
FOREIGN TRADE EXCHANGE OF AGRICULTURAL AND FOOD PRODUCTS OF SERBIA AND BOSNIA AND HERZEGOVINA

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Abstract: *The aim of the paper is to analyze the trends and structure of foreign trade in agricultural and food products between the Republic of Serbia and Bosnia and Herzegovina, classified according to the Standard International Trade Classification (SITC). The analysis covers section 0 - Food and live animals, section 1 - Beverages and tobacco, parts of section 2 - Crude materials, and section 4 - Animal and vegetable oils, fats and waxes. The research is based on available data for the period 2019-2023. The share of individual products in total exports and imports was examined using frequency analysis and variation intervals. In the exchange of agricultural and food products with Bosnia and Herzegovina, the Republic of Serbia achieved an average surplus of 442.4 million USD during the analyzed period. By commodity division, the largest surplus was seen in the exchange of cereals and cereal preparations, averaging 116.5 million USD, while the largest trade deficit was observed in the exchange of fish and processed products, averaging 5.2 million USD. The authors concluded that good export results were achieved during the observed period, with a growth rate of 6.20%.*

Keywords: *agricultural and food products, import, export, Serbia, Bosnia and Herzegovina.*

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INTRODUCTION

Foreign trade exchange represents one of the key aspects of economic relations between countries, enabling the flow of goods, services, capital and technology across national borders. In the context of agricultural and food products, foreign trade plays a vital role, as it allows countries to meet the needs of their citizens, improve product quality and diversify food sources. In that sense, the agricultural and food sector stands as a cornerstone of economic activity, significantly contributing to gross domestic product (GDP) formation and driving trade exchanges within this state and region (Mrdalj et al., 2024). At the same time, it serves as a vital source of income and employment for farmers, workers, and traders across agriculture and the food industry (Zimmermann, Rapsomanikis, 2023).

This sector in the Republic of Serbia is of great importance because it satisfies domestic needs and represents a significant source of income through exports. Serbia's largest food exports are to European Union countries, with a 53.9% share, followed by CEFTA (Central European Free Trade Agreement) countries, with a 28.6% share. Within the CEFTA group, Serbia is the largest exporter and importer by value (Filipović, Ignjatović, 2023), and the most important partner country in food trade from Serbia within CEFTA is Bosnia and Herzegovina, which holds 44.9% of this group (Veljković et al., 2023).

Since Bosnia and Herzegovina is a signatory to the CEFTA agreement, it implies that no new burdens on the import or export of agricultural products will be introduced, including quantitative restrictions. The potential for dynamizing the sector exists but is insufficiently used, so the export income is relatively modest.

The Republic of Serbia and Bosnia and Herzegovina, countries with significant agricultural potential and a rich agricultural tradition, have a long history of mutual trade. These countries' agricultural and food sectors significantly differ if self-sufficiency or foreign trade balance is considered.

The characteristics of agricultural and food products, especially when it comes to fresh, i.e. unprocessed products, require special distribution conditions in the optimal time frame, which affects the final price per product unit on the target market.

From the point of view of logistics, for exporting agricultural and food products from the Republic of Serbia, Bosnia and Herzegovina represents an essential export destination, primarily due to the proximity of the market, which enables lower transport costs, i.e. greater competitiveness.

In that order, the paper aims to identify pivotal products involved in bilateral trade, analyze existing challenges, and assess the economic repercussions of this exchange for both countries. The ultimate objective of conducting a comparative analysis is to enhance mutual understanding and strengthen trade relations between the Republic of Serbia and Bosnia and Herzegovina. Our focus will be on uncovering prospects for future collaboration and improving trade relations, all while considering global trends and regional integration. This comprehensive analysis promises valuable insights for policymakers and business leaders alike, aiming to foster stronger economic ties and promote sustainable growth within the agriculture and food industry.

DATA RESOURCES AND WORKING METHOD

The goal of the research is to review the trends and structure of the foreign trade exchange of agricultural and food products of Serbia and Bosnia and Herzegovina in the period 2019-2023. The research is based on the available data, with the applied "desk research" method.

The analysis includes the products that belong to the sections 0- food and live animals and 1- beverages and tobacco, part of the section 2- crude materials and section 4 - animal and vegetable oils, fats and waxes, which are determined by the Standard International Trade Classification.

The data source is the Foreign Trade Database of the Statistical Office of the Republic of Serbia, for the respective years. Standard statistical-mathematical methods were applied, and the most significant phenomena were presented in tables.

RESEARCHING RESULTS

The export of agricultural and food products from the Republic of Serbia to Bosnia and Herzegovina in the analyzed period averaged 543.9 million USD (table 1).

In this five-year period, exports tended to grow. The highest export value was achieved in the last year of the research (2023) when it was 647.7 million USD, while in previous years, it varied in the interval from 473.2 to 595.3 million USD. The value of CAGR (Compound Annual Growth Rate), which amounts to 0.06197, confirmed the claim that there was an increase in exports in the observed period. So, it can be concluded that exports grew by 6.2% on average over the years.

The above corresponds with the previous research by Kuzman (2014), who cites as very indicative of the constant growth of exports to Bosnia and Herzegovina, which in the period 2000-2009 is progressively increasing and has an upward trend line. The same author concludes that, due to the positive development of bilateral relations between the Republic of Serbia and Bosnia and Herzegovina, it is to be expected that in the future there will be an increase in foreign trade exchange between these two countries.

Veličković (2017) states that Bosnia and Herzegovina, in the period he researched (2010-2015), in relation to other CEFTA members, is the country to which the highest value of agricultural and food products was exported from the Republic of Serbia.

And Đurić et al. (2017) point out that from the Republic of Serbia, in terms of CEFTA region countries, the largest part of agro-industrial products is exported to Bosnia and Herzegovina.

Based on the analysis, it can be confirmed that even in the last five years (2019-2023), the position of Bosnia and Herzegovina remained unchanged, i.e. it participates with 45.0% in the total export of agricultural and food products from the Republic of Serbia to the CEFTA countries

The export of agricultural and food products from the Republic of Serbia to the market of Bosnia and Herzegovina consisted of products included in the mentioned commodity sections, which participated differently in the total export. The highest value was achieved in the export of products within section 0 - food and live animals, which averaged 367.8 million USD, which accounted for 67.6% of the total export of agricultural and food products to the market of Bosnia and Herzegovina. In an earlier study, Cvijanović et al. (2009) state that in the period 2004-2007, the value of the export of products belonging to section 0 - food and live

animals from the Republic of Serbia to Bosnia and Herzegovina was at an average level of 175.5 million USD, based on which it can be concluded that there was a significant increase in the export of products belonging to this commodity section.

In the period of analysis, the products of other sections had a significantly smaller share in total exports. Products of section 1 - beverages and tobacco participated in the total export with 18.6%, which averaged 101.2 million USD. The share of section 2 - raw materials and section 4 - animal and vegetable oils and fats amounted to 7.4% and 6.4%, respectively, which in the analyzed period averaged 40.3 million and 34.6 million USD, respectively (table 1).

In the total export of the section 0- food and live animals from the Republic of Serbia to Bosnia and Herzegovina, observed by section, the dominant share, of 35.6%, was the products within the division 04- cereals and cereal preparations, and the value of exports averaged 130.9 million USD. Within this division, the highest export value in 2023 was recorded by the following products: cereal preparations, flour and starch (\$63.7 million), corn in grain (\$49.1 million), wheat in grain (21, \$1 million), wheat flour and semolina (\$20.3 million).

It is noticeable that the highest value in the exports of division 04 are products that are raw materials for further processing, which indicates an unfavorable export structure and implies that it is necessary to focus on increasing the share of final agricultural and food products, i.e. products with added value.

Table 1. *Export of agricultural and food products from the Republic of Serbia to Bosnia and Herzegovina, per sections and divisions (2019-2023), 000\$*

Product list	Average value (000 \$)	Structure Total=100 %	Variation interval	
			min	max
Live animals	15.882	4,3	12.013	21.378
Meat and meat preparations	29.344	8,0	25.643	33.311
Dairy products and birds' eggs	20.005	5,4	17.350	24.234
Fish, crustaceans, mollusks and preparations thereof	2.700	0,7	2.148	3.243
Cereals and cereal preparations	130.860	35,6	104.491	165.591
Vegetables and fruit	36.318	9,9	30.236	45.558
Sugar, sugar prep. and honey	13.344	3,6	9.816	21.712
Coffee, tea, cocoa, spices, and manufactures thereof	31.649	8,6	29.139	37.144
Feeding stuff for animals	40.333	11,0	37.037	43.853
Miscellaneous edible prod. and preparations	47.374	12,9	32.991	63.492
Food and live animals	367.810	100,0	317.966	429.040
Beverages	80.752	79,8	59.054	121.964
Tobacco and tobacco manufactures	20.473	20,2	16.301	27.912
Beverages and tobacco	101.225	100,0	75.356	149.876
Hides, skins and fur skins, raw	1.309	3,2	517	2.716
Oil-seeds and oleaginous fruits	35.055	87,0	27.651	42.996
Crude animal and vegetable materials	3.948	9,8	3.029	4.773
Crude materials	40.312	100,0	33.396	47.812
Animal oils and fats	168	0,5	107	263
Fixed vegetable fats and oils, crude, refined...	33.541	97,0	20.793	47.763
Animal or vegetable fats and oils, processed	864	2,5	416	1.142
Animal and vegetable oils, fats and waxes	34.574	100,0	22.043	48.774
Total	543.921		473.156	647.777

Source: Account based on Foreign Trade Statistics, Statistical Office of the Republic of Serbia

According to earlier research by Nikolić (2011), in 2009, as in previous years, the Republic of Serbia had a high share of goods in exports that, among others, belonged to section 0 - food and live animals, and mostly these were products that represent raw materials for further processing. Radisavljević et al. (2017) and Ignjatović et al. (2020) point out that the structure of exports is not well designed and that products of lower stages of processing dominate.

It is important to state that compared to 2020, when the lowest export value of section Cereals and cereal preparations was achieved (104.5 million USD), in the last year of the research (2023), there was an increase in exports by 51.9% when exports were at the level of 158.7 million USD.

This is followed by the export of products within the division09 - Miscellaneous edible products and preparations, with a share of 12.9%, which amounted to an average of 47.4 million USD, and the most important products of this section were sauces and preparations for them, the export of which was in the last year of the research amounted to 11.9 million USD.

A significant share was also recorded by products within division08 - animal feed (except grain), whose value amounted to an average of 40.3 million USD, i.e. 11.0% of the total export of the commodity section 0 - food and live animals to the market of Bosnia and Herzegovina. The highest value in the export of products within this section in 2023 was achieved by industrial products for animal nutrition (\$35.6 million), while other products of this section (sugar beet noodles, soybean and sunflower oil cakes, bran from wheat and corn) achieved significantly lower values.

According to the value of exports, the products of section 05 - vegetables and fruits and 07 - coffee, tea, cocoa, spices and their products, followed which participated with 9.9 and 8.6% respectively in the total export value of section 0 - food and live animals, which in the analyzed period averaged 36.3 and 31.6 million USD, respectively, while the products of division 01 - meat and meat preparations participated in the export of the section with 8.0%, which amounted to an average of 29.3 million USD. Of the mentioned commodity sections, the following products recorded the highest export value in 2023: chocolate and other products with cocoa (\$20.7 million), coffee extracts, essences and concentrates

(\$12.0 million), meat sausages (\$7.1 million), apples, fresh (\$2.3 million), carrots and similar vegetables, fresh (\$1.8 million), peppers, fresh (\$1.7 million), peaches, fresh (\$1.7 million), plums, fresh (\$1.5 million).

In the total export of section 1 - beverages and tobacco from the Republic of Serbia to Bosnia and Herzegovina, which averaged 101.2 million USD, the products of division 11 - beverages had a dominant share of 79.8%, and the value exports averaged 80.7 million USD. The remaining export of this section, with a share of 20.2%, belongs to division 12 - tobacco and tobacco manufactures, whose products achieved an average value of USD 20.5 million in the analyzed period. The highest value in the export of products within division 11 - beverages and tobacco in 2023 was achieved by the following products: beer (\$56.2 million), water with added sugar (\$17.0 million), mineral and carbonated water, without sugar (\$8.4 million), grape wine (\$5.0 million), cigarettes containing tobacco (\$27.8 million).

Analyzing the export of agro-industrial products from the Republic of Serbia to Bosnia and Herzegovina in the period 2004-2008, Vlahović et al. (2009) state that alcoholic beverages, grain products and livestock for slaughter are the most important export products.

The export of agricultural and food products belonging to commodity section 2 - crude materials in the analyzed period averaged 40.3 million USD. The largest share in this section (80.7%) was achieved by products belonging to division 22 - Oil-seeds and oleaginous fruits, and the average export value was 35.0 million USD. Within the mentioned commodity section, the highest export value in 2023 was achieved by sunflower seeds (\$29.5 million), followed by rapeseed (\$3.9 million). Other divisions of this section, 21- Hides, skins and fur skins, raw and 29- Crude animal and vegetable materials, achieved significantly lower values in exports.

Agricultural and food products belonging to commodity section 4 - Animal and vegetable oils, fats and waxes achieved an average export value of 34.6 million USD. The products of section 42 - Fixed vegetable fats and oils, crude, refined (97.0%) had the largest share in the export of this section, and the average export value was at the level of 33.5 million USD. The products that achieved the highest values in the

export of this section in 2023 are sunflower oil, refined (\$15.6 million), sunflower oil, raw (\$8.2 million) and rapeseed or canola oil, raw (\$3.0 million).

It is important to state that the highest export value of the products of this section was achieved in 2019, when it amounted to 48.8 million USD, that in the years that followed there would be pronounced instability of the export value, which varied in the interval from 22.0 to 38.2 million USD.

The average import of agricultural and food products from Bosnia and Herzegovina to the Republic of Serbia was 101.5 million USD (table 2). Imports varied significantly during the analyzed five-year period, and the highest value was achieved in 2021 when it amounted to 116.8 million USD.

The products of the commodity section 0 - food and live animals - dominated imports. The value of the import of these products amounted to an average of 87.3 million USD, which accounted for 86.0% of the total value of the import of agricultural and food products from Bosnia and Herzegovina. In an earlier study, Cvijanović et al. (2009) state that in the period 2004-2007. year, the value of imports of products belonging to section 0 - food and live animals from Bosnia and Herzegovina to the Republic of Serbia was at an average level of 24.8 million USD, which represents a significantly lower value compared to the imports that were realized in the period of the present analysis.

Observed by product sections, the largest share, of 21.7%, was held by products within section 02 - Dairy products and bird eggs, and the value of imports amounted to an average of 19.0 million USD (table 2). The import of products of this section in the analyzed period varies significantly, and the highest value was achieved in 2019 when it amounted to 24.2 million USD. The highest value in the import of this section in 2023 was achieved by milk and sour cream from 1% to 6% fat. (\$9.5 million) and poultry eggs, in the shell (\$3.9 million), while other products of this section achieved significantly lower values.

Table 2. *Import of agricultural and food products from Bosnia and Herzegovina to the Republic of Serbia, per sections and divisions (2019-2023), 000\$*

Product list	Average value (000 \$)	Structure Total=10 0%	Variation interval	
			min	max
Live animals	319	0,4	78	619
Meat and meat preparations	13.696	15,7	11.514	15.449
Dairy products and birds' eggs	18.980	21,7	15.264	24.184
Fish, crustaceans, mollusks and preparations thereof	7.922	9,1	5.022	9.741
Cereals and cereal preparations	14.375	16,5	9.079	22.157
Vegetables and fruit	17.557	20,1	8.471	29.103
Sugar, sugar prep. and honey	873	1,0	116	2.978
Coffee, tea, cocoa, spices, and manufactures thereof	5.047	5,8	4.395	5.882
Feeding stuff for animals	6.090	7,0	3.689	9.790
Miscellaneous edible prod. and preparations	2.432	2,8	1.820	3.125
Food and live animals	87.291	100,0	76.211	100.704
Beverages	7.741	96,3	4.654	11.529
Tobacco and tobacco manufactures	300	3,7	34	544
Beverages and tobacco	8.041	100,0	5.198	11.563
Hides, skins and fur skins, raw	765	21,9	699	862
Oil-seeds and oleaginous fruits	1.476	42,2	643	3.740
Crude animal and vegetable materials	1.257	35,9	812	1.872
Crude materials	3.498	100,0	2.277	5.618
Animal oils and fats	280	10,6	1	424
Fixed vegetable fats and oils,crude,refined...	2.341	88,5	24	6.571
Animal or vegetable fats and oils,processed	24	0,9	20	36
Animal and vegetable oils,fats and waxes	2.646	100,0	50	7.031
Total	101.476		83.736	116.814

Source: Account based on Foreign Trade Statistics, Statistical Office of the Republic of Serbia

According to the import value, the following are products within section 05- Vegetables and fruit, the value of which amounted to an average of 17.6 million USD, i.e. 20.1% of the total import of commodity section 0- food and live animals from Bosnia and Herzegovina. Imports varied significantly, the highest value of imports was achieved in 2021 (\$29.1), while the lowest value was achieved in the last year of the survey when it amounted to 8.5 million USD. The products that achieved the highest values in the import of this section from Bosnia and Herzegovina in 2023 are raspberries, frozen (\$4.8 million) and blackberries, frozen (\$1.2 million).

In addition to the above, a significant share in imports was recorded by the products of division 04- cereals and cereal preparations, with a share of 16.5%, i.e. an average of 14.4 million USD, and division 01- meat and meat preparations, with a share of 15.7%, which averaged USD 13.7 million. Of the mentioned product sections, the following products recorded the highest value in imports from Bosnia and Herzegovina in 2023: sweet biscuits, waffles and wafers (\$11.4 million), mixes and dough for bakery products (\$6.5 million), poultry meat and offal, canned (\$6.7 million), Poultry cut into pieces and offal, frozen (\$2.5 million), pork ham and ham steaks, canned (\$2.2 million).

The import of products of section 1- beverages and tobacco from Bosnia and Herzegovina to the Republic of Serbia amounted to an average of 8.0 million USD. The dominant participation, of 96.3%, was held by products within section 11- beverages, and the value of imports was at an average level of 7.7 million USD. The rest of the import value of this section belonged to the products of division 12- tobacco and tobacco manufactures, which had a share of 3.7%, and the value of imports was, on average, 300 thousand USD.

Within division 11- beverages and tobacco in 2023, the following products achieved the highest value of imports: beer (\$3.9 million), water with added sugar (\$1.4 million), liqueurs, including "cordials" (\$382 thousand), alcoholic beverages obtained by distilling wine (\$248 thousand), grape wine (\$530 thousand), cigarettes containing tobacco (\$31 thousand).

The import of agricultural and food products belonging to commodity section 2- crude materials from Bosnia and Herzegovina amounted to USD 3.5 million on average. The largest participation in this section, which amounted to 42.2%, was achieved by products belonging to division 22- oil-seeds and oleaginous fruits, and the value of imports was at an average level of 1.5 million USD. They are followed by commodity

division 29- Crude animal and vegetable materials and 21- Hides, skins and furskins, raw, which participated with 35.9 and 21.9%, respectively, in the total import value of section 2- raw materials, which in the analyzed period is the average amounted to 1.3 million USD, i.e. 765 thousand USD. Within the mentioned section, in 2023, the highest import value was achieved by sunflower seeds for sowing (\$674 thousand) and vegetable seeds for sowing (\$645 thousand)

In the import of agricultural and food products from Bosnia and Herzegovina belonging to commodity section 4- animal and vegetable oils and fats, an average value of 2.6 million USD was achieved. The products of division 42- solid vegetable fats and oils, raw and refined (88.5%) had the largest share in the export of the section, and the average export value was at the level of 2.3 million USD. The products belonging to this section in the analyzed period recorded an intensive increase in the value of imports. In the first year of the research, imports amounted to 24 thousand USD, and in the last year of the analyzed period, imports were at the level of 6.6 million USD. The products that in 2023 achieved the highest values in the export of this section are sunflower oil, refined (\$5.5 million) and canola or canola oil, refined (\$1.1 million).

Vico et al. (2010) state that although there are significant agricultural resources in Bosnia and Herzegovina, this country is a large importer of food and that as a net importer of agricultural and food products in these sections, it has a constant foreign trade deficit.

In an earlier study analyzing the foreign trade exchange of Bosnia and Herzegovina in the period 2008-2014, Kulelija et al. (2016) state that during the analyzed period, the agro-industrial sector recorded high participation in the total imports of Bosnia and Herzegovina and additionally recorded a growth of 6.7%, as well as that the negative foreign trade balance is continuously present.

The small volume of export of agricultural products, i.e. import dependence, of Bosnia and Herzegovina points to problems related to the fact that large areas of agricultural land have not been cultivated for many years, as well as the present small number of domestic animals cannot meet even the minimum needs of processing capacity and domestic consumption (Radosavac et al., 2015). Due to insufficient utilization of domestic capacities in this country, as stated by the same

authors, there is significant import of a large number of agro-industrial products.

In this regard, Milovanović et al. (2018) state that the main difficulties that characterize the agriculture of Bosnia and Herzegovina are the small number of farmers, the small number of young farmers, elderly households, the reduction of arable land, the lack of agricultural mechanization, high prices of raw materials and difficult transportation of products to the market due to bad roads. The same authors point out that these factors affect the increase in production costs and decrease in productivity and competitiveness.

Marjanović et al. (2021) point out in their research that the structure of exported goods from Bosnia and Herzegovina is unfavorable, with the largest share of goods of low added value, and that the country's trade performance still lags behind other countries in the region due to burdensome administrative trade procedures and limited capacity for export promotion.

The Republic of Serbia and Bosnia and Herzegovina achieved a positive foreign trade balance of agricultural and food products in all years of the analyzed period. The average annual surplus in the exchange of the mentioned products amounted to 442.4 million USD (table 3).

The largest surplus was realized in the last year of the research, i.e. 2023, when it amounted to 541.4 million USD, while the smallest surplus in the value of 378.8 million USD was realized in 2020. In an earlier study, Vlahović et al. (2009b) state that in the period 2004-2008 achieved a positive balance of exchange of agro-industrial products with Bosnia and Herzegovina and that in that period, it amounted to an average of 158.4 million dollars per year.

A positive trade balance with Bosnia and Herzegovina was achieved in the case of all commodity sections included in the analysis. The largest surplus was realized in the exchange of products belonging to section 0- food and live animals, which averaged 280.5 million USD. It is followed by section 1- beverages and tobacco, with an average surplus value of USD 93.2 million and part of section 2- crude materials, with an average surplus of USD 36.8 million, while the smallest surplus was achieved in the exchange of products belonging to section 4- Animal and vegetable oils, fats and waxes, which averaged 31.9 million USD.

Table 3. *Balance of foreign trade exchange of agricultural and food products of the Republic of Serbia and Bosnia and Herzegovina, per sections and divisions (2019-2023), 000 USD*

Product list	Export (000 \$)	Import (000 \$)	Balance (000 \$)
Live animals	15.882	319	15.563
Meat and meat preparations	29.344	13.696	15.648
Dairy products and birds' eggs	20.005	18.980	1.025
Fish, crustaceans, mollusks and preparations thereof	2.700	7.922	-5.222
Cereals and cereal preparations	130.860	14.375	116.485
Vegetables and fruit	36.318	17.557	18.761
Sugar, sugar prep. and honey	13.344	873	12.471
Coffee, tea, cocoa, spices, and manufactures thereof	31.649	5.047	26.602
Feeding stuff for animals	40.333	6.090	34.243
Miscellaneous edible prod. and preparations	47.374	2.432	44.942
Food and live animals	367.810	87.291	280.519
Beverages	80.752	7.741	73.011
Tobacco and tobacco manufactures	20.473	300	20.173
Beverages and tobacco	101.225	8.041	93.184
Hides, skins and fur skins, raw	1.309	765	544
Oil-seeds and oleaginous fruits	35.055	1.476	33.579
Crude animal and vegetable materials	3.948	1.257	2.691
Crude materials	40.312	3.498	36.814
Animal oils and fats	168	280	-112
Fixed vegetable fats and oils, crude, refined...	33.541	2.341	31.200
Animal or vegetable fats and oils, processed	864	24	840
Animal and vegetable oils, fats and waxes	34.574	2.646	31.928
Total	543.921	101.476	442.445

Source: Account based on Foreign Trade Statistics, Statistical Office of the Republic of Serbia

If the foreign trade exchange of agricultural and food products is observed from the point of view of the sections, it can be seen that the Republic of Serbia achieved a positive balance in the exchange of all product sections, with the exception of section 03- fish, crustaceans, molluscs and preparations thereof, in which case achieved a deficit of 5.2 million USD and products of section 41- Animal oils and fats where the value of the deficit amounted to 112 thousand USD on average.

The largest surplus was achieved in the exchange of products within the division04- cereals and cereal preparations, which averaged 116.5 million USD, followed by the products of division11- beverages, with 73.0 million USD, division09- miscellaneous edible products and preparations, with 44.9 million USD and division08- feeding stuff for animals, which achieved a surplus in foreign trade exchange that amounted to an average of 34.2 million USD.

In the research related to the period 2005-2011, Čejvanović et al. (2014) state that Bosnia and Herzegovina achieved a negative foreign trade balance or deficit in trade in agricultural products, where growth rates and decline of trade deficit in agricultural products are mostly directly related to the movement of agricultural products import in Bosnia and Herzegovina, while impact of export of identical products to the movement of deficit is significantly lower.

CONCLUSION

The export of agricultural and food products from the Republic of Serbia to the market of Bosnia and Herzegovina had a growing tendency and amounted to an average of 543.9 million USD. The highest export values were products belonging to divisions04- cereals and cereal preparations, 11- beverages and 09- miscellaneous edible products and preparations, which accounted for almost half (47.6%) of the total value of exports in the analyzed period.

An average value of USD 101.5 million was realized in the import of agricultural and food products from Bosnia and Herzegovina to the Republic of Serbia. The largest share in imports was produced by products within division02- dairy products and birds eggs, followed by products from division05- vegetables and fruits and division04- cereals and cereal preparations. The importance of the aforementioned product

sections is indicated by their high participation in the structure, i.e. they accounted for more than half (50.2%) of the total import of agricultural and food products from Bosnia and Herzegovina.

More significant growth in exports and taking a leadership position on the market of Bosnia and Herzegovina, as stated by Vlahović et al. (2009a), is possible to achieve by decisive application of the marketing concept and investment in an agro-industrial complex whose final products have a higher degree of finishing. Puškarić et al. (2011) state that the marketing concept of business should be given a dominant place in the conception of production and export, in order to meet the needs of the target market and achieve adequate profit, i.e. the production of agricultural and food products must be directed according to the needs and demands of consumers in certain market segments of Bosnia and Herzegovina.

In addition to the above, it is important that the focus is still on the great possibilities of developing foreign trade exchange with Bosnia and Herzegovina, primarily due to membership in the CEFTA agreement, as well as the proximity of the market and compatibility with the possibilities of the agricultural and food complex of the Republic of Serbia. The implementation of the CEFTA agreement and the trade facilitation guaranteed to the members of this agreement will continue to have a significant impact on the development of foreign trade exchange of agricultural and food products.

In the analyzed five-year period, the Republic of Serbia recorded a surplus in foreign trade of agricultural and food products with Bosnia and Herzegovina, which averaged 442.4 million USD, and the balance was positive in all of the years that were the subject of research.

It is evident that good export results were achieved in the analyzed period, especially if the foreign trade exchange is compared with previous research that dealt with this topic. The analysis also revealed substantial prospects for enhancing trade relations between Serbia and Bosnia and Herzegovina. By implementing effective policies and measures, sustainable growth and development within the agricultural and food sectors can be achieved in both countries. This, in turn, will bolster economic ties and elevate living standards for the population. Monitoring and flexible adaptation of trade policies are

crucial for the effective exchange of agricultural and food products between Serbia and Bosnia and Herzegovina. Both global trends and regional collaboration significantly influence trade relations. An active trade policy focused on enhancing foreign trade ties and aligning with international standards further contributes to this dynamic.

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SPOLJNOTRGOVINSKA RAZMENA POLJOPRIVREDNO-PREHRAMBENIH PROIZVODA SRBIJE I BOSNE I HERCEGOVINE

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Sažetak: Cilj rada je da se sagledaju ispoljeni trendovi i struktura spoljnotrgovinske razmene poljoprivredno-prehrambenih proizvoda Republike Srbije i Bosne i Hercegovine, prema Standardnoj međunarodnoj trgovinskoj klasifikaciji (SITC), za proizvode u okviru sektora 0- hrana i žive životinje, sektora 1- pića i duvan, dela sektora 2- sirove materije i sektora 4- životinjska i biljna ulja i masti. Istraživanje je bazirano na raspoloživim podacima za vremenski period 2019-2023. godina. Učešće pojedinačnih posmatranih proizvoda u ukupnom izvozu i uvozu istraživano je analizom frekvencije i intervalima varijacije.

U razmeni poljoprivredno-prehrambenih proizvoda sa Bosnom i Hercegovinom, Republika Srbija je u analiziranom periodu ostvarila suficit koji je prosečno iznosio 442,4 miliona USD. Posmatrano po odsecima proizvoda najveći suficit ostvaren je u razmeni žitarica i proizvoda od žitarica, prosečno 116,5 miliona USD, dok je najveći trgovinski deficit ostvaren kod razmene ribe i prerađevina koji je prosečno iznosio 5,2 miliona USD. Autori zaključuju da su u posmatranom periodu ostvareni dobri rezultati izvoza, sa stopom rasta od 6,20%.

Ključne reči: *poljoprivredno-prehrambeni proizvodi, uvoz, izvoz, Srbija, Bosna i Hercegovina.*