



BOSNA I HERCEGOVINA

Ministarstvo vanjske trgovine i ekonomskih odnosa

Sektor za poljoprivredu, šumarstvo, prehranu i ruralni razvoj

БОСНА И ХЕРЦЕГОВИНА

Министарство спољне трговине и економских односа

Сектор за пољопривреду, шумарство, прехрану и рурални развој

Wine sector in BiH

Vanja Biletić



Introduction

- **Background / present situation**
- **National legislation feat. EU legislation**
- **Problems and planned activities**
- **Support measures**
- **Trade of wine**
- **Wine tourism...**



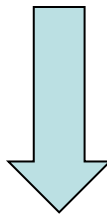
Ministry of Foreign Trade and Economic Relations

- Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina (BiH MoFTER)- Law on wine, brandy and other grape and wine ("Official Gazette of BiH", no. 25/08).
- Difficulties in implementation of the Law (lack of political will)



Consequences

- delay the process of adopting implementing legislation
- inability to act according to the requirements of grape and wine producers



- drafting a new law on wine BiH



Legislation in force:

- Law on wine, brandy and other grape and wine ("Official Gazette of BiH", no. 25/08).
- Law on wine and brandy (Official Gazette RS No. 71/09)

In adopting procedure:

- Draft Law on Wine of BiH
- Draft Law on Wine of Federation of BiH



EU Wine legislation

- Council Regulation **(EC) No 479/2008** of 29 April 2008 on the **common organisation of the market in wine**, amending Regulations (EC) No 1493/1999, (EC) No 1782/2003, (EC) No 1290/2005, (EC) No 3/2008 and repealing Regulations (EEC) No 2392/86 and (EC) No 1493/1999;
- Council Regulation **(EC) No 491/2009** of 25 May 2009 amending Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products **(Single CMO Regulation)**;



...etc.

- Commission Regulation **(EC) No 555/2008** of 27 June 2008 laying down detailed rules for implementing Council Regulation (EC) No 479/2008 on the common organisation of the market in wine as regards support programmes, trade with third countries, production potential and on controls in the wine sector



Prioritizing the development of secondary legislation with a focus on:

- the need to establish and maintain a unified and efficient system of production and traffic in the area of wine;
- the need to harmonize legislation with the EU wine sector.

Risks:

- adverse economic consequences for the wine sector, is no justification for uniform standards for quality control of wine
- keeping non-uniformity of wine market in BiH
- a significant imbalance in foreign trade of wine
- the lack of political will (the danger of repeating the scenario)



Report on the progress of BiH in the process of European integration in 2010

- Lack of comprehensive strategy for harmonization with the acquis in the field of agriculture and rural development
- There is no coordination between the state and entity levels, which hampers the implementation of harmonized legislation

EC recommendations...



Policy measures for support to the wine sector

•(indirect) Support to the wine sector is carried out through three groups of measures of agricultural policy:

- 1.payments for the production of planting material (grape grafts)
- 2.reimbursement of variable inputs (diesel fuel and fertilizer)
- 3.co-investment



Policy measures for support to the wine sector

Federation of BiH

- Support in viticulture extends through the two groups of measures:
 - support for the vine grafts :0.20 KM (2009) and 0.30 KM (in 2010.)
 - support of investment, and co-funding of investments in a fixed amount of 10 000 KM / ha (in 2009) and 8000-10000 (in 2010)



Policy measures for support to the wine sector

Republic of Srpska

- Support vineyards in the RS is provided through two types of measures:
 - support of the recourses of inputs (diesel fuel and fertilizer), where as in the case of all other vegetable production, grape producers generate support for these inputs to maintain the vineyard.
 - support of investment, and co-funding of investments amounting to 40% of the value of investments provided that the above defined upper limit of a maximum of 8 000 km / ha, respectively 100 000 KM per customer.



Wine production in Bosnia and Herzegovina (hl)

Year	B&H Statistics
2000	47,690
2001	52,843
2002	41,900
2003	51,251
2004	66,200
2005	49,840
2006	23,480
2007	42,370
2008	43,170



Foreign trade of wine

Overview of imports and exports of wine in 2009/2010

	2009		2010		Value ↑↓	Quantity ↑↓
	Value (KM)	Quantity (kg)	Value (KM)	Quantity (kg)		
Import	31.724.863,42	9.913.879,34	30.334.463,93	9.087.041,56	-4%	-8%
Export	5.229.508,17	2.525.660,65	5.669.319,22	2.952.679,54	8%	17%

	The coverage of imports by exports
2009	16,48%
2010	18,69%



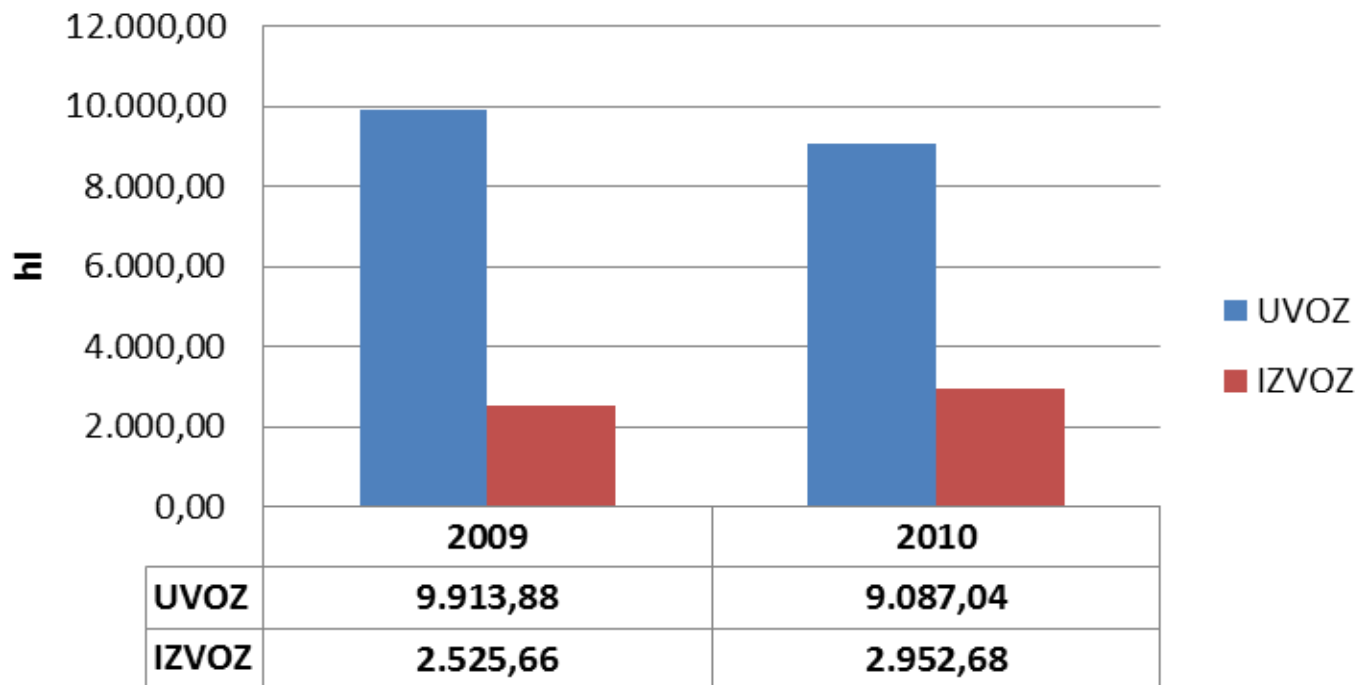
Foreign trade

- Total wine exports from BiH in 2010. was 2.953 hl, representing an increase of 17% compared to 2009. year, when it exported a second 526 hl. By observing the value of exported wine, in 2010. it was 5.7 million and increased by 8% compared to 2009. when the value of exports amounted to 5.2 million.
- Total imports of wine in BiH in 2010. was 9.087 hl, and decreased by 8% over the previous year, when imported 9.914 hl. The value of imported wines in 2010. was 30.3 million and decreased by 4% compared to the value of imported wines in 2009.



Foreign trade

BiH uvoz i izvoz vina





Foreign trade

- The coverage of imports by exports of wine in 2010. Mr. amounted to 18.7% and improved compared to 2009. One year, when it was 16.5%, however, is still in precarious level.



Foreign trade - structures

Structure of Vine Foreign Trade as per Countries (2008)

	Import	Share in total import	Export	Share in total export
Serbia	9,83	30,66%	1,94	32,34%
Montenegro	9,51	29,65%	0,25	4,10%
Croatia	7,63	23,79%	2,73	45,67%
Total	26,98	84,10%	4,91	82,11%
Other countries	5,10	15,90%	1,07	17,89%
Total	32,08	100%	5,99	100%

Source: Agency for Statistics of BiH



Wine tourism in BiH / Wine Route of Herzegovina

Herzegovina Wine Route brochure

<http://www.wineroute.ba>

Vinegrowing regions:

- Northern Bosnia and Southern Herzegovina
- Southern Herzegovina
- The region has very long wine production tradition, characterized with regionally recognized single variety Zilavka and Blatina wines.



Association of wine producers

- Producers are members of several associations in Herzegovina, including both entities (Republic of Srpska and Federation of BiH)
- Serious role in contacts with governmental institutions in the creation of modern laws, and creating a positive image of winemaking and viticulture in BiH



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Sector of Agriculture, Food, Forestry and Rural
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Thank You

