



SERBIA

YOUR NEXT INVESTMENT DESTINATION

next

SERBIA AT A GLANCE



Form of Government:
Parliamentary Republic

Capital: Belgrade

Currency:
Serbian Dinar RSD



Territory: 88,499 km²

Population: 7.1 million



GDP (2015): €33,5bn

GDP pc (2015): €4,720

*Source: Statistical Office of the Republic of Serbia.

Middle exchange rate
(as of 30-Sep-2016):

EUR/RSD: 123.29

USD/RSD: 109.90

EU integration:

Serbia formally started
negotiations to join EU
on 21 January 2014

Opened Chapters
32, 35, 23 and 24

Credit ratings:

Fitch Ratings: B+/positive

Moody's: B1/positive

S&P: BB-/stable

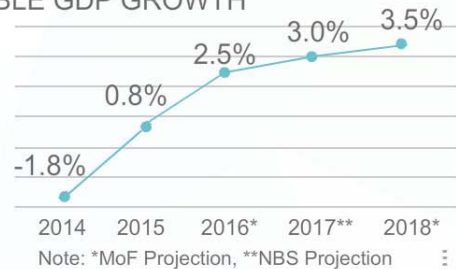
Dun & Bradstreet (D&B)
credit rating agency:

Serbia has moved
upward into
moderate-risk country
group

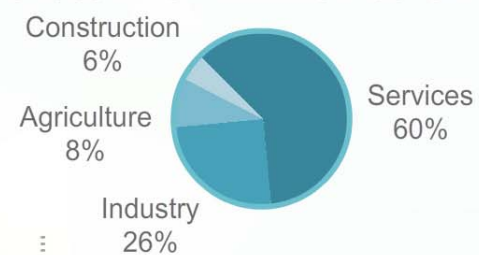


MACROECONOMIC BACKGROUND

STABLE GDP GROWTH



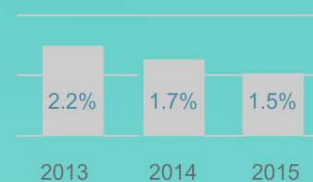
GROSS VALUE ADDED STRUCTURE 2015



EXPORT-LED ECONOMY



LOW INFLATION

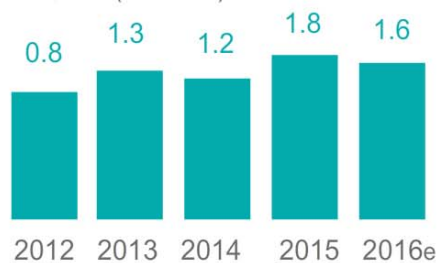


next

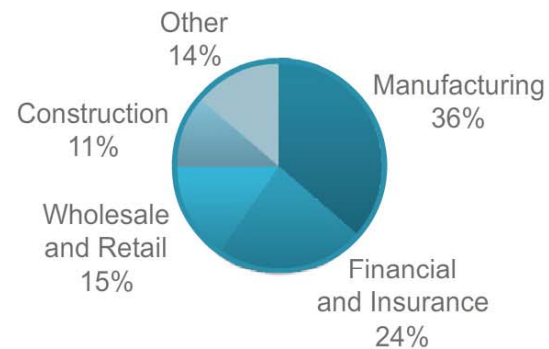
prev

SUCCESS IN ATTRACTING FDI

€27.5 bn ALREADY INVESTED
(cumulative inward FDI since 2000)
FDI, net (EUR bn)



WELL-DIVERSIFIED FDI PORTFOLIO



New incentive scheme
was passed in March
2016

The main criteria to
receive incentives are:

- investment volume
- number of new jobs
- location of investment
planned (criterion by
development level of
local self government)

Serbia has attracted
more than €27.5 bn
of inward FDI since 2000



ENCOURAGING INVESTMENT REGIME

State level incentives

- Awarded funds for investments:
 - of special importance
 - in labor intensive projects
- Funds for large, medium and small sized companies

Area-based incentives

- 5 groups of local governments by the level of development
- Granted funds: €3,000-7,000 (per new job created)

Tax incentives

- Available Corporate Income tax holiday for 10 years for certain investments
- Treaties on avoiding double taxation with 54 states
- Tax statement losses may be transferred to the account of the profit declared in the tax statement in future accounting periods (for up to 5 years)
- Partial compensation of taxes and social contributions payed on salaries under certain conditions

Municipality level incentives

- City construction land lease and
- Land development fee exemptions or deductions

Corporate Income Tax

Serbia	15%	<div></div>
Hungary	19%	<div></div>
Poland	19%	<div></div>
Czech Republic	19%	<div></div>
Croatia	20%	<div></div>
Slovakia	22%	<div></div>

NUMEROUS SUCCESS STORIES



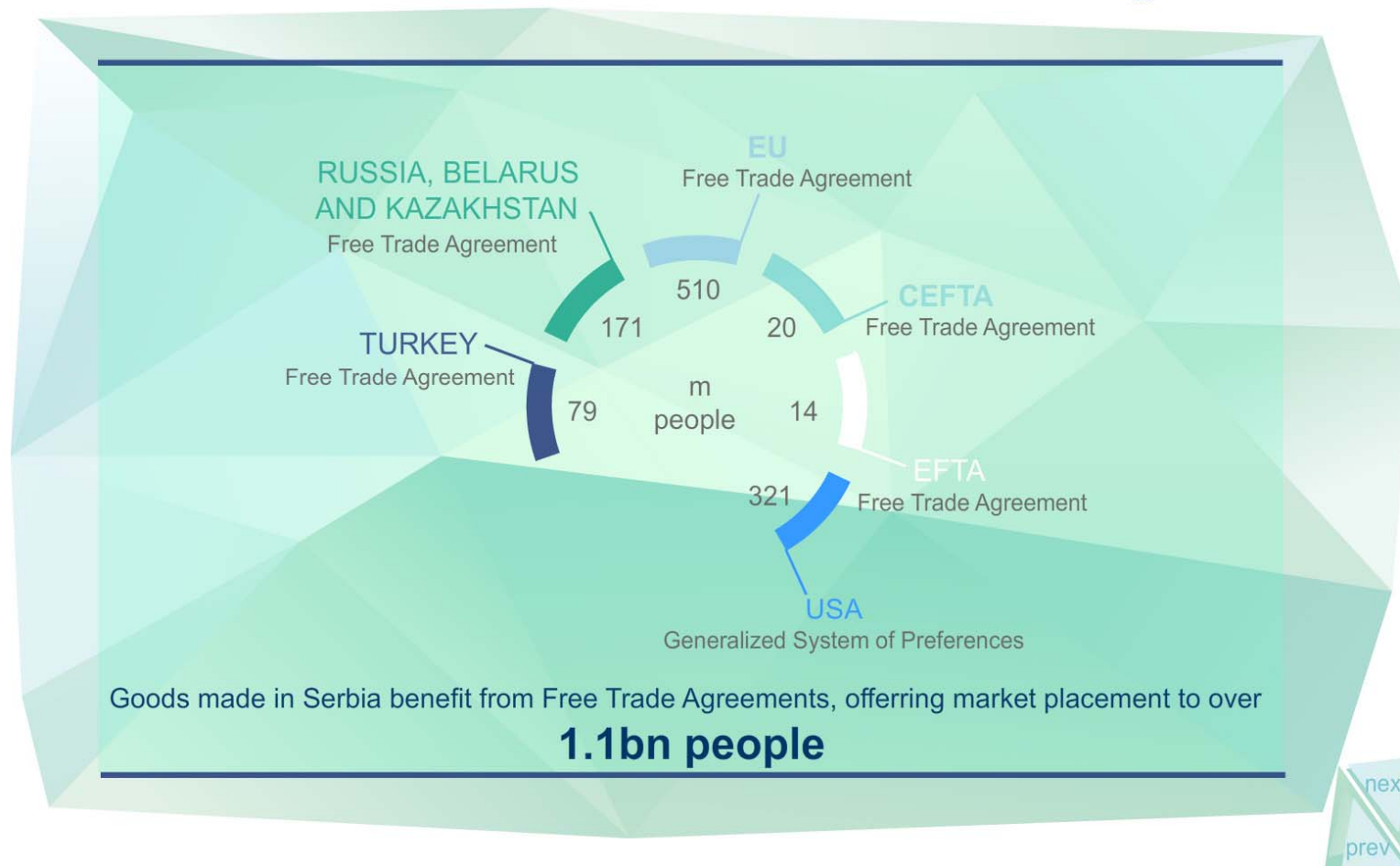
► Origin of investments



next

prev

FREE TRADE AGREEMENTS



FAVOURABLE BUSINESS ENVIRONMENT

Functional infrastructure:
- transport
- energy
- telecommunications

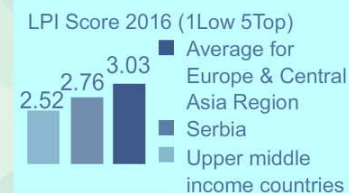
Fastest average Internet
speed in the region
(11.71 Mbps)

Low operating costs:
- The lowest cost of
electricity and postal
services in the region
- Strongly motivated
workforce
- Competitive tax policy

World Bank:
Doing Business 2016



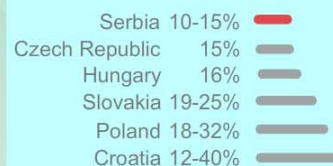
World Bank: Logistic
performance index Serbia
76th (of 160 countries)



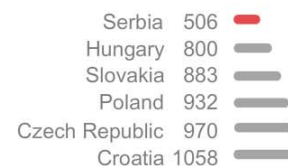
VAT



Personal Income Tax



Average Gross Monthly
Salary 2015 (EUR)



HIGHLY QUALIFIED WORKFORCE

University of Belgrade is ranked as one of Top 300 Universities (Shanghai List)

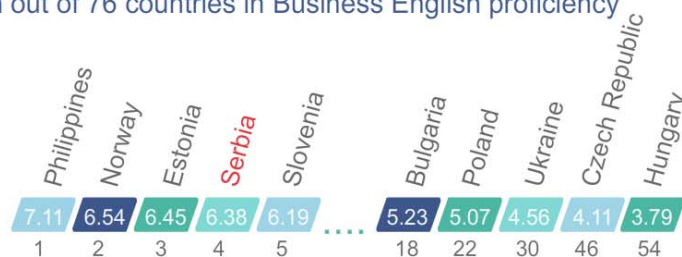
Dual education

Highly educated young workforce with around 50,000 university and college graduates, and 75,000 high school graduates every year

Top quality technical education at both high school and university level

Over 100,000 registered unemployed hold either university or college degree

Strong command of the English language. Serbia was ranked 4th out of 76 countries in Business English proficiency



Young graduates speak other languages, primarily German, French, Italian and Russian

FREE ZONES



CHAMBER OF
COMMERCE AND
INDUSTRY OF SERBIA

Investors' benefits:

- No customs and import duties for goods required for business operations
- VAT exemptions for energy consumption, entry of goods or selling of goods and services within zones
- Import and export of goods and services without any quantitative restrictions



14 free trade zones with
262 companies

In 2015 the total value
of exchanged goods
and services
within the zones
reached €4.6bn

Two free zones are on the
list of 34 best free zones in
the world
("Financial Times" 2014 -
FZ Pirot and FZ Zrenjanin)

next

prev

CLUSTERS IN SERBIA

- Strong suppliers from Serbia
- More than 500 companies in 13 industries

- 104 clusters operating in Serbia
- More than 40,000 employees



next

prev

NEW CHAMBER. NEW SERVICES.



- Investment procedures assistance
- Support in finding business partners
- Legal aid and human resources
- Projects assistance

- New Law on Chambers

Better influence on improving business conditions and investment climate

Chamber of Commerce
and Industry of Serbia

Economic Development
Division

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prev