



SERBIA
INVESTMENT AND EXPORT
PROMOTION AGENCY

SIEPA

Electronics Profile Serbia

Powering Growth





About Serbia



Serbia ID Card	
Official Name	Republic of Serbia
Form of State	Democratic Republic
Political Structure	President Unicameral assembly with 250 seats
Area	88,361 km ²
Population	7.1 million
Geographic Position	South East Europe, central part of the Balkan Peninsula, at the intersection of Pan European Corridors N ^o . 10 and N ^o . 7
Border	In the east–Serbia borders Bulgaria, in the northeast–Romania, in the north–Hungary, in the west–Croatia and Bosnia-Herzegovina, in the southwest–Montenegro, and in the south–Albania and Macedonia
Climate	Temperate continental, with monthly average temperatures ranging between 0.7°C in January and 17.5°C in July
Official Language	Serbian
Main Religion	Christian Orthodox
Other Religions	Roman Catholic, Islamic, Jewish, Protestant
Major Cities	Belgrade: 1,576,000; Novi Sad: 298,000; Nis: 250,000
Currency	Dinar (RSD)
GDP (2010)	€29,343 million
GDP pc (2010)	€4,016
Time Zone	Central European Time (GMT + 01:00)
Internet Domain	.rs



NIKOLA TESLA

Serbia is home to a rich tradition in the electronics industry, but the story of this field in our country begins with Nikola Tesla, one of the greatest pioneers and inventors in the field of electricity. Of his countless discoveries and contributions to science, Tesla's most notable achievements include a forerunner to commercial electricity, the alternating current (AC) system and important work leading to the invention of wireless communication and the radio. His colorful personality and groundbreaking achievements have rightfully been immortalized in science and popular culture alike, and it comes as no surprise that he is considered by many as the most important Serbian of all time.



TRADITION OF THE ELECTRONICS INDUSTRY IN SERBIA

Serbia's electronics industry dates back to the post World War II period when small-scale of manufacturing of radio devices began throughout the former Yugoslavia. The main production centers of the electronics industry were in Slovenia and especially in Serbia. The biggest companies in this field were Iskra Kranj, Rudi Čajevac, RIZ and Electronics Industry Niš (EI Niš for short). These companies grew to become especially large in the 1960s and 1970s. EI Niš was the largest of these: at the height of this company's peak it employed 28,000 people in over 50 factories throughout the former Yugoslavia.

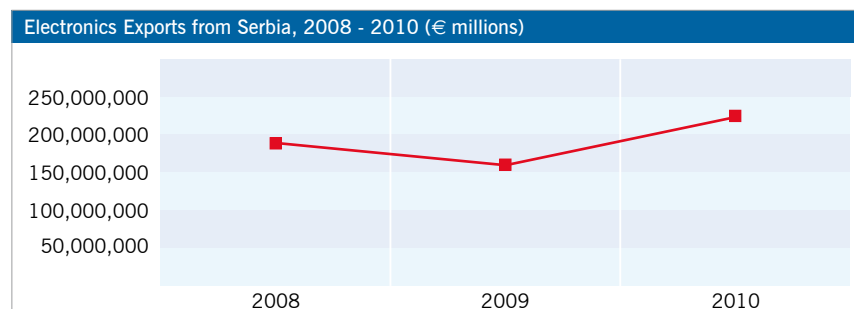
The assortment of electronics products manufactured in Serbia grew as quickly as the industry itself: Starting from the immediate postwar period of radio device production, companies in Yugoslavia moved into manufacturing consumer electronics in the 1960s. In the subsequent decade, electronics production was also heavily focused on supplying the military. The 1970s also saw a rapid expansion in electronics exports from Yugoslavia.

This industry reached its peak in the 1980s: During this decade, Yugoslavia's electronics industry was a \$1 billion sector that employed around 100,000 people. About one quarter of these were employed in cutting-edge research and development. Companies in Serbia alone accounted for about half of the Yugoslav industry's production and employees at this time. Every major foreign electronics company had representative offices in the country, while many firms worked under license to foreign companies. EI Niš produced television sets in cooperation with Philips. Manufacturers of electronic components for the military industry did so in accordance with standards employed in the United States.

As was the case with most sectors, the 1990s in Serbia marked a period of sharp decline for the electronics industry: The political problems and economic sanctions imposed on Serbia during this decade had catastrophic consequences for the once-thriving sector. By the mid-1990s, the size and profitability of Serbia's electronics industry was less than 10% of what it was in the previous decade. The industry was limited to serving only the Serbian market. Reduced profits prevented local companies from investing in new technologies.

ELECTRONICS INDUSTRY IN SERBIA TODAY

Although the Serbian electronics sector today is only a fraction of what it was at its peak in the 1980s, recent foreign direct investment into the industry and various state-driven initiatives show that this sector has strong potential for future growth. There has been a steady influx of FDI into the sector - roughly €168 million - ever since the democratic changes of 2000; however, the most promising investments in this field have occurred in the past several years. This, coupled with the upcoming opening of several IT-electronics parks, illustrates that the best is yet to come for companies in Serbia's electronics sector.



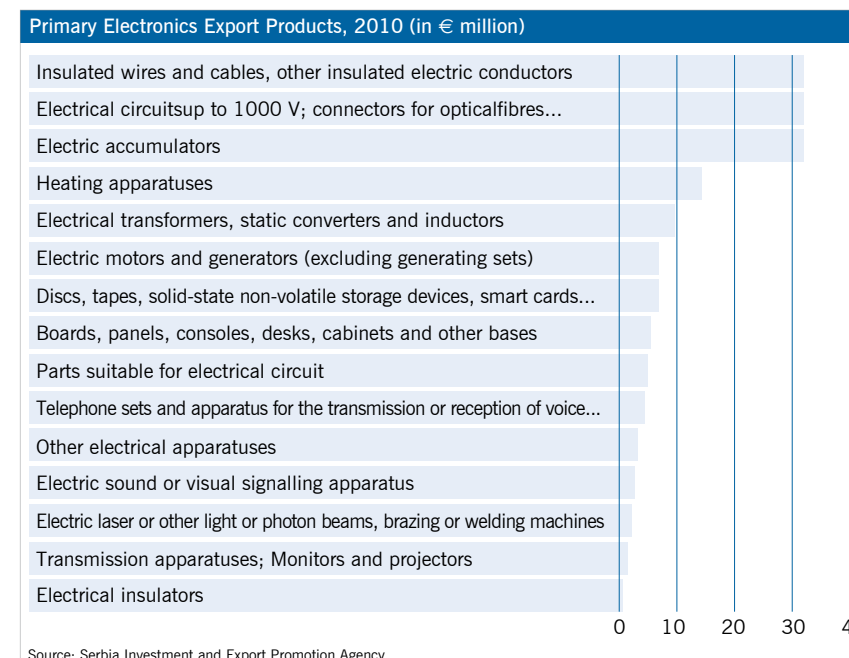
The growing Serbian electronics industry is a thriving, export-oriented sector that only figures to grow with the recent influx of foreign direct investment. Relative to 2008 and 2009, exports from the industry in 2010 grew by 15% and 44%, respectively. The 2009 economic crisis gap was surpassed swiftly in 2010 and, with new export-oriented projects such as first Panasonic factory in Serbia, exports are expected to flourish further. Between 15 and 20 electronics companies export more than €1 million per year. Many - such as Eaton Electric, ATB Sever, Gorenje, and Yura Corporation - are foreign-owned. On the other hand domestic brands are led by Fabrika Akumulatora Sombor, produce the globally-recognized "Black Horse" car starter batteries.

One of the advantages of Serbia is the local production of high quality copper in mines of the Bor region. This enables highly-developed production of wires and cables. Leaders in the field are Polish-owned TF Kable and Serbian companies Kablovi Jagodina and Novkabel. Recognizing this potential, Korean company Shinwon constructed their brand new wire factory in City of Nis in 2011.

In all, sub-sectors which dominate Serbian exports are wires, cables, insulated electrical conductors, electrical circuits, and accumulators. Exports of these products account for more than half of all electronics exports from the Republic of Serbia. Heating apparatuses, transformers, panels and consoles are also heavily represented in products produced in Serbia but sold abroad.

With the entry of Slovenian company Gorenje, home appliances are becoming one of the interesting outputs of Serbian industry. Just four years after the establishment of the factory, some 50 million euros of refrigerators are now being exported from Serbia. The government is looking to attract more investors in this labor-intensive sector by creating especially favorable conditions for potential investors.

Company	Amount exported in 2010 (€)
Eaton Electric	40,472,696
FAS - Fabrika akumulatora Sombor A.D.	39,528,335
TF KABLE Fabrika kablova	29,837,892
Kablovi Jagodina	9,093,379
ATB Sever	8,057,461
Gorenje Tiki	6,932,331
Novkabel	6,318,300
Yura Corporation	4,060,312
ABS Minel Trafo	3,919,852
Eurosax	2,175,557
Telekom Srbija	2,127,866
ICCE	2,043,577
Metaloplastika	1,654,026
Tehnoplast	1,432,718
Metalka - Majur	1,414,499



Source: Serbia Investment and Export Promotion Agency

FOREIGN INVESTMENTS IN THE ELECTRONICS INDUSTRY IN SERBIA

From 2001 onwards, Serbia has witnessed the steady revival of the electronics industry. This has been primarily driven by a continual inflow of foreign direct investment. The first significant investment in this sector was that of Austrian giant ATB Gruppe, which purchased Sever Subotica at the end of 2004 for €25 million. Undoubtedly the most significant foreign investor in the sector is Slovenian home appliance company Gorenje. Since 2006, Gorenje has invested €50 million three separate locations in Serbia – Stara Pazova, Valjevo and Zajecar – and employed 1,150 workers. 2005 saw German electronics giant Siemens acquire Loher GmbH and employ 500 workers and invest €13 million to establish a wind turbine manufacturing facility in Subotica. Siemens will expand its Serbia footprint by investing a further €20 million and employing an additional 250 full-time workers. Furthermore, Japanese electronics giant Panasonic has already begun production in planned to be a €13 million facility in Svilajnac in central Serbia.

Financial	3253.5
Food & Beverage, Agriculture	2748.8
Telecommunications	2245.0
Retail	1968.2
Real Estate	1866.0
Oil & Gas	1474.4
Automotive industry	1378.3
Tobacco	911.0
Construction	827.1
Pharmaceutical	779.0
Metallurgy & Metalworking	429.8
Insurance & Pension	313.0
Tourism	292.7
Wood & Furniture	288.6
Chemical	229.8
Packaging	181.5
Electrical & Electronics	167.8
Clothing	119.8
Textile	74.9
Energetics	58.6
Environmental Managemen & Recycling	56.3

The government of Serbia is actively promoting the growth of this sector: Along with the automotive and ICT industries, the electronics sector has been designated one of the priority sectors in Serbia’s National Development Strategy. This allows investors in this sector to receive more favorable investment incentive packages. Companies in this industry have taken advantage of this fact: investments in the electronics industry are third when it comes to the number of projects which have been approved for funding and the fourth highest in terms of all investments in Serbia since 2000.

Furthermore, numerous initiatives, including the promotion of IT and Research and Development parks throughout the country and the founding of an electronic systems cluster, will propel the sector even further. Within a few years, investors will be able to purchase land and facility space in areas specially designed with their needs in mind in Belgrade, Novi Sad, Kragujevac, Indjija, and Nis. The recently-formed embedded cluster encourages further collaboration between companies from the industry and public sector and educational institutions.

As it does for investors in various fields, Serbia offers an excellent array of features for electronics manufacturers: low operating costs, free trade possibilities, financial incentives, labor availability, and investment security which is fully guaranteed by the Law on Foreign Investment. With free trade agreements with the Russian Federation and Turkey on one side, and the European Union on the other, Serbia is the only country in Europe which offers customs-free export opportunities for electronics to each of these high-growth markets.

“We were delighted to find such an abundance of highly qualified workforce at such proximity to the European Union market. Serbia has invested a lot of attention to the road and industrial infrastructure as well as the customs system making it possible to establish manufacturing operations and OEM supply at a very fast rate. This was essential to us since the production of our clients in Europe was also growing rapidly and we needed to maintain our position as key supplier. Serbian Government is very strongly supporting the industrial development of the country making it very easy and profitable for foreign investors to locate there.”

Mr. Jongwoo Nam
General Manager, Yura Corporation d.o.o.

“Due to competitive total operational costs and increase in Russian consumer market for major appliances, Gorenje decided to initiate production of several key products in Serbia.”

Mr. Mirko Lesnik
General Manager, Gorenije Tiki

Largest Foreign Investments in the Electronics Industry



Name	Country	Municipality	Value	Jobs	Completed
Siemens LoherElectro	Germany	Subotica	33.0	750	2011
ATB - Sever Subotica	Austria	Subotica	25.0	1000	2004
TF Kable - Fabrika kablova Zajecar	Poland	Zajecar	25.0	560	2007
Gorenje	Slovenia	Valjevo	30.0	600	2007
Gorenje Tiki	Slovenia	Stara Pazova	16.0	400	2010
Vossloch-Schwabe (Panasonic)	Germany	Svilajnac	13.0	400	2010
Gorenje Home	Slovenia	Zajecar	8.0	300	2011
Photon Optronics	Germany	Nis	6.3	70	2010
Muehlbauer	Germany	Stara Pazova	4.0	100	2007
Eaton/Moeller	Germany	Sremska Mitrovica	3.8	260	2007
Sagemcom	France	Nis	3.3	203	2011
Elrad	Slovenia	Vlasotince	2.3	228	2007
Gruner 1	Germany	Vlasotince	2.1	200	2007
Engel	Spain	Nis	2.0	62	2001
EI	France	Nis	1.1	51	2011
Dunkermotoren	Germany	Subotica	1.0	50	2011

"With start of WEG production in Serbia, we expect faster and easier approach to EU, Middle East and Africa markets, what was our main goal from the beginning."

Ms. Tijana Katalinic
Marketing Director, WEG Technology

"Serbia fulfills a lot of preconditions for labor-intensive JIT production with available labor force, good infrastructure and not forget the strong and highly qualified support of the government and local authorities."

Mr. Peter Prohaska
former General Manager, LEONI Serbia

Success Stories



gorenje

Investment: 50M €
Employees in Serbia: 1300
Government support: Supported by 5M € grant
Start of operations in Serbia: 2006

Gorenje Group was established in 1950. The group's core business consists of production and sales of household appliances, home interior items and trade and services. In 2010, Gorenje Group was present in more than 70 countries, employed 11,174 employees and achieved consolidated revenues of EUR 1.38 bn.

In Serbia, Gorenje has invested around 50 million EUR to establish factories in Valjevo, Stara Pazova and Zaječar. In these factories, Gorenje produces refrigerators, freezers, cooling equipment in Valjevo; heating appliances in Zaječar; and washing machines and driers in Stara Pazova. In total, the company employs 1300 workers in Serbia. Gorenje received a total of 5 million EUR in grants from the Serbian government – this accounts for 10% of the company's total invested amount in Serbia. Furthermore, for investment in Zaječar, the Serbian government has agreed to build full transportation and electrical infrastructure.

The other key reasons why Gorenje decided to come to Serbia are:

- Ability to export to the Russian market under a preferential export regime - 1% tax rate for importing products from Serbia, compared to approximately 20% for importing from the EU;
- Flexible logistics and proximity to export markets (EU, CEFTA and Russia);
- Experienced and cost-effective labor (cost of labor one third of similar offering in Slovenia).



Investment: 7.5M €
Employees in Serbia: 150
Government support: Supported by 750,000 € grant
Start of operations in Serbia: 2011

WEG Group was established in 1996. WEG Technology works mostly as a wholesaler of brown goods, white goods and small home appliances for other brands. WEG Group consists of 7 sales representatives worldwide. Its Finance & Distribution Centers are located in Milan and Belgrade and its sourcing offices are in China - Hong Kong, and Shenzhen. Most of WEG's revenues are generated in the Eastern European markets such as Serbia, Bosnia, Croatia, Romania and Bulgaria.

In order to fulfill its aggressive strategy to rapidly penetrate the EU, Middle East and African markets, WEG decided to shift some production capacity from China to Serbia. This is why WEG invested 7.5 million EUR in production facility near Belgrade with 150 workers. To support WEG's project, the government of Serbia provided 750,000 EUR (5,000 EUR per new employee) non-refundable grant.

SIEMENS

Investment: 33M €
Employees in Serbia: 750
Start of operations in Serbia: 2003

For more than 125 years, Siemens has been one of the leading providers of equipment in Serbia (ex-Yugoslavia) in its three main business divisions - industry, energy and healthcare. In 2005, Siemens acquired LoherElektro in 2003 and invested 13M EUR for its plant for large drives for wind and solar power plants in the city of Subotica. LoherElektro created 600 new jobs in northern part of Serbia as part of this investment. Every month in the factory, 280 generators for wind turbines are produced for a number of well-known companies such as GE Wind, Nordex, Repower, Fuhrlander, Gamesa, Ecotehnia, Vestas, Eviag and many more.

At the beginning of 2011, Siemens announced the expansion of its production capacities in Serbia until 2013. In this three year plan, Siemens will invest an additional 20M EUR in new plant which will produce 400 of the latest generation of generators developed by Siemens Development Center per month. An 150 additional employees will be hired as part of this plan.



Investment: 3.8M €
Employees in Serbia: 1000
Government support: Supported by 520,000 € grant
Start of operations in Serbia: 2006

Eaton electric d.o.o. in Sremska Mitrovica is an assembly plant of Miniature Circuit Breakers (MCB) and related products and is a part of the Power Distribution Component Division production network of Eaton Electrical Sector EMEA. Eaton's plant is located in northwest Serbia in Sremska Mitrovica in Vojvodina. The factory became part of the "Eaton family" in 2008, when Eaton acquired Moeller. The Sremska Mitrovica plant produces the latest generation of protective switchgears that provides maximum operational safety and protection of people and electrical systems in all various kinds of buildings.

In 2006, Moeller company, which was later purchased by Eaton, decided to open a Greenfield production facility in Sremska Mitrovica because it saw that the local demand was growing quickly. The sales office in Zemun in Belgrade was founded at the beginning of 2006 and production in Sremska Mitrovica was established in May 2006. In 2008, Eaton Corporation acquired Moeller and proceeded to expand local operations.

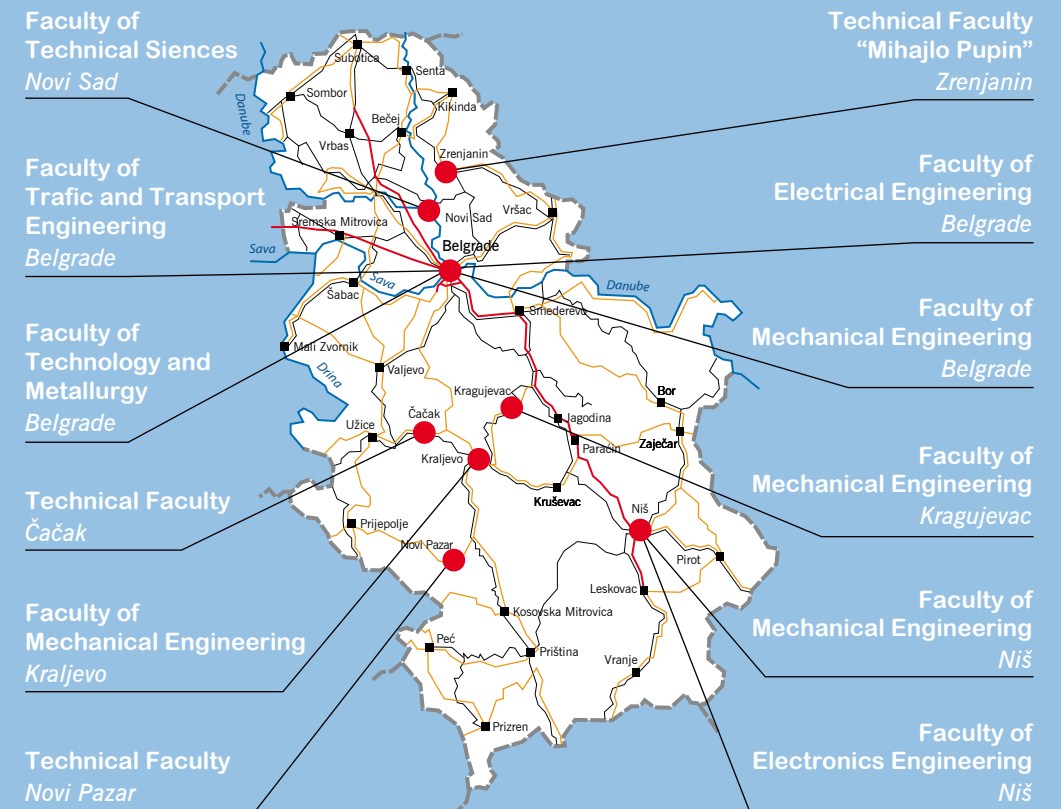
LABOR

Serbia's labor force combines exceptional work efficiency with sizable labor supply. With its unique advantage of high quality and low costs, it is one of the key factors in reaching a strong business performance.

The quality of the local labor force is best reflected in robust industrial productivity, rising at an 11% rate between 2004 and 2008. Labor supply in Serbia in 2011 comprises of 730,000 unemployed and that number annually increases by 42,000 university and 2-year college graduates and 74,000 high school graduates. Technical education is particularly strong—high school students are among the best performers at world contests in natural sciences, while Serbian engineers are well-known worldwide for their expertise. In addition, Serbia boasts the highest English speaking proficiency in Eastern Europe. Management education has also been improved with an introduction of joint graduate and post-graduate courses organized by local universities and renowned Western business schools.

Serbian Labor Chart 2010

Average net salary in Electronics Industry	326 €
Contributions paid bu employer	
Pension and disability insurance	11.00%
Health insurance	6.15%
Unemployment insurance	0.75%
Contributions paid by the employee	
Pension and disability insurance	11.00%
Health insurance	6.15%
Unemployment insurance	0.75%
Personal Income Tax	12.00%
Average total salary cost in Electronics Industry	538 €
Labor law	
Working week	40h
Overtime	8h/week 4h/day
Nº of shifts	max 3
Labor supply	
Employed people	1,796,000
Unemployed people	730,000
Unemployment rate	20%
Source: Serbia Statistical Office Sep 2011	



Cluster Initiatives

Embedded.rs

An Integrated Electronic Systems Cluster, "Embededd.rs", is an initiative launched in 2008 with the goal of promoting and strengthening embedded technologies (integrated electronic systems) in the Republic of Serbia. One of the main aims of this cluster is to strengthen connections between companies in this field and scientific institutions. So far, Embededd.rs has gathered 9 companies and 3 research institutions.

More information: www.embeddedd.rs

Nis Cluster of Advanced Technologies

Founded by 19 companies involved in electronics manufacturing and IT, the Nis Cluster of Advanced Technologies provides operational and administrative support to its members, promotes Serbia and the City of Nis as a hub of IT and manufacturing activity, and advances cooperation between its member companies and local educational and research institutions. It regularly cooperates with the City of Nis, the Electrotechnical University of Nis, the Nis Chamber of Commerce and the Nis Business Incubator.

More information: www.nicat.irvas.co.rs

As a logistics base, Serbia is a perfect location for a company wishing to efficiently serve its EU, SEE or Middle Eastern customers. It borders the EU at the Hungarian, Bulgarian, and Romanian state lines, while offering benefits of working outside the EU. Owing to its excellent strategic position on the geographic borderline between East and West, Serbia is often referred to as a gateway of Europe. Two important European corridors, N° 7 – River Danube and N° 10 – the international highway and railroad, intersect on Serbian territory, providing excellent transportation connections with Western Europe and the Middle East. By using well developed road connections, a shipment from Serbia can reach even the remotest parts of Europe in less than 72 hours. The transport of goods via railroads is highly cost effective. Through the Corridor NO 10, Serbia offers access to major European destinations. Serbia boasts a great potential to grow into the logistics hub of South East Europe. In order to further upgrade the country's road and railway networks, roughly €4 billion will be invested in its modernization over the coming years.

The natural availability of hydropower and coal in Serbia results in the lowest price of electricity in Europe, averaging just 0.05 €/kWh. The gas pipeline covers around 50% of the major cities in Serbia but further boost will come from the new South Stream Pipeline that will transport Russian natural gas across Black Sea, Bulgaria and Serbia into the mainland Europe. The 63 million m³ per year pipeline is due to be completed by 2015.

Transportation Infrastructure	
Length of road network	40,485 km
Length of railway network	3,809 km
Length of navigable routes	959 km
Number of river ports	12
Number of international airports	2
Average Utilities Cost	
Electricity	0.05 €/kWh
Gas	0.42 €/m ³
Water	0.20 €/m ³
Average Production Hall Cost	
Building	400 €/m ²
Renting	5 €/m ²



Externally, Serbia can serve as a unique base for duty-free trade on a market of 1 billion people including:

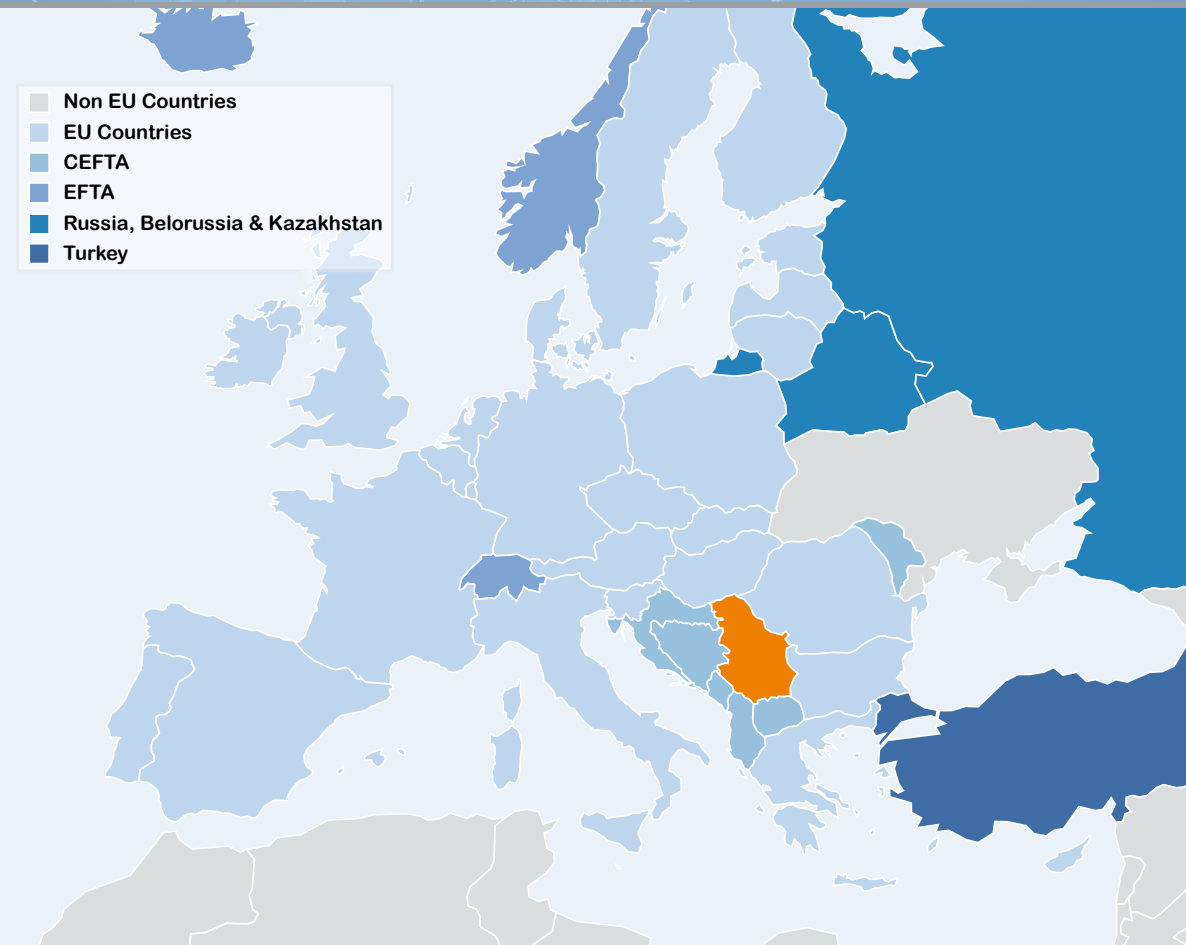
- The European Union,
- The United States of America,
- The Russian Federation,
- Turkey,
- South East Europe,
- The European Free Trade Agreement states,
- Kazakhstan, and
- Belarus.

Serbia is the only European country with free trade arrangements with both European Union and Russian Federation. Not only it bridges East and West but it also serves as a service hub for Euro/Asian market. The free trade agreements with EU, EFTA, CEFTA and Turkey allow mutual accumulation of origin, as do the agreements with Russia, Belarus and Kazakhstan.

Only two restrictions in free trade still exist: when importing from EU to Serbia, there are still customs duties that will gradually be reduced to zero by 2014, while the agreement with Russia does not exclude any electronics products

Free Trade Zones and Inward Processing

Exporters in Serbia do not have to be concerned with import duties and VAT on materials from EU or any other country in the world. In order to stimulate export oriented production, Republic of Serbia provides custom and VAT free import of materials through the Inward Processing procedure. The general permission for Inward Processing is obtained once a year but even further simplification of the procedure can be gained by operating in one of the Free Trade Zones. Free Trade Zone is considered to be outside the custom system and all goods bound for factories inside them are custom and VAT free.



Market	Trade Regime	Nº. of Inhabitants
European Union	Interim Trade Agreement	494,070,000
USA	Generalized System of Preferences	302,558,000
Russia, Belarus & Kazakhstan	Free Trade Agreement	168,640,600
CEFTA	Free Trade Agreement	29,990,542
EFTA	Free Trade Agreement	13,000,000
Turkey	Free Trade Agreement	75,000,000
Total		1,083,259,142

TAX SYSTEM

Serbia's tax system is highly conducive to investment. Apart from featuring the lowest tax rates in Europe, investors can benefit from possible tax incentives which create excellent start up conditions. Primarily, there is a possibility of a 10 year corporate profit tax holiday for investments into the manufacturing sector which are worth over €8 million and create more than 100 new jobs. In addition, investors can receive incentives on almost all principal taxes in Serbia according to the table on next page.

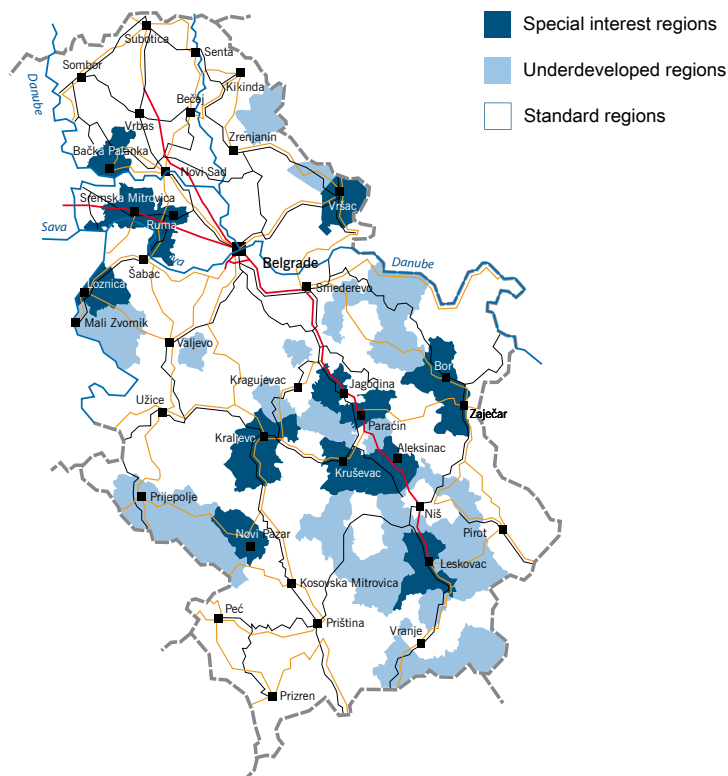


Tax	Rate	Recurrence	Possible incentive
Corporate Profit Tax	10%	yearly	10 year holiday (investments over 8 million euro and 100 new jobs) or 20%, 40% or 80% of investment value as tax credit
Withholding Tax (for dividend, shares in profits, royalties, interest income, capital gains, lease payments for real estate and other assets)	20%	yearly	lower rate of 10% or 5% according to double taxation agreement
VAT	18% - standard 8% - lower rate	monthly	import VAT return for export of finished goods import VAT exempt in free trade zones
Property Tax	up to 0.4%	yearly	varies by municipality
Absolute Rights Transfer Tax	0.3% - stock and bonds 2.5% - other property	at purchase of property	
Salary Tax	12%	monthly	3 - year holiday for hiring apprentices 2 - year holiday for hiring unemployed workers
Annual Income Tax	10% - under 8x average salary 15% - over 8x average salary	yearly	
Pension and disability insurance	11%	monthly	3 - year holiday for hiring apprentices 2 - year holiday for hiring unemployed workers
Health insurance	6.15%	monthly	3 - year holiday for hiring apprentices 2 - year holiday for hiring unemployed workers
Unemployment insurance	0.75%	monthly	3 - year holiday for hiring apprentices 2 - year holiday for hiring unemployed workers

FINANCIAL INCENTIVES

Highly competitive and diverse investment incentives are designed to reduce costs of investment projects in Serbia. For standard-scale Greenfield and Brownfield projects, non-refundable state funds are offered in the range between €2,000 and €10,000 per new job created within 3 years. Investments over €50 million that create a minimum of 300 new jobs within 3 years can be subsidized in the amount of up to 20% of the project's value. Projects in the electronics industry are eligible for the highest subsidies since they are a part of the sector of strategic interest in Serbia.

Over the past four years, 18 investment projects in the electronics industry have benefited from the state grants program. This makes this industry the third biggest recipient of this grant program in terms of the number of projects financed. The list of companies that developed their projects in Serbia with a support of financial incentives includes: Gorenje, Elrad, Eaton/Moeller, Emstech/Tager Yura Corporation and many more.

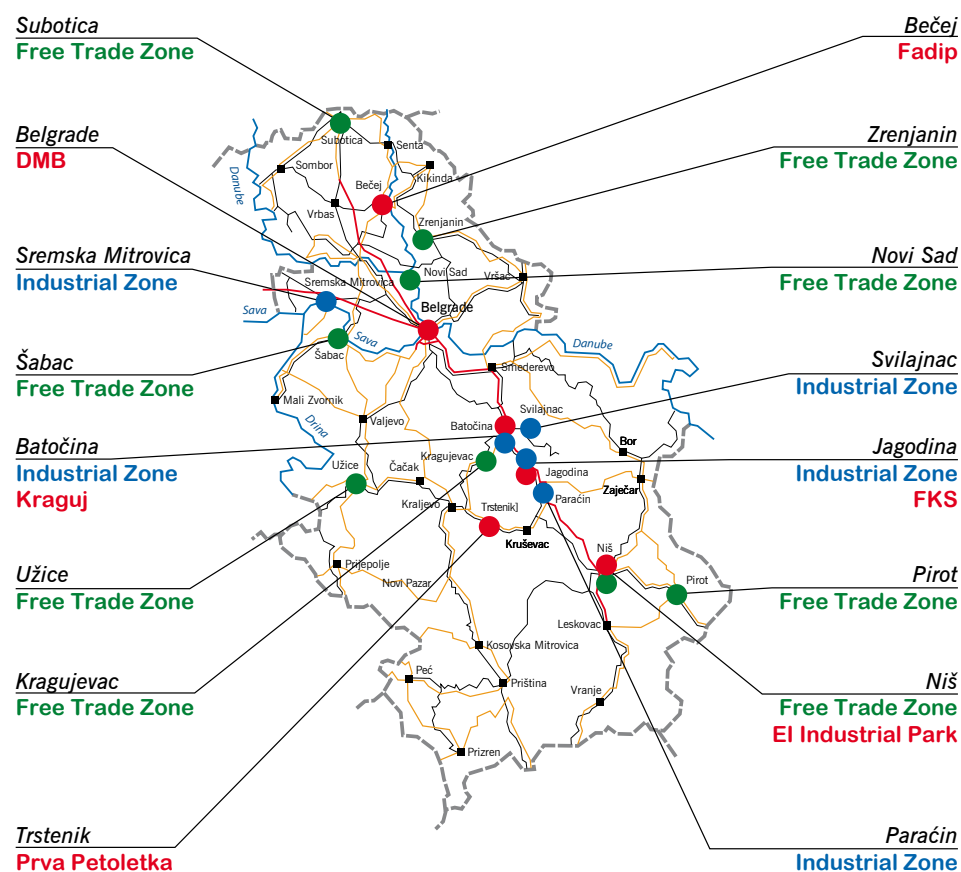


Financial Grants					
Eligible Investments	Standard-Scale Projects				
	Manufacturing			Internationally Marketable Services	Tourism
	Investment Realised in Underdeveloped Regions and Regions of Special State Interest	Investments in Automotive, Electronics and IT, Realised in Regions of Special State Interest	Investment Realised in Other Regions of the Republic of Serbia	Investments in All Regions of the Republic of Serbia	Investments of Strategic Importance in All Regions of the Republic of Serbia
Grant Amount (per job created)	€ 4,000 - 10,000	€ 5,000 - 10,000	€ 2,000 - 5,000	€ 2,000 - 10,000	€ 2,000 - 10,000
The Minimum Investment Amount	€ 0.5 mn	€ 0.5 mn	€ 1 mn	€ 0.5 mn	€ 5 mn
The Minimum Number of New Jobs Created	50	50	50	10	50

Financial Grants		
Eligible Investments	Large-Scale Projects	
	Manufacturing	
	Capital and Labour Intensive Projects	Capital Intensive Projects
Grant Amount (EUR)	Up to 20% of the total investment	Up to 20% of the total investment
The Minimum Investment Amount	€ 200 mn	€ 50 mn
The Minimum Number of New Jobs Created	1.000	300

RECOMMENDED INVESTMENT LOCATIONS

One of SIEPA's primary activities is finding suitable investment locations in Serbia. By maintaining an investment location database and working closely with investors, SIEPA advises on opportunities in Serbia, best suited to a particular project. In the electronics industry, SIEPA has already worked with companies such as Panasonic, Gorenje and Yura Corporation in presenting available locations and assisting in the right selection. Based on our experiences, we can recommend the following investment locations and will be pleased to offer more details to interested investors:



Potential Investment Locations for Projects in the Electronics Industry

In addition to a wide assortment of available Greenfield and Brownfield locations, investors in the electronics industries can take advantage of a number of science and technology parks being developed by the government of Serbia in Belgrade, Novi Sad and Indjija. National and regional cluster initiatives such as the Embedded cluster and the Nis Cluster of Advanced Technologies are bringing companies and other institutions in the industry together for their mutual advancement.

Science and Technology Parks

Zvezdara

This park will be located in the Zvezdara forest area of northeastern Belgrade on an area of 21 hectares. The park aims to promote the growth of smaller companies and will feature a number of shared services, including building maintenance, meeting rooms, common rooms, and financial and legal services. Construction has begun on the project which will be completed in February, 2012.

More information: www.piu.rs/project

Novi Sad

Science and Technology Park Novi Sad will be housed in a 2150 m², four-story complex in Novi Sad, Serbia's second largest city which is located some 80 km from Belgrade. Like the Zvezdara complex, it will provide a number of shared services for small incubator companies involved in electronics, IT, and research and development.

More information: www.piu.rs/project





About SIEPA

Serbia Investment and Export Promotion Agency (SIEPA) is a government organization dedicated to effectively helping foreign investors and buyers, while raising Serbia's profile in the minds of international business decision-makers. Created in 2001 by the Government of the Republic of Serbia, SIEPA's mission is to support foreign companies seeking to set up or expand in Serbia and Serbian companies when doing business worldwide.

Created as a one-stop-information-shop, SIEPA acts as a reliable partner for international companies throughout their investment project to ensure the best results. Foreign buyers committed to the highest quality may rely on our knowledge and expertise when looking for the right supplier.

Major services offered to potential investors are free-of-charge and readily available:

- Providing statistics, economic and legal investment-related information,
- Database of Greenfield and other investment opportunities, with site visit organization,
- Assistance in obtaining registration, licenses, permits and other documentation,
- Identifying local partners and suppliers, including meeting facilitation,
- Presenting ready-to-invest projects,
- Maintaining investment and exporters databases,
- Delivering sector analysis and studies.

Some of the largest recent Greenfield projects in Serbia were completed as a result of our assistance. The German Leoni and Norma Group, Italian Dytech or Korean Yura Corporation are on top of our reference list.

To help potential investors speed up completion of their projects, SIEPA networks with all FDI-related public and private sector bodies, including Ministries and other governmental bodies, municipal authorities and local self-government, building land agencies, tax and customs authorities, statistical bureaus, chambers of commerce and the National Bank of Serbia.

SIEPA publications and materials on doing business in Serbia, as well as detailed sector analyses and studies feature numerous business opportunities in our country. They are available in hard copy and can be downloaded from our web-site at www.siepa.gov.rs.

We would like to invite you to contact our specialized staff ready to assist you and your business interests. Information packages about law, industries, sectors, business practices, and general doing business in Serbia is tailored and, may be, confidential based on your company's needs and requests. If you would like the best access the opportunities and intelligence gathered by our expert team, do not hesitate to contact us. Working with us is simple and effective.

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