

# CITY OF VALJEVO

**VALLEY** OF OPPORTUNITIES



DEPARTMENT  
FOR LOCAL DEVELOPMENT  
AND ECONOMY

CITY OF VALJEVO



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City of Valjevo

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## **VALLEY** OF OPPORTUNITIES



## Mayor's speech

...I believe that the greatest potential lies within people. Human resources comprise of both experienced workers from big old production systems as well as young educated experts. It is with reference to this and, despite what seems to be difficult economic situation as a result of devastation of big social companies and rather poor privatization processes, that I strongly believe that Valjevo has "tough" entrepreneurship...



March, 2010

The Mayor  
Zoran Jakovljević

A handwritten signature in black ink, appearing to read 'Zoran Jakovljević', written over a light orange wavy background.





## VALJEVO CITY, SERBIA – SOUTH EASTERN EUROPE

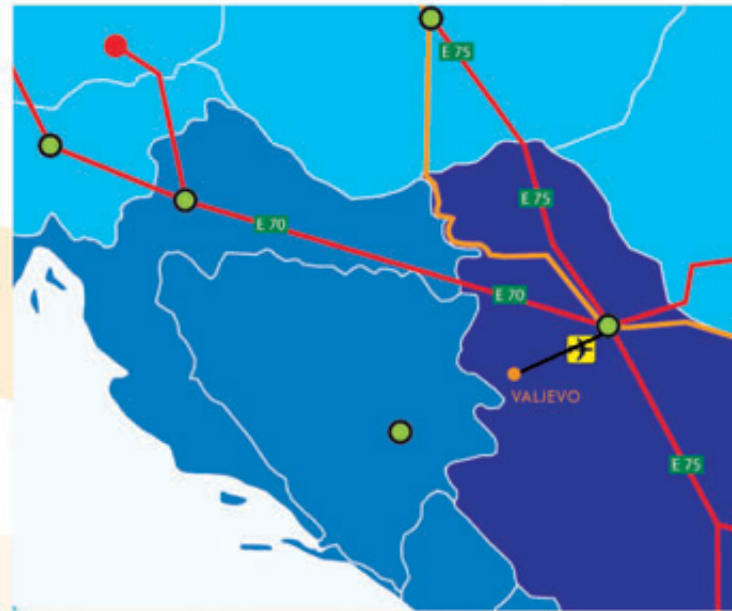
### LOCATION:

Valjevo is situated at the intersection of many roads and is easily reached from various directions.

- It is 96 km away from Belgrade, 134 km from Novi Sad, 77 km from Uzice, 72 km from Loznica.
  - Valjevo City latitude and longitude: 44° 16' N and 19° 53' E and covers the area of 905 km<sup>2</sup>.
  - Highway M-4, direction West - East, Loznica – Valjevo – Lajkovac, connection to Ibar highway.
  - Highway M-21, direction North - South, Sabac – Valjevo – Uzice, connection to Montenegro.
- Rail transport: Belgrade – Bar railway.

Population of Valjevo City amounts to almost 100.000 citizens.

Valjevo could be reached via railway which leads from Belgrade to the great port of Montenegro - Bar. The closest airport is in Belgrade, whereas Sport Airport is situated in Divci, only 12km from Valjevo.



### CLIMATE:

Average annual temperature - 11°C. The coldest month is January (- 0, 2°C), and the warmest month is July (21, 4 °C).

### MARKET:

SERBIA, population - 7.5 million, Bosnia and Herzegovina and Croatia, population - 9 million.  
Central European Free Trade Agreement CEFTA with Russia: 210 million consumers.

## INVESTMENT ADVANTAGES IN SERBIA

Apart from the already existing advantages, like competent and cheap labour, duty free exportation to South-Eastern Europe countries and Russia, strategic geographic position and the lowest corporate tax in Europe - 10%, Serbia also offers financial support to potential investors. According to the Republic of Serbia Government Ordinance, passed at the end of June 2006, investment projects in all fields, except trade, tourism, services and agriculture, are eligible to apply for non-refundable support from the budget.

Funds are intended for investment projects in the field of production, services which can be a subject of international trade and research and development.

### Investments in the production sector:

- Total funds: 2.000 - 5.000 EUR per a new job opening;
- Minimal investment value: 1 - 3 million EUR, dependable upon the level of unemployment in the municipality in which investments are to be made;
- Minimal number of new job openings: 50

### Investments in services sector:

- Total funds: 2.000 - 10.000 EUR per a new job opening;
- Minimal investment value: 500.000 EUR;
- Minimal number of new job openings: 10

### Investments in research and development sector:

- Total funds: 5.000 - 10.000 EUR per a new job opening;
- Minimal investment value: 250.000 EUR;
- Minimal number of new job opening: 10



## INVESTMENT ADVANTAGES IN VALJEVO

- Strategic documents: City Vision, Local Sustainable Development and Local Economy Development Strategies
- Entered Municipality Certification Programme - NALED
- Achieved credit rating from International agency Moodys Investors Service
- Competent and highly skilled labour
- Excellent geographic position
- GIS (Geographic Information System)
- Regional Economy Fair ( SPREG)
- Long industrial tradition
- Experience in cooperation with foreign investors
- Efficient local administration
- Network of institutions for business support ( Regional Chamber of Commerce and Department for Local Development and Economy)
- Availability of educated and skilled labour
- Good infrastructure
- A great number of locations for investment (for Greenfield and Brownfield investments)
- Incentives for investors
- Airport, Corridor X, Corridor VII within 100 km

### International partners / Valjevo City friends:

- Sittard-Geleen, the Netherlands, Protocol on cooperation
- Pfaffenhofen, Germany, Partnership
- Prievidza, Slovakia, Cooperation Agreement
- Rehovot, Israel, Friendship Agreement
- Brindizi, Italy, Friendship Charter
- Swidnik, Poland, Friendship Charter

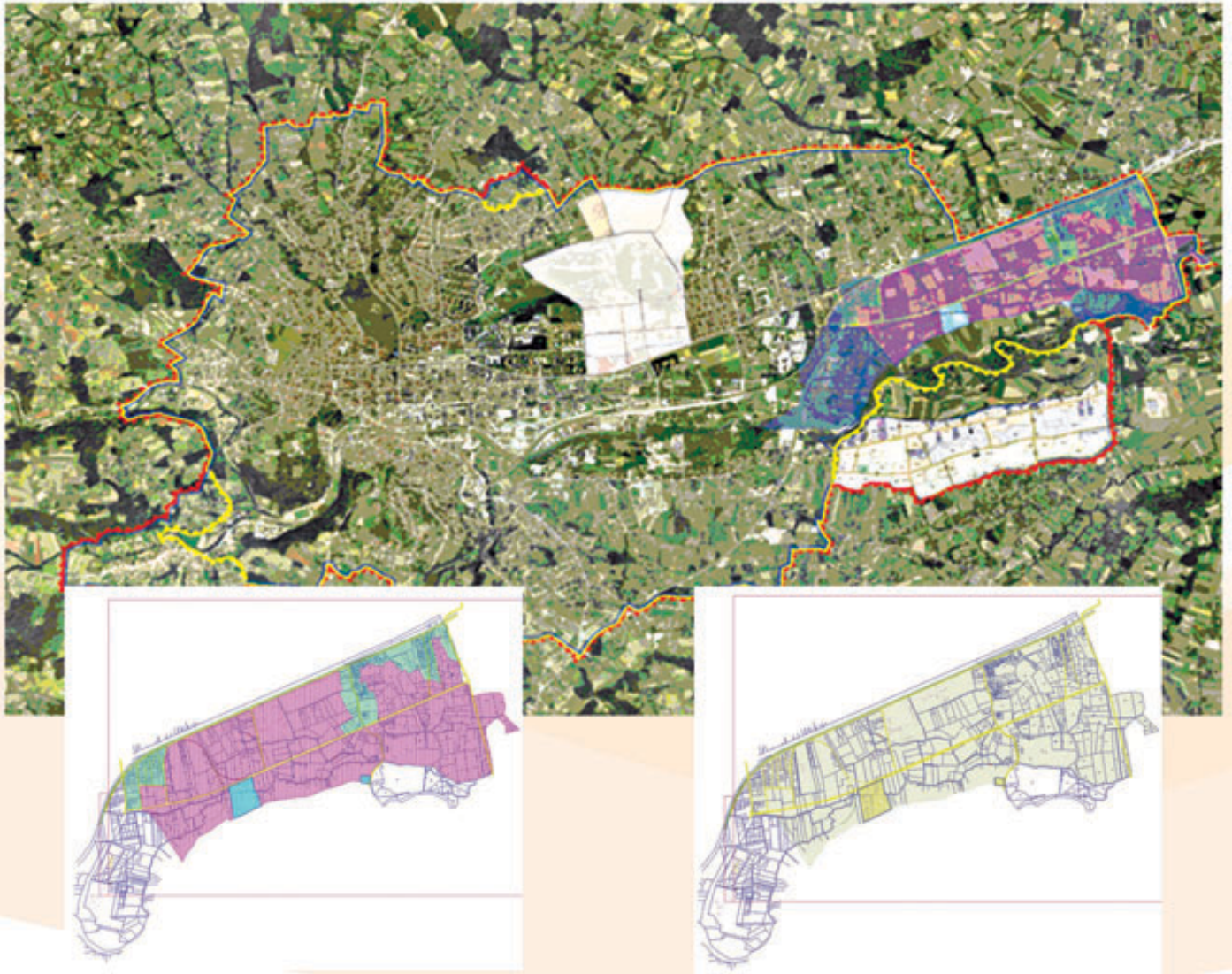


### Achievements:

Ongoing procedure of certification of municipalities with desirable business conditions implemented by International Agency Moodys Investors Service for credit rating within final USAID competition, which shall not only contribute to presentation to the investors but to their decision to invest as well. The future of local governments will depend upon investments, financed through credits from around the world. This award will place the city of Valjevo on a European web site of cities with the same credit rating and thus make it accessible to big funds and investors. Credit rating will by no means affect the number of potential investors and job opportunities.



## INVESTMENT AREAS AND LOCATIONS



## Industry area plan

### Plan for industrial area Goric - 140 ha

- ▶ Mostly for the purpose of industry or combined: residential – industrial
- ▶ For the purpose of industry, mostly for construction of industrial units, construction business, manufacture, warehouses etc.
- ▶ Industry, public utilities, infrastructure and existing residential area.
- ▶ New industrial units are subject to environment protection regulations.

### Plan for industrial area Belosevac - 137 ha

- ▶ Combined purpose: residential – industrial
- ▶ Industries which require Environmental evaluation studies or have been evaluated negative in these studies are not acceptable.
- ▶ Possible pipeline transport with all necessary facilities, urban planning projects, gas stations and all other air pollution free purposes, which cause neither excessive noise nor vibrations.
- ▶ Per each construction area, there must be at least 30 % of green area and at least 1 parking space within 100 m<sup>2</sup> of gross construction area.



## Brownfield sites

### Stefil Company

Total area (m<sup>2</sup>): 190.000 m<sup>2</sup> or 19 ha  
Total premises area (m<sup>2</sup>): 50.000m<sup>2</sup>

### Jablanica

Total area (m<sup>2</sup>): 95 203, 00 or 9.5 ha  
Total premises area (m<sup>2</sup>): 5 150, 00



## ENVIRONMENT

Valjevo surroundings abound in colourful landscapes, forests, mountains and rivers suitable for fishing. The Gradac River is one of the cleanest rivers in Serbia which further contributes to the reputation of the whole region as being eco-friendly and preserved. With its mild climate, abundant animal and plant life, numerous watercourses, excellent terrain configuration and geographic position, Valjevo and its surroundings represent attractive location for tourists throughout the year.

- **Forests** of this territory are a part of Podrinje - Kolubara forest area. Total forest area covers 27.285 ha, which is 30% compared to the optimum 35% determined by the Republic of Serbia Spatial Plan.
- Surface **waters**: high water quality of all watercourses in Valjevo area, together with the downriver direction of the Kolubara river, is regulated by the Republic of Serbia Water Management. Rivers in their river sources are characterized - I and I/II quality class.
- The most commonly found **raw minerals** in Valjevo area are non-metallic minerals: quartz sand, limestone, cement marl, diabase, dolomite, magnesite, bituminous shale and decorative stone.
- The only **energetic potential** in the area represent oil shale and renewable energy resources. Oil shale has been discovered on the surface area of around 40 km<sup>2</sup>. It is estimated that the reserve reaches 800.000.000 tons with kerogen in the amount of 1% to 13%.
- **Air quality** in the area is not endangered, with the exception of central part of the city.
- The greatest part of Valjevo City area comprises of fields marked as class I-IV (70.2%), therefore it for the most part consists of fields for agriculture.





## INFRASTRUCTURE

### TRAFFIC INFRASTRUCTURE

Most common modes of traffic in the area of Valjevo municipality are road and rail traffic. This is a place of intersection of two highways, most important ones in western part of mid-Serbia: M-4, direction West-East, Loznica – Valjevo – Lajkovac, connection to Ibar highway; M-21, direction North – South, Sabac – Valjevo – Uzice, connection to Montenegro. Rail traffic: Belgrade – Bar railway.

### DISTANCE – VALJEVO CITY TO:

- Valjevo - Loznica 73 km – B&H border 2 km = total 75 km
- Valjevo – Bajina Basta 47 km – B&H border 11 km = 58 km
- Valjevo - Sabac 68 km – Ruma 28 km (highway Belgrade-Zagreb) 96 km –Croatian border 54 km = total Valjevo – Croatia border = 150 km
- Valjevo - Sabac – Ruma - Novi sad –Subotica – Hungarian border = total 235 km
- Valjevo – future highway Belgrade – Pozega 20 km
- Valjevo – Belgrade ( Corridor 10) = 98 km
- Valjevo – Uzice - Prijepolje 186 km – Montenegro border 30 km = total 216 km

The air traffic is highly potential considering the existence of the only sport airport in the area. Plans for the air traffic include transportation for business, tourist and agricultural purposes and certain types of cargo transportation, excluding night landings. The existing airport is situated south from the highway M-4 and covers the area of 29 ha.

Valjevo City represents an important regional and energetic centre in Serbia.

There is an important water source in this area upon which two enormous systems are based:

- Regional Kolubara system for high quality water supply for residential areas and industries that utilize drinking water,
- Kolubara river system water supply for technological purposes and irrigation and water quality control.
- Annual water production: 4.826.674 m<sup>3</sup> (600 l/s)

**Housing prices** in the city go from 600 to 900 €/m<sup>2</sup>, depending on location and size.



### Completed projects for investment:

- Heating system for the greatest part of the city
- Project Northern Bypasses Valjevo
- City gasification
- Completion of Rovni dam
- Completion of railway Valjevo – Loznica
- Regional landfill construction

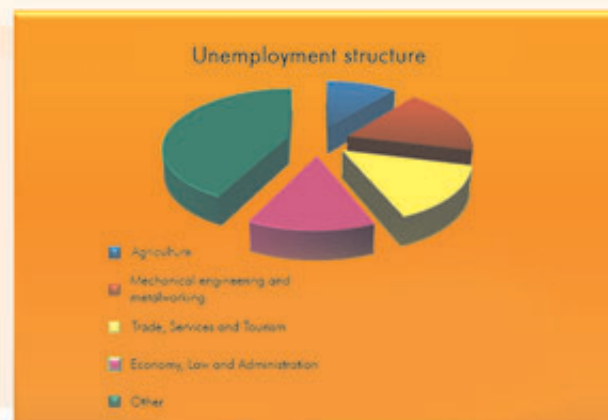


## HUMAN RESOURCES

Population of Valjevo City is 96.761 while birth rate is 8.1%. Population in urban area is 61.270 citizen and 35.491 in rural area.

The quality of our human resources is best described by Mr Mirko Meza, Head of **Gorenje** Company: Employees here meet the same standards as those in Velenje, as a matter of fact, the results are even slightly better here than in Slovenia .

<b>County:</b>	<b>Kolubara</b>
<b>Region:</b>	<b>Western</b>
<b>Area (km<sup>2</sup>):</b>	<b>905</b>
<b>Population:</b>	<b>96761</b>
<b>Labour - total:</b>	<b>40775</b>
<b>Employment:</b>	<b>32575</b>
<b>Unemployment:</b>	<b>8200</b>
<b>Unemployment rate:</b>	<b>16.5</b>
<b>Montly wages gross / average (□):</b>	<b>250</b>
<b>Montly wages netto / average (□):</b>	<b>290</b>



## ECONOMY

Official currency in Serbia is Dinar.

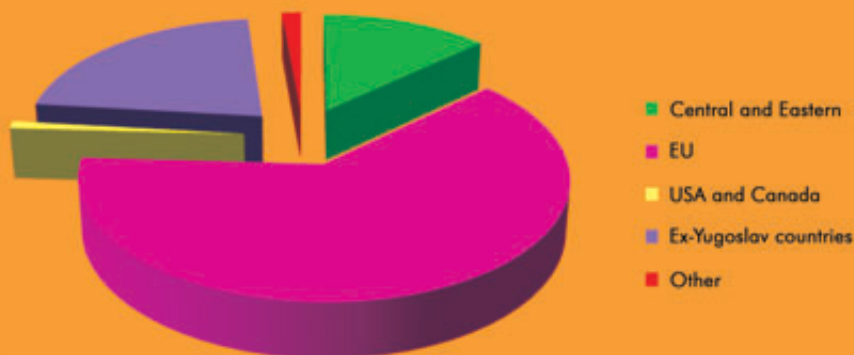
The exchange rates are available at Serbia National Bank web site ([www.nbs.rs](http://www.nbs.rs)).

Valjevo budget for the year 2010 has increased by 7 % compared to the year 2009. 6% inflation rate in Serbia was set by Memorandum of the National Bank of Serbia on Setting Inflation Targets for period 2010 - 2012.

STRUCTURE OF THE EXISTING ECONOMY SECTORS



EXPORT STRUCTURE / PER DESTINATION



## START FROM THE BEGINNING...

When applying for registration of an economic subject, it is necessary to submit all the mandatory documentation, registration fee included. Serbian Business Registers Agency shall approve of registration of an economic subject within 5 days from the application date.

Registration procedure starts once the registration application with all the necessary data has been received by the Serbian Business Registers Agency (SBRA). Registration forms can be received at the Serbian Business Registers Agency in Belgrade or other SBRA extension offices based on the evidence of fee payment.

The payment of fee for the provided services is to be made on the current account of the Serbian Business Registers Agency: **840-969627-83**, reference number **95-01**:

- ❖ Registration fee for Partnership Association - 2.400,00 dinars
- ❖ Registration fee for Limited liability company - 3.600,00 dinars
- ❖ Registration fee for Joint Stock company - 10.200,00 dinars
- ❖ Registration fees for other branches of industry, excluding entrepreneurs - 3.000,00 dinars.

Together with this application, an applicant should also apply for registration number at the Statistical Office of the Republic of Serbia which requires fee payment as well.

Fee payment for the registration number is to be made on the bank account **840-742221843-57**, mode **97** and reference number - Valjevo City code - **68-107**. Fee is to be made in the amount of 1.750,00 dinars.

After reception of Tax Identification Number, complete documentation is submitted to a bank for the purpose of opening a bank account. Once a bank account is opened (usually within a day) a company can start working (unless the nature of work requires special permits).



## THEY CHOSE US...



Construction of production unit and distribution centre of **Gorenje** Factory began in 2004 in the industrial area of Valjevo. The whole industrial complex covers the area of 27 500 m<sup>2</sup>. Total value of investment was around 20 million EUR. Gorenje recently rented additional 5ha of land with an aim of constructing another production unit and employing 500 more citizens.



Styrofoam Factory **Austrotherm** started production in the industrial area of Valjevo in 2003, with the investment of 3.5 million EUR. It covers the area of 12000 m<sup>2</sup>. Austrotherm was the first green field investment in Valjevo.



Italian company **Golden lady**, a worldwide known manufacturer of fine lingerie, made a green field investment in the industrial area Belosevac in 2004 by opening "Vally" factory. The factory covers the area of 10 000 m<sup>2</sup>.

Total value of investments made so far exceeds 40.000.000, 00 € while more than 2000 citizens have been employed.



## TOURISM

The greatest potential for tourism development in Valjevo lies within its surrounding mountains - Divcibare mountain as the central point and Povlen, together with the future hydro-accumulation "Stubo - Rovni", as the location yet to be introduced.

Valjevo abounds in numerous, very attractive elements for tourist offers.

Enlisted are just a few of those:

- Valjevo City Tourist Centre
- Divcibare, mountain
- Brankovina, cultural and historical complex
- Petnica, sports and recreation centre
- Monasteries

Geographic position, environment and cultural and historical legacy all point out the possible directions of tourism development: mountains (Divcibare, Maljen, Povlen, Medvednik, Jablanik...), tours (for children, students, elderly tourists...), religious tours (Lelic, Celije, Pustinja, Jovanja, Gračanica, city temples...), education (workshops), sports (mountaineering, biking, free climbing...), žcity breakž tourism, festivals (Jazz fest, Tesnjar Summer Festival...), hunting tourism and of course tourism in the countryside.



## THE MOST IMPORTANT EVENTS:

- **St. Sava Athletic Race** (January)
- **Golden Opanak**, Folklore Festival (April)
- **International Folklore Festival for Children Valjevo** (May)
- **Bishop Nikolaj's Days**, Lelic (May)
- **Desanka's Days in May**, Valjevo-Brankovina (May)
- **Raspberry Festival**, Brankovina (June)
- **St. Petar's days** in Valjevska Kamenica (July)
- **The healing mountains of Valjevo**, Lelic (July)
- **Povlen rely**, mountains of Valjevo (July)
- **Tesnjar Summer Festival**, Valjevo (August)
- **Serbia Frula Bands Festival**, Ethno Festival, Lelic (August)
- **Days of poetry in honour of Desanka**, Valjevo and Brankovina, (October)
- **Mushroom Festival**, Divcibare (October)
- **Jazz fest** Valjevo (October)

It is due to its environment and cultural legacy that Valjevo represents an authentic and a major tourist destination in Serbia.





# BIG PLUM

CITY OF VALJEVO

[www.valjevo.rs](http://www.valjevo.rs)

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