

Supports Bosnia & Herce., Croatia,
Czech Republic, Hungary, Serbia,
and Slovenia
Zlatarna Krizek Company

From: Zlatarna Krizek - Vlado [vlado@zlatarna-krizek.hr]
Sent: Wednesday, August 30, 2006 3:40 AM
To: FN-USTR-FR0052; FN-USTR-FR0052
Subject: GSP program

Dear Sir,

here are our meanings and opinions about GSP program

Best regards

Vlado Križek

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Dear Sir,

“Zlatarna Krizek” is an old family jewelry business founded 1935. We are producers, whole and retail trade. “ZK” display their products on the most significant fairs of this type like Zagreb, Celje, Prague, Novi Sad, Budapest, Belgrade and so on.

We also export our products to USA, Netherland, Bosnia and Hercegovina, Germany, Austria, Australia. Export is a very important part of our business and we take a very much care on it. USA market is very interesting for us and we are expecting a lot of success on it.

In these sense, GPS program means for our plans on USA market.

Best regards

Krizek Vlado



BOSNIA AND HERZEGOVINA
Ministry of Foreign Trade and Economic Relations
Sarajevo

Br: 03- 50- 9438/06
Sarajevo, September 4, 2006.god.

EMBASSY OF THE UNITED STATE OF AMERICA
Sarajevo

U.S. TRADE REPRESENTATIVE

Re: Preferential system of goods for developing countries

Esteemed,

First of all we are expressing our full respect and thanks for the cooperation developed up to now and the assistance of the USA Government representatives, as well as for the opportunity of taking part in public debate on abolishing or extending the preferential system of goods for developing countries where Bosnia and Herzegovina was also included. We take the opportunity and inform you that the BiH economy is exceptionally interested in continuing with application of the preferential treatment for the goods originating from BiH, since the application of such system largely contributes to the development of foreign trade exchange between USA and this country.

Analyzing the foreign trade exchange of Bosnia and Herzegovina with USA it can be noticed that year after year, the exchange scope is increasing and that in 2005 and in the first seven months of 2006, it is increased several times, especially in export from Bosnia and Herzegovina, so that even the surplus was recorded. One of the reasons is also the possibility of using benefits of the preferential treatment applied by USA to the goods of the BiH origin.

The following table shows survey of the foreign trade exchange between Bosnia and Herzegovina and USA:

	2001.	2002.	2003.	2004.	2005.	I-VII 2006.
EXPORT (KM)	21.812.309	26.333.936	17.191.161	26.684.924	129.936.817	136.041.807
IMPORT (KM)	169.179.230	181.117.657	95.647.008	106.367.839	111.156.596	57.718.405
SCOPE	190.991.539	207.451.593	112.838.169	133.052.763	241.093.413	193.760.212
COVERAGE (%)	13	15	18	25	117	236
RANK IN THE TOTAL EXCHANGE SCOPE	9	9	15	13	12	10

As an example of exceptional growth of export we would mention here the textile products and footwear, where for particular types the growth is more hundred percent. The same is with export of flour and bakery products, and fruit juices.

In addition, some BiH companies partially planned their export development to the American market just based on the possibility of using the preferential treatment of BiH goods. Here we think of milk products, more precisely of various types of cheese the negotiations for sale of which are just in process.

You are also familiar with the fact that Bosnia and Herzegovina, as different from some other countries using at the moment preferential system, is ranked, based on numerous criteria, among the developing countries.

Economy destroyed by the recent war is recording the signs of its recovery and increase of industrial production, and the reforms which are being implemented during the several last years offer the reasons for increasing the export scope. Coverage of import by export for the first six months in 2006 reached 50%, what is compared with the preceding years when it was 30%, a good indication of the above stated trends.

Our opinion is that abolishing of the preferential treatment of the BiH goods by USA could disturb positive development of the foreign trade exchange between the two countries, and we sincerely hope that this will not happen.

Respectfully,

MINISTER

Dragan Doko

Forwarded to: the title
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