



REPUBLIC OF SERBIA



Embassy of the Republic of Serbia - Helsinki



GDP growth	3,8% (est. 2024)
FDI	EUR 4,522 billion (2023)
Inflation	4,9% (Aug.2024)
Public debt	47,7% GDP (Mar. 2024)
Foreign Reserves	EUR 25,02 billion (Jan. 2024)
Unemployment	8,8% (Aug.2024)

7

reasons to invest in Serbia



1 Political & economic stability

2 Success in attracting FDIs

3 Competitive operating costs

4 Top performing talent pool

5 Customs-free access to 1.3 B

6 Optimal geographic location

7 State's benefits & incentives



RAS

SERBIA – BASIC ECONOMIC INDICATORS

	2001	2005	2010	2015	2020	2021	2022	2023	2024
Gross domestic product, current prices, in billion dinars	867.2	1,846.9	3,250.6	4,315.0	5,504.4	6,272.0	7,097.6	8,817.8	9,604.8
Gross domestic product, in millions EUR	14585.8	22,253.8	31,545.8	35,740	46,815	53,345	60,427	75,204	-
Gross domestic product, per capita, EUR	1943.9	2,990.8	4,326.4	5,037	6,786	7,806	9,067	11,335	-
Gross domestic product, real growth, in %	6.9	5.5	0.7	1.8	-0.9	7.7	2.5*	3.8	3.8*
Fiscal indicators, as % of GDP									
Primary deficit/surplus	-	2.0	-3.4	-0.5	-6.0	-2.4	-1.7	-0.5	-
General government debt	-	-	-	71.2	57.8	57.1	55.6	48.4	(47,8%)
Prices, growth rates									JAN-AUG
Consumer prices by COICOP, end of period	-	-	10.3	1.5	1.3	7.9	15.1	7.6	3.1
Consumer prices by COICOP, period average	-	-	6.5	1.9	1.6	4.0	11.9	12.1	4.9
Foreign trade/ FDI/ Foreign Reserves - in milli.EUR									JAN-AUG
Export of goods	1,922.2	3,608.3	7,393.4	12,038.7	17,054.5	21,858.0	27,605.9	28,631.8	19,393.5
European Union	892.4	2,117.6	4,235.2	7,907.4	11,070.2	14,070.3	17,691.7	18,088.4	12,033.1
Import of goods	4,759.2	8,434.2	12,423.5	16,086.6	22,957.6	28,935.3	39,014.4	36,859.5	25,457.1
Foreign trade balance	-2,837.0	-4,825.9	-5,030.1	-4,047.9	-5,903.0	-7,077.3	-11,408.6	-8,227.7	-6.063.6
Foreign trade deficit, as % of GDP	-19.5	-21.7	-15.9	-11.3	-12.6	-13.3	-18.9	-10.9	-
Foreign direct investments, net, in million EUR ^{2,5}	184.1	1,250.4	1,133.4	1,803.8	2,938.5	3,656.9	4,328.2	4,219.7	2,479.6
Foreign currency reserves of NBS, in million EUR	1,325	4,921	10,002	10,378	13,492	16,455	19,416	24,909	28,225
Unemployment rate, ILO definition ⁸	-	20.8	20.9	18.9	9.7	11,1	9,5	9,4	8.8

Serbia – World recorder & rising star in FDI world

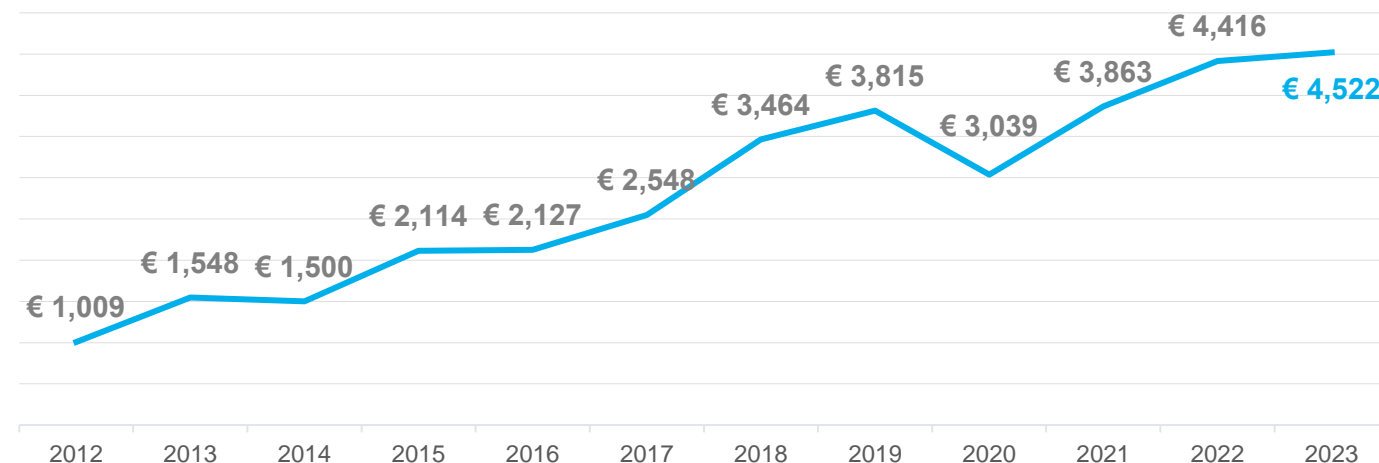
FDI Stock (% of GDP) – 2022



81,17%

Source: UNCTAD

Inflow of FDI in Serbia (million)



Source: National Bank of Serbia

Notable foreign direct investment



Microsoft



TOYO TIRES



Panasonic



1. Cash Incentives



To offset initial capital investments and ease the start-up of business endeavours, the Government of Serbia offers financial support for projects in the manufacturing sector, and services if subject to international trade;

4. Offset against profits



Up to 5 years of the tax loss stated in the tax return can be carried forward and offsetted against future profits;

2. Tax Holiday



10 Years
TAX Holiday

For investment projects reaching 8.3 M EUR in fixed assets* and 100 new employees* TAX Holiday for the period of 10 years is granted;

5. Decreasing corp. tax



R&D
costs

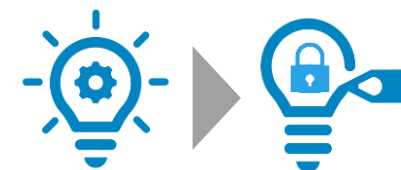
R&D costs of the enterprise are doubled for the purposes of taxation. This lowers the corporate income tax baseline;

3. Avoiding double tax



Business entity is not paying double tax in Serbia and in its domestic country if the tax is already paid;

6. Tax reduction on IP



Revenue from Intellectual Property (IP) developed in Serbia is taxed only with 3% instead of 15%;

7. **First and R&D related employment reliefs**



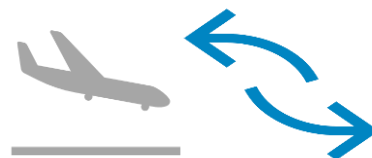
70% lower tax and contributions for three years for persons entering the job market or persons employed in the R&D related operations with a salary equal or higher than the national average (starts in 2022);

10. **Employee share plans**



ESPs are taxed only on capital gains at the moment of sale, with Step Up in Basis for those who come with assets from abroad. ESPs can easily be granted from Serbian or US-based legal entities;

8. **Reliefs for foreigners**



70% lower tax and contributions for foreigners for 5 years after they settle in Serbia if they have a salary 3x the national average or more;

11. **Tax credit for investing in startups**



Corporate Income Tax (CIT) credit worth 30% of the investment in a startup;

9. **Reliefs for repats**



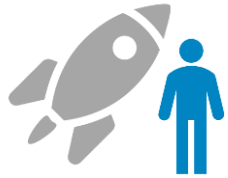
70% lower tax and contributions for repats for 5 years after they settle in Serbia if they have a salary 3x the national average or more;

12. **Tax credit for private individuals**



Tax credit for private individuals investing in a Venture Capital fund with annual income tax worth 50% of the investment;

13. Tax and contribution relief for startup founders



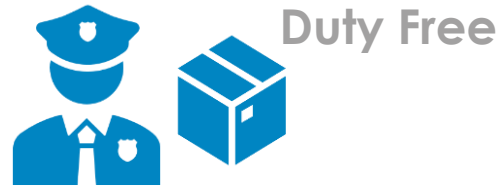
Startup founders pay no salary tax and contributions during the first three years;

16. Employment incentives



National Employment Agency provides various incentives for employing new employees;

14. Customs free imports Raw material and similar



Foreign investors in Serbia can enjoy the benefit of customs free import of raw material and semi-finished goods for export oriented production;

17. Training incentives



National Employment Agency provides various incentives for training new employees;

15. Customs free imports Equipment and similar



Foreign investors are exempt from paying customs duty on imported equipment which represents the share in a capital of a company in Serbia;

18. Other incentives



Different Local Municipalities also provide various tailor made incentives for investors*;

SECTORS IN FOCUS IN SERBIA POTENTIALS FOR FINLAND'S COMPANIES

ICT
ENERGY / RENEWABLES
WASTE MANAGEMENT
GREEN TRANSITION
INFRASTRUCTURE
EXPO 2027

BIO-4
AI / NEW TECHNOLOGIES
EDUCATION / R&D
FOOD PROCESSING INDUSTRY
AUTOMOTIVE INDUSTRY
CHEMICAL INDUSTRY

BIO⁴ Campus Executive Overview

Concentration of knowledge, people and infrastructure around a new biotechnology hub in Europe



BIO⁴ & 4P Campus



The Campus will operate in 4 strategic fields: Biomedicine, Biotechnology, Bioinformatics & Biodiversity contributing to 4P medicine: Predictive, Preventive, Personalized & Participatory.



Government Support

The Government of the Republic of Serbia stands behind the project with incentives and benefits packages for all foreign and domestic direct investors willing to invest within the Campus.



R&D & Production

BIO⁴Campus and its vicinity will be infrastructurally equipped to support and meet the needs of the industry and biotech companies that will join the campus.

BioTech Startup Hub



Extension of the Science Technology Park Belgrade with space for BIO⁴ startups and R&D departments dedicated for Pharmaceutical, Biomedical & Biotechnology companies.



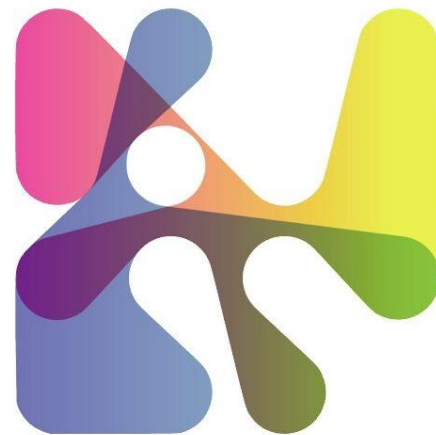
2 Scientific Institutes

Institute of Virology, Vaccines & Sera „Torlak“ & Institute of Molecular Genetics & Genetic Engineering are integral parts of the BIO⁴ Campus.



2 University Faculties

Pharmaceutical & Biological Faculties, University of Belgrade, with their talents and research capabilities are integral parts of the BIO⁴ Campus.



**EXPO
2027**

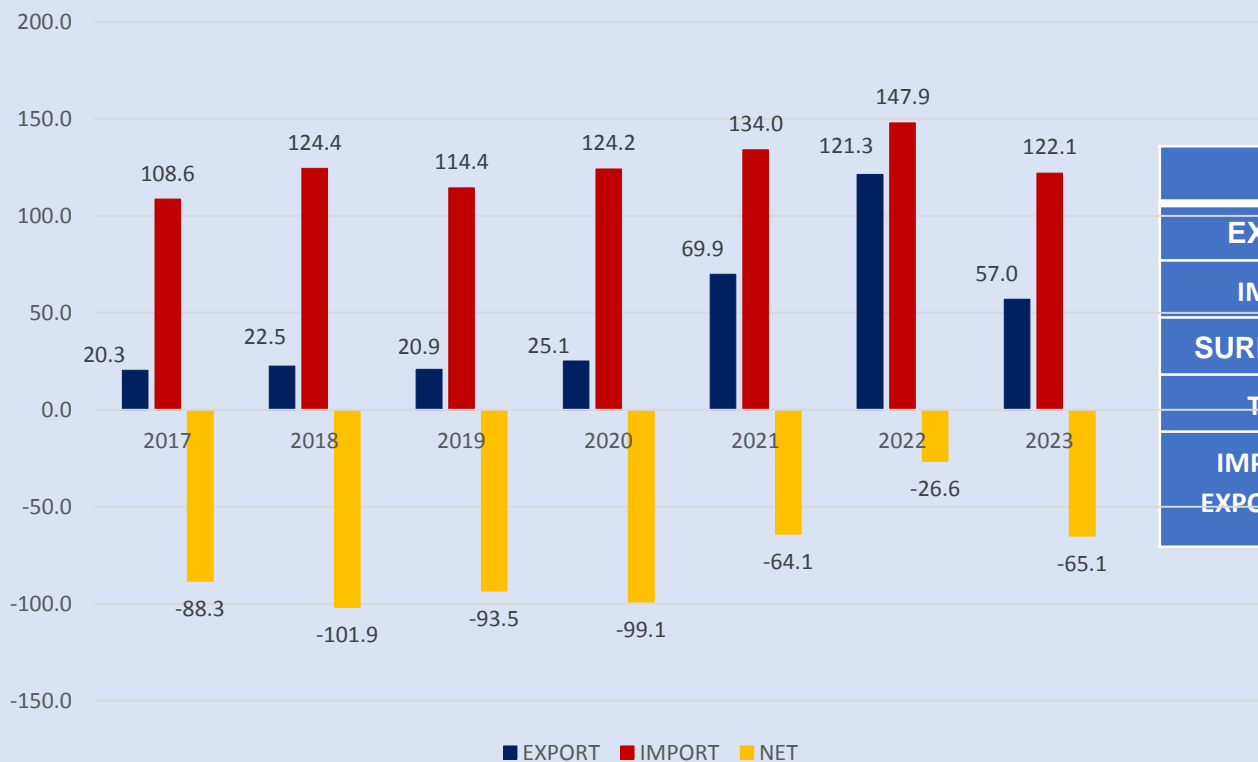
BELGRADE SERBIA



фото: Влада Републике



SERBIA-FINLAND TRADE



Trade in GOODS volume 2017-2024, in millions of EUR

	2017	2018	2019	2020	2021	2022	2023	2024/I-VI
EXPORT	20,3	22,5	20,9	25,1	69,9	121.3	57.0	101.0
IMPORT	108,6	124,4	114,4	124,2	134,0	147.9	122.1	64.7
SURP./DEFC.	-88,3	-101,9	-93,5	-99,1	-64,1	-26.6	-65.1	/
TOTAL	128,9	146,9	135,3	149,3	203,9	269.2	179.1	165.7
IMPORT TO EXPORT (in %)	18.7	18.1	18.3	20.2	52.2	82.0	46.7	/

Trade in SERVICES volume 2023, in millions of EUR

	2023
EXPORT	46
IMPORT	20
SURPLUS	26
TOTAL	66

FINLAND IN SERBIA

KONE



FISKARS® NOKIA



MOLOK®



TAALERI
Energia



FORTACO

NOKIAN®
TYRES

Planmed

TOURISM EXCHANGE

Experience!
SERBIA

- In 2019, 4,165 tourists from Finland visited Serbia, which was an increase of 14.2% compared to the same period in 2018. Tourists from Finland spent 10,329 overnight stays in 2019, which represents an increase of 23.2% compared to the same period in 2018.
- In 2020, 727 tourists visited the Republic of Serbia, which represents a drop of 82.5% compared to the same period in 2019, while they had 1,624 overnight stays, which represents a drop of 83.4% compared to the same period of the previous year.
- In 2021, 1,075 tourists visited the Republic of Serbia, which represents an increase of 47.9% compared to 2020, while they had 3,873 overnight stays, which represents an increase of 138.5% compared to the same period of the previous year.
- In 2022, 2,927 tourists visited the Republic of Serbia, which represents an increase of 157.4% compared to 2021, while they had 11,254 overnight stays, which represents an increase of 132.1% compared to the same period of the previous year.
- In 2023, the Republic of Serbia was visited by 3,623 tourists from Finland, which represents an increase of 23.8% compared to the same period in 2022, and 10,534 overnight stays.
- In the first six months of 2024, 1,786 tourists from Finland visited Serbia (increase of 8% comparing to the same period in 2023), with 5,019 overnight stays.

WINE VISION BY OPEN BALKAN

CONFLUENCE *of* TASTES

NOVEMBER 22-24, 2024 • BELGRADE FAIR • SERBIA

Wine • Food • Spirits • Tourism

PARTNERED WITH

Telekom Srbija |  DUNAV OSIGURANJE

TERVETULO A SERBIAAN

DOBRODOŠLI U SRBIJU

