



Bosnia and Herzegovina

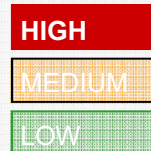


- Location: Southeastern Europe, bordering the Adriatic Sea and Croatia
- Area: total - 51,129 sq km; land - 51,129 sq km; water - 0 sq km
- Natural resources: coal, iron, ore, bauxite, copper, lead, zinc, chromite, cobalt, hydro-power
- Population: 4,498,976 (July 2006)
- Languages: Bosnian, Croatian, Serbian
- Legal system: Civil Law System
- Executive branch: Chief of state - Chairman of the Presidency Nebojsa Radmanovic; Head of government - Chairman of the Council of Ministers Nikola Siric (The Presidency rotates between a Serb, a Bosnian Muslim, and a Croat).
- Political parties: Major and influential parties include The Serb Democratic Party (SDS), the Party of Democratic Action (SDA), and the Croatian Democratic Union of Bosnia and Herzegovina (HDZ), and the Social Democratic Party (SPD)
- National elections: TBA

Executive Summary

- Well established connections exist between organized crime and indicted war criminals. War criminals, particularly, Ratko Mladic and Radovan Karadzic, appear to have links to financial institutions and other public institutions as well as political parties in the Republika Srpska.
- A weak oversight of privatization of state owned companies and lack of transparency in the procurement process and announcement of tenders have resulted in increased corruption. It frequently happens that tenders are adjusted or cancelled in the interest of particular bidders.
- Bosnia and Herzegovina remains vulnerable to ideological extremism and religiously motivated terrorism as was witnessed following Kosovo's declaration of independence in February 2008. In March 2008 police arrested five members of the Islamic Wahhabi movement who attempted to attack Roman Catholic churches in Bosnia, sabotage electricity supply stations and attack the European Forces (EUFOR) Liaison and Observation Team (LOT).

Corporate Risks: High



Actions

- CIN assist investors with screening of potential business partners and suppliers to avoid association with criminal organizations and war criminals.