

VOJVODINA
COME AND GROW



City of Sombor
Invest in Vojvodina

Global Market Access



Russia	EFTA	USA
142 million	13 million	317 million
EU	CEFTA	Belarus
505 million	30 million	10 million
Kazakhstan	Turkey	
16 million	72 million	

Duty-free export
to over 1 billion
consumer base

PAN EUROPEAN CORRIDORS



Quick Facts

SERBIA



Total area
21,506 km



Population
1.9 million



26 nationalities
6 official
languages



Export volume
\$ 4.9 bn



Export growth
rate 3.2%

VOJVODINA

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

GDP 2014 € 33.075* bn

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	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%

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 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
110% 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

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:	level of eligible investment costs costs of gross salaries for new employees for a 2-year period

For more information, visit SIEPA website - www.siepa.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

Vojvodina

REIMBURSEMENT OF INVESTMENT COST

Minimum investment	€ 1 mil	New jobs created	30	Incentive	up to € 50,000
Minimum investment	€ 2 mil	New jobs created	100	Incentive	up to € 100,000

NEW EMPLOYMENT INCENTIVES

€ 1,150	Per every new job created
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Logistics



SOMBOR - Total Area: 1267 km²



Distance from borders

HUN	CRO	ROM	BUL	B&H
28 km	25 km	138 km	432 km	192 km



Distance from highway

E-75	E-70
52 km	135 km



Distance from airport

BGD Belgrade	OSI Osijek
165 km	73 km

Energy Potential



GAS

Municipality is gasified	90 %
Local pipeline length	178 km
•Pressure on main pipeline 6 bar •Pressure on local pipeline 2 bar	



ELECTRICITY

No. of distribution substations	17
Total power	10,450 kVA
Total network length	8 km
Energy supplied in 2013/14	3,407,337 kWh 6,605,248 kWh
Available capacities	350 kVA



BIOMASS

Total land	117,800 ha
Agricultural land	101,736 ha
Arable land	96,641 ha
Crop residue (per annum)	270,000-420,000 t
Most common crops: •Maize, wheat, sunflower, sugar beet	



GEO THERMAL

73°C temperature	at 1,200 m
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WIND

Average speed 3.5-4 m/s	at 50 m
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Infrastructure



ROADS

Regional road network	156 km
Local road network	107.3 km



NAVIGABLE ROUTES

River Danube length	66 km
Port in Bezdán distance	18 km
*Canal system network	269.5 km
▪ Bezdán-Vrbas - 66.5 km ▪ Danube-Tisza-Danube - 203 km	



RAILWAY

Railway network length	168 km
▪ Sombor-Vrbas ▪ Subotica-Sombor-Bogojevo	
Railway network not in use	161 km
Axial pressure	22.5 t



SEWAGE

Sewage system	70-75%
Sewage network length	130 km

Why Invest

TOP 5 REASONS to invest in Sombor

1 Premium quality agricultural land
- 101,736 ha - out of which 96,641 ha of arable land

3 Available & skilled labor pool
- Educational programs: Agriculture, Textile, Technical, and many others

5 Favorable geographical position
- Corridors 7 & 10, EU border proximity (Croatia, Hungary) - quick transportation to EU destinations

Agribusiness industry potential **2**
- Abundant resource base and optimal natural conditions

Tourism development potential **4**
- Natural resort „Gornje Podunavlje“, potential for congress tourism



growing your profits



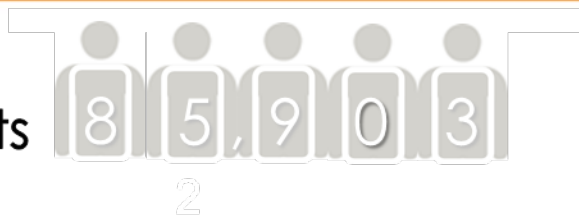
increasing productivity



boosting competitiveness

Population

Number of inhabitants



Workforce

Employed

Sep, 2014

Total = 18,491



9,366



9,125

Unemployed

Feb, 2015

Total = 7,552

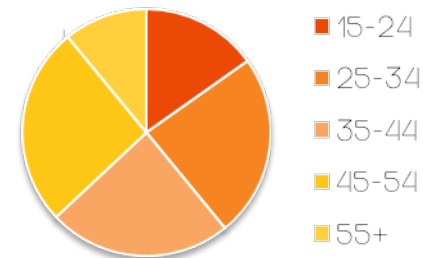


3,019



4,533

Unemployed age structure



15 %	24 %	24 %	26 %	11 %
1,147	1,803	1,810	1,965	827

Education



High Schools - 44 different programs

School	Profile	#students	#graduates	School	Profile	#students	#graduates
Gymnasium	General Social-Linguistics, Science	518	129	Technical	Car Mechanic	31	14
Economy	Business Admin	178	46		Motor Vehicle Driver	84	24
	Finance	103	21		Car Electrics	51	13
	Commerce	91	24		Electric Networks Instalation	5	/
	Economics	118	28		Gas & Pneumatics Mechanic	9	/
	Chef	120	27		Metal Processing	9	9
	Hospitality	27	9		Electric Installations	17	15
	Trade	36	18		Computer Design Mechanical Tech	106	23
Agriculture	Agricultural Tech	90	22		Computer Management Tech	101	16
	Horticulture	48	19		Road Traffic	128	33
	Veterinary	150	40		Computer Electro-Tech	147	34
	Bio-Tech	13	/		Energy Electro-Tech	99	15
	Food Tech	81	24		Mechatronics	82	19
Specialized	Baker	52	11		Mechanical Tech Motor Vehicles	23	/
	Apparel Design	78	13	Medical	Medicine & Pharmacy	740	196
	Environment Protection	122	31				
	Industrial Pharmacy	123	29				



Key Sectors

Opportunities to invest

1 AGRIBUSINESS

Vegetable Processing

Meat & Dairy

2 TOURISM

3 METAL PROCESSING

Key Sectors

Outstanding resource base

Main advantages:

- Abundant agricultural land 101736 ha - 96,641 ha arable land
- Sector with significant export potential
- Potential for irrigation system network expansion via existing canal network
- Constant supply of skilled workforce - 434 registered high-school students in 2014
- Excellent natural conditions - no land, water, air pollution
- Ridjice - favorable location for GI grape production
- Developed local suppliers network - cooperatives, farmers, SMEs fertilizers, pesticides, seed and planting material, etc
- Companies: Meteor Commerce doo, Delta Agrar

Investment opportunities:

- vegetable and fruit production, winery development, organic production
- livestock, meat & dairy

Agribusiness



Key Sectors

Long-standing tradition

Main advantages:

- 8,000 registered local farmers engaged in fruit & vegetable production
- Most common vegetable crops - 340 ha: tomato, cabbage, kale, pepper, onion, garlic, cauliflower, carrot, green peas, watermelon, etc
- Cereal crops: wheat (19,000 ha), rye (10 ha), barley (1,700 ha), oats (100 ha), corn (36,500 ha), other crops (230 ha)
- Investment potential for the processing industry due to high-quality resource base
- Production of fresh produce - to be shipped to any part of EU in 24 hrs

		Cereals	58,000 ha
		Pulses	17 ha
		Potato	75 ha
		Sugar beet	8,500 ha
		Industrial plants	19,500 ha
		Vegetables	340 ha
		Flowers	2 ha
		Roughage	2,500 ha
Agricultural land	101,736 ha		
Cultivated arable land	96,641 ha		
Unused arable land	5,000 ha		
Forest land	7,800 ha		
Other	14,800 ha		
Unused arable land	5,000 ha		

Vegetable Processing



Key Sectors

Excellent natural conditions

Main advantages:

- 6,300 registered local farmers in cattle breeding
- Average land size (local farmers) - 11 ha
- Total facilities for livestock breeding: 19,300
- Pastures & meadows - 5,700 ha
- Great resource base for local animal feed production
- Well-established companies: Matijevic doo, Delta Agrar,

Livestock	Count
Pigs	105,000
Cattle	14,500
Sheep	13,200
Goat	5,500
Poultry	300,000

Meat & Dairy

Key Sectors

Congress tourism potential

Main advantages:

- Excellent location for meetings, seminars and exhibitions
- EU border proximity - Hungary (28 km), Croatia (25 km) - which allows for EU accession funds project applications & cross-border cooperation programs
- Natural resort „Gornje Podunavlje“ located next to river Danube offers variety of tourism opportunities
- Gastronomic variety offer - 27 nationalities with diverse cuisine
- Developed rural tourism - multiethnicity & multiculturalism
- Yachting potential - river Danube and DTD hydro-system
- Cycling tourism - a part of Eurovelo 6 route

Investment opportunities:

- High-end hotel development for congress tourism
- The city of Sombor doesn't have the capacities that can accommodate more than 50 guests

Tourism



Key Sectors

Sector with a history of good results

Main advantages:

- *Long-standing tradition in metal processing*
- *Formerly successful companies:*
 - "Bane Sekulic" - production of fittings, tools, metal goods, doors/windows
 - "Battery Factory Sombor" - production of batteries and auto parts
 - "Zastava" - production of cars, and special vehicles
- *Easy-access to highly qualified workforce* - 1,033 workers registered at National Employment Service
- *Technical high-school in Sombor with metal processing profiles*
- *Potential for cooperation with well-established companies in the sector:* "Brodoremont" - construction and repair of vessels
- *Strong export potential*
- *River port - Bezdan (River Danube) suitable for transportation of raw materials, semi-finished, and finished products*
- *Sound support system and potential for development*

Metal Processing



Top 10 Employers

COMPANY	SECTOR	COUNTRY	#EMPLOYEES
FIORANO DOO	Textile	ITALY	1,712
PROGGETI DOO	Footwear	ITALY	434
SOMBOLED DOO (LACTALIS)	Dairy	CROATIA/FRANCE	330
SOMBORELEKTRO DOO	Trade	SERBIA	189
SUNCE AD	Agribusiness	SERBIA	174
AGRI-COOPERATIVE KLJAJICEVO	Agriculture	SERBIA	100
BOJA AD	Metal Processing	SERBIA	94
METEOR-COMMERCE DOO	Animal Feed	SERBIA	84
TEPKOS DOO CONOPLJA	Agribusiness	SERBIA	78
AGROPLUS DOO	Livestock (Cows)	SERBIA	77



Labor Cost - Sombor

LABOR COST STRUCTURE Average salary in Sombor

January, 2015

NET Salary		249.36
Personal Income Tax	10%	24.92
Contributions (Employee)	19.90%	68.14
GROSS Salary		342.42
Contributions (Employer)	17.90%	61.29
TOTAL Cost		403.71

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

Production Sector

Salary in Vojvodina

NET: € 334.15
GROSS: € 468.38
TOTAL COST: € 546.32

Greenfield Locations



Location

Industrial Zone

Land size: 485 ha

70 ha complete infrastructure
(electricity, gas, water, sewage, optical cable)
200 ha partial infrastructure

Ownership: city

- *industrial railway track
- *waterway - canal Bezdán-Becej

Sale Lease

Newly designed 20kV cable lines



Greenfield Locations

Location 1

Industrial Zone

Available sites:

I: 1.32 ha II: 0.35 ha III: 0.36 ha

Ownership: city

*gas - planned

*sewage - nearby

*optical cable - 500 m distance

Sale Lease

Location 2

Block 82-104

Land size: 1 ha

Ownership: city

*gas, sewage, optical cable - 100 m distance

Sale Lease

Infrastructure



Image © 2015 CNES / Astrium
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Brownfield Locations

Location 1

Remont Komazec doo

Land size: 30,000 m²

Facilities: 4,057 + 2,000 m²

Ownership: private

* Free zone within the company

✓ Sale ✓ Lease

Location 2

Mono Metal

Land size: 23,264 m²

Facilities: 4,640 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

Municipality Incentives

%

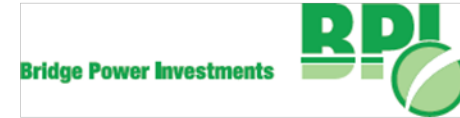
Land Development

Fee

The city can determine various incentive schemes

- for:
- * projects with strategic importance
 - * projects contributing to environmental protection & energy efficiency

Success Stories



Your Partner in Municipality

CONTACT US

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VIP Services

Tailor made solutions



Location marketing



Business incubators



Aftercare support



Policy advocacy



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