



CITY OF PANČEVO

**INVEST IN PANČEVO**  
City of possibilities

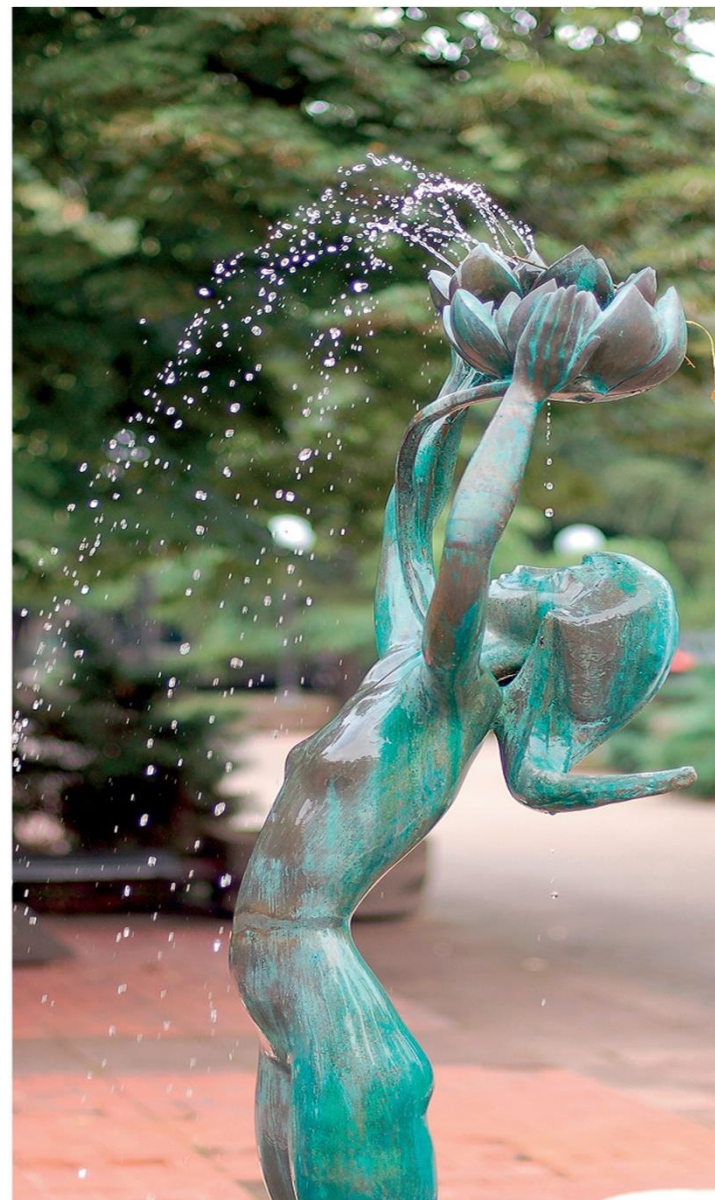
WELCOME TO PANČEVO!





- Pančevo is mentioned for the first time in the ninth century
- Administrative, cultural and industrial center of South Banat
- Population of 123,414 inhabitants
- 26 nationalities
- Surface area: 756 km<sup>2</sup>
- Agriculture area: cca 53,187 ha
- Known for entrepreneurial tradition and industrial heritage
- Exceptional geographic location

## ABOUT PANČEVO





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# GEOGRAPHIC POSITION



**44° 54' 00" N**

**20° 40' 00" E**

Coordinates of Pančevo



**77m**

Elevation



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# INFRASTRUCTURE LINKS









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## DISTANCES

	Pančevo	Indija	Vršac	Obrenovac	Zrenjanin	Subotica	Loznica	Šabac
BELGRADE	18	51	86	35	73	189	140	88
NOVI SAD	106	31	139	113	50	111	118	67

	Pančevo	Indija	Vršac	Obrenovac	Zrenjanin	Subotica	Loznica	Šabac
 corridor 10	18	4	86	30	74	11	154	26
 corridor 7	0	10	66	37	50	73	154	87
 airport	40	47	104	32	90	189	122	68
 port	0	31	66	37	50	73	57	0

Distance in km





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### ■ Distance from borders

Hungary	214 km
Croatia	137 km
Romania	160 km
Bulgaria	300 km
B&H	185 km

### ■ Distance from highway

E-75	18 km
E-70	0 km

### ■ Distance from airport

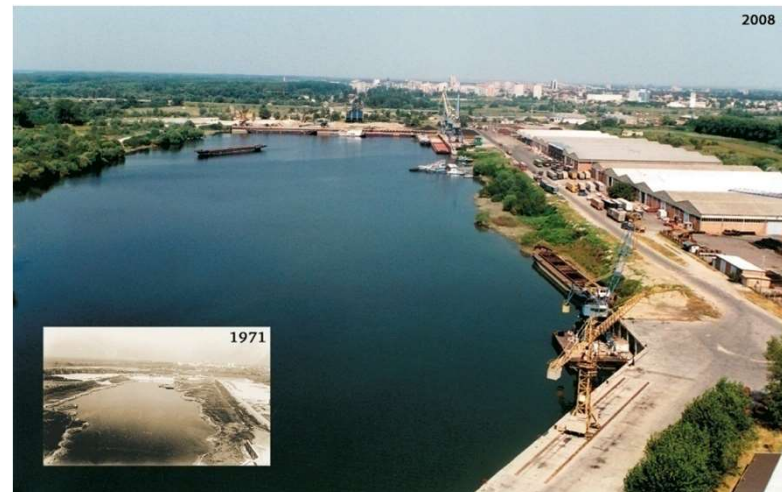
BELGRADE	40 km
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## CONNECTIVITY



## “DANUBE” PORT PANČEVO

- River Danube length – 30km
- Port of “Danube” - Pancevo complex – 240 ha
- Dock for river/sea ships with capacity of 5,000t at any water level
- Port of Danube also has the services of:
  - Federal Customs Directorate – Belgrade Customs, Pancevo Customs Office
  - Ministry of Transport of the Republic of Serbia, Port Master Pančevo
  - Forwarding services
  - Storage service at the public customs storehouses



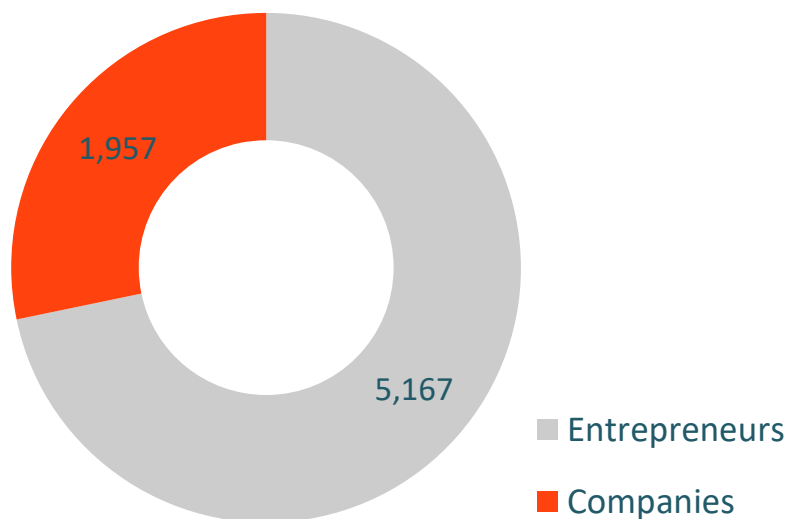


## LONG BUSINESS TRADITION

- The oldest brewery in the Balkans from 1722
- 215 years of Craft Association
- The first commercial (industry and crafts) exhibition with 713 exhibitors was held in Pančevo in 1905
- The oldest commercial airport in the Balkans
- Production of aircrafts, glass, light bulbs, furniture, and textiles date back to the first half of the 20th century – mostly closed today (including Fertilizer Plant)
- Oil industry and petrochemical industry from second half of the 20th century – leaders of city economy today



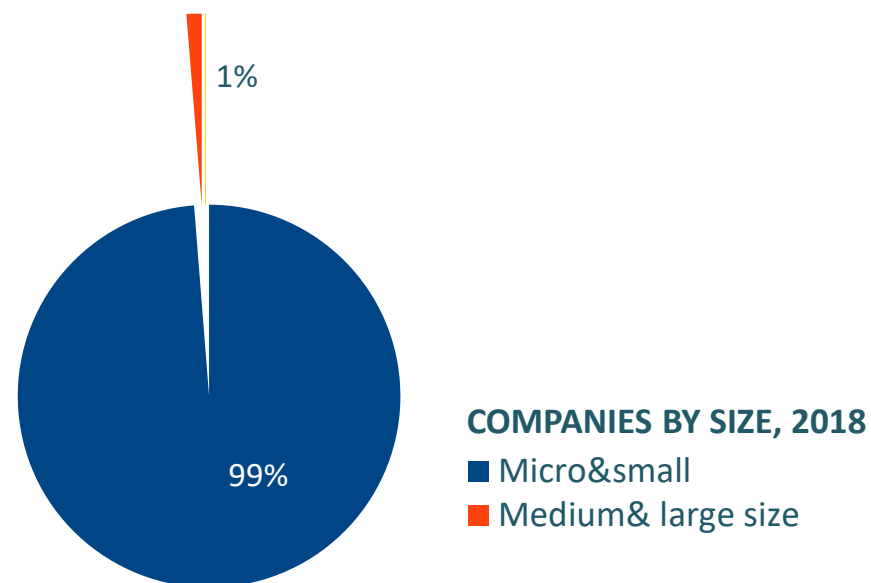
# COMPANIES



**\*NUMBER OF COMPANIES & ENTREPRENEURS  
(2018.)**

Entrepreneurs	5,167
Companies	1,957

*COMPANIES BY SIZE, 2018	
Micro & small	1,931
Medium & large size	26
Total	1,957

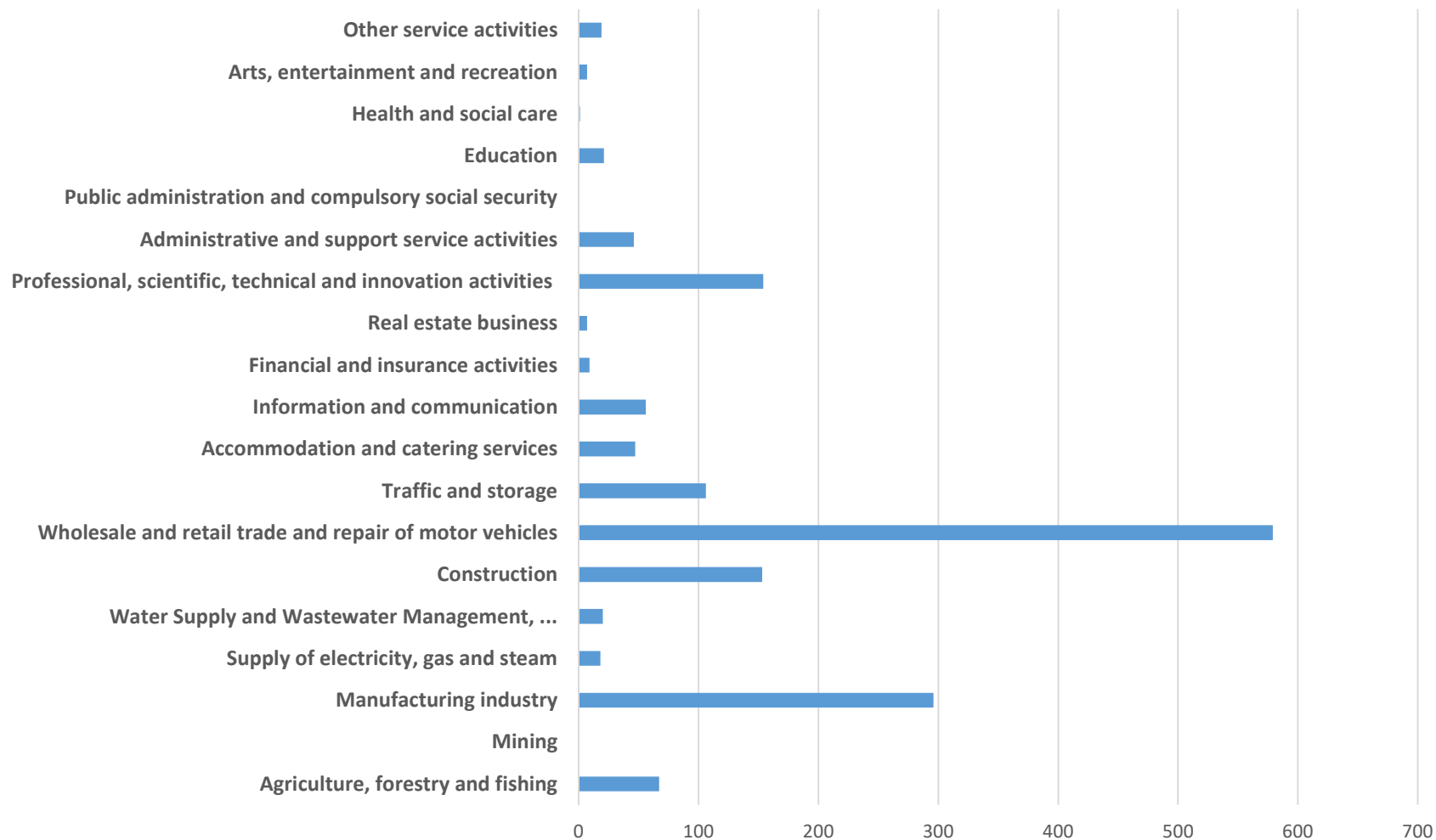


\* SBRA - Serbian Business Registers Agency

# COMPANIES

## BUSINESS ACTIVITIES BY NUMBER OF BUSINESS ENTITIES, 2018

Business activities by number of business entities







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## TOP EMPLOYERS

<b>HIP-PETROHEMIJA</b> production of petrochemicals	<b>1,433 employees</b>
<b>NIS GAZPROM NEFT - NIS Petrol, Rafinerija nafte Pančevo</b> production of petroleum products	<b>700 employees</b>
<b>ZF SERBIA</b> manufacture of electrical and electronic equipment for motor vehicles	<b>600 employees</b>
<b>ALMEX</b> growing of cereals (except rice), legumes and oilseeds	<b>365 employees</b>
<b>UTVA AI</b> production of aircrafts and related equipment	<b>177 employees</b>
<b>PEKARSKA INDUSTRIJA</b> production of bread, fresh pastry goods and cakes	<b>180 employees</b>
<b>STARI TAMIS</b> growing of cereals (except rice), legumes and oilseeds	<b>190 employees</b>
<b>INDUSTRIJA SKROBA JABUKA</b> production of starch, FSH	<b>185 employees</b>
<b>STRABAG - AD VOJVODINAPUT PANČEVO</b> road construction	<b>178 employees</b>

## FOREIGN INVESTORS IN PANČEVO

NIS GAZPROM NEFT (Russia)

STRABAG (Austria)

MESSER (Germany)

AVIV ARLON GROUP (Israel)

EGSTON (Austria)

ZF FRIEDRICHSHAFEN AG (Germany)

BROSE (Germany)

BIG (Israel)



**STRABAG**



**MESSER**  
Messer Tehnogas AD



**Population:** inhabitants  
\*Census 2011 **123,414**

**Population:**  
\*estimates 2017 **119,960**

**Employed:**  
\*2018 **29,919**

**Unemployed:** **6,644**  
December 2019.  
(National Employment Service)



**4,094 (62%)**

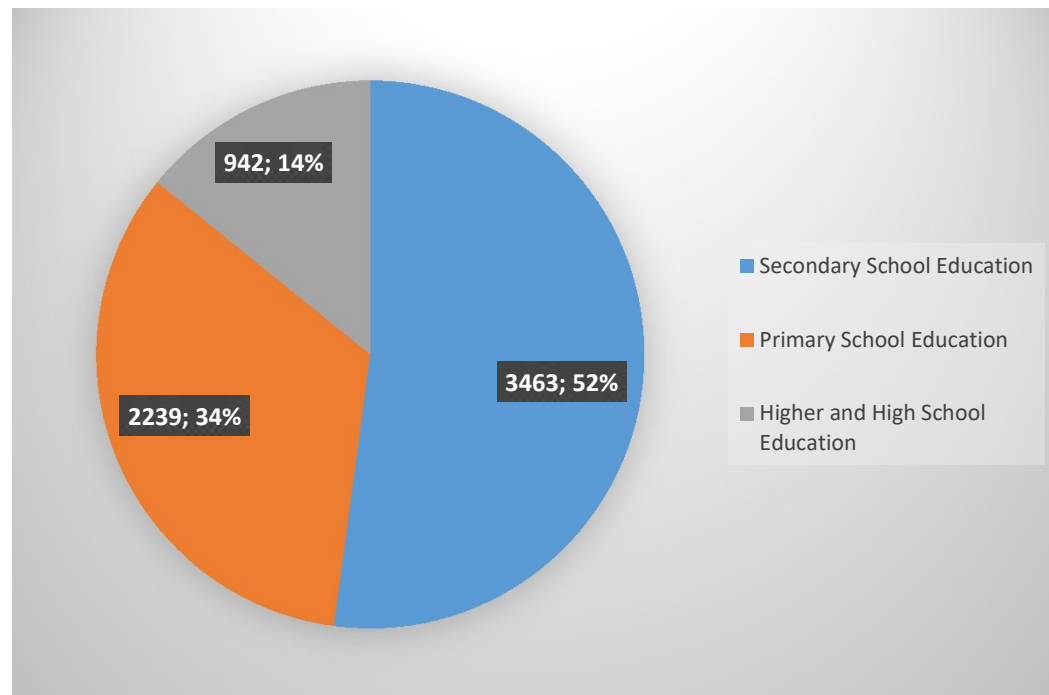
**2,550 (38%)**

\*Statistical Office of the RS

# HUMAN RESOURCES

## UNEMPLOYED BY EDUCATIONAL LEVEL,

December 2019.



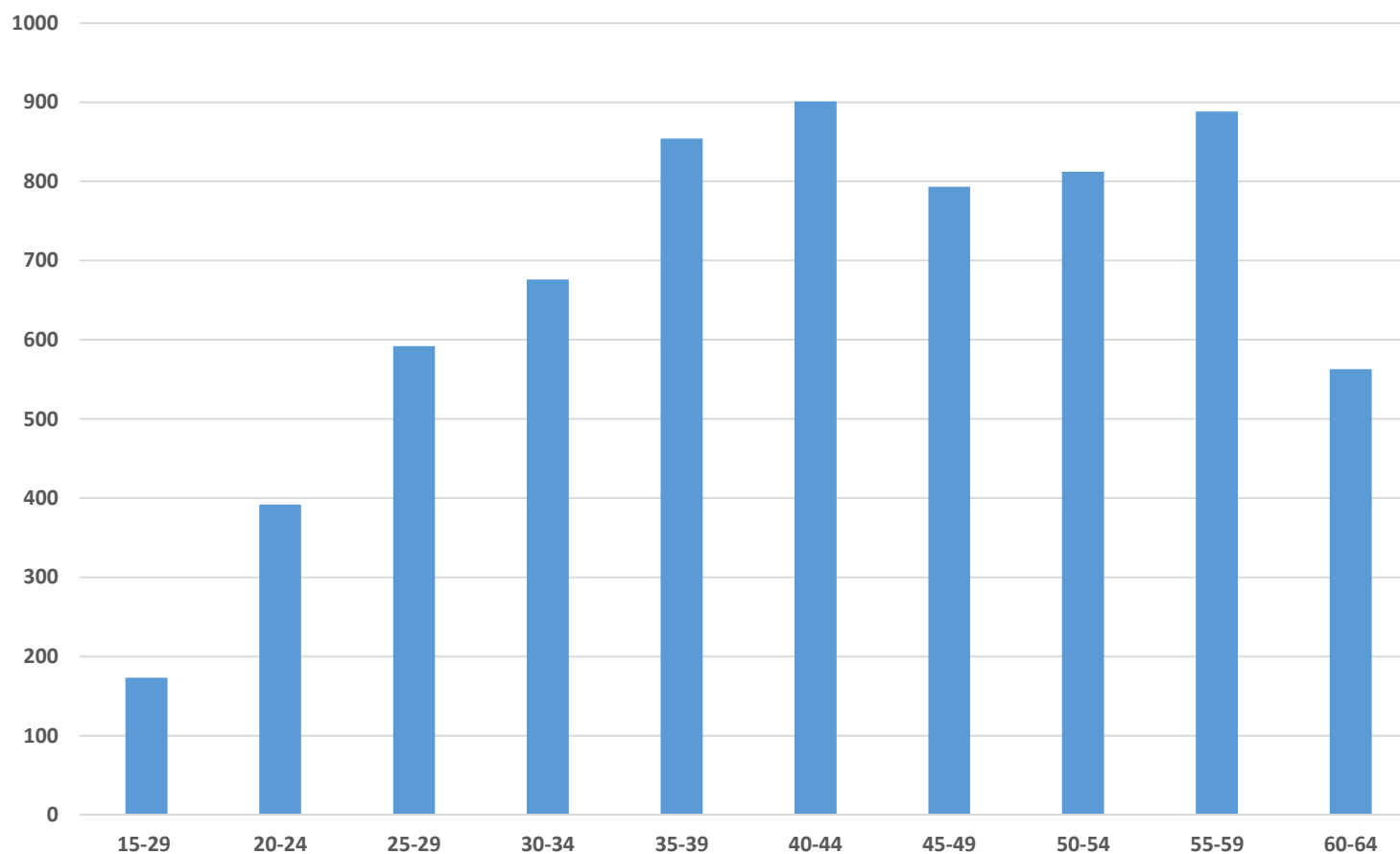
НАЦИОНАЛНА СЛУЖБА  
ЗА ЗАПОШЉАВАЊЕ



# HUMAN RESOURCES

## UNEMPLOYED BY AGE GROUPS

Unemployed, population aged 15-64, Dec. 2019.

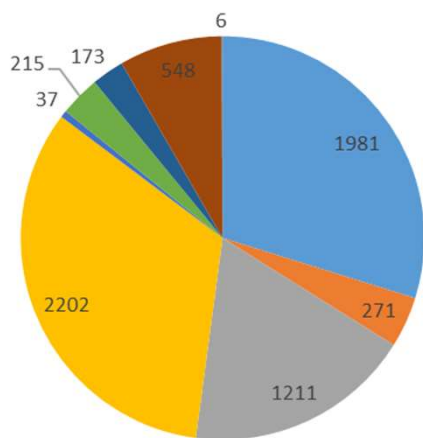


\*Statistical Office of the RS

# HUMAN RESOURCES

## Breakdown of qualifications - unemployed persons 31.12.2019.

unskilled	1,981
Semi-skilled and low-skilled	271
Skilled	1,211
Secondary education	2,202
Highly-skilled	37
Post-secondary two-year education	215
Higher education	727
<b>Total</b>	<b>6,644</b>



Total number of unemployed people seeking first employment – 2,723 (1,823 women)



December, 2019.

## Number of registered unemployed with diplomas in mechanical and electrical sector, per level of qualifications (National Employment Service)

Sector:	Level of qualifications:					
	III	IV	V	VI1	VI2	VII1
Mechanical sector	281	208	18	11	4	8
Electrical sector	49	168	6	8	7	1

- Number of registered unemployed with diplomas in **mechanical sector**: 530  
Secondary school: 507    Junior College: 11    University: 12
- Number of registered unemployed with diplomas in **electrical sector**: 239  
Secondary school: 223    Junior College: 8    University: 8



# HUMAN RESOURCES – EDUCATION

- 📖 21 primary schools
- 📖 9 secondary schools

## SECONDARY SCHOOLS

(school year 2019/2020)

Grammar school	3 profiles
Mechanical	9 profiles
Technical	12 profiles
Electrical engineering	7 profiles
Agricultural	6 profiles
Economic and trade	8 profiles
Medical	3 profiles
Music	2 profiles
Ballet	2 profiles

- 📖 3 faculties
- 📖 Proximity of Belgrade offers the possibility of attending 70 different faculties



## SECONDARY SCHOOL OF MECHANICAL ENGINEERING PANČEVO

<http://www.masinska.edu.rs/> (school year 2019/2020)

### Field of mechanical engineering and metalworking:

Four-year educational profiles:

- Mechanical technician for computer construction 2 classes (60 students)
- Technician for computer control (CNC) 1 classes (30 students)
- Motor Vehicle Mechanical Technician 1 class (30 students)
- Technician for mechatronics 2 class (60 students)

Three-year educational profiles:

- Auto Mechanic 1 class (30 students)
- Mechanical Processing Operator 1 class (30 students)
- Mechanical fitter – welder 1 class (30 students)

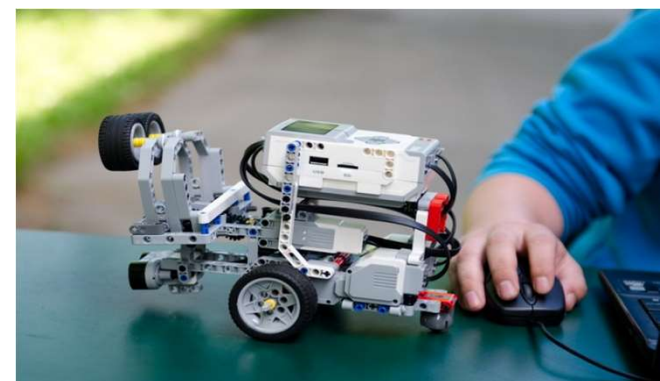
### Field of traffic:

Four-year educational profile:

- Road Traffic Technician 1 class (30 students)

Three-year educational profile:

- Motor Vehicles Driver 1 class (30 students)



## SECONDARY SCHOOL OF ELECTRICAL ENGINEERING “NIKOLA TESLA” PANČEVO

<https://etsntesla.edu.rs/>

(school year 2019/2020)

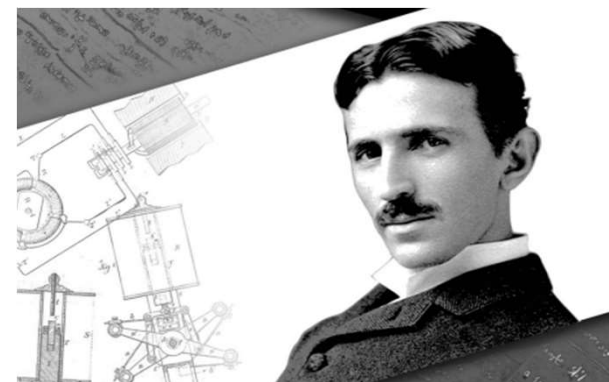
### Four-year educational profiles:

- |                                      |                       |
|--------------------------------------|-----------------------|
| ▪ Telecommunications Electrician     | 1 class (30 students) |
| ▪ Multimedia Electrician             | 1 class (30 students) |
| ▪ Power Line Electrician             | 1 class (30 students) |
| ▪ Process control electro-tehnician  | 1 class (30 students) |
| ▪ Computer Network Administrator     | 1 class (30 students) |
| ▪ Information Technology Electrician | 1 class (30 students) |

### Three-year educational profiles:

- |  |                       |
|--|-----------------------|
| ▪ Electro-mechanic for heating/cooling devices | 1 class (30 students) |
|--|-----------------------|

Željko Arsić, a student of Electrical Engineering School "Nikola Tesla" from Pančevo, won a bronze medal at the 46th International Physics Olympiad in July, 2015, in the Indian city of Mumbai.







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## "READY TO BUILD" GREENFIELD LOCATION

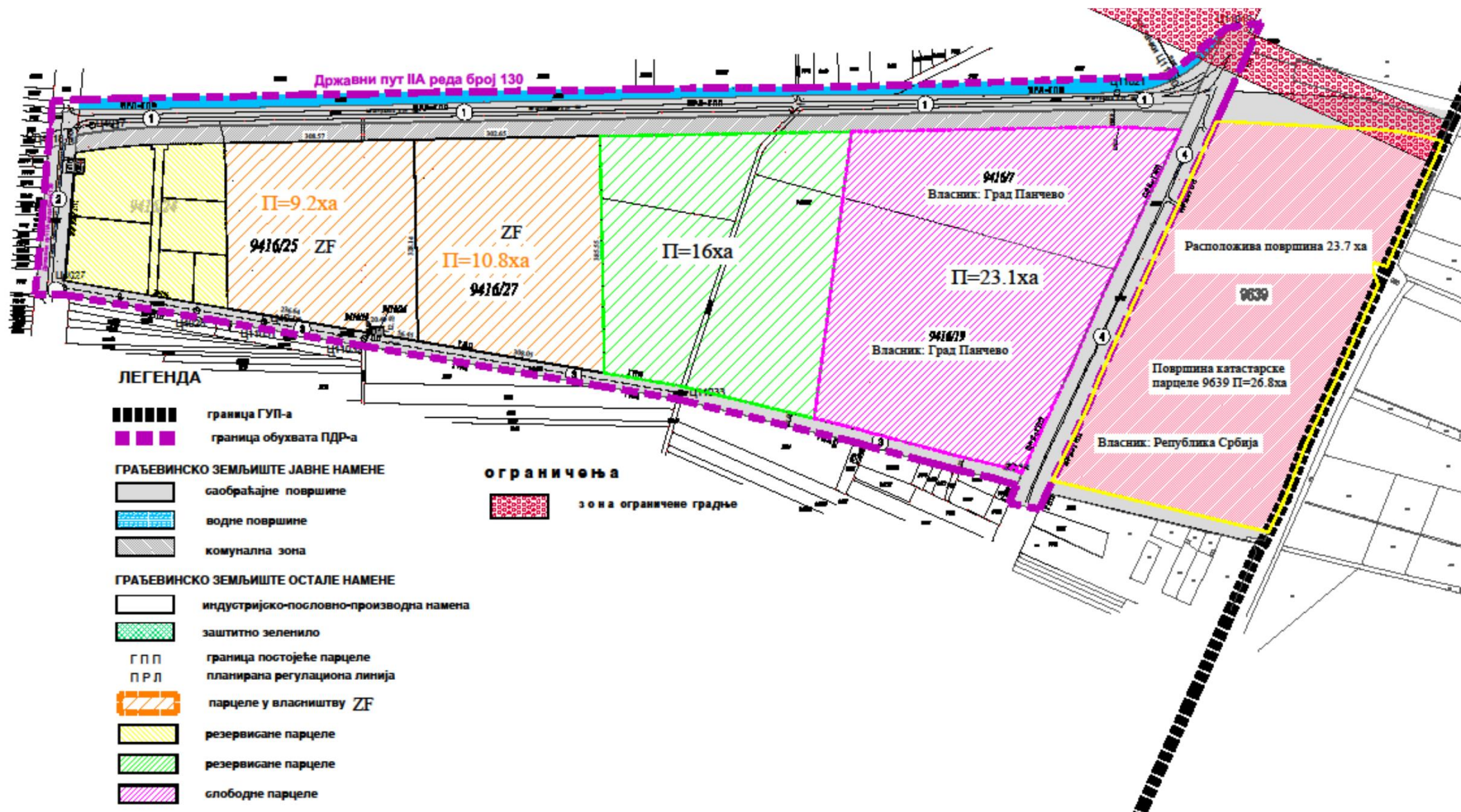






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## "READY TO BUILD" GREENFIELD LOCATION





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## "READY TO BUILD" GREENFIELD LOCATION

LOCATION INFORMATION	"NORTH" GREENFIELD LOCATION
Proposed plot size	65.3 ha + 22 ha
Ownership	City of Pancevo
Distance from the City Center Pancevo	1.5 km
Distance from port "Danube" Pancevo	8.0 km
Distance from airport „Nikola Tesla“ BELGRADE	40 km
Distance from highway	E-75 18 km E-70 0 km
Electricity	Activities are underway to provide bigger capacity
Water	Yes
Sewer	Yes
Gas	Yes
Optical cable network	Yes
Existing connection to state road – Jabučki put, internal access road	
Public transportation to the zone – multiple bus lines	

## OPERATING COSTS - UTILITIES

WATER



0,50 € /m3

WASTE WATER



0,4 € /m3

ELECTRICITY



0,05 € /kwh

Subject to contracting

GAS



~ 0,3 € /m3

Subject to contracting

1 € = 117,56 RSD



- Five-day-workweek, 8 hours of work with 1 break of 30 minutes (net 37.5 workhours per week)
- 11 national holidays / non-working days
- Annual leave: minimum 20 days
- Minimal wage €270.04 (net) or €426.29 (gross amount) for January, 2020.
- Night and overtime work – additional 26% to the basic wage
- Work on national holiday – additional 10% to the basic wage
- Limited time contract: no more than 2 years
- Test work: up to 6 months

VAT	Usual rate 20% Lower rate 10 %
Corporate profit tax	Uniform rate 15% (ten-year release for investments over 8.4 mil. € and 100 employees)
Personal Income tax	10% wages 15% dividend, interest ... 20% other incomes
Annual income tax	10/15% (for annual income below 3 or above 6 average annual salaries in Republic of Serbia)
Social insurance contributions	Pension and Disability Insurance 12%-14% Health Insurance 5.15% Unemployment Insurance 0.75%

## CALCULATION OF SALARIES

	%	Minimal salary (Srbija) € January 2020	Average salary (Pančevo) € January 2020
Net income		<b>270.04</b>	<b>436.86</b>
Income tax	10	22.68	43.68
Contributions (for employees)	19.9	72.72	86.93
Gross income		365.44	567.47
Contributions (for employers)	17.15	60.85	97.32
<b>TOTAL</b>		<b>426.29</b>	<b>664.79</b>

→ transport

→ regress

→ contribution for food

1 € = 117.56 RSD

## STATE AID FOR THE FIRST GROUP OF MUNICIPALITIES (PANČEVO)

### AMOUNT OF FUNDS THAT MAY BE ALLOCATED

For investments of a minimum of: 500,000 € of eligible costs of investment and 50 workplaces	Over 200 employees - for 10% of eligible costs of gross earnings
In the amount of 20% of eligible costs of gross earnings (3,000 € per workplace maximum)	Over 500 employees - for 15% of eligible costs of gross earnings
Up to 10% of eligible costs in fixed assets	Over 1,000 employees - for 20% of eligible costs of gross earnings



## LOCAL INCENTIVES

### TAXES, FEES, AND CHARGES

<b>PURCHASE OF LAND</b>	6.58 € /m2 1 € = 117.56 RSD	The price of land can be <b>reduced to 0 € /m2</b> depending on the number of new employees and the business plan of the investor.
<b>LOCAL PROPERTY TAX (REAL ESTATE, LAND)</b>	0.4%	-
<b>FEE FOR LAND DEVELOPMENT</b>	-	It is <b>not charged</b> for construction of production and storage facilities

# LOCAL INCENTIVES

## TAXES, FEES, AND CHARGES

<b>LOCAL COMMUNAL TAX FOR DISPLAYING BUSINESS NAMES</b>	<b>E.g. in 2020, annual tax is ~ 887.50 € paid monthly</b>	<b>Reduced by:</b> <ul style="list-style-type: none"> <li>- 10% for large legal entities</li> <li>- 30% for medium legal entities,</li> <li>- 60% for small legal entities with revenue greater than RSD 50,000,000 (425,300 €)</li> <li>- 80% for micro legal entities and entrepreneurs with revenue greater than RSD 50,000,000 (425,300 €)</li> </ul>
		<b>Charge free for 24 months</b> , if the investor employs min. 10% of the unemployed workforce in Pančevo
		<b>Free from paying communal tax</b> for displaying business names on business premises - entrepreneurs, micro and small legal entities, with up to RSD 50,000,000 (425,300 €) in revenue in the previous year

## Top 5 reasons to invest in Pancevo

- ✓ A city with a clear vision: Strategic plan for 2014-2020 and Strategy for attraction of investments 2019-2023
- ✓ Exceptional strategic location for economic development: high-quality logistics with quick connections to corridors 7 & 10, with International port “Danube” Pancevo and proximity of two largest cities: Belgrade & Novi Sad
- ✓ Educated and qualified workforce
- ✓ Supplier support industry with a great number of SMEs
- ✓ Pančevo holder of BFC SEE Certificate from 2015

Business Friendly Certification South East Europe (BFC SEE) is a unique program for improving the quality of services and information that municipalities in the SEE region offer to companies.





CITY OF PANČEVO

**THANK YOU FOR YOUR ATTENTION**

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