

VOJVODINA
COME AND GROW



Municipality of **Vrbas**

Invest in Vojvodina

Global Market Access



RUSSIA	EFTA	USA
142 mil	13 mil	317 mil
EU	CEFTA	Kazakhstan
505 mil	30 mil	16 mil
Belarus	Turkey	
10 mil	72 mil	

Duty-free export
to over 1 billion
consumer base



Pan-European Corridors



Quick Facts



Total area
21,506 km²



Population
1.9 million



26 nationalities
6 official languages



Export volume
€ 3.9 billion



Export growth rate
3.2%

VOJVODINA

Key export sectors

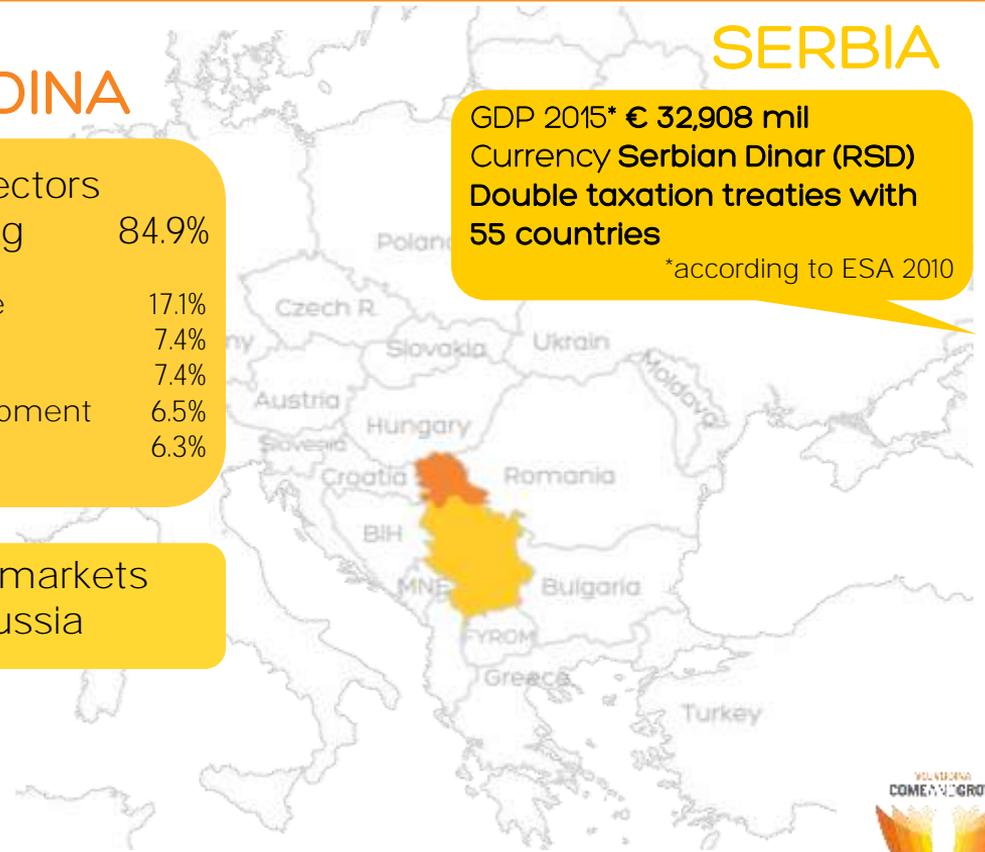
Manufacturing	84.9%
Food & beverage	17.1%
Chemicals	7.4%
Rubber & plastic	7.4%
Machines & equipment	6.5%
Oil derivatives	6.3%

Major export markets
EU, CEFTA, Russia

SERBIA

GDP 2015* € 32,908 mil
Currency **Serbian Dinar (RSD)**
Double taxation treaties with 55 countries

*according to ESA 2010



Overview of Tax Rates

CORPORATE PROFIT TAX RATE

	Serbia	15 %
	Romania	16 %
	Hungary	19 %
	Poland	19 %
	Czech Republic	19 %
	Croatia	20 %
	Slovakia	22 %

SALARY TAX RATE

	Serbia	10 %
	Czech Republic	15 %
	Romania	16 %
	Hungary	15 %
	Slovakia	19-25 %
	Poland	18-32 %
	Croatia	12-40 %

STANDARD VAT RATE

	Serbia	20 %
	Slovakia	20 %
	Czech Republic	21 %
	Poland	23 %
	Romania	20 %
	Croatia	25 %
	Hungary	27 %

Social Insurance Contributions

Pension & disability	12% 14%
Health Insurance	5,15%
Unemployment	0,75%
Annual Income Tax	10-15%
Other Income Tax	20%

5 day work week - 40 work hours - (net 37.5 hours)
30 minutes rest period per day

Vacation min 20 days per year	Overtime, Night shift 26% bonus on basic salary	Fixed-Term Contract max 2 years	Min Monthly Salary
Holidays non-working days per year 11-20	National Holidays 110% bonus on basic salary	Trial Period max 6 months	NET € 170
			TOTAL COST € 230



Incentives

State

FINANCIAL INCENTIVES

Funds are awarded for financing investment projects in the:	Manufacturing Sector
	Services Sector* (subject to international trade)
The level of funds is determined in accordance with a set of criteria in relation to:	level of eligible investment costs
	costs of gross salaries for new employees for a 2-year period

For more information, visit Development Agency of Serbia (RAS) website - <http://ras.gov.rs/>

NATIONAL EMPLOYMENT SERVICE GRANTS

Employment Subsidies Program	cca. € 1,250-2,500
Apprentice Program	cca. € 80-115 per employee
Re-training Program	max cca. € 750 per employee

Logistics



VRBAS - Total Area: 376 km²



Distance from borders

HUN	CRO	ROM	BUL	B&H
92 km	50 km	99 km	380 km	140 km



Distance from highway

E-75	E-70
3.5 km	83 km



Distance from airport

BGD <i>Belgrade</i>	OSI <i>Osijek</i>	TSR <i>Timisoara</i>
120 km	90 km	135 km

BUD <i>Budapest</i>
209 km

Energy Potential



GAS

Municipality is gasified		90 %
Local pipeline length		273 km
▪Pressure on main pipeline 6-16 bar ▪Pressure on local pipeline 4 bar		



BIOMASS

Total land	37,600 ha
Agricultural land	33,989 ha
Arable land	33,789 ha
Most common crops: maize, soy, wheat, sugar beet, barley	



ELECTRICITY

No. of distribution substations	238
Total power (kVA)	129,680
Total network length (km)	240,962
Available capacities (kVA)	66,570



WIND

Average speed 4 m/s	at 100 m
---------------------	----------



GEOHERMAL

37.2 °C temperature	at 1,033 m
51 °C temperature	at 932 m
56 °C temperature	at 947 m

Infrastructure



ROADS

Regional road network	25 km
-----------------------	-------

- | | |
|---|---|
| <ul style="list-style-type: none"> ▪ Feketic-Vrbas ▪ Backo Dobro Polje-Vrbas ▪ Backo Dobro Polje-Zmajevo ▪ Zmajevo-Sirig ▪ Zmajevo-Stepanovicevo | <ul style="list-style-type: none"> ▪ Zmajevo-Ravno Selo ▪ Ravno Selo-Despotovo ▪ Savino Selo-Despotovo ▪ Savino Selo-Kula ▪ Savino Selo-Kucura |
|---|---|

Local road network	18.5 km
--------------------	---------

- | |
|---|
| <ul style="list-style-type: none"> ▪ Ravno Selo-Kulpin ▪ Savino Selo-Kosancic ▪ Kucura-Zmajevo |
|---|



WATERWAY

- Port in Novi Sad distance 45 km

Canal network for drainage
Danube-Tisza-Danube Canal

- | | |
|-----------------------------|-----------|
| ▪ Irrigation system network | 5,982 ha |
| ▪ Drainage system network | 30,000 ha |



RAILWAY

Railway network length	25 km
<ul style="list-style-type: none"> ▪ Beograd-Novı Sad-Subotica ▪ Vrbas-Sombor 	

Axial pressure	22 t
----------------	------



SEWAGE

Sewage system	98 % * Vrbas 20-85% * Other settlements
Sewage network	80 km

Why Invest

TOP 5 REASONS to invest in Vrbas

1 Proximity of Corridor 10- Danube

Long-standing tradition & expertise in food processing industry **2**

3 Available skilled and educated workforce

Abundant resource base
High quality agricultural land **4**

5 Well-built access to markets

 growing your profits

 increasing productivity

 boosting competitiveness

Population

Total population



Workforce

Employed
2015

Total = 9,572

Unemployed
February, 2016

Total = 6,165

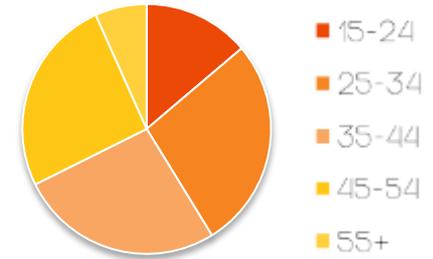


3,135



3,030

Unemployed
age structure



14%	27%	26%	26%	7%
853	1,687	1,632	1,579	414

Education



High Schools

School	Profile	#students	#graduates	School	Profile	#students	#graduates
Specialized	Food Tech	73	18	Gymnasium	General	211	61
	Industrial Pharmaceutical	87	28		Science-Mathematics	195	53
	Environmental Protection	79	25		Humanities	235	62
	Mechanical Tech- Computer Engineering	70	20	Medical	Nursing Tech	67	20
	Computer Management Technician	33	17		Pharmacy	37	8
	Car Mechanics						
	Mechanics- AC Equipment	35	/				
	Gas & Pneumatics Mechanic						
	Driver	71	25				
	Road Traffic Tech	130	53				
	Baker	10	3				
	Butcher	8	2				



Key Sectors

Investment Opportunities

1 Agribusiness

Biomass 2

Key Sectors

One of the main economic branches

- High quality agricultural land- 33,789 ha of arable land
- 3,289 registered local farmers
- High-density inland waterway network (Danube-Tisza-Danube Canal) ensuring excellent irrigation/drainage possibilities
- Long-standing tradition & impressive expertise in agricultural processing industry
- Easy access to skilled workforce
- Farmer cooperatives & associations development
- Wide network of potential local suppliers
- Significant part of production is export-oriented
- Successful companies:
Carnex, Medela, Vital, Trivit-pek, Sugar refinery Backa

33,789 ha Arable land

10,832 ha	Maize
4,998 ha	Wheat
3,951 ha	Soy
1,080 ha	Sunflower
4,654 ha	Sugar beet

Agribusiness



Key Sectors

Easy access to ample resources

- 33,989 ha of agricultural land
- Significant crop residues- available for biomass cogeneration
- Annual production amounts to 86,246 tons per year
- Estimated power capacity- 197,893 MWh

Biomass type	Available residues (t/year)	Energy potential (toe/year)
Crop biomass	230,321	16,215
Fruit-wine growing biomass	545	85
Manure	113,571	948
Food processing	5,273	88
Forestry-wood processing	201	31
Communal waste	6,000	602

Biomass

Top 10 Employers

COMPANY	SECTOR	COUNTRY	#EMPLOYEES
CARNEX d.o.o.	Meat processing	Serbia	950
SAVA KOVACEVIC a.d.	Agribusiness	Serbia	275
VITAL a.d.	Agribusiness	Serbia	265
BACKA (MK Group)	Agribusiness	Serbia	147
MEDELA a.d.	Agribusiness	Serbia	118
TRIVIT-PEK	Agribusiness	Serbia	114
PNEUTECH	Rubber	Serbia	90
RPD-FTO d.o.o.	Service	Serbia	85
MANYU d.o.o.	Textile	Italy	43
UNIONPROMET d.o.o.	Plastics	Serbia	30



Sectors

by #employees

- 1 Processing industry
- 2 Trade
- 3 Agribusiness
- 4 Logistics
- 5 Water supply & Waste water management

Labor Cost - Vrbas

LABOR COST STRUCTURE

Average salary in Vrbas

January, 2016

NET Salary		272.25
Personal Income Tax	10%	28.18
Contributions (employee)	19.9%	74.64
GROSS Salary		375.06
Contributions (employer)	17.9%	67.14
TOTAL Cost		442.2

From July 1st, 2014
the employers have the right
for **refund** on the paid
personal income tax
& **social insurance contributions**

- + 65% refund for employing 1-9 workers
- + 70% refund for employing 10-99 workers
- + 75% refund for employing 100 + workers

**until December 31, 2017*

Greenfield Locations



Location 1

Industrial Zone Kucura

Land size: 73 ha

Ownership: Municipal

✓ Sale ✓ Lease

Located in the North area of the municipality

Access to road

Urban Plan is adopted

* Possibility of connection to existing infrastructure network



Location 2

Industrial Zone Savino Selo

Land size: 45 ha

Ownership: Municipal

✓ Sale ✓ Lease

Located in the South-East area of the municipality

Access to road

Detailed regulation plan is adopted

* Possibility of connection to existing infrastructure network



Infrastructure



Greenfield Locations

Location 3

Industrial Zone Blok 5

Land size: 2.11 ha

Ownership: Municipal

Sale Lease

* No infrastructure
Possibility of linkage to existing
infrastructure network



In close proximity to Vrbas-Kula road
Access to DTD Canal
General Urban Plan is adopted



Electricity



Water



Gas



Sewage



Optical Cable

Infrastructure

Brownfield Locations



Location 1

BETON NSD d.o.o.

Land size: 6.71 ha

Facilities: 1,360 m²

Ownership: Private

Sale Lease



Location 2

FLORIDA d.o.o.

Land size: 400 m²

Facilities: 300 m²

Ownership: Private

Sale Lease



Infrastructure



Construction Procedures

Upon receiving the investor's request, the consolidated construction procedures are conducted in the following phases:

Upon receiving the application:

Issuing the location conditions for the cadastre parcel suitable for construction - from the day of obtaining all special conditions, permits and other documents.

Issuing the construction permit - from the day of the submission of the request.

Based on registering the construction work, **issuing the verification for receiving the application** without delay, provided that the complete documentation has been submitted.*/**

Issuing the occupancy permit, upon receiving the submission of the request.

Issuing the final approval upon receiving the submission of the request.



PHASES & TIMELINE

In total: **28** working days

5 no later than:
working days

5 no later than:
working days

5 *Registering the construction works to receive acceptance/rejection
3 **subsequently, submitting the request for infrastructure installations
working days

5 no later than:
working days

5 no later than:
working days

Success Stories



Municipal Incentives

0%

Land Development Fee Discount

For facilities built for the following purposes:

- * production & warehouse facilities
- * public use, communal infrastructure

*discount

30%

Land Development Fee

special offer for lump-sum payments

- * or in 36 monthly installments

%

Land Purchase Price / Land Lease Fee

Possibility of paying in monthly installments

- * for greenfield investments
- municipal council approval needed

Your Partner in Municipality

CONTACT US

Municipality Office

Igor Milovic - Department of Public Service



Phone: +381 21 7954 000; +381 64 8172 059



Email: igor.milovic@vrbas.net



VIP Services

Tailor made solutions



Location marketing



Business incubators



Aftercare support



Policy advocacy



Vojvodina Investment Promotion - VIP

Narodnog fronta 23d, 21000 Novi Sad, Serbia

Tel: +381 21 472 3245

Fax: +381 21 472 1921

E-mail: office@vip.org.rs

Web: www.vip.org.rs

