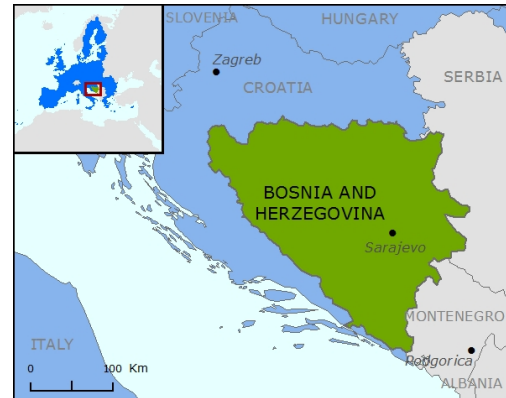




## Bosnia and Herzegovina

### Bilateral relations in agriculture



#### Main Country Indicators 2013

	BiH	All Western Balkan countries <sup>1</sup>	EU28
Total area (km <sup>2</sup> )	51 209	218 727	4 385 992
Population (million)	3.8	18.2	506.7
Population density (per km <sup>2</sup> )	75.1	92.6	120
GDP (current USD)	17.8 billion	94.7 billion	17.3 trillion
GDP per capita (current USD)	4 655	31 036	34 240
GDP growth (% change with previous year)	0.4	2.3	0.1

Sources: Eurostat, World Bank

<sup>1</sup> The former Yugoslav Republic of Macedonia, Albania, Bosnia & Herzegovina, Montenegro, Serbia and Kosovo\* (\*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence))

#### Economic importance of agriculture (2011)

	BiH	EU28
Agricultural land (km <sup>2</sup> )	21 510	1 878 817
Agricultural land as proportion of land area (%)	42.2	44.3
Arable land as % of land area	19.7	25.6
Permanent cropland (% of land area)	2	2.8
Employment in agriculture (% of total employment)	20.5*	5 *
Agriculture, value added (% of GDP)	8.5*	1.6 *

Sources: World Bank \* year 2012

#### Trade Statistics

EU28 **exports** of agricultural products to Bosnia and Herzegovina (2013): EUR 803 million

EU28 **imports** of agricultural products from Bosnia and Herzegovina (2013): EUR 200 million

More statistical information



[http://ec.europa.eu/agriculture/trade-analysis/statistics/outside-eu/bosnia-herzegovina\\_en.pdf](http://ec.europa.eu/agriculture/trade-analysis/statistics/outside-eu/bosnia-herzegovina_en.pdf)

Latest update June 2015

## **Agriculture in Bosnia and Herzegovina**

Out of total area of 5 113 million hectares of the country, 47% represents agriculture land. Bosnia and Herzegovina is relatively poor in agriculture resources: large parts of the country are mountainous (66% of the territory is considered mountainous or hilly) and only 20% (approx. 1.0 million ha) is suitable for intensive farming. High availability of grassland and mountainous pastures suggests a potential advantage for production of livestock and dairy products. Orchards and vineyards cover approximately 100 000 hectares. The structure of the agricultural sector is characterised by small sized family farms, which to large extent are produced for home consumption - over 50% of agriculture holdings are estimated to be less than 2 ha; the state farms, generally much larger, are mostly not operating or in difficulties often due to the fact that the process of privatisation has not been completed.

Agricultural production in Bosnia and Herzegovina is dominated by crop production, with livestock production representing less than one third of the total output. Slight increase of this share in recent years is due to the increase in cow milk production. The economically most important sub-sector of the country's agriculture is vegetables. Of considerable importance are also fresh cow milk, maize and potatoes.

## **EU Trade and Agricultural relations with Bosnia and Herzegovina**

Since 2000, Bosnia and Herzegovina is benefiting from the autonomous trade measures (ATM's) granted unilaterally by the EU allowing for free access to the EU market for almost all agricultural products, except for wine, some fishery products, sugar and baby beef, where tariff quotas apply. Initially granted for a five-year period, these measures have been extended until 2015.

The Stabilisation and Association Agreement put into contractual provisions the preferences granted under the ATMs, and in addition, included other trade issues, such as services, procurement, intellectual property rights and competition. The SAA between Bosnia Herzegovina and the European Union entered into force in June 2015.

Bosnia and Herzegovina joined the Central European Free Trade Agreement on 6 September 2007. Bosnia and Herzegovina is not yet member of the World Trade Organisation (WTO).

The product groups accounting for the largest share of agricultural and food imports (in value) of Bosnia and Herzegovina are beverages, cereals, tobacco, edible preparations, sugars and dairy products.

Out of the total exports of the country, edible preparations, beverages, fruit and vegetables account for the largest value. The export to the EU consists mainly of sugars (isoglucose), vegetables, fruits and nuts, animal or vegetable fats and oils and raw hides and skins. The predominant kind of vegetable exported to the EU is mushrooms (fresh, chilled, dried or frozen). The most exported fruits are fresh plums and frozen raspberries.

The country remains a net importer of agricultural and food products.



General information about EU-trade with Bosnia and Herzegovina can be found here:

<http://ec.europa.eu/trade/policy/countries-and-regions/regions/western-balkans/>

### **EU-BiH relations**

Bosnia and Herzegovina participates in the Stabilisation and Association Process (SAP) and is committed to engage in necessary political, economic and social reforms leading progressively to a closer relationship with the EU and to a potential future accession. The negotiations on a Stabilisation and Association Agreement (SAA) were launched in November 2005. On 16 June 2008, the SAA was signed, but only entered into force in June 2015.

The financial envelope for Bosnia and Herzegovina for the period 2011-2013 amounts to EUR 328.7 million. 96% is directed to projects under IPA component I Transition Assistance and Institution; the rest concerns Cross Border Cooperation projects. Institutional reforms necessary for implementation of the stabilisation and association agreement are also funded with IPA.