

Belgrade, December 2017

Economic and Trade Office -Embassy of Belgium

Our office represents the three regions of Belgium in Serbia and Montenegro and the three regional agencies specialized in foreign trade - Brussels Invest & Export (www.brussels-export.be), Wallonia Foreign Trade and Investment Agency (www.awex.be) and Flanders Investment and Trade (<http://www.flandersinvestmentandtrade.com>)

Economic and Trade Office - Embassy of Belgium

Koce Kapetana 30, 1 floor, app 2

11000 Belgrade

Serbia

Tel ++381 11 3085570; ++381 11 243 66 99

fax ++381 11 344 56 49

email Belgrade@brusselsinvestexport.com

www.brussels-in-serbia.com

Marijana Milosevic Tufegdzcic
Economic and Trade Counsellor

This newsletter provides the latest business news from Serbia and from Montenegro, offers from Belgian companies as well as opportunities of these markets.

Our intention is to provide you with updated market development news and opportunities, economic projections and demands that may ease your decision on the entrance to the Serbian and to the Montenegrin markets.

Fairs and business networking gatherings are also provided with its dates and places.

Useful contacts and links for more information are provided for your more profound analysis of the Serbian and Montenegrin markets' trends.

Our office remains at your disposal for all additional information.



Contents

Economic Overview Serbia	2
Business News Serbia	4
Fairs -Serbia	11
Useful contacts -Serbia	15
Economic Overview Montenegro	17
Business News - Montenegro	20
Fairs –Montenegro	21
Useful contacts-Montenegro	21

SERBIA

Key Macroeconomic Indicators

	2008	2009	2010	2011	2012	2013	2014	2015	2016	Q1 2017	Q2 2017	Q3 2017	
Real GDP growth (in %) ¹⁾													
Consumer prices (in %, relative to the same month a year earlier) ²⁾	5.4	-3.1	0.6	1.4	-1.0	2.6	-1.8	0.8	2.8	1.0	1.3	2.1	
NBS foreign exchange reserves (in EUR million)	8.6	6.6	10.3	7.0	12.2	2.2	1.7	1.5	1.6	3.6	3.6	3.2	
Exports (in EUR million) ³⁾	8,162	10,602	10,002	12,058	10,915	11,189	9,907	10,378	10,205	9,730	9,670	10,636	
- growth rate in % compared to a year earlier	9,583	8,043	9,515	11,145	11,469	13,937	14,451	15,631	17,385	4,383	4,934	4,961 ⁶⁾	
Imports (in EUR million) ³⁾	18.2	-16.1	18.3	17.1	2.9	21.5	3.7	8.2	11.2	10.4	12.7	12,3 ⁶⁾	
- growth rate in % compared to a year earlier	18,267	13,099	14,244	16,487	16,992	17,782	18,096	18,899	19,597	5,087	5,651	5,563 ⁶⁾	
Current account balance ³⁾ (in EUR million)	18.1	-28.3	8.7	15.7	3.1	4.7	1.8	4.4	3.7	14.4	12.3	14,3 ⁶⁾	
as % of GDP	-7,125	-2,032	-2,037	-3,656	-3,671	-2,098	-1,985	-1,577	-	1,075 ⁸⁾	-673	-267	-282 ⁶⁾
Unemployment according to the Survey (in %)	-21.2	-6.6	-6.8	-10.9	-11.6	-6.1	-6.0	-4.7	-3.1	-8.6	-3.0	-3,0 ⁶⁾	
Wages (average for the period, in EUR)	13.6	16.1	19.2	23.0	23.9	22.1	19.2 ⁷⁾	17.7	15.3	14.6	11.8		
RS budget deficit/surplus (in % of GDP) ⁴⁾	400.5	337.4	330.1	372.5	364.5	388.6	379.3	368.0	374.1	366.6	398.2	399.9	
Consolidated fiscal result (in % of GDP) ⁴⁾	-1.7	-3.2	-3.4	-4.0	-5.9	-5.2	-6.3	-2.8	-0.2	0.7	2.4	2.9	
RS public debt, (central government, in % of GDP)	-2.6	-4.4	-4.6	-4.8	-6.8	-5.5	-6.6	-3.7	-1.3	1.2	3.0	3.3	
RSD/USD exchange rate (period average)	28.3	32.8	41.8	45.4	56.2	59.6	70.4	74.7	71.9	68.1	64.6	64.6	
RSD/USD exchange rate (end of period)	55.76	67.47	77.91	73.34	88.12	85.17	88.54	108.85	111.29	116.18	111.53	101.94	
RSD/EUR exchange rate (period average)	62.90	66.73	79.28	80.87	86.18	83.13	99.46	111.25	117.14	116.13	105.65	101.33	
RSD/EUR exchange rate (end of period)	81.44	93.95	103.04	101.95	113.13	113.14	117.31	120.73	123.12	123.88	122.86	119.76	
MEMORANDUM: GDP (in EUR million) ⁵⁾	88.60	95.89	105.50	104.64	113.72	114.64	120.96	121.63	123.47	123.97	120.85	119.37	
	33,705	30,655	29,766	33,424	31,683	34,263	33,319	33,491	34,617	7,847	8,754	9,517 ⁶⁾	

The major foreign trade partners in Exports were:

Exports	USD million	EUR million
Italy	1897.1	1701.6
Germany	1776.3	1587.0
Bosnia and Herzegovina	1125.2	1002.6
Russian Federation	832.0	742.4
Romania	692.8	620.2

The major foreign trade partners in imports were:

Imports	USD million	EUR million
Germany	2271.0	2027.4
Italy	1773.8	1586.7
China	1430.6	1274.7
Russian Federation	1265.8	1138.2
Hungary	844.2	753.5

The external trade in the reference period noted the highest level with the counties with which we have signed agreements on free trade. European Union member countries account for 64.2% of total external trade

The overall external trade in the Republic of Serbia for the period January – October 2017 amounted to:

- USD 31885.1 million - which was an increase of 14.1% compared to the same period 2016;
- EUR 28476.0 million - which was an increase of 13.7% compared to the same period 2016.

The value of exports amounted to USD 14059.1 million, which was 13.8% increase when compared to the same period last year, while the value of imports amounted to USD 17826.0 million, which was 14.3% increase relative to the same period last year.

Expressed in Euros, the value of exports amounted to EUR 12556.3 million, which was the increase of 13.5%, compared to the same period last year. The value of imports amounted to EUR 15919.7 million, which was 13.9% increase when compared to the same period last year.

The deficit amounted to USD 3766.9 million, which was an increase of 15.9% in relation to the same period last year. The deficit expressed in Euros amounted to 3363.4 million, which was an increase of 15.4% compared to the same period last year.

The export - import ratio equalled 78.9% and was lower if compared to the same period last year when it was 79.2%.

The greatest share in import of Serbia was noted in Beogradski region (46.1%), followed by Region Vojvodine (27.2%), Region Šumadije i Zapadne Srbije (16.5%), Region Južne i Istočne Srbije (9.5%), and approximately 0.7% of total imports is not classified by territories. Data on Kosovo and Metohija are not available.

Regarding the structure of exports according to products' destination (the principle of prevalence), **the most notable were:**

- reproduction products 55.6% (USD 7815.9 million),
- consumer goods 33.7% (USD 4738.2 million) and
- equipment 10.7% (USD 1504.1 million).
- Unclassified goods according to destination amounted to 0.0% (USD 1.0 million).

Regarding the structure of imports according to products' destination, **the most notable were:**

- reproduction products 57.3% (USD 10220.6 million),
- consumer goods 18.7% (USD 3327.9 million) and
- equipment 12.1% (USD 2156.0 million).
- Unclassified goods according to destination amounted to 11.9% (USD 2121.5 million).

The external trade in the reference period noted the highest level with the counties with which we have signed agreements on free trade

External Trade Serbia-Belgium for the period January – October 2017

Expressed in Euros, total export amount for the external trade Serbia-Belgium for the period January-October 2017 amounted 137433, and import 311607 (in 000 EUR). The most exported were vegetables and fruit 23793 (in 000 EUR), and among the most imported Plastics in primary forms 31503, (in 000 EUR).

BUSINESS NEWS

Divisions by SITC, rev 4.		Values in 000 EUR		Index	
		Exports	Imports	Exports	Imports
	Total	137433	311607	99.3	97.2
00	Live animals other than animals of division 03	-	131	-	149.6
01	Meat and meat preparations	12	1076	-	87.8
02	Dairy products and birds eggs	-	1344	-	103.3
03	Fish(not marine mammals),crustaceans,molluscs and aquatic invertebrates;preparations thereof	-	3	-	-
04	Cereals and cereal preparations	170	701	76.0	129.9
05	Vegetables and fruit	23793	2869	97.1	76.1
06	Sugar, sugar preparations and honey	34	405	11.5	64.8
07	Coffee, tea, cocoa, spices, and manufactures thereof	25	1975	79.3	103.2
08	Feeding stuff for animals (not including unmilled cereals)	486	883	160.1	109.3
09	Miscellaneous edible products and preparations	149	1423	57.0	98.0
11	Beverages	63	816	95.1	92.8
12	Tobacco and tobacco manufactures	10015	7543	99.3	13.1
21	Hides,skins and furskins,raw	32	-	-	0.0
22	Oil-seeds and oleaginous fruits	584	0	21.5	49.9
23	Crude rubber (including syntetic and reclaimed)	110	2237	183.9	141.9
24	Cork and wood	468	161	183.3	102.7
26	Textile fibres and their wastes	117	8738	58.8	87.2
27	Crude fertilizers, other than those of Division 56, and crude minerals	-	147	0.0	92.4
28	Metalliferous ores and metal scrap	-	0	0.0	128.8
29	Crude animal and vegetable materials, n.e.s.	241	3639	281.2	183.2
32	Coal, coke and briquettes	-	3	-	-
33	Petroleum, petroleum products and related materials	1	5889	214.3	111.5
41	Animal oils and fats	-	300	-	*
42	Fixed vegetable fats and oils, crude, refined or fractionated	399	75	54.1	141.5
43	Animal or vegetable fats and oils, processed; waxes of animal or vegetable origin, n.e.s.	-	17	-	140.5
51	Organic chemicals	2941	3153	617.2	70.4

52	Inorganic chemicals	2	438	103.5	89.6
53	Dyeing, tanning and colouring materials	8	2562	522.8	86.1
54	Medicinal and pharmaceutical products	9761	25921	125.9	140.9
55	Essential oils and resinoids and perfume materials;toilet,polishing and cleansing preparations	2900	2517	146.6	134.9
56	Fertilizers(other than crude)	-	102	-	8.5
57	Plastics in primary forms	791	31503	63.4	159.1
58	Plastics in non-primary forms	403	4004	159.7	123.7
59	Chemical materials and products, not elsewhere specified	597	10935	91.9	124.6
61	Leather,leather manufactures, n.e.s., and dressed furskins	3425	1	103.2	144.3
62	Rubber manufactures, not elsewhere specified	723	4451	62.9	101.0
63	Cork and wood manufactures (excluding furniture)	3963	1170	135.0	137.2
64	Paper,paperboard and articles of paper pulp, of paper or of paperboard	1955	886	113.8	100.2
65	Textile yarn,fabrics,made-up articles, n.e.s., and related products	17623	9390	125.7	131.9
66	Non-metallic mineral manufactures, not elsewhere specified	89	1625	112.9	104.8
67	Iron and steel	3272	6096	227.8	150.8
68	Non-ferrous metals	3097	5345	213.2	200.7
69	Manufactures of metals,not elsewhere specified	8982	3402	91.0	192.0
71	Power-generating machinery and equipment	748	1168	*	481.3
72	Machinery specialized for particular industries	351	25000	22.1	163.7
73	Metalworking machinery	32	1060	163.2	89.7
74	General industrial machinery and equipment, n.e.s., and machine parts, n.e.s.	4848	8147	142.0	159.2
75	Office machines and automatic data-processing machines	1285	197	95.0	87.1
76	Telecommunications and sound-recording and reproducing apparatus and equipment	1595	476	193.9	58.3
77	Electrical machinery, apparatus and appliances, n.e.s., and electrical parts thereof	4573	7871	170.2	130.8
78	Road vehicles(including air-cushion vehicles)	12612	25601	51.5	61.3
79	Other transport means and equipment	26	460	624.8	524.7
81	Prefabricated buildings; sanitary, plumbing, heating and lighting fixtures and fittings,n.e.s.	811	133	93.7	59.9
82	Furniture and parts thereof;bedding,mattresses,cushions and similar stuffed furnishings	8264	227	117.9	164.4
83	Travel goods, handbags and similar containers	28	19	*	69.5
84	Articles of apparel and clothing accessories	149	39	47.6	75.6
85	Footwear	26	97	19.1	179.6
87	Professional, scientific and controlling instruments and	74	516	131.6	73.3

	apparatus,n.e.s.				
88	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches and clocks	0	600	*	54.0
89	Miscellaneous manufactured articles,not elsewhere specified	2176	4291	71.1	103.4
99	Unclassified goods	2603	81828	61.3	118.5

October 2017

[Agreement on PPP for construction of Vinca waste treatment facility signed](#)

An agreement on the public-private partnership in providing the services of treatment and disposal of municipal waste at the Vinca landfill was signed in Belgrade on Friday, September 29, 2017. The agreement was signed by the Secretariat for Environmental Protection, the company Beocista Energija, as well as the private partner, the consortium SUEZ Groupe – I-Environment Investments Limited. As Beoinfo reports, Mayor Sinisa Mali and representatives of Beocista Energija signed a lease agreement, whereas the representatives of Beocista Energija signed agreements with subcontractors Knim and Energoprojekt. Sinisa Mali said that this was one of the most important agreements signed by the City of Belgrade in the previous few decades, and the value of the investment is around EUR 300 million.

[Belgian company T4B to produce window blinds in Zrenjanin – Employment of up to 150 people planned](#)

The Belgian company T4B plans to open a production facility in Zrenjanin, as reported by the Zrenjaninski portal. The company's development manager, Beni de Cipeleir, says that they are satisfied with how they were welcomed and that they are planning to start a business in Zrenjanin. Roel Elfring, the company's director for Serbia, said that the activities in the Southeast-Ecka Industrial Zone would begin within the Free Zone. Initially, it will be a brownfield investment, and the plan is for them to build their own facility afterwards. He said that the land had already been set aside and that the plan was to initially employ 30 to 35 people.

[Pretty Group ready to initiate production in Sombor – Jobs for 300 textile workers in the first phase](#)

Clothes manufacturer Pretty Group from Dhaka, Bangladesh, recently signed a contract on the lease of two halls of the former company Zastava-Specijalni Automobili Sombor for the production of knitted textile. The adaptation of the premises has been completed recently and the machines have been moved in, and, the production is planned to start soon. According to the agreement signed with the Ministry of Economy, a total of 1,100 workers will be employed at the company's facilities in Sombor in the next two years, and the investor has received incentives in the amount of EUR 3.4 million.

[Romanian company TeraSteel to begin producing sandwich-panels in Leskovac – Investment worth EUR 11 million](#)

The Romanian company TeraSteel, a member of Terplast Group, opened a facility for the production of construction of sandwich-panels in Leskovac on October 11, and 80 citizens of Leskovac were employed there. Several months ago, TeraSteel bought a part of the Interleminid plant, which also used to produce sandwich-panels, but that facility, as well as others, was closed for four years following an unsuccessful privatization.

[American companies invest USD 4 billion in Serbia – Environmental protection new field of potential cooperation](#)

American companies have invested USD 4 billion in Serbia, as the country has become a desirable and stable investment destination, and the Free Trade Agreement provides Serbia with an access to markets of over a billion people, president of the Chamber of Commerce of Serbia (CCIS), Marko Cadez, pointed out.

[Belgium's Elicio completes construction of Malibunar wind farm – Test operations in November, value of investment EUR 14 million](#)

Elicio has completed the construction of the Malibunar wind farm with four turbines with 8 MW of total capacity. The expected annual production of the wind farm is 25 GWh, sufficient for supplying 7,200 households, whereas the CO2 emission will also be reduced by around 16,000 tons a year. Elicio invested EUR 14 million in the construction of the wind farm, of which EUR 9.8 million was provided by UniCredit Bank through a loan. The test operations are started in November, and the facility should be put into operation at full capacity in early 2018. Parallel to the Malibunar wind farm, the company has been developing the Alibunar wind farm since 2010, and the construction began this June. The Alibunar wind farm will have 21 turbines with 42 MW of total capacity. The total value of the investment is EUR 80 million, of which 19.1 million was provided by the World Bank's IFC, 40 million by commercial banks and the remaining amount of over EUR 20 million by Elicio.

[Capitol Park Rakovica opens – Investment worth EUR 30 million](#)

The shopping center Capitol Park Rakovica, built on the foundations of the former tire factory Rekord, was opened on 19. October in Belgrade. EUR 30 million was invested in it, and it will employ 400 people in the first phase alone. It has over 30 tenants, and the biggest attraction for the residents of this part of Belgrade is the Cine Grand movie theater. The new retail park is the joint investment by Great Britain's Poseidon Group and **Belgium's Mitiska REIM**.

["Brussels-Capital Region- opportunities for improvement of SME business"](#)

The Economic and Trade Department of the Embassy of Belgium in the Republic of Serbia, in cooperation with the Serbian Chamber of Commerce, organized a seminar on the 18th of October 2017, entitled "Brussels-Capital Region- Opportunities for Improving the Business of SMEs". Mr. Nenad Đurđević, Director of the Department for International Economic Relations of the PKS (Serbian Chamber of Commerce) and Leo D'AES, Ambassador of the Kingdom of Belgium to Serbia addressed the participants of the seminar. During the event it was also possible to hear speakers from two consulting companies: "Schuman Associates" and "FTI Consulting". Representatives of the "Schuman Associates" were Mrs. Danai Tsapikidou and Miss Katarina Muse. Mr. Ivan Požgaj – senior consultant – presented "FTI Consulting", and from the EU Delegation in Serbia was present Ms. Radica Nusdorfer – Head Sector for European Integration. Mr. Costa Olivier, Economic Advisor at Brussels Invest Export in Brussels spoke about investment and business opportunities in Brussels, while Mrs Marijana Milošević-Tufegdžić, Economic and Trade Counsellor at the Embassy of the Kingdom of Belgium, spoke about economic cooperation between Serbia and Belgium, as well as Mr. Zdravko Ilic – director of the PKS office in Brussels. Participants were able to get acquainted with examples of good practice and experiences in preparing and implementing projects, as well as with the importance of good preparation for participation in EU programs and funds available to SMEs.

Serbia advances to 43rd spot on Doing Business list – World Bank publishes report for 2018

In the World Bank's Doing Business list for 2018, Serbia ranks at 43 on the ease of doing business, compared to 47 in last year's report. If we look at Serbia and compare it with the perfect business environment, Serbia's score went from 72.87 in Doing Business 2017 to 73.13 in Doing Business 2018 – said Stephen Ndegwa, World Bank Manager for Serbia.

New edition of the magazine „Diplomacy and Commerce“ with Belgium in focus

In the October edition, the magazine „Diplomacy and Commerce“ published an extension about Belgium "Belgium in focus" as well as an an interviews with the Belgian Ambassador in Serbia, his Excellency Mr D'Aes Leo, Mrs. Marijana Milošević Tufegdžić - Economic and Trade Counsellor, as well as with Mr. Hugo van Veghel Chairman of Belgian Serbian Business Association.

November 2017

Pellet production facility opens in Petrovac – Eko Step Pellet invests EUR 3 million

Eko Step Pellet opened a new facility for the production of pellets in Petrovac on Saturday, November 4, 2017. The pellet factory Eko Wood, which went into bankruptcy in 2015, used to operate at the same complex. We have invested nearly EUR 3 million and intend to invest further, open new facilities and employ new people – Svetlana Bozinovic, director of Eko Step Pellet, said at the opening.

More than 500 businessmen at Belgrade Investment Days on November 9-10

The Belgrade Investment Days were held on November 10-11 at the Serbian capital and they should result in concrete investments and projects thanks to a good business environment that has been created in Serbia, said Deputy Mayor of Belgrade Borko Milosavljevic, as reported by Beoinfo. The Belgrade portfolio is worth EUR 10 billion, which means that investments should enhance the entire business environment and enable a growth of the GDP, improve the tendency of a reduction of the unemployment rate and head towards a healthy economic recovery of both Belgrade and the state of Serbia. Focus has been placed on big infrastructural projects, but also on development of small and medium enterprises, as certain projects are tied to others. For this reason, it is important for big systems to be created, acting as stimulants to small companies, which in turn should be the main suppliers of big companies.

Another EUR 60 million of support to retail and corporate clients – EBRD and Intesa sign agreements on three new credit lines

The European Bank for Reconstruction and Development (EBRD) has signed agreements on three credit lines worth a total of EUR 60 million with Banca Intesa and Intesa Leasing. The funds are meant for financing the retail and real corporate sectors.

BS Governor: This year's FDI will reach 2 billion euros by end of year

This year's foreign direct investments in Serbia will, by the end of the year, reach the amount of about two billion euros, the Governor of the National Bank of Serbia (NBS) Jorgovanka Tabakovic said. Tabakovic underlined that the NBS would, on 17 November, present the final results on the growth of the FDI, whose growth was previously

revised from 1.5 billion up to 1.7 billion. She can, however “responsibly claim” that the FDI will reach two billion euros and so “surpass the most optimistic expectations”.

Philippine company to open factory in Nis next June

Company from the Philippines IMI, which started the construction of its factory in Nis, will open a recruitment contest next spring, mayor of that city Darko Bulatovic declared on Tuesday. He said that around 500 engineers will be employed by IMI, which opening has been scheduled for June of 2018. During the first stage of construction, the Philippine company will raise a 14,000 square meters building and invest 30 mln EUR. It will employ more than 1500 workers within the next ten years.

EBRD: Another EUR 60 mln for Serbia – 14.11

The European Bank for Reconstruction and Development (EBRD) signed agreements with the Banca Intesa and Intesa Leasing on three credit lines in a total value of EUR 60 million for financing citizens and a real Serbia's economy. Banca Intesa will allocate funds from the credit line in the amount of EUR 30 million to citizens in the form of favorable housing loans, while the line of EUR 5 million will be allocated for the continuation of the program for supporting the development of women entrepreneurship.

WORLD BANK: Tax payment process in Serbia easier

Paying taxes in Serbia is easier than five years ago, thanks to implementation of new technologies, but there is room for further improvement, according to a new report by the PwC (PricewaterhouseCoopers) and Gupta World Bank on paying taxes 2018 in the region of Eastern Europe and Central Asia, which was presented in Belgrade. The report states that time required for execution of tax obligations in Serbia was reduced by 53 hours compared to 2013, and that number of payments was halved from 67 to 33 during the same period, mostly due to introduction and improvement of electronic filing systems tax returns and payment of taxes.

Government adopted draft law on budget for 2018

The Government of Serbia adopted the draft law on budget for 2018 on November 29, planning income of RSD 1,178 billion and expenditures of RSD 1,207 billion, the Ministry of Finance announced. The planned fiscal deficit on the level of the state for 2018 amounts to 0.6% of the GDP, that is, RSD 28.4 billion, which is RSD 40.7 billion less than the deficit planned by the 2017 budget. As stated, tax revenues are expected to contribute RSD 988.6 billion to the budget, of which VAT should account for RSD 503.4 billion. The next year's budget is planned in line with the projection saying that the real growth of the GDP in 2018 will amount to 3.5%, with a GDP deflator of 2.8% and a retail consumer price index of 2.7%.

Commercial agreement on Preljina-Pozega highway worth EUR 450 million signed – Bridges and tunnels to take up one third of the route

A commercial agreement on the construction of a new highway in Serbia, from Preljina to Pozega, on Corridor 11, worth EUR 450 million, was signed in Budapest on November 27 at the summit of China and 16 countries of the Central and Eastern Europe. Deputy Prime Minister and Minister of Transport of Serbia Zorana Mihajlovic, the acting director of the Roads of Serbia, Zoran Drobniak, and the vice president of China Communications Construction Company Ltd. (CCCC), Sun Ziu, signed an agreement on planning and performing the works on the construction of the Preljina-Pozega section of the E-763 highway, in the length of 30.9 kilometers.

December 2017

Pirot gets EUR 12 million for infrastructural projects from cross-border cooperation funds

Representatives of ten countries took part in the first International Conference on Regional Development and Cross-border Cooperation, held on Saturday, December 2, 2017, in Pirot, and organized by the Contracting Chamber of Economy Pirot District, the City of Pirot, the Metropolitan University and the Faculty of Management in Zajecar. The event was held in the City Assembly hall, and the president of the City Assembly of Pirot, Milan Popovic, pointed out on this occasion that the city in eastern Serbia has received over EUR 12 million for important infrastructural projects from the cross-border cooperation funds in the past ten years.

EBRD provides loan of EUR 47 million for expansion of rail depot in Zemun – Agreement on first project phase signed

The EBRD is providing loans totaling EUR 47 million to the Serbian railway passenger operator JSC Srbija Voz to finance the expansion and upgrade of a maintenance depot in Zemun on the outskirts of Belgrade. As stated in a press release by the EBRD, the first portion of EUR 30 million was signed in Belgrade on December 7 by Finance Minister Dušan Vujovic and Acting General Director of Srbija Voz Jugoslav Jovic, on the Serbian side, and Director for Transport Sue Barrett and Director for Serbia Daniel Berg, on the EBRD side. A second loan for the remainder is expected early in 2018.

World Bank to provide USD 150 million to Western Balkans for improving transport and trade

The World Bank announced that it would provide USD 150 million to the countries of the Western Balkans to improve the efficiency of the main traffic corridors and to expand trade connections. The aim of the World Bank is to simplify the border crossing procedure, increase the efficiency of logistics services and have modern smart technology implemented in order to improve the forwarding and passenger transport and to have goods delivered to clients more quickly.

National Assembly of Serbia adopted the budget for 2018

The National Assembly of the Republic of Serbia adopted the budget for 2018 on December 14, 2017. The planned income amounts to RSD 1,178 billion, whereas the planned expenditures amount to RSD 1,207 billion. A total of 150 MPs voted for the budget, 12 were against, no votes were withheld, and two MPs didn't vote. The planned fiscal deficit on the level of the Republic amounts to 0.6% of the GDP, that is, RSD 28.4 billion, which is RSD 40.7 billion lower than the deficit planned by the 2017 budget. In 2018, salary raises by 10% in the public sector and by 5% in the administration are planned, as well as pension raises by 5%. In addition to this, more money has been secured for investments in the next years as well. The budget for the next year is planned based on the projection of the next year's economic growth of 3.5% of the GDP, with the GDP deflator at 2.8% and the retail consumer price index of 2.7%. A total of RSD 128.3 billion is meant for capital investments, of which the majority, RSD 54 billion, is meant for infrastructure.

27% of energy from renewable sources by 2020.

Serbia will meet its goal and will get 27% of its power from renewable energy sources by the year 2020. Framework has been created over the past three years which allows investments in renewable energy sources. Mining and Energy Minister Aleksandar Antic announced that Serbia gets more than 100 megawatts of electricity from newly made renewable energy sources adding that another two wind farms of 110 MW will start production next year.

EVENTS

General Assembly of the Belgian Serbian Business Association

In the organization of the Belgian Serbian Business Association on December 12 was realized end of year reception and General Assembly in the presence of board members and other guests

FAIRS: December 2017 – March 2018

Belgrade fair www.sajam.rs

32nd EXPO-ZIM

December 7 -10

A unique opportunity for the winter sport and tourism fans to find at one place the complete state-of-the-art sport / recreation equipment, exchange or repair the used one and get cost effective travel packages

57th WINTER FUN FEST

December 15 - 29

The New Year's Fair, event of fun and good shopping, is traditionally organized at the end of each year by the Belgrade fair – Winter Fun Fest!



10th GOVERNMENTAL BEEKEEPING FAIR

The Governmental Beekeeping Fair has been scheduled as a beekeeping review. The practicing beekeepers and the beekeeping equipment manufacturers feature their accomplishments. All equipment and production materials within this branch are sold at the Fair under the best prices and conditions.

FEBRUARY 3 – 4, 2018



11th HOME FAIR EXPO XI

Agriculture, Garden program.

FEBRUARY 19 – 21, 2018



40th INTERNATIONAL FAIR OF TOURISM

Belgrade Tourism Fair is ranked as the largest tourist event in the country and Southeast Europe. Fulfilling the international business standards for more than 30 years, it has created partner relationships with its exhibitors, offering quality and various activities and attracting huge number of exhibitors every year.

FEB. 22 – 25, 2018



14th HORECA EQUIPMENT FAIR

Since hotel management and catering are the tourism industry driving force, no wonder that the International Fair of the Hotel and Catering Equipment – HORECA is held at the same time as the International Tourism Fair and Wine Fair.

FEB. 22 – 25, 2018



9th BEOWINE FAIR

Wine tourism is promoted intensively at the Wine Fair, as well and holding this vent at the same time as the Tourism Fair, the most attractive and one of the best visited fair events, clearly shows the importance of this event also in the tourism branch.

FEB. 22 – 24, 2018



MARCH 3 – 4, 2018



62nd INTERNATIONAL EXHIBITION OF DOGS OF ALL BREEDS – CACIB BELGRADE

The International Exhibition of All Breed Dogs – CACIB Belgrade takes place twice a year, at Belgrade Fair, organized by the Cynology Association of the Republic of Serbia. In spring, it marks the beginning of the cynology season in our country and in autumn its end.

MARCH 4, 2018

BALKAN TEKSTILE

The Textile Fair will feature this year 53 companies from Turkey, China, Portugal and Serbia. This is a business event gathering textile manufacturers, importers and traders. Beside the best textiles, the exhibitors at the Fair will show also the best machines and equipment within the textile sector.

MARCH 8 – 11, 2018



An exhibiting/selling event – car show under the title BG Car Show includes all importers and wholesalers of passenger cars. Complete offer of the leading worldwide car manufacturers to the local audience and prospect buyers is presented through unique scenery, with standard exhibiting spaces, furnished by Belgrade Fair.

MARCH 22 – 28, 2018



12th INTERNATIONAL MOTORCYCLE SHOW

A specialized fair event, including manufacturers and importers of motorcycles, mopeds, scooters, ATV, related industry, spare parts and equipment. In addition to this, this event affirms and promotes motorcycle racing.

MARCH 22 – 28, 2018

Novi Sad Fair

25 - 29. October 2017
15th Cars Fair

2 - 5. November 2017
22nd International Exhibition of Jewellery and Watches SJAJ

10 - 11. November 2017
1st BEEKEEPING FAIR OF THE DANUBE REGION

SPRING 2017

2-3/3 6th International ENERGY AND INVESTMENT DAYS
6-8/3 12th International Fair of Education GUIDELINES
6-12/3 23rd International BOOK FAIR; 22nd Exhibition of Art ART EXPO

USEFUL CONTACTS:

Embassy of Belgium in Belgrade

Krunska, 18
11000 Belgrade
Serbia
Tel: +381/11/ 32-30-018
Fax : +381/11/ 324-43-94
belgrade@dipobel.fed.be
www.diplomatie.be/belgrade

Economic and Trade Office – Embassy of Belgium

Koce Kapetana 30/2
11000 Belgrade
Serbia
Tel: +381/11/308-55-70
Fax: +381/11/344-56-49
Email: belgrade@brusselsinvestexport.com
www.brussels-in-serbia.com

Serbian Development Agency <http://ras.gov.rs>

Resavska 13-15,
11000 Belgrade
tel+381 11 3398 900
office@ras.gov.rs

Serbian Chamber of Commerce

Resavska 13-15,
11000 Belgrade, Serbia
Phone: +381 11 3300 959
Switchboard: +381 11 3300 900
Fax: +381 11 3230949
E-mail: kabinet@pks.rs
www.pks.rs
www.brussels-in-serbia.com

Belgrade Fair www.sajam.rs

Address: Bulevar vojvode Mišića 14,

11000 Belgrade, Serbia

Tel. +381 (0)11 2655-555

E-mail: info@sajam.rs

Novi Sad Fair – www.sajam.net

Hajduk Veljkova 11

21 000 Novi Sad,

Phone: +381 (0)21/483-00-00, 483-00-01

Fax: +381 (0)21/483-00-99 E-mail: info@sajam.net

MONTENEGRO

External Trade Montenegro-Belgium January – October 2017

Expressed in Euros, total import amount for the external trade Montenegro - Belgium for the period January-October 2017 amounted 9,543,995 , and export 555,162 . The most imported were meat and edible meat offal, and the most exported were essential oils and resinoids; perfumery, cosmetic or toilet preparations

CN \ FLOW	1:Import	2:Export
02:MEAT AND EDIBLE MEAT OFFAL	1,943,124	0
03:FISH AND CRUSTACEANS, MOLLUSCS AND OTHER AQUATIC INVERTEBRATES	8,379	0
04:DAIRY PRODUCE; BIRDS' EGGS; NATURAL HONEY; EDIBLE PRODUCTS OF ANIMAL ORIGIN, NOT ELSEWHERE SPECIFIED OR INCLUDED	769	0
05:PRODUCTS OF ANIMAL ORIGIN, NOT ELSEWHERE SPECIFIED OR INCLUDED	64	0
06:LIVE TREES AND OTHER PLANTS; BULBS, ROOTS AND THE LIKE; CUT FLOWERS AND ORNAMENTAL FOLIAGE	717	0
07:EDIBLE VEGETABLES AND CERTAIN ROOTS AND TUBERS	83,502	16,125
09:COFFEE, TEA, MATÄ% AND SPICES	38	0
10:CEREALS	6,495	0
11:PRODUCTS OF THE MILLING INDUSTRY; MALT; STARCHES; INULIN; WHEAT GLUTEN	311	0
12:OIL SEEDS AND OLEAGINOUS FRUITS; MISCELLANEOUS GRAINS, SEEDS AND FRUIT; INDUSTRIAL OR MEDICINAL PLANTS; STRAW AND FODDER	9,502	0
15:ANIMAL OR VEGETABLE FATS AND OILS AND THEIR CLEAVAGE PRODUCTS; PREPARED EDIBLE FATS; ANIMAL OR VEGETABLE WAXES	222	0
17:SUGARS AND SUGAR CONFECTIONERY	9,457	0
18:COCOA AND COCOA PREPARATIONS	80,468	0
19:PREPARATIONS OF CEREALS, FLOUR, STARCH OR MILK; PASTRYCOOKS' PRODUCTS	156,513	0
20:PREPARATIONS OF VEGETABLES, FRUIT, NUTS OR OTHER PARTS OF PLANTS	469,881	0
21:MISCELLANEOUS EDIBLE PREPARATIONS	61,129	0
22:BEVERAGES, SPIRITS AND VINEGAR	119,933	0
23:RESIDUES AND WASTE FROM THE FOOD INDUSTRIES; PREPARED ANIMAL FODDER	113,701	0
24:TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES	1,765	0
25:SALT; SULPHUR; EARTHS AND STONE; PLASTERING MATERIALS, LIME AND CEMENT	2,008	0
27:MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	462,562	0
28:INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPES	1,897	0
29:ORGANIC CHEMICALS	8,949	0
30:PHARMACEUTICAL PRODUCTS	493,729	0

31:FERTILISERS	10,148	0
32:TANNING OR DYEING EXTRACTS; TANNINS AND THEIR DERIVATIVES; DYES, PIGMENTS AND OTHER COLOURING MATTER; PAINTS AND VARNISHES; PUTTY AND OTHER MASTICS; INKS	287,502	0
33:ESSENTIAL OILS AND RESINOIDS; PERFUMERY, COSMETIC OR TOILET PREPARATIONS	239,995	197,674
34:SOAP, ORGANIC SURFACE-ACTIVE AGENTS, WASHING PREPARATIONS, LUBRICATING PREPARATIONS, ARTIFICIAL WAXES, PREPARED WAXES, POLISHING OR SCOURING PREPARATIONS, CANDLES AND SIMILAR ARTICLES, MODELLING PASTES, "DENTAL WAXES" AND DENTAL PREPARATIONS WITH A	213,886	0
35:ALBUMINOIDAL SUBSTANCES; MODIFIED STARCHES; GLUES; ENZYMES	52,413	0
37:PHOTOGRAPHIC OR CINEMATOGRAPHIC GOODS	107,613	0
38:MISCELLANEOUS CHEMICAL PRODUCTS	579,345	300
39:PLASTICS AND ARTICLES THEREOF	263,596	6,454
40:RUBBER AND ARTICLES THEREOF	34,473	1,362
42:ARTICLES OF LEATHER; SADDLERY AND HARNESS; TRAVEL GOODS, HANDBAGS AND SIMILAR CONTAINERS; ARTICLES OF ANIMAL GUT (OTHER THAN SILKWORM GUT)	7,450	0
44:WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	77,190	0
45:CORK AND ARTICLES OF CORK	48	0
48:PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	143,593	0
49:PRINTED BOOKS, NEWSPAPERS, PICTURES AND OTHER PRODUCTS OF THE PRINTING INDUSTRY; MANUSCRIPTS, TYPESCRIPTS AND PLANS	7,864	21
54:MAN-MADE FILAMENTS; STRIP AND THE LIKE OF MAN-MADE TEXTILE MATERIALS	7,157	0
55:MAN-MADE STAPLE FIBRES	610	0
56:WADDING, FELT AND NONWOVENS; SPECIAL YARNS; TWINE, CORDAGE, ROPES AND CABLES AND ARTICLES THEREOF	1,592	0
57:CARPETS AND OTHER TEXTILE FLOOR COVERINGS	320,740	0
58:SPECIAL WOVEN FABRICS; TUFTED TEXTILE FABRICS; LACE; TAPESTRIES; TRIMMINGS; EMBROIDERY	2,188	0
59:IMPREGNATED, COATED, COVERED OR LAMINATED TEXTILE FABRICS; TEXTILE ARTICLES OF A KIND SUITABLE FOR INDUSTRIAL USE	14,263	0
60:KNITTED OR CROCHETED FABRICS	2,855	0
61:ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, KNITTED OR CROCHETED	3,682	0
62:ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED	5,773	0
63:OTHER MADE-UP TEXTILE ARTICLES; SETS; WORN CLOTHING AND WORN TEXTILE ARTICLES; RAGS	14,318	300
64:FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	101	120
66:UMBRELLAS, SUN UMBRELLAS, WALKING STICKS, SEAT-STICKS, WHIPS, RIDING-CROPS AND PARTS THEREOF	25,361	0
68:ARTICLES OF STONE, PLASTER, CEMENT, ASBESTOS, MICA OR SIMILAR MATERIALS	130,695	0

69:CERAMIC PRODUCTS	18,210	0
70:GLASS AND GLASSWARE	66,247	0
71:NATURAL OR CULTURED PEARLS, PRECIOUS OR SEMI-PRECIOUS STONES, PRECIOUS METALS, METALS CLAD WITH PRECIOUS METAL, AND ARTICLES THEREOF; IMITATION JEWELLERY; COIN	52	0
72:IRON AND STEEL	218	193,329
73:ARTICLES OF IRON OR STEEL	69,411	207
74:COPPER AND ARTICLES THEREOF	15,838	0
76:ALUMINIUM AND ARTICLES THEREOF	9,884	0
79:ZINC AND ARTICLES THEREOF	0	97
82:TOOLS, IMPLEMENTS, CUTLERY, SPOONS AND FORKS, OF BASE METAL; PARTS THEREOF OF BASE METAL	44,536	0
83:MISCELLANEOUS ARTICLES OF BASE METAL	3,980	0
84:NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	1,132,025	7,684
85:ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	261,231	6,862
87:VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING STOCK, AND PARTS AND ACCESSORIES THEREOF	951,765	124,428
88:AIRCRAFT, SPACECRAFT, AND PARTS THEREOF	1,403	0
90:OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	107,622	0
91:CLOCKS AND WATCHES AND PARTS THEREOF	342	0
93:ARMS AND AMMUNITION; PARTS AND ACCESSORIES THEREOF	1,923	0
94:FURNITURE; BEDDING, MATTRESSES, MATTRESS SUPPORTS, CUSHIONS AND SIMILAR STUFFED FURNISHINGS; LAMPS AND LIGHTING FITTINGS, NOT ELSEWHERE SPECIFIED OR INCLUDED; ILLUMINATED SIGNS, ILLUMINATED NAMEPLATES AND THE LIKE; PREFABRICATED BUILDINGS	166,413	0
95:TOYS, GAMES AND SPORTS REQUISITES; PARTS AND ACCESSORIES THEREOF	71,297	0
96:MISCELLANEOUS MANUFACTURED ARTICLES	21,708	0
97:WORKS OF ART, COLLECTORS' PIECES AND ANTIQUES	10,326	200
Total:	9,543,995	555,162

BUSINESS NEWS

Montenegro's inflation slows to 2.3% y/y in October

Montenegro's consumer price index (CPI) went up by 2.3% year-on-year in October, after increasing 2.8% in September, the national statistical office said. Consumer prices fell by 0.1% on the month in October after rising by 0.9% in September, the statistical office said in a statement. The biggest monthly rise in prices in October, of 0.1%, was recorded in the segments of alcoholic beverages and tobacco, and healthcare. On the other hand, the prices of hotels and restaurants declined by 2.3% month-on-month in October, while furniture and household equipment prices fell 0.4%. In 2016, Montenegro's CPI fell by 0.2% after rising by 1.5% in 2015.

EBRD praises improvement of financial legislation in Montenegro

The European Bank for Reconstruction and Development (EBRD) said that the Montenegrin government has significantly improved the regulatory framework for financial leasing and factoring activities. The recently adopted law on financial leasing will align with international best practices the activities of financial leasing, factoring, purchase of claims, micro-credit and credit-guarantee issues, the EBRD said in a statement. The adoption of the law follows support by the EBRD's Legal Transition Team in drafting the sections on factoring and leasing sections of the law. Both are attractive financial instruments which to date have not been sufficiently used by Montenegrin businesses, the bank said.

Energean reveals promising gas estimates offshore Montenegro

Greek oil and gas group Energean has said the two blocks it is exploring in Montenegro have recoverable natural gas reserves of 1.8 trillion cubic feet, citing the results of its first Competent Persons Report (CPR). The CPR suggests that Montenegro sits in the 'sweet spot' of untapped potential in the eastern Adriatic, the CEO of Energean, Mathios Rigas said in a statement on Thursday. "The area remains substantially underexplored, despite having what appears to be working petroleum system with extensive sandstone and carbonate reservoir development. The western offshore Adriatic has been a prolific hydrocarbon-producing province for over 50 years for both oil and biogenic gas and we believe that the same hydrocarbon plays extend into offshore Montenegro," Rigas said.

EBRD provides EUR 40 million loan for reconstruction of main roads in Montenegro

As part of its effort to improve regional integration in the Western Balkans, the EBRD is providing a EUR 40 million loan to contribute to the financing of the reconstruction of 216 km of Montenegro's main roads. The loan will be extended in three tranches to the Ministry of Transport and Maritime Affairs. The first tranche of EUR 10 million will be used for a road section between the towns of Rozaje and the village of Spiljane near the Serbian border. The second and third tranches, each of EUR 15 million, are expected to be made available in 2018 and 2019 for the upgrade of the Podgorica-Danilovgrad and Tivat-Jaz road sections in the south, respectively.

EBRD promotes competitive business environment in Montenegro

The EBRD is promoting the implementation of a fair and competitive business environment in Montenegro with a capacity building project for the national Agency for the Protection of Competition. The project includes training for staff and judges on merger and antitrust cases, the introduction of econometric software to analyse competition

cases and activities to raise public awareness about competition rules among businesses. The project supports bringing Montenegro's competition authority closer to EU standards as the country advances towards European integration. Funded by the Government of the Grand-Duchy of Luxembourg, it is part of the EBRD's work to improve the investment climate and good governance in Montenegro.

FAIRS IN MONTENEGRO

Adriatic Fair - <http://jadranskisajam.co.me/files/kalendar/JADRANSKI%20SAJAM%20KALENDAR%202018.pdf>

22 - 24.March 2018

- Food Fair
- International Tourism Exchange and Tourism Fair, Equipment for Hotels and Catering - METUBES
- Ecology Fair

USEFUL CONTACTS:

Consulate of Belgium in Budva

85317 Lastva Grbaljska bb
MONTENEGRO
Tel(00.382.33) 426.139
Fax (00.382.33) 426.101
consulbel@t-com.me

Chamber of Economy of Montenegro

<http://www.pkcg.org>
Novaka Miloševa 29-II
pkcg@pkcg.org
Telephone: +382 20 230 545
Fax: +382 20 230 493

Montenegrin Employers Federation

ul: IX Crnogorske brigade br. 11
81000 Podgorica, Crna Gora
Telefon: +382 (0)20 209 250
Fax: +382 (0)20 209 251
Web: www.poslodavci.org
E-mail: upcg@t-com.me;

Montenegro Business Alliance <http://www.visit-mba.org/cg/index.php>

Kralja Nikole 27a/4, Poslovni centar "Čelebić", Sahat kula
Tel/fax: 020 622 728; 622 738
E-mail: mbapg@t-com.me

AD ADRIATIC FAIR <http://www.adriafair.co.me>

TRG SLOBODE BR.
5 85310 BUDVA
Tel: +382 33 410 403
Fax: +382 33 452 132
Mob: +382 69 389 920
e-mail: jadranskisajam@t-com.me,
sajam@jadranskisajam.co.me

Montenegrin Investment Promotion Agency (MIPA)

<http://www.mipa.co.me/index.php>
Jovana Tomasevica 2A
81000 Podgorica
Montenegro
Phone/fax: (+382 20) 203-141, 203-140 , 202-910
E-mail: info@mipa.co.me