



Bosnia and Herzegovina Analytical Report

August 2021

Table of contents

1.0 Executive Summary	3
2.0 Key Political Developments	4
2.1 Inzko Bans Genocide Denial.....	4
2.2 Local, International Officials Divided Over Inzko’s Law	7
2.3 Current and Future Consequences	9
3.0 Economic and Social Developments	13
3.1 Economic Recovery Continues.....	13
3.2 Statistical data.....	16
Foreign trade	16
Foreign Exchange Reserves.....	18
Banking sector.....	18
Inflation (CPI)	19
Industrial production	19
Employment and Unemployment.....	20
Wages.....	21
Pensions.....	22
About	23
Contact	23

1.0 Executive Summary

The political crisis in Bosnia and Herzegovina is reaching new depths following the strong reaction from Bosnian Serb politicians to the last-minute decision of the former High Representative, Valentin Inzko, who imposed a law against the denial of genocide a few days before his departure, as one of his last moves. This, as well as the prior appointment of the new High Representative Christian Schmidt, in which the Russian Federation was outvoted and circumvented, has raised local, regional and global stakes in and around BiH. Following Inzko's imposition, all Bosnian Serb parties have walked out of state institutions, while Republika Srpska's National Assembly has adopted two laws preventing implementation of Inzko's law on the territory of that entity, as well as establishing criminal responsibility against persons who link Republika Srpska with genocide.

These developments represent a major game changer and potentially very serious threat for the integrity of the country. There are also indications that Milorad Dodik, the Bosnian Serb leader and RS member of the Bosnian Presidency, is planning to use this opportunity to advance his separatist agenda.

Officials and experts hope that this situation will calm down during the remaining few weeks of the summer holidays, yet many expect a new escalation from the beginning of September, when the BiH prosecution could start investigating and/or arresting the first individuals in line with Inzko's legal changes. On the other hand some diplomats hope that RS politicians will gradually return to state institutions, which is necessary for the adoption of the 2021 state budget or at least the extension of temporary financing, without which state institutions will remain without funds and state officials without salaries.

This situation represents a major challenge and test for the new High Representative, for Germany, the EU and US, especially having in mind that Serbian and Russian officials seem to be supporting Dodik's moves.

2.0 Key Political Developments

2.1 Inzko Bans Genocide Denial

On July 23, Bosnia's outgoing High Representative Valentin Inzko imposed amendments to the criminal law of Bosnia and Herzegovina, which established the criminal liability of persons who deny genocide, as well as those who incite ethnic or racial hatred. Inzko has pledged to impose this law already several years ago, and in recent months he has faced much pressure and criticism, especially from the side of Bosniak politicians, academics and media, for not doing so.

At the end of Inzko's mandate, he became determined to impose this decision, to at least partially improve his legacy and calm his own accumulated frustrations after 12 years of his mandate, most of which he spent without Western support for the use of his executive powers, sources close to Inzko said. The last time Inzko used his powers was in 2011, when his controversial decision suspended the decision of BiH's Central Election Commission (CIK), allowing formation of the Federation government that many local and international experts believed to be illegal.¹ That decision, which was not fully cleared by US and EU officials, further undermined Inzko's position and reputation in the local and international community², which has since then denied their support for any further use of Bonn powers.

Inzko officially resigned from his position on May 27, and on the same day ambassadors of the Steering Board of the Peace Implementation Council (PIC SB) formally appointed German politician Christian Schmidt as the next High Representative in Bosnia and Herzegovina (BiH), after his candidature was put forward at the beginning of 2021. At its session on June 29, the UN Security Council discussed - but did not vote on - Schmidt's appointment, which prevented Russia from blocking this appointment. At the UN Security Council session on July 22, Russia and China called for a resolution to close down the Office of the High Representative. The notion was foiled as most other UNSC members abstained from voting on it. Following that, Russia repeatedly stated that Schmidt's

¹ More details available at the International Crisis Group, ICG report "Bosnia- State Institutions Under Attack", from May 6, 2011, p. 3, available at: <https://d2071andvip0wj.cloudfront.net/b62-bosnia-state-institutions-under-attack.pdf>

² Ibid.

appointment was illegitimate as it circumvented the UNSC, and that because of that the Bosnian Serb leadership will not recognize and cooperate with him.

Nevertheless, Schmidt officially assumed his new post at a ceremony in Sarajevo on August 2. Most local and international pundits agree that Schmidt has inherited the most difficult situation from all previous High Representatives, not counting the first one – Carl Bildt, who established the OHR at the end of Bosnia’s bloody war in December 1995. Schmidt inherits the country whose politicians have over the past 26 years circled back to the same populist and nationalist positions, which their predecessors held in 1990. As a result, BiH is a country with a divided, corrupt and dysfunctional administration and public services, and a failed state moving away from the EU path towards disintegration and possible new ethnic violence.

Since the end of the war, most Serbian and Bosnian Serb politicians, intellectuals and media admitted ethnic cleansing but denied that a genocide that took place during the fall of Srebrenica in July 1995, while a major part of Bosniak, Bosnian Croat and Bosnian Serb public negated the responsibility of their war-time leaders for war crimes committed during the war. This failure to recognize and condemn individual responsibility for war crimes in their own ranks, led to the situation where most debates about war crimes and/or genocide became portrayed, and/or perceived, as an attempt to impose collective responsibility for these atrocities. That, in turn, hampered post-war reconciliation efforts among Balkan officials.

In this situation, Inzko’s decision to impose the law against negation of genocide was used by Bosnian Serb leader Milorad Dodik to escalate his nationalist rhetoric and separatist plans. The move was strongly rebuffed by the Russian Federation, while Western powers appeared to be divided over this issue.

While both the US and EU repeatedly called for the adoption of such a law for many years, a part of the Western diplomatic community in BiH did not support Inzko’s plans to impose such a law, and some diplomats even tried to persuade Inzko not to do this, Western diplomats told us. The reason was that they believed that Inzko should not make a decision at the end of his mandate that would complicate the mandate of his successor from the very beginning. More importantly, neither the US nor the EU are currently ready to allow the use of the EU-led peacekeeping force (EUFOR) to ensure implementation of any High Representative’s decision.

Furthermore, some Western diplomats knew that Inzko's decision would revive Dodik, as well as Bosniak leader Bakir Izetbegovic. The positions of both of these leaders became precarious in recent months and weeks, due to the growing dissatisfaction within Dodik's and Izetbegovic's parties and electorates because of their poor results and the perception of widespread corruption in their parties. Local experts indeed confirm that this latest escalation of the political crisis has already significantly reinforced the positions of Dodik and Izetbegovic, and weakened their opposition. Nevertheless, this situation creates ample opportunity for all local politicians to further radicalize their rhetoric and positions and use this issue as a part of their pre-election campaigns ahead of next year's general elections.

Regardless of all this, after Inzko announced his decision, respecting his legal right to do so and determined not to reveal any more divisions in their own ranks, the US and EU accepted such a move, albeit in rather muted and somber tones.

2.2 Local, International Officials Divided Over Inzko's Law

International and local officials remain divided over their perception of the legal and political aspects of Inzko's decision, as well as its possible consequences. While Russian, Serbian and Bosnian Serb officials see this as an illegal move of an illegitimate international diplomat, Bosniak, Bosnian Croat and Western diplomats do not question the legality of Inzko's decision, but some of them still disagree over its wisdom and possible consequences. The Bosnian Croat leadership and some Western diplomats fear it will only make an already difficult political crisis in BiH even more complex. Some go as far as to say that this move has "opened Bosnia's Pandora's Box" as it created conditions for dangerous escalation of political but also security tensions among local, regional, as well as international actors.

Bosniak and other Western officials and experts, on the other hand, welcome the long-awaited law against the denial of genocide saying it would not only provide at least some justice to the war victims, but should also prevent radicalization of nationalist rhetoric and possibly even revive the stalled reconciliation process in the region.

To properly understand Inzko's decision and its consequences, it should be assessed from a legal, practical and political point of view.

Firstly, it should be stressed that adoption of such legal changes is not only a matter of respecting moral principles in BiH, but that it is also implicitly required as a part of the 14 key priorities outlined in the EU Opinion on the EU membership application of the country from May 2019³, specifying conditions for the continuation of BiH's EU path. Nevertheless, some local and international experts stress that this was the wrong way for BiH to address such an important and controversial issue. They also add that the amendments to the criminal law imposed by Inzko will hardly have the desired effect when it comes to the denial of genocide in BiH. While contributing to the escalation of ethnic tensions, this law will be extremely difficult to implement, as it requires from the prosecution to prove the existence of intent to use denial of genocide to incite ethnic or racial violence or hatred, which is always very difficult to achieve. Without proving such intent, denial of genocide falls under freedom of speech regulations, experts say.

³ EU Opinion on the EU membership application of BiH from May 2019, available at: <https://ec.europa.eu/neighbourhood-enlargement/sites/default/files/20190529-bosnia-and-herzegovina-opinion.pdf>

It should also be stressed that Inzko had full rights to impose this or any other decision, in line with the interpretation of the executive powers given to the High Representative in BiH as outlined in the conclusions⁴ of the Peace Implementation Council (PIC) meeting held in Bonn, Germany, on December 10, 1997. Therefore, objections that have been raised by Bosnian Serb and Russian officials, questioning the legitimacy of the OHR and its executive powers are groundless. This is so because OHR's executive powers never required approval or support from the PIC, but also because the Dayton peace accord does not spell out the exact legal process of opening or closing the OHR, or of replacing High Representatives.

On the other hand, many Western diplomats admit that circumvention of Russia during the appointment of Schmidt and Inzko's departing decision - while legally sound - may have not been politically wise, as they create an excuse for Bosnian Serb, Serbian and/or Russian officials to escalate the situation even more.

⁴ Conclusions available at: <http://www.ohr.int/pic-summary-of-bonn-conclusions/>

2.3 Current and Future Consequences

RS sources warn that the appointment of new High Representative Schmidt without Russian support, and then Inzko's legal imposition, have provided Dodik with sufficient excuse – as well as badly needed local, regional and possibly international support - to advance his separatist plans, if and when he decides to do so.

In the first reaction to Inzko's imposition, all Bosnian Serb parties on July 26 agreed to withdraw their representatives from the BiH Presidency, the Council of Ministers and the State Parliament. They also agreed to cease all communication and cooperation with the OHR, claiming that the new High Representative has been appointed in an illegal way. Four days later, on July 30, all Bosnian Serb parties represented in the National Assembly of Republika Srpska (NSRS) unilaterally adopted two laws; the first prevents the implementation of Inzko's law on the territory of that entity, while the other amends the Criminal law of RS so that any person who blames that entity for genocide is punishable by law. If implemented, these decisions represent the beginning of the legal separation of Republika Srpska, as they create a situation where the two entities apply conflicting legal regulations. These decisions also deliver a major blow both to the authority of the High Representative, as well as to the work and very existence of BiH's state institutions. Therefore, most diplomats and experts agree that they represent a major escalation of BiH's political and security crisis.

Nevertheless, several senior Bosnian Serb sources said that Dodik planned an even more radical response to Inzko's imposition, but had to soften his proposals due to the insistence of the Bosnian Serb opposition parties. However, sources said that Dodik is already preparing the "second phase" of his response, which should be activated if/when the first RS citizen is arrested and prosecuted on the basis of Inzko's law. This scenario could come through in a matter of months, weeks, or even days, having in mind that local media reported that by August 5, the state prosecution has already opened 22 cases related to the denial of genocide based on the reports it has received since Inzko has imposed his law⁵.

When the first RS citizen gets arrested in line with this law, Dodik is prepared to push through at least three new laws, that would effectively prevent implementation of state laws on the territory of Republika Srpska, and would disallow the work of state security

⁵ "22 cases formed in the prosecution related to the denial of genocide," N1 TV report on August 5, 2021, available at: <https://ba.n1info.com/vijesti/u-tuzilastvu-bih-formirana-22-predmeta-u-vezi-negiranja-genocida/>

and judicial institutions – OSA, SIPA, the state court and prosecution – in that entity. This move – which according to sources Dodik prepared years ago as a part of his separatist agenda – would represent an attempt of the full legal separation of Republika Srpska from the rest of the country. After such legal secession of Republika Srpska, territorial separation would be a mere formality, which Dodik could complete at his will.

Such a scenario would finally reveal whether the US and EU are still ready to respect their obligations stemming from the Dayton Peace Accords, which would require from them to effectively block the breakup of the country and impose sanctions against Dodik for trying to do so. At that point, Western verbal efforts would become pointless and their eventual political and legal moves would have to be backed up by the NATO-led peacekeeping force (EUFOR). This, in turn, would require from the Western powers to reinforce EUFOR, which currently numbers only some 600 troops and as such is not capable of carrying out any more serious and concrete military activities. However, for the past several years Western diplomats indicated that Washington as well as EU capitals – preoccupied with bigger internal and external challenges – were very reluctant towards the idea of once again using their military powers in the Balkans. However, a failure to halt BiH's breakup would almost certainly lead to a new conflict that could easily spread to the rest of the region, most experts agree. On the other hand, any new Western military intervention in BiH, and especially one that would target Dodik, could trigger a response from Russia, which is determined to block further expansion of NATO and keep the status quo in the Balkans. This scenario could lead, for example, to the establishment of a Russian "humanitarian centre" on the territory of Republika Srpska, similar to the one that opened in Serbia near the city of Nis in 2012, which US and NATO officials claim to be a cover for the main Russian military and intelligence base in the region. According to Russian and Bosnian Serb sources, Dodik has already reached a preliminary agreement with Moscow several years ago about the establishment of such a base close to the Banja Luka airport. The only reason why this agreement has not already been implemented is the fact that Moscow has neither money nor interest to do so, at least so far, sources say.

In the meantime, while waiting for the first arrests of RS citizens under Inzko's law, Dodik is not sitting idle. Ever since Inzko's decision, he has been moving to consolidate his tainted political position in RS. Since the end of his rotation in the position of the chairman of the BiH tripartite presidency in July, Dodik has been looking for an excuse to resign from the position which, according to Bosnian Serb sources, brings him no political

benefits, and to assume the position of the RS Premier. From that position Dodik would be able to better prepare for the 2021 general elections and try to stop the steady decline of his party's popularity, especially in Banja Luka. With that motive in mind, immediately after Inzko's decision, Dodik proposed to the RS opposition the formation of a new RS government of "national salvation" which would be run by him, following his resignation from the State Presidency, and would include representatives of ruling and opposition RS parties, sources said. They added that Dodik seems to enjoy Vucic's at least tacit support to make this move.

Aware that such a move would completely neutralize the opposition and fully revive Dodik, RS opposition parties were able to stave off this initiative - so far. This idea was also discussed during separate meetings which the RS leadership and opposition parties held with Vucic in Belgrade on August 4, but the RS opposition remain steadfast in their position not to join Dodik in a new RS government. They also refused to join an informal meeting with new High Representative Schmidt, which Dodik is currently planning.

Local and international officials said that they did not expect any major developments in the next few weeks until the end of the summer holidays, but that the situation will have to go in one or another direction by the end of September or early October. By that time, BiH institutions will have to either adopt the 2021 budget or at least extend temporary financing for three more months, or else all state-level institutions will run out of money and will not be able to pay salaries or bills.

Some Western diplomats believe that salaries will force Dodik and other RS politicians to come back to their posts and negotiate compromises for some of the most critical issues with Bosniak and Bosnian Croat representatives. However, others fear that Inzko's law has enabled Dodik to finally move on with his separatist agenda beyond the point of no return. While only time can tell which side was right, more or less all officials and experts agree that other important issues, such as BiH's electoral reform, has been irreparably undermined by this latest escalation of the Bosnian crisis.

In this situation, new High Representative Christian Schmidt is facing difficult choices in his "mission impossible." If he moves to defuse the situation, he will probably have to make some unpleasant concessions, such as meeting Dodik despite his denial of his legitimacy. On the other hand, if the situation escalates, he will have little other option but to use his executive powers, which would trigger an even greater reaction from Bosnian Serb, Serbian and Russian officials, but also test Western resolve to defend the integrity

of BiH even by force if need be, as they are obliged by Dayton. Eventual backing from Berlin, and the rest of the Western community, will be a critical asset for the new High Representative, but even that may not guarantee that he will manage to stabilize BiH's dangerous crisis.

3.0 Economic and Social Developments

3.1 Economic Recovery Continues

With its exports growing in June by 19.1 percent compared with the previous month and a full 41.5 percent compared with the same month last year, the BiH economy seems to be set on the path of full recovery following on from last year's pandemic slowdown.⁶ In the same period, imports in June increased by 8.3 percent compared with the previous month, or 28.9 percent compared with the same month the previous year.⁷ BiH's growing exports are mainly enabled by the gradual recovery of EU markets – BiH's prime trade partner – in recent months.

The trajectory of recovery is even more visible in the data showing trends in the first half of the year. Compared with the first half of the previous year, BiH exports in the period January – June 2021 were higher by 31.1 percent, while imports in the same period increased by 19.8 percent.⁸ As a result of such trends, BiH's foreign trade deficit in the first half of 2021 amounted to 1.59 billion euro, almost unchanged compared with the deficit in the same period of the previous year (1.57 billion euro), although the total volume of foreign trade was 24.1 percent higher in first half of 2021 compared with the same period of 2020.⁹

This growth of foreign trade is even more impressive and significant, when compared to the time before the pandemic. Namely, the total volume of foreign trade in first half of 2021 was bigger by 3.1 percent than in the same period in 2019, while the trade deficit in first half 2021 was lower by 21 percent compared with the same period in 2019.¹⁰

This could be one of the first indicators that the BiH economy is finally breaking the cycle, in which an increase in exports has been simultaneously followed by an increase in imports and growing trade deficit.

The near future of the BiH economy and exports will continue to be dependent on economic developments in the EU, especially Germany and Italy, and their post-

6 Agency for statistics of Bosnia-Herzegovina (<http://bhas.gov.ba>)

7 Agency for statistics of Bosnia-Herzegovina (<http://bhas.gov.ba>)

8 Agency for statistics of Bosnia-Herzegovina (<http://bhas.gov.ba>)

9 Agency for statistics of Bosnia-Herzegovina (<http://bhas.gov.ba>)

10 Agency for statistics of Bosnia-Herzegovina (<http://bhas.gov.ba>)

pandemic growth and recovery, having in mind that those are the main markets for Bosnian industrial exports.

When it comes to internal social stability as well as domestic spending, it is the remittances from the BiH diaspora that are one of the key stabilizing factors. The importance of remittances is underlined by the fact that they remain significantly higher than foreign direct investments. According to the Central bank of Bosnia, in the first three months of this year remittances reached 340 million euro, which was very close to the amount registered in the same period last year – 339 million euro. The total amount of registered remittances in 2019 stood at 1.5 billion euros, a slight increase compared to the average annual amount of remittances, which stands at some 1.28 billion euro.¹¹

In contrast to the previous year when closed borders prevented the BiH diaspora from visiting the country during the summer, this year the situation is different, as many members of the BiH diaspora have been visiting their homes. This means that the amount of unregistered remittances, delivered in person to family members is expected to be higher, which will also contribute to increased local consumption. This is especially important for pensioners who are financially and socially the most vulnerable category in Bosnian society, with average pensions of only 219 euro per month in the Federation entity and 207 euro per month in the Republic Srpska. For them, remittances from children or close family members who live and work abroad are a matter of survival.

While pensions remain stagnant, average salaries in May recorded a slight decrease compared with the previous month. The drop in average salaries in May was 0.4 percent compared with the previous month, while compared with the same month in the previous year salaries were 4.4 percent higher. Temporary slight decreases in average salaries often represent a consequence of additional hiring of low skilled and lower paid workers, primarily in the service sector, which influences the total average.

The number of registered unemployed persons in BiH in June was 0.6 percent lower compared with the previous month and 6.5 percent lower compared with the same month the previous year,¹² which also indicates that the economic situation in the country is slowly improving. A Labor survey conducted by the Agency for statistics of BiH in the first quarter of 2021 using International Labor Organization (ILO) methodology, showed

11 <https://www.cbbh.ba/press/ShowNews/1365?lang=en>

12 Labour and Employment Agency of Bosnia – Herzegovina (<http://www.arz.gov.ba>)

that the unemployment rate in BiH was 19.1 percent, which is a more realistic figure than the number of officially registered unemployed persons.¹³

After a slight drop in May, Bosnia's foreign exchange reserves in June totaled 6.64 billion euros, which is an increase of 3.4 percent compared with the previous month. Reserves were at the same level compared to the same month the previous year.¹⁴

The total assets of Bosnia's commercial banks continued growing from the beginning of the year and in June reached a record level of 17.92 billion euros, which represents a 0.7 percent increase compared to the previous month and 7.4 percent increase compared with the same month in the previous year, serving as another signal that the BiH economy is recovering.¹⁵

Although basic macroeconomic indicators in BiH show positive trends and indicate economic recovery, BiH remains the weakest link when compared with the rest of the region. According to the Vienna Institute for International Economic Studies (WIIW) Bosnia and Herzegovina's economy will expand by 2.9 percent this year while the economy of Central and South Eastern Europe (CESEE) is expected to grow by 4.2 percent on aggregate in 2021. Catching up with the region will be harder than overcoming the economic losses suffered in the pandemic.

13 Agency for statistics of Bosnia-Herzegovina (<http://bhas.gov.ba>)

14 Central Bank of Bosnia - Herzegovina (<https://www.cbbh.ba>)

15 Central Bank of Bosnia - Herzegovina (<https://www.cbbh.ba>)

3.2 Statistical data

Foreign trade

	BiH Export (mil. EUR)			Change (pct)	
Month	VI-2020	V-2021	VI-2021	VI-2021/ V-2021	VI-2021 / VI -2020
	453	538	641	19,1	41,5

Source: Agency for statistics of Bosnia-Herzegovina

	BiH Import (mil. EUR)			Change (pct)	
Month	VI-2020	V-2021	VI-2021	VI-2021/ V-2021	VI-2021 / VI -2020
	722	860	931	8,3	28,9

Source: Agency for statistics of Bosnia-Herzegovina

April – June (Q2) 2021

	BiH Export (mil. EUR)			Change (pct)	
Period	Q2 2020	Q1 2021	Q2-2021	Q2-2021/ Q1-2021	Q2-2021 / Q2 -2020
	1.184	1.563	1.746	11,7	47,5

Source: Agency for statistics of Bosnia-Herzegovina

	BiH Import (mil. EUR)			Change (pct)	
Period	Q2 2020	Q1 2021	Q2-2021	Q2-2021/ Q1-2021	Q2-2021 / Q2 -2020
	1.904	2.245	2.657	18,4	39,5

Source: Agency for statistics of Bosnia-Herzegovina

January – June (1H) 2021

	BiH Export (mil. EUR)		Change (pct)	BiH Import (mil. EUR)		Change (pct)
Period	I-VI 2020	I-VI 2021	I-VI 2021 / I-VI 2020	I-VI 2020	I-VI 2021	I-VI 2021 / I-VI 2020
	2.524	3.309	31,1	4.091	4.902	19,8

Source: Agency for statistics of Bosnia-Herzegovina

Foreign Exchange Reserves

	Foreign exchange reserves (EUR billion)			Change (pct)	
Month	VI-2020	V-2021	VI-2021	VI-2021/ V-2021	VI-2021/ VI -2020
	6,64	6,42	6,64	3,4	0,0
Source: Central Bank of BiH					

Banking sector

Total assets commercial banking sector

June 2021

	Total assets commercial banking sector in BiH (EUR billion)			Change (pct)	
Month	VI-2020	V-2021	VI-2021	VI-2021/ V-2021	VI-2021/VI-2020
	16,7	17,8	17,9	0,7	7,4
Source: Central Bank of BiH					

April – June (Q2) 2021

	Total assets commercial banking sector in BiH (EUR billion)			Change (pct)	
Period	Q2 2020	Q1 2021	Q2-2021	Q2-2021/ Q1-2021	Q2-2021/ Q2 -2020
	49,86	51,86	53,43	3,0	7,2
Source: Central Bank of BiH					

Inflation (CPI)

Inflation (CPI) in BiH in pct		
Month	VI-2021 / V-2021	VI-2021 / VI-2020
	0,1	1,7
Source: Agency for statistics of Bosnia-Herzegovina		

Industrial production

Industrial production			
FBiH (pct)		RS (pct)	
VI-2021/ V-2021	VI-2021 / VI-2020	VI-2021/ V-2021	VI-2021 / VI-2020
3,8	15,4	3,1	24,7
Source: Institute for Statistics of FBiH			
Source: Institute of Statistics - Republic of Srpska			

Employment and Unemployment

Month	Number of employed in B&H			Change (pct)	
	V-2020	IV-2021	V-2021	V-2021/IV-2021	V-2021 / V-2020
	808.868	813.454	815.590	0,3	0,8
Source: Labour and Employment Agency of Bosnia – Herzegovina					

Month	Number of unemployed persons in BiH			Change (pct)	
	VI-2020	V-2021	VI-2021	VI-2021/V-2021	VI-2021 / VI -2020
	421.300	395.999	393.781	-0,6	-6,5
Source: Labour and Employment Agency of Bosnia – Herzegovina					

Wages

Month	Average net wages in BiH (EUR)			Change (pct)	
	V-2020	IV-2021	V-2021	V-2021/IV-2021	V-2021 / V-2020
	479	502	500	-0,4	4,4
Source: Agency for statistics of Bosnia-Herzegovina					

Month	Average net wages in FBiH (EUR)			Change (pct)	
	V-2020	IV-2021	V-2021	V-2021/IV-2021	V-2021 / V-2020
	477	505	501	-0,8	5,0
Source: Institute for Statistics of FBiH					

Month	Average net wages in RS (EUR)			Change (pct)	
	VI-2020	V-2021	VI-2021	VI-2021/ V-2021	VI-2021 / VI -2020
	489	500	507	1,4	3,7
Source: Institute of Statistics - Republic of Srpska					

Pensions

	FBiH number of pensioners			Change (pct)	
Month	VII-2020	VI-2021	VII-2021	VII-2021 / VI-2021	VII-2021 / VII-2020
	427.240	425.256	425.962	0,0	0,0
Source: Federal pension and disability insurance institute					

	FBiH average pension (EUR)			Change (pct)	
Month	VII-2020	VI-2021	VII-2021	VII-2021 / VI-2021	VII-2021 / VII-2020
	213	219	219	0,0	2,8
Source: Federal pension and disability insurance institute					

	RS number of pensioners			Change (pct)	
Month	VI-2020	V-2021	VI-2021	VI-2021/V-2021	VI-2021 / VI -2020
	268.616	270.586	271.022	0,2	0,9
Source: Fund for pension and disability insurance RS					

	RS average pension (EUR)			Change (pct)	
Month	VI-2020	V-2021	VI-2021	VI-2021/V-2021	VI-2021 / VI -2020
	201	207	207	0	3,0
Source: Fund for pension and disability insurance RS					

About

The Bosnia and Herzegovina Analytical Report series is produced by BIRN Consultancy, part of BIRN Ltd. BIRN Consultancy is an independent analysis, advisory and corporate investigation consultancy with a regional focus on the Balkans. Our mission is to help our clients better understand both the opportunities and challenges facing them in the south-east Europe. Often, our clients already have a degree of familiarity with the region. They turn to us for more detailed analysis of developments and trends or to investigate a particular problem, because our unique mix of knowledge and expertise gives us a competitive edge over others.

Contact

Email:

consultancy@birn.eu.com

Website:

<http://consultancy.birn.eu.com/>

Address:

Kolarčeva 7, V floor
11000 Belgrade
Serbia