



City of Cazin

STEPS FOR BUSINESS ESTABLISHMENT IN BOSNIA AND HERZEGOVINA



1. STEP

Establishment Contract (by notary)

2. STEP

Payment of initial capital

3. STEP

Registration at the authorized court (municipality/district commercial court)

4. STEP

Making a company stamp

5. STEP

Opening a bank account in a commercial bank

6. STEP

Registration of the company and staff at the Tax Administration

7. STEP

The statement of the company founder about fulfillment of all requirements for starting activity (submit to the authorized inspection department)

Duration and costs of establishing a business

According to the Law, the court registration procedure of establishing a business takes 5 days.

Steps	Costs
1. ESTABLISHMENT CONTRACT /DECISION (has to be made/verification by notary)	BAM 300
2. PAYMENT OF BASIC CAPITAL AT A BANK (bank by choice of founder)	BAM 1000
3. REGISTRATION OF THE COMPANY AT THE COMPETENT COURT	BAM 320 (registration fee) +BAM 150,00 KM (PUBLISHING FEE OF AN ADVERTISEMENT IN THE Official Gazette of the Federation of Bosnia and Herzegovina)
4. MANUFACTURING THE STAMP	BAM 20-50
5. OPENING A BANK ACCOUNT	no charge
6. REGISTRATION AT THE TAX ADMINISTRATION	no charge
7. STARTING ACTIVITY THROUGH THE CITY NOTIFICATION	BAM 50 (administrative fee)
8. LAWYER COSTS	BAM 600

Table – costs per steps

TYPES OF COMPANIES

The Company Law of the Federation of BiH (Official Gazette of FBIH No. 81/15) and the Company Law of Republic of Srpska (Official Gazette of RS No. 127/08, 58/09,100/11 and 67/13) regulate the establishment, operation and termination of businesses in BiH.

Unlimited Joint Liability Company (d.n.o. / o.d) Founded by the establishment contract of two or more partners, domestic or foreign, natural persons only. Founders are liable to use all their assets, including personal property. There are no requirements for minimum or maximum contributions;

Limited Liability Company (d.o.o.) Founded by the establishment act or establishment contact by one or more domestic/foreign natural and/or legal entities with initial capital divided in a parts. A member in a limited company is liable for the value of his investment in that company. Minimum initial capital is 1,000 BAM (approx. 500 EUR);

Limited Partnership (k.d.)

Company founded by the establishment contract of two or more domestic/foreign natural and/or legal entities. There must be at least 1 partner with full liability (including private property) and at least 1 partner with limited liability, the liability being limited by the value of his share in that company. There are no requirements for minimum or maximum initial capital;

Joint-Stock Company (d.d./a.d.)

Legal entities founded by the establishment contract of one or more domestic/foreign natural or legal shareholders with initial capital divided into shares. 1. Open joint-stock company is a legal entity (banks and insurance companies or company with minimum initial capital of 4,000,000 BAM i.e. 2,000,000 EUR, and 40 shareholders at least) whose shares may be publicly listed. 2. Closed joint-stock company is a legal entity, whose shares are distributed among a limited number of shareholders. The minimum initial capital is 50,000 BAM (25,000 EUR).

REPRESENTATIVE OFFICES OF FOREIGN NATIONALS IN BOSNIA AND HERZEGOVINA

Foreign national can establish a Representative Office in Bosnia and Herzegovina for performing market research, informative and promotional activities and for its own representation. The Representative Office does not have the status of a legal entity, i.e. the Representative Office cannot conclude agreements in name of its founder except representative offices of foreign air transportation companies, which can sell transportation documents in accordance with bilateral agreements and international conventions signed by Bosnia and Herzegovina. The Representative Office becomes operational after entering into the Register of Foreign Representative Offices kept by the Ministry of Foreign Trade and Economic Relation of BIH



The BIH Ministry of Foreign Trade and Economic Relations must adjudicate on the application for entry into the Registry within 10 days from the day of its filing.



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