



City of Novi Sad

LOCAL ECONOMIC DEVELOPMENT OFFICE



**CITY OF NOVI SAD AS YOUR INVESTMENT
DESTINATION**

CITY OF NOVI SAD



The largest city in the **Autonomous Province of Vojvodina**, the most developed part of Serbia.

Being the **regional leader**, Novi Sad is constantly growing and developing, nurturing the principles of democracy, pluralistic thinking and sustainable development.

Two main roads - **corridors 10 and 7**, connecting the West and the East regarding economics and culture, pass through the city.

Located on the banks of the Danube river, in the heart of south-east Europe, the City of Novi Sad is the **administrative, academic, business, cultural, tourist, fair and congress center of the region.**

Identity Card

LOCATION: 45°46' N, 19°20' E

TIME ZONE: GMT +1

AREA: 699 km²

CULTIVABLE LAND: 39,760 ha

ALTITUDE: 80 m

POPULATION: 400 000 (estimate)

CLIMATE:

- Temperate continental
- Average temperature: 2.5° in January, 27.2° in July
- Average precipitation: 576.8 mm / year

TOP REASONS TO INVEST IN NOVI SAD



BENEFICIAL GEO-STRATEGIC LOCATION	THE LABOR MARKET AND EDUCATIONAL INSTITUTIONS
TAX-FREE ACCESS TO THE MARKET OF OVER ONE BILLION CONSUMERS	ATTRACTIVE INCENTIVES FOR INVESTORS
FREE TRADE ZONE	TOURISM POTENTIAL

GEOSTRATEGIC POSITION



- **South-east Europe,**
 - **Corridor 10**, highways E-75 and E-70,
 - **Corridor 7** (river Danube),
 - **Port** and three international river wharfs.
- **Airports:** International airport “Nikola Tesla” in Belgrade (80 km from Novi Sad)
Sports airport “Čenej” (16 km from the City center)
- Good transportation links, combined with **the free trade agreements** that the Republic of Serbia has with Russia, Belarus, Turkey, Kazakhstan, CEFTA and EFTA, as well as **the preferential terms of trade** with the EU and the U.S., provide quick and easy export and total export potential of over a billion consumers, and this *without* customs duties!





- Novi Sad's **issuer rating is Ba3**, according to "Moody's Investors Service ", which makes us the city with the best issuer rating in the Republic of Serbia.
- **9,479 enterprises** and **13,782 businesses**
- **28 banks** and **24 insurance companies**
- Dominant branches: processing industry, commerce, metal and ICT sector, construction and transport
- **Proactive City Administration encourages and supports the development of a modern economy**

HUMAN RESOURCES



- 341,625 citizens (Census 2011)
- 128,405 - total number of the employed in 2013
- 29,872 – number of the unemployed in 2013
- 18.98% - unemployment rate in 2013
- 64,240 RSD gross total, 46,519 RSD net total (€554 gross, €401 net) – average income in Novi Sad

*According to the middle exchange rate of the National Bank of Serbia on February 28th , 2014



- **14 faculties, second largest university center** in Serbia
- **47,810 students** in academic 2012/2013
- 8 private faculties with about 10,000 students

SECONDARY EDUCATION

- 4 high schools and 11 vocational schools
- 16,661 students in academic 2012/2013



EDUCATIONAL CENTER FOR PROFESSIONAL AND WORK SKILLS TRAINING

trainings for the unemployed registered in the National Employment Agency and for the employed on the request of the employer, for the purpose of providing workforce for scarce occupations through additional vocational training and retraining.

BUSINESS INCUBATOR NOVI SAD

assists ICT and creative industry start-ups in the initial, most crucial stage of their existence

Information Center for Business Standardization and Certification

offers information, advisory and other services in the areas of standardization, certification and product conformity assessment, with the goal of building the capacities of SMEs on the domestic, European and international markets.

Science and Technology Park Novi Sad

devised as a support to the small-sized incubator enterprises dealing with the idea development and their technological application. The construction of the Park is in progress.

FINANCIAL INCENTIVES

City of Novi Sad

Land development fee reduction		Minimum amount of investment	Minimum number of new permanent employments
Up to 90%	For construction of production halls and facilities for ICT services	€1 million	50

FINANCIAL INCENTIVES FOR NEW JOBS*

Per new job	Lump sum of 200,000 RSD (approx. €1,758) per person employed
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INCENTIVES OF THE REPUBLIC OF SERBIA**

Disposal or lease of the lot, at the price lower than the market price/lease or without compensation	Sector	Minimum lot area	Minimum number of new permanent employments
	Production and ICT which can be the subject of international trade	25 a	1 person per 2 a

In May 2014, the Government of the Republic of Serbia adopted the regulation about the conditions and methods for attracting direct investments, which regulates the conditions, methods and criteria for approval of funds, and other subjects of importance for increase in competitiveness of the economy of the Republic of Serbia through attraction of direct investments.

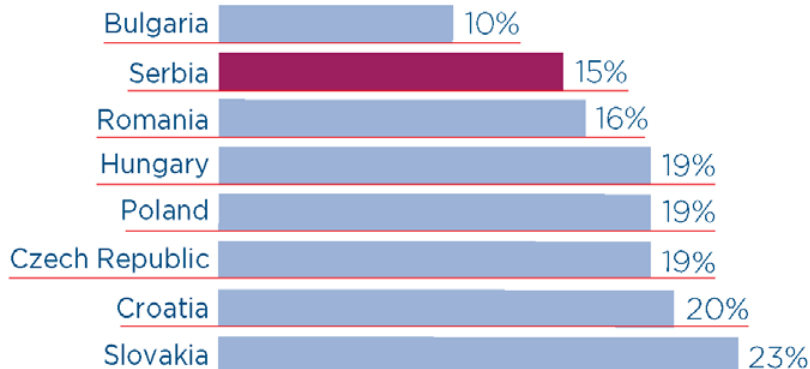
*Autonomous Province of Vojvodina also offers incentives for employment: from 130.000 RSD (approx. €1,143) to 150,000 RSD (approx. €1,318), but a new investment package is currently being prepared for investors into Vojvodina

**The first package of reform laws will be adopted by mid-July 2014 : it includes the laws on labor, on planning and construction, on receivership and on privatization; public administration reform and implementation of *one-stop shops*

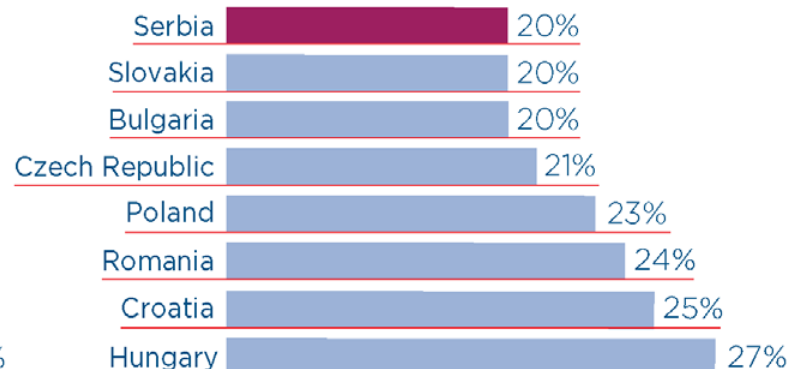
SERBIAN COMPETITIVE TAX ENVIRONMENT



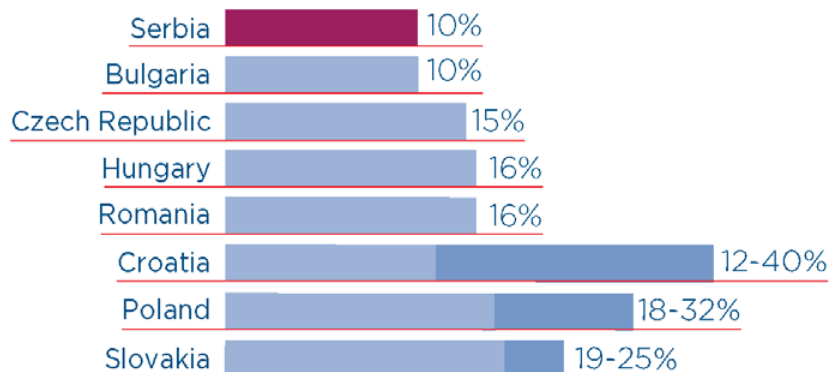
CORPORATE PROFIT TAX



VAT



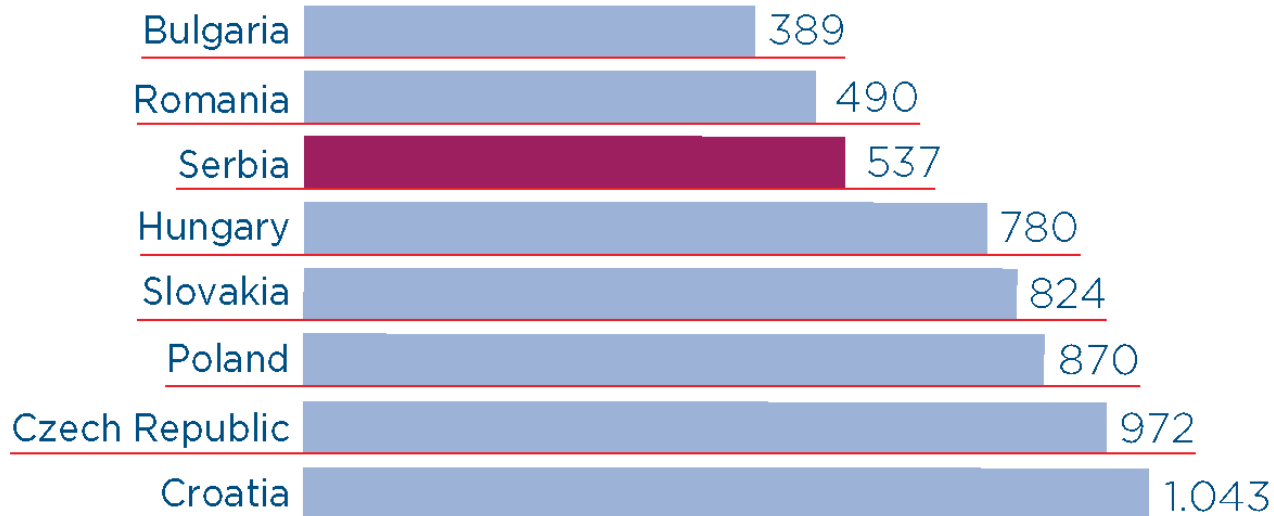
SALARY TAX RATE





- Serbia has one of the most competitive operating costs in Europe, according to Eurostat.
- Among 37 European countries the lowest cost of electricity, gas, other fuels, postal services, landline telephony, fax service, and maintenance of motor vehicles costs.

AVERAGE GROSS MONTHLY SALARY (EUR)



FREE ZONE NOVI SAD



FREE ZONE is located in the Novi Sad Port complex. It is directly connected with **E-75 Highway** and **international railway track** Vienna-Budapest-Belgrade and is in proximity to the industrial zone and City center.

It comprises:

- Bonded warehouse space of 11,000 m² which includes three buildings with production and storage facilities, joint storage space and palletized & racking storage
- Open warehouse space of 6,500 m²



ADVANTAGES



OFFER/SERVICES

NO CUSTOMS DUTIES ON IMPORTS OF:

- ✓ Goods
- ✓ Raw material for production
- ✓ Equipment used in production
- ✓ Materials used in construction

- ✓ No time limit for storage of goods
- ✓ Simplified customs procedures
- ✓ Possibility of a temporary transfer of goods from the Zone to another part of the country, an vice versa, for the purposes of additional processing, refining and marketing presentations

- ✓ Greenfield sites
- ✓ Logistics center
- ✓ Production/storage facilities
- ✓ Offices
- ✓ Support services:
 - All kinds of consulting, legal consulting and marketing services
 - Freight forwarding and transportation services
 - Loading, unloading and reloading of goods

Main activities:

- Reloading
- Ancillary services at the wharf
- Sorting and storage of goods
- Handling of goods
- Wharf services in river transportation

Traffic Geo-Location of Novi Sad (three types of traffic):

- Road
- Rail
- River

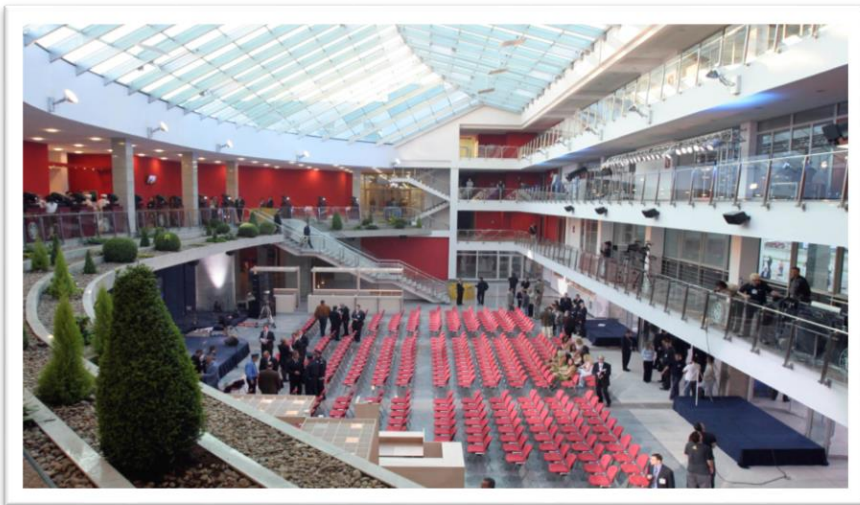


PORT CAPACITIES

1.	CLOSED PUBLIC AND BONDED WAREHOUSES	44,000 m ²
2.	OPEN BONDED WAREHOUSES	40,000 m ²
3.	OPEN PUBLIC WAREHOUSES	60,000 m ²
4.	DEVELOPED WATERFRONT	1,000 m
5.	VERTICAL QUAY	176 m
6.	SLOPED QUAY	624 m
7.	LOCAL ROAD NETWORK	5,000 m
8.	RAILROAD SCALES OF MEASURING RANGE	100 t and 50 t
9.	RAILROAD TRACKS IN NETWORK OF 6 TRACKS	6,800 m
10.	PORT GANTRY CRANE 5/6 t	4 pcs
11.	TRACTORS	4 pcs

12.	PORT GANTRY CRANE 12,5 t	1 pcs
13.	PORT GANTRY CRANE 27,5 t	1 pcs
14.	PORT FUNNEL – CAPACITY 350 tons/h – per funnel	3 pcs
15.	CONTAINER TERMINAL AND CARGO EQUIPMENT 20” and 40” OF CONTAINER OF MAXIMUM GROSS WEIGHT	27.5 t
16.	FORKLIFT LOAD OF 3.0; 4 t; 5 t; 12.5 and 28 t	14 pcs
17.	LOADER 3M and MINI LOADER 0.7M	5 pcs
18.	CUSTOMS TERMINAL BUILDING	45 vehicles
19.	PUMP FOR OIL DERIVATES	270,000 l
20.	PLATO TRAILER	3 pcs
21.	PACKING MACHINES (packaging bags 50/1 kg and packaging jumbo bags 500–2000 kg)	2 pcs

NOVI SAD FAIR



NOVI SAD FAIR



THE NOVI SAD FAIR exists more than eight decades and besides **fairs** and **exhibitions**, it **organizes congresses** and **professional gatherings**, provides **marketing services**, **storage** of goods and **catering** amenities/services. The exhibition area covers 300,000 m², 60,000 m² of which are facilities. The Fair's most visited event and the very important one for the City of Novi Sad is the **International Agricultural Fair**, which takes place every year in May.





Novi Sad has been the member of the European Cities Tourism since 2006. During 2012, 101,663 tourists visited the city, 43,215 from Serbia and 58,418 from abroad.

In addition, the Agricultural Fair attracts about 300,000 visitors annually, while the music festival EXIT gathers about 200,000 people, many of whom are foreigners.

Main tourism assets:

- Danube
- Petrovaradin Fortress
- Historic downtown
- Fruška Gora with monasteries
- Vojvodinian signature ranches (*salaši*)
- Novi Sad Fair



Cultural heritage:

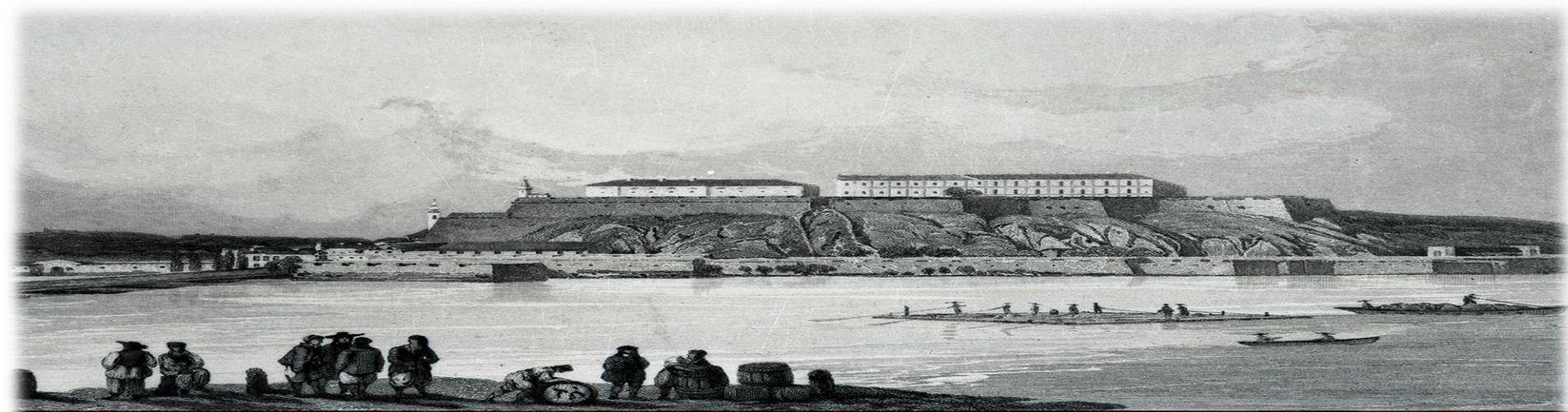
- Petrovaradin Fortress
- Štrand river beach
- Churches (numerous confessions)
- Observatory
- Planetarium
- City Museum
- Historical Archive of the City

Over 200 events every year, 30% of which are international.

Featured events:

- Music festival EXIT – 200,000 visitors, €13.6 million profit
- Agricultural Fair – 300,000 visitors, including 1,500 exhibitors from 60 countries
- Cinema City – 80,000 visitors
- Festival of Street Performers – 80,000 visitors

PETROVARADIN FORTRESS



EXIT FESTIVAL



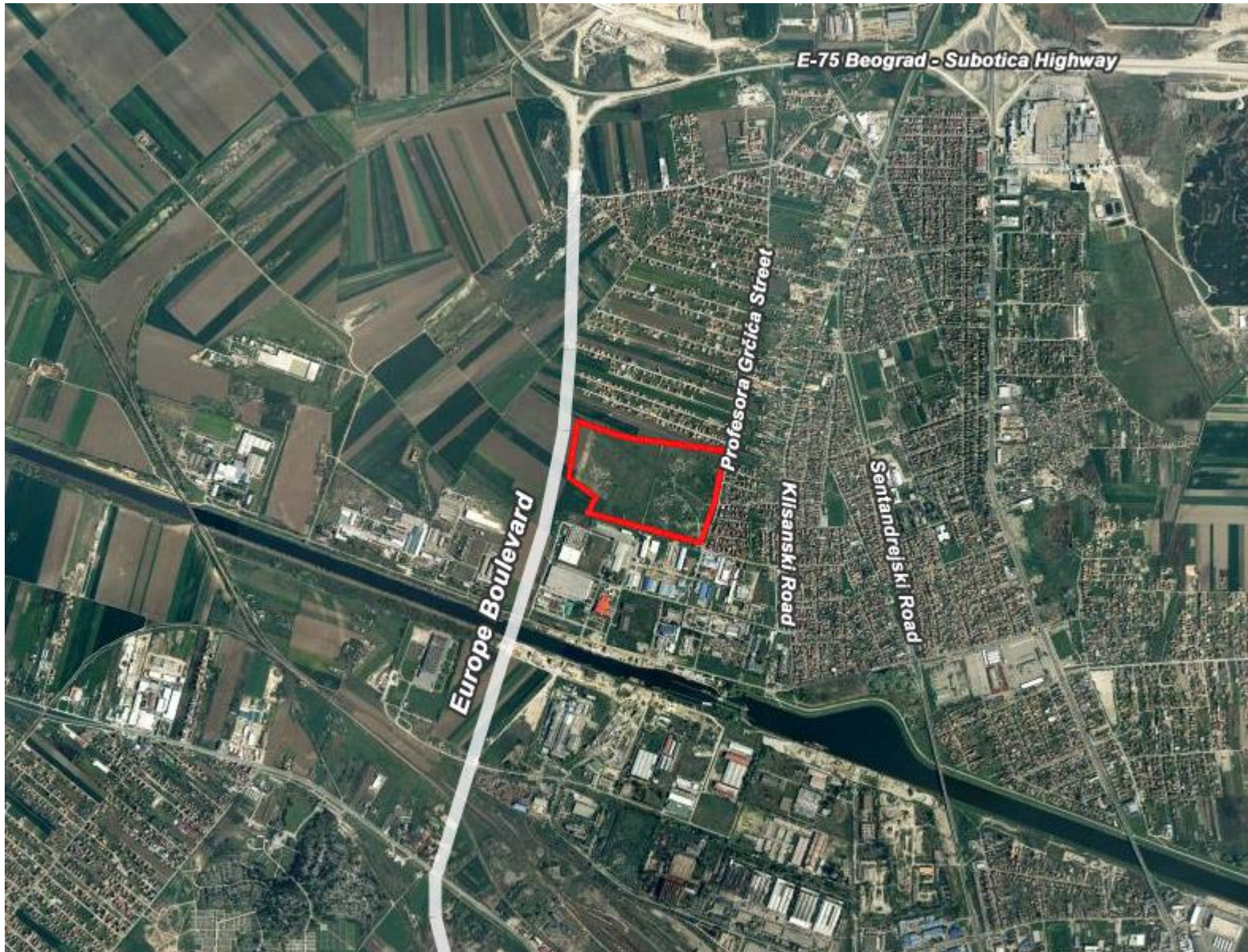
AVAILABLE SITES



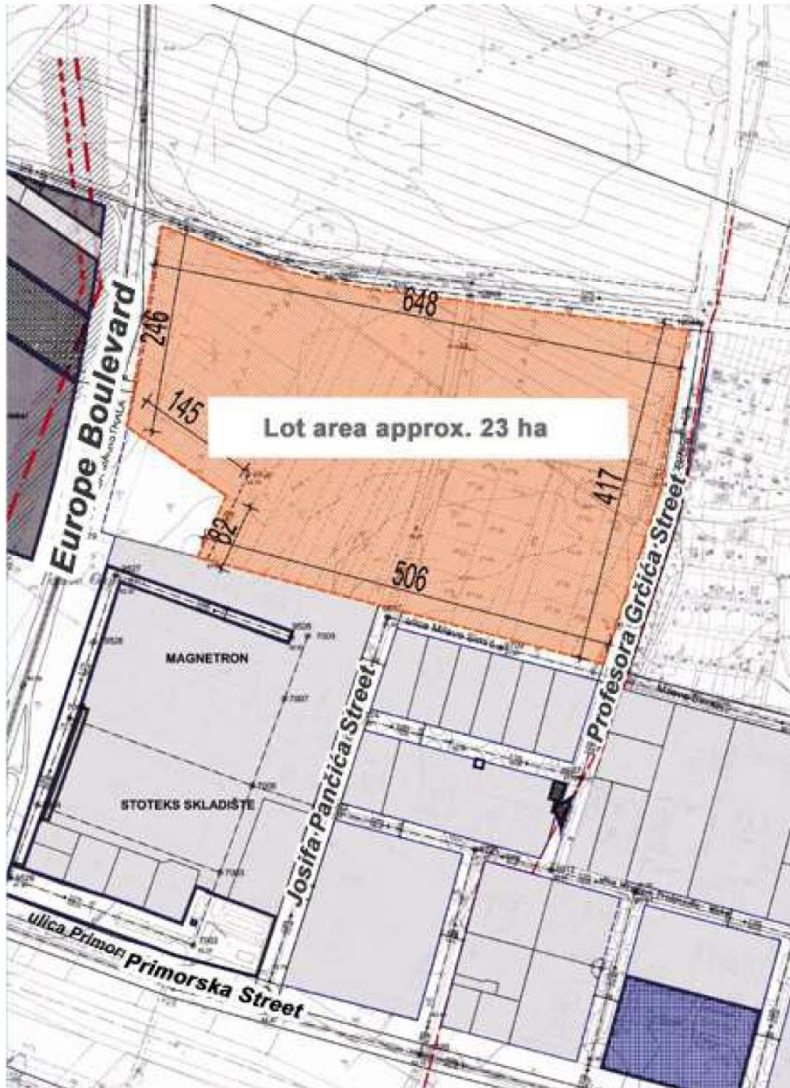
City of Novi Sad

LOCAL ECONOMIC DEVELOPMENT OFFICE

NORTH 1



25 NORTH 1 Work Zone between Europe Boulevard and Profesora Grčića Street



LOCATION DATA

Lot number	371/13, 371/14... CM Novi Sad 4
Ownership	City of Novi Sad
Lot area	approx. 23 ha
Type of occupancy	business in the work zone
Lot coverage	up to 50%
Floor area ratio	0.5-1.5
Current status	undeveloped

FACILITY DATA

Number of floors	GF or GF+1 (GF+2 maximum)
Facility footprint	up to 115,000 m²
Total facility gross area	up to 345,000 m²
Type of occupancy	facilities for secondary and tertiary activities

CONDITION FOR CONSTRUCTION

General Regulation Plan of the area for business in the northwest part of the City of Novi Sad ("The Official Journal of the City of Novi Sad" No. 45/2011)

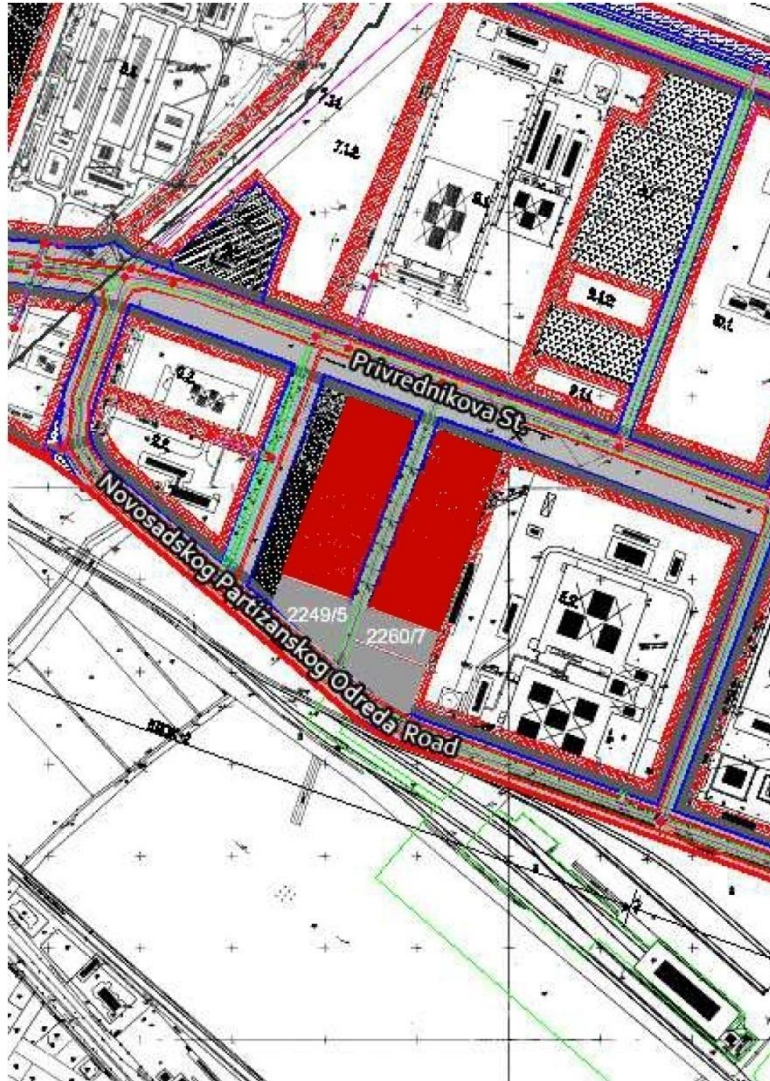
NOTES

- lots are merged in the complex and then parceled orthogonally with respect to the perimetrical traffic roads
- minimum building lot size is 2,000 m² with a front 25m wide
- in the case of complex technology or facilities larger than 1 ha, further elaboration of urban projects is necessary

NORTH 2



15 North 2 Work Zone Novosadskog Partizanskog Odreda Road



LOCATION DATA

Lot number	2252/4, 2253/11, 2254/1 ... 2255/11, 2256/1, 2258/3 ... CM Novi Sad I
Ownership	City of Novi Sad
Lot area	approx. 2 x 1,8 ha
Type of occupancy	secondary and tertiary working activities and manufacturing
Lot coverage	up to 50%
Floor area ratio	0.5-1.5
Current status	undeveloped

FACILITY DATA

Number of floors	GF - GF+1 (GF+2 maximum)
Facility footprint	approx. 2 x 9.000 m ²
Total facility gross area	max 2 x 27.000 m ²
Type of occupancy	manufacturing, business and warehouse space

CONDITION FOR CONSTRUCTION

General Regulation Plan of the area for business in the northwest part of the City of Novi Sad ("The Official Journal of the City of Novi Sad" No. 45/11);
Detailed Regulation Plan of the North 2 Work Zone in Novi Sad ("The Official Journal of the City of Novi Sad" No. 24/2006)

NOTES

Not permitted disposal or recycling of waste materials, unless applied modern technology indoors. In order to form a larger complex, it is possible to merge several lots.

RIMSKI ŠANČEVI



THE RIMSKI ŠANČEVI WORK ZONE is located in the far north of the construction area of Novi Sad. It is located between the railroad track Novi Sad–Bečej in the north-west, state road of the second order R-120 in the east and the E-75 Highway in the south. It covers an area of 111 ha. Within the framework of the economic development, strengthening of the local business sector and increase of the employment, the city has started construction of a **business-industrial-handicraft centre with manufacturing facilities and storage area**, on 4 ha of the Rimski Šančevi Work Zone. The holder of the future facilities will be the City of Novi Sad – Public Company "Business Premises". An investor who meets the most criteria in an Open call for the lease of the production facilities will pay the rent under the preferential conditions. The maximum level of coverage is 50%, and floor area ratio from 0.5 to 1.5. The first facility - production facility - has been completed and its surface is 1,446 m².



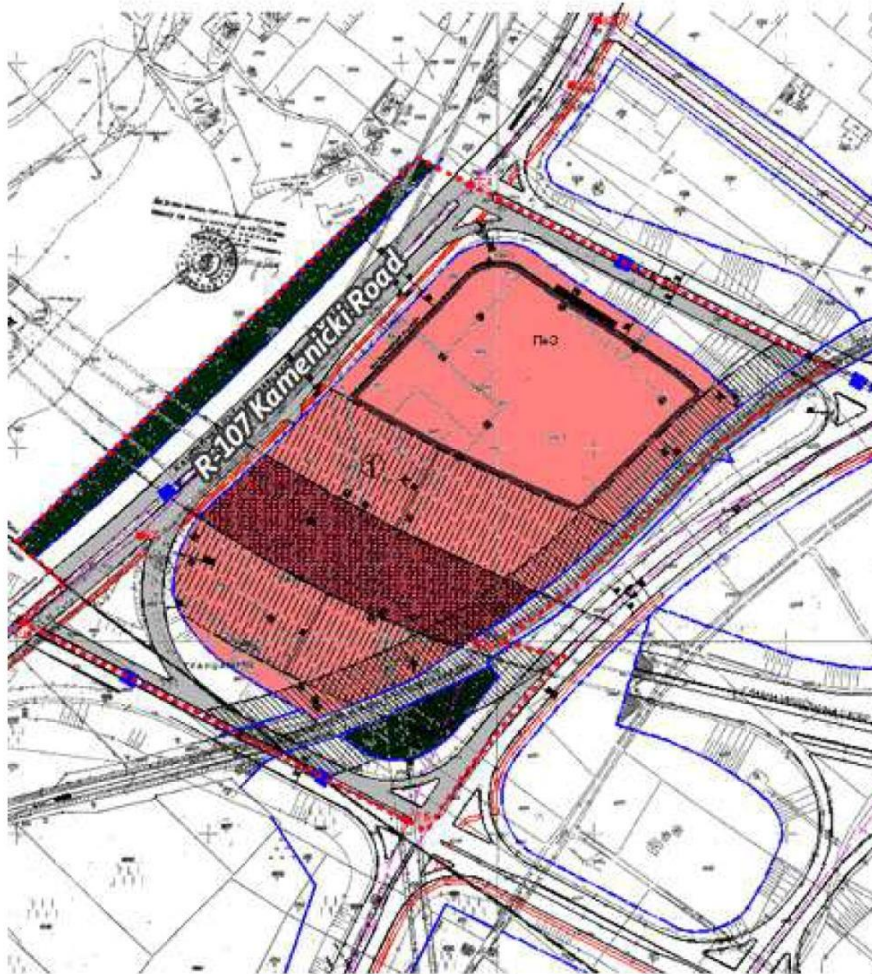
SITES SUITABLE FOR HOTELS



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PETROVARADIN – Trandžament



LOCATION DATA

Lot number	2828 CM Petrovaradin
Ownership	City of Novi Sad
Lot area	39,090 m²
Type of occupancy	business activities
Lot coverage	up to 33%
Floor area ratio	up to 4.0 (it refers only to the facility construction area)
Current status	undeveloped

FACILITY DATA

Number of floors	up to GF+3
Facility footprint	up to 12,900 m²
Total facility gross area	up to 51.600 m²
Type of occupancy	business center (high-class hotel; sports and business center; culture center - multiplex cinema; bars, restaurants and commercial amenities)

CONDITION FOR CONSTRUCTION

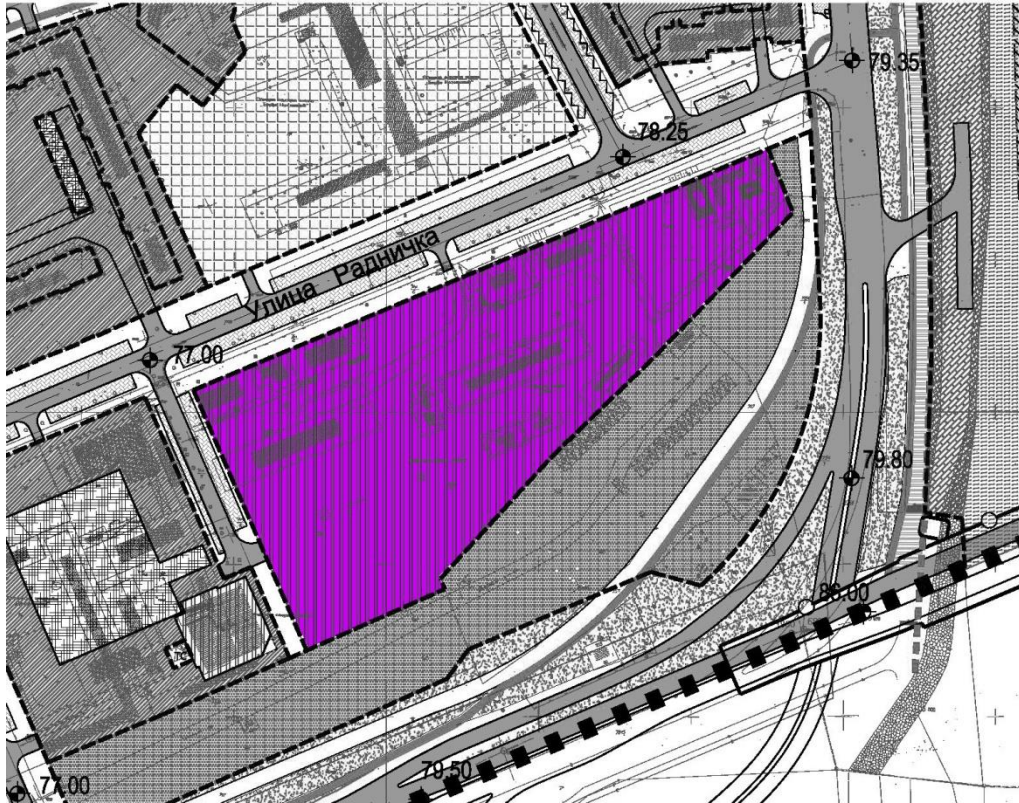
Detailed Regulation Plan of Trandžament in Petrovaradin "The Official Journal of the City of Novi Sad" No. 61/2010)

NOTES

- **It is necessary to remove the illegally placed concrete plant;**
- **It is necessary to perform engineering and geological survey of the soil;**
- **It is necessary to conduct the architectural Call for the whole complex.**







LOT DATA

Ownership	City of Novi Sad
Lot area	approx. 1.3 ha
Type of occupancy	business center
Lot coverage	up to 75%
Floor area ratio	up to 2.5
Current status	developed

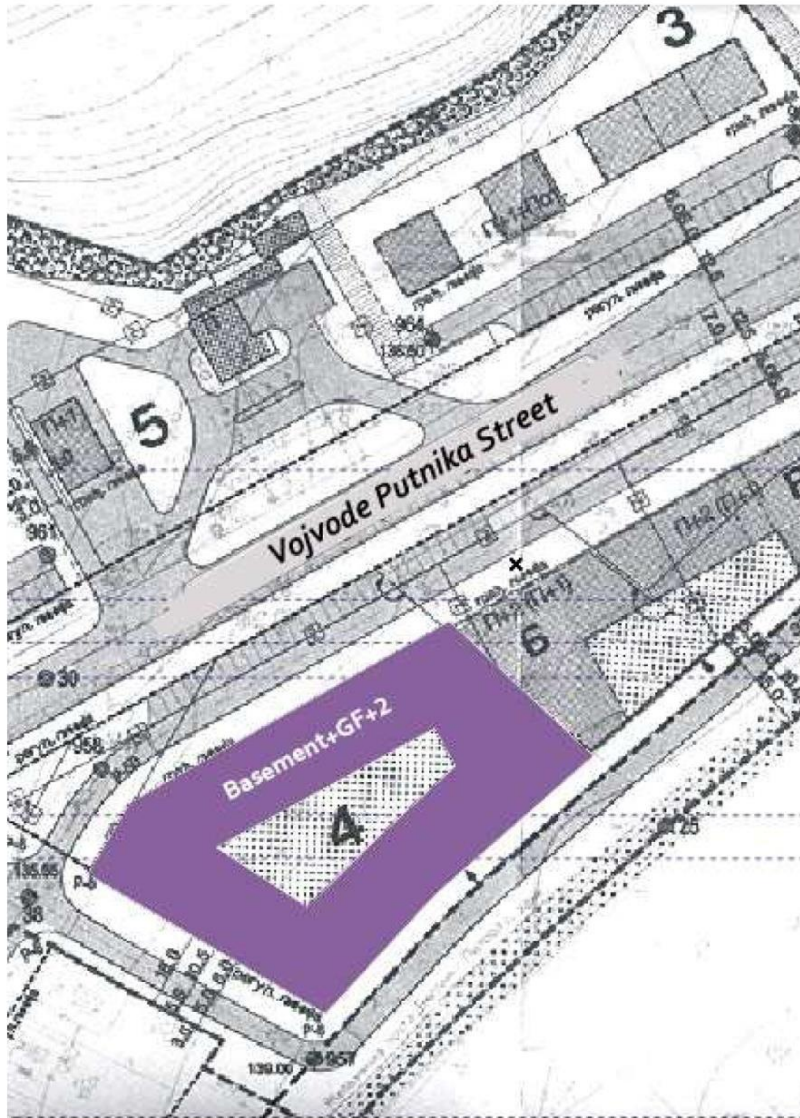
Radnička Street

FACILITY DATA

Number of floors	up to GF+4 (one part up to GF+8)
Facility footprint	up to 9.750 m ²
Total facility gross area	up to 32.500 m ²
Type of occupancy	business premises (offices, services, commercial, hotel, etc.)



SREMSKA KAMENICA – Center



LOCATION DATA

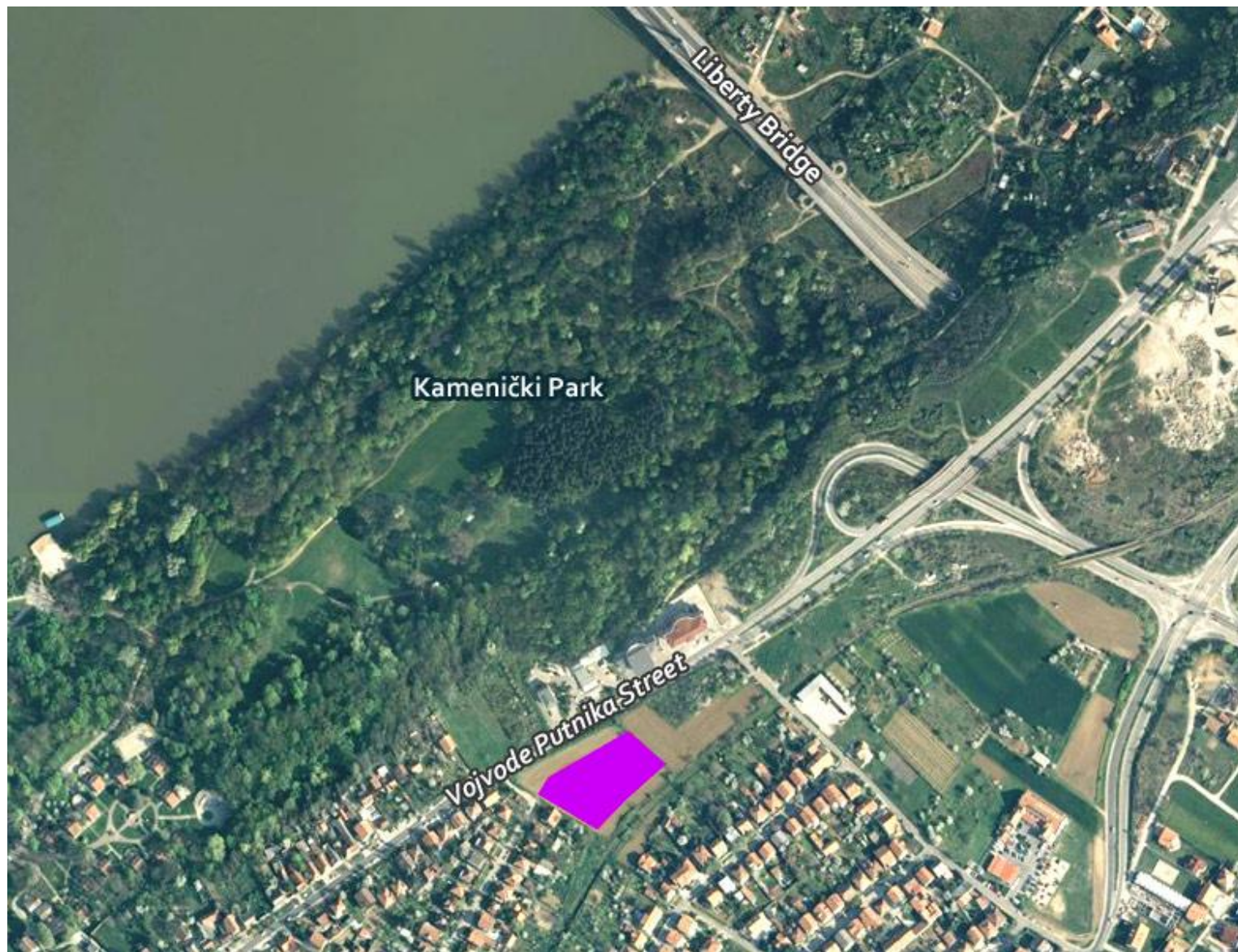
Lot number	4173/10 CM Sremska Kamenica
Ownership	City of Novi Sad
Lot area	4,791 m²
Type of occupancy	business and commercial
Lot coverage	up to 60%
Current status	undeveloped

FACILITY DATA

Number of floors	Basement+GF+2
Facility footprint	2,603 m²
Total facility gross area	gross area of floors - 7,809 m² garage on the basement level – 3.242 m²
Type of occupancy	basement: garages groundfloor: bars, restaurants and commercial amenities floors: office space

CONDITION FOR CONSTRUCTION

Regulation Plan of the new center in Sremska Kamenica ("The Official Journal of the City of Novi Sad" No. 13/02)



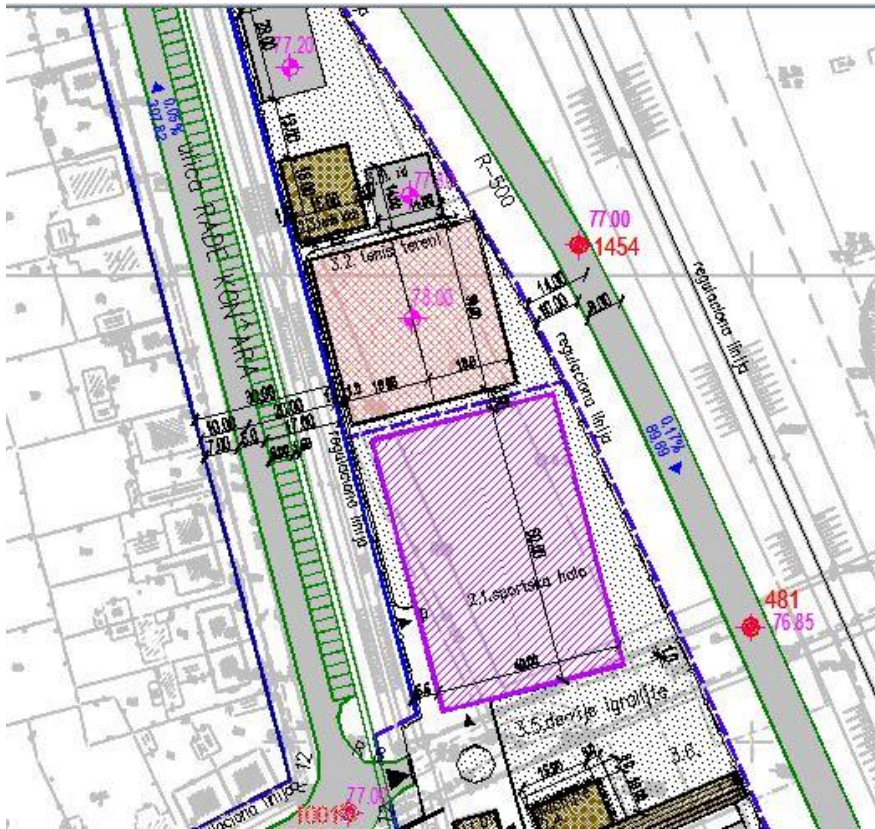
CURRENT SITES FOR SPORTS CENTERS



City of Novi Sad

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Petrovaradin – Rade Končara Street



DOCUMENTATION

Condition for construction Detailed Regulation Plan of sports center in Petrovaradin (Official Journal of the City of Novi Sad, number 18/2005)

SITE DATA

Lot number 499/3 cadastral unit Petrovaradin
 Lot area 2.397 m²
 Ownership City of Novi Sad
 Type of occupancy sports hall
 Current status undeveloped

FACILITY DATA

Number of floors GF and high GF
 Facility footprint
 Total facility gross area
 Type of occupancy sports hall



LIFE IN NOVI SAD





City of Novi Sad

LOCAL ECONOMIC DEVELOPMENT OFFICE

Thank you for your attention!

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