



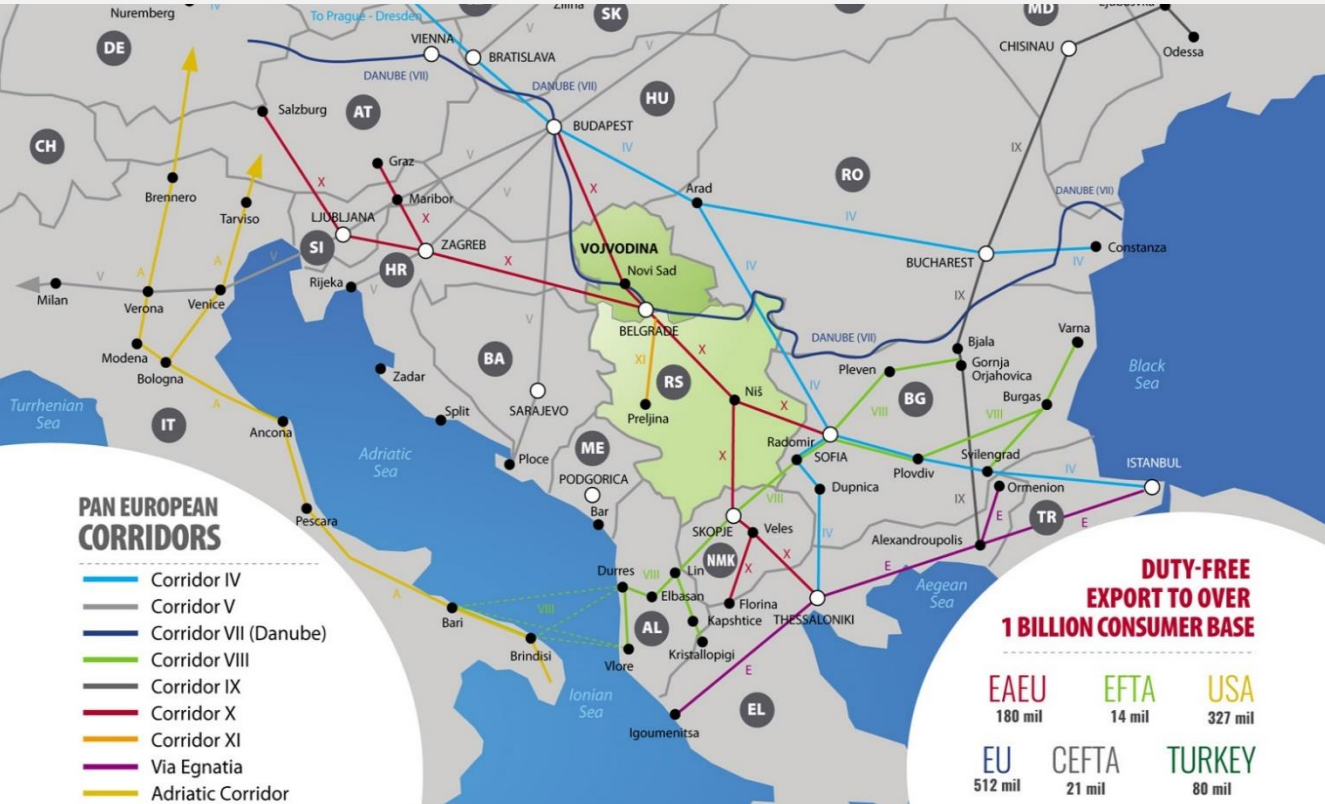
**VOJVODINA
DEVELOPMENT
AGENCY**



Municipality of Pecinci

Invest in Vojvodina

Global Market Access



Duty-free export to over 1 billion consumer base



Quick facts

VOJVODINA

Total area	21,506 km ²																
Territorial organization	3 counties 45 municipalities																
Main industry sectors	Food and Beverage Pharmaceutical products Rubber & Plastics Electrical products																
Industrial production growth rate 2018/2019	0.9 %																
Vojvodina export share in total Serbian export 2019	35 %																
Export volume 2019	EUR 6.1 billion																
Export growth rate 2018/2019	8.6 %																
Key export areas	<table border="0"> <tr> <td>Food & Beverage</td> <td>12.1 %</td> </tr> <tr> <td>Motor vehicles& trailers</td> <td>11.5 %</td> </tr> <tr> <td>Agricultural production</td> <td>10.3 %</td> </tr> <tr> <td>Other machines and equipment</td> <td>9.4 %</td> </tr> <tr> <td>Rubber & Plastics</td> <td>8.1 %</td> </tr> <tr> <td>Electrical products</td> <td>7.2 %</td> </tr> <tr> <td>Chemicals</td> <td>5.9 %</td> </tr> <tr> <td>Coke and oil derivate production</td> <td>5.8 %</td> </tr> </table>	Food & Beverage	12.1 %	Motor vehicles& trailers	11.5 %	Agricultural production	10.3 %	Other machines and equipment	9.4 %	Rubber & Plastics	8.1 %	Electrical products	7.2 %	Chemicals	5.9 %	Coke and oil derivate production	5.8 %
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SERBIA

Key export markets	% of total export
EU	71.8 %
CEFTA	15.4%
RUSSIA	5.5%

GDP 2019 EUR 45.912 billion

Double Taxation Treaties with 58 countries

Bilateral Investment Treaties with 39 countries



Overview of tax rates

CORPORATE PROFIT TAX RATE

	Serbia	15 %
	Romania	16 %
	Poland	19 %
	Czech Republic	19 %
	Croatia	18 %
	Slovakia	17 %

SALARY TAX RATE

	Serbia	10 %
	Czech Republic	15 %
	Romania	16 %
	Slovakia	19-25 %
	Poland	18-32 %
	Croatia	12-40 %

STANDARD VAT RATE

	Serbia	20 %
	Bulgaria	20 %
	Slovakia	20 %
	Czech Republic	21%
	Poland	23 %
	Croatia	25 %

	Employee	Employer
Pension & disability	14 %	11.5 %
Health Insurance	5.15%	5.15%
Unemployment	0.75%	/

5 day work week - 40 work hours - (net 37.5 hours)
30 minutes rest period per day

Vacation
min 20 days per
year

Holidays
non-working days
per year
11-20

Overtime,
Night shift
26% bonus on
basic salary

National
Holidays
110% bonus on
basic salary

Fixed-Term
Contract
max 2 years

Trial Period
max 6 months

Min Monthly
Salary

NET
€ 170

TOTAL COST
€ 230



Incentives

INCENTIVES OF REPUBLIC OF SERBIA

Funds are awarded for financing investment projects in the **production sector, food processing, hotel accommodation** and for the projects relating to **services provided by service centres**.

The awarded funds are up to 50 % - 70 %, (depending on the size of the company) of the investment amount, based on the investment value or based on the 2-year gross salary of the employees.

INCENTIVES OF AP VOJVODINA

Just as it is done on the republic level, the financial incentives within the same sectors and limitations are allocated on the provincial level.

1. Subsidizing new employment

- 10 - 100 new employees
- 3,000 - 5,000 EUR per worker

2. Co-funding new equipment

- up to 50% of total equipment value
- 17,000 - 68,000 EUR per project

MUNICIPAL INCENTIVES

Greenfield - free of charge or at a discounted price

Local taxes



Logistics



PECINCI - Total Area: 489 km²



Distance from borders

HUN	CRO	ROM	BUL	B&H
170 km	78 km	125 km	360 km	83 km



Distance from highway

E-75	E-70
24 km	0 km



Distance from airport

BGD	Belgrade	OSI	Osijek	TSR	Timisoara
15 km		210 km		186 km	



Energy Potential



GAS

Municipality is gasified	35%
Local pipeline length	57 km
▪Pressure on main pipeline 8 bar ▪Pressure on local pipeline 4 bar	



GEOHERMAL

48°C temperature	at 600 m
43°C temperature	at 500 m
30°C temperature	at 450 m



WIND

Average speed 4 m/s	at 50 m
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BIOMASS

Total land	48,865 ha
Agricultural land	34,466 ha
Arable land	32,607 ha
Most common crops: ▪corn, wheat, sunflower, soy, sugar beet, alfalfa	
Crop residuals: ▪corn, wheat, sunflower, soy,	



ELECTRICITY

No. of distribution substations	174
Total power (kVA)	92,330
Total network length (km)	433
Available capacities (kVA)	74,740
▪ Electricity substation 110/20 kv Pecinci meets the most advanced European standards in terms of technical solutions and the quality of installed equipment	



Infrastructure

ROADS

Highway E70 length	15 km
Regional road network	76 km
▪Pecinci-Kupinovo ▪Prhovo-Simanovci ▪Sid-Kuzmin-S.Mitrovica-Ruma-Pecinci-Becmen-Obrenovac ▪Golubinci-Pecinci	
Local road network	38 km
▪Simanovci-Dec-Asanja ▪Kupinovo-Progar ▪Subotiste-Brestac-Nikinci ▪Pecinci-Sibac	▪Pecinci-Budjanovci ▪Sibac-Pecinci-Budjanovci ▪West Bypass Pecinci ▪Pecinci-Overpass

RAILWAY

Railway network distance	10 km
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WATERWAY

River Sava length	42 km
▪ Port in Belgrade distance 30 km	
Canal network	1,073 km
▪ Irrigation/drainage system network 200 ha	

SEWAGE

Sewage system	30 %
Sewage network	63 km



Why Invest

TOP 5 REASONS to invest in Pecinci

1

Favorable geographical position:
Proximity to Belgrade 24 km, Aeroport 15 km,
Highway E70

3

Developed infrastructure:
Road access, gas, water, sewage, electricity,
telecommunications, IT

5

Ready technical documentation:
Detailed regulation plan, Urban planning,
Construction plan

Developed industrial zone:
More than 40 greenfield investments realized
Qualified & competitive workforce

2

Efficient Local Administration

4



growing your profits



increasing productivity



boosting competitiveness



Population

Number of inhabitants



Workforce

Employed

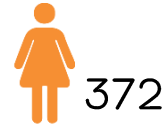
2019

Total = 7,823

Unemployed

April, 2020

Total = 681



Education



High Schools

School	Profile	#students	#graduates
Technical	Industrial Mechanics	29	49
	Mechanical Tech for Computer Engineering	23	0
	Mechanical Processing Operator	20	20
	AC Equipment Mechanics	18	6
	Welding	13	4
	Toolmaking	5	3
	Car Mechanics	13	4
	Economics	200	49
	Tourism	83	23
	Commerce	63	18

Technical High School in Pecinci introduced a new profile (*Industrial Mechanics*) to their curriculum in cooperation with the Ministry of Education of the Republic of Serbia, on the request of the company that operates in the municipality of Pecinci.

In general, educational profiles can be adapted to the demands of the economy - through training conducted with the interested companies.



Key Sectors

Investment Opportunities

1

AUTO COMPONENTS/
METAL PROCESSING

2

AGRIBUSINESS

TOURISM

3



Key Sectors

Expertise in metal processing

- Long-standing tradition in metal processing - 20 years
- Sector with steady growth - companies starting with less than 100 employees expanded to employing more than 600 workers
- Continuous supply of skilled workers - technical high-school with metal processing profiles in Pecinci - enrolling 100 students every year
- Dual educational system - traineeship with companies
- Available Greenfield locations - 500 ha

- Already present foreign companies:
Bosch - Germany, Albon - Great Britain, Kleemann Lifts - Greece/Serbia
- National companies:
Termomont, Doming, RPC Pesovic, Metalac, Serbomonte

Automotive Components



Key Sectors

Abundant resource base

- Majority of population lives in rural areas - 2,500 registered farms
 - In last 15 years increasing number of young farmers is starting vegetable growing in greenhouses
 - More than 1,200 ha of vegetable crops: peppers, tomatoes, salad, cucumbers, spinach, carrot, mangold
 - Average yield: maize (3.5 t/ha), sunflower (3 t/ha), soy (1.7 t/ha)
 - Considerable grain storage capacities - grain tanks, warehouses
 - Tradition in processing industry of more than 30 years
 - First factory for sugar processing established 30 years ago with more than 250 workers - today operates within MK Group as Sunoko
 - Several small-sized companies in meat processing and cereal processing industry
- Djurđević company - 250 employees; livestock farm 1,000 cattle, 700 hogs; exports of meat & meat products to EU*
- Potential for establishing animal food production
 - Available number of locations for new investments



Agribusiness



Key Sectors

Spa Center investment opportunity

- Southern part of Pecinci rich in thermal springs with average temperatures 43-48°C and 200-250 flow l/min
- According to adopted detailed regulation plan - location Kupinovo (banks of river Sava) has been designated for spa and recreational center development
- Excellent geographical position - 40 km distance from Belgrade
- Special Nature Reserve "Obedska bara" with over 11,000 ha covered by forests providing great opportunities for hunting, fishing, birdwatching, eco-tourism, cycling, hiking
- Hunting tourism - 15 hunting associations, 600 hunters - large number of small and large game

Tourism



Top 10 Employers

COMPANY	SECTOR	COUNTRY	#EMPLOYEES
BOSCH	Automotive	Germany	783
STRAUSS ADRIATIC-DONCAFE	Agribusiness	Israel	280
DR OETKER	Agribusiness	Germany	193
JUB BOJE	Chemicals	Slovenia	166
TRIMO INZENJERING	Construction	Slovenia	65
TERMOMONT	Metal processing	Serbia	100
AGENA Technology	Metal processing	Great Britain	81
PFI STUDIOS	Cinematography	Serbia	56
SIKA	Construction	Switzerland	70
PERI	Construction	Germany	28

TOP 5 Sectors by #employees

- 1 ... Agribusiness
- 2 ... Metal processing/
Automotive supplier
- 3 ... Chemical
- 4 ... Construction
- 5 ... Wood processing



Labor Cost - Pecinci

LABOR COST STRUCTURE

Average salary in Pecinci

April, 2020

NET Salary		€ 435
Personal Income Tax	10%	46
Contributions (employee)	19.9%	120
GROSS Salary		601
Contributions (employer)	16.65%	100
TOTAL Cost		702

From July 1st, 2014
the employers have the right
for **refund** on the paid
personal income tax
& **social insurance contributions**



Greenfield Locations

Location 1

Industrial zone - Simanovci NORTH **NOT AVAILABLE**

Land size: 12.9 ha

Available: 12.9 ha ha

Ownership: municipality

Sale Lease

Location 2

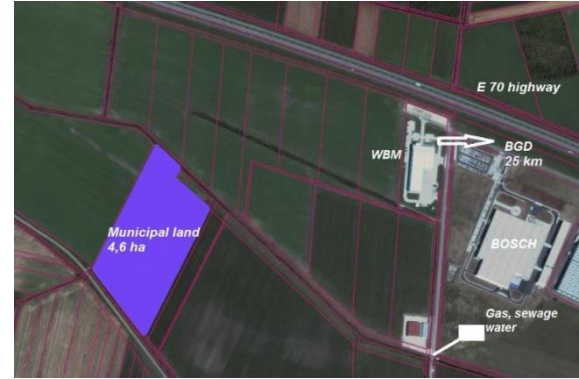
Industrial zone - Simanovci North 2

Land size: 4.6 ha

Available: 4.6 ha

Ownership: municipality

Sale Lease



Infrastructure



Greenfield Locations



Location 3

Industrial zone - Simanovci NORTH
3

Land size: 1.3 ha

Available: 1.3 ha

Ownership: municipality

Sale Lease

Location 4

Industrial zone - Asanja

Land size: 183.5 ha

Detailed regulation plan: 70 ha

Available: 70 ha

Ownership: municipality

Sale Lease



Water, electricity, sewage, telecommunications - nearby
Sewage, gas - planned construction



Infrastructure



Greenfield Locations



Gas, electricity, water, sewage, telecommunications connections - on request
Next to Highway E70



Electricity



Water



Gas



Sewage



Optical Cable

Location 5

Industrial zone - Sibac

Land size: 125.2 ha

Available: 125.2 ha

Ownership: municipality -84 ha
private - 41 ha

Connecting road 1 km

Sale Lease

Location 6

Industrial zone -
Simanovci Center

Land size: 25 ha

Available: 25 ha

Ownership: municipality

Sale Lease



Belgrade distance - 28 km
Airport distance - 18 km



Electricity



Water



Gas



Sewage



Optical Cable



Greenfield Location

Location 7

Industrial zone - Prhovo

Land size: 16.5 ha

Ownership: municipality

Available: 16.50 ha

*Sewage construction planned in the near future

Sale Lease

Location 8

Industrial zone - Simanovci Center 1

Land size: 16 ha

Available: 16 ha

Ownership: municipality

Sale Lease

Infrastructure



Belgrade distance - 28 km, Airport distance - 18 km
Additional work needed for infrastructure connections - in 200 m distance



Highway E70 - nearby
Belgrade distance - 35 km, Airport distance - 25 km
Gas, electricity, telecommunications - nearby



Construction Procedures

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

Upon receiving the application:

Issuing the location conditions for the cadastre parcel suitable for construction - from the day of obtaining all special conditions, permits and other documents.

Issuing the construction permit - from the day of the submission of the request.

Based on registering the construction work, **issuing the verification for receiving the application** without delay, provided that the complete documentation has been submitted. */**

Issuing the occupancy permit, upon receiving the submission of the request.

Issuing the final approval upon receiving the submission of the request.



PHASES & TIMELINE

In total: **28** working days

5 no later than:
working days

5 no later than:
working days

5 *Registering the construction works
to receive acceptance/rejection

3 **subsequently, submitting the
request for infrastructure installations
working days

5 no later than:
working days

5 no later than:
working days



Municipal incentives

30% Land Development Fees

*Reduction for lump-sum payments



Low Local Utility Taxes



Success Stories



Success Stories



Highway E70



Your Partner in Municipality

Contact:

Municipality Office



Radivoj Milosevic - LED coordinator

Phone: +381 22 400 722, +381 64 898 3623

Email: radivoj.milosevic@pecinci.org



Zoran Vojkic - Deputy Major

Phone: +381 22 400 749; +381 64 898 3628

Email: kabinet@pecinci.org





**VOJVODINA
DEVELOPMENT
AGENCY**

VOJVODINA DEVELOPMENT AGENCY

Strazilovska 2

21000 Novi Sad

Autonomous Province of Vojvodina

Republic of Serbia

Tel: **+381 21 472 32 41**

+381 21 472 32 44

Fax: **+381 21 472 19 21**

office@rav.org.rs