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PREFACE

The publication "This is Republika Srpska", with just over 100 pages, provides the most important basic facts about Republika Srpska, whose social and economic life is presented throughout 28 chapters.

The aim of this publication is to reduce the complexity of statistics from capital statistical publications in order to make them more popular. In this way, the data on Republika Srpska are made more user-friendly in a practical way.

In an effort to make this publication as colorful and compelling as possible, sayings have been added at the beginning of each chapter, as well as the "Do You Know?" section with interesting facts about Republika Srpska.

An endeavour was made to make this publication both useful and appealing to readers.

We invite all users to give us their suggestions and to contribute to the improvement of this publication.

Banja Luka, December 2019



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

SRPSKA, STATISTICS, FIGS AND SOPHOCLES

The title is by no means intended to daze the reader with the peculiarity of associations between seemingly unrelated terms, but rather to make him read the introductory word. He who says he has no time is lost in the time given to him, and how much time that is – we never know. Here is an example! Aeschylus, a famous playwright and Sophocles' teacher, was dazed and died a bizarre death in the city of Gela on Sicily. Records say an eagle dropped a tortoise on his head, mistaking his bald head for a rock. Statisticians would justifiably classify such a death as "a consequence of external factors". Because, what is an eagle if not an external factor? However, before that, the undisputed Aeschylus who, what an accident of fate, survived the terrible Battle of Marathon as a warrior, was defeated in a drama contest by his student, young Sophocles. All this was happening 500 years before the Common Era. At these famous competitions, the prize was very prestigious – a basket of figs and an amphorae of wine. We respect the time, as such an important statistical determinant, and we go back 2500 years later to 2018, which is the reference year in this book, the year when the yield of figs in Republika Srpska increased by 17% compared to the year before. This piece of data is worthy of attention, because of the treasured fig tree that generously offers sweet fruit. An extremely suitable area for figs is East Herzegovina, where the sun and the earth, the karst and the sun carry a wonderful taste of the Mediterranean, so the fruit is sweet. There, locals are increasingly engaging in the production and processing of figs. Wines are also receiving prizes. This is also a climate for good writers, so figs obviously suit poetry perfectly.

The fig was not accidentally chosen to be a personification of the biblical scene of Genesis, in which Adam and Eve covered their nakedness after eating fruit from the tree of the knowledge of good and evil. It is a mythical tree, regardless of the favourable circumstance that it has large leaves. Even in ancient Greece, fig was a respected and important foodstuff, protected by law; in ancient Rome they regarded it as sacred, because legend has it that the she-wolf that breastfed Romulus and Remus rested in the shade of fig tree. It is noticeable that figs in fact cling to humans, to habitats. Even when people leave their homes, when ruins remain from their former hearths, the fig tree, usually uncultivated, is always propped up and bears fruit there, as a symbol of life and some earlier and happier times. The fig tree should be planted on the south side, supported by a wall; experts say it bears fruit best in such conditions.

Interestingly, botanists claim that fig is not a fruit, but a flower, as it belongs to the mulberry family. Miracles do not stop here either. Unlike other plants, figs bloom inwards – they are in fact inverted flowers. Since the flowers are in a capsule, the fig cannot be pollinated from the outside. The wasp that enters the fig, by urge and will of nature to pollinate it, breaks its wings and can no longer go back. It is completely digested there. This is statistically referred to as "influence of an internal factor"! Therefore, there is also "meat" in figs, which is certainly not widely known.

Why is the wise Sophocles so significant that his thoughts and sayings are embedded into our chapters? He used to say, "The reasonable thing is to learn from those who can teach". Moreover, Sophocles teaches us life. During the golden age of Pericles, when the statisticians estimated that the average life expectancy of Greek men was about 45, he lived almost a century – he died at the age of ninety-four. He is a statistical exception, an "outlier" as we call it.

To everyone, he was a hero, not only as a lyricist and gymnast, but also as a warrior and statesman. He had a secret elixir and was celebrated by his contemporaries. We respect him even now, two and a half millennia later. Students read "Antigone" as part of their school curriculum. They may not understand the deep meaning of this complex work of art, but they will certainly be inspired and they will read it later in life. The plays "Oedipus Rex" and "Antigone" are performed over and over again and will never leave the theatre, as they are unsurpassed over a period spanning 25 centuries. It should be noted here that the life span, a very important time determinant, has extended significantly in Republika Srpska. In 2018, life expectancy for women is 79.86, while for men it is 74.59 years. We need a lot more time to catch Sophocles. So let us learn from him.

We are all affected by both internal and external factors. And we strive as wasps, we embed ourselves where we impregnate. Everyone gives as much as they can and what they can. The past is the path experience travels. Our path is therefore knowledge and awareness. Because, dear reader, you will have as much knowledge as you want, but it will be worth more if you share it. We do it constantly in statistics, as we share the knowledge acquired. We do the same with this book, full of valuable information we have gathered. And we would love to reach Sophocles' secret elixir too. Maybe it is knowledge, and maybe it is figs. This is probably the reason why people in that region live long and healthy.

For thousands of years we have been covering the nakedness of ignorance after eating fruit from the tree of the knowledge of good and evil. Knowledge clings to people.

To do good deeds. To grow and eat figs. To learn!
It is so beneficial.

Managing Editor:



Velimir Savić

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1 GENERAL INFORMATION

I was born to love not to hate.



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.

SYMBOLS	NAME	Republika Srpska
	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, 2018 (mid-year estimate)		1,147,902
SURFACE AREA¹⁾		24,641 km ²
	municipalities	57
	cities	Banja Luka Bijeljina Doboj Gradiška Istočno Sarajevo Prijeđor Trebinje Zvornik
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

Heaven never helps the men who will not act.

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 eight cities: Banja Luka, Istočno Sarajevo, Prijedor, Doboj, Bijeljina, Trebinje, Zvornik and Gradiška, and 56 municipalities. While other 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, Vučjak, Ozren and Trebovac, as well as the furthestmost 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"	Žiljebac – 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 (Tientište)	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

GEOGRAPHICAL AND METEOROLOGICAL DATA

DO YOU KNOW?

Protected areas in Republika Srpska are national parks Kozara, Sutjeska and Drina, rainforest reserves Lom and Janj, swamp reserve Bardača, and Una Nature Park.

2.3. The longest rivers (length of river flow)

River	TOTAL	km
		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				
Bilečko (on Trebišnjica)	27.064	400	104.0	1,280.0
Perućačko (on Drina)	12.401	290	70.0	355.0
Zvorničko (on Drina)	8.876	140	28.0	89.0
Višegradsko (on Drina)	8.900	336	78.0	161.0
Bočac (on Vrbas)	2.330	282	62.0	52.7
NATURAL LAKES				
Štirinsko (on Zelengora)	0.129	1,672	4.5	0.255
Kotlaničko (on Zelengora)	0.044	1,528	10.0	0.250
Uloško (on Crvanj)	0.043	1,058	14.0	0.255
Donje Bare (on Zelengora)	0.021	1,475	4.5	0.057
Orlovačko (on Zelengora)	0.021	1,438	5.0	0.054
FISHPONDS				
Saničani (on Gomjenica)	11.179	143	4.0	...
Bardača (on Matura)	7.472	90	2.2	...
Prnjavor (on Vijaka)	6.664	134	3.5	...
Sjekovac (on Ukrina)	3.980	85	3.0	...

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

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

Climatic characteristics

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

1. Northern Peri-Pannonian region, with its moderate continental climate. This region's climate is characterised by moderately cold winters and warm summers. Average annual air temperature ranges for this climate type are between 12°C and 19°C.

GEOGRAPHICAL AND METEOROLOGICAL DATA

2. Alpine and Pannonian climate, covers the largest part of Republika Srpska. Mountain ranges are characterised by short and cool summers and cold and snowy winters, with high snow cover which persists for a long time. Average annual air temperature is between 5°C and 7°C. Hilly terrain, hollows and valleys are however characterised by a somewhat milder climate. Average annual air temperature in the areas with the Alpine and Pannonian climate is approximately 10°C. Winters are moderately cold, with snow, common temperature inversions, and fog. Summers are moderately warm.

3. Modified Mediterranean-Adriatic climate

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

2.5. Annual values of major meteorological parameters and average monthly air temperatures, 2018

Measuring station	Air temperature annual average, °C	Cloudiness, tenths	Humidity, %	Insolation, hours
Banja Luka	12.9	5.9	77	2,175.2
Bijeljina	13.3	6.2	79	2,046.9
Bileća	13.4	5.0	71	2,362.9
Višegrad	12.3	7.1	74	...
Gradiška	12.7	4.9	77	...
Doboj	12.6	6.7	78	1,924.4
Kalinovik	8.7	6.1	64	...
Mrkonjić Grad	10.6	6.2	79	1,668.8
Novi Grad	12.3	6.6	69	...
Prijedor	12.5	6.3	77	1,800.8
Ribnik	11.3	6.2	69	...
Rudo	11.7	6.9	75	...
Sokolac	8.6	6.0	76	1,975.5
Srbac	12.2	6.6	75	...
Srebrenica	11.4	6.3	81	1,528.9
Trebinje	15.5	4.6	67	...
Foča	11.4	7.0	83	...
Han Pijesak	7.9	6.1	88	1,867.8
Čemerno	7.7	5.7	79	2,027.8
Šipovo	10.6	6.2	82	...

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	14:12:13	44.50	17.23	4.7	6-7
Teslić	26 Feb 1998	12:09:20	44.72	17.71	4.1	5-6
Istočni Drvar	15 Apr 1998	23:30:47	44.37	16.63	4.1	5-6
Trebinje	22 Jul 2001	20:08:16	42.79	18.18	4.6	6-7
Kotor Varoš	29 Mar 2002	16:04:01	44.60	17.39	4.0	5-6
Milići	14 Dec 2003	10:09:29	44.08	19.09	5.1	6-7
Nevesinje	21 Sep 2004	04:46:09	43.18	18.13	4.2	5-6
Berkovići	27 Sep 2005	00:25:34	43.22	18.15	5.1	6-7
Nevesinje	17 Jun 2006	20:01:10	43.39	18.09	4.3	6
Nevesinje	17 Jun 2006	20:09:26	43.36	18.15	4.2	5-6
Trebinje	14 Nov 2008	13:26:05	42.56	18.60	4.7	6-7
Pale	31 Mar 2009	01:46:03	43.84	18.54	4.1	5-6
Volujak	25 Jan 2013	18:52:26	43.26	18.70	4.1	6
Volujak	3 Feb 2013	12:01:00	43.22	18.67	4.1	6
Potkozarje region	28 Jan 2014	00:03:32	44.99	17.13	4.2	6
Gacko region	4 May 2014	23:29:53	44.52	17.56	3.9	5-6
Gacko region	30 Sep 2014	15:12:43	43.06	18.40	4.0	5-6
Jahorina	12 Apr 2015	00:05:32	43.75	18.56	4.2	6
Maslovaré	28 Apr 2015	16:16:50	44.52	17.56	4.0	5-6
Slatina (Banja Luka region)	3 Nov 2016	15:04:04	44.80	17.30	3.9	5-6
Bileća region	9 Nov 2016	15:58:44	42.93	18.47	4.1	5-6
Foča	2 Mar 2017	06:36:23	43.40	18.97	3.6	5
Ljubinjé	12 Jan 2018	02:20:35	43.03	18.05	3.7	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 Mercalli – Cancani – Sieberg scale ("MCS").

Source: Republic Hydrometeorological Service

GEOGRAPHICAL AND METEOROLOGICAL DATA

DO YOU KNOW?

Earthquakes can be induced and naturally occurring. Induced seismicity occurs due to human impact on the environment, such as blasting of quarries or deep mining basins, nuclear tests, etc. Natural earthquakes are those that are not caused by human action. In most cases, they occur due to the movement of tectonic plates and interactions, volcanic eruptions and explosive eruptions, or as a consequence of the fall of a celestial body.

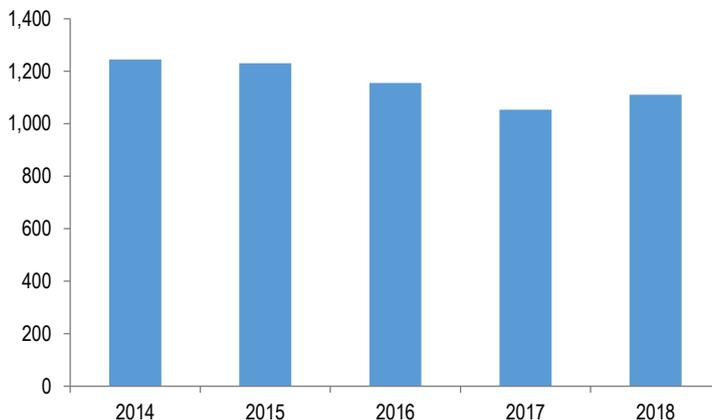
3 REGISTER OF BUSINESS ENTITIES

It is a light thing for whoever keeps his foot outside trouble to advise and counsel him that suffers.

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 2018 increased in comparison with the previous year. In 2018, there were 1,110 newly established business entities.



Graph 3.1. Number of established business entities

Source: Agency for Intermediacy, IT and Financial Services

Trade remains the most common prevailing activity of business entities.

REGISTER 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	2014	2015	2016	2017	2018
TOTAL	28,348	29,140	30,275	31,286	32,376
A	1,025	1,057	1,106	1,144	1,180
B	176	178	182	185	192
C	3,840	3,941	4,075	4,187	4,324
D	168	171	189	200	209
E	226	233	241	248	261
F	1,534	1,556	1,625	1,696	1,757
G	8,510	8,588	8,829	9,029	9,227
H	1,337	1,368	1,419	1,461	1,499
I	374	389	407	425	451
J	510	544	595	644	694
K	177	177	184	196	200
L	151	158	174	192	212
M	1,326	1,399	1,490	1,570	1,687
N	346	361	396	423	470
O	342	342	342	349	351
P	570	591	615	636	650
Q	691	714	754	789	839
R	2,154	2,203	2,258	2,318	2,363
S	4,890	5,167	5,391	5,591	5,807
T	-	2	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 established by means of foreign capital, 39.84% are registered in the section *Construction*.

4 POPULATION

Children are the anchors that hold a mother to life.

Live-born children

The total number of live-born children in 2018 increased by 2.5% compared to the previous year. The average age of first-time mothers in Republika Srpska is 27.6 years, which represented an increase by 0.3 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 2017) was 29.1 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 2018 was 29.1 years.

In recent years, 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

	2014	2015	2016	2017	2018
ALL	9,335	9,357	9,452	9,339	9,568
Male	4,846	4,842	4,931	4,886	5,001
Female	4,489	4,515	4,521	4,453	4,567

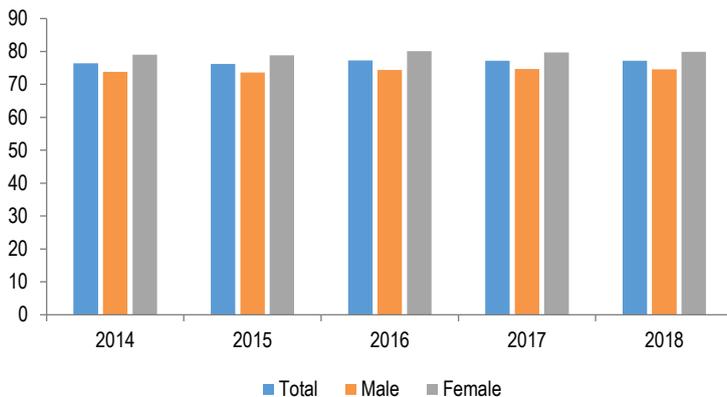
Life expectancy

In Republika Srpska, life expectancy at birth increased by 0.80 years for women and 0.83 years for men from 2014 to 2018, with the highest increase being recorded between 2015 and 2016. In 2018, life expectancy was 79.86 years for women and 74.59 years for men

4.2. Life expectancy in Republika Srpska

	TOTAL	Male	Female
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
2018	77.22	74.59	79.86

POPULATION



Graph 4.1. Life expectancy

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

	2014	2015	2016	2017	2018
Male names	Luka	Stefan	Stefan	Stefan	Stefan
	Nikola	Luka	Luka	Lazar	Lazar
	Stefan	Nikola	Lazar	Luka	Luka
	Marko	Lazar	Nikola	Nikola	Nikola
	Lazar	Pavle	Pavle	Pavle	Pavle
Female names	Marija	Marija	Marija	Marija	Sofija
	Milica	Ana	Sofija	Sofija	Milica
	Ana	Milica	Ana	Milica	Marija
	Jovana	Sofija	Milica	Ana	Ana
	Sofija	Sara	Sara	Dunja	Teodora

POPULATION

Deaths in Republika Srpska

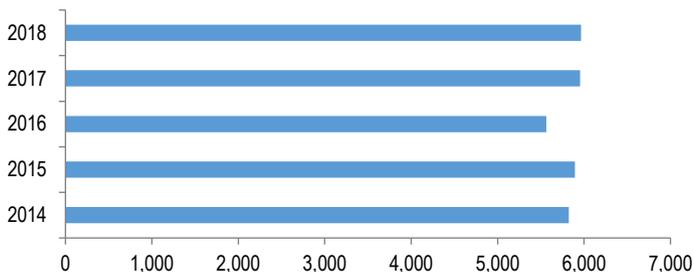
In comparison with the previous year, the total number of deceased persons in 2018 increased by 0.7%. In Republika Srpska, the average age at death is 74.5 years. On average, women live approximately six years longer than men do. More than a half of all deceased persons die due to diseases of the circulatory system, while approximately one fifth of them die due to malignant tumors. Per one thousand live-born babies, on average two babies up to one year of age dease. Republika Srpska has a low infant mortality rate when compared with the neighbouring countries; it amounted to 1.8‰ in 2018.

4.4. Deaths in Republika Srpska

	2014	2015	2016	2017	2018
ALL	14,409	15,054	13,970	14,663	14,763
Male	7,386	7,640	7,198	7,363	7,449
Female	6,741	7,023	7,419	6,772	7,300

New marriages

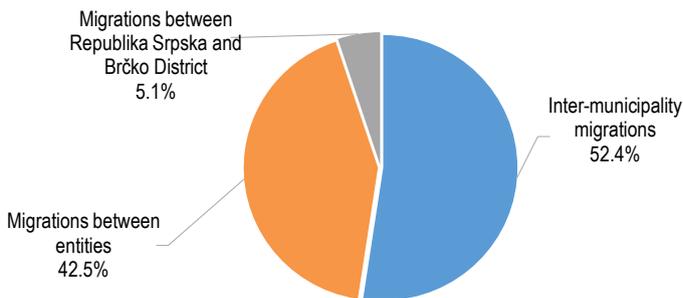
In Republika Srpska, there are approximately five new marriages per one thousand citizens. In 2018, the number of new marriages increased by 0.2% in comparison with 2017. The oldest groom in 2018 was 85 years old, while the oldest bride was 79 years old. The youngest groom was 18 years old and the youngest bride was 16. Average age of bride at marriage was 28.9 years, while women enter into their first marriage at the average age of 27.3 years. Average age of men at marriage was 32.1 years and grooms enter their first marriage at the average age of 30.3.



Graph 4.2. 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 4.3. Internal migrations (immigration/emigration) in Republika Srpska, 2018

DO YOU KNOW?

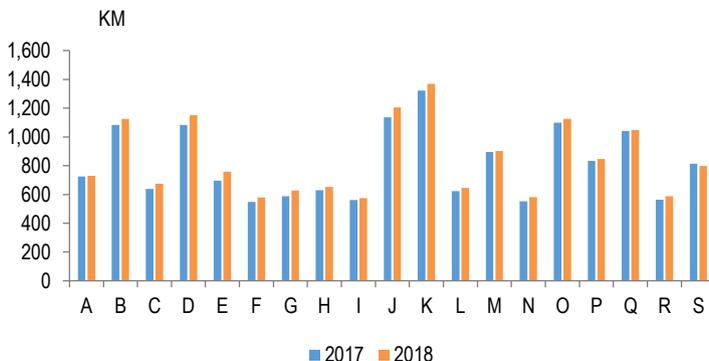
A long-term trend in internal migrations, by which the number of immigrants to Republika Srpska is higher than the number of immigrants to the Federation of BiH, has been continued. Thus, in 2018 there were 443 more emigrants from the Federation of BiH to Republika Srpska than emigrants from Republika Srpska to the Federation of BiH.

5 WAGES

Wisdom is the supreme part of happiness.

Increase in average after-tax (net) wage in 2018 compared to the previous year

The average after-tax (net) wage in 2018 amounted to 857 KM, namely 26 KM more than in 2017. Nominally, the average after-tax (net) wage increased by 3.1%. The highest nominal increase in after-tax wage was recorded in the sections *Water supply; sewerage, waste management and remediation activities* 9.1% and *Wholesale and retail trade, repair of motor vehicles and motorcycles* 6.6%. On the other hand, the highest nominal decrease in after-tax wage was recorded in the section *Other service activities* 2.0%.



Graph 5.1. Average after-tax (net) wages by section of activity classification

Real index of average after-tax (net) wage, which represents the ratio between the nominal index of average after-tax (net) wage and the consumer price index in the given period, increased as well. Thus, compared to 2017, the average after-tax (net) wage in 2018 in Republika Srpska increased in real terms by 1.9%.

The situation in the neighbouring countries is different. In Slovenia, the average net wage was really 1.2% higher, in Croatia it was 2.8% higher, while in Serbia the average net wage was 4.4% higher. In Montenegro, the average net wage was really 2.3% lower in 2018 than in 2017. In the Federation of BiH, the average net wage was really 1.7% higher.

In the past five years, the average net wage increased by 3.9%. 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 2.1% of the total number of employed persons in 2018 and they received on average 1,369 KM per month. In 2018, the lowest monthly after-tax (net) wage (575 KM) was earned by those employed in the section *Accommodation and food service activities*, which employs 5.0% of the total number of employed persons. In this section, majority of employed persons, approximately 60% of them, completed secondary school.

DO YOU KNOW?

The highest increase in average net wage in the five-year period was recorded in the section *Financial and insurance activities*, by 101 KM.

5.1. Average after-tax (net) wages by section of activity classification

	KM				
	2014	2015	2016	2017	2018
TOTAL	825	831	836	831	857
A	675	682	710	725	729
B	1,072	1,097	1,090	1,084	1,126
C	601	612	626	638	675
D	1,060	1,067	1,074	1,083	1,152
E	666	679	688	696	759
F	531	520	537	548	580
G	610	602	585	589	628
H	618	629	626	630	652
I	555	581	561	562	575
J	1,182	1,149	1,161	1,136	1,204
K	1,268	1,261	1,269	1,321	1,369
L	723	683	679	623	646
M	817	772	794	896	901
N	483	515	518	552	581
O	1,083	1,104	1,115	1,098	1,126
P	843	851	855	833	846
Q	1,045	1,052	1,059	1,041	1,047
R	566	551	548	564	588
S	703	695	685	813	797

6 LABOUR MARKET

There is a fine line between stubbornness and insanity.

In 2018, 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 2014, while in 2018 it decreased significantly, namely by 3.8 percentage points, in comparison with the previous year.

By sex, female unemployment rate in 2018 was 6.6 percentage points lower than in the previous year, while male unemployment rate decreased by 1.7 percentage points.

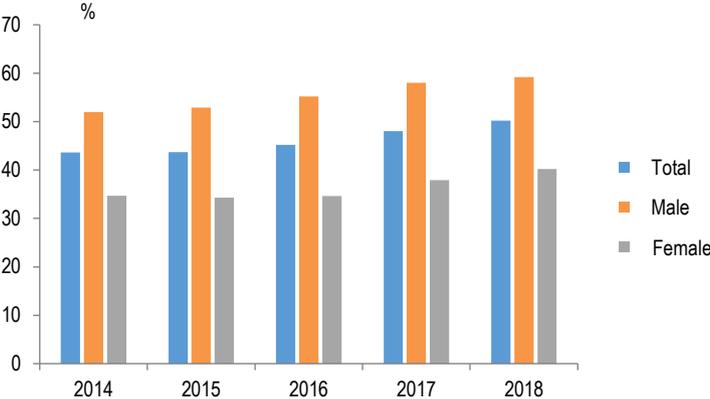
6.1. Unemployment rate

	2014	2015	2016	2017	2018
TOTAL	25.7	25.2	24.8	21.0	17.2
Male	23.8	23.4	21.6	18.0	16.3
Female	28.4	27.7	29.5	25.1	18.5

The structure of employed persons by group of sections of economic activity in 2018 was as follows: agricultural 26.2%, industrial (non-agricultural) 27.7% and services 46.1%. By type of employment, the structure was as follows: employed persons working for a wage (employees) 70.3%, self-employed persons 22.0% and unpaid supporting family members 7.7%. By educational attainment, most employed persons completed secondary school 65.0%.

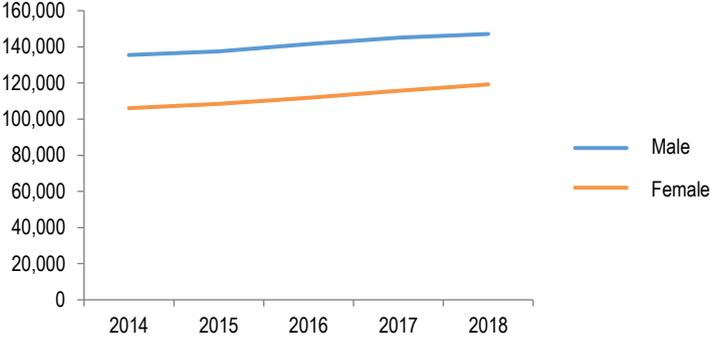
Developed countries are characterised by a dominant share of those employed in the services sector, as well as high participation of those working for a wage in total employment.

LABOUR MARKET



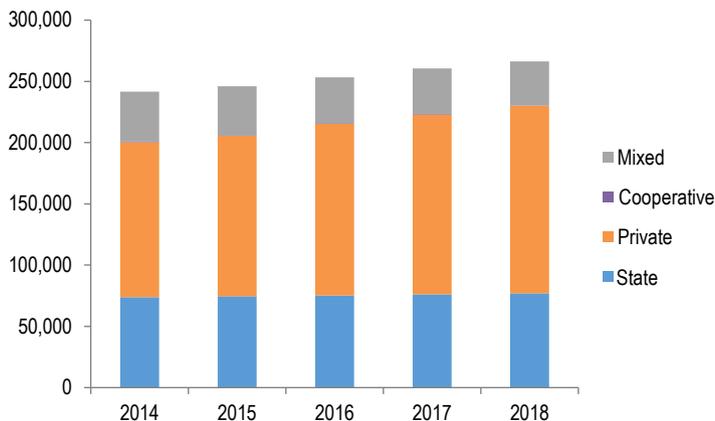
Graph 6.1. Employment rates (15–64 years of age)

DO YOU KNOW?
 The employment rate of male population was 18.0 percentage points higher than that of female population.



Graph 6.2. Employed persons by sex, annual average

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.

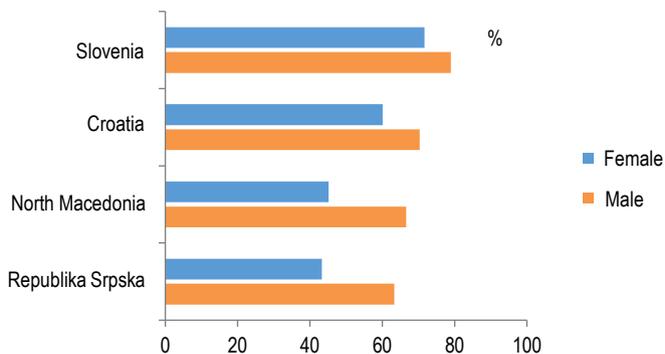
Half of all employed persons in Republika Srpska work in *Manufacturing, Trade and Public Administration*. Every second employed person has completed secondary education, and every fourth has completed a higher education school or has a university degree.

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

LABOUR MARKET

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

	2014	2015	2016	2017	2018
TOTAL	241,544	245,975	253,305	260,608	266,309
A	8,307	8,345	8,468	8,482	8,530
B	5,155	5,288	5,277	5,357	5,114
C	48,935	49,857	52,116	54,434	56,436
D	7,565	7,832	7,854	8,201	8,680
E	4,828	4,788	4,833	4,956	4,902
F	10,970	11,072	11,542	11,731	12,155
G	41,983	42,595	44,909	46,172	46,571
H	11,479	11,570	11,761	11,987	12,073
I	11,181	11,602	12,106	12,879	13,341
J	5,081	5,168	5,150	5,587	5,876
K	5,608	5,608	5,558	5,505	5,614
L	508	493	519	529	552
M	6,809	7,130	7,423	7,657	7,788
N	2,719	2,850	2,948	3,134	3,310
O	23,843	24,135	24,202	24,580	24,895
P	21,917	22,314	22,608	22,691	22,830
Q	16,785	17,054	17,198	17,484	18,007
R	3,123	3,293	3,583	3,846	4,118
S	4,748	4,981	5,250	5,396	5,517



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

7 GROSS DOMESTIC PRODUCT

Wisdom outweighs any wealth.

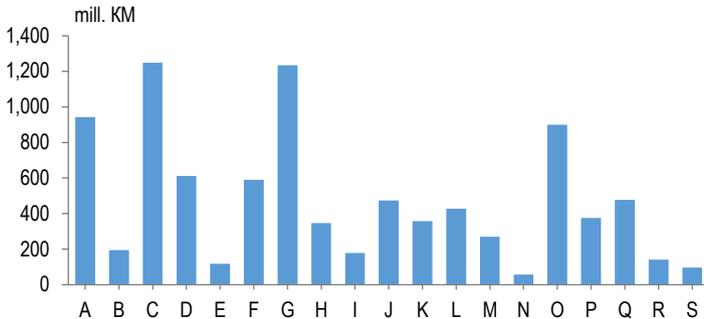
Economic activity of Republika Srpska, measured with the real growth rate of GDP, increased by 3.9% in 2018, which represents the highest real growth rate in the last ten years.

7.1. Gross domestic product and Gross value added¹⁾, 2018

	Current prices, thous. KM	Real growth rate, %
Agriculture, forestry and fishing	941,754	5.4
Mining and quarrying	195,565	2.1
Manufacturing	1,248,961	-1.1
Electricity, gas, steam and air-conditioning supply	611,152	19.8
Water supply; sewerage, waste management and remediation activities	117,142	2.1
Construction	590,936	4.2
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,233,792	4.8
Transportation and storage	346,047	4.7
Accommodation and food service activities	178,324	5.1
Information and communication	474,733	2.4
Financial and insurance activities	358,279	4.9
Real estate activities	426,753	-0.9
Professional, scientific and technical activities	270,341	1.6
Administrative and support service activities	56,517	20.8
Public administration and defence; compulsory social security	898,712	1.6
Education	374,713	0.3
Human health and social work activities	477,541	2.9
Arts, entertainment and recreation	141,762	8.0
Other service activities	97,062	3.5
FISIM (minus)	221,475	2.6
Gross value added	8,818,611	3.8
Taxes on products less subsidies on products	1,861,001	4.1
Gross domestic product	10,679,612	3.9

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

GROSS DOMESTIC PRODUCT



Graph 7.1. Gross value added, current prices, 2018

Over 2.1 billion KM of Gross value added originated from industrial activities

In the total Gross domestic product in 2018, the section *Manufacturing* had a share of 11.7%, *Electricity, gas, steam and air conditioning supply* 5.7%, the section *Mining and quarrying* had a share of 1.8%, 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

	%				
	2014	2015	2016	2017	2018
Agricultural activities (A)	9.4	9.3	9.3	8.4	8.8
Industrial activities (B,C,D,E)	16.4	17.4	18.4	19.3	20.3
Construction (F)	5.0*	5.0*	5.1*	5.6*	5.5
Service activities (G,H,I,J,K,L,M, N,O,P,Q,R,S)	53.4*	52.5*	51.3*	51.1*	50.1
FISIM (minus)	2.0	2.0	2.1	2.0	2.1
Gross value added	82.2	82.2	82.0	82.4	82.6
Taxes on products less subsidies on products	17.8	17.8	18.0	17.6	17.4
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*, 2.3% are large enterprises and these generate 42.2% of Gross value added.

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

	2014	2015	2016	2017	2018
Non-financial sector	50.7	51.9	53.7	55.8	56.7
Financial sector	3.8	3.8	3.7	4.0	4.1
Government sector	22.8	22.3	21.4	20.2	19.5
Households sector	24.4	23.7	23.0	21.9	21.6
Sector of non-profit institutional units serving households	0.7	0.7	0.7	0.6	0.6
FISIM (minus)	2.4	2.4	2.5	2.5	2.5
Gross value added	100.0	100.0	100.0	100.0	100.0

GROSS DOMESTIC PRODUCT

7.4. Gross domestic product

	2014	2015	2016	2017	2018
Gross domestic product, current prices, thous. KM	8,887,307	9,205,038	9,630,569	10,077,017	10,679,612
Gross domestic product per capita ²⁾ , KM	7,615	7,921	8,320	8,740	9,304
Gross domestic product, real growth rates, %	0.3	2.8	3.5	3.1	3.9

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 9,304 KM in 2018, which represented an increase by 22.2% compared to 2014.

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

Allocation of the Gross domestic product realised in 2018 was as follows: 44.5% on compensation of employees, 37.8% on gross operating surplus and gross mixed income, and 17.7% on net taxes on products and production.

DO YOU KNOW?

Other payments to employees (various benefits not included in the wage) account for 18.7% of the total compensation of employees.

7.5. Income components of Gross domestic product, current prices

	2014	2015	2016	2017	2018
Gross domestic product	8,887,307	9,205,038	9,630,569	10,077,017	10,679,612
Compensation of employees	4,304,121	4,396,844	4,400,367	4,502,263	4,755,872
Net taxes on products and production	1,592,993	1,663,040	1,758,514	1,799,149	1,885,148
Gross operating surplus/ Gross mixed income	2,990,193	3,145,154	3,471,688	3,775,605	4,038,592

thous. KM

8 GROSS FIXED CAPITAL FORMATION

Chance never helps those who do not help themselves.

In Republika Srpska, a significant increase in investment activities was recorded in 2018, namely by 16.5%. The largest contribution to the increase in gross fixed capital formation in 2018 was that of large investments in roads and hospitals, as well as of the Information and communication activity. In the structure of gross fixed capital formation, by activity of investor, the most significant was the section Public administration and defence; compulsory social security, with 25.7%.

A significant increase in gross fixed capital formation was recorded in the section *Human health and social work activities*, as well as in the section *Real estate activities*, in which the index was higher than 300.

8.1. Gross fixed capital formation in fixed assets by activity of investor, 2018

	Value of gross fixed capital formation, thous. KM	Structure, %
Total gross fixed capital formation	1,879,489	100.0
Agriculture, forestry and fishing	42,164	2.2
Mining and quarrying	22,901	1.2
Manufacturing	268,390	14.3
Electricity, gas, steam and air-conditioning supply	332,191	17.7
Water supply; sewerage, waste management and remediation activities	15,063	0.8
Construction	59,348	3.2
Wholesale and retail trade; repair of motor vehicles and motorcycles	160,879	8.6
Transportation and storage	63,401	3.4
Accommodation and food service activities	15,493	0.8
Information and communication	169,583	9.0
Financial and insurance activities	39,892	2.1
Real estate activities	50,165	2.7
Professional, scientific and technical activities	27,479	1.5
Administrative and support service activities	11,775	0.6
Public administration and defence; compulsory social security	483,010	25.7
Education	15,531	0.8
Human health and social work activities	85,191	4.5
Arts, entertainment and recreation	10,872	0.6
Other service activities	6,161	0.3

¹⁾ The calculation of gross fixed capital formation in fixed assets is based on the ESA 2010.

GROSS FIXED CAPITAL FORMATION

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, Electricity, gas, steam and air-conditioning supply*, and *Manufacturing*. 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 one billion KM invested in buildings and other structures

By its technical composition, more than half of the total gross fixed capital formation was invested in buildings and other structures. In 2018, the highest gross fixed capital formation in construction structures was that of business entities from the sections *Public administration and defence; compulsory social security* (38.0%), *Electricity, gas, steam and air conditioning supply* (17.2%) and *Information and communication* (10.0%).

The highest gross fixed capital formation in machinery, equipment and transport equipment was that of business entities from the section *Manufacturing* (22.8%).

When it comes to gross fixed capital formation in non-monetary (intangible) fixed assets, the section *Information and communication* had a share of 19.9%, the section *Public administration and defence; compulsory social security* participated with 19.9% and *Financial and insurance activities* with 19.6%.

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

	2014	2015	2016	2017	2018
Gross fixed capital formation	100.0	100.0	100.0	100.0	100.0
Buildings and other structures	59.6	52.0	51.2	49.7	54.1
Machinery, equipment and transport equipment	33.5	41.9	43.2	44.0	40.9
Other	6.9	6.1	5.6	6.3	5.0

Gross fixed capital formation in 2018 was mostly financed from own financial assets (53.2%), followed by financial loans (30.7%), assets of budgets and funds (6.5%), other sources (6.5%), financial leasing (1.6%), and joint assets (1.5%).

GROSS FIXED CAPITAL FORMATION

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

	2014	2015	2016	2017	2018
Financing of gross fixed capital formation	1,800,882	1,578,537	1,683,292	1,562,817	1,849,104
Gross fixed capital formation	2,009,430	1,650,506	1,668,689	1,612,886	1,879,489

DO YOU KNOW?

Gross fixed capital formation of business entities registered in the section *Public administration and defence; compulsory social security* accounts for 55.1% of the total gross fixed capital formation in the section *Construction*.

9 STANDARD OF LIVING AND POVERTY

Laziness is the mother of all evils.

The data collected through the statistical survey Household Budget Survey in 2015, on a sample of 2,607 surveyed households in Republika Srpska, indicate that the average monthly expenditure for consumption of an average household amounted to 1,259.91 KM. There were on the average 2.74 members per household.

9.1. Average monthly household expenditure by number of members and expenditure category, 2015

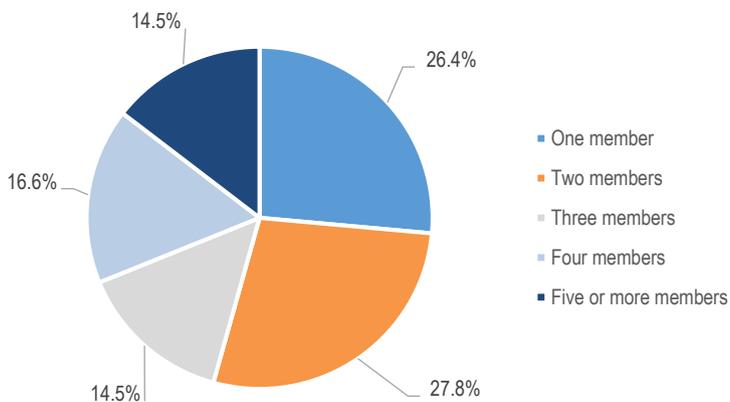
Expenditure category	Number of members				
	1	2	3	4	5 or more
TOTAL	679.31	1,074.52	1 497.54	1,744.03	1,877.85
TOTAL – FOOD AND BEVERAGES	213.57	364.38	470.00	549.88	637.88
Bread and cereals	31.52	48.27	58.40	71.15	75.33
Meat	49.97	93.49	118.35	136.06	173.35
Fish	6.22	11.18	15.54	16.89	17.32
Milk, cheese and eggs	34.66	54.37	67.61	78.58	100.85
Oils and fats	8.10	13.81	17.38	19.95	24.52
Fruit	14.88	25.32	32.15	41.34	40.11
Vegetables	19.06	37.48	48.88	58.18	65.91
Sugar, jam, honey, confectionery and other food products	20.72	33.51	51.20	58.74	63.95
Non-alcoholic beverages	19.15	28.97	37.94	46.96	52.18
Alcoholic beverages	9.29	17.99	22.54	22.04	24.36
TOTAL – NON-FOOD	465.74	710.14	1,027.54	1,194.14	1,239.97
Tobacco	16.89	27.53	37.74	44.96	43.62
Clothing and footwear	19.98	36.19	83.96	123.36	111.67
Housing	161.25	197.09	224.34	247.36	229.67
Electricity, gas, water and other energy commodities	76.76	113.18	130.30	136.48	169.04
Furnishings, household equipment and household services	29.96	49.89	64.71	74.72	92.45
Health	32.62	49.36	60.18	42.80	78.03

STANDARD OF LIVING AND POVERTY

9.1. Average monthly household expenditure by number of members and expenditure category, 2015 (continued)

KM

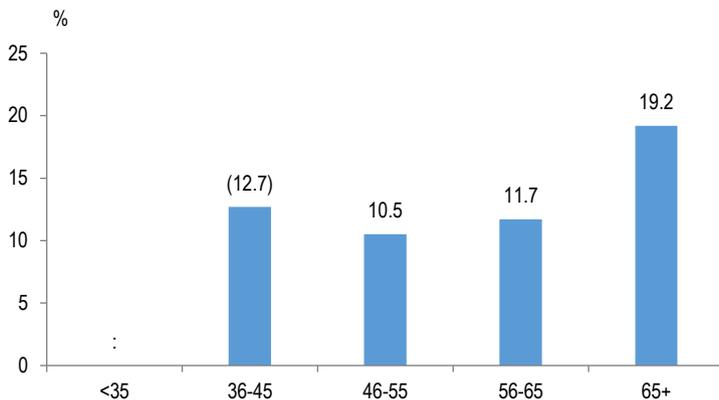
Expenditure category	Number of members				
	1	2	3	4	5 or more
Transport	33.51	84.42	169.51	201.49	220.87
Communication	28.14	48.31	77.82	94.86	87.61
Recreation/leisure and culture	12.58	17.66	26.16	39.86	32.57
Education	:	:	(5.91)	12.73	8.89
Catering services	13.41	14.44	28.89	35.94	26.31
Accommodation services	:	(2.95)	(6.91)	(7.75)	(4.44)
Other products and services	39.02	68.18	111.11	131.84	134.80



Graph 9.1. Household size, 2015

STANDARD OF LIVING AND POVERTY

Poverty and inequality in the distribution of expenditure are often associated; therefore, it is important to consider both of these issues in order to get a comprehensive overview of social and living conditions in Republika Srpska.



Graph 9.2. Poverty incidence by age of the household head, 2015

DO YOU KNOW?

Since most citizens are covered by compulsory health insurance, medical services are mainly used in public institutions. Dental services are an exception, as every second citizen uses these in private institutions (50.7%).

STANDARD OF LIVING AND POVERTY

9.2. Availability of services to the household, 2015

Availability of services to the household	%				
	Very difficult	Difficult	Easy	Very easy	Service is not used
Variety store	6.8	18.9	58.4	15.8	:
Banking services	13.5	27.8	39.9	11.8	7.0
Postal services	11.8	23.5	48.6	12.8	3.3
Public transport	8.4	23.0	46.8	11.3	10.6
Primary health care institution	10.2	28.0	48.7	12.6	:
Pre-school and primary education institution	4.3	8.8	22.4	7.1	57.4

10 STRUCTURAL BUSINESS STATISTICS

No enemy is worse than bad advice.

Information and communication was the most productive section of economic activities in 2017, 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 13.5% in Republika Srpska.

By business operations in 2017, 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 285 enterprises and 89 entrepreneurs, as well as 5,896 employed persons, this section has a share of over 8.2% in the total value added. It also realises the highest labour productivity with 67,998 KM, and its labour costs of 23,915 KM per employed person and profitability rate of 36.3% are high.

10.1. Indicators of success of non-financial business economy

	Turnover per person employed	Value added per person employed (productivity)	Labour costs per person employed	Gross operating surplus per person employed
TOTAL	109,908	27,016	13,503	14,866
Industrial activities	90,801	26,791	12,541	14,250
Construction	109,292	32,791	11,043	22,366
Trade	201,665	24,664	11,662	14,753
Non-financial service activities	62,243	27,910	16,469	11,441

KM

Market business entities (enterprises and entrepreneurs) in the sections of industry employ over 40% of all employed persons, while they also provide the greatest contribution to the formation of total value added at factor costs, approximately 40%, which in 2017 amounted to over 4.9 billion KM in total.

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 lowest number of business entities, namely 42 enterprises and 33 entrepreneurs, operates in the section *Arts, entertainment and recreation*, but these business entities achieve almost the highest labour productivity (64,493 KM) and profitability rate (36.5%).

STRUCTURAL BUSINESS STATISTICS

DO YOU KNOW?

Trade achieves the highest turnover of all activities in Republika Srpska and accounts for approximately half of the total turnover, but it has the lowest profitability rate.

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

%

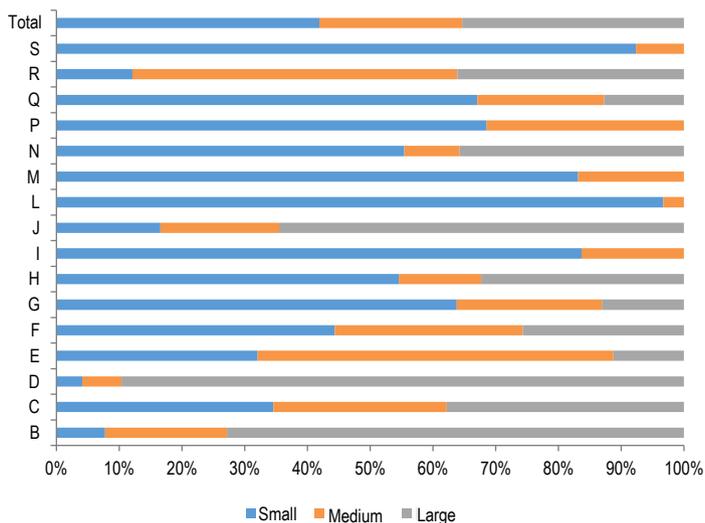
	Number of business entities	Number of employed persons	Turnover	Value added at factor costs	Gross operating surplus
TOTAL	100.0	100.0	100.0	100.0	100.0
Industrial activities	14.9	40.5	33.5	40.2	34.2
Construction	5.1	6.7	6.7	8.1	10.1
Trade	34.5	23.6	43.3	21.6	23.4
Non-financial service activities	45.5	29.2	16.5	30.1	32.3

Approximately 70 percent of Republika Srpska's large business entities are industrial enterprises.

By size of business entities, the highest profitability was realised by large enterprises, namely 18.6%, which was 5.1 percentage points higher than the Republika Srpska average.

In addition, large enterprises were also the most productive, with 35,162 KM, while the lowest productivity was realised by small business entities, with 23,029 KM. At the level of Republika Srpska, realised productivity amounted to 27,016 KM.

STRUCTURAL BUSINESS STATISTICS



Graph 10.1. Value added at factor costs, by size of enterprises, 2017

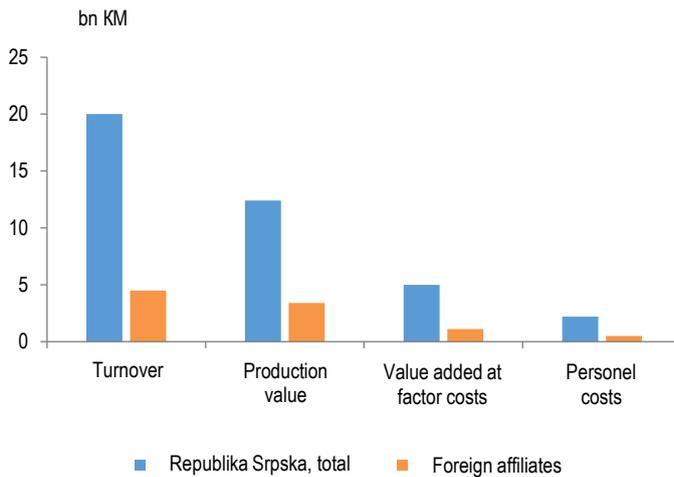
DO YOU KNOW?

Of the total number of foreign-owned enterprises operating in the territory of Republika Srpska, most are owned by Serbia (26%), followed by Austria (9%) and Italy (9%).

Foreign affiliates were most interested in enterprises from industrial sections (50.0%), followed by those from the sections of trade (24.8%), services (22.5%) and construction (2.7%).

Foreign affiliates, or enterprises which are majority foreign-owned, operated in 2017 with the profitability rate of 14.3%.

STRUCTURAL BUSINESS STATISTICS



Graph 10.2. Indicators of business activities of foreign affiliates in the non-financial business economy of Republika Srpska, 2017

11 PRICES

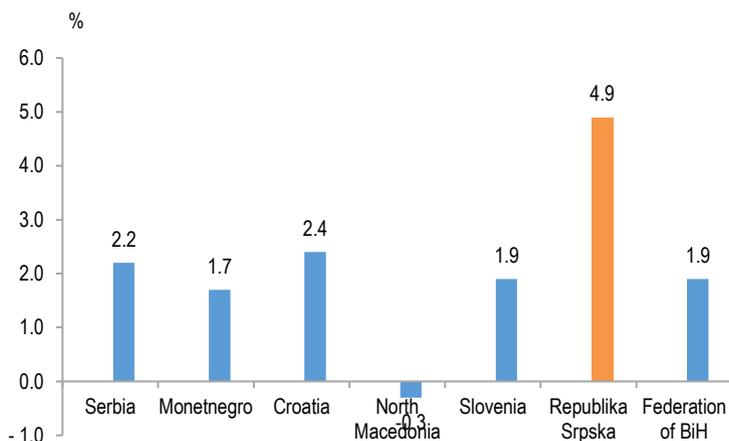
The good leader repeats the good news, keeps the worst to himself.

Producer prices of industrial products in 2018 increased on the average by 4.9% compared to 2017.

By section of industrial production, based on the Classification of Economic Activities BiH 2010, compared to 2017, an increase in prices in 2018 was recorded in the sections *Water supply; sewerage, waste management and remediation activities* by 12.5%, *Manufacturing* by 7.2% and *Mining and quarrying* by 3.5%.

11.1. Industrial producer price indices

Section of activity classification	previous year=100				
	2014	2015	2016	2017	2018
TOTAL	99.3	99.8	101.5	102.0	104.9
Mining and quarrying	99.7	101.2	101.0	107.7	103.5
Manufacturing	98.8	99.3	99.1	100.5	107.2
Electricity, gas, steam and air-conditioning supply	100.0	100.0	107.3	103.4	100.0
Water supply; sewerage, waste management and remediation activities	-	-	-	-	112.5



Graph 11.1. Rate of producer prices of industrial products, 2018

PRICES

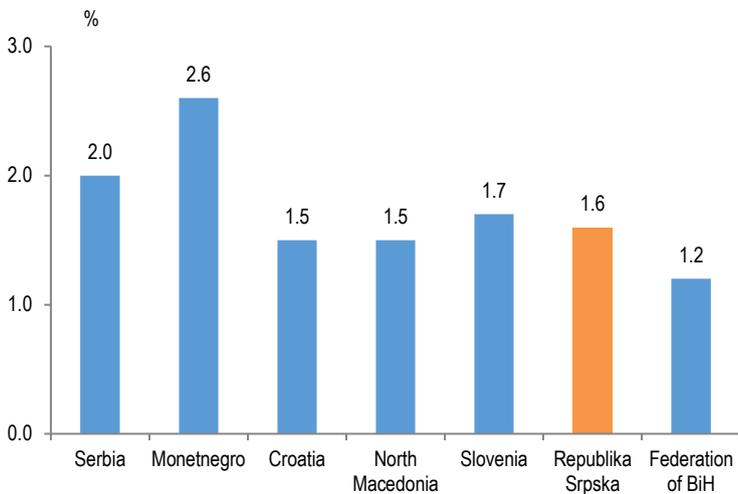
Consumer prices in Republika Srpska in 2018, compared to 2017, increased on average by 1.2%.

By main division of consumption, by purpose, the highest increase in prices in 2018 was recorded in the division Transport 9.2%, while the highest decrease in prices was recorded in the division Clothing and footwear 12.6%.

11.2. Consumer price indices according to the COICOP-y

Name	previous year=100				
	2014	2015	2016	2017	2018
TOTAL	98.8	98.6	98.8	100.5	101.2
Food and non-alcoholic beverages	97.1	99.0	99.0	100.1	100.4
Alcoholic beverages and tobacco	106.3	106.3	106.7	104.9	105.8
Clothing and footwear	92.9	90.9	89.3	88.8	87.4
Housing, water, electricity, gas and other energy commodities	99.9	100.8	101.3	101.2	101.8
Furnishings, household equipment and regular maintenance of the house	98.8	99.4	98.6	98.3	99.0
Health	101.3	102.4	101.3	102.5	102.7
Transport	98.8	92.7	93.9	104.1	109.2
Communication	103.9	99.3	100.0	100.1	99.9
Recreation and culture	99.2	100.1	99.9	100.6	101.0
Education	100.6	100.5	100.2	100.3	99.9
Restaurants and hotels	100.0	101.0	102.5	100.9	100.3
Other goods and services	99.6	99.6	99.7	99.7	99.0

PRICES



Graph 11.2. Inflation rates in the neighbouring countries, 2018

DO YOU KNOW?

In 2018, an increase in consumer prices was recorded in all the neighbouring countries.

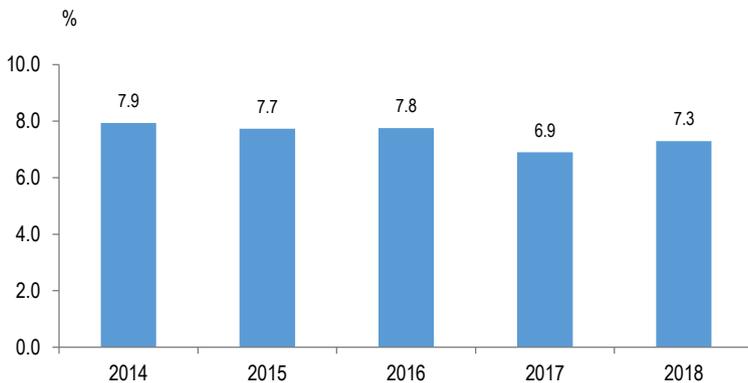
12 AGRICULTURE

All in due time.

Share of agriculture in the GDP formation was 7.3%

In 2018, the share of agricultural Gross value added in the formation of Gross domestic product of Republika Srpska was 7.3%, which represented an increase by 0.4% compared to the share realised in the previous year.

With the share of 10.1% in the Gross domestic product formation, agroindustry¹⁾ (production and processing of agricultural products) represents one of the most significant areas of the economy in Republika Srpska.



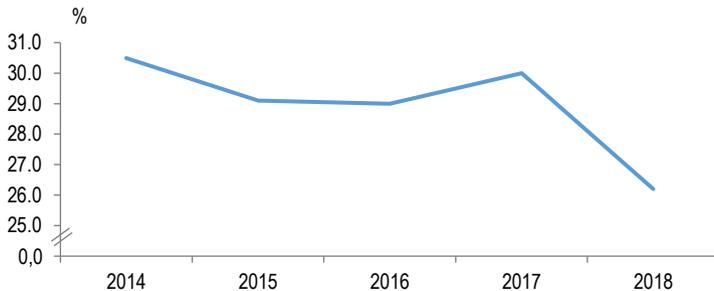
Graph 12.1. Share of agriculture in the structure of GDP

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

Primary agriculture employs 26.2% of all employed persons

According to the data obtained through the Labour Force Survey in 2018, there were 88 thousand persons employed in agriculture, which represented a decrease by 6.4% compared to the previous year. The number of persons employed in agriculture accounts for 26.2% 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, 86.4% were full-time employees, while the remaining 13.6% were part-time employees. The average weekly working hours in agriculture in 2018 amounted to 43.9 hours, namely 45.7 for men and 41.4 for women employed in agriculture.



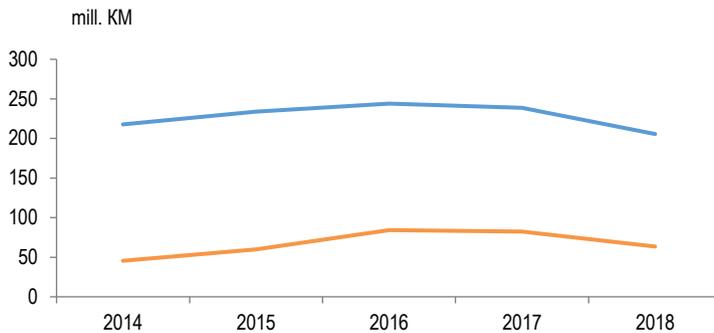
Graph 12.2. Share of persons employed in agricultural activities

Value of realised external trade of agricultural products was 269.1 million KM

The value of total external trade of agricultural products in 2018 amounted to 269.1 million KM, which represented a decrease by 16.1% (or 51.7 million KM) in comparison with the previous year.

Total import of agricultural products in 2018, compared to the import realised in the previous year, decreased by 33 million KM (or 13.8%), while total export decreased by 18.7 million KM (or 22.7%).

AGRICULTURE



Graph 12.3. Value of realised annual import and export

The share of agricultural products in total export of Republika Srpska realised in 2018 was 1.7%, while in total import these products participated with 3.9%. The coverage of import with export amounted to 30.9%, which represented a decrease by 3.6% compared to the coverage recorded in the previous year.

Increase in production of plums, 169.5%

During 2018, the total production of plums in Republika Srpska amounted to 121 thousand tonnes, which represented an increase by 169.5% compared to the production realised in 2017. A record average yield of 19.3 kg per tree was recorded and this represented an increase by 164.4% compared to the previous year.

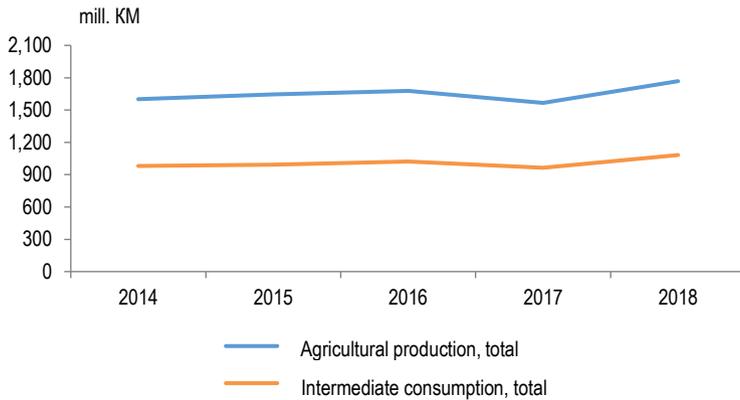
In 2018, the average price of plums was 0.47 KM per kilogram. The realised production value for plums in the observation year amounted to 56.9 million KM, which accounted for 3.2 of the total realised annual gross agricultural product.

DO YOU KNOW?

In 2018, family farms produced 5.1 million litres of plum brandy and 0.6 million litres of brandy made from other fruit.

Value of agricultural production in 2018 amounted to 1.8 million KM

The total value of agricultural production in 2018 amounted to 1.8 billion KM, which represented an increase by 13% compared to the previous year. During the same period, the value of total intermediate consumption amounted to 1.1 billion KM, which represented an increase by 5.7% in comparison with the previous year (Graph 10.5).



Graph 12.4. Value of total agricultural production and intermediate consumption

13 FORESTRY

Even rabbits insult a dead lion.

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 Council™ – FSC)* international certificate. The objective of the FSC programme is to promote environmentally appropriate, socially beneficial and economically viable management of the world's forests, by establishing general standards that will be recognised and respected through the principles of sustainable forest management. In Republika Srpska, forests are a major element of national parks, nature parks and hunting areas (hunting grounds).

13.1. Forest exploitation

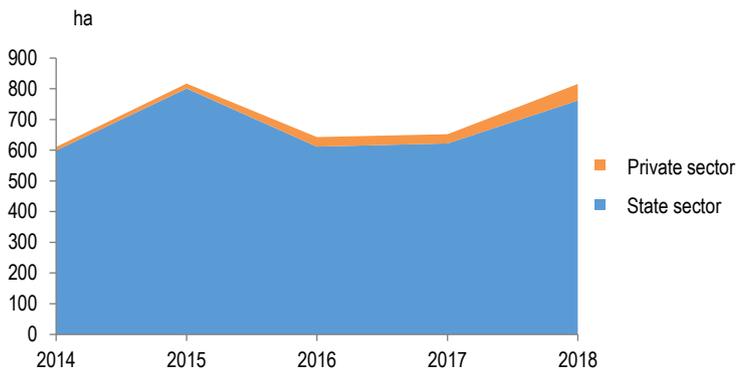
	Gross felled timber			Broadleaves	Conifers
	total	state forests	private forests		
2014	3,016	2,742	274	1,550	1,466
2015	3,274	2,913	362	1,763	1,511
2016	3,368	2,921	436	1,802	1,555
2017	3,259	2,782	477	1,856	1,403
2018	3,224	2,743	480	1,792	1,433

Average gross felled timber in the forest and outside the forest in 2018 decreased in comparison with 2017 and it amounted to 33.2 million m³. Out of this sum, approximately 2.7 million 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

	2014	2015	2016	2017	2018
	m ³				
Production, total	1,944,658	2,062,708	2,101,196	2,033,235	2,019,665
logs for cutting	943,848	1,013,860	1,021,763	1,002,377	987,268
Sale, total	1,908,874	2,139,793	2,107,004	2,069,161	2,018,213
logs for cutting	939,572	1,063,600	1,027,755	1,013,895	998,414

Afforestation activities in 2018 in Republika Srpska increased in comparison with 2017. Thus, total afforested area in 2018 covered 816 ha, which represented an increase by 25.1% compared to 2017 and an increase by 26.9% compared to 2016. Conifer afforestation covered an area of 710 ha, which accounted for nearly 87% of the total area afforested during 2018.



Graph 13.1. Artificial afforestation

FORESTRY

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

	TOTAL	Conifers	Broadleaves
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
2018	86.82	102.24	74.20

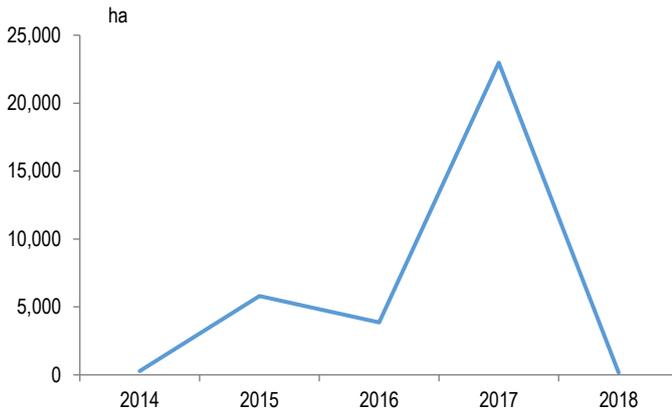
13.4. Gross value added in the forestry sector¹⁾

	2014	2015	2016	2017	2018
Forestry gross value added, thous. KM	129,640	143,534	148,434	145,480	154,388
Gross domestic product at market prices, thous. KM	8,887,307	9,205,038	9,630,569	10,077,017	10,679,612
Structure, %	1.5	1.6	1.5	1.4	1.4

In accordance with the Standard International Trade Classification (SITC Rev.4), commercial forestry and industry²⁾ based on wood as raw material had a significant share in the structure of export of Republika Srpska in 2018, with 14.0%, and its value was 524 million KM.

¹⁾ The data for the period 2014-2015 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)



Graph 13.2. Forest area and forest land affected by fire

Damages caused by fire in 2018 were recorded over an area of 166 ha, with 2,374 m³ of damaged felled timber, which represented a significant decrease in comparison with the previous year.

DO YOU KNOW?

The forest is the best and cheapest drinking water filter. A hectare of beech forest can hold 500 t of water in one year.

According to this calculation, in 2018, in Republika Srpska 105,428,000 t of water was preserved by pure stands of beech only.

14 ENVIRONMENT

Enemies' gifts are no gifts and do no good.

Protected areas

Republika Srpska is blessed with abundant natural beauty. Areas with a pronounced geological, biological, ecosystem and landscape diversity are significant as a habitat of bird species and other migratory species. In line with international regulations, such areas may be declared protected areas of common interest. Protected areas, protected species and protected minerals and fossils are defined by the Law on Nature Protection ("Official Gazette of Republika Srpska", No. 20/14), as protected natural resources.

14.1. Protected areas according to national regulations

Name and category	Municipality/city	IUCN category ¹⁾	Surface area, ha	Declaration year ²⁾
Strict nature reserve				
Strict nature reserve Janj Rainforest	Šipovo	I a	295.00	2012
Strict nature reserve Lom Rainforest	Petrovac, Istočni Drvar	I a	297.82	2013
National park				
Sutjeska National Park	Foča, Gacko, Kalinovik	II	16,052.34	2012
Kozara National Park	Prijedor, Gradiška, Kozarska Dubica	II	3,907.54	2012
Drina National Park	Srebrenica	II	6,315.32	2017
Natural monument				
Pećina Ljubačevo Natural Monument	Banja Luka	III	45.45	2008
Pećina Orlovača Natural Monument	Pale	III	27.01	2011
Žuta bukva Natural Monument	Kotor Varoš	III	0.50	2012
Pećina Rastuša Natural Monument	Teslić	III	11.39	2012
Jama Ledana Natural Monument	Ribnik	III	28.26	2012
Vaganska Pećina Natural Monument	Šipovo	III	12.00	2013
Pećina Đatlo Natural Monument	Bileća, Gacko	III	43.42	2013
Pavlova Pećina Natural Monument	Trebinje	III	13.40	2013
Girska Pećina Natural Monument	Sokolac	III	25.37	2015
Pećina pod lipom Natural Monument	Sokolac	III	6.10	2015
Pećina Ledenjača Natural Monument	Foča	III	7.40	2015
Velika pećina Natural Monument	Bileća	III	820.92	2015
Pećina Kuk Natural Monument	Kalinovik	III	³⁾	2018
Liječanski knez Natural Monument	Gradiška	III	0.34	2019

14.1. Protected areas according to national regulations (continued)

Name and category	Municipality/city	IUCN category ¹⁾	Surface area, ha	Declaration year ²⁾
Habitat				
Gromiželj Habitat	Bijeljina	IV	831.30	2018
Tišina Habitat	Šamac	IV	196.49	2019
Protected landscape				
Una Natural Park	Kozarska Dubica, Kostajnica, Krupa na Uni, Novi Grad	V	2,772.60	2019
Cicelj Natural Park	Čajniče	V	330.76	2018
Protected area with sustainable use of natural resources				
University City, Park Architecture Monument	Banja Lula	VI	27.38	2016
Slatina Forest Park	Laktaši	VI	35.73	2016
Jelića brdo Forest Park	Laktaši	VI	2.96	2018

¹⁾ International Union for Conservation of Nature

²⁾ The year the act on declaration was enacted

³⁾ Due to the size of the cadastral parcel where the entrance to the cave is located, it is necessary to parcel it out before the coverage and the area under protection is defined

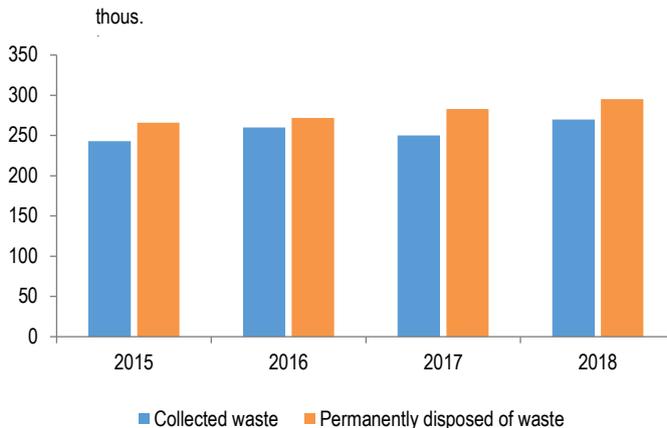
Source: Republic Institute for Protection of Cultural, Historical and Natural Heritage

Municipal waste, collection and disposal

The share of collected in total generated municipal waste was increasing in the period 2015-2018, from 60% in 2015 to 68% in 2018. During the same period, an increase was also recorded in the amount of waste permanently deposited into or onto city/municipal waste disposal sites, which represents the most common waste disposal method. The amount of permanently disposed of waste increased by 11% in this period. The observed trend indicates, among other, a decrease in the amount of waste potentially deposited onto unregulated waste disposal sites.

Dominant type of waste in the structure of collected and disposed of waste is mixed municipal waste, as it accounts for 93% of collected waste and 88% of disposed of waste in 2018. At the same time, separately collected waste, which is mainly forwarded for further treatment, accounts for 1% of total waste collected in 2018. This share did not change significantly during the period 2015-2018.

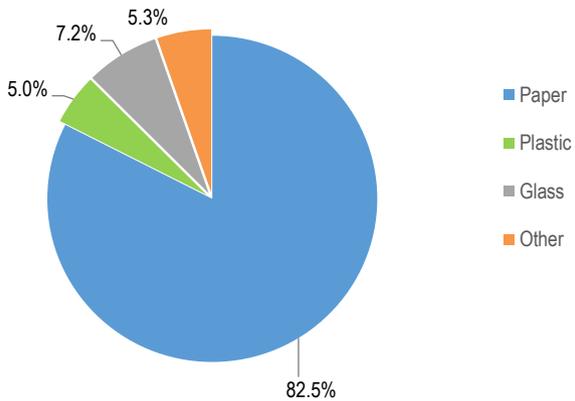
ENVIRONMENT



Graph 14.1. Collected and permanently disposed of waste

In the structure of separately collected municipal waste, paper and cardboard, including paper and cardboard packaging, are dominant. Their share in separately collected waste ranged between 76% and 88% in the period 2015-2018. Separately collected waste is mainly forwarded to dealers and collectors of secondary raw materials for further treatment.

ENVIRONMENT



Graph 14. 2. Structure of separately collected municipal waste, 2018

DO YOU KNOW?

In 2018, on average 345 kg of waste per inhabitant was generated in Republika Srpska.

15 INDUSTRY

Talking a lot and speaking a lot is not the same thing.

Industrial production increased by 3.6% in 2018 compared to 2017

Industrial production has been increasing in the last five years. In 2018, an increase by 3.6% was recorded in comparison with 2017.

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 remain the most important.

For comparison, in the same year an increase in industrial production was also recorded in the neighbouring countries, as follows: Serbia 1.3%, North Macedonia 5.4%, Slovenia 4.6%. However, in Croatia a decrease by 1.0% was recorded.

15.1. Indices of industrial production by section of activity classification

Section	previous year=100				
	2014	2015	2016	2017	2018
INDUSTRY TOTAL	100.6	103.0	108.1	101.2	103.6
B	96.6	110.5	100.7	97.4	104.1
C	104.9	103.2	103.5	106.2	97.2
D (except group 35.3)	91.0	99.0	125.3	92.5	119.8

15.2. Indices of industrial production by section of activity classification

Section	2015=100				
	2014	2015	2016	2017	2018
INDUSTRY TOTAL	97.0	100.0	108.1	109.5	113.4
B	90.5	100.0	100.7	98.1	102.2
C	96.9	100.0	103.5	109.8	106.8
D (except group 35.3)	101.0	100.0	125.3	115.9	138.8

Industry had a share of 19.3% in the total Gross domestic product of Republika Srpska

Gross fixed capital formation in new fixed assets in industrial activities in 2018 amounted to 581 million KM, which represented a decrease by 1.1% compared to 2017.

INDUSTRY

Gross value added of industrial activities in 2018 increased by 21.9% in comparison with 2017, totaling 2.1 billion KM, with *Manufacturing* having the highest share (60.5%).

At the end of 2018, there were 4,796 registered industrial enterprises, of which 89.9% in private ownership.

DO YOU KNOW?

Investment in industry in 2018 accounted for 33.8% of the total investment in Republika Srpska.

In 2018, there were 154 business entities that were recorded into the Register of Business Entities and classified into industrial activities.

Most industrial enterprises, namely 90.2% of them, were engaged in *Manufacturing*, while 4.0% were engaged in *Mining and quarrying*, 4.4% in *Electricity, gas, steam and air conditioning supply*, and 1.5% in *Materials recovery*.

Industrial enterprises employ 28.2% of the total number of employed persons in Republika Srpska; these enterprises employ 63,411 workers, of which 78.0% in *Manufacturing*.

According to reports of industrial enterprises, value of sale of industrial products in 2018 amounted to 6 billion KM, with products of *Manufacturing* accounting for 72.8% of the total value. Value of sale of industrial products increased by 6.8% in 2018 in comparison with 2017.

Five industrial divisions realise 62.3% of the total value of sale of industrial products, namely: *Electricity, gas, steam and air conditioning supply* 21.5%, *Manufacture of food products* 13.1%, *Manufacture of coke and refined petroleum products* 12.7%, *Manufacture of fabricated metal products, except machinery and equipment* 8.0% and *Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials* 6.9%.

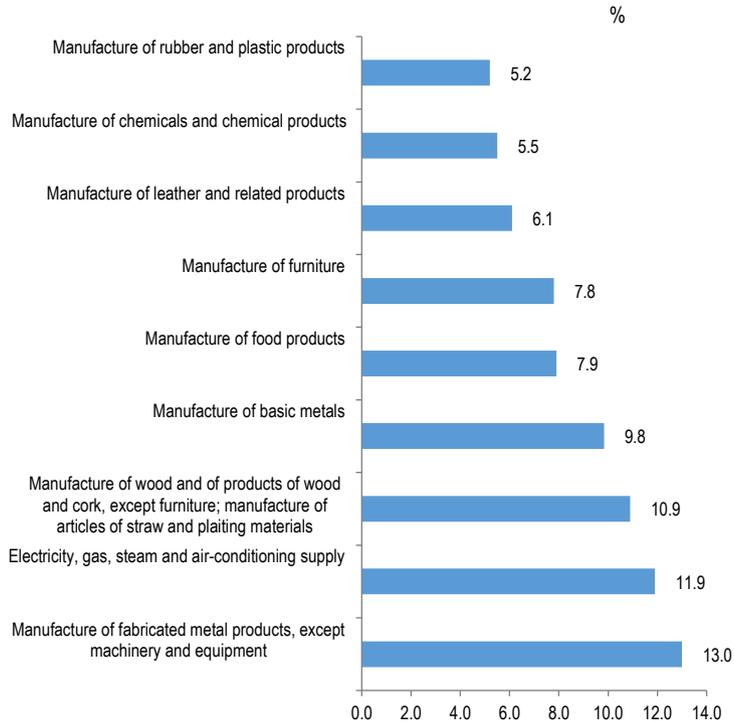
INDUSTRY

15.3. Value of sale of industrial division

	mill. KM				
INDUSTRIAL DIVISION	2014	2015	2016	2017	2018
INDUSTRY TOTAL	5,185	4,874	5,138	5,605	5,984
Mining of coal and lignite (brown coal)	72	75	51	40	37
Mining of metal ores	137	147	132	150	146
Other mining and quarrying	32	36	35	35	40
Mining and quarrying support service activities	-	-	-	-	-
Manufacture of food products	703	790	834	802	784
Manufacture of beverages	80	93	102	109	114
Manufacture of tobacco products	3	18	19	14	1
Manufacture of textiles	29	31	37	37	37
Manufacture of wearing apparel	49	64	50	51	54
Manufacture of leather and related products	113	107	124	139	164
Manufacture of wood and of products of wood and cork	337	358	398	429	413
Manufacture of paper and paper products	114	118	118	122	137
Printing and reproduction of recorded media	30	21	28	28	27
Manufacture of coke and refined petroleum products	1,116	661	570	759	760
Manufacture of chemicals and chemical products	76	93	133	184	191
Manufacture of basic pharmaceutical products and pharmaceutical preparations	34	37	50	29	35
Manufacture of rubber and plastic products	99	126	145	166	178
Manufacture of other non-metallic mineral products	106	112	128	118	134
Manufacture of basic metals	194	168	163	227	263
Manufacture of fabricated metal products, except machinery and equipment	293	299	335	421	482
Manufacture of computer, electronic and optical products	7	8	9	12	10
Manufacture of electrical equipment	77	71	78	98	101
Manufacture of machinery and equipment, n.e.c.	50	55	64	77	86
Manufacture of motor vehicles, trailers and semi-trailers	32	31	28	35	46
Manufacture of other transport equipment	15	12	11	11	12
Manufacture of furniture	168	183	207	215	238
Other manufacturing	14	14	17	17	25
Repair and installation of machinery and equipment	47	46	49	56	65
Electricity, gas, steam and air-conditioning supply	1,125	1,059	1,181	1,099	1,286
Water collection, treatment and supply	-	-	-	77	77
Materials recovery	33	40	40	50	42

Of the total value of sale realised by industrial enterprises, 42.2% referred to export

Export realised by industrial enterprises in 2017 amounted to 2.5 million KM, of which 84.7% was realised in *Manufacturing*.



Graph 15.1. Industrial divisions with the highest shares of export in the total export of industrial enterprises, 2018

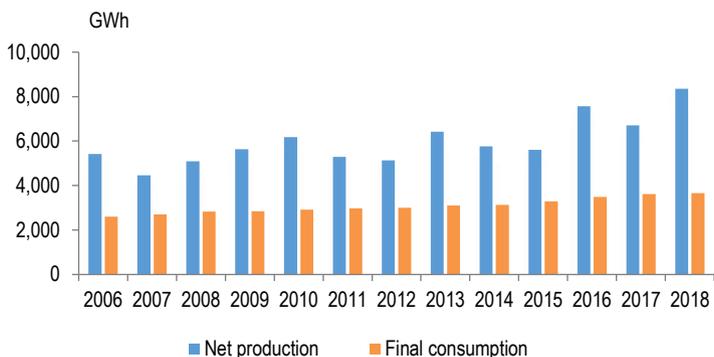
16 ENERGY

A short saying often contains much wisdom.

Electricity consumption in Republika Srpska is fully covered by production from own sources, with surplus being exported to other markets. In 2018, the largest generation of activity so far was achieved.

Total net production of electricity in 2018 amounted to 8,354 GWh. In the structure of total net production, thermal power stations participated with 63.5%, hydro power plants with 35.6%, and other producers with 0.9%.

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



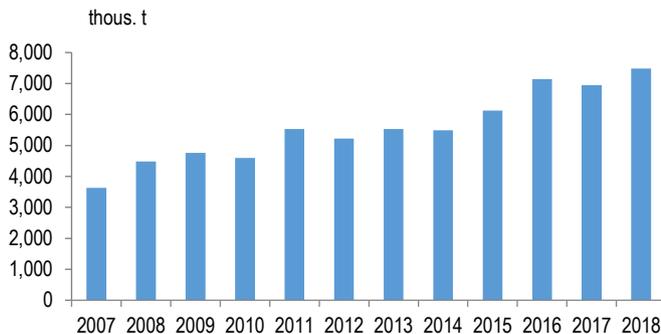
Graph 16.1. Net production and final consumption of electricity

An increase in coal production in mines

Compared to 2017, coal production in 2018 increased by 7.6% and it is the highest production achieved in mines in the last twelve years.

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

The largest consumer of coal in final consumption was industry, with a share of 62.4%.



Graph 16.2. Production of coal

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.

Increase in production of heat from biomass

Production of heat from biomass has been increasing constantly and its share in total production of heat in 2018 was 54.5%.

DO YOU KNOW?

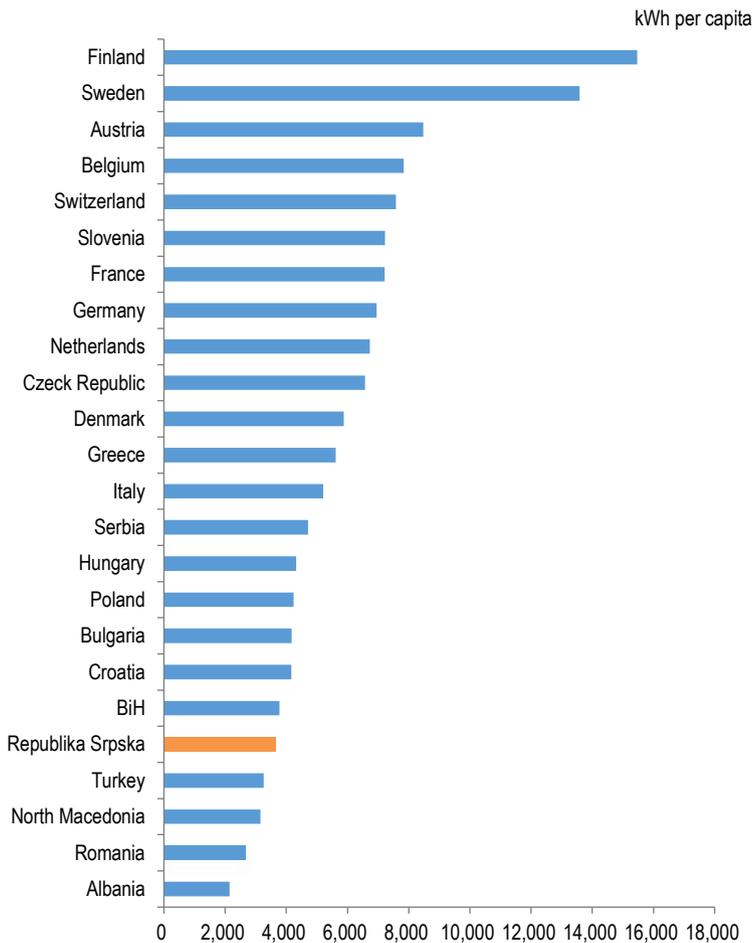
The amount of heat produced from biomass in 2018, compared to 2017, increased by 84.8%.

ENERGY

16.1. Production and final consumption of fuels and energy

	2014	2015	2016	2017	2018
Production of fuels and energy					
Brown coal (thous. t)	2,001	2,239	2,240	1,802	2,289
Lignite (thous. t)	3,484	3,887	4,902	5,151	5,192
Electricity ¹⁾ (GWh)	5,758	5,610	7,565	6,708	8,354
Hydro power plants ¹⁾ (GWh)	2,612	2,267	2,680	1,740	2,974
Thermal power plants ¹⁾ (GWh)	3,134	3,298	4,828	4,897	5,306
Other production ¹⁾ (GWh)	12	45	57	71	74
Heat (TJ)	1,378	1,488	1,521	1,499	1,649
Biogas (thous. m ³)	-	-	-	3,143	4,539
Final consumption of fuels and energy					
Brown coal (thous. t)	175	242	168	209	211
Lignite (thous. t)	118	112	121	74	80
Stone coal (thous. t)	-	-	-	-	14
Electricity (GWh)	3,129	3,293	3,489	3,612	3,655
Heat (TJ)	1,246	1,392	1,414	1,374	1,525
Natural gas (thous. Sm ³)	27,655	42,511	59,223	66,863	68,915

¹⁾ Production at threshold



Graph 16.3. Electricity consumption per capita, 2017 (IEA)

ENERGY

In 2018, approximately 370 million KM was invested in the energy sector

Gross fixed capital formation in new fixed assets in the energy sector (divisions 5, 19 and 35) amounted to approximately 370 million KM, which accounted for 19.8% of the total financing of gross fixed capital formation in new fixed assets in Republika Srpska in 2018.

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

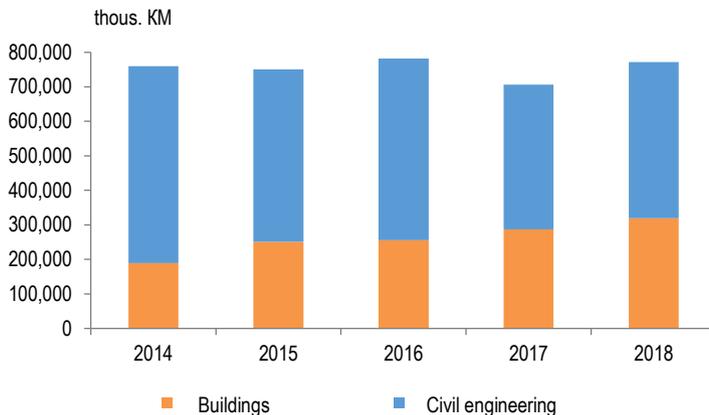
Approximately 12 thousand workers were employed in the energy sector, which accounted for around 6% of all employed persons in Republika Srpska. The number of persons employed in the energy sector was 1.1% higher in 2018 than in 2017.

17 CONSTRUCTION

The most beautiful human deed is to be useful to others.

The value of performed construction works in Republika Srpska increased by 9.4% in 2018 compared to 2017. Civil engineering accounted for 58.7% of the total value of performed works and their value increased by 8.0%, while for buildings an increase by 11.4% was recorded. During the same period, the number of workers engaged on construction sites increased by 0.9%.

In 2018, Gross value added of construction had a share of 5.5% in the formation of Gross domestic product of Republika Srpska, while gross fixed capital formation in new fixed assets in construction participated with 17.4% in the total gross fixed capital formation.



Graph 17.1. Value of performed works

Compared to the previous year, the number of completed dwellings in 2018 was 14.8% lower. A decrease in dwelling construction was recorded for one-room dwellings (38.8%) and for two-room dwellings (17.4%). The highest share in the structure of completed dwellings was that of two-room dwellings (42.0%), followed by three-room dwellings with 27.9%, while the rest were one- or more-room dwellings.

CONSTRUCTION

17.1. Completed dwellings by number of rooms

	Unit of measure	2017	2018
TOTAL	number	1,887	1,607
	m ²	99,919	88,067
One-room dwellings	number	601	368
	m ²	22,681	13,536
Two-room dwellings	number	817	675
	m ²	42,362	33,982
Three-room dwellings	number	414	448
	m ²	28,467	29,831
Four- or more-room dwellings	number	55	116
	m ²	6,409	10,718

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

DO YOU KNOW?

In 2018, the most common newbuilding works were roadworks on motorway network (24.2%) and works on residential buildings with three or more dwellings (20.1%).

18 EXTERNAL TRADE

In a just cause the weak will beat the strong.

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 2018

In the period between 2014 and 2018, export from Republika Srpska was continually increasing, except in 2015.

Compared to 2017, export increased by 7.6% in 2018, while import increased by 6.6%. Volume of external trade of Republika Srpska in 2018 was 8.9 billion KM, of which 3.7 billion KM referred to export and 5.2 billion KM to import. External trade deficit of Republika Srpska in the same year amounted to 1.4 billion KM.

The highest value of export from Republika Srpska in 2018 was that of export to Italy (15.3%), followed by Serbia (13.0%), Croatia (12.6%), Slovenia (10.8%) and Germany (9.0%).

During the same year, the highest value of import was that of import from Serbia (16.8%), followed by Italy (11.2%), Russia (10.3%), Germany (8.5%) and China (6.5%).

Coverage of import with export in 2018 was 71.7%

Coverage of import with export in Republika Srpska, as in most neighbouring countries, increased from 2017 to 2018.

EXTERNAL TRADE

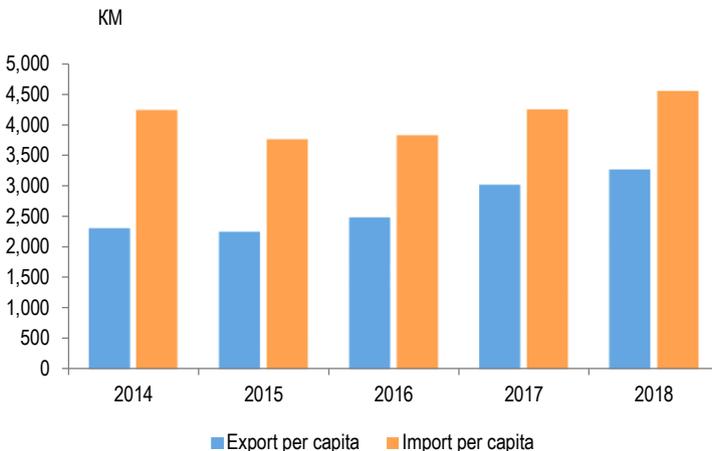
In Republika Srpska's trade of goods with foreign countries in 2018, the highest share in both export and import was that of products from the division Mineral products

In the structure of export in 2018, the highest share was that of the division Mineral products with 14.3%, followed by the division Basic metals and related products with 13.0% and the division Products of the chemical or allied industries with 12.6%.

In the structure of import in the same year, the highest share was that of the division Mineral products with 16.7%, followed by the division Machinery; equipment; apparatus for reproduction of image and sound with 14.6% and the division Products of the chemical or allied industries with 9.8%.

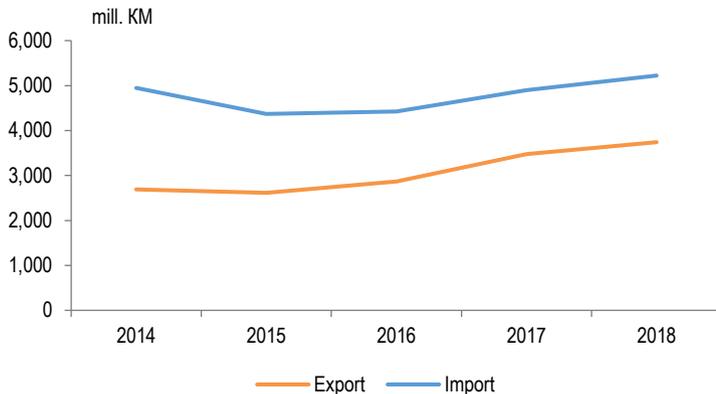
DO YOU KNOW?

In 2018, of total export from Republika Srpska, 92.6% was export to the EU member states and CEFTA countries.

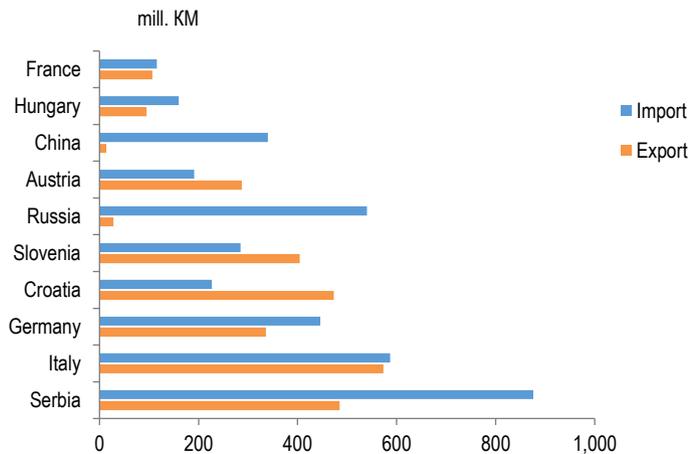


Graph 18.1. Export and import per capita

EXTERNAL TRADE



Graph 18.2. External trade balance



Graph 18.3. Countries with the highest shares in volume of trade with Republika Srpska, 2018

19 DISTRIBUTIVE TRADE

To him who is in fear everything rustles.

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.

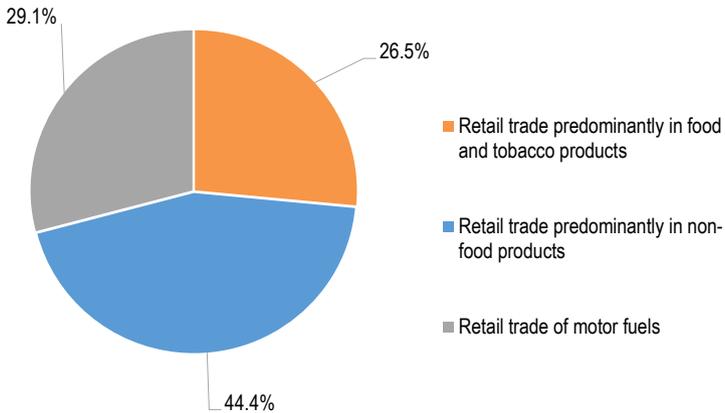
Data on turnover realised by entrepreneurs are not included in total turnover.

Turnover in retail trade in 2018, compared to the base year 2015, was nominally 23.3% higher and really 23.0% higher. During the same period, turnover in wholesale trade, measured by the nominal growth rate, increased by 20.9%.

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

	Distributive trade, total	Wholesale and retail trade of motor vehicles and motorcycles, repair of motor vehicles and motorcycles	Wholesale trade, except of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	
				nominal	real
2014	99.3	100.5	102.3	100.2	96.3
2015	100.0	100.0	100.0	100.0	100.0
2016	99.4	105.2	96.4	108.5	112.2
2017	107.1	122.1	107.5	112.7	115.4
2018	115.3	120.9	112.4	123.3	123.0

DISTRIBUTIVE TRADE



Graph 19.1. Share of turnover according to activity classification in total retail trade turnover, 2018

DO YOU KNOW?

In 2018, retail trade of sports equipment in specialised stores was on average 20 times higher than it used to be before 2014.

20 TOURISM

Most powerful is he who has himself in his own power.

With its natural beauty and resources, numerous rivers, lakes, mountains, fertile plains, spas, and national parks, Republika Srpska possesses excellent conditions for development, in addition to the diverse tourism offer.

The favourable climate and the proximity of major European centres and cities make this region as a whole even more important. The well-developed network of roads and the nearby seaside, in addition to good prices, provide great opportunities to attract guests. In addition to the existing highway 9 January, between Banja Luka and Dobož, the announced construction of the Belgrade-Sarajevo highway, the start of activities related to the construction of the Banja Luka-Prijedor highway 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.

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, Mennigen, Berlin) and new routes announced (Vienna, Frankfurt). In this way, Republika Srpska is becoming connected with the world by means of air transport.

The advantages of this region are increasingly recognised in terms of tourism, which is confirmed by the increasing number of tourist arrivals and nights.

Cultural and historical heritage should also be mentioned, since this region has much to offer in this area. The numerous monuments of culture and the past testify in the best way how turbulent the history of this region has been. Tourists will find something interesting to see in visit, while enjoying a pleasant vacation and also having the opportunity to learn more about this region.

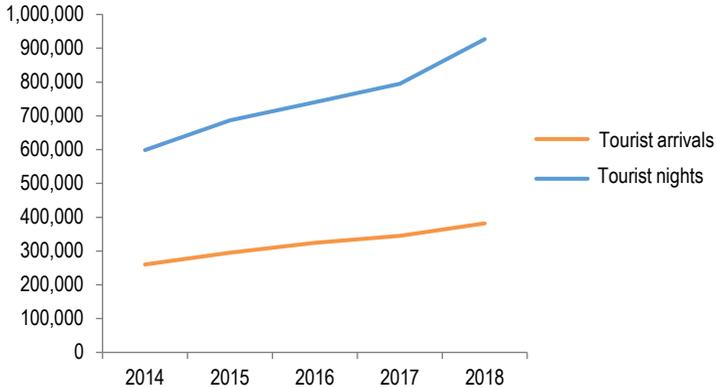
DO YOU KNOW?

The index of number of tourist nights in 2018, compared to five years ago (2014) is 154.8, which represents a significant increase.

In 2018, the number of tourist arrivals increased by 10.8% in comparison with 2017, while the number of tourist nights increased by 16.7% 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 25.8%, followed by tourists from Croatia with 24.5% and Slovenia with 9.7%.

TOURISM

When it comes to overnight stays of tourists from outside the region, guests from Turkey, Germany, Austria, Italy, France, Poland and Greece take the lead.



Graph 20.1. Tourist arrivals and nights, by year¹⁾

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

21 TRANSPORT AND COMMUNICATIONS

The pains we inflict upon ourselves hurt most of all.

Transport of passengers and goods

In 2018, approximately 27 million passengers were transported, which represented a decrease by 5.6% compared to the previous year, with 76.7% 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⁾	2018
ROAD AND URBAN TRANSPORT						
Length of roads, km ²⁾	14,040	14,141	14,226	14,336	13,960	15,402
Transported passengers, thous.	31,745	29,752	29,568	28,477	29,334	27,670
Transported goods, thous.t	2,444	2,665	3,747	3,522	4,020	4,184
RAILWAY TRANSPORT						
Length of tracks, km	426	426	426	417	417	417
Transported passengers, thous.	211	173	178	160	117	137
Transported goods, thous.t	5,191	5,009	4,964	4,416	4,529	4,569
AIR TRANSPORT SERVICES						
Number of flights	739	1 053	1 043	1 474	1 468	1 474
Number of passengers	8,734	27,734	22,793	21,697	20,761	36,411

An increase by 4.0% was recorded in transport of goods in road transport in comparison with 2017, with an increase by 1.0% in transport of goods in railway transport. Railway transport served to transport approximately 52.2% of all transported goods.

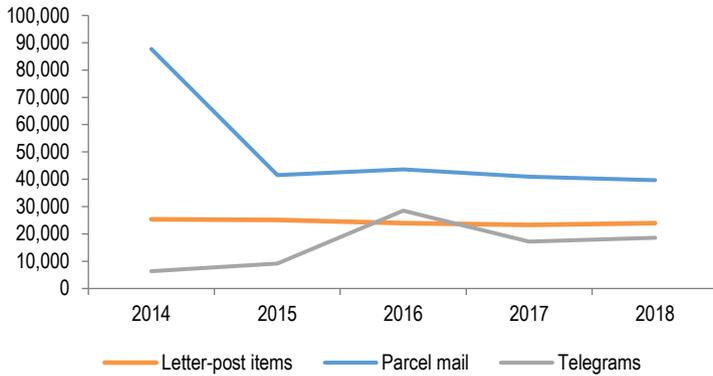
¹⁾ In 2017, the decrease in the length of roads was caused by a recategorisation of local roads into uncategorised roads, within certain local self-government units, pursuant to decisions of the municipal assemblies.

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

TRANSPORT AND COMMUNICATIONS

Postal activities

The number of letter-post items in 2018 increased by 2.8%, while the number of parcel mail items decreased by 3.1% compared to the previous year.

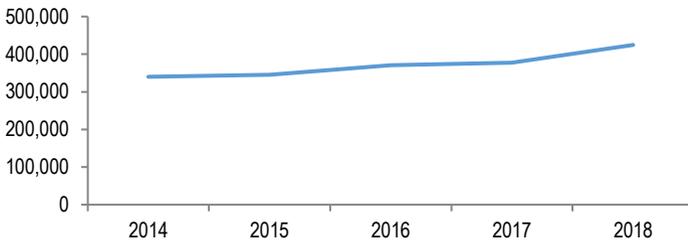


Graph 21.1. Postal activities

Registered vehicles

In 2018, in Republika Srpska, the number of registered vehicles increased by 12.6% compared to 2017.

Of the total number of registered vehicles, 83.9% were registered passenger vehicles.

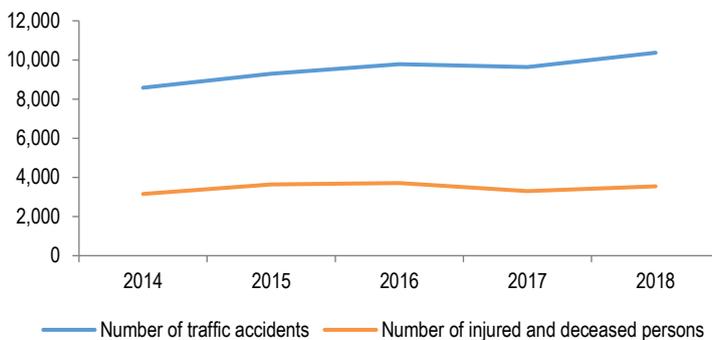


Graph 21.2. Total number of registered vehicles

TRANSPORT AND COMMUNICATIONS

Traffic accidents

Compared to 2017, the number of traffic accidents in Republika Srpska in 2018 increased by 7.6%. The number of persons who deceased due to traffic accidents increased by 16.5% and the number of persons injured in traffic accidents increased by 5.4% compared to the previous year.



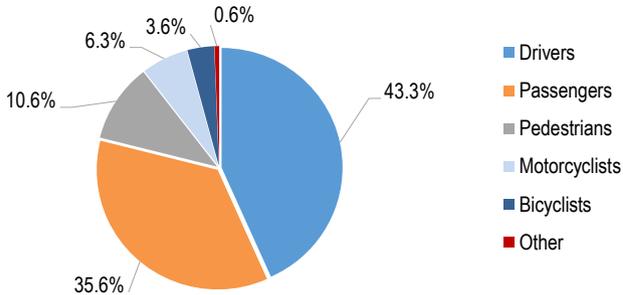
Graph 21.3. Traffic accidents and injured and deceased persons

DO YOU KNOW?

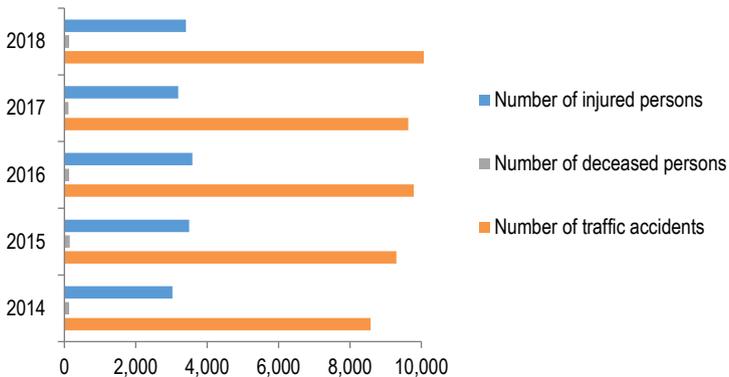
The highest number of traffic accidents is recorded in July, August and September.

TRANSPORT AND COMMUNICATIONS

In 2018, one in three persons who deceased as a consequence of traffic accidents was over the age of 60 years. The most numerous among those who deceased due to traffic accidents were drivers (43.3%). Speeding remains the most common cause of traffic accidents.



Graph 21.4. Injured persons by their participation in traffic accidents, 2018



Graph 21.5. Number of traffic accidents, number of injured and deceased persons

22 EDUCATION

The reasonable thing is to learn from those who can teach.

PRESCHOOL EDUCATION AND UPBRINGING

The system of preschool education and upbringing in the school year 2018/2019 consisted of 161 preschool institutions, of which 88 were established by local communities and 73 were established by private entities, citizens' associations and religious organisations.

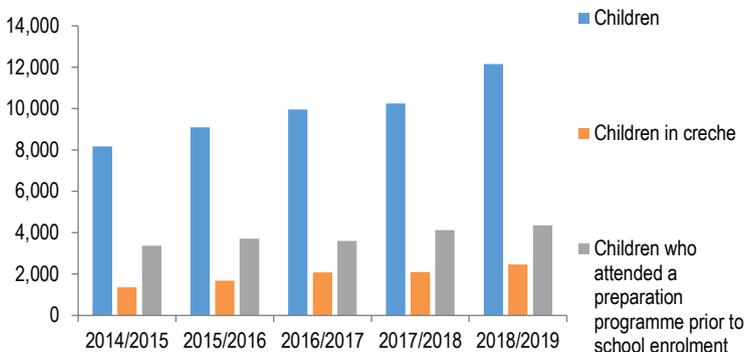
There were 12,156 children in preschool institutions in the school year 2018/2019, of which 6,341 (52.2%) boys and 5,815 (47.8%) girls. Twenty municipalities in Republika Srpska have no preschool institutions. However, a significant increase in the number of preschool institutions was recorded in comparison with the previous school year, resulting in an increased number of children in these institutions.

In the school year 2018/2019, there were 1,860 employed persons in preschool institutions, of which 1,010 were educators

In the structure of employed persons in preschool institutions, 92.4% 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 crèche	Preparation programme prior to school enrolment	Employed persons, total	Female	Educators
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	132	10,240	4,942	2,097	4,130	1,587	1,459	843
2018/2019	161	12,156	5,815	2,470	4,352	1,860	1,719	1,010



Graph 22.1. Preschool education and upbringing

PRIMARY EDUCATION AND UPBRINGING

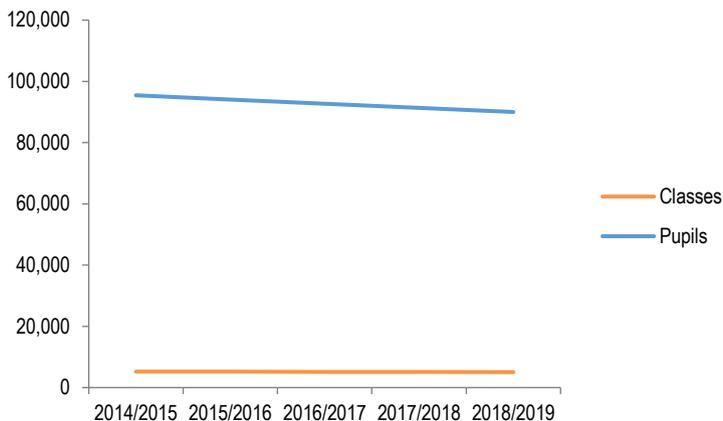
Decreased birth rate, negative migration balance, fewer new marriages and a growing number of divorces are just some of the reasons that directly affect the population decline, thus also causing a decrease in the number of children who enroll in primary school. Therefore, primary education statistics 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 2018/2019, compared to 2017/2018, the number of pupils in primary schools decreased by 1.5%, therefore there were 1,367 pupils fewer. There were 64 classes fewer, while there were 23 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.

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

	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Number of primary schools	720	708	701	692	687
Pupils	95,460	94,064	92,683	91,370	90,003
Classes	5,231	5,189	5,159	5,121	5,057
Teachers	8,138	8,181	8,179	8,194	8,217
Average number of pupils per class	18	18	18	18	18
Average number of pupils per teachers	12	11	11	11	11

EDUCATION



Graph 22.2. Classes and pupils in primary school

DO YOU KNOW?

In the school year 2017/2018 there were 50 pupils who dropped out of primary school, while 289 pupils dropped out of secondary school.

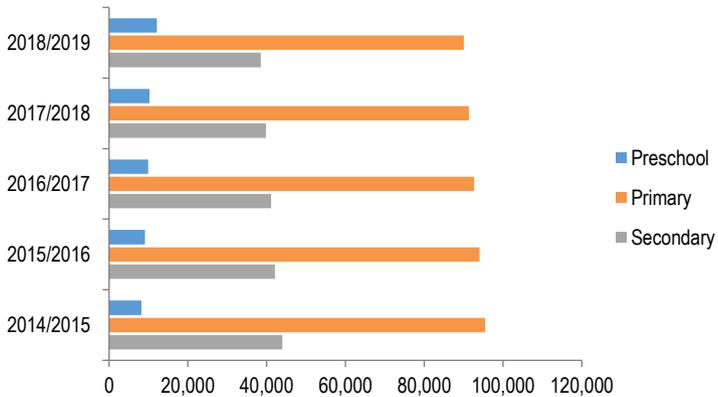
SECONDARY EDUCATION AND UPBRINGING

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 38,499 in secondary schools at the beginning of the school year 2018/2019, which represents a decrease by 3.5% compared to 2017/2018. As in the previous years, the most popular school among pupils was grammar school, thus 8,360 pupils or 21.7% of all pupils were enrolled at grammar schools

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

	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Number of secondary schools	94	94	94	94	95
Pupils	43,975	42,089	41,136	39,831	38,499
Classes	1,869	1,794	1,826	1,758	1,755
Teachers	3,785	3,872	3,820	3,771	3,888
Average number of pupils per class	24	23	23	23	22
Average number of pupils per teacher	12	11	11	11	10



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

EDUCATION

Boarding homes for pupils and students

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

If we observe beneficiaries of boarding homes for pupils and students by sex, it can be concluded that there are more female beneficiaries in boarding homes for pupils, with the percentage of 55.9%, while this percentage is even higher in boarding homes for students, namely 60.1%

22.4. Boarding homes for pupils and students

	2015	2016	2017	2018	2019
Boarding homes	13	14	11	11	11
Pupils and students in boarding homes	3,223	3,204	3,715	3,502	3,364
Number of rooms	964	945	1,325	1,326	1,261
Number of teachers	29	29	26	27	25

HIGHER EDUCATION

Declining trend in the number of enrolled students continues

In the academic year 2018/2019, at higher education institutions in Republika Srpska, the total number of enrolled students at all three cycles of studies was 31,443, which represents a decrease by 8.1% compared to the previous academic year. In the academic year 2018/2019, the decreasing trend in the number of enrolled students at the first and third cycles of studies was continued, while the number of students enrolled at the second cycle increased. There were 2,844 students fewer than in the previous academic year at the first cycle of studies. At the second cycle of studies, there were 74 students more, while there were 11 students fewer at the third cycle.

By sex structure of enrolled students, there were more female students at all three cycles of studies.

In Republika Srpska, 22,402 students are enrolled at four public higher education institutions, namely 71.2% 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 9,041 students (28.8%) enrolled at seventeen private higher education institutions.

There were 29,006 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, 14 students were enrolled in master studies according to the old programme and 2,144 in master studies according to the new programme, while 160 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 119 doctoral candidates enrolled in the third cycle of studies, with higher participation of female students. Approximately 74% of doctoral candidates were persons under the age of 39.

In 2018, studies were completed by 5,137 students

At the first cycle of studies, 4,564 students graduated. More than half of graduated students were female (60%). A third of students who graduated in 2018 completed studies in the field Business, administration and law, while the lowest number of graduated students was recorded in the field Services (2%).

The title of master of science and master and the title of specialist in 2018 were awarded to 530 candidates, of which approximately 39% were male. The title of doctor of science was awarded to 43 candidates, of which 65% were male.

The highest number of master's and specialist's theses was in the field Health and social protection (23.2%), while the lowest number of these was recorded in Information and communication technologies (4.2%) and Services (0.6%).

The highest number of doctoral candidates defended their doctoral dissertations in the field Social sciences, journalism and information (32.6%), while the lowest number of defended doctoral dissertations was in the fields Natural sciences, mathematics and statistics (2.3%) and Education (2.3%).

At higher education institutions, there were 2,810 employed teachers and assistants

At higher education institutions, in the academic year 2018/2019, there were 2,810 employed teachers and assistants. Presented by full-time equivalent, the total number of teachers and assistants was 2,222.5. Every third teacher had the academic title docent professor, while 2/5 of all assistants were senior assistants (41.1%).

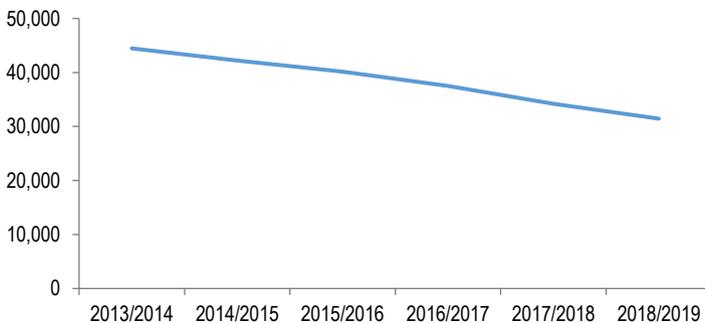
EDUCATION

22.5. Enrolled students in Republika Srpska, academic year 2018/2019

	Enrolled students, total		Old programme		Bologna-compliant programme	
	all	female	all	female	all	female
TOTAL	31,443	18,143	177	102	31,226	18,041
1 st cycle	29,006	16,771	163	94	28,843	16,677
2 nd cycle	2,318	1,309	14	8	2,304	1,301
3 rd cycle	119	63	-	-	119	63

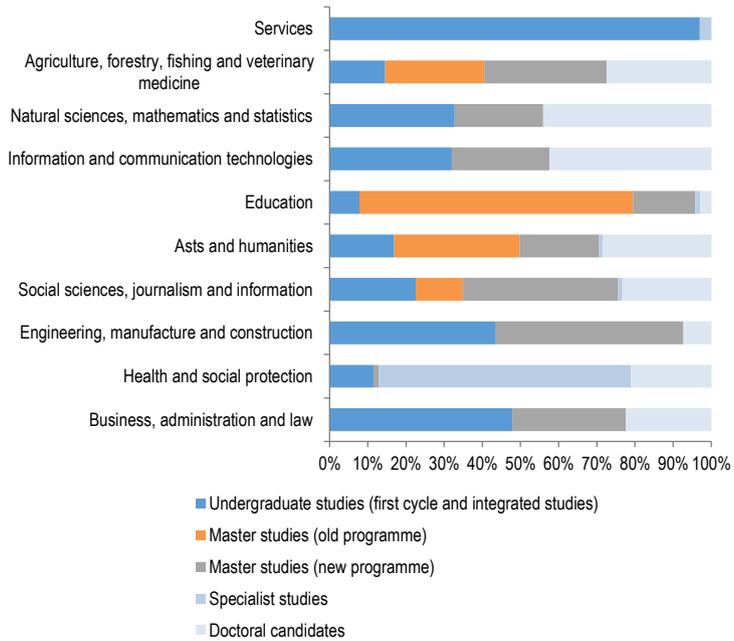
22.6. Graduated students, masters of science, masters, specialists and doctors of science, 2018

	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	4,564	2,721	41	20	378	226	111	76	43	15



Graph 22.4. Students enrolled in all three cycles of studies in Republika Srpska, academic year 2013/2014 - 2018/2019

EDUCATION



Graph 22.5. Enrolled students in Republika Srpska by field of education, academic year 2018/2019

23 CULTURE AND ART

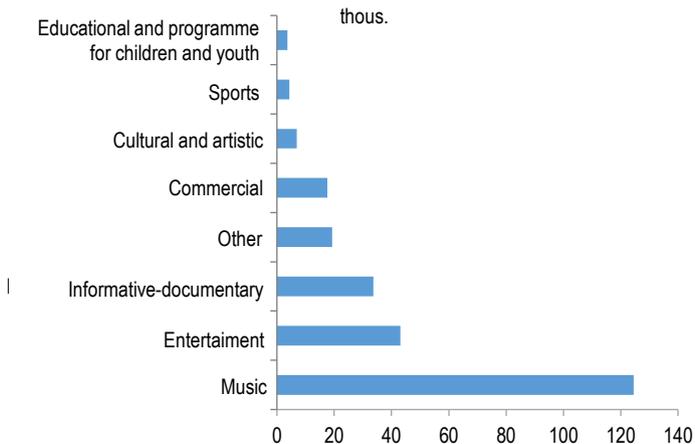
I would prefer even to fail with honor than to win by cheating.

In Republika Srpska, in 2018, compared to 2017, an increase was recorded in the number of visitors of foreign film screenings, which was also the case with plays in children's theatre and professional theatre.

The number of cinema visitors in 2018 increased by 11% for foreign film screenings in comparison with 2017. Compared to 2017, an increase in the number of visitors per play (160) in 2018 was recorded for children's theatre.

Mainly music and entertainment programmes were broadcast by radio stations in 2018, while programmes for children and youth and educational programmes were least represented.

Compared to 2017, the number of broadcast hours of radio stations decreased by 0.1% in 2018.



Graph 23.1. Programme broadcast by radio stations, 2018

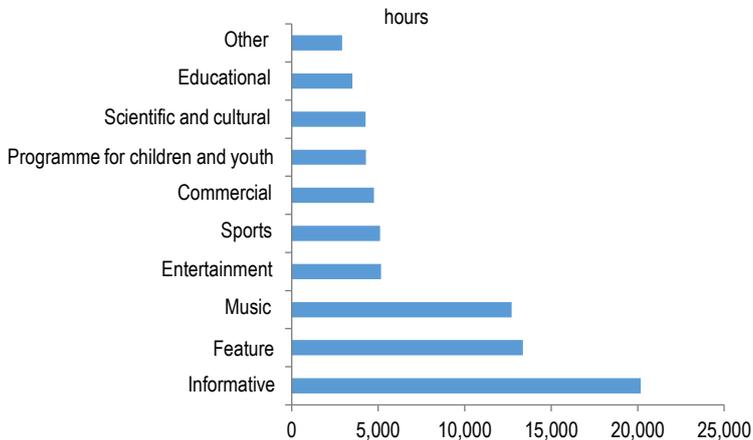
DO YOU KNOW?

Circulation in the publishing activity in 2018 (989,226 books and brochures) increased by 6.4% in comparison with the previous year.

CULTURE AND ART

In 2018, mainly informative, feature and music programmes were broadcast by TV stations, while educational programme was least represented.

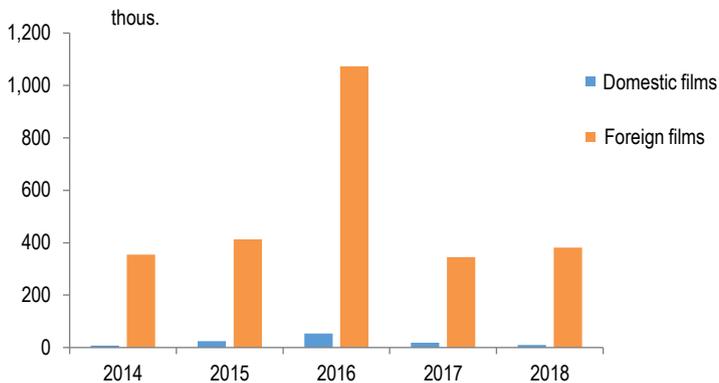
Compared to 2017, the number of broadcast hours of TV stations increased by 14% in 2018.



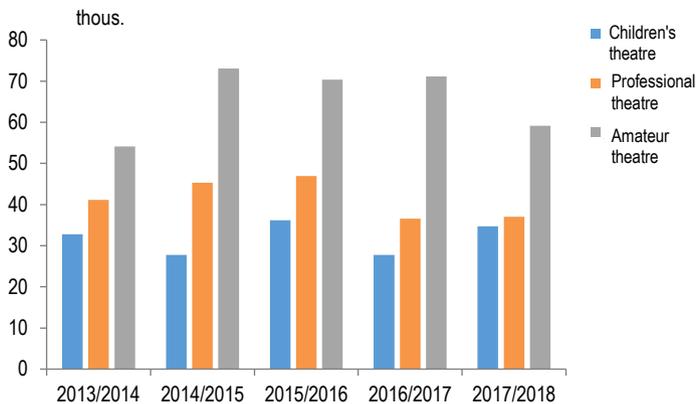
Graph 23.2. Programme broadcast by TV stations, 2018

In 2018, the number of users of the library fund in Republika Srpska increased by 2.4% compared to 2017.

CULTURE AND ART



Graph 23.3. Cinema visitors



Graph 23.4. Theatre visitors

One word frees us of all the weight and pain of life: That word is love.

In the public health sector of Republika Srpska in 2018 there were 13,549 employed medical staff and associates, out of which 39.2% were employed at health care centres. Out of the total number of employed persons, 19.1% were doctors of medicine. In the same period, private health care institutions employed 2,836 persons, out of which 9.2% were doctors of medicine.

There were approximately 4.47 million visits to the General and Family Medicine services and approximately 29.0% 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 2018, there were 214,580 persons who concluded their hospital treatment, which represented an increase by 5.7% compared to 2017.

24.1. Doctors of medicine in health care institutions

	2017	2018
TOTAL	2,808	2,850
In public health	2,520	2,588
In private clinics	288	262

Source: Republika Srpska Public Health Institute

DO YOU KNOW?

The total number of doctors and specialists performing their primary activity in public health within the maternity ward is evidently increasing. Thus, in 2018, the total number of doctors and specialists in maternity wards was 16.5% higher than in 2012.

HEALTH

Cases of varicella were the most common

Compared to 2017, the number of reported cases of infectious and parasitic diseases increased by 8.3% in 2018.

In the total number of cases in 2018, there was a significant number of varicella cases (approximately 5.8 thousand); their share in the total number increased by 26.0% compared to 2017.

In 2018, 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 2018 this share amounted to 0.6%.

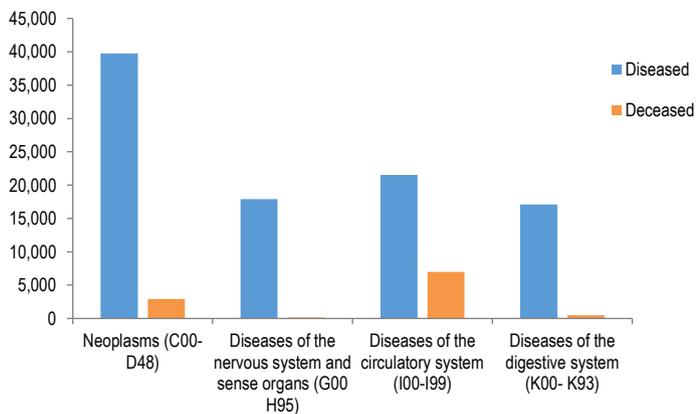
24.2. Reported cases of infectious and parasitic diseases in Republika Srpska

	Number of reported cases
2014	16,979
2015	16,418
2016	14,289
2017	13,419
2018	14,535

Source: Republika Srpska Public Health Institute

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

In 2018, there were 202,096 cases of diseased persons in Republika Srpska. Out of the total number of disease cases, 19.7% were cases of neoplasms and during this period approximately 19.9% of persons deceased due to this disease. There were 6,989 persons, or 47.3% 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.



Graph 24.1. Morbidity and mortality by specific disease group, 2018

Source of data on morbidity: Republika Srpska Public Health Institute

25 HEALTH, PENSION AND DISABILITY INSURANCE

A lie never lives to be old.

HEALTH INSURANCE

In 2018, in Republika Srpska there were 910 thousand beneficiaries of health insurance; thus, there were three thousand beneficiaries fewer than in 2017

Insured persons who exercised their right to health insurance in 2018 were temporarily unable to work for 616 thousand days, in slightly under 12 thousand cases. Compared to the previous year, this represented an increase by nearly 52 thousand days and 969 cases.

DO YOU KNOW?

In Republika Srpska, 6.6 million prescriptions were issued in 2018, which was approximately 308 thousand prescriptions fewer than in 2017.

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

Category of insurance	2014	2015	2016	2017	2018
TOTAL	909,813	910,055	917,357	913,275	910,484
Active insured persons	192,059	191,583	195,471	229,442	236,537
Beneficiaries of the insurance of the PDI Fund	206,867	214,574	211,044	213,809	216,340
Unemployed persons	171,096	176,631	183,318	166,209	163,249
Family members of an insured person	339,791	327,267	327,524	303,815	294,358

Source: Health Insurance Fund of Republika Srpska

HEALTH, PENSION AND DISABILITY INSURANCE

25.2. Exercise of health insurance rights

	2014	2015	2016	2017	2018
Temporary inability to work, number of days	440,186	528,964	531,360	564,691	616,323
Number of issued prescriptions	6,128,173	6,573,847	6,882,844	6,908,239	6,600,335

Source: Health Insurance Fund of Republika Srpska

PENSION AND DISABILITY INSURANCE

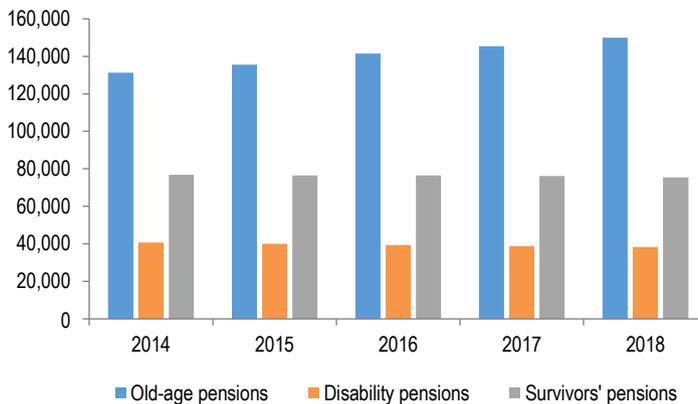
The total number of pension right beneficiaries on the last day of 2018 was just under 264 thousand. Of these, approximately 150 thousand were old-age pension beneficiaries, around 38 thousand were disability pension beneficiaries, and around 75 thousand were survivors' pension beneficiaries.

Total average pension in 2018 amounted to 323 KM, average old-age pension was 351 KM, and average disability pension was 304 KM, while average survivors' pension was the lowest, amounting to 278 KM.

DO YOU KNOW?

Total average pension in Republika Srpska in 2018 increased by 14 KM in comparison with 2017.

HEALTH, PENSION AND DISABILITY INSURANCE



Graph 25.1. Pension right beneficiaries (as on 31 December 2018)

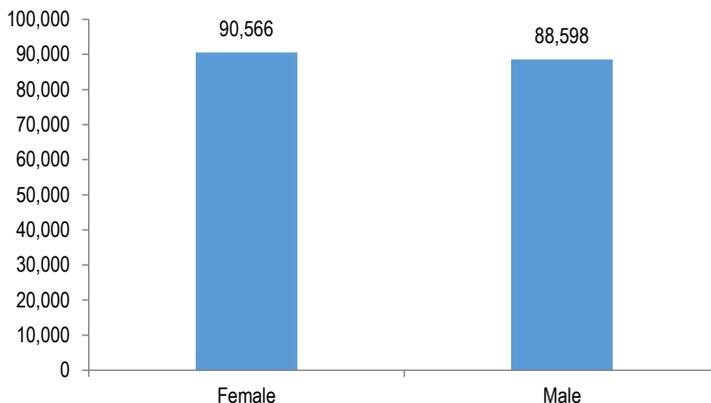
Source: Pension and Disability Insurance Fund of Republika Srpska

26 SOCIAL WELFARE

A man growing old becomes a child again.

In Republika Srpska, in 2018 at least one form of social welfare was received by 179,164 persons, of which a majority were adults, namely 72.9%, while 27.1% of beneficiaries were minors.

By sex, there were more female beneficiaries of social welfare



Graph 26.1. Social welfare beneficiaries by sex, 2018

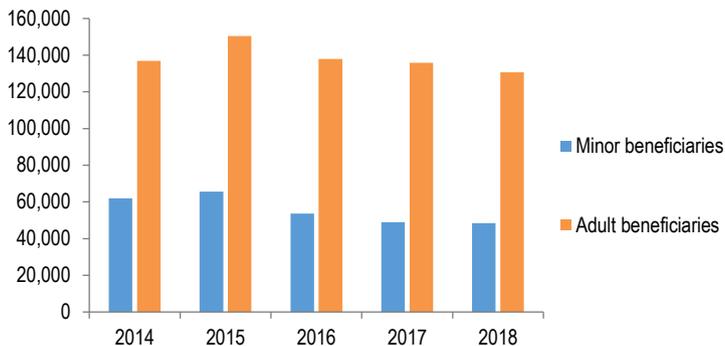
In 2018, the number of social welfare beneficiaries decreased by 3.1% compared to 2017.

DO YOU KNOW?

In 2018, eight girls and four boys were adopted in Republika Srpska.

The number of minor beneficiaries decreased by 1.2% and the number of adult beneficiaries decreased by 3.8%.

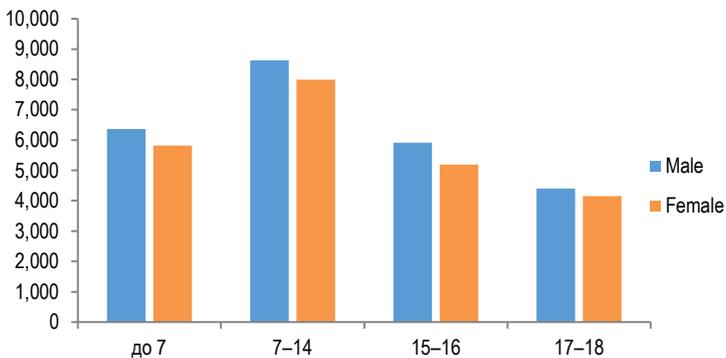
SOCIAL WELFARE



Graph 26.2. Number of social welfare beneficiaries by year

In the period between 2014 and 2018, the number of social welfare beneficiaries decreased by 11%.

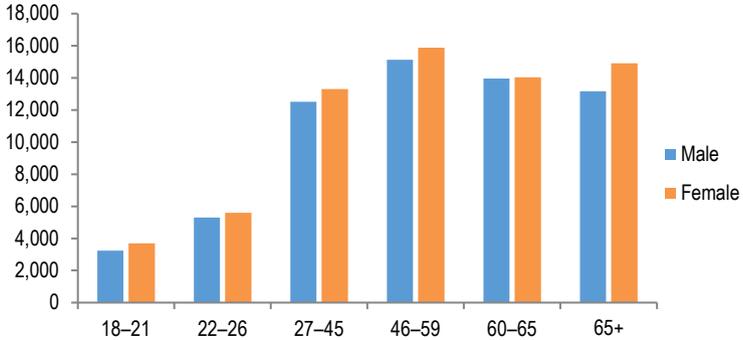
In 2018, in Republika Srpska 48,462 minor beneficiaries of social welfare were recorded. Most of them were between 7 and 14 years of age, while those belonging to the category 17 and 18 years of age were least represented.



Graph 26.3. Minor beneficiaries by sex and age, 2018

SOCIAL WELFARE

In 2018, one of the forms of social welfare was received by 130,702 adults. Majority of them were aged between 46 and 59, while those from the age group between 18 and 21 years were least represented.

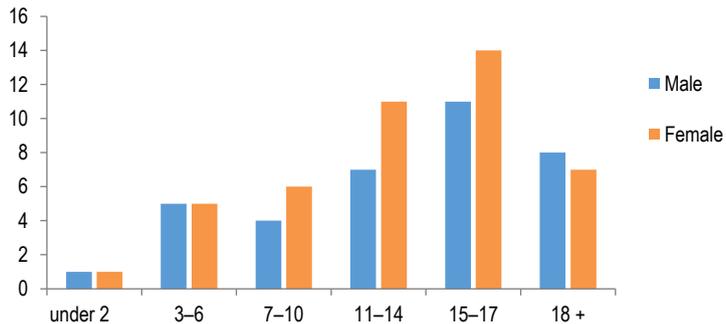


Graph 26.4. Adult beneficiaries by sex and age, 2018

Social welfare institutions

In 2018, there were 80 beneficiaries in homes for children and youth. Most of them were between 15 and 17 years of age, while those aged under two years were least represented.

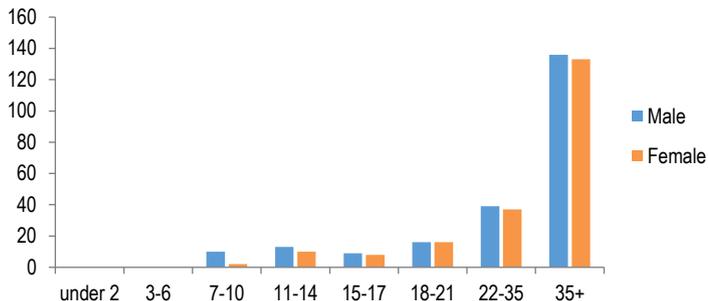
There were more female beneficiaries in homes (55%).



Graph 26.5. Beneficiaries of homes for children and youth by sex and age, 2018

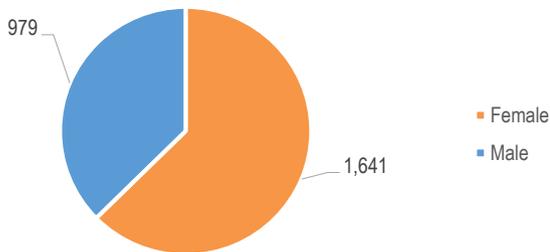
SOCIAL WELFARE

Institutions of social welfare for disabled children and youth with physical and mental disabilities in 2018 accommodated 429 persons, most of them older than 35 years of age (62.7%).



Graph 26.6. Beneficiaries of institutions for disabled children and youth by sex and age, 2018

Institutions of social welfare for adults and the elderly in 2018 accommodated 2,620 persons, most of them female (62.6%). Most beneficiaries were over 80 years of age (49.2%).

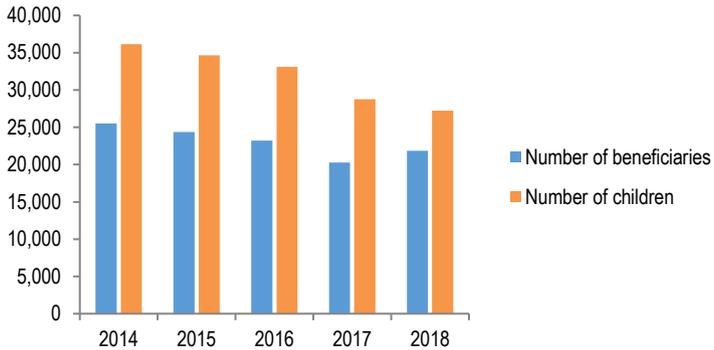


Graph 26.7. Beneficiaries of institutions for the elderly by sex, 2018

Child support beneficiaries

The total number of beneficiaries realising the right to child support in 2018 was 21,839 and the number of children realising the right to child support in the same year was 27,222.

In 2018, the total number of beneficiaries realising the right to child support increased by 7.7%, while the number of children realising this right decreased by 5.4%.



Graph 26.8. Number of child support beneficiaries and number of children

27 RESEARCH AND DEVELOPMENT

Unexpected joy is in degree nothing like another pleasure.

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 2018 in Republika Srpska, 18.3 million KM was spent for research and development, of which 11.1 million KM was spent in the business sector

Gross domestic expenditure for research and development in Republika Srpska in 2018 amounted to 18,341,000 KM, of which current expenditure accounted for 4/5, while the rest was investment expenditure. 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* (52.9%). *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* (25.3%) and *General advancement of knowledge* (27.2%).

In 2018, government budget appropriations or outlays for research and development in Republika Srpska amounted to 5.1 million KM. By sector, the largest part of funds was intended for higher education 72.1%, followed by government sector with 23.6%, business sector with 2.4% and non-profit sector with 1.9%. There were no appropriations or outlays for the abroad sector. The objective of General advancement of knowledge: Research and development financed from other sources receives the largest part of the appropriations (92.6%).

In 2018, there were 1,011 persons engaged in research and development works, or 662.9 persons if expressed in full-time equivalent. Full-time equivalent represents the number of persons engaged full-time in research and development. Of all employed and hired persons, including researchers, research associates, technicians, managers and other staff, nearly 2/3 were researchers. Of the total number of researchers, 42.4% are female.

Of the total number of research and development works, 60.2% belonged to applied research, undertaken in order to acquire new knowledge, aimed at solving a practical task or achieving a practical goal.

RESEARCH AND DEVELOPMENT

In the period 2016 – 2018 in Republika Srpska nearly 1/4 of enterprises were innovation active

Innovation-active enterprises are those that, in the observation period, have had completed product or process innovation activities and/or ongoing innovation activities (activities that were ongoing at the end of 2018) and/or abandoned innovation activities and/or in-house research and development activities and/or contract-out research and development activities. In the period 2016 – 2018, 24.3% of enterprises introduced at least one of the above innovation activities, while 75.7% introduced no innovation activities whatsoever.

Innovation activity of enterprises increases as their size increases. Thus, nearly half of enterprises in the observed number of large enterprises (250 employees and more) were innovation-active, 28.3% in the observed number of medium enterprises (between 50 and 249 employees), while 21.9% of enterprises in the group of small enterprises (between 10 and 49 employees) were innovation-active

Most enterprises introduced product or process innovation activities. A product innovation is a new or improved good or service that differs significantly from the enterprise's previous goods or services and which has been implemented on the market. In the period 2016 – 2018, 17.5% of enterprises introduced product innovation.

A business process innovation is a new or improved business process for one or more business functions that differs significantly from the enterprise's previous business processes and which has been brought into use by the enterprise. In the period 2016 – 2018, 16.5% of enterprises introduced business process innovation.

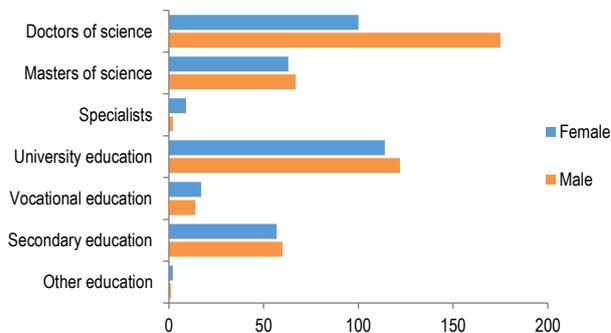
DO YOU KNOW?

Almost two thirds of the enterprises in the period 2016-2018 purchased machinery, equipment or software based on the same or improved technology previously used in the enterprise.

RESEARCH AND DEVELOPMENT

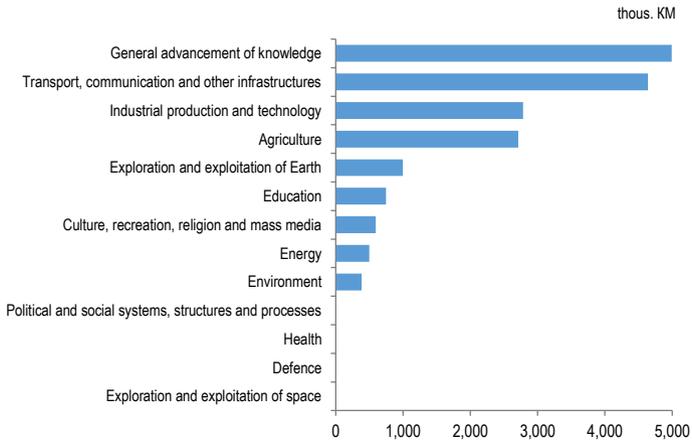
27.1. Research and development in Republika Srpska

	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	Developmental	total	current expenditure	investment expenditure
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
2018	803	362	516	223	196	18	118	60	18,341	15,072	3,269

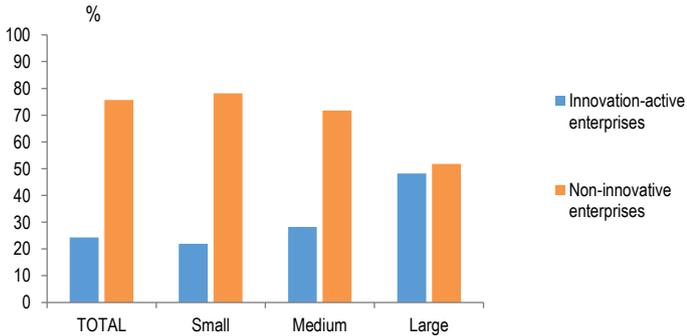


Graph 27.1. Number of persons engaged in research and development by educational attainment, 2018

RESEARCH AND DEVELOPMENT

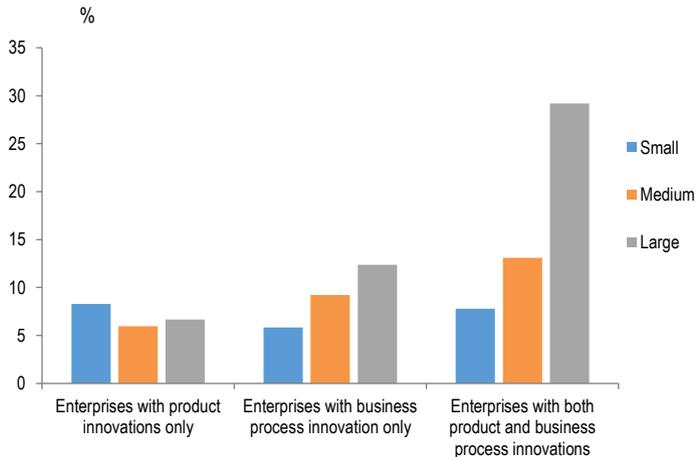


Graph 27.2. Funds for research and development by socio-economic goal, 2018



Graph 27.3. Enterprises by size of enterprise and by innovation activity, 2016 – 2018

RESEARCH AND DEVELOPMENT



Graph 27.4. Structure of innovation-active enterprises by size of enterprise and by type of innovation activities, 2016 – 2018

To err is common to all men.

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 2018, Public Prosecutor's Offices in Republika Srpska resolved 10,030 criminal charges filed against adults and for 23.1% 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 45.3% of the total number of resolved criminal charges.

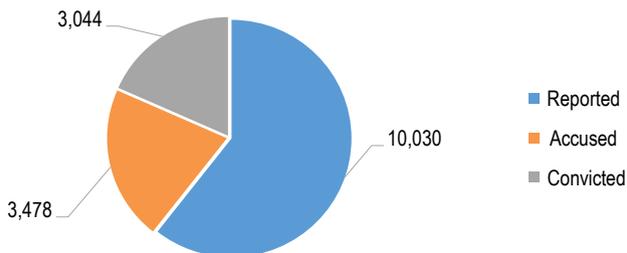
During the same period, 3,478 persons were accused and 3,044 persons were convicted at the competent courts. Of all convicted persons, 92.5% were male, of which 22.7% were between 30 and 39 years of age. One in three accused persons was charged with property offences. One in nine perpetrators was charged with criminal offences against public order or criminal offences against life and body.

When it comes to perpetrators who were found guilty, the most common sanction was conditional sentence, namely in 54.8% cases. Fine was imposed in 29.4% cases, while in 15.2% cases unconditional imprisonment was imposed

DO YOU KNOW?

In 2018, compared to 2017, a decrease by 31.9% was recorded in the number of resolved criminal charges filed against adults for environmental offences.

CRIME



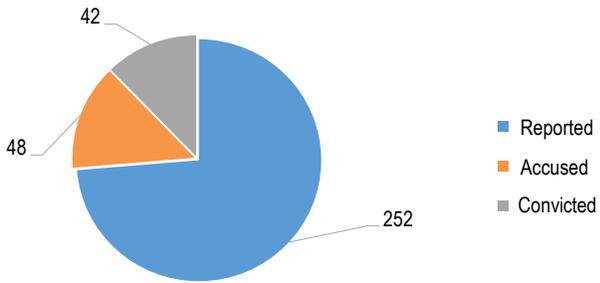
Graph 28.1. Adult perpetrators of criminal offences – reported, accused and convicted, 2018

JUVENILE PERPETRATORS

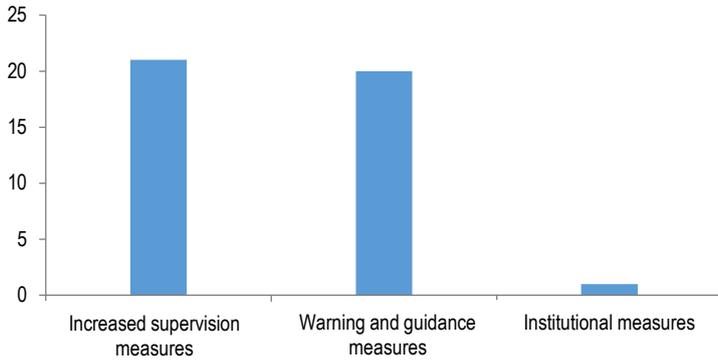
Out of the total of 252 resolved criminal charges for juvenile persons in 2018, 159 referred to older juvenile persons (persons who completed 16 years of age, but still did not complete 18 years of age). Criminal offences against property were the most common among reported persons, namely 55.6%, followed by criminal offences against life and body, with 19.4%.

There were 48 accused juvenile perpetrators and for all of them a criminal sanction was imposed. Besides property offences, of which 79.2% of all juvenile perpetrators were accused, 10.4% 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. No juvenile imprisonment sanctions were imposed in 2018. The most common measures were increased supervision, 50.0%, followed by warning and guidance measures 47.6% and institutional measures 2.4%.



Graph 28.2. Juvenile perpetrators of criminal offences – reported, accused and convicted, 2018



Graph 28.3. Imposed criminal sanctions, juvenile perpetrators, 2018

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 Republika Srpska 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 in its content and structure fully complies 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, thus regularly producing and publishing relative indicators at the quarterly level. Data obtained through the new 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 classification of economic activities are specified by English alphabet letter codes, in accordance with international labelling, while a full explanation of these codes is given in the chapter entitled "Sections of Economic Activity".

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

SYMBOLS AND ABBREVIATIONS

-	no occurrence
...	data not available
0	data lower than 0.5 of the given unit of measure
Ø	average
()	less reliable data – coefficient of variation (CV) lower than 0,2 and equal to or higher than 0.1 or expressed in percentage as follows $10\% \leq CV < 20\%$
(())	unreliable data – coefficient of variation (CV) lower than 0.3 and equal to or higher than 0.2 or expressed in percentage as follows $20\% \leq CV < 30\%$
•	extremely unreliable data – coefficient of variation (CV) is equal to or higher than 0.3 or expressed in percentage as follows $CV \geq 30\%$
:	statistically unreliable data (up to 20 occurrences)
*	corrected data
***	confidential data
) ¹⁾	symbol for footnote in a table
°C	degree Celsius
m	metre
m ²	square metre
m ³	cubic metre
km	kilometre
km ²	square kilometre
elev.	elevation
ha	hectare
t	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	Classification of Economic Activities in the European Community
KM	Convertible Mark (BAM)
KD	Classification of Economic Activities

SECTIONS OF ECONOMIC ACTIVITY¹⁾

A	Agriculture, forestry and fishing
B	Mining and quarrying
C	Manufacturing
D	Electricity, gas, steam and air-conditioning supply
E	Water supply; sewerage, waste management and remediation activities
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, while knowing these could be useful.

CONCEPTS

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

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

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

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

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

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

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

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

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

LITTLE SCHOOL OF STATISTICS

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, University of Banja Luka.



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