Let's invest together!
Vision

City of Leskovac as regional center of Southern Serbia will:

• create business friendly environment for FDI
• enable economic development
• develop institutional framework
• create equal opportunities for all citizens
• promote entrepreneurial spirit in order to create new jobs
• enforce development activities to improve look of the city
• become an open society and pleasant place for living
Invest in Serbia

- Strategic position
- Market access
- Valuable human capital
- Investment opportunities in privatization
- Crossroads of high priority European corridors
- Decreasing inflation rate
- Increasing GDP growth rate

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Invest in Serbia

- Lowest corporate profit tax rate – 10%
- 10 year tax holiday for large investments
- Tax relief for hiring new workers
- Tax credit up to 40% of investment amount for investing in fixed assets
- Import of in-kind equipment is exempt from custom duties
- Import of raw materials, semi-finished and component parts is exempt of custom duties
- Liberalization of property law

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City profile

- Among five most important cities in Serbia
- Regional center of Southern Serbia, Jablanica District
- Inhabitants: 156,252 City of Leskovac (240,923 district)
- Area: 1,025 km² City of Leskovac (2,769 km² district)
- Number of settlements: 144
- Ethnical structure: 22 nationalities
- Work force: 92,869 – 59,4% of total
  - active population: 71,947 (employed: 26,914)
  - unemployed: 20,922
- Average monthly salary: 279 EUR net City of Leskovac
  267 EUR net Jablanica district
- GDP: 195,510,000 EUR (1251,25 EUR per capita)
- City budget: 25,601,243 EUR

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Advantages

• Strategic location
• Attractive market
• Available human resources
• Business friendly environment
• Support to business
• Incentives for investors
• Accessible infrastructure
• Developed industrial areas
• Available natural resources
• Climatic conditions
• Reliable partnership

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Strategic location

- Five mountains: Kukavica, Cemernik, Suva planina, Stara planina, Radan
- Five rivers: Morava, Veternica, Jablanica, Pusta reka, Vlasina
- Pan-European corridor 10 (highway, railway)
- Distance from international airports:
  (Nis 45km, Sofia 150km, Skopje 160km, Belgrade 288km Thessaloniki 320km)
Attractive market

- 30 mil customers in radius of 300 km
- SEE Free Trade Area
  (duty free access of 60 mil people)
- FTA with Russian Federation
  (market of 150 mil people)
Available human resources

- Educational infrastructure consist of 90 primary schools, 12 secondary schools, 2 colleges and technological faculty
- Second place in Serbia (absolute number of available workforce 92,869)
- Total number of employed persons - 26,914.
- Total number of registered available workers - 20,922.
Business friendly environment

- Entrepreneurial potential above average of Serbia (2.7% of 3.8%)
- Economy – 4,222 legal entities
  I Enterprises - total number in 2008 976
    - small – 928
    - medium – 39
    - big – 9
  II Number of workers by enterprises
  Total: 10,746
    - small – 2,607
    - medium – 3,845
    - big – 2,607
Region of Southern Serbia is rural and it is mainly consisted of hilly and mountain areas.

Economy is based on agricultural production, mainly fruit, early vegetable production and cattle breeding.

Because of its wealth in natural capital, there is a substantial base for its sustainable and rural development.

The whole city district sits on the area of 1,025 km², of which 589 km² are agriculture land (57%).

Agriculture production
Available natural resource

- Plough land and vegetable garden (37102 ha) - 64%
- Orchards (3474 ha) - 15%
- Vineyards (3183 ha) - 9%
- Grassland (5069 ha) - 6%
- Pastures (8786 ha) - 6%
Available human resources

- Vegetable (Herb) producers (1224)
- Cattle breeders (39)
- Fishermans (1)
- Veterinarians (169)
- Food and beverage producers (1217)
- Tabaco processors (36)
Accessible infrastructure

• Transport infrastructure
  - road network comprises 614km of classified roads
  - railway Belgrade-Nis-Skopje-Athens passes through the city

• Telecommunications and computer infrastructure
  - 26,700 telephone lines (16.4 telephone units per 100 inhabitants)
  - 14 telephone switchboards (1,500 kilometres of telephone network)
  - 1 local internet provider (5 computer sales companies)

• Water management infrastructure
  - 87 km main supply pipes
  - 480 km of reticulation
  - 23,250 water mains (125 km of sewerage reticulation)

• Housing and public utility infrastructure
  - 3.3 mil m2 housing fund (50,000 council houses, 6,726 collective dwellings)
  - 8 km of heating network (168,040 m² households, 68,000 m² business)

• Power transmission grid
  - substations: 1 x TS 220/110 kV, 2 x TS 110/10 kV, 1 x TS 110/35kV, 10 x TS 35/10kV
Developed industrial areas

- **Northern industrial zone (total area of 59.6 ha)**
  - usage of area 70%
  - already constructed facilities 25.1 ha
  - property mixed (public, private, socially owned)

- **Eastern industrial zone (total area of 247.1 ha)**
  - usage of area 60%
  - property mixed (public, private, socially owned)

- **Southern industrial zone (total area 110.5 ha)**
  - usage of area 25%
  - mostly private property

Over 500 hectares

20-25 eur/m²
Greenfield location - Business zone New 2

The Eastern Industrial zone is located on the M-1 Niš to Skoplje road, with available access to it.

Land area: 16.26 ha
Ownership: mixed

Distance from:
- Town centre - 3000m
- Main road - 20m
- Highway - 8000m
- Railway - 1500m
- Water flow - 2000m
- Air port - 45km
- Port - 300km

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Greenfield location - Business zone New 2

**Available infrastructure:**
water, canalization, asphalt road

**Planned infrastructure:**
TS 110/10 kV on the western side of the zone, and TS 10/0,4 kV will be constructed at each location

**Price:**
construction land: 8-10 €/m²
communal infrastructure: 34,33 €/m²
Brownfield location - Business zone 9

**Available infrastructure:**
electricity, water, phone, internet, heating supply, canalization, road, foot path

**Distance from:**
- Town centre: 2000m
- Main road: 2000m
- Highway: 9000m
- Railway: 150m
- Water flow: 300m
- Air port: 45km
- Port: 300km

Land area: 82,487m²
Total office space: 22,863m²
Ownership: State
Brownfield location - Business zone 9

Company name: Zele Veljkovic - Sintetika
Land area: 21.186m²
Owner: state
Status of the company: bancropcy
Implementing body: Trade Court in Leskovac
Procedure: public auction

Available building premisses:
- 4 production halls
total area 6.464m²
- storage hall 2.160m²
Support to business

- Developed institutional framework for LED

- Agency for Local Economic Development services:
  - contacts and direct support to local business community
  - business retention, expansion and attraction
  - bank incentives and favorable financial packages
  - economic development project preparation and implementation
  - relations with central institutions in charge for local economic development
Incentives for investors

- **Reduced amount of estate rents available if:**
  - employ more than 5 workers
  - enclose the business plan
  - determinated new employment
  - guarantee means equal to rents

- **Reduction of rents amount:**
  - 5 to 20 employed  1.500 EUR / employed
  - 20 to 50 employed  2.500 EUR / employed
  - 50 to 200 employed  5.000 EUR / employed
  - over 200 employed  7.000 EUR / employed

<table>
<thead>
<tr>
<th>Zone</th>
<th>Type of buildings EUR/ m²</th>
<th>Starting price of construction land (EUR / 100 m²)</th>
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<tbody>
<tr>
<td></td>
<td>House</td>
<td>Industry</td>
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<tr>
<td>I zone</td>
<td>7,35</td>
<td>34,1</td>
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<tr>
<td>II zone</td>
<td>6,8</td>
<td>31,6</td>
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<tr>
<td>III zone</td>
<td>6,3</td>
<td>29,2</td>
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<td>IV zone</td>
<td>5,75</td>
<td>26,6</td>
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<td>V zone</td>
<td>5,5</td>
<td>25,55</td>
</tr>
<tr>
<td>VI zone</td>
<td>5,25</td>
<td>24,35</td>
</tr>
</tbody>
</table>
Investment projects

- **Central tower**
  - commercial-residential complex
  - budget 12 mil EUR

- **City bus station**
  - commercial phase
  - budget 1.5 mil EUR

- **Western gate**
  - BI D zone
  - budget 2.7 mil EUR
Quality of life

- History
- Tradition
- Entertainment
- Manifestations
- Touristic destinations
- Cultural institutions

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Reliable partnership

- **International community donor programmes**
  - SSMIRP 1 - partners UNDP, WB
  - SSMIRP 2 - partners UNDP, WB
  - MIR 1 - partners EAR, UNDP
  - MIR 2 - partners EAR, UNDP
  - CRDA - partners USAID, CHF
  - SLGRP - partners USAID, DAI
  - SCOPES - partner USAID, DAI
  - MEGA - partner USAID, UI
  - Agribusiness - partner USAID
  - Compete - partner USAID
  - RSED - partner EAR
  - Exchange - partner EAR
  - Exchange 2 - partner EAR
  - Neighborhood program - partner EAR

- **Foreign investors**
  - Actavis – Island
  - Interlemin – Bulgaria
  - Bulcva – Bulgaria
  - Roukis element – Greece
  - Interugos – Croatia
  - Sight – Greece
  - Idea – Croatia
  - Porr Werner Weber – Austria
  - Planet Tus – Slovenia
  - Mercator – Slovenia
  - Falke – Germany
  - Sonder Jensen – Netherland
  - Bonte italiano – Italy
Contacts

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Questions?
THANK YOU