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KIKINDA INVESTMENT POTENTIALS

Kikinda investment potentials

Kikinda Serbia

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Geographic information, population and industrial background

The town of Kikinda is the regional centre of the North Banat area. It is situated at 45.84° N, 20.45° E. The North Banat District is in the outermost north-eastern part of the Republic of Serbia on the junction of the borders of Serbia, Hungary and Romania, and it is spread across the area of 2.329 km^2. There are 50 populated places in this area with the total number of 147.770 inhabitants. The biggest town and the centre of the district is Kikinda. According to the 2011 National Census, the total population of the town of Kikinda is 59.453, which includes the town, nine villages and two hamlets. The average age of residents in the municipality of Kikinda is 42, 4 years.

Population by age and sex in the town of Kikinda and its surrounding villages

City of Kikinda	Total	Age																		Adult population	Average age
		0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	75–79	80–84	85 and over		
	59453	**2545**	**2844**	**2807**	**3424**	**3699**	**3811**	**3813**	**3931**	**3874**	**4348**	**4770**	**5087**	**4714**	**2709**	**2880**	**2260**	**1273**	**664**	**49221**	**42,4**
Town	38065	1634	1874	1785	2099	2301	2506	2613	2660	2548	2778	2959	3199	3057	1790	1828	1350	705	379	31511	42,1
Village	21388	911	970	1022	1325	1398	1305	1200	1271	1326	1570	1811	1888	1657	919	1052	910	568	285	17710	42,9
Banatska Topola	866	37	28	25	48	57	55	49	57	58	73	64	80	66	49	45	49	19	7	748	44,6
Man	446	22	19	14	27	27	32	32	32	32	40	30	43	33	21	16	18	7	1	375	41,7
Female	420	15	9	11	21	30	23	17	25	26	33	34	37	33	28	29	31	12	6	373	47,7
Banatsko V. Selo	2512	94	80	94	125	145	161	133	146	136	158	213	268	252	100	135	131	83	58	2170	46,1
Man	1267	53	41	57	68	84	86	77	82	67	73	98	139	133	51	60	48	37	13	1074	43,9
Female	1245	41	39	37	57	61	75	56	64	69	85	115	129	119	49	75	83	46	45	1096	48,4
Bašaid	3123	186	209	177	233	242	199	172	195	178	268	265	238	163	99	117	97	60	25	2416	38,4
Man	1556	78	96	78	124	135	113	92	107	89	136	145	127	88	41	41	37	18	11	1228	37,9
Female	1567	108	113	99	109	107	86	80	88	89	132	120	111	75	58	76	60	42	14	1188	39,0
Iđoš	1822	67	95	128	118	122	99	112	109	129	141	131	166	137	76	69	62	46	15	1456	41,2
Man	907	32	39	62	60	68	57	59	58	68	76	68	89	71	33	32	22	9	4	738	40,0
Female	915	35	56	66	58	54	42	53	51	61	65	63	77	66	43	37	40	37	11	718	42,3
Kikinda	38065	1634	1874	1785	2099	2301	2506	2613	2660	2548	2778	2959	3199	3057	1790	1828	1350	705	379	31511	42,1
Man	18399	842	952	944	1058	1178	1284	1339	1374	1300	1337	1417	1489	1456	805	761	514	247	102	15020	40,5
Female	19666	792	922	841	1041	1123	1222	1274	1286	1248	1441	1542	1710	1601	985	1067	836	458	277	16491	43,6
Mokrin	5270	251	278	280	333	353	317	303	310	356	399	429	395	373	236	242	226	121	68	4268	41,7
Man	2644	132	136	131	189	180	174	166	149	179	210	226	227	178	107	104	94	41	21	2131	40,4
Female	2626	119	142	149	144	173	143	137	161	177	189	203	168	195	129	138	132	80	47	2137	42,9
Nakovo	1918	52	40	72	78	110	106	105	103	98	127	162	216	220	79	122	109	86	33	1705	48,3
Man	925	30	20	30	33	58	58	63	46	52	56	80	115	119	35	47	40	34	9	823	47,0
Female	993	22	20	42	45	52	48	42	57	46	71	82	101	101	44	75	69	52	24	882	49,6
Novi Kozarci	1894	70	65	80	116	127	115	108	90	119	122	188	179	160	71	105	86	59	34	1616	44,6
Man	936	33	38	48	57	64	64	64	43	64	55	92	92	88	28	49	27	21	9	787	42,6
Female	958	37	27	32	59	63	51	44	47	55	67	96	87	72	43	56	59	38	25	829	46,6
Rusko Selo	2813	106	108	114	196	167	178	151	189	175	206	249	242	220	143	149	116	68	36	2371	43,7
Man	1407	58	62	58	102	98	92	84	87	87	109	133	120	105	69	62	39	25	17	1167	41,9
Female	1406	48	46	56	94	69	86	67	102	88	97	116	122	115	74	87	77	43	19	1204	45,4
Sajan	1170	48	67	52	78	75	75	67	72	77	76	110	104	66	66	68	34	26	9	960	41,8
Man	615	25	33	36	39	50	41	40	33	46	37	60	62	32	22	29	16	11	3	499	40,0
Female	555	23	34	16	39	25	34	27	39	31	39	50	42	34	44	39	18	15	6	461	43,7

Export-oriented area

The economy of Kikinda has the longest tradition in industry of all the municipalities in the North Banat District, and the oldest companies, which are still active, were founded way back in the middle of the 19th century, while the first joint venture in former Yugoslavia was in Kikinda, in 1979, between Foundry "Kikinda" and General Motors (USA), for manufacturing of automotive parts for Opel cars (Germany). **The Government of the Republic of Serbia, Republic of Serbia Free Zones Administration, Customs Free Zone Subotica and the town of Kikinda reached a Decision on March 2016 and Avgust 2017 to open a Customs Free Zone in Kikinda, an area of 46 ha.**

Kikinda's economy has been export-oriented towards Western Europe for decades. The North Banat District has developed mechanical engineering, production of automotive parts, production of heating elements, chemical, building materials, agriculture, food processing and small-scale industries. This area is very rich with raw energy materials: oil, gas, thermal and mineral waters. Arable land in the District covers 204.224 ha, out of which ploughland occupies 176.177 ha.

		North Banat District Chamber of Commerce and Industry Kikinda							
		I-XII 2010.	I-XII 2011.	I-XII 2012.	I-XII 2013.	I-XII 2014.	I-XII 2015.	I-XII 2016.	I-XII 2017.
Export	€	159.291.150	140.967.382	123.503.105	135.670.405	149.623.949	174.899.703	199.711.164	236.094.409
Import		52.910.946	62.476.899	58.513.685	63.436.801	66.135.200	68.014.374	62.188.352	80.641.283
Total		212.202.096	203.444.281	182.016.790	199.107.206	215.759.149	242.914.077	261.899.516	316.735.692
Balance		106.380.204	78.490.483	64.989.420	72.233.604	83.488.749	106.885.329	137.522.812	155.453.126
Index		326,0	247,6	301,1	225,6	211,1	226,2	293,1	292,7

The biggest foreign investor in Kikinda

Le Belier Gropup – France Metal industry	**Mecafor – France** Metal industry	**Zoppas – Italy** Heating elements industry
Calzedonia – Italy Textile industry	**Lidl – Germany** Supermarket	**Gaspromneft – Russia** Oil and gas
Cimos Gropup – Slovenia, Palladio Holding Italy Automotive parts industry	**FCC Environment Group – Austria** Collection and recycling of waste	**EMMEPI – Italy** Textile industry

Transport infrastructure

The State Road No. 13 passes through Kikinda. There is 60 km from Kikinda to the highway A1 (E75). We have an international road border crossing with Romania (Nakovo – Lunga), only 10 kilometres away from the town and we are located about 65 kilometres from Hungary. The cross border with Romania has a custome terminal, where a logistic centre for multimodal transport will be made in near future. One of the transport benefits is a pier on the Channel Danube – Tisa – Danube, which provides the ability to transport goods by water. Also, Kikinda have a railway network with Subotica, Belgrade, and with Jimbolia – Timisoara in Romania. A few kilometers from the city, on the State Road No. 13, there is a sport airport for small planes and helicopters.

International border crossings to EU nearby Kikinda	Distance from Kikinda
Nakovo – Lunga, The international road border crossing to Romania	10 km
Srpska Crnja – Jimbolia, The international border crossing to Romania	35 km
Kikinda – Jimbolia, The international railroad border crossing to Romania	In town
Horgos – Röszke, The international road border crossing to Hungary	75 km
Djala – Tiszasziget, The international road border crossing to Hungary	65 km

The Kikinda railroad has a long tradition, for the Szeged – Kikinda - Timisoara railroad track was built as early as in 1857, and it is still functioning, but only at the Timisoara-Kikinda route. The main railroad tracks in the area of the municipality of Kikinda satisfy the standards of EU regarding the transportation of goods weighing 20 tons per axis. The railroad station of Kikinda is the international railroad border crossing to Romania. A considerable part of the goods transportation from Timisoara in Romania towards Croatia, Slovenia and Italy is done using this course through Kikinda.

The area of Kikinda also has **waterway traffic with piers on the Danube-Tisa-Danube canal in Kikinda**. The pier of Kikinda on the Danube-Tisa-Danube canal has the capacity of 100.000 do 500.000 tons of bulk freight and its own ships with the capacity of 1000 tons. The waterways from Kikinda are:

* From Kikinda to the dam on the Tisa in Novi Bečej – 47 km;
* From Kikinda, over the dam on the Tisa in Novi Bečej to the Hungarian border - near Szeged, 48+66 = 114 km.

Sports Airport in Kikinda: Flying airplanes as a sport, plane sailing and helicopters and parachute jumping. Authority of the meteorological and flight department from Batajnica (Belgrade). The altitude of the airport: 81m.a.s.l. The air field is 900m x 30m in length, direction of drag is 14/32: 138°/318°, ARP coordinates (by the WGS-84 system): N 45° 46' 02,5'' and E 20° 25' 14,9''. The nearest airport for civilian traffic is in Timisoara – Traian Vuia (90 km), and in Belgrade – Nikola Tesla (135 km).

Education in Kikinda

Technical School Kikinda – profiles in the school year 2018 / 19, number of enrolled students	
Educational profile **ELECTRICAL ENGINEERING**	
1.	**IT Technician** a four year education – 30 students
2.	**Computer Electronics Technician Programmer** a four year education – 30 students
3.	**Automotive Electronics Technician** a four year education – 30 students
Educational profile **IT, MECHANICAL ENGINEERING AND METAL PORCESSING**	
1.	**Computer Aided Design Technician** a four year education – 30 students
2.	**CNC turning and grinding machine Operator** a three year education – 15 students
3.	**Welder and Locksmith** a three year education – 15 students
Educational profile **TRAFFIC**	
1.	**Road Traffic Technician** a four year education – 30 students
2.	**Motor Vehicle Driver** a three year education – 30 students

Grammar School "Dušan Vasiljev" Kikinda			
	Educational profile	**Number of enrolled students in a school year**	
		School year 2017/18	**School year 2018/19**
1.	**Science-Mathematics Course** (a four year education)	120	120
2.	**Socio-Linguistics Course** (a four year education)		
3.	**Department for talented students in IT sector**	0	20

Secondary Vocational School „Miloš Crnjanski“ Kikinda			
	Educational profile	Number of enrolled students in a school year	
		School year 2017/18	School year 2018/19
1.	**Medical Nurse** (a four year education)	30	0
2.	**Laboratory technician in health care** (a four year education)	0	30
3.	**Architectural Technician** (a four year education)	17	30
4.	**Environmental Protection Technician** (a four year education)	0	30
5.	**Chemistry technologist Technician** (a four year education)	19	0
6.	**Food Products Manufacturer – Baker** (a three year education)	11	15
7.	**Food Products Manufacturer – Dairy worker** (a three year education)	7	15

School of Economics and Trade Kikinda			
	Educational profile	Number of enrolled students in a school year	
		School year 2017/18	School year 2018/19
1.	**Economic Technician** (a four year education)	30	30
2.	**Financial Administrator** (a four year education)	30	30
3.	**Sales worker – seller** (a three year education)	0	24
4.	**Chef and Waiter** (a three year education)	30	30
5.	**Tourism Worker** (a four year education)	0	24

Important notice:

- ✓ Possibility of dual education
- ✓ Schools may establish a new profile in accordance with the requirements of the companies
- ✓ National Employment Service organizes and finances retraining and training for companies
- ✓ There are several faculty departments in Kikinda for economy, management, mechanical engineering, high school for teachers

North Banat District – free labour forces

The City of Kikinda, Number of unemployed persons – age and level of education June 2018
Registered with the National Employment Service

Age	Toatal	Woman	Level of education	Toatal	Woman
15 – 19	145	56	I level of education	1.564	788
20 – 24	249	115	II level of education	141	57
25 – 29	295	181	III level of education	701	297
30 – 34	333	218	IV level of education	789	497
35 – 39	391	235	V level of education	14	5
40 – 44	390	238	VI-1 level of education	106	72
45 – 49	416	223	VI-2 level of education	75	52
50 – 54	466	262	VII-1 level of education	187	114
55 – 59	571	286	VII-2 level of education	4	2
60 – 64	325	70	VIII level of education	0	0
Total	**3.581**	**1.884**		**3.581**	**1.884**

Number of unemployed persons in North Banat District – Number of unemployed persons – level of education June 2018
Registered with the National Employment Service

Age	Ada	Kanjiža	Kikinda	Novi Kneževac	Senta	Čoka
15 – 19	17	64	145	33	52	21
20 – 24	25	121	249	72	82	56
25 – 29	43	172	295	92	98	61
30 – 34	41	181	333	91	103	81
35 – 39	54	162	391	120	111	83
40 – 44	38	169	390	90	127	102
45 – 49	43	156	416	86	126	106
50 – 54	64	188	466	110	163	132
55 – 59	79	186	571	147	186	114
60 – 64	72	100	325	95	131	87
Total	**476**	**1.499**	**3.581**	**937**	**1.179**	**843**

Number of unemployed persons in North Banat District – Number of unemployed persons – age June 2018
Registered with the National Employment Service

Level of education	Ada	Kanjiža	Kikinda	Novi Kneževac	Senta	Čoka
I level	251	967	1.564	553	744	472
II level	7	31	141	30	34	19
III level	79	232	701	173	167	178
IV level	98	214	789	153	186	150
V level	3	9	14	1	4	1
VI-1 level	9	15	106	7	16	7
VI-2 level	4	11	75	4	5	4
VII-1 level	25	20	187	16	23	12
VII-2 level	0	0	4	0	0	0
VIII level	0	0	0	0	0	0
Total	**476**	**1.499**	**3.581**	**937**	**1.179**	**843**

Number of employed persons by age in the City of Kikinda in July 2018

Age	Men	Women	Total	%
Up to 20	40	25	65	0,43
20 – 25	340	260	600	4,06
25 – 30	666	566	1232	8,33
30 – 35	886	881	1767	11,95
35 – 40	1062	941	2003	13,55
40 – 45	1097	1005	2102	14,22
45 – 50	1114	933	20147	13,85
50 – 55	1162	975	2137	14,46
55 – 60	1157	854	2011	13,60
Over 60	579	234	813	5,50
Total	**8.103**	**6.674**	**14.777**	**100,00**

Structure of employees by level of education in July 2018

Level of education	Men	Women	Total	%
I level of education	1015	636	1651	11,16
II level of education	660	189	849	5,74
III and IV level of education	873	784	1657	13,62
VI-1 level of education	116	255	371	2,51
VI-2 level of education	11	17	28	0,18
VII-1 level of education	240	337	577	3,90
Others	5188	4456	9644	65,26
Total	**8.103**	**6.674**	**14.777**	**100,00**

Salaries in Kikinda

Monthly salaries in 2017 in RSD	Serbia		AP Vojvodina		North Banat District		The City of Kikinda	
	gross	net	gross	net	gross	net	gross	net
January	57.231	41.508	52.282	37.910	49.653	35.920	50.182	36.282
February	64.847	46.990	62.505	45.233	53.689	38.797	53.280	38.469
March	65.695	47.814	63.007	45.857	54.572	39.542	54.132	39.173
April	68.246	49.635	67.344	48.983	58.766	42.513	59.047	42.701
May	64.860	47.136	61.176	44.323	56.677	41.035	56.978	41.214
June	67.857	49.238	66.253	48.123	60.105	43.531	60.637	43.802
July	66.251	48.101	63.593	46.087	58.403	42.313	58.271	42.286
August	65.094	47.220	63.276	45.799	58.519	42.340	57.010	41.201
September	66.438	48.212	63.526	45.979	58.275	42.136	57.691	41.670
October	64.602	46.879	62.032	45.057	57.353	41.496	57.102	41.257
November	65.609	47.575	63.728	46.201	58.728	42.463	57.614	41.607
December	74.887	54.344	75.848	54.926	68.244	49.320	65.347	47.246

Monthly salaries in 2018 in RSD	Serbia		AP Vojvodina		North Banat District		The City of Kikinda	
	gross	net	gross	net	gross	net	gross	net
January	69.218	50.048	65.388	47.289	62.226	44.968	64.598	46.666
February	66.084	47.819	62.452	45.213	58.942	42.664	61.737	44.671
March	68.251	49.400	64.943	47.001	61.301	44.347	63.544	45.956
April	67.901	49.117	64.408	46.597	61.356	44.373	63.430	45.868
May	69.684	50.377	66.024	47.730	63.570	45.949	65.989	47.682
June	68.047	49.226	64.564	46.704	60.739	43.935	63.215	45.709

1 € ≈ 119 RSD

Customs Free Zone in Kikinda

Free zones are special areas within the customs territory of the Republic of Serbia. Goods placed within these **areas are free of import duties, VAT and other import charges. Goods for export can also be put in free zones. The free zones are mainly a service for traders to facilitate trading procedures by allowing fewer customs formalities.**

Performing services is allowed under the Free Zone Industrial Park, as well as commodity production, finishing operations, goods and raw materials and semi-finished products storage, banking operations and financial transactions, insurance and re-insurance (R.I.) dealings, tourist and other services, and all kinds of economic and business operations which do not interfere with – and pollute nature.

Facilities allowed by the Free Zone Law:

* Imports of goods and services into the zone, as well as exports of goods and services from the zone are free.
* Imported raw materials and semi-finished products set aside for export, are exempt from duty and other import duties.
* Imported equipment, machines and construction materials are exempt from duty and other taxes.
* No value added tax (VAT) on any of the activities within the free zone.
* User of the zone facilities can freely manage foreign currency, which is achieved by business operations in the zone.
* Beneficial interests of the zone users are established by FZ Law and they cannot be reduced by any other regulation.
* Imports of goods into the zone are duty free. Goods from the Zone can be placed on the home market at the customs clearance and other taxes. If the goods entering the customs area of Serbia are produced within the Zone, or exposed to manipulation at domestic ingredients' sharing, duty is paid according to the rate of foreign ingredient within the goods.
* Imports to the Zone and exports from the Zone are completely free. I.e. customs quotas, import or export permissions, or other foreign-trade exchanges are not used; the goods imported from the Zone to the home market are liable to regular import system but if the home ingredient amounts minimum 50% of the aggregate value, such goods will be considered domestically produced.
* The goods from the Zone can be temporarily put in the rest of the home territory or they can be brought to the Zone for the finishing operations (processing, finishing, treatment, repairing, quality controls marketing presentations...), which enable possibilities of connecting with the domestic economy.
* Transfer of the profit achieved by the different activities in the Zone is free.
* Expropriation is not allowed in the Zone area.
* Users of the Zone facilities are able to rent, buy, or build themselves the production storages or office buildings.

Free Zones can include:

* open and closed storage areas for lease
* offices for lease
* loading and unloading of goods
* other customs services

To obtain the status, your enterprise needs to:

* Submit a signed request to the Free Zone, with a short indication of purpose, on the future activities.
* Include the photocopy of the judiciary registration of the firm.
* After the short evaluation of the request, those concerned can sign a contract with the Free Zone and immediately start operating under the advantages that the Free Zone offers.

Imports of goods and services into the zone, as well as exports of goods and services from the zone are free. Imported raw materials and semi-finished products set aside for export, are exempt from duty and other import duties. Imported equipment, machines and construction materials are exempt from duty and other taxes. No value added tax (VAT) on any of the activities within the free zone. User of the zone facilities can freely manage foreign currency, which is achieved by business operations in the zone.

Beneficial interests of the zone users are established by FZ Law and they cannot be reduced by any other regulation. Imports of goods into the zone are duty free. Goods from the Zone can be placed on the home market at the customs clearance and other taxes. If the goods entering the customs area of Serbia are produced within the Zone, or exposed to manipulation at domestic ingredients' sharing, duty is paid according to the rate of foreign ingredient within the goods. Import to the Zone and export from the Zone are completely free. I.e. customs quotas, import or export permissions, or other foreign-trade exchanges are not used; the goods imported from the Zone to the home market are liable to regular import system but if the home ingredient amounts minimum 50% of the aggregate value, such goods will be considered domestically produced. The goods from the Zone can be temporarily put in the rest of the home territory or they can be brought to the Zone for the finishing operations (processing, finishing, treatment, repairing, quality controls marketing presentations...), which enable possibilities of connecting with the domestic economy. Transfer of the profit achieved by the different activities in the Zone is free. Expropriation is not allowed in the Zone area. Users of the Zone facilities are able to rent, buy, or build themselves the production storages or office buildings.

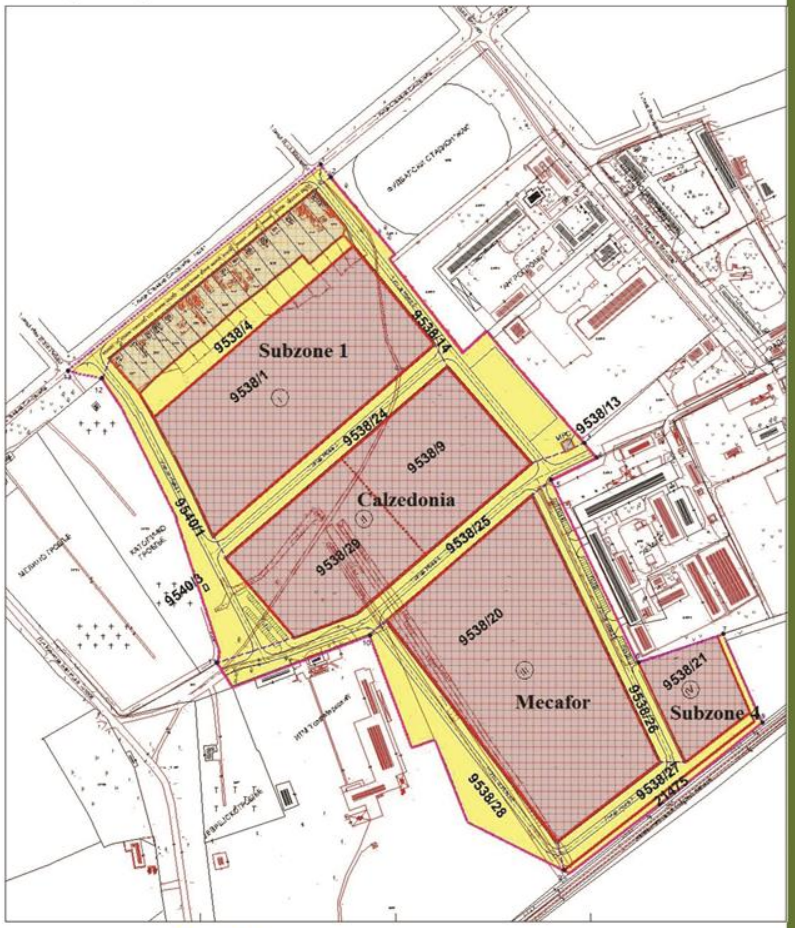
Greenfield locations

New Industrial Zone "Rasadnik"

- ✓ Cadastral lots nos. 21456/1 (surface 7.815 sq. m), 21456/2 (surface 1.546 sq. m), 21457/1 (surface 200.295 sq. m), 21457/2 (surface 10.042 sq. m), 21457/3 (surface of 763 sq. m), and 21458 (surface 5.565 sq. m) – **Total area of 226.026 sq. m**. Owner: the town of Kikinda. This area can be enlarged by the cadastral lot no. 21271 (surface 51.075 sq. m) the owner of which is the Republic of Serbia. **With enlargement, the total area is 277.101 sq. m.**
- ✓ The maximum allowed index of utilization of the building plot in the work area with plateaus and roads is **2.1.** The maximum permitted level of building lot is **70%**.
- ✓ **It is part of Customs Free Zone "Subotica" Ltd. – territory in Kikinda**
- ✓ It has a **connection with the State Road No. 13**
- ✓ Zone is near the **international railway** with the **possibility for a separate track**
- ✓ **The pier on the Danube – Tisa – Danube Canal** is one kilometre away
- ✓ **Up to the boundaries of the site there is the energy: gas and eletricity and communal infrastructure: water supply**

New industrial Zone – Subzones 1 and 4

- ✓ **Subzone 1**: total 3,2 ha – cadastral lot 9538/1 in cadastral municipality Kikinda
- ✓ **Subzone 4**: total: 7.000 sq. m – cadastral lots 9538/21 and in cadastral municipality Kikinda
- ✓ Location possess a complete infrastructure: access roads, electricity, gas, phone, internet, water, sewer
- ✓ This is part of Free Customs Zone "Subotica" Ltd. – territory in Kikinda
- ✓ Ownership: City of Kikinda
- ✓ It is on the transit route around the town



Block 9 – Sports complex "Jezero" and Old Lake

The total area of 94 ha.

Undeveloped land – public ownership by the City of Kikinda 32 ha and 21 ha of private property. Area of the Old Lake is 1, 2924 ha, and the total water area is approximately 6, 81 ha. Water temperature of the thermal springs is from 76 º C to 93 º C. **The complex is ideal for investment in water land, spa, wellness and sport facilities.**

- ✓ Sports hall, gym, sauna
- ✓ Indoor swimming pools: Water polo 25m x 33m x 2 m and for swimming 10m x 14m x 0,4m – 0,8m.
- ✓ Outdoor swimming pools: Olympic 25m x 50m x 2 m, medium size 25m x 20m x 1,2m and small 12m x 12m x 0,4m.
- ✓ Courts: for futsal (artificial grass), two for volleyball, four for basketball, two for handball ...
- ✓ Two football stadiums with one athletic track;
- ✓ Six tennis courts: with slag and fast surface.
- ✓ Hostel accommodation in the Sports complex "Jezero" for 100 persons. The rooms are double, triple and quadruple, with air conditioners, cable TV and internet. Training sports camps for junior and senior teams.
- ✓ Children's playground, camping tables and grills, benches, mini – golf, jogging track...

Part of the former military camp in Kikinda, Blocks 58 and part of 59/1

- ✓ The total area of 35 ha – cadastral lots 5323, 5324,5325 and others in cadastral municipality Kikinda
- ✓ Ownership: the town of Kikinda
- ✓ Locations possess a complete infrastructure: electricity, gas, phone, internet, water, sewer, access roads in camp
- ✓ This area is on the transit route around the town
- ✓ According to the Plan of detailed regulation there are following usable areas:
  - ✓ A = 9,42 ha
  - ✓ C = 10,70 ha
  - ✓ D = 7,14 ha

Public utility company „Kikinda“ greenfield

- ✓ The favorable location in relation to the settlement
- ✓ Location possess a complete infrastructure: access roads, electricity, gas, phone, internet, water, sewer
- ✓ Cadastral parcel no. 21703 takes 19.122 sqm for hall maximal surface area 7.500 sqm
- ✓ Situated on State Road No. 13
- ✓ Ownership by City of Kikinda

Brownfield locations

Company "Graditelj" (Severni Banat) Kikinda

- ✓ Construction Company "Graditelj" has several buildings and halls of various surfaces which are intended for rent or sale.
- ✓ This complexes provides a variety of options for different types of production.
- ✓ It is located at the exit of Kikinda near the State Road No. 13 and 15, on two locations. Address: Put za pristanište bb, Kikinda. 259.412 sqm and Idjoški put No. 4 (57.053 sqm).
- ✓ Private ownership
- ✓ Locations possess a complete infrastructure: access roads, electricity, gas, phone, internet, water, sewer and heating system.

✓ **Location "Put za pristanište":**

* Hall 1 surface area 1080 sqm plus 450 sqm
* Hall 2 surface area 1.170 sqm
* Hall 3 surface area 1.370 sqm

✓ **Location "Idjoški put" cadastral parcel 10403/4:**

* Hall surface area 1.188 sqm
* Offices 350 sqm
* Electricity transformer station and a gas-metering control station

"Banini 1" Kikinda

- ✓ **Former biscuit factory in very good condition**
- ✓ Cadastral parcels: 1755, 1769, 1770, 1772, 1773
- ✓ Gas station, electrical power substation, public water supply network with consumption measurement, waste water consumption measurement, well…
- ✓ Several warehouses total surface area 6080,5 sqm (from 404 to 2.044 sqm)
- ✓ Production area 4.122 sqm
- ✓ Offices total surface area522,16 sqm
- ✓ The dining room 123,69 sqm and dressing room 41,82 sqm
- ✓ Address: Kralja Petra I street no. 5

"Gigraphix" Kikinda

- ✓ Two locations in Kikinda:
  - * Location "Nikole Tesle" No. 6. The total area of 14.452 sqm. Cadastral parcels 1429 and 1430
  - * Location "Miloša Velikog" No. 85. The total area of 33.979 sqm. Cadastral parcels 9527 and 9528
- ✓ Private ownership suitable for sale or long term lease.
- ✓ Former toner factory.
- ✓ Location possesses a complete infrastructure: access roads, electricity, gas, phone, internet,water, sewer and heating system.

- ✓ **Location "Nikole Tesle" No. 6:**
  - * Hall 1 surface area 950 sqm
  - * Hall 2 surface area 300 sqm
  - * Offices surface area 200 sqm
  - * Electricity transformer station 80 kW

- ✓ **Location "Miloša Velikog" No. 85:**
  - * Hall 1 with offices surface area 5.000 sqm
  - * Hall 2 surface area 3.000 sqm
  - * Electricity transformer station 600 kW

"Univerexport" Kikinda – warehouse

- ✓ New warehouse surface area 1.800 plus 300 sqm
- ✓ Private ownership suitable for sale or long term lease.
- ✓ Location possesses a complete infrastructure: access roads, electricity, gas, phone, internet, water, sewer and heating system.

Location on villages around Kikinda

Nakovo

Former agricultural company near by border crossing Nakovo – Lunga 8 km away from Kikinda. There are: offices, halls surface area 700 sqm and 2.000 sqm. Dimension of cadastral parcel is 180 x 120 m. The company „Mlinostep“ is in bankruptcy.

Mokrin

Agriculture company „Mokrin“ halls and economic objects, 14 km away from Kikinda:

a. Cadastral parcel 1137 in Cadastral Municipality Mokrin. Former dairy. Private property.
b. Cadastral parcel 3931 in Cadastral Municipality Mokrin, surface area 4,5ha. Private property.
c. Former mill. Halls 1.000 sqm and 450 sqm, building 600 sqm. Dimension of cadastral parcel is 200 x 180 m. Private property.
d. Former „Remont“, Dimension of cadastral parcel is 120 x 100 m with several buildings. Private property.

Future industrial zone, surface area 15 ha. Cadastral parcel 538-1 in Cadastral Municipality Mokrin. Property City of Kikinda.

Obradovićeva bara, arranging a lake for sport fishing, water surface area 4 ha, in total 6 ha. Possibility of building facilities for fishing sport and recreational tourism. Property Ministry of Agriculture of the Republic of Serbia.

Idjoš

Cadastral parcel surface area is 6.250 sqm with buildings. Cadastral parcel 2924 in Cadastral Municipality Idjoš, 15 km away from Kikinda. Private property Agriculture company „Jovan Gligorin“.

Rusko Selo

Cadastral parcel 3999 in Cadastral Municipality Rusko Selo, surface area 122.169 sqm with different buildings, and transformer station 300 kW. Private property Agriculture company „Sloga“.

Former brick factory. Cadastral parcel surface area is 90.818 sqm with small transformer station 160 kW. Cadastral parcel s 3469, 3470/1 and 3470/5 in Cadastral Municipality Rusko Selo. It is 17 km away from Kikinda. Property Ministry of Agriculture of the Republic of Serbia.

Bašaid

Former textile production hall. Cadastral parcel surface area is 2.000 sqm, and production area in buildings is 1.000 sqm. There is a truck outlet on two streets. Boiler room with production of technical air and vapor. Electricity and gas connections. Private property.

Meat industry „PIK“ Kikinda

- ✓ The total area is 93.683 sqm, of which 15.791 sqm are facilities.
- ✓ Facilities consists manufacturing plants, supermarkets, warehouses, depot for cattle, administration building, restaurant, garage, cold storage... The former meat industry and supermarket can be found in the food processing industrial zone.
- ✓ Objects possess a complete infrastructure: access roads, water wells with water, sewage, electricity, power stations, gas, wastewater treatment plant, Internet, phone.
- ✓ Factory is in bankruptcy and it is for sale.

Factory for canning vegetables and fruits „Prima produkt“ Kikinda

- ✓ Objects possess a complete infrastructure: access roads, water wells with water, sewage, electricity, power stations, gas, wastewater treatment plant, Internet and phone.
- ✓ Factory is in bankruptcy and it is for sale.
- ✓ Factory has lines for: processing peas, sweet corn, packaging lines...
- ✓ Hall 1 surface area 4.026 sqm
- ✓ Several warehouses surface area 4.754 sqm.
- ✓ Cold storage for freezing capacity 5000 tons – surface area 7.257 sqm.
- ✓ Cadastral parcel 1784 in Cadastral Municipality Kikinda surface area is 1,86 ha
- ✓ Cadastral parcel 1785 in Cadastral Municipality Kikinda surface area is 1,87 ha

Former car service

- ✓ Surface area 160 sqm
- ✓ Private ownership suitable for sale or long term lease
- ✓ Location possesses a complete infrastructure: access roads, electricity, gas, phone, internet, water, sewer and heating system.

Former supermarket "Turbogas"

- ✓ Surface area 160 sqm
- ✓ Private ownership suitable for sale or long term lease
- ✓ Location possesses a complete infrastructure: access roads, electricity, gas, phone, internet, water, sewer and heating system.

ESTABLISHMENT OF A COMPANY IN SERBIA, TAXES, OVERHEAD COSTS, SALARIES, UTILITY COSTS

The business registration procedure in Serbia takes maximum 5 work days. This process at the Business Registers Agency can be completed in just 3 work days, with a few additional days for other procedures.

LTD start – up procedure	Number of work days
Authecaion of incoporaton Act and Signature form by the Representaie Courtand opening of a temporary bank account for share capital deposit	1
Registration of incoporaton Act and share capital deposit by business registry	3
Make stamp and seal	1
Open a permanent business accout with the commercial bank and transfer of share capital from temporary account	1
Register with local tax authority and VAT registration	1

The minimum capital required is as low as RSD 100 for a Limited Liability Company and RSD 3.000.000 or more for a Joint Stock Company.
Documentation for registration – LTD:

* The unique registration of a legal entity (on the website of the Business Registers Agency - http://www.apr.gov.rs/eng/Home.aspx
* **Founding Act** of the company with certified signatures of the members of the company (notarized in Court) - http://www.igorinjo.com/wp-content/uploads/2012/08/osnivacki-akt-doo-jednodomni.doc - in 4 copies;
* **Proof of identity of the members of the company** (a copy of the identity card for citizens of Serbia or passport for foreigners);
* **Decision on appointment of a representative**, if it is not specified in the Founding Act;
* **Certified signature of the representative** certified by the competent authority for verification (OP form certified by the Court - http://www.igorinjo.com/wp-content/uploads/2012/08/op-obrazac.pdf in 4 copies);
* **Bank certificate of payment of cash deposits**, or agreement of members on the estimated value of the share in kind, if the share in company is paid or subscribed upon its establishment;
* **Proof of payment of the registration fees**.
    - ✓ Fee for the establishment – 4.900,00 RSD;
    - ✓ Fee for the publication of the Founding Act – 1.000,00 RSD.

REGISTRATION

The following legal forms of business organization are subject to registration in the Companies Register:

- companies:
  - ✓ general partnership
  - ✓ limited partnership
  - ✓ limited liability company
  - ✓ joint stock company
- branch of a foreign company
- representative office of a foreign company
- public enterprise
- cooperative
- cooperative federation
- other entities, if so prescribed by a special law.

One – Stop – Shop Registration System

The procedure of incorporation of companies is provided through a one-stop-shop registration system that enables the concurrent issuance of the registration number, tax identification number and healthcare insurance number (issued by the Republic Fund of Health Insurance) to each company registering with the Serbian Business Registers Agency.

Registration Fee

- The fee for the registration of a company or other legal entity is RSD 4,900.00.
- The fee the registration of a branch or representative office of a foreign company is RSD 4,900.00.
- The fee for the registration and publication of the articles of association is RSD 1,000.00.
- The fee for the registration and publication of the memorandum of association is 1,000.00.

Account for Payment of Fees

The account number for payment of fees for registration in the Companies Register, payable in favour of the Serbian Business Registers Agency, is:

- **840-29770845-52, model 97, download reference number** (In order to correctly fill out the payment slip for the payment of the fee, please click on the buton to download the mandatory reference number generated by the Agency, according to Model 97. The generated reference number is valid for only ONE payment) http://www.apr.gov.rs/eng/Accountsforpaymentoffees.aspx

Registration Procedure

The registration procedure starts with the submission of the application, along with the required supporting documents and proof of payment of prescribed fees, either directly at the SBRA head office in Belgrade or at one of its organizational units or by mail. If the application is sent by mail, then the date and time of its receipt by the Agency will be considered as the date and time of submission.

The application for registration is submitted by the founder or a person authorized by the founder in which case this person is required to attach the appropriate power of attorney. For more information about authorized applicants, please see the Instructions section.

Certification of Documents and Apostille

If the law requires that the application form for registration be accompanied by certified documents, the documents must be certified by a body competent to certify signatures – a court or municipal authority.

Documents certified by a body authorized to certify signatures in another country are treated as public documents, and as such they must be provided with an *Apostille* – in case the country of issuance is a signatory to The Hague Convention Abolishing the Requirement of Legalization of Foreign Public Documents, unless the country of issuance is a country which has a bilateral agreement with the Republic of Serbia on mutual recognition of public documents without legalization. However, if that particular country is not a signatory of the Hague Convention, and does not have a bilateral agreement with the Republic of Serbia regarding recognition of public documents, then the so-called full legalization will be required.

Documents in a foreign language must be accompanied by their translation into Serbian, certified by a certified court interpreter.

Practical Tips

* Taking into account that instruments of incorporation are subject to certification, you are well advised to familiarize, prior to the certification, with the important rules applicable to the name and business name that can be found in the Instructions section, to avoid unnecessary expenses if your application is rejected.
* The Law on Companies stipulates that companies can have legal (statutory) representatives and other representatives. The functions of legal representatives must be regulated in accordance with the Law, depending on legal form of business organization.

* Limitations of the powers of a company's legal representatives are not subject to registration, except in case of limitations of powers in terms of countersignature that may be relied upon against parties if they are registered in accordance with the Law on Registration.

DOCUMENTATION REQUIRED FOR INCORPORATION OF COMPANIES, BRANCHES AND REPRESENTATIVE OFFICES OF FOREIGN COMPANIES, REGISTRATION OF BRANCHES OF DOMESTIC COMPANIES AND REGISTRATION OF PROCURATION

The appropriate application for registration has to be submitted along with supporting documents, depending on the legal form of business organization, as follows:

PARTNERSHIP

* Integrated application form for registration of legal entities and other entities, and for the registration with the integrated register of taxpayers – partnership,
* Articles of partnership with certified signatures of the founders (partners),
* Proof of identity of the partners (for Serbian nationals – photocopy of personal ID card, and for foreign nationals – photocopy of passport or personal ID card if one has been issued to them, or an excerpt from the original register if the founder is a legal entity not registered with any of the Registers kept by the Serbian Business Registers Agency,
* Resolution on appointment of the representative if no representative is designated by the articles of partnership,
* Representative's signature certified by a body competent to certify signatures,
* Bank confirmation of the payment of the contribution in cash if the contribution is payable prior to incorporation, and/or the founders' agreement on the appraisal of the value of contribution in kind if the contribution is made to the company prior to incorporation,
* Proof of payment of the registration fee and proof of payment of the fee for the registration and publication of the articles of partnership.

LIMITED PARTNERSHIP

* Integrated application for registration of legal entities and other companies and for the entry into the integrated register of taxpayers – limited partnership,
* Articles of partnership with the certified signatures of the founders (partners),

* Proof of identity of the company founder (for Serbian nationals – photocopy of personal ID card, and for foreign nationals – photocopy of passport or of personal ID card if one has been issued to them or copy of entry from the original register if the founder is a legal entity not registered with any of the Registers kept by the Serbian Business Registers Agency,
* Resolution on appointment of the representative if no representative is designated by the memorandum of association,
* Representative's signature certified by a body competent to certify signatures,
* Bank confirmation of the payment of the contribution in cash if the contribution is payable prior to incorporation, and/or founders' agreement on the appraisal of the value of contribution in kind if the contribution is made to the company prior to incorporation,
* Proof of payment of the registration fee and proof of payment of the fee for registration and publication of the articles of partnership.

LIMITED LIABILITY COMPANY

* Integrated application for registration of legal entities and other companies and for the entry into the integrated register of taxpayers – limited liability company,
* Memorandum of association with certified signatures of the company founders (shareholders),
* Proof of identity of the company founders (for Serbian nationals –photocopy of personal ID card, and for foreign nationals –photocopy of passport or of personal ID card if one has been issued to them or a copy of entry from the original register if the founder is a legal entity not registered with any of the Registers kept by the Serbian Business Registers Agency),
* Resolution on appointment of the representative if no representative is designated by the contract of incorporation,
* Representative's signature certified by a body competent to certify signatures,
* Bank confirmation of the payment of the contribution in cash if the contribution is payable prior to incorporation, i.e., founders' agreement on the appraisal of the value of contribution in kind if the contribution is made to the company prior to incorporation,
* Proof of payment of the registration fee, and proof of payment of the fee for registration and publication of the memorandum of association.

Limited Liability Company Corporate Governance:

In the process of incorporation of a limited liability company, the founder(s), depending on their needs, decide whether the management of the company will be organized as a one-tier or a two-tier system.

The one-tier corporate governance system implies that the company has one or more directors.

The two-tier management system implies that the company has one or more directors and a supervisory board. If the founder(s) opt for the two-tier system, along with the application they must submit copies of the Resolutions on the appointment of the chairperson and members of the supervisory board, if they are not designated in the memorandum of association.

Share (registered) capital of a limited liability company:

Contributions can be either monetary (in cash) or non-monetary (in kind), and are expressed in RSD. If the monetary contribution is paid in a foreign currency, the RSD equivalent of the contribution will be calculated based on the middle exchange rate of the National Bank of Serbia on the date of payment.

The minimum subscribed share capital (monetary or non-monetary) amounts to no less than RSD 100 (unless a higher amount is stipulated by a separate law).

There is no requirement to pay up the in-kind or cash capital contributions at the time of incorporation of a limited liability company, the capital must only be subscribed, and the memorandum of association sets the deadline for the shareholders of the company to pay up the share capital. That deadline cannot exceed 5 years counting from the date of the adoption of the memorandum of association.

Contributions in kind may consist only of assets or rights. The value of contributions in kind is established either through a company shareholder agreement or by an appraisal made by an expert licensed by the competent state authority to appraise certain assets and rights (court expert, auditor or other expert).

JOINT STOCK COMPANY

* Integrated application for registration of legal and other entities and for registration with the integrated register of taxpayers – joint stock company,
* Memorandum of association with certified signatures of the company shareholders,
* Articles of association signed by the company shareholders,
* Certificate from a credit institution that shares have been paid up in cash, or appraisal of the state licensed appraiser of the value of the contributions in kind or a certificate issued by the competent authority of the appraisal of the value of the contribution in kind, pursuant to the law,
* Resolution on the appointment of the director, and/or members and chairman of the board of directors if they are not designated in the articles of association,
* Resolution on the appointment of members of the supervisory board in case of a company with a two-tier management system, if they are not designated in the articles of association,
* Resolution on the appointment of members of the executive board, in case of a company with a two-tier corporate governance system,
* Resolution on the appointment of the company's authorized representatives if the latter are not designated in the articles of association,
* Representatives' signatures certified by the body competent to certify signatures,
* Proof of payment of the registration fee for incorporation and proof of payment of the fee for the registration and publication of the memorandum of association, and proof of payment of the fee for the registration and publication of the articles of association.

The shareholders founding a joint stock company sign a memorandum of association, and their signatures have to be certified in accordance with the law governing signature certification. The shareholders founding a joint stock company also sign the first articles of association.

Joint Stock Company Corporate Governance:

When incorporating a joint stock company, the founder(s), depending on their needs, decide whether they are going to have a one-tier or two-tier system of corporate governance.

The one-tier corporate governance system implies that the company has one or more directors. In case a joint stock company with a one-tier management system has three or more directors, they form the board of directors presided by the chairman.

The two-tier corporate governance system implies that the company has one or more executive directors and a supervisory board.

In a joint stock company, the directors are the legal representatives of the company, however, not all of them have to be legal representatives, and only some of them may have this status if so determined by the founders.

Share (registered) capital of a joint stock company:

Subscribed shares that are payable in cash pursuant to the instrument of incorporation, are paid up prior to the registration of incorporation to the temporary account with a commercial bank in the Republic of Serbia. The shareholders founding the company must pay up at least 25% of the registered capital, provided that the paid-up amount of the cash contribution to the share capital cannot be lower than the amount of the minimum registered capital which is set at RSD 3,000,000.00.

Shareholders:

The Serbian Business Registers Agency shall not register the shareholders of joint stock companies given the fact that maintaining records of shareholders is in the competence of the Central Securities Depository.

BANK

The application for registration of a bank must be accompanied by the supporting documents required for the incorporation of a joint stock company, and by:

* Decision of the National Bank on the issuance of the operating license,
* Decision of the National Bank approving the memorandum of association and articles of association of the bank.

INVESTMENT FUNDS MANAGEMENT COMPANY

The application for registration of an investment funds management company must be accompanied by the supporting documents required for the incorporation of a joint stock company, and by:

* Decision of the Securities Commission on the issuance of the operating license,
* Decision of the Securities Commission approving the election of the management board members and director.

BROKER-DEALERS AND STOCK EXCHANGE

The application for registration of a broker-dealer and a stock exchange must be accompanied by the supporting documents required for the incorporation of a joint stock company, and by:

* Decision of the Securities Commission on the issuance of a broker-dealer and stock exchange operating license,
* Decision of the Securities Commission on previous consent to the selection of the management body of the company.

INSURANCE COMPANY

The application for registration of an insurance company must be accompanied by the supporting documents required for the incorporation of a joint stock company, and by:

* Decision of the National Bank of Serbia on the issuance of the operating license.

PUBLIC ENTERPRISE

* Integrated application for registration of legal and other entities, and for registration with the integrated register of taxpayers – public enterprise,
* Act/Decision of the competent state or local government authority on the incorporation of the public enterprise,
* Articles of association of the public enterprise (founders' approval of the articles of association)
* Bank confirmation of the payment of the monetary contribution, pursuant to the memorandum of association,
* Appraisal of the value of non-monetary contribution made by a licensed appraiser (founders' approval of the appraisal),
* Decision on the appointment of director of the public enterprise, if he/she is not designated in the memorandum of association;
* Signature of the representative of the public enterprise certified by the body competent to certify signatures,
* Resolution on the appointment of executive board members if they are not designated in the memorandum of association (in case of a two-tier management system),
* Resolution on the appointment of chairman and members of the supervisory board if the chairman and members of the supervisory board are not designated by the memorandum of association,
* Proof of payment of the registration fee, and proof of payment of the fee for the registration and publication of the memorandum of association (amounts of fees).

COOPERATIVE

* Integrated application for registration of legal and other entities, and for registration with the integrated register of taxpayers – cooperative,
* Memorandum of association,
* Proof of identity of cooperative members (for Serbian nationals – photocopy of personal ID card, and for foreign nationals –photocopy of passport or of personal ID card if one has been issued to them, or excerpt from the original register if the founder is a legal entity not registered with any of the Registers kept by the Serbian Business Registers Agency),
* Minutes from the constituent meeting,

* Cooperative by-laws,
* Bank confirmation of the payment of the monetary contribution if such contribution is payable and/or cooperative members' agreement regarding the appraised value of the non-monetary contribution or appraisal of the value of the non-monetary contribution if applicable,
* Resolution on the appointment of the director and/or other cooperative's representative if the latter is not designated in the memorandum of association,
* Signature of the director and/or other cooperative's representative certified by the body competent to certify signatures,
* Resolution on the appointment of the chairman and members of the board of directors (if any),
* Resolution on the appointment of chairman and members of the supervisory board,
* Proof of payment of the registration fee, and proof of payment of the fee for the registration and publication of the memorandum of association.

COOPERATIVE FEDERATION

* Integrated application for registration of legal and other entities, and for registration with the integrated register of taxpayers – cooperative federation,
* Memorandum of association of a cooperative federation,
* Cooperative federation by-laws,
* Resolution on the appointment of director, and/or other representative if the latter is not designated in the memorandum of association,
* Signature of the director and/or other representative certified by the body competent to certify signatures,
* Proof of payment of the registration fee, and proof of payment of the fee for the registration and publication of the memorandum of association.

BRANCH OF A FOREIGN COMPANY

* Integrated application for registration of legal and other entities, and for registration with the integrated register of taxpayers – foreign company branch,
* Resolution on the formation of the branch,
* Certificate from the register in which the foreign company is registered, with a certified translation by a certified court interpreter,
* Evidence of bank accounts through which the foreign company operates,
* Signature of the branch's authorized representative certified by the body competent to certify signatures,
* Statement by the authorized representative of the foreign company that the company takes on full responsibility for all liabilities arising in connection with the business activities of the branch, certified by the by the competent certification authority, along with a certified translation by a certified court interpreter,
* Proof of payment of the registration fee.

A branch of a foreign company is a separate organizational part of the company through which the company operates in the Republic of Serbia, in accordance with to the law.

A branch of a foreign company has a prevailing activity that is subject to registration but it may also perform other activities that are not prohibited by law, regardless of whether or not they are foreseen by the Resolution on the formation of the branch.

The branch of a foreign company does not have the status of a legal entity; however, it does have the status of a resident in terms of taxation.

REPRESENTATIVE OFFICE OF A FOREIGN COMPANY

* Integrated application for registration of legal entities and other companies and for the entry into the unique register of taxpayers – foreign company representative office,
* Decision on the formation of a representative office,
* Certificate from the register in which the foreign company is registered with certified translation by a certified court interpreter,
* Evidence of bank accounts through which the foreign company operates,
* Signature of the representative office's representative certified by the body competent to certify signatures,
* Statement by the authorized representative of the foreign company that the company takes on full responsibility for all liabilities arising in connection with the business activities of the representative office, certified by the body certified by the competent certification body, with certified translation by a certified court interpreter.
* Proof of payment of the registration fee.

BRANCH OF A DOMESTIC COMPANY

* Application for registration of a branch,
* Decision on the formation of a branch,
* Signature of the branch's representative certified by the body competent to certify signatures if the person is not a registered representative,
* Proof of payment of the fee.

REGISTRATION OF PROCURATION

* Application for registration of a procuration
* Resolution on issuing a procuration,
* Signature of the procurator certified by the body competent to certify signatures,
* Proof of payment of the fee.

A procuration is a business authorization by which a company authorizes one or more natural persons to enter into transactions and take other legal actions on its behalf and for its account. Exceptionally, a procuration may be issued for a branch as well.

Restrictions of the procuration are prescribed by the law thus making it impossible for a procurator to enter into certain legal transactions without a special authorization. A procurator's special authorization for entering into these legal transactions is not subject to registration.

The only type of restrictions of a procuration issued by Decision of the shareholders is the restriction of the powers of the procurator by the instrument of co-signing with a legal representative of the company or another procurator (joint procuration). The procurator may not grant the authorization for representing the company to another person.

OVERHEAD COSTS

Favourable business of Serbia environment features highly competitive tax rates and low operating costs.

TAX RATES		
Value Added Tax (VAT)	Standard rate – 20%	
	Reduced rate – 10%	
Social Security Contributions	Pension and disability insurance – 14%	At the expense of the employee
	Health insurance – 5.5%	
	Unemployment insurance – 0.75%	
	Pension and disability insurance – 12%	At the expense of the employer
	Health insurance – 5.5%	
	Unemployment insurance – 0.75%	

For Legal Entities	
Corporate Profit Tax	15%
Taxes on dividends, shares in profits, royalties, interest and capital gains	20%
Personal Income Taxes	
Salary Tax and Income from self - employment	10%
Capital Incomes and capital gains	15%
Copyright, property, profits from gambling and other types of income	20%
Annual Income Tax	10/15%

Corporate Taxes

Serbia's tax regime is highly conducive to doing business. The corporate profit tax is among the lowest in Europe, while the Value Added Tax is among the most competitive in Central and Eastern Europe.

Corporate Income Tax	Uniform rate – 15%
Withholding Tax	20% (for dividends, shares in profits, royalties, interest income, capital gains, lease payments for real estate and other assets)
Personal Income Tax	Salaries – 10%
Annual Income Tax	10/15% (for annual income above 6 average annual salaries)

Value Added Tax

The VAT rates are as follows:

* The standard VAT rate - 20% (for most taxable supplies);
* The lower VAT rate - 10% (for basic food stuffs, daily newspapers, utilities, etc.).

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

*Source: National IPAs

Corporate Profit Tax

Corporate profit tax is paid at the uniform rate of 15%. Non-residents are taxed only based on their income generated in Serbia.

Corporate Profit Tax	
Bulgaria	10%
Serbia	15%
Romania	16%
Czech Republic	19%
Poland	19%
Hungary	19%
Croatia	20%
Slovakia	22%

*Source: National IPAs

Withholding Tax

The withholding tax is not applied to dividend payments between Serbian entities. For non-residents of Serbia, a 20% withholding tax is calculated and paid on certain payments such as dividends, shares in profit, royalties, interest, capital gains, lease payments for real estate and other assets.

Personal Income Tax

The personal income tax rate is 10% for salaries.

Personal Income Tax	
Serbia	10%
Bulgaria	10%
Czech Republic	15%
Romania	16%
Hungary	16%
Croatia	12 – 40%
Poland	18 – 32%
Slovakia	19 – 25%

*Source: National IPAs

Annual Income Tax

The annual income is taxed if exceeding the amount of threefold the average annual salary in Serbia. The tax rate is 10% for the annual income amounting up to 6 times average annual salary in Serbia, and 15% for the part of the annual income exceeding 6 times average annual salary in Serbia.

Taxes and Contributions

The rates for mandatory social security contributions are:

* 14% for pension and disability insurance,
* 5.15% for health insurance, and
* 0.75% for unemployment insurance.

The total sum of social security contributions and income taxes that are calculated on the net - income, amounts to about 65% of net earnings.

Reduced Salary Load

Starting from July 1st, 2014 new employment entitles employers to a sizable relief of taxes and contributions paid on net salary from the moment of employment until June 30, 2016.

* 1-9 new jobs: 65% reduction;
* 10-99 new jobs: 70% reduction;
* 100+ new jobs: 75% reduction.

Minimum salary in Serbia in 2018

Year 2018 Months	Number of possible working days per month	Number of possible work hours per month	Minimum cost per hour – net in RSD	Minimum net salary per month in RSD	Minimum gross salary per month in RSD
January	23	184	143	26.312	35.395
February	20	160	143	22.880	30.499
March	22	176	143	25.168	33.763
April	21	168	143	24.024	32.131
May	23	184	143	26.312	35.395
June	21	168	143	24.024	32.131
July	22	176	143	25.168	33.763
August	23	184	143	26.312	35.395
September	20	160	143	22.880	30.499
October	23	184	143	26.312	35.395
November	22	176	143	25.168	33.763
December	21	168	143	24.024	32.131

1 € ≈ 118 RSD

How to calculate salary in Serbia based on Net salary of 230 euros (1 € = 118,03 rsd)

Salary calculculaion in Serbia based on Net salary of 230 euros (1 € = 118,03 rsd)		
Average work hours per month		168 hours
Cost per hour		143 rsd = 1,21 euros per hour
Salary, taxes and contributions	**Total**	
Gross salary	36.586,75 rsd = 310 euros	
Net salary	27.147,31 rsd = 230 euros	
Contribution base	36.586,75 rsd = 310 euros	
Non-refundable amount (non-paying tax)	15.000 rsd = 127 euros	
Tax base	21.586,75 rsd = 183 euros	
Tax and contributions paid by the employee	**%**	**Total: 9.439,44 rsd = 80 euros**
Tax on profits	10,00	2.158,68 rsd = 18,28 euros
Pension-disability insurance from gross	14,00	5.122,14 rsd = 43,39 euros
Health Insurance from gross	5,15	1.884,22 rsd = 15.96 euros
Unemployment tax from gross	0,75	274,40 rsd = 2,32 euros
Tax and contributions paid by the owner company	**%**	**Total: 6.549,03 rsd = 55,48 euros**
Pension-disability insurance from gross	12,00	4.390,41 rsd = 37,19 euros
Health Insurance from gross zdravstveno na bruto	5,15	1.884,22 rsd = 15,96 euros
Unemployment tax from gross	0,75	274,40 rsd = 2,32 euros
Total Gross Salary	36.586,75 rsd = 310 euros	
Net Salary for payment	27.147,31 rsd = 230 euros	

Labour Costs

Average salaries in Serbia are low enough to ensure cost-effective operating. Total costs for employers stand at merely 50% of the level in EU countries from Eastern Europe. Social insurance charges and Salary Tax amount to roughly 65% of the net salary but the tax burden for employers can be reduced through a variety of financial and tax incentives.

Average Gross Monthly Salary (EUR)	
Bulgaria	457
Serbia	506
Romania	568
Hungary	799
Slovakia	880
Poland	927
Czech Republic	971
Croatia	1058

*Source: The Vienna Institute for International Economic Studies

UTILITY FEES

Electricity

The 100% state-owned Electric Power Industry of Serbia is the sole electricity supplier at the moment. The electricity price varies according to the consumption category and daily tariff rate, ranging about 0,067 €/kWh. In accordance with the law, the obligation of entering the open market have all customers at medium voltage, as well as customers in voltage greater than 1 kV, customers who have more than 50 employees, as well as those with annual revenues exceeds EUR 10 million in RSD equivalent. They must choose and made contract with supplier.

Gas

As a natural gas supplier in Serbia, the state-owned company "Srbijagas" pursues its pricing policy in accordance with world prices of oil derivatives and the US dollar exchange rate fluctuations. The price of natural gas is set every 15 days, ranging about 0,038 – 0.042 €/m3.

Water and sewerage

The waterworks and sewerage in Serbia are operated at the local level with water prices set by local authorities. In Kikinda, water distribution, management of water supply network, and management of sewerage system is performed by PU "Kikinda". Price of water is about 0,8871 €/m3, and price of sewerage is 0, 8629 €/m3.

Internet and telephone

Serbia is well covered by Internet network. In Kikinda there is a larger number of operators that offer telephone and internet services, some of which are: "Telekom Srbija", "SBB", "Orion Telekom" and other smaller companies. Prices depend on the bandwidth and speed, which goes up to 60 GB/s.

State Grants/subsidies

REGULATION ON CONDITIONS AND METHOD OF ATTRACTING DIRECT INVESTMENTS ("Off. Herald of RS", No. 37/2018) The most important details

Article 1

This Regulation shall in more detail regulate criteria, conditions and method of attracting direct investments, maintaining records on approved incentives, as well as other issues of significance for attracting direct investments.

Article 2

The terms used in this Regulation shall have the following meanings:

1. *Direct investments* are the investments in material and non-material assets of companies, in compliance with this Regulation, with the aim of initiating a new economic activity, expanding the existing capacities or expanding the production to include new products and manufacturing processes, as well as acquiring property directly related to the company which terminated its operation or would terminate its operation, unless bought by a third person under market conditions, and which provide new employment. Acquisition of stakes or shares in a company shall not be considered investment within the meaning of this Regulation;
2. *An investment project* is a project which implementation will realize a direct investment, and which is described in the business plan which is to be submitted enclosed with the application form for granting incentive funds and which shall mandatorily include a detailed description of elements of the direct investment, as well as of the elements for the expert analysis of the investment project, in compliance with this Regulation;
3. *An investor* is a domestic or foreign company which submits an application form for granting incentive funds for the purpose of realisation of an investment project;
4. *A beneficiary of incentive funds* is a company with the headquarter in the Republic of Serbia. In case when the funds beneficiary to which incentive funds are awarded is founded by the Investor, that beneficiary shall be a direct or indirect subsidiary of the Investor;
5. *A small economic entity* is an economic entity which employs less than 50 people and whose annual turnover or total annual balance does not exceed EUR 10 million, in compliance with the regulation of the governing state aid (hereinafter referred to as: a small enterprise);
6. *A medium economic entity* is an economic entity which employs between 50 and 250 people, whose annual turnover does not exceed EUR 50 million or whose total annual balance does not exceed EUR 43 million in compliance with the regulation of the governing state aid (hereinafter referred to as: a medium enterprise);
7. *A large economic entity* is an economic entity which employs more than 250 people and whose annual balance exceeds EUR 43 million in compliance with the regulation of the governing state aid (hereinafter referred to as: a large company);
8. spa and climatic area is an area of spa where one or more natural healing factors (which includes thermal and mineral waters, air, gas and medicinal mud – peloid) exists and which are being used, and whose medical properties are scientifically tested and proven in accordance with the Law on Spas and which meets the requirements regarding the design and equipment for their use in accordance with the Law on Spas, as well as the climatic area which thanks to

favourable climatic conditions has pronounced special characteristics of air with especially beneficial influence on human health, and which are listed in the Annex 1, which is printed together with this Regulation and forms an integral part thereof;

9. *Investments in material assets* shall be investments in land, buildings, manufacturing plants, machinery and equipment, in compliance with the regulations of the governing state aid, and which are recognised as reasonable investment costs, if used only by the beneficiary of incentive funds (greenfield or brownfield investments);
10. *Investments in non-material assets* shall be investments in patents and licenses in compliance with the regulations of the governing state aid, which are recognised as reasonable investment costs, if they are subject to depreciation, if they are used only by the beneficiary of incentive funds, if they are kept in the balance sheets of the beneficiary of incentive funds for five years at the minimum, or three years for small and medium enterprises, and if they are purchased under market conditions from the third persons;
11. *New employees related to an investment project* shall be the net increase in the number of domestic citizens employed for an indefinite period of time with full working hours within the funds beneficiary during the implementation period of an investment project, compared to the highest number of persons employed for a definite and indefinite period of time over the period of 12 months prior to the date of submission of application for incentive funds granting;
12. *A unique investment project* shall be every direct investment realized by a beneficiary of incentive funds or a subsidiary directly related to it, in the period of three years starting from the initial date of realisation of the previous investment project for which incentive funds are granted, in line with the previously concluded contract on granting incentive funds in the territory of the same or neighbouring local self-government unit;
13. *Development level of a local self-government unit* in which an investment project is realized, i.e. classification of local self-government units according to the development level, shall be the level determined by regulations governing a unique list of development levels of the local self-government units applicable on the date of submission of application for incentive funds granting;
14. *Period of realisation of an investment project* is a time period defined by the contract on granting of incentive funds, in compliance with this Regulation;
15. *Period of guaranteed investment and employment* is a time period of three, i.e. five years after the realisation of an investment project, during which the beneficiary of incentive funds shall be obliged not to reduce the value of fixed assets achieved by the realisation of the investment project, as well as the achieved number of employees, and during which it shall be obliged to, in accordance with the contract on granting incentive funds, to regularly pay the agreed salary to each employee;
16. *Agreed salary* is a basic salary defined as not less than the amount of minimum salary in compliance with the regulations governing labour relations, which includes all other salary elements (salary increase, work performance, rewards, bonuses, etc.) and other earnings which have a character of a salary (meal allowance, regress, etc.), so that the agreed salary of an employee amounts to at least 120% of such defined minimum salary;
17. *Equipment imported based on the investment of a foreign investor* is equipment not older than three years, which is imported by a foreign investor and invested as his investment in a company. Equipment imported by a large company based on the investment of a foreign investor, which is the funds beneficiary according to the contract on granting incentive funds, must be new;

18. *International trade services* which may be subject to granting of incentive funds, in line with this regulation, are services provided through information and communication technologies primarily to the users outside of the territory of the Republic of Serbia (development and production centres, research and development centres, consolidated and/or assigned performance of administrative processes, storage and processing of data, user centres – hereinafter referred to as: the international trade services).

Reasonable Costs
Article 3

Reasonable costs shall be:

1. Investments in material and non-material assets starting from the date of submission of application for granting incentive funds until the expiry date of the deadline for the realisation of the investment project, in compliance with the contract on granting incentive funds (hereinafter referred to as: reasonable investment costs), or
2. Gross salaries for new employees in the period of two years after achieving full employment with the beneficiary of incentive funds (hereinafter referred to as: reasonable costs of gross salaries).

Reasonable investment costs shall additionally include the costs of lease of business premises on which the investment project is realized during the implementation period thereof, provided that the rental period is not shorter than five years for large companies, i.e. three years for small and medium enterprises from the expiry date of the time limit for investment project realisation.

Costs which are related to acquiring of a leased property, excluding land and building, shall be taken into consideration only where the lease is in the form of a financial leasing and only if it includes the obligation to purchase the property at the end of the rental period, which must end before the expiry of the period of guaranteed investment and employment.

In case of purchasing property of a company which terminated its operations, or would terminate its operations unless being bought, reasonable costs shall be the costs of procurement of the property by a third person under market conditions.

Reasonable costs of investment in non-material assets for large companies may be recognised in the amount up to 50% of the total value of reasonable investment costs, and for small and medium enterprises in the amount up to 100% of reasonable investment costs.

Costs which are related to procurement of passenger vehicles and means of transport shall not be considered to comprise reasonable investment costs.

Property acquired by a company based on investment following submission of application form for granting incentive funds, excluding land and building, must be new.

The limitation referred to in paragraph 7 of this Article shall not apply to small and medium enterprises or to the case of purchasing property of a company referred to in Article 2, paragraph 1, item 1) of this Regulation.

Reasonable costs of gross salaries referred to in paragraph 1, point 2) of this Article shall mean the total actually amount paid by the beneficiary of incentive funds for work of an employee and shall cover the gross salary, i.e. salary inclusive of taxes and contributions for mandatory social insurance paid from the salary, as well as contributions paid on salary.

If the investment project refers to the hotel accommodation services sector in the territory of the local self-government unit where there is a spa and climatic area (hereinafter: hotel accommodation services), the costs related to the purchase of buildings are not considered as reasonable costs of investment.

Sources and Purpose of Funds for Attracting Direct Investments
Article 4

Incentive funds for attracting direct investments for realisation of this Regulation shall be provided from the budget of the Republic of Serbia (hereinafter referred to as: funds).

Funds may be used for financing of investment projects in the manufacturing sector, international trade service sector and hotel accommodation services sector, in compliance with this Regulation.

Funds may not be used for financing of investment projects in the sector of transportation, software development unless used to improve the product, production process or provision of international trade services, hospitality, game of chance, trade, production of synthetic fibres, coal and steel, mining, tobacco and tobacco products, weapons and ammunition, shipbuilding of maritime merchant vessels on self-propelling over 100 gross registered tons, airports, logistic centres, utilities sector and energy sector, broadband network, fisheries and aquaculture.

Funds granted for investments of special importance may additionally be used for financing purposes by the investor who realize the investment of special importance or a joint enterprise, such as the infrastructure-related and other investments necessary for the relevant economic activity and realisation of the investment project, which shall in particular include acquisition of land and other immovable property, infrastructural equipping of land, as well as remediation of any environmental damage caused in the period preceding the investment of special importance in the location where the investment in question is implemented, in compliance with the rules for granting state aid for individual investments of special importance.

Right to participate in funds granting procedure
Article 5

Investors applying with investment projects in the sectors which are, in compliance with Article 4, paragraph 2 of this Regulation, eligible for funds granting shall be entitled to participate in the funds granting procedure, providing that prior to commencing the realisation of the investment project they apply for funds granting in the manner and under conditions laid down by this Regulation.

For the realisation of an investment project, a funds beneficiary shall be obliged to provide a share of 25% of reasonable costs at the minimum from own funds or from other sources not comprising of state aid.

A large company shall not be granted funds prior to determining, based on the inspection of documentation, that the funds granting has beneficial incentive effect or influence on:

1. A significant increase of the scope of the project, or
2. A significant increase in the total amount of funds invested by the funds beneficiary in the project, or
3. A significant increase of the speed at which the project is realised, or
4. Project realisation, which could not be realised without funds granting.

Exemption regarding eligibility criteria
Article 6

1. The following investors and funds beneficiaries shall not be eligible for funds granting:
2. Companies in difficulties, within the meaning of regulations governing rules for state aid granting;

3. Those with due and mature outstanding tax liabilities in the Republic of Serbia;
4. Companies in which the number of employees has been reduced by 10% or more over the period of 12 months prior to submission of application form for funds granting compared against the average number of employees in the said period;
5. Those in which the Republic of Serbia, autonomous province or a local self-government unit have shares in ownership;
6. Those with obligations to repay the undue state aid;
7. Those with which the contract on granting incentive funds was terminated, except in cases of contract termination by mutual consent.

Companies eligible for funds granting
Article 7

Funds can be granted to a company which fulfills criteria and conditions laid down in this Regulation and which:

1. Is registered with the Business Registers Agency;
2. Has submitted an application form for funds granting and the business plan for the investment project which is eligible for funds granting in compliance with this Regulation;
3. Has not been subject to any previous bankruptcy procedure, reorganisation, insolvency or liquidation, in compliance with regulations governing bankruptcy and liquidation;
4. Has not been convicted of any economic criminal offence;
5. Has settled all its tax related liabilities in the Republic of Serbia;
6. Has not been granted funds for the same purposes;
7. Is not in difficulties in compliance with regulations governing rules for state aid control and granting;
8. Has no obligation to refund any undue state aid.

Maximum permitted amounts of funds
Article 8

The maximum permitted amounts of funds shall be determined in compliance with regulations governing rules for state aid granting and criteria laid down in this Regulation.

The maximum permitted amount of funds for the large companies can be set up to 50% at the maximum of the reasonable costs for the realisation of an investment project.

The maximum permitted amount of funds for the medium enterprises can be set up to 60% of the reasonable costs at the maximum, and for the small enterprises up to 70% at the maximum of the reasonable costs for the realisation of an investment project.

In determining the amount of funds that can be granted, the cumulation with previously granted state aid shall be taken into consideration, in compliance with regulations governing the rules for granting state aid.

Maximum allowed amount of funds to be granted for investments over EUR 50 million shall not exceed 25% of the reasonable investment costs, and for investments exceeding EUR 100 million, that percentage shall not exceed 17% of the reasonable investment costs and shall be determined as follows:

1. For the part of reasonable investment costs exceeding the amount of EUR 50 million – up to 25% of these costs,
2. For the part of reasonable investment costs exceeding the amount of EUR 100 million – up to 17% of these costs.

For a direct investment considered to be a unique investment project, the maximum permitted amount of funds that can be granted to a funds beneficiary or to a company related to it, shall be determined up to the percentage referred to in paragraph 5, points 1) and 2) of this Article.

III. ELIGIBILITY FOR GRANTING AND REQUIREMENTS FOR GRANTING FUNDS

Investment projects for which funds can be granted, which are relating to investments of special importance, investments for realization of investment projects which involve employment of more than 100 new employee, investments in the agricultural sector and investments in the hotel accommodation services sector

Article 9

Funds can be granted for:

1. The investment projects in the manufacturing sector where reasonable investment costs in material and non-material assets amount to at least EUR 500,000 and which ensure employment of more than 100 new employees for an indefinite period of time related to the investment project;
2. The investment projects in the international trade sector where reasonable investment costs in material and non-material assets amount to at least EUR 150,000 and which ensure employment of more than 100 new employees for an indefinite period of time related to the investment project;
3. The investment projects in the agricultural sector where reasonable investment costs in material and non-material assets amount to at least EUR 2,000,000 and which ensure employment of minimum 25 new employees for an indefinite period related to the investment project;
4. The investment projects in hotel accommodation services sector which are worth minimum EUR 2,000,000 and which ensure employment of minimum 70 new employees for an indefinite period related to the investment project.

Investment projects eligible for granting funds, which involve employment of up to 100 new employees
Article 10

Funds may be granted for:

1. The investment projects in the manufacturing sector where the reasonable investment costs in material and non-material assets amount to at least EUR 100,000 and which ensure employment of minimum 10 new employees for an indefinite period of time or creation of minimum 10 new jobs related to the investment project in the local self-government units which are, according to the development level, classified as devastated areas;

2. The investment projects in the manufacturing sector where the reasonable investment costs in material and non-material assets amount to at least EUR 200,000 and which ensure employment of minimum 20 new employees for an indefinite period of time or creation of minimum 20 new jobs related to the investment project in the local self-government units which are, according to the development level, classified to belong to the fourth group;
3. The investment projects in the manufacturing sector where the reasonable investment costs in material and non-material assets amount to at least EUR 300,000 and which ensure employment of minimum 30 new employees for an indefinite period of time or creation of minimum 30 new jobs related to the investment project in the local self-government units which are, according to the development level, classified to belong to the third group;
4. The investment projects in the manufacturing sector where the reasonable investment costs in material and non-material assets amount to at least EUR 400,000 and which ensure employment of minimum 40 new employees for an indefinite period of time or creation of minimum 40 new jobs related to the investment project in the local self-government units which are, according to the development level, classified to belong to the second group;
5. The investment projects in the manufacturing sector where the reasonable investment costs in material and non-material assets amount to at least EUR 500,000 and which ensure employment of minimum 50 new employees for an indefinite period of time or creation of minimum 50 new jobs related to the investment project in the local self-government units which are, according to the development level, classified to belong to the first group;
6. The investment projects in the service sector which may be subject to international trade which are worth minimum EUR 150,000 and which ensure employment of minimum 15 new employees for an indefinite period of time or opening of minimum 15 new jobs related to the investment project.

Requirements for granting funds
Article 11

Funds can be granted under following conditions:

1. That the direct investment remains at the same location in a local self-government unit in the period of minimum five years following the realisation of the investment project for large companies or for minimum three years for small and medium enterprises, and
2. That the achieved number of employees with the funds beneficiary following the realisation of the investment project is not reduced over the period of five years for large companies or three years for small and medium enterprises.

Upon achieving full employment, the funds beneficiary shall be obliged to, in compliance with the contract on funds granting referred to in Article 38 of this Regulation, regularly pay the agreed salary referred to in Article 2, paragraph 1, point 16) of this Regulation to each new employee.

National Employment Service grants funds

National Employment Service at the request of the employer can grant funds for organization of trainings to acquire knowledge and skills necessary for performing a specific job, if the NES cannot recommend persons with the necessary knowledge and skills from official registry of unemployment.
Training programs consist of:

* Realization of training for a period of 160 to 480 hours in accordance with the standards of level of trainings

* The commencement of employment for an indefinite period with persons who had successfully completed training

Public call for the implementation of training programs at the request of the employer is the basis for allocation of minimal state aid.

National Employment Service grants funds to:

1. The employer for:
    a. Reimbursement of participation in financing the costs of training, depending on the length of theoretical and practical training, a maximum of 100,000.00 RSD per participant;
2. Unemployed participant for:
    a. Monthly financial assistance in the amount of 6,000.00 RSD for the full number of hours
    b. Transportation costs;
3. People with disabilities – participants for:
    a. A monthly allowance up to 20% of the minimum salary determined in accordance with labour regulations, for the full number of hours, if the training lasts at least 100 hours and if a person with a disability is not a beneficiary of financial compensation on the basis unemployment, according to the law, transportation costs, and for a companion if needed, in the amount of non-taxable amount, in accordance with the law.

НАЦИОНАЛНА СЛУЖБА ЗА ЗАПОШЉАВАЊЕ

Contracted funds for the program will be paid to employer in two instalments (the first after the commencement of training and the second after the submission of proof that the participants are trained and employed for an indefinite period of time).

Right and rules of participation:

The right to participate in the implementation of training programs can be granted to the employer who:

* Belongs to the private sector (the share of private capital in the ownership structure - 100%);
* Regularly fulfils obligations arising from taxes and contributions for mandatory social insurance;
* In the last six months was not recorded in the debt collection register of NBS for more than 30 consecutive days;
* Settled earlier contractual obligations and other commitments to the National Employment Service, except for liabilities whose realizations are in progress;
* Recruits persons who are registered as unemployed with the National Employment Service, to train and employ them in accordance with general and special conditions for inclusion in the training, in accordance with the applicable acts of the National Employment Service;
* Has the human resources for the implementation of training programs, and provides instructors who have minimum secondary school education; appropriate professional qualification and a minimum of 12 months of work experience in activities for which a person is receiving training; at least 24 months of work experience in jobs for which a person is receiving training, if there is no adequate professional qualification;

* Provides a training instructor for a group of maximum of 10 participants;
* Has the technical, spatial and other capacities for the implementation of the training program, or whose work space, technical means and equipment functionality match the size of training groups and provides all conditions in accordance with the regulations on safety and health.

For the realization of training at employer's request for unemployed persons with disabilities, the employer must provide the necessary personnel, technical, spatial and other capacities in accordance with the approval for the implementation of measures and activities of professional rehabilitation issued by the ministry responsible for employment issues.

The request for participation in the program shall be submitted to the organizational unit of the National Service, the place of engagement or the headquarters of the employer, directly or through the mail, on the prescribed form which can be obtained in any organizational unit of the National Service or downloaded from the website www.nsz.gov.rs

The Labour law, the most important details

* During one working week the number of overtime hours may be at most eight.
* Monthly maximum is 32 hours overtime work.
* Overtime work must be paid at least 26 percent of the base, and if the employer has good will, it can be higher.
* For working on the day on the holiday which is a non-working day should be paid 110 percent of the basic salary.
* For work at night should be paid at least 26 percent of the basic salary.
* Based on the time spent on work in the same company for each full year of work (past work) should be paid at least 0.4 percent of the basic salary.
* Full time is 40 hours a week. Usually working week lasts five work days, and the work day usually lasts eight hours.
* An employee can not work longer than 12 hours a day, including overtime.
* In case of redistribution of working hours, the working hours can not last longer than 60 hours per week.
* Night work is work in the time period from 22.00 hours to 6.00 hours the next day.
* Work 12 hours (work) – 24 hours (rest) – 12 hours (work) – 48 hours (break), which is in fact continuously day by day, has the character of shift work.
* An employee has the right to use vacation in the calendar year after a month of continuous work from from the date of signing the contract.
* In each calendar year, the employee has the right on vacation for at least 20 working days.
* Vacation can be utilized in whole or in parts. If the vacation is used in parts, the first part of the vacation should be used for at least 10 working days during the calendar. The remaining days of the vacation may be used either entirely as a second part of the annual holiday, or by several days several times, at the latest by June 30 of the following year.

* An employee can not waive the right to use vacation, nor can his right be denied or replaced by a monetary compensation, except in case of termination of work of employment.
* National holidays in Serbia, non – working days:

  - New Year - 1st and 2nd January
  - Christmas, religious holiday - January 7th
  - National Day - 15th and 16th February
  - Easter, religious holiday - starting from Friday, closing with the second day of Easter
  - Labor Day - 1st and 2nd May
  - The Day of Armistice in the First World War - November 11th

* Employees have the right on non – working days on certain religious holidays, as:

  - Orthodox - on the first day of the St. Family patron
  - Catholics and members of other Christian religious communities - on the first day of Christmas and in the Easter holidays, starting from Friday, closing with the second day of Easter, according to their calendar,
  - Members of the Islamic Community - on the first day of the Ramadan Bajram and the first day of the Kurban Bajram,
  - Members of the Jewish community - on the first day of Jom Kippur.

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