Quick Facts

SERBIA
GDP 2014 € 33.075* bn
Currency Serbian Dinar (RSD)
Double Taxation Treaties with 55 countries
*according to ESA 2010

VOJVODINA
Total area 21,506 km
Population 1.9 million
26 nationalities
6 official languages
Export volume $ 4.9 bn
Export growth rate 3.2%

Key export sectors
Manufacturing 85.5%
Food & Beverage 15.6%
Oil derivatives 8.9%
Chemicals 7.5%
Rubber & Plastics 7.4%
Machines & Equipment 6.8%

Major export markets
EU, CEFTA, Russia

Source: Vojvodinian Chamber of Commerce, 2014

VIP
# 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: 15%
- Hungary: 16%
- Slovakia: 19-25%
- Poland: 18-32%
- Croatia: 12-40%

## Standard VAT Rate
- Serbia: 20%
- Bulgaria: 20%
- Slovakia: 20%
- Czech Republic: 21%
- Poland: 23%
- Romania: 24%
- Croatia: 25%
- Hungary: 27%

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### Social Insurance Contributions
- Pension & disability: 12% - 14%
- Health Insurance: 5.15%
- Unemployment: 0.75%
- Annual Income Tax: 10-15%
- Other Income Tax: 20%

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**Note:**
- 5 day work week - 40 work hours
- (net 37.5 hours a week)
- 30 min rest period per day

**Vacation:**
- min 20 days p.a.
- Holidays: non-working days p.a. 11 to 12

**Overtime & Night shift:**
- 26% bonus on basic salary
- National Holiday: 10% bonus on basic salary

**Fixed-Term Contract:**
- max 2 years
- Trial Period: max 6 months

**Min Monthly Salary:**
- NET: €174
- TOTAL COST: €277
# Incentives

## State

### Financial Incentives

<table>
<thead>
<tr>
<th>Investment Projects in the:</th>
<th>Manufacturing Sector</th>
<th>Services Sector* (subject to international trade)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds are awarded for financing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The level of funds is determined in accordance with a set of criteria:</td>
<td>level of eligible investment costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>costs of gross salaries for new employees for a 2-year period</td>
<td></td>
</tr>
</tbody>
</table>

*For more information, visit SIEPA website - www.siepa.gov.rs*

## Vojvodina

### Reimbursement of Investment Cost

<table>
<thead>
<tr>
<th>Minimum Investment</th>
<th>€ 1 mil</th>
<th>New Jobs Created</th>
<th>30</th>
<th>Incentive</th>
<th>up to € 50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Investment</td>
<td>€ 2 mil</td>
<td>New Jobs Created</td>
<td>100</td>
<td>Incentive</td>
<td>up to € 100,000</td>
</tr>
</tbody>
</table>

### New Employment Incentives

| € 150 | Per every new job created |

### National Employment Service Grants

<table>
<thead>
<tr>
<th>Program</th>
<th>Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Subsidies Program</td>
<td>cca. € 1250-2500</td>
</tr>
<tr>
<td>Apprentice Program</td>
<td>cca. € 80-115 per employee</td>
</tr>
<tr>
<td>Re-training Program</td>
<td>max cca. € 750 per employee</td>
</tr>
</tbody>
</table>
# Energy Potential

## Gas
- Municipality is gasified: 100%
- Local pipeline length: 152 km
  - Pressure on main pipeline max 50 bar
  - Pressure on local pipeline max 4 bar

## Biomass
- Total land: 26,219 ha
- Agricultural land: 20,926 ha
- Arable land: 18,562 ha
- Most common crops: wheat, barley, maize, sunflower, soy

## Electricity
- No. of distribution substations: 42
- Total network length (km): 200

## Wind
- Average speed: 4.6 m/s at 100 m

## Solar
- Insolation: 270 days p.a. 2,000 hrs
Infrastructure

**ROADS**
- Regional road network 31 km
  - Backo Gradište-Curug-Zaboj-Sajkas
  - Kac-Sajkas-Titej-Perlez-Kovadlo-Secanj
- Local road network 108 km
  - Sajkas-Mesorin
  - Road 129
  - Gardinova-road 129
  - Gardinova-Kovilj
  - Titej-Mesorin
  - Vilovo-Mesorin

**WATERWAY**
- River Tisza & Danube length 46 km
- Port in Novi Sad distance 50 km
- Canal network length 205 km
- Irrigation/drainage system network 2,000 ha

**RAILWAY**
- Railway network length 23 km
  - Novi Sad-Orlovač
- Axial pressure
  - 16 t
  - 32 t

**SEWAGE**
- Sewage system 15%
- Sewage network length 12 km
Why Invest

TOP 5 REASONS to invest in Titel

1. Favorable geographical position
   Proximity of main industrial centers and rivers Danube, Tisza, Begej

2. Access to skilled workforce

3. Availability of both Greenfield & Brownfield locations

4. Broad set of municipal incentives
   - various fee rates

5. High-quality agricultural land

- growing your profits
- increasing productivity
- boosting competitiveness
Population

Total population

Workforce

Employed
March, 2015

Total = 1,556
679 females
877 males

Unemployed
March, 2015

Total = 1,530
666 females
864 males

Unemployed age structure

- 15-24: 266
- 25-34: 367
- 35-44: 352
- 45-54: 358
- 55+: 187

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COME AND GROW
High Schools

School | Profile | #students | #graduates
-------|---------|-----------|-----------
Vocational high school | Economics | 186 | 42
| AC Equipment Mechanics | 19 | 8
| Car Mechanics | 23 | 10
| Culinary | 46 | 12
| Tourism | 75 | 24
| Hospitality | 22 | 10

Only 40 km to Novi Sad where all high school profiles and universities are available
Key Sectors

Investment Opportunities

1. AGRIBUSINESS
2. TOURISM
3. METAL PROCESSING
Key Sectors

Processing capacities expansion

- 22,267 ha of high-quality agricultural land with the possibility of irrigation - 2,000 ha of irrigation/drainage network
- Livestock expansion potential due to high percentage of rural population and access to pastures
- Cereals crops - 13,050 ha
- Industrial crops - 4,900 ha

<table>
<thead>
<tr>
<th>22,267 ha</th>
<th>Agricultural land</th>
</tr>
</thead>
<tbody>
<tr>
<td>19,372 ha</td>
<td>Arable land</td>
</tr>
<tr>
<td>1,553 ha</td>
<td>Pasture</td>
</tr>
<tr>
<td>457 ha</td>
<td>Meadows</td>
</tr>
<tr>
<td>93 ha</td>
<td>Orchard &amp; Vineyards</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>8,000 ha</th>
<th>4,900 ha</th>
<th>400 ha</th>
<th>700 ha</th>
<th>250 ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize</td>
<td>Wheat</td>
<td>Soy</td>
<td>Alfalfa Roughage</td>
<td>Sunflower</td>
<td></td>
</tr>
<tr>
<td>4650 ha</td>
<td>4000 ha</td>
<td>700 ha</td>
<td>400 ha</td>
<td>250 ha</td>
<td></td>
</tr>
</tbody>
</table>

Investment opportunities:

- Processing capacities development: cereals, fruit & vegetables, meat & dairy
Key Sectors

Diverse natural potentials

- Exceptional natural resources: two rivers (Tisza, Danube), natural reservoir (Titelski breg)
- Development potential for: Nautical tourism, Eco-tourism, Sports-recreational tourism, Hunting and fishing tourism, Event tourism, Rural Tourism
- Specific geographical position - makes it a potential nautical resort
- More than 20% of foreign tourist visits

<table>
<thead>
<tr>
<th>Average tourist visits</th>
<th>Current accommodation capacities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overnight stays</td>
<td>Hotel Tisza</td>
</tr>
<tr>
<td></td>
<td>capacity 120 guests</td>
</tr>
<tr>
<td>Average annual visits</td>
<td></td>
</tr>
<tr>
<td>200</td>
<td></td>
</tr>
<tr>
<td>1,800</td>
<td></td>
</tr>
</tbody>
</table>

Investment opportunities:
- River Tisza pier/coastal development
- Marina development
- Accommodation capacities development
Key Sectors

Available Brownfield locations

- Long tradition dating back to 1960's
- Potential for cooperation with local suppliers
- A number of suitable Brownfield locations

**Former FOMG company location - production of metal equipment**
Established in 1962 as a workshop, developing to a company for making metal products and metal cage equipment. In 1985 new production facility of 2,000 sqm has been built. In 1988 another hall for galvanizing treatment of metal has been built (decorative chrome plating, galvanization, and hard chromium plating) - with a system for wastewater treatment. The company used to employe more than 200 workers until it went under bankruptcy in 2012.
Bidding price is € 243,000

**Former Agrocoop AD company location - 9,326 m²**
## Top 10 Employers

<table>
<thead>
<tr>
<th>Company</th>
<th>Sector</th>
<th>Country</th>
<th>#Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIRIC AGRO MDZ DOO</td>
<td>Agribusiness</td>
<td>Serbia</td>
<td>53</td>
</tr>
<tr>
<td>POLY VERBUND PREMIX DOO</td>
<td>Plastics</td>
<td>Serbia/Germany</td>
<td>37</td>
</tr>
<tr>
<td>IRIS FARM</td>
<td>Pharmacy</td>
<td>Serbia</td>
<td>22</td>
</tr>
<tr>
<td>NELT DOO</td>
<td>Plastics</td>
<td>Serbia</td>
<td>16</td>
</tr>
<tr>
<td>OZZ SAJKASKA</td>
<td>Agribusiness</td>
<td>Serbia</td>
<td>14</td>
</tr>
<tr>
<td>RADULOVIC</td>
<td>Tourism</td>
<td>Serbia</td>
<td>13</td>
</tr>
<tr>
<td>ENTERIJER PETROVIC</td>
<td>Wood processing</td>
<td>Serbia</td>
<td>11</td>
</tr>
<tr>
<td>PROFIKRIL DOO</td>
<td>Plastics</td>
<td>Serbia</td>
<td>11</td>
</tr>
<tr>
<td>CIGLANA</td>
<td>Brick production</td>
<td>Serbia</td>
<td>10</td>
</tr>
<tr>
<td>TITEL COOP DOO</td>
<td>Agribusiness</td>
<td>Serbia</td>
<td>9</td>
</tr>
</tbody>
</table>
# Labor Cost - Titel

**LABOR COST STRUCTURE**

*Average salary in Titel - January, 2015*

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET Salary</td>
<td></td>
<td>224.17</td>
</tr>
<tr>
<td>Personal Income Tax</td>
<td>10%</td>
<td>21.32</td>
</tr>
<tr>
<td>Contributions (employee)</td>
<td>19.9%</td>
<td>60.99</td>
</tr>
<tr>
<td>GROSS Salary</td>
<td></td>
<td>306.49</td>
</tr>
<tr>
<td>Contributions (employer)</td>
<td>17.9%</td>
<td>54.86</td>
</tr>
<tr>
<td>TOTAL Cost</td>
<td></td>
<td>361.35</td>
</tr>
</tbody>
</table>

**Production Sector**  
*Salary in Vojvodina*

- **NET:** €334.15  
- **GROSS:** €463.38  
- **TOTAL COST:** €546.32  

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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
Greenfield Locations

Location 1
Industrial zone - Titel South 1
Land size: 450 ha
Available: 35 ha
Ownership: municipality

☑️ Sale ☑️ Lease

Location 2
Industrial zone - Mosorin
Land size: 34 ha
Available: 34 ha
Ownership: state

☑️ Sale ☑️ Lease

Especially suitable for setting up production for dairy processing, abattoir, biomass - due to dominantly developed agricultural sector (one of the largest milk producers in South Burada district, where there several thousand fattening pigs)
Brownfield Locations

Location 1
Agrocoop AD
Land size: 9,326 m²
Ownership: bankruptcy

- Sale
- Lease

Location 1
FOMG AD
Land size: 142 ha
Production facility 1: 0.27 ha
Production facility 2: 0.21 ha
Ownership: municipality

- Sale
- Lease

Infrastructure

Electricity  Water  Gas  Sewage  Optical Cable
Construction Procedures

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

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

VIP
Your Partner in Municipality

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Zorica Kurucin - Local Economic Development Office
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VIP Services

- Tailor made solutions
- Location marketing
- Business incubators
- Aftercare support
- Policy advocacy
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