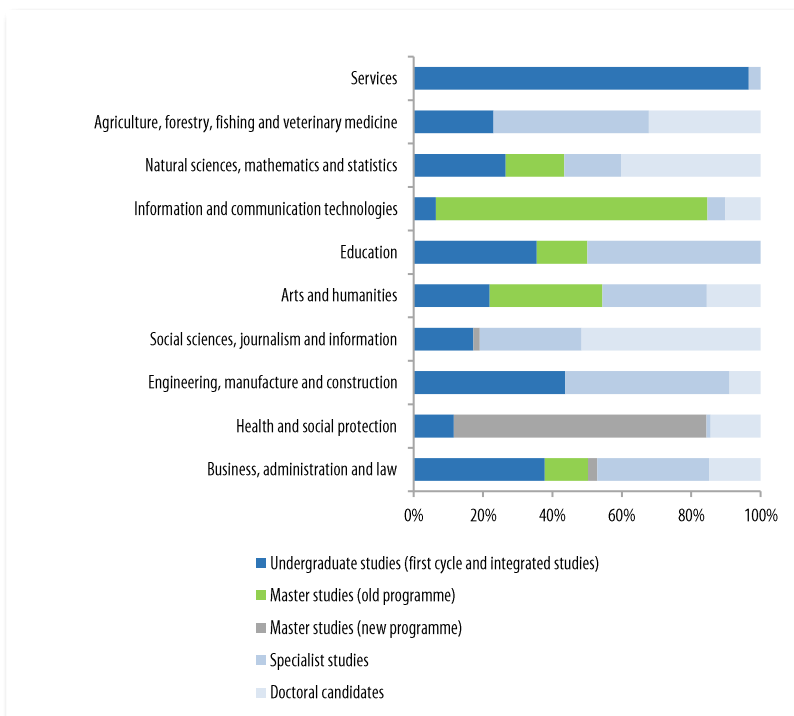
Graph 22.5. Enrolled students in Republika Srpska by field of education, academic year 2017/2018

23 CULTURE AND ART

Those who wish to sing, always find a song .

Culture represents not only a spiritual need or food, but also a characteristic feature and the identity of a society or a nation. Art is an important living thread for every individual; it is an immeasurable and invisible fluid that elevates, fortifies and ennobles the man. The need for creation, even the artistic, has developed the human mind to unimagined boundaries.

Because of this, art and culture must not be pushed to the social margin. This is exactly why, in 2017, two very important things for the culture and art of Republika Srpska occurred.

The National Assembly of Republika Srpska adopted the Strategy for the Development of Culture of Republika Srpska for the period 2017-2022. This important document provides not only specific goals, but also a detailed and binding set of measures and activities (including significantly higher budget funds) for the development of culture and art in Republika Srpska.

During 2017, the City of Banja Luka, as the most important administrative, economic and cultural centre in Republika Srpska, launched extensive activities related to the Banja Luka's candidacy for the European Capital of Culture in 2024. In the meantime, as this publication was being prepared, we received the news that Banja Luka was selected into the final round of this competition with another two candidate cities for the European Capital of Europe. Regardless whether Banja Luka will win this flattering title or not, such a decision by the European Commission represents a major impetus for the development of culture, not only in Banja Luka, but also in Republika Srpska.

In 2017, many high-quality festivals (film, music, folklore), concerts and exhibitions were held in Republika Srpska, with large audiences. In addition, it should be noted that the National and University Library of Republika Srpska, in cooperation with the Official Gazette of Republika Srpska, at the Book Fair in Andrićgrad, received the prize for the publishing achievement of the year, for a collection of prose by Petar Kočić, as a very valuable and exclusive edition.

> **DO YOU KNOW?**
> In 2017, the Republika Srpska Institute of Statistics was the institution with the highest number of online publications registered in the ISSN Centre of BiH.

In Republika Srpska, in 2017, compared to 2016, a decrease was recorded in the number of visitors of both domestic and foreign film screening, which was also the case with plays in children's theatre and professional theatre.

The number of cinema visitors in 2017 decreased by 65% in comparison with 2016, with the decrease being particularly prominent for foreign films (68%).
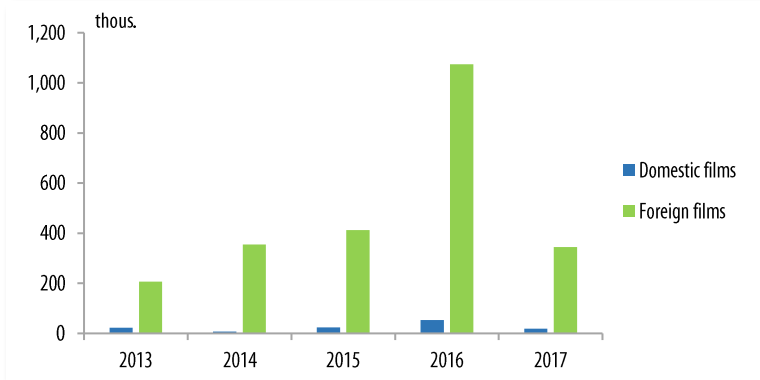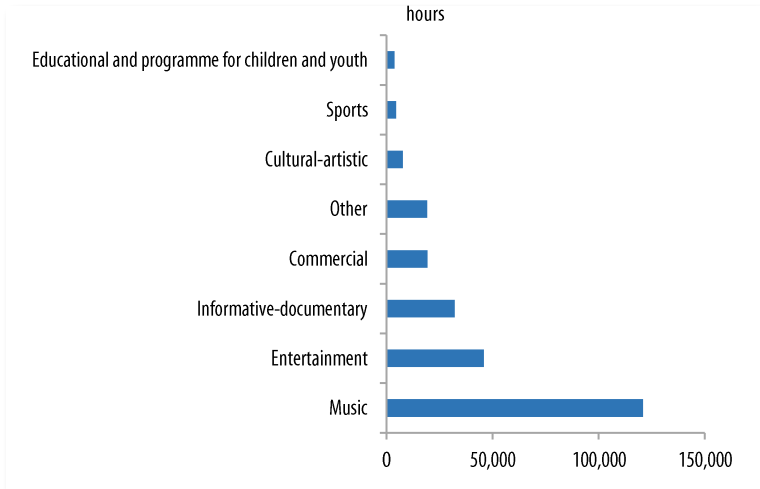
Graph 23.1. Cinema visitors
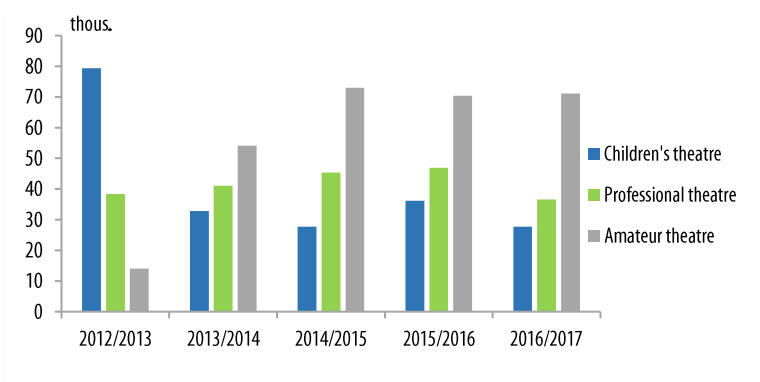
Graph 23.2. Theatre visitors

CULTURE AND ART

Mainly music and entertainment programmes were broadcast by radio stations in 2017, while programmes for children and youth and educational programmes were least represented.

Compared to 2016, the number of broadcast hours of radio stations decreased by 0.4% in 2017.

Graph 23.3. Programme broadcast by radio stations, 2017

In 2017, mainly informative, feature and music programmes were broadcast by TV stations, while programme for children and educational programme were least represented.

Compared to 2016, the number of broadcast hours of TV stations decreased by 3.4% in 2016.
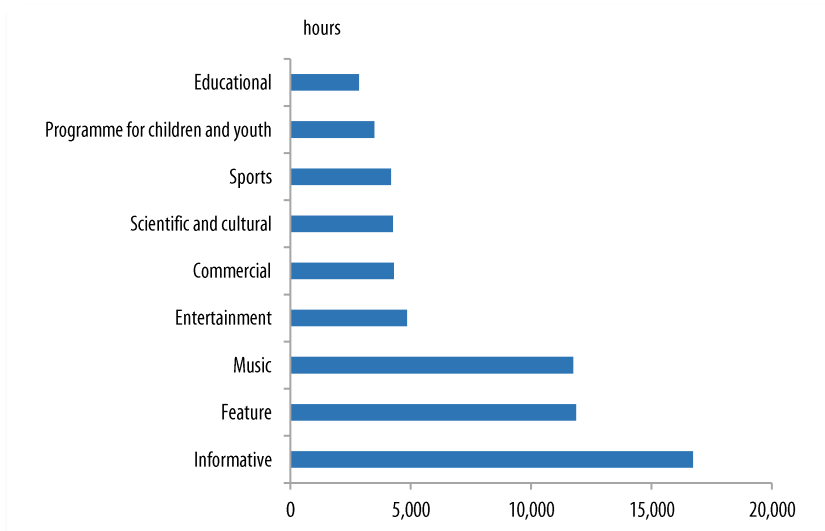
Graph 23.4. Programme broadcast by TV stations, 2017

In 2017, the number of users of the library fund in Republika Srpska decreased by 1.3% compared to 2016.

24 HEALTH CARE

Let your healing begin with these three things: a cheerful soul, rest and modest life.

In the public health sector of Republika Srpska in 2017 there were 13,338 employed medical staff and associates, out of which 41.3% were employed at health care centres. Out of the total number of employed persons, 18.9% were doctors of medicine. In the same period, private health care institutions employed 2,507 persons, out of which 11.5% were doctors of medicine.

There were approximately 4.26 million visits to the General and Family Medicine services and approximately 26.4% 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 2017, there were 203, 094 persons concluded their hospital treatment, which represented an increase by 2.2% compared to 2016.

24.1. Doctors of medicine in health care institutions

	2016	2017
TOTAL	2,761	2,808
In public health	2,530	2,520
In private clinics	231	288

Source: Republika Srpska Public Health Institute

DO YOU KNOW?
The total number of dentists who perform their primary activity in public health is constantly increasing. Thus, in 2017, the total number of dentists was 4.0% higher than in 2012, and 17.4% higher than the total number of public health dentists in 2007.

Cases of varicella were the most common

Compared to 2016, the number of reported cases of infectious and parasitic diseases decreased by 6.1% in 2017.

In the total number of cases in 2017, there was a significant number of varicella cases (approximately 4.6 thousand). However, this share decreased by 14.2% compared to 2016.

In 2017, 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 2017 this share amounted to 0.03%.

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

	Number of reported cases
2013	16,707
2014	16,979
2015	16,418
2016	14,289
2017	13,419

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 2017, there were 194,943 cases of diseased persons in Republika Srpska. Out of the total number of disease cases, 18.7% were cases of neoplasms and during this period approximately 20.6% of persons deceased due to this disease. There were 7,180 persons, or 49.0% of all deceased persons, who deceased due to the diseases of the circulatory system, which affected approximately 10.6% of persons in the previous year.

HEALTH CARE
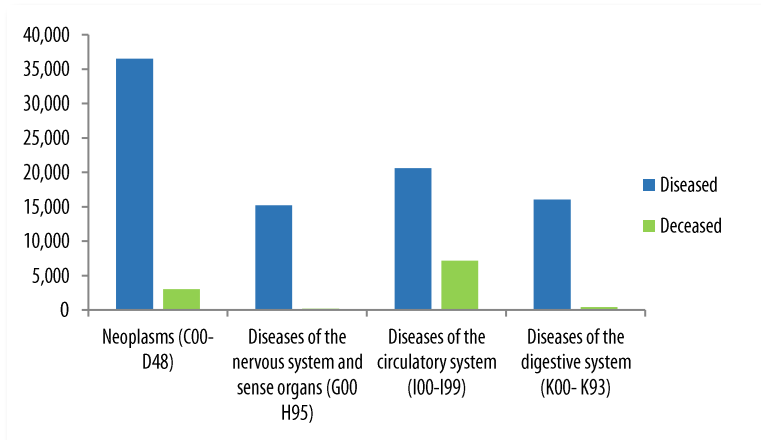
Graph 24.1. Morbidity and mortality by specific disease group, 2017

Source of data on morbidity: Republika Srpska Public Health Institute

25 HEALTH, PENSION AND DISABILITY INSURANCE

Time works for those who wait.

HEALTH INSURANCE

In 2017, in Republika Srpska there were 913 thousand beneficiaries of health insurance; thus, there were four thousand beneficiaries fewer than in 2016

Insured persons who exercised their right to health insurance in 2017 were temporarily unable to work for 565 thousand days, in slightly under 11 thousand cases. Compared to the previous year, this represented an increase by 33 thousand days and 406 cases .

DO YOU KNOW?
In Republika Srpska, slightly over 6.9 million prescriptions were issued in 2017, which represented an increase by 2.2 million compared to 10 years earlier, in 2008.

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

Category of insurance	2013	2014	2015	2016	2017
TOTAL	910,958	909,813	910,055	917,357	913,275
Active insured persons	202,413	192,059	191,583	195,471	229,442
Beneficiaries of the insurance of the PDI Fund	205,663	206,867	214,574	211,044	213,809
Unemployed persons	167,130	171,096	176,631	183,318	166,209
Family members of an insured person	335,752	339,791	327,267	327,524	303,815

Source: Health Insurance Fund of Republika Srpska

25.2. **Exercise of health insurance rights**

	2013	2014	2015	2016	2017
Temporary inability to work, number of days	473,978	440,186	528,964	531,360	564,691
Number of issued prescriptions	6,636,527	6,128,173	6,573,847	6,882,844	6,908,239

Source: Health Insurance Fund of Republika Srpska

HEALTH, PENSION AND DISABILITY INSURANCE

PENSION AND DISABILITY INSURANCE

The total number of pension right beneficiaries on the last day of 2017 was over 260 thousand. Of these, approximately 145 thousand were old-age pension beneficiaries, around 39 thousand were disability pension beneficiaries, and around 76 thousand were survivors' pension beneficiaries.

Total average pension in 2017 amounted to 309 KM, average old-age pension was 337 KM, and average disability pension was 290 KM, while average survivors' pension was the lowest, amounting to 265 KM.

> **DO YOU KNOW?**
> In 2017, the average number of years of exercising the right to a personal pension was 17 years for men and 20 years for women.
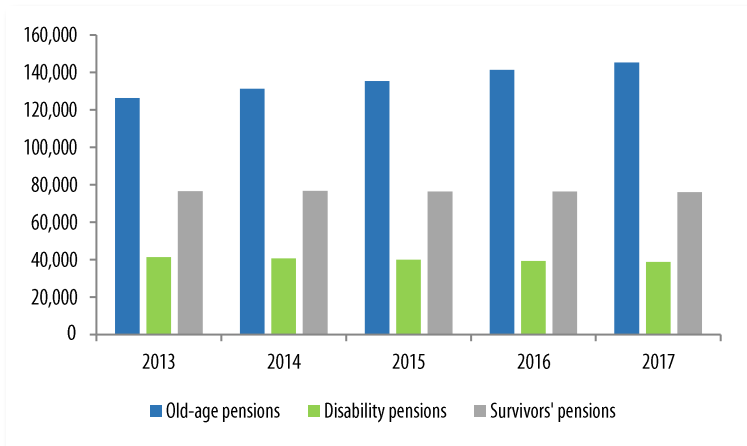
Graph 25.1. Pension right beneficiaries (as on 31 December)

Source: Pension and Disability Insurance Fund of Republika Srpska

26 SOCIAL WELFARE

Do not announce your good deeds with trumpets.

In Republika Srpska, in 2017 at least one form of social welfare was received by 184,830 persons, of which a majority were adults, namely 73.5%, while 26.5% of beneficiaries were minors.

By sex, there were more male beneficiaries of social welfare
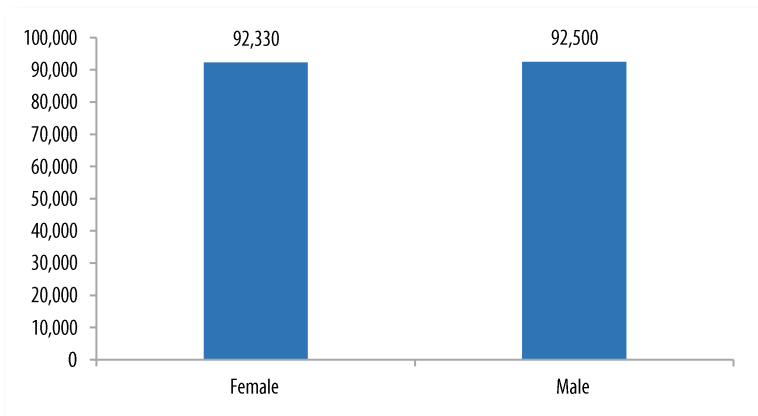
Graph 26.1. Social welfare beneficiaries by sex, 2017

In 2017, the number of social welfare beneficiaries decreased by 3.5% compared to 2016.

DO YOU KNOW?
In 2017, six children were adopted in Republika Srpska.

The number of minor beneficiaries decreased by 8.6% and the number of adult beneficiaries decreased by1.6%

SOCIAL WELFARE
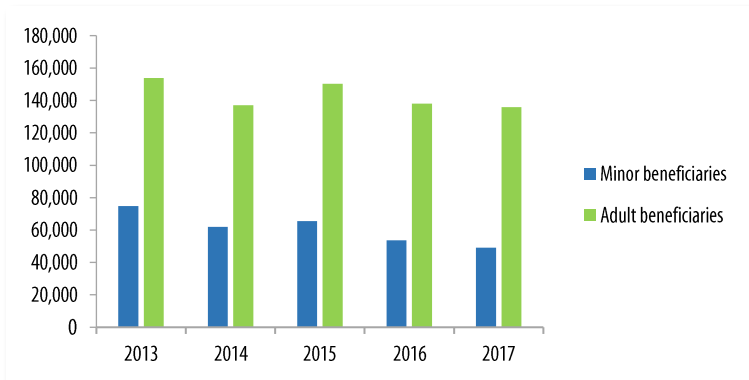
Graph 26.2. Number of social welfare beneficiaries by year

Since 2013, the number of social welfare beneficiaries has been decreasing steadily. From 2013 to 2017, the number of beneficiaries decreased by 19.2%.

In 2017, in Republika Srpska 49,035 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.
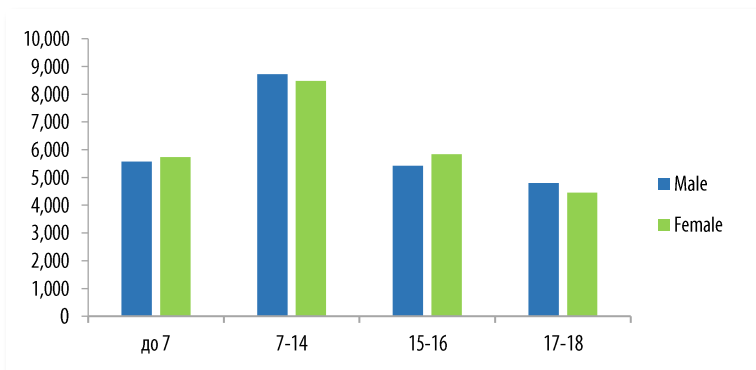
Graph 26.3. Minor beneficiaries by sex and age, 2017

By category, most minor beneficiaries were those from the category of the disadvantaged by family situation (52.1%). Most children of parents not having sufficient income to support the family (75.3%) also belonged to the same category.
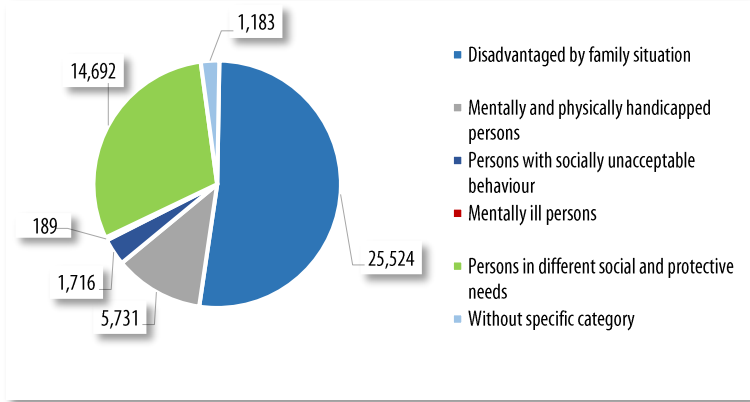
Graph 26.4. Minor beneficiaries by main categories, 2017 (state at the end of the year)

In 2017, one of the forms of social welfare was received by 135,795 adults. Majority of them were aged between 60 and 65, while those from the age group between 18 and 21 years were least represented.
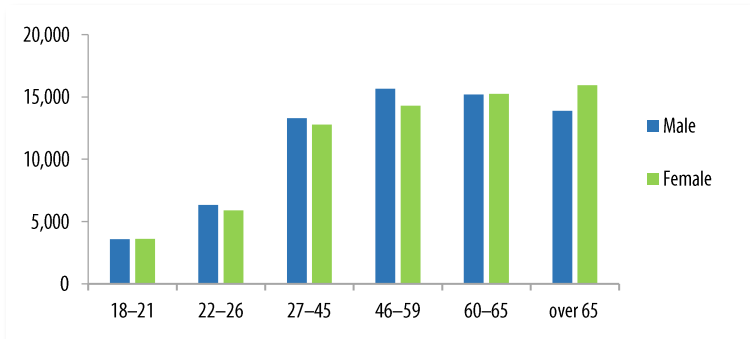
Graph 26.5. Adult beneficiaries by sex and age, 2017

SOCIAL WELFARE

The largest share in the total number of adult beneficiaries was that of the category of *Persons not having sufficient income to support themselves* (47.5%). Within this category, the most common were *Other persons in different social needs* (24.6%).
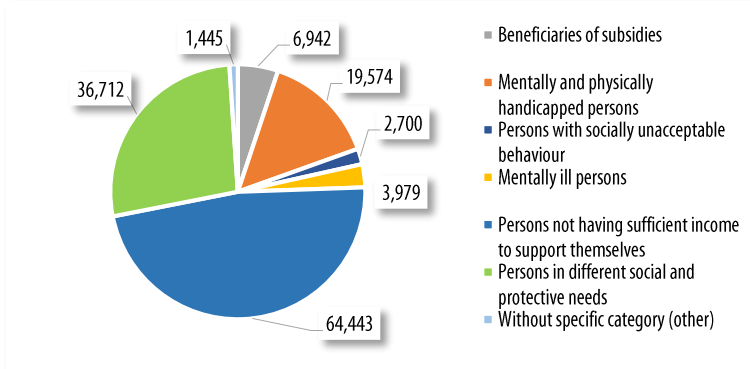
Graph 26.6. Adult beneficiaries by main categories, 2017 (state at the end of the year)

Social welfare institutions

In 2017, there were 89 beneficiaries in homes for children and youth. Most of them were between 15 and 17 years of age, while those aged three to six years were least represented.

There were more female beneficiares in homes (53.9%).
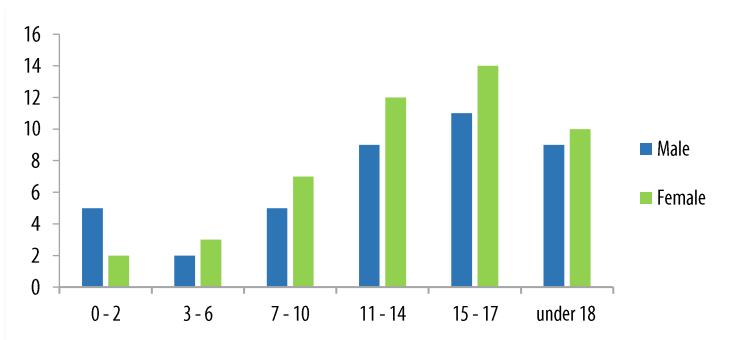
Graph 26.7. Beneficiaries of homes for children and youth by sex and age, 2017

Institutions of social welfare for disabled children and youth with physical and mental disabilities in 2017 accommodated 420 лица, persons, most of them older than 35 years of age (65.0%).
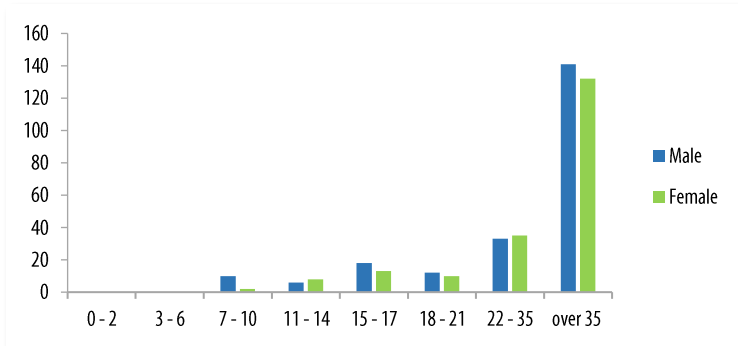
Graph 26.8. Beneficiaries of institutions for disabled children and youth by sex and age, 2017

In 2017, institutions for adult disabled persons accommodated 42 beneficiaries, most of them physically disabled (81.0%).

Institutions of social welfare for the elderly in 2017 accommodated 2,186 persons, most of them female (62.2%). Most beneficiares were over 80 years of age (51.9%).
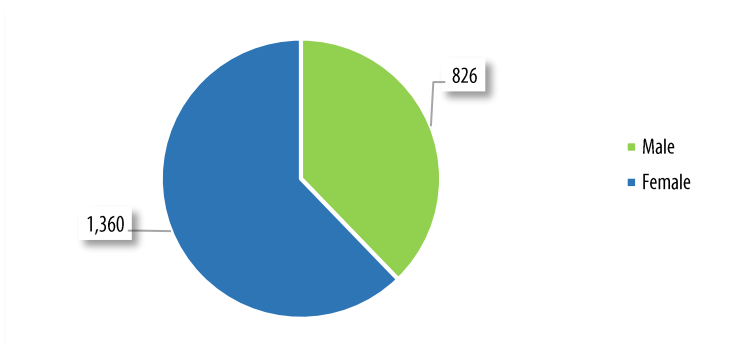
Graph 26.9. Beneficiaries of institutions for the elderly by sex, 2017

SOCIAL WELFARE

Child support beneficiaries

The total number of beneficiaries realising the right to child support in 2017 was 20,279 and the number of children realising the right to child support in the same year was 28,767.

In 2017, the total number of beneficiaries realising the right to child support decreased by 12.6%, while the number of children realising this right decreased by 13.2%.

Since 2013, the number of beneficiaries and the number of children realising the right to child support has been decreasing steadily. From 2013 to 2017, the number of beneficiaries decreased by 15.0% and the number of children decreased by 14.0%.
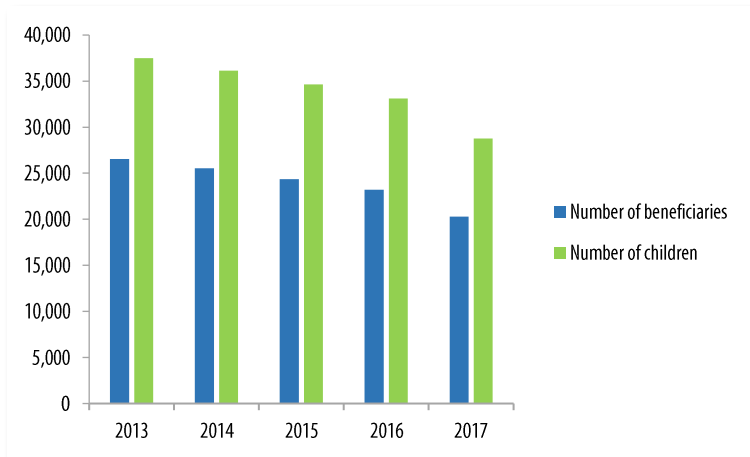
Graph 26.10. Number of child support beneficiaries and number of children

27 RESEARCH AND DEVELOPMENT

No pain, no gain.

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 2017 in Republika Srpska, 17.1 million KM was spent for research and development, of which 10.9 million KM was spent in the business sector

Gross domestic expenditure for research and development in Republika Srpska in 2017 was 17,196,000 KM, out of which current expenditure amounted to 13.8 million KM and investment expenditures 3.3 million KM. Current costs cover labour costs, costs of compensation to employees and other current costs, while investment expenditures cover expenditure for land and buildings, machinery and equipment, patents, licences, studies and projects, hardware and software, and other investment expenditures.

More than half of the total gross domestic expenditure was spent in the field of *Engineering and Technology* (60.4%). *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.

Of the total gross domestic expenditure for research and development, approximately the same amount of funds was spent on Transport, telecommunication and other infrastructures (24.6%), *General advancement of knowledge* (23.0%) and *Industrial production and technology* (21.9%).

In 2016, there were 1,030 persons engaged in 234 research and development works, or 731 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. Of the total number of researchers, 2/5 are female. If observed by field of science of research, 43.6% of researchers were employed in *Engineering and technology.*

RESEARCH AND DEVELOPMENT

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%.

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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	investment expenditures
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
2017	843	369	535	225	234	46	135	53	17,196	13,821	3,375
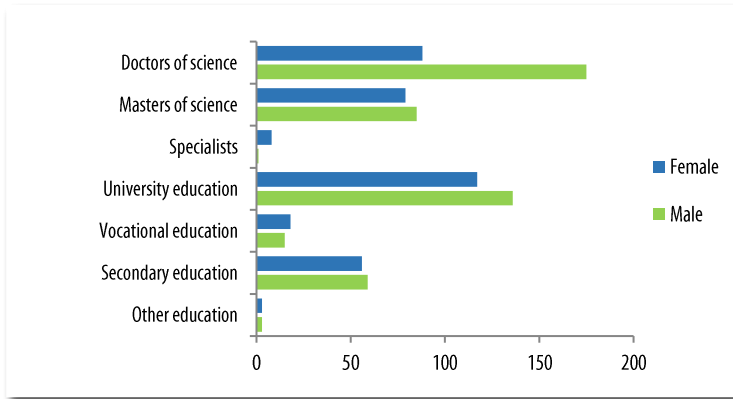
Graph 27.1. Number of persons engaged in research and development by educational attainment, 2017
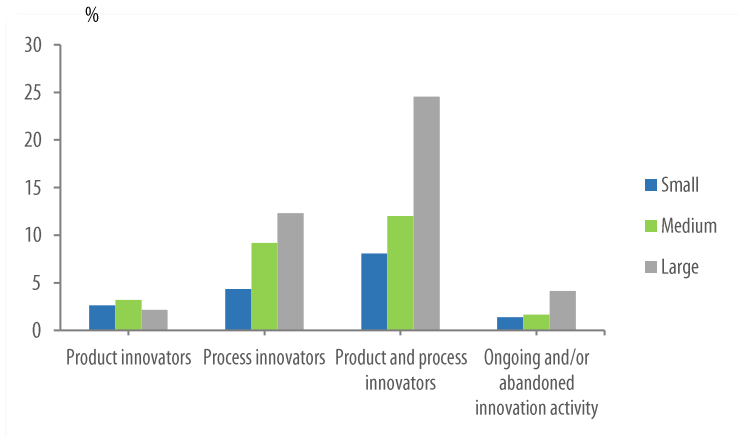
RESEARCH AND DEVELOPMENT

thous. KM
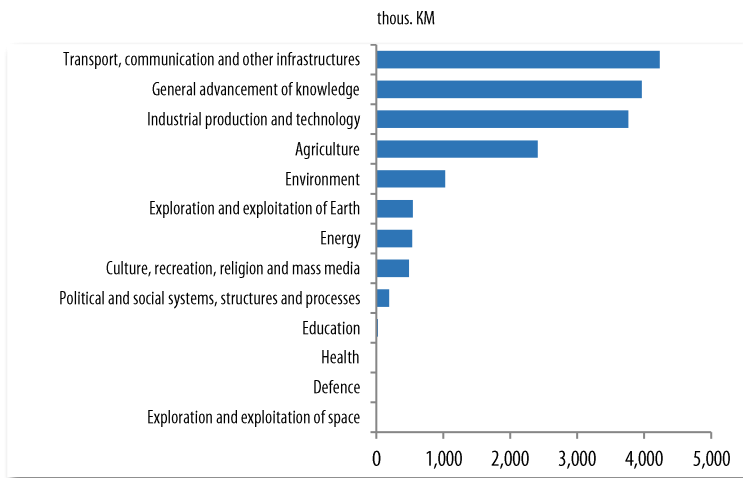
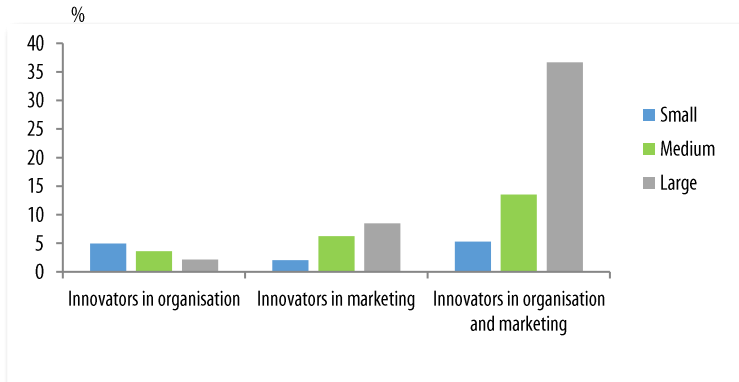Graph 27.2. . Funds for research and development by socio-economic goal, 2017
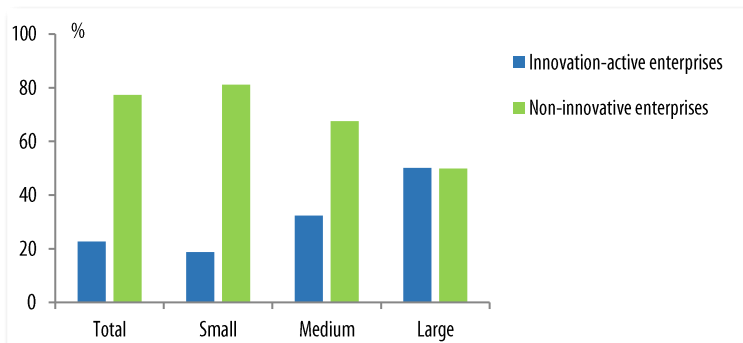
Graph 27.3. Enterprises by size of enterprise and by innovation activity, 2014–2016

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

28 CRIME

There is nothing kept secret that will not come to light.

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.
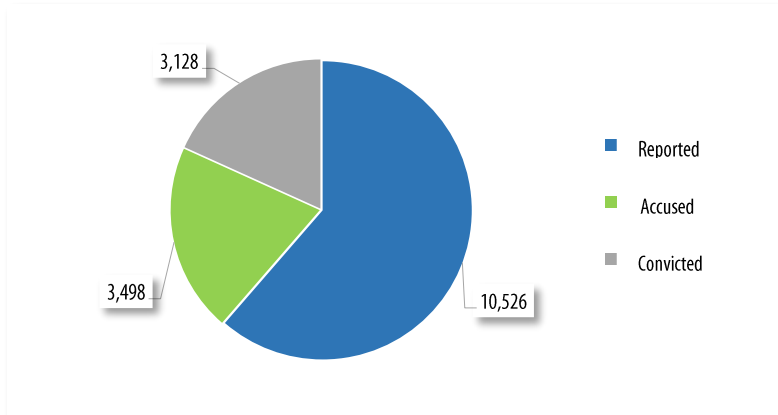
ADULT PERPETRATORS

In 2017, Public Prosecutor's Offices in Republika Srpska resolved 10,526 criminal charges filed against adults and for 23.6% 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 42.3% of the total number of resolved criminal charges.

During the same period, 3,498 persons were accused and 3,128 persons were convicted at the competent courts. Of all convicted persons, 91.9% were male, of which 23.7% were between 30 and 39 years of age. 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, namely in 54.0% cases. Fine was imposed in 26.8% cases, while in 18.1% cases unconditional imprisonment was imposed.

> **DO YOU KNOW?**
> In 2017, compared to 2016, a decrease by 19.7% was recorded in the number of resolved criminal charges filed against adults for criminal offences against public order.

Graph 28.1. Adult perpetrators of criminal offences – reported, accused and convicted, 2017
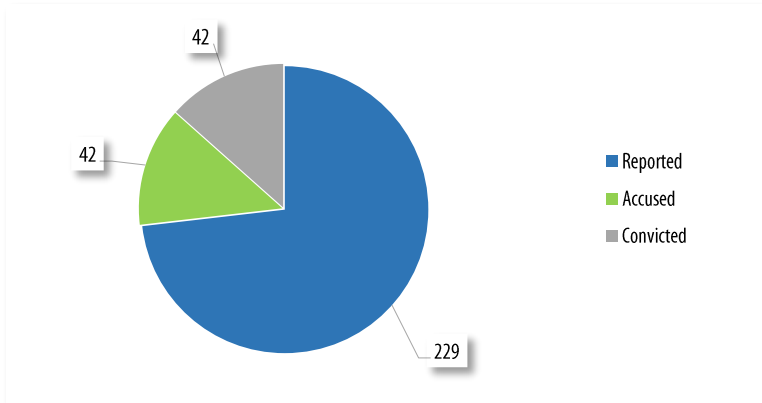
JUVENILE PERPETRATORS

Out of the total of 229 resolved criminal charges for juvenile persons in 2017, 142 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 61.6%, followed by criminal offences against life and body, with 13.5%.

There were 42 accused juvenile perpetrators and for all of them a criminal sanction was imposed. Besides property offences, of which 52.4% of all juvenile perpetrators were accused, 16.7% of juvenile perpetrators were accused of criminal offences against life and body.

Of the total of 42 imposed criminal sanctions, 95.2% were imposed against male persons. One juvenile imprisonment sanction was imposed in 2017. The most common measures were increased supervision, 73.8%, followed by warning and guidance measures 21.4% and institutional measures 2.4%.

Graph 28.2. Juvenile perpetrators of criminal offences –reported, accused and convicted, 2017
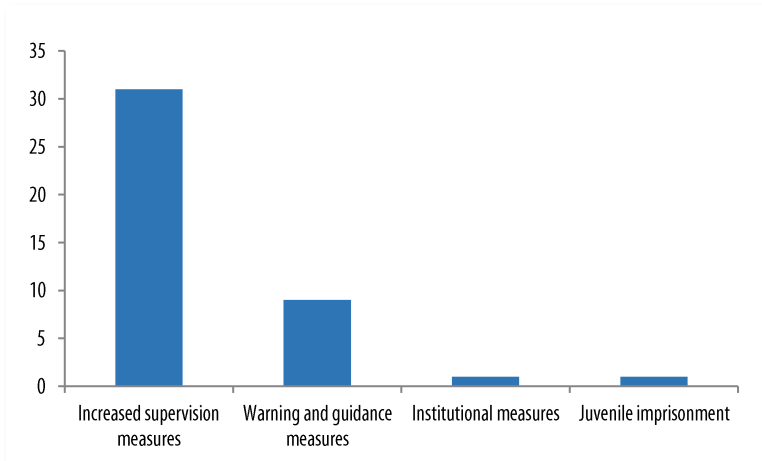
Graph 28.3. Imposed criminal sanctions, juvenile perpetrators, 2017

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%≤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%≤CV<30%
•	extremely unreliable data - coefficient of variation (CV) equal to or higher than 0.3, or expressed in percentage as follows CV≥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	tonne
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 ACTIVITY[1]

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).

LITTLE SCHOOL OF STATISTICS

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**.

LITTLE SCHOOL OF STATISTICS

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, S. (2006). Statistička analiza – metodi i primjena, Banja Luka, Faculty of Economics of the University of Banja Luka.

THIS IS
REPUBLIKA SRPSKA