



Boost Your Business



Invest In Novi Sad



NOVI SAD

has always been the center of economic growth, owing to its geostrategic position and entrepreneurial spirit of its citizens. At present, Novi Sad is the administrative, university, business, cultural, tourist and fair center of the region, with proactive government encouraging and supporting the development of contemporary economy. As the largest city in the Autonomous Province of Vojvodina, the most developed part of Serbia, Novi Sad offers investors numerous benefits for their business.

IDENTITY CARD



Location: 45°46' N, 19°20' E

Time zone: GMT+1

Area: 699 km²

Altitude: 80 m

Population: 341.625 (Census 2011)

Climate: temperate continental,
average temperature 2.5°C in January,
27.2°C in July, average precipitation 576.8
mm/year.



RUSSIA

LITHUANIA
VILNIUS
1637km

BELARUS
MINSK
1403km

GERMANY
BERLIN
1179km

POLAND
WARSAW
1039km

UKRAINE
KIEV
1453km

CZECH REPUBLIC
PRAGUE
822km

SLOVAKIA
BRATISLAVA
493km

AUSTRIA
VIENNA
536km

HUNGARY
BUDAPEST
299km

E-75

LIECHTENSTEIN
VADUZ

SLOVENIA
LJUBLJANA
603km

CROATIA
ZAGREB
463km

MOLDOVA
CHISINAU
1022km

SWITZERLAND

SLOVENIA
LJUBLJANA
603km

CROATIA
ZAGREB
463km

BOSNIA AND
HERZEGOVINA
SARAJEVO
283km

SERBIA
Novi Sad
Belgrade

ROMANIA
BUCHAREST
728km

MONTENEGRO
PODGORICA
499km

E-70

ITALY
ROME
1362km

MACEDONIA
SKOPJE
516km

BULGARIA
SOFIA
427km

ALBANIA
TIRANA
681km

GREECE
ATHENS
1233km

Istanbul
1062km

TURKEY

ACCESS TO THE MARKET

Serbian market cover 7.5 million consumers. On the account of **free trade agreements**, there is no customs duty on export from Novi Sad to the markets of the CEFTA and EFTA member states, Russia, Belarus, Turkey and Kazakhstan, which covers over 280 million consumers. Moreover, if one includes preferential trade conditions with the EU and USA, it can be said that the **total export potential covers over one billion consumers, without customs duties!**

GEOSTRATEGIC POSITION AND TRANSPORTATION INFRASTRUCTURE

Novi Sad is located at the intersection of main international roads.

Corridor 10: Highways E-75, E-70 and a railway track connect Novi Sad to Western and Central Europe and Asia Minor.

Corridor 7 (the Danube River): Connection to the North Sea and Atlantic Ocean via the Rhine-Main-Danube Canal and to the Black Sea. Novi Sad has infrastructurally developed port and three international river wharfs.

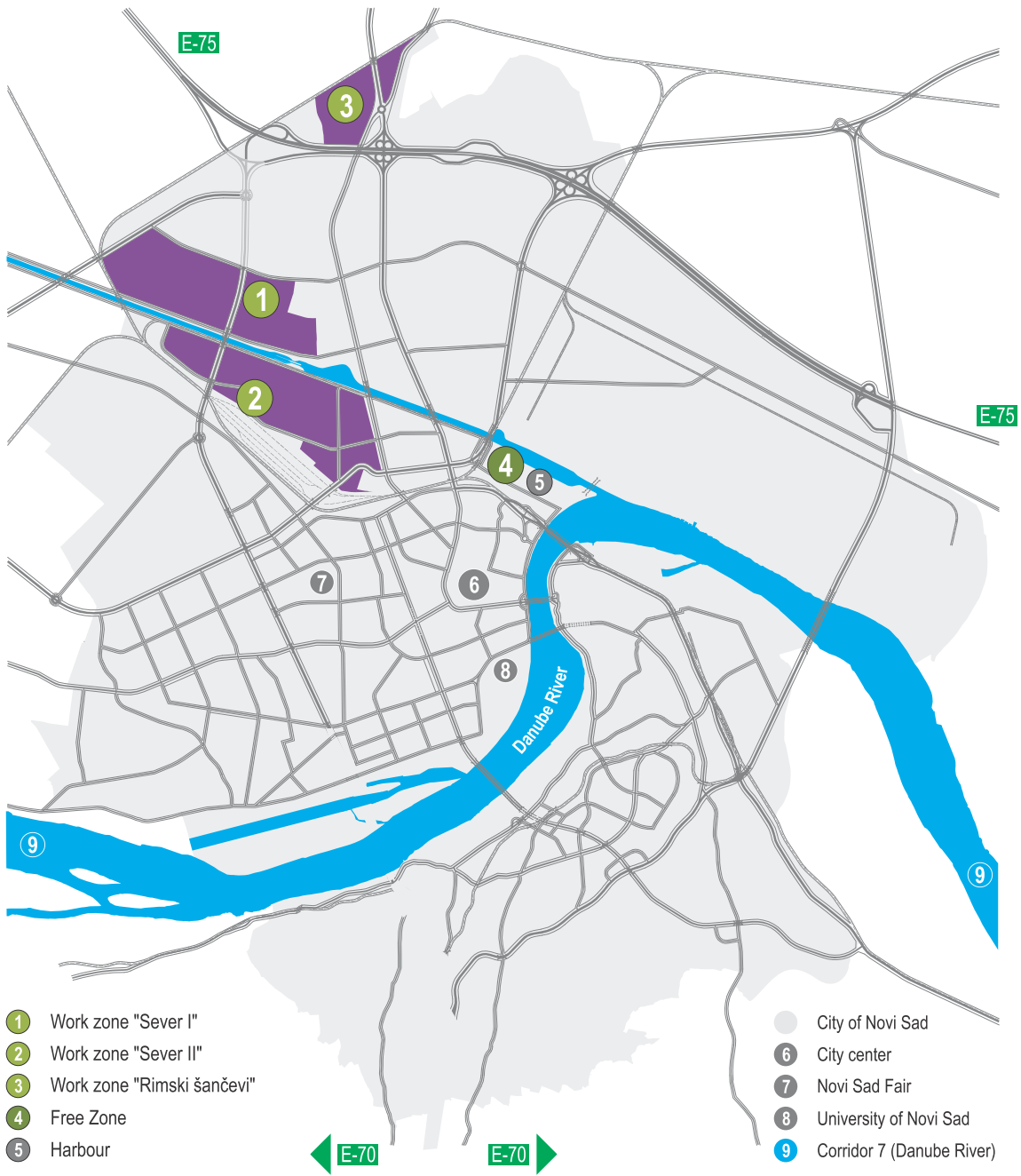
Airports: International airport "Nikola Tesla" in Belgrade (80 km from Novi Sad) and sports airport "Čenej" (16 km from the Novi Sad city center).

- Corridor 10
- Corridor 7 (River Danube)
- Free trade agreements
- Preferential trade conditions (EU, USA)



City of Novi Sad

LOCAL ECONOMIC DEVELOPMENT OFFICE



- 1 Work zone "Sever I"
- 2 Work zone "Sever II"
- 3 Work zone "Rimski šančevi"
- 4 Free Zone
- 5 Harbour

- City of Novi Sad
- 6 City center
- 7 Novi Sad Fair
- 8 University of Novi Sad
- 9 Corridor 7 (Danube River)

INVESTMENT OPPORTUNITIES

FEATURED SITES:

Work zone "Sever I"

Location: 4.6 km from the city center, near corridors 10 and 7 (45°14'28"N and 19°48'35"E)

Purpose: economic activities

Greenfield sites: ~ 22 ha, possibility of division into lots

Infrastructure: completely developed

Work zone "Sever II"

Location: 4 km from the city center, near corridors 10 and 7 (45°16'34"N and 19°48'41"E)

Purpose: economic activities

Greenfield sites: ~ 2.2 ha and ~ 2.1 ha, possibility of division into lots

Infrastructure: completely developed

Work zone "Rimski šančevi" – lease of production and business facilities

The City of Novi Sad intended the sites in the Work zone "Rimski šančevi" for construction of production and business facilities in the city's ownership, which will be offered for a long-term lease under favourable conditions. The first production and business facility of 1250 m² built for this purpose was leased in 2012.

Location: 7 km from the city center, near corridors 10 and 7 (45°18'56"N and 19°49'43"E)

Purpose: economic activities

Infrastructure: completely developed

Greenfield and brownfield sites

Novi Sad has attractive available sites for various purposes, both in the city and private ownership, as well as the database of brownfield sites and business premises. Please visit the web pages of the City of Novi Sad for the list of available sites and their descriptions:

www.novisadinvest.rs/sh/slobodne-lokacije and www.novisad.rs/map

FEATURED SITES:

Free Zone

The Novi Sad Free Zone offers investors an opportunity for **duty-free business transactions and import and export of goods and services without quantity restrictions, VAT and customs duties.**

Location: in the international port complex on the Danube, near Corridor 10;

Purpose: industrial production, services;

Available greenfield sites;

Available production and storage space, in the open and in the premises of the Free Zone;

Logistical support to investors:

loading/unloading, storage, freight forwarding, insurance, consulting.

More information at <http://szns.co.rs>



City of Novi Sad

LOCAL ECONOMIC DEVELOPMENT OFFICE



Dunavska street, one of oldest streets in Novi Sad
Author: Dragoljub Zamurović

INCENTIVES FOR INVESTORS

Provincial incentives for investors

Provincial incentives for investors

Incentives for employment:

Autonomous Province of Vojvodina awards between 130,000 RSD (approx. €1,143) and 150,000 RSD (approx. €1,318) per new employment.

**According to the average exchange rate of the National Bank of Serbia on July 15th, 2013.*

Refund of investments in fixed assets:

Up to €100,000 for construction of new production facilities or lease costs, for investments in processing and IT industry with export share of minimum 50% of the total turnover, for investments of at least €3 million and creation of at least 100 new jobs.

City incentives for investors

Reduction of the land development fee:

Land development fee can be decreased up to 90% for the construction of facilities intended for production activities and ICT services, which can be the subject of international trade, worth of more than €1,000,000 and employing permanently more than 50 people in the period of four years from the date of the contract signature;

50% discount for paying the whole land development fee at one go.

Incentives for employment:

The City of Novi Sad awards subsidies to employers who create new job opportunities on the territory of Novi Sad, in the lump sum of 200,000 RSD (€1,758) per person employed.

**According to the average exchange rate of the National Bank of Serbia on July 15th, 2013.*



City of Novi Sad

LOCAL ECONOMIC DEVELOPMENT OFFICE



Novi Sad City Hall, in the central city square
Author: DragoJub Zamurović

INCENTIVES FOR INVESTORS

Taxes and state incentives

Corporate tax 15%;

VAT 8% and 20%;

10-year-long corporate tax relief on profit, proportioned to the investment in fixed assets for the performance of the core business, for the investment larger than 1,000,000,000 RSD (about € 8,790,000) and employment of at least 100 people;

For investments in the production sector, in the sector of services which may be the subject of international trade and in the strategic projects from the field of tourism, funds are awarded in the amount from €4,000 to €10,000 per new job;

Special financial package for large and medium investments and investments of special importance;

Local self-government, with the prior approval of the Government of the Republic of Serbia, may dispose or lease a plot covering the area greater than 25 acres, at a price lower than the regular market/rent price or without compensation for investments in production and information and communication technologies that may be the subject of international trade, under the condition of employing permanently at least one person to every two acres of the disposed or leased land.

**Incentives for job creation cannot be combined.*

Detailed information about taxes and state incentives:
<http://siepa.gov.rs/en/>



Dunavski Park, located in Novi Sad city center
Author: Dragoljub Zamurović

HUMAN RESOURCES

Total number of employees in 2012 was 130,721, while 29,849 people were unemployed. **Unemployment rate** was 18.6%. Moreover, there is a significant labour force gravitating towards Novi Sad from South Bačka District, which includes eleven other municipalities with a total of 273,546 residents and 36,546 of the unemployed.

Average salary in May 2013 was the gross total of 63,267 RSD and the net total of 45,812 RSD (567 EUR gross, 410 EUR net).

**According to the average exchange rate of the National Bank of Serbia on May 31st, 2013.*

The University of Novi Sad is the second largest university center in Serbia, with **47,810 students** in the academic 2012/2013. The University of Novi Sad is an educational as well as scientific institution, providing knowledge and conducting research in numerous fields. Out of **14 faculties** comprising the University, nine are seated in Novi Sad: Faculty of Philosophy, Faculty of Agriculture, Faculty of Technology, Faculty of Law, Faculty of Technical Sciences, Faculty of Science, Faculty of Sports and Physical Education, Faculty of Medicine, Academy of Arts and a branch of the Faculty of Economics seated in Subotica. Moreover, there are eight private faculties in Novi Sad.

The network of secondary schools consists of four grammar schools, eight vocational schools (school of agriculture, school of mechanical engineering, school of electrical engineering, two secondary technical schools, school of transport, medical school and school of economics), three schools for art education and one school for children with disabilities. In the 2012/2013 school year, **16,661 students** were attending the secondary schools.

Education Center, launched in the beginning of 2012, aims to provide workforce for scarce occupations through vocational training and retraining.



City of Novi Sad

LOCAL ECONOMIC DEVELOPMENT OFFICE

BUSINESS AND CURRENT ECONOMY

SUCCESS STORIES



LOCAL ECONOMIC DEVELOPMENT OFFICE

Novi Sad has the best credit rating in Serbia - Ba3, while Serbia's credit rating is BB, according to "Moody's Investors Service".

There is a total of **9,479 enterprises** in Novi Sad, predominantly privately owned. Large enterprises comprise 1% of that number, 2.9% are medium-sized and 96.1% are small. There are **13,782 entrepreneurs**.

Dominant branches are **processing industry** (especially the production of food, beverages, tobacco, paper and cellulose), **commerce, transport, and ICT** sector. Furthermore, 28 banks operate in Novi Sad, as well as 24 insurance companies.

Additional information on investment potentials and the existing economy may be found at <http://www.novisadinvest.rs/en>, while the electronic services of the Novi Sad City Administration, such as Investors Registry, Construction Land Fees, Administrative Procedures Registry, etc. are available at www.euprava.novisad.rs.

For more information on investing in Novi Sad please contact the Local Economic Development Office via kler@novisad.rs. The Office will prepare an offer based on your request and be at your disposal throughout the entire investment process.



City of **Novi Sad**

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