Of course, demographic development is one of the most important precondition for economic development of every country. During the last three decades, my country has passed through a very significant demographic changes, and trend has continued to be negative throughout the whole period.

According to the last census in Bosnia and Herzegovina, population was 3,5 million, almost 20% down from the 1991 census. Before the war in Bosnia we had permanent yearly increase of the population by average 36000. Nowadays, Bosnia has an average decrease of the number of inhabitants by 5000 yearly, according to the official statistics. Many unofficial estimates are far more pessimistic. Many people are leaving the country, but keeping their BiH identity cards, and by doing so, they remain to be counted officially that they are still Bosnian residents.

Besides that, we are facing continual aging of the population and very significant number of especially skillful and highly educated people leaving the country for economic reasons. Before the war, we had 6,5% of the people age 65 and over, but according to the latest census in 2013 the number had increased to 15%. Children comprised 23,5% in 1991, in 2013 only 14%. It is not hard to conclude that the situation has worsen. The estimates today, 5 years after the last census, are showing further deterioration of the process.

Looking into the age structure of the population, taking into account that we experienced from 1963 to 1969 so-called baby-boom, and very low birthrate in recent 15 years combined with significant outflow of the people to the developed world, in next ten years we will face a huge challenge for our social security system. Today we have 746 thousand employees and 666 thousand retired. It may jeopardize the sustainability of the whole pension and health care system. The healthcare expenditures have reached 9,4% of GDP. Besides that, medical facilities are already facing a lack of trained and qualified medical staff, because they are leaving the country for better salary in developed countries. In the near future it will have devastating consequences in the whole region, not only in Bosnia. At the moment we do not have precise data regarding the number of highly educated and skilled people leaving the country, but their number is increasing every year. This issue should be tackled very seriously at the regional level not only nationally
in order to at least slow down the process before any kind of improvement or reversal of the trend could be achieved.

Many aspects of life, quality of infrastructure, goods and all kind of services in the country should be upgraded significantly if we want to reverse the whole process.

Thank you for your attention.