



Invest in
Novi Sad!



Identity Card

LOCATION: 45°46' N, 19°20' E

TIME ZONE: GMT +1

AREA: 699 m²

CULTIVABLE LAND: 39,760 ha

ALTITUDE: 80 m

POPULATION: 400 000 (estimate)

CLIMATE:

- Temperate continental

- Average temperature: 2.5° in January, 27.2° in July

- Average precipitation: 576.8 mm / year



City of **Novi Sad**



Welcome to Novi Sad!

Welcome to Novi Sad, the largest city in the most developed part of Serbia - the Autonomous Province of Vojvodina.

Being the regional leader, Novi Sad is constantly growing and developing, nurturing the principles of democracy, pluralistic thinking and sustainable development. It is located on the Danube River banks, in the core of the South East Europe, in the vicinity of the European Union border. Main roads connecting the West and the East regarding economics and culture pass through Novi Sad, the administrative, university, business, cultural, tourist, fair and congress centre of the region.

**Invest in Novi Sad,
let's be successful together!**

Geo-Strategic Position and Traffic Infrastructure



Novi Sad is located at the intersection of main international roads

Corridor X:

Highways E-75, E-70 and railway track, as well as parts of Corridor X, connect Novi Sad to Central and Eastern Europe and Asia Minor.

Corridor VII (Danube):

Port provided with relevant infrastructure facilities and three international river wharfs are the connection to the North Sea and the Atlantic Ocean (by the Rhine-Main-Danube Canal) and the Black Sea.

Airports:

International airport "Nikola Tesla" in Belgrade (80 km from the city) and sports airport "Cenej" (16km from the city centre)



Serbian market has **7.5 million** consumers. In the last five years GDP had an average dynamic growth of 6.3%, while GDP per capita was €4651 in 2008.

Thanks to free commerce treaty, there is no custom duty on export from Novi Sad to the markets of the South East Europe (CEFTA), Russia and Belarus, which includes almost **190 million consumers**.

If we add preferential trade conditions with the EU and USA to that number, we can say that the total export potential is close to a **billion consumers without custom duties!**

Market Access

Human Resources



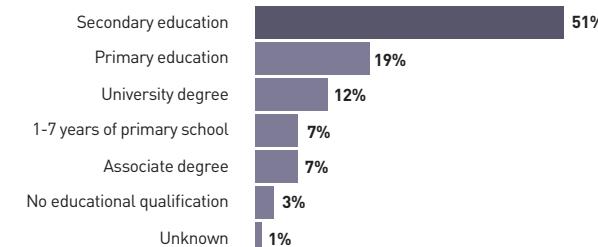
Secondary education in Novi Sad is provided by four high schools and 11 professional schools. The University of Novi Sad is the second largest university centre in Serbia, and comprises of 14 faculties where future engineers, scientists, lawyers, economists and managers are being educated. In addition, there are eight private faculties. There is a total of 45,842 students in the academic year 2008/2009.

According to the data from 2009, total population in the working age range (15-64 years old) is 262,209, and 27,775 of them are unemployed (unemployment rate 15.41%).

Average income in Novi Sad is the gross total of 46,678 RSD, and the net total of 34,938 RSD (gross €512, net €367)*.

* According to the rate of the National Bank of Serbia on March 31st, 2009

Education Structure of the Population 15 Years of Age and Older, 2002

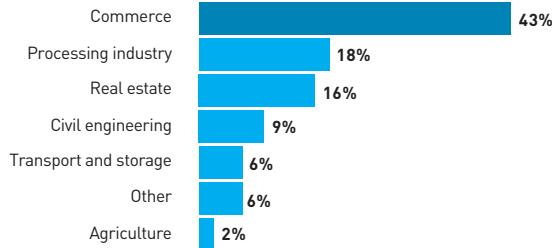


Business and current economy

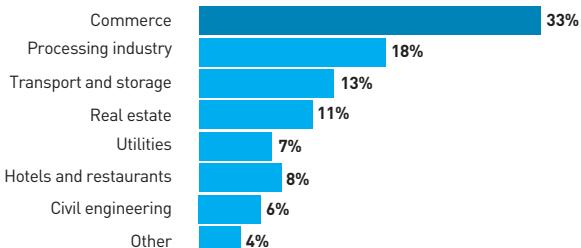
There is a total of 7586 enterprises in Novi Sad, predominately privately owned. Large enterprises are 0.94% of that number, 3.74% are medium-sized and 95.32% are small. There are 13941 businesses. Dominant trade branches are commerce, transport and processing industry (especially the production of food, beverages, tobacco, paper and cellulose).

There are 28 banks in Novi Sad, and 19 insurance companies.

Structure of Enterprises
by Activity Sector, 2008



Structure of Businesses
by Activity Sector, 2006



Investment opportunities

Tax Free Zone

The Novi Sad Tax Free Zone, one of four in Serbia, offers investors an opportunity for tax free business transactions, import and export of goods and services without quantity restrictions, custom duties and VAT.

- ▶ Location: within the complex of international port on the Danube, near Corridor X,
- ▶ Purpose: industrial production, services,
- ▶ Available greenfield locations,
- ▶ Available storage space (open and in the buildings of the Tax Free Zone),
- ▶ Logistical support for investors: loading/unloading, storage, freight forwarding, insurance, consulting.

Work Zone "North"

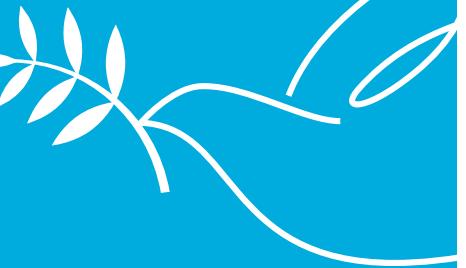
- ▶ Location: 4 - 4.6 km from the city centre, near corridors X and VII
- ▶ Purpose: construction of production premises
- ▶ Available greenfield locations: 6.5 ha (North I), 4.9 ha (North II)
- ▶ Infrastructure: fully provided

Taxes and stimuli for investors

- Income tax for enterprises: 10% (second lowest rate in Europe)
- Value added tax 8% and 18%
- From €2000 to €10000 per new work place in the production services sector and development and research sector
- 10-year-long tax relief for investments over 600 million RSD and more than 100 employees*
- No VAT and custom duties within the Tax Free Zone

* €6.4 million According to the rate of the National Bank of Serbia on October 26st, 2009

Life in Novi Sad





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