

**PRNJAVOR MUNICIPALITY  
OVERVIEW OF SITUATION IN PRIORITY SECTORS 2018**

**WOOD PROCESSING SECTOR PROFILE**

- 14 of 236 SMEs did business in the wood processing sector in 2017 (5.9%). In the database of APIF, there are several new micro enterprises registered, with a small number of employees, but these SMEs make profit and their development in the years to come should be followed.
- Approximately 11% of all the employees in economic operators in the territory of the municipality works in the wood processing sector.
- In most of analysed parameters in the wood processing sector, there may be noted growth and positive trends in the period 2015-2017
- Export in this sector considerably grows from year to year – in 2017 share of export in the total income has doubled.
- Two biggest SMEs (one big enterprise and one medium-size enterprise) in the wood processing sector generate biggest income and profit and employ 93% of the total number of employees in this sector.
- Average net personal income in the wood processing sector amounts to BAM 734 and is higher than average income in the Prnjavor Municipality by 6.7% (which in 2017 amounts to BAM 688).

<b>WOOD PROCESSING SECTOR PROFILE (2017)</b>	
<b>Number of economic operators</b>	14
<b>Key economic operators</b>	Export City d.o.o, A.D. Standard d.o.o.
<b>Prevailing code of activity</b>	16 10 - Sawmilling and planing of wood (manufacture of sawn timber), impregnation of wood 16 23 Manufacture of other builders' carpentry and joinery 16 24 Manufacture of wooden containers 16 29 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials 31 01 Manufacture of office and shop furniture 3109 Manufacture of other furniture
<b>Number of employees in the sector</b>	672
<b>Key employers</b>	Export City d.o.o (378), A.D. Standard d.o.o. (274)
<b>Total income (BAM)</b>	57,542,912.00
<b>Total income per employee</b>	BAM 85,629
<b>Share of income in the wood processing sector in the total income of SMEs in the municipality</b>	<b>8.34%</b>
<b>Profit in the wood processing sector</b>	4,429,725.00
<b>Share of profit in the wood processing sector in the total profit of SMEs</b>	<b>19.60%</b>

<b>Profit per employee</b>	<b>BAM 11,001</b>
<b>Export in the wood processing sector</b>	<b>BAM 52,426,603.00</b>
<b>Share of export in the total income in the wood processing sector</b>	<b>91.11%</b>
<b>Share of export in wood processing in the total export of SMEs</b>	<b>26.69%</b>
<b>Biggest exporters</b>	Export City d.o.o, A.D. Standard d.o.o.
<b>Number of employees in the sector in comparison to the total number of employees in SMEs in the Prnjavor Municipality</b>	<b>17.84%</b>
<b>Average gross salary</b>	<b>BAM 1,096 (EUR 560)</b>
<b>Average net salary</b>	<b>BAM 734 (EUR 375)</b>
<b>Key products and services</b>	Timber, furniture, other wood products.

#### Comparative overview in the wood processing sector in 2016 and 2017

<b>WOOD PROCESSING</b>		
	<b>2016</b>	<b>2017</b>
<b>Number of economic operators</b>	6	<b>14</b>
<b>Number of employees</b>	576	<b>672</b>
<b>Total income (in million BAM)</b>	50.8	<b>57.5</b>
<b>Total income per employee (BAM)</b>	88,323	85,629
<b>Share of income in the wood processing sector in the total income of SMEs</b>	7.75%	<b>8.34%</b>
<b>Profit (BAM)</b>	4,429,725.00	<b>7,393,464.00</b>
<b>Share of profit in the wood processing sector in the total profit of SMEs</b>	12.72%	19.60%
<b>Profit per employee (KM)</b>	7,690	<b>11,002</b>
<b>Export in the wood processing sector</b>	48,103,735	<b>52,426,603</b>
<b>Share of export in the total income in the wood processing sector</b>	94.65	91.11
<b>Share of export in the wood processing in the total export of SMEs</b>	27.07%	<b>26.69%</b>
<b>Number of employees in the sector in comparison to the total number of employees in SMEs</b>	14.99%	17.84%
<b>Average gross salary</b>	BAM 709 (EUR 363)	BAM 1,096 (EUR 560)
<b>Average net salary</b>	BAM 475 (EUR 243)	BAM 734 (EUR 375)

- Although in 2016 the wood processing sector profile was elaborated using the sample of six companies, and in 2017 the sample of 14 companies submitting their financial statements to APIF, data in the past two years are relevant and comparable, given that two biggest companies (Export City d.o.o and A.D. Standard) have over 90% of all economic activities in this sector.

- In comparison to the previous year, there have been added three new codes of activity which also pertain to wood processing.
- Number of employees in 2017 in wood processing industry increased by 96 or 16.6% in comparison to 2016.
- Generated total income decreased by BAM 2.96 million (approximately 3%) in comparison to 2016.
- In the wood processing sector there may be noted the trend of growth and development in most of analysed parameters, with the exception that income per employee is insignificantly lower in comparison to 2016, because the employment rate in this sector is significantly higher (16.6%), and income is higher by 13.1% than in 2016. On the other hand, profit per employee considerably increased, because profit is 66.9% higher than in 2016.
- Total income per employee in 2017 decreased in comparison to the previous year by 3%, because the number of employees grows faster than income.
- Share of income in the wood processing sector in the total income of SMEs in the Prnjavor Municipality in 2017 amounts to approximately 8% (8.34% in 2017, and 7.75% in 2016).
- The wood processing sector shows trend of extremely positive business: in 2017 profit of 66.9% more than in 2016 was generated.
- Share of profit of sector in the total profit of SMEs in 2017 amounts to 19.6% (by 7.1% more than in 2016).
- 94% of the total profit in the sector is generated by two leading companies.
- Two of 14 companies ended the year 2017 with minor loss, which is not statistically significant for the total generated profit in the sector.
- Profit per employee in 2017 amounts to BAM 11,002, which represents an increase by 43% in comparison to 2016.
- Export in this sector increased by approximately BAM 4.3 million, or approximately 9% in comparison to 2016.
- According to data for 2017, 91.11% of income in wood processing industry is generated from export (3.54% less than in 2016), while key exporters are the two biggest companies.
- The wood processing sector has approximately 27% share in the total export of the Prnjavor Municipality (27.07% in 2017, and 26.69% in 2016).
- In 2017, the wood processing sector employed 17.84% of all the employees in the territory of Prnjavor (2.85% more in comparison to 2016).
- Average gross salary and net salary in the sector in 2017 increased by more than one-half in comparison to 2016. Gross salary increased by BAM 387 (54.5%). Net salary is BAM 249 higher in comparison to the previous year. In 2016 there were noted big differences in salaries between the leading, big companies and other micro enterprises (from BAM 1,239 in Ribot d.o.o., to extremely low salary in Standard company (BAM 389). In 2017, there decreased the difference in salaries between micro enterprises and two biggest companies, which also affected drastic increase of average salary in the wood processing sector in 2017.