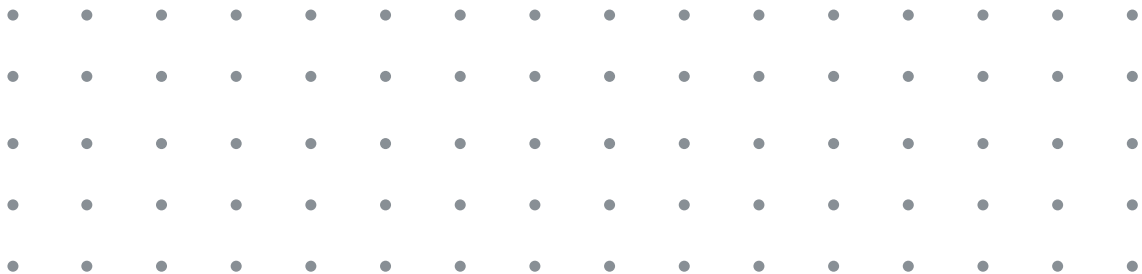
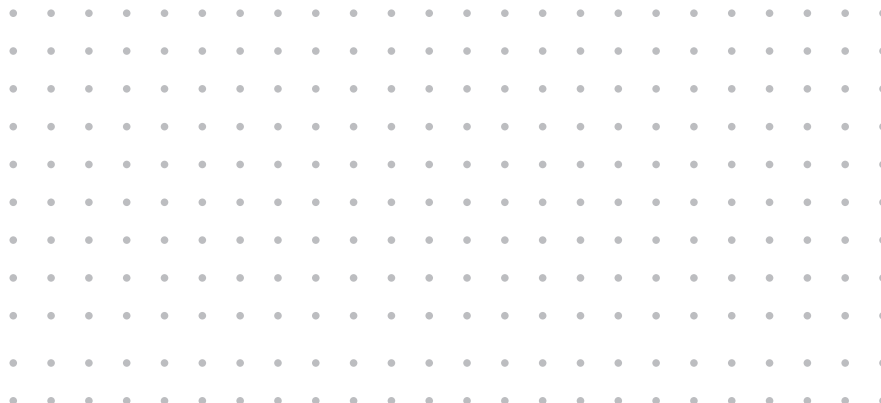


Z R E N J A N I N

FREE AND INDUSTRIAL ZONES

L!KE
NO OTHER





Welcome to Zrenjanin, our town!

As the Mayor of Zrenjanin City, it is my pleasure to be the first to welcome you to our great city.

City of Zrenjanin is a beautiful river town located in the center of the Serbian part of the Banat region directly along the Bega River. It has grown into one of the most attractive city for industry and commercial development.

The City of Zrenjanin is a dynamic, friendly community ideally located and encompassing what is described as a “City of Business Opportunity” and a family-oriented place to live. With a beautifully restored downtown, a

thriving industrial base, long tradition and good business conditions we are continuing our efforts in community and economic development to solidify Zrenjanin as one of the best towns in Serbia to live, work, and visit.

We have a strong sense of identity and our the most important goal is business cooperation for mutual benefit.

Let's Create Our Future Together!

Simo Salapura, Mayor

01 City of Zrenjanin



Distance from borders

HUN	CRO	ROM	BUL	BIH
158 km	90 km	64 km	358 km	160 km

Distance from highway

E-75	E-70
50 km	75 km

Distance from airport

BGD	OSI	TSR
100 km	159 km	125 km

Road Network

Road network at the territory of Zrenjanin City consists of highway, regional and local road network. The most important road routes are as follows:

Zrenjanin-Novi Sad

Regional road, connecting the motorway E75 European A class road passing through Norway, Finland, Poland, Czech Republic, Slovakia, Hungary, Serbia, Macedonia and Greece

Zrenjanin-Belgrade

Regional road, connecting to the motorway E70 European A class road passing through Spain, France, Italy, Slovenia, Croatia, Serbia, Romania, Bulgaria, Turkey and Georgia

Zrenjanin-Timisoara

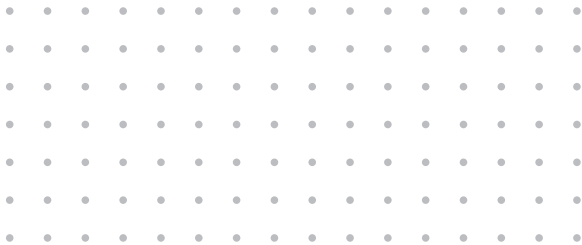
International road to Ukraine, Moldavia and other ex Soviet republics

Airport Zrenjanin

Zrenjanin has its own airport, which is the largest C class airport in the Balkans, with asphalt runway and necessary infrastructure suitable for small passenger, agricultural and cargo planes. Airport can be reconstructed to service larger planes with a relatively small investment.



02 | About the City



BASIC DATA

Key information

Area	1,326 km ²
Population	123,362
Position	20°23' east longitude and 45°23' north latitude
Labour force (Middle Banat Region)	11.132
Official languages	Serbian, Hungarian, Slovak and Romanian
Rivers	the Bega, the Tisza, the Tamis and the Danube
Distance	75 km from Belgrade, 50 km from Novi Sad
Time zone	CET (UTC+1)
Climate	Temperate-continental, that is steppe-continental average annual temperature of 11,2°C

Main Reasons to Invest in Zrenjanin

03

Safe investment environment

Favourable geographical position, access to the major transport networks
(road, rail, river, air transport)

Free zone (fiscal benefits, free of custom duties on import of goods,
financial benefits, efficient administration....)

Investment ready locations in industrial zones

Skilled and well-educated workforce

Favourable labour costs and price stability

Administrative, political, economic, cultural and health centre of the Region

Local government - supportive at all stages of investment and committed
to constant improvement of business environment

Mentality, culture and attitudes similar to those of western countries

Good and safe place to live

Investment-Expansion Growth

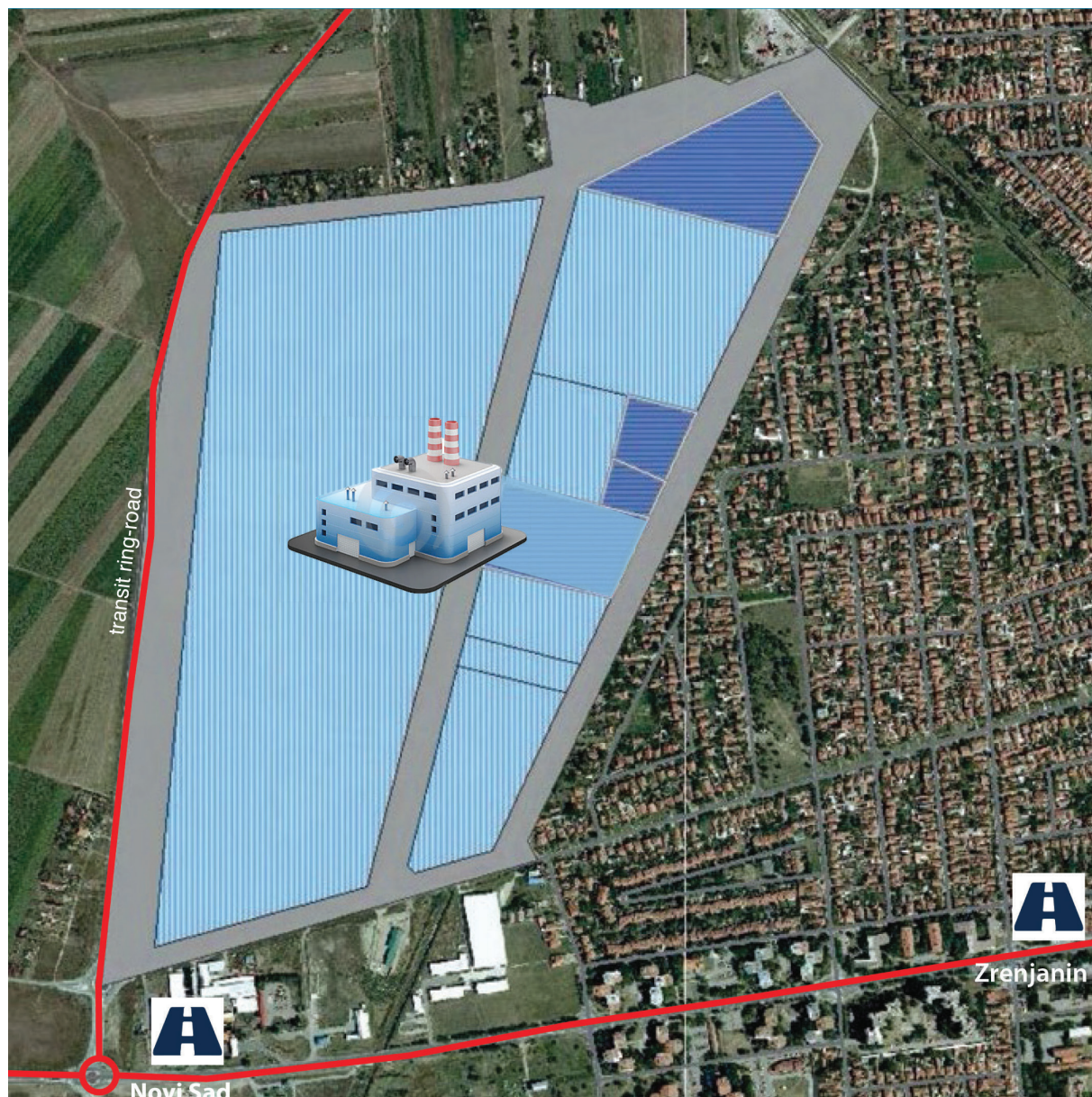
The largest number of foreign investments in Zrenjanin last years came from the Italy and the Germany. Other active investors are from the Croatia, Israel, France, China and Sweden . Famous multinational companies such as Draexlmaier, Modital, Fulgar, Novares, Mehler Protective System, Agrokor, Bongrain SAS, Kolpa san, Geze, Aviv Arlon, Essex, Linglong Tire, Green Miles, T4B and GLM recognized Zrenjanin as the best City for their investment.

04

Industrial zones







Industrial zone Bagljas

05

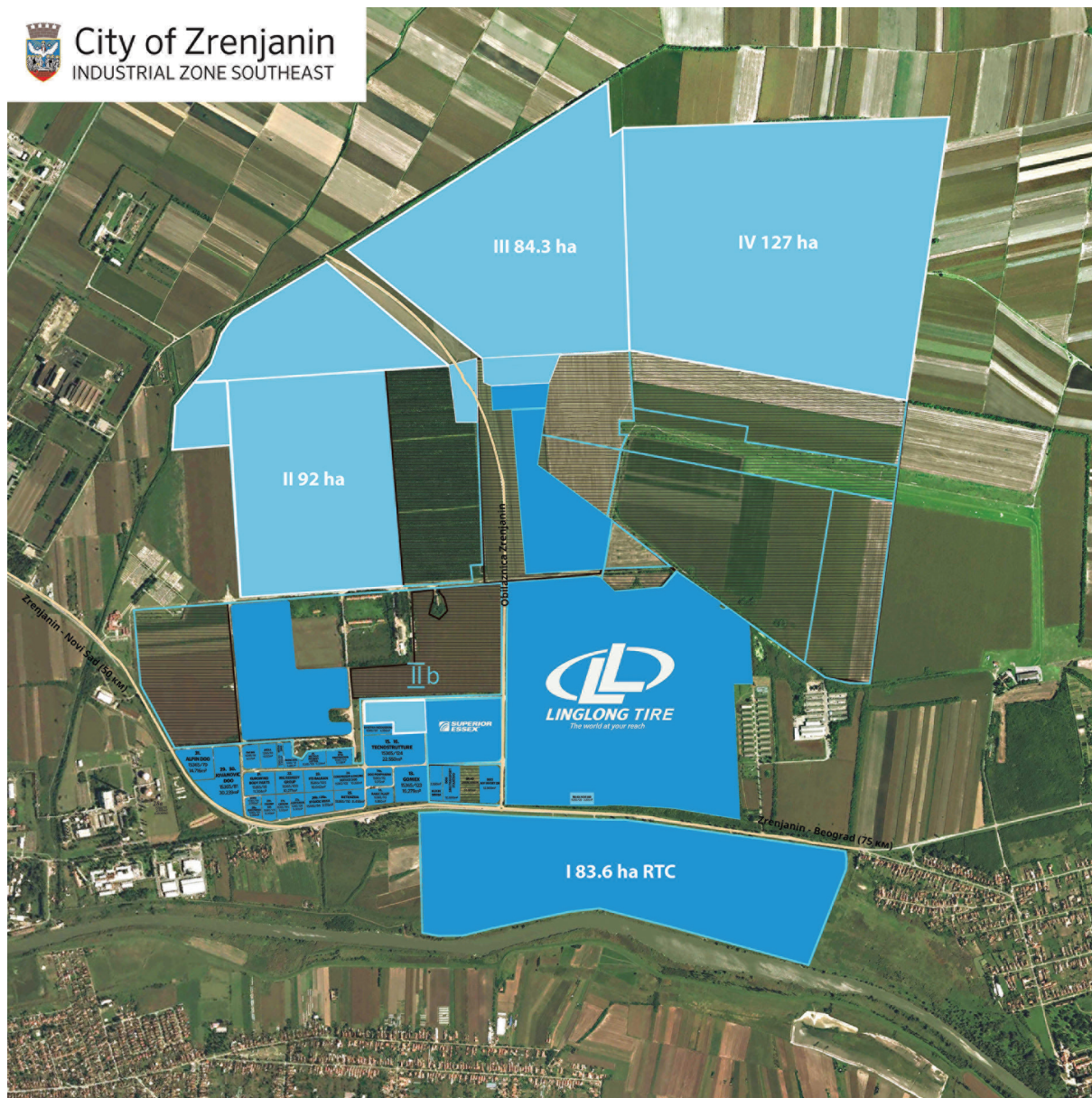
Owner:	City of Zrenjanin
Land purpose:	Industrial zone
Total area: 92ha	Available Area: 2 ha + 30 ha
Distance:	
- Regional road Zrenjanin -Novi Sad	at the boundary of the zone
- E-75	50km
- E-70	75km
- Airport	100 km - (Belgrade – “Nikola Tesla”Airport)
- Romanian border	60 km - (Jimbolia)
Utilities Capacity	
Available Electricity	4 Mw/h (increase of capacity is possible)
Water	4,300 m ³ /day
Gas	2,000 m ³ /h
Sewerage	130 m ³ /h
Roads Access and service roads	on site
Railway siding	possible to build
Data connection	On site, optical fibre cable
Public transport (PT)	On site
Frequency of PT	According to the needs of investors
Price*	cca 8,03 €/sqm *

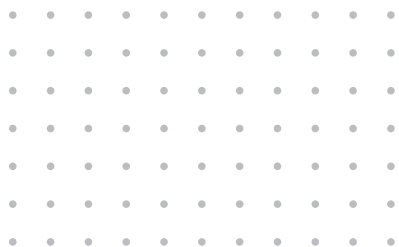
* By National Bank of Serbia, average exchange rate 22nd September 2020, 1 EUR = 117,59 RSD



City of Zrenjanin

INDUSTRIAL ZONE SOUTHEAST





Free Industrial zone Southeast

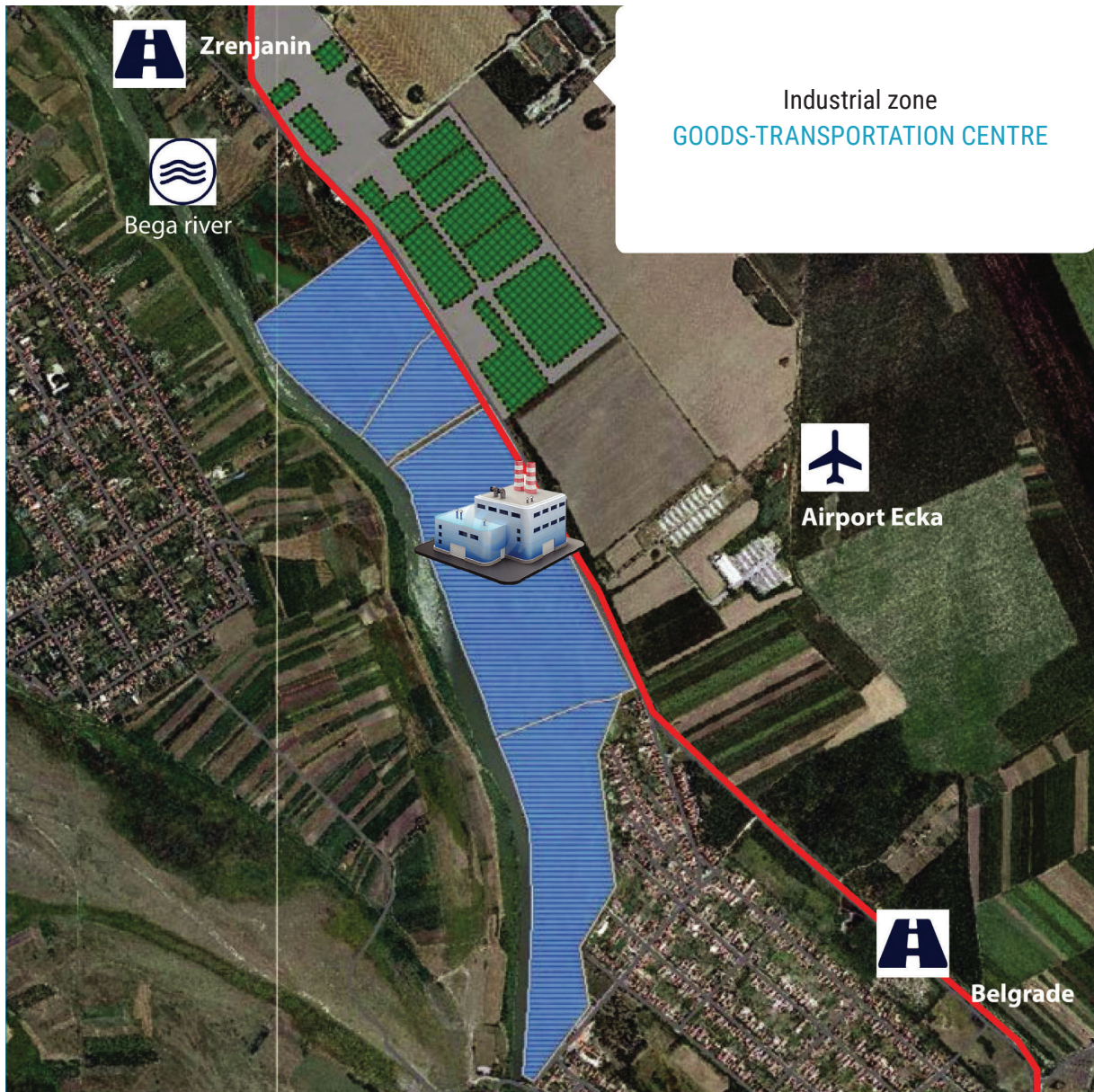
06

Owner:	City of Zrenjanin
Land purpose:	Industrial zone
	Available Area: 550 ha
Distance	
- Regional road Zrenjanin-Belgrade	at the boundary of the zone
- E-75	55 km
- E-70	70 km
- Airport	95 km - (Belgrade – “Nikola Tesla”Airport)
- Romanian border	60 km (Jimbolia)

Utilities Capacity

Available Electricity	32 MW - Power supply with two independent sources (increase of capacity is possible)
Water	2,600 m ³ /day
Gas	2,400 m ³ /h
Sewage	180 m ³ /h
Roads Access and service roads	on site
Railway siding	possible to build
Data connection	On site, optical fibre cable
Public transport (PT)	On site
Frequency of PT	According to the needs of investors
Price*	cca 8,03 €/sqm *

* * By National Bank of Serbia, average exchange rate 22nd September 2020, 1 EUR = 117,59 RSD



Industrial Zone GOODS-TRANSPORTATION CENTRE

07

Location designation: industrial zone/industrial park

Area: 120 ha

Infrastructure: There are infrastructure connections at the Zone bordering line

Advantages of the Location: proximity of the port on the Begej and regional road Zrenjanin-Belgrade, proximity of the city transit motorway (bypass) and Airport Zrenjanin



08 | Airport Zrenjanin

Airport Zrenjanin Complex is spreading on the land area of 1,100 ha. The existing airport is located on the infrastructure of the old German airport built in 1941, at the time biggest in the South East Europe. The airport is the biggest “C” class airport in the Balkans region with the supporting infrastructure for air traffic of small passenger and cargo planes with load capacity less than 7 tons. In May 2007 Zrenjanin Airport gained license for passenger and cargo traffic from Civil Air Traffic Directorate. The Detailed Regulation Plan is prepared for 300 hectares.

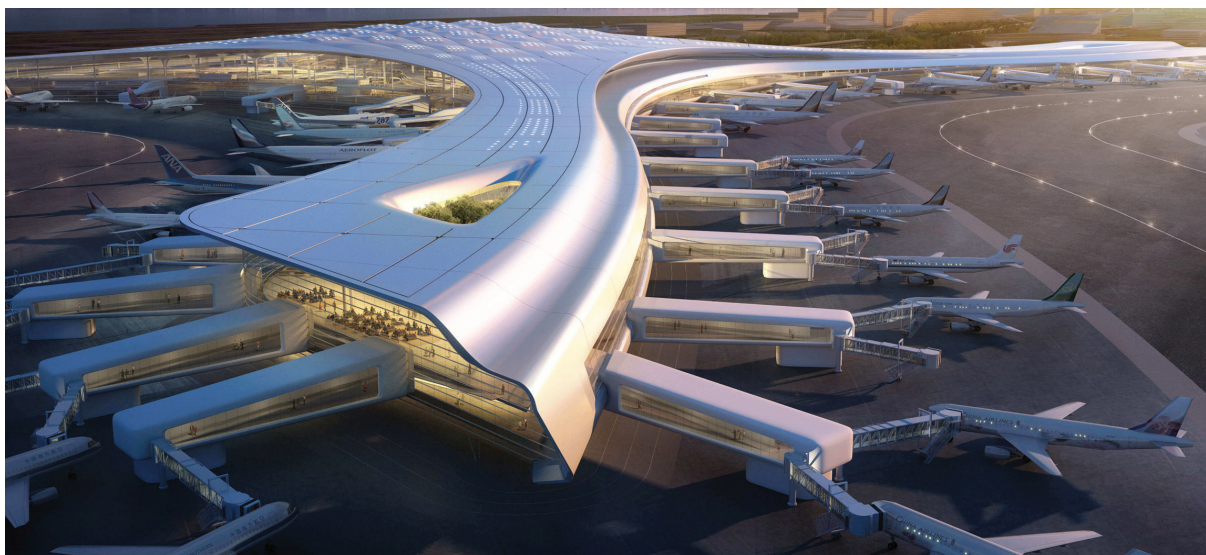
Dominant present infrastructure elements:

Grass runway 1250m x 80m
3 Hangars
Airport building including reception room and other facilities
Well
Electricity substation
Parachute area
Oil cisterns and gas stations
Concrete runway 1850m x 60m – not in use
Roll track system– not in use



Vision of Airport „Zrenjanin“

09



Project summary:

The project provides for construction of the modern airport complex that will meet the region's needs and satisfy all international requirements, as well as introduction of the best international experience for developing the airport as a commercial enterprise.

Mission:

To provide Air Transport facilities & services to/from Zrenjanin

Vision:

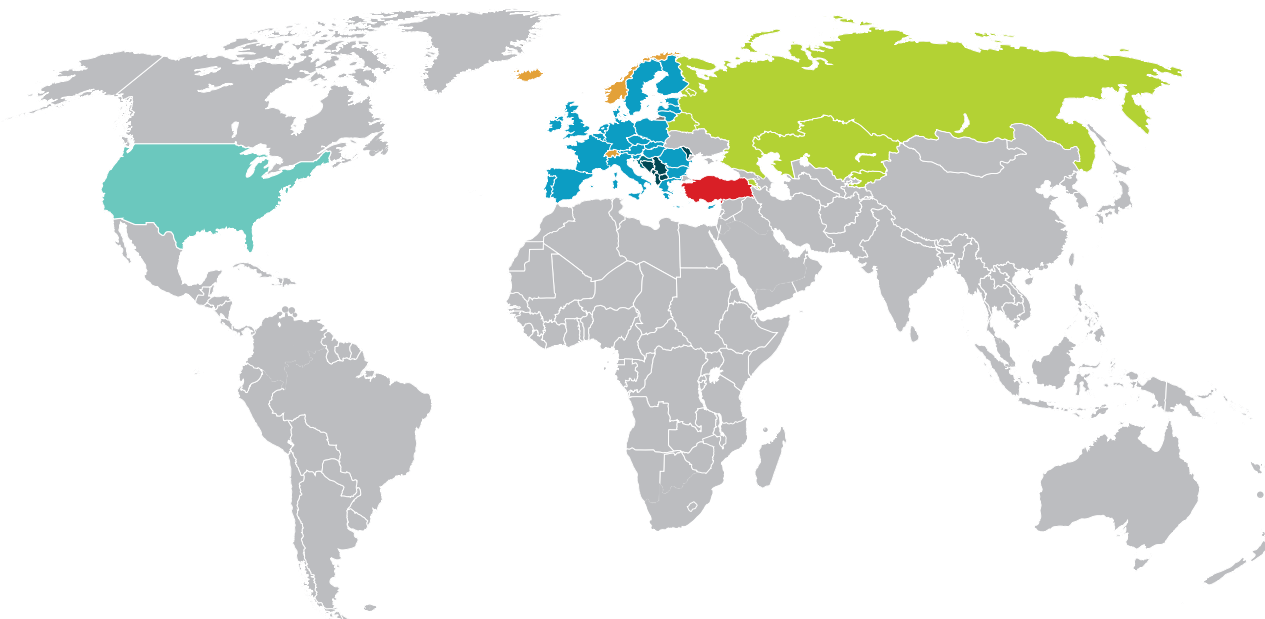
To establish Zrenjanin as the regional cargo hub and moderate capacity passenger traffic airport

Implementation period: 4 years

Investments required (€): 6.250.797

10

Free Trade Agreements



● EUROPEAN UNION ● EFTA ● EAEU ● UNITED STATES ● TURKEY ● CEFTA

EAEU - Russia's Eurasian Union (population 180 mil – RUSSIA, BELARUS, KAZAKHSTAN, KYRGYZSTAN, ARMENIA) A Free Trade Agreement between the Eurasian Economic Union (EAEU) and the Republic of Serbia was signed at the meeting of the Eurasian Intergovernmental Council (EIC) on October 25, 2019. The existing concessions under the three bilateral agreements (with Russia, Belarus, and Kazakhstan) under the new agreement are extended to Armenia and Kyrgyzstan, and each EAEU member has been granted an annual quota of 2,000 tonnes of cigarettes, 50,000 pure alcohol and 100 tonnes of processed cheese for import into Serbia. Russia will still be able to import all types of duty-free agri-food products. EUAE countries will continue to pay customs duties on imports into Serbia of white sugar, ethyl alcohol, cigarettes over quota, used motor vehicles and tires, new tractors and passenger cars manufactured in Russia. The following products from Serbia will continue to be cleared when exported to EAUE: poultry meat, certain types of cheeses, white sugar, sparkling wine, ethyl alcohols, cigarettes over annual quota, cotton fabrics and yarns, refrigeration compressors, passenger cars, and tractors, used motor vehicles and tires.

EU (population 505 mil) - enabled customs-free export of all products bearing the Serbian origin label, excluding wine and baby beef. In addition, the EU FTA abolished customs duties and quantitative restrictions for the import of Serbian textile products and guarantees to maintain the same policies in the future. Exemption from payment of customs duties for all industrial products originating in the EU, and in the part of agriculture means the exemption/reduction of customs duties, depending on the Annex or the SAA Protocol in which the product is located.

CEFTA (population 30 mil) - free trade agreement between Albania, Bosnia and Herzegovina, Macedonia, Moldova, Montenegro, Serbia and the United Nations Interim Administration Mission in Kosovo (UNMIK) on behalf of Kosovo. Duty free trade and accumulation of origin. Exported products in order to be considered of a Serbian origin, need to have undergone sufficient processing in Serbia.

EFTA (population 13 mil) - free trade agreement between Switzerland, Norway, Iceland, Liechtenstein and Serbia, there is no customs duties except on fish and seafood. The Trade of agricultural products is regulated by mutual concessions. USA (population 317 mil) - duty-free entry for more than 4,650 products, including most manufactured and intermediate goods and selected agricultural and primary industrial products, has been enabled. The products that have been excluded from this list generally fall in the categories of textile products, leather goods, and footwear.

TURKEY (population 72 mil) - Export is duty-free, as well as import of industrial products and certain agricultural products such as 5,000 t of beef per year as well as clearly defined quota of raw and refined sunflower oil, sunflower seeds and specific types of pastry products. The export quota from Serbia to Turkey for the particular types of frozen vegetables and prunes will be doubled.

USA (population 317 mil) - Duty-free entry for more than 4,650 products, including most manufactured and intermediate goods and selected agricultural and primary industrial products, has been enabled. The products that have been excluded from this list generally fall in the categories of textile products, leather goods, and footwear.

11

Competitive
Tax EnvironmentCorporate
Profit tax

HUNGARY	BULGARIA	SERBIA	ROMANIA	CROATIA	POLAND	CZECH REPUBLIC	SLOVAKIA
9%	10%	15%	16%	18%	19%	19%	22%

VAT

ROMANIA	SERBIA	SLOVAKIA	BULGARIA	CZECH REPUBLIC	POLAND	CROATIA	HUNGARY
19%	20%	20%	20%	21%	23%	25%	27%

Salary
Tax rate

SERBIA	ROMANIA	BULGARIA	CZECH REPUBLIC	HUNGARY	SLOVAKIA	POLAND	CROATIA
10%	10%	10%	15%	15%	25%	32%	36%

Zrenjanin Free Trade Zone

12

Benefits of the Free zone

- Fiscal benefits (exemptions from any tax burden for FDI, VAT and specific local taxes)
- Free of custom duties on import of goods, equipment and raw material used in exporting production and construction material for building of infrastructure
- Financial benefits (free cash flow)
- Efficient administration (one stop shop)
- Simple and fast customs procedures (each zone has a Customs Administration Office)
- Local subsidies for using free zone infrastructure (Community offers low prices and service cost)
- A set of services is available to users under preferential terms (transportation, loading, reloading, freight forwarding services, insurance and banking services) (<http://www.usz.gov.rs>)

Free Zone Zrenjanin

The Free zone covers an area of 492ha 76a 93m2 cca 350

250ha free land for greenfield investments

400m² is for office space

6000m² for warehouses and 5000m² for open storage space

home clearance - during the import trucks do not stop at customs offices directly but go to areas where the company will perform complete customs procedures



Construction material, energy, transport and fuels cost free of VAT



No custom duties (raw materials, equipment, construction materials)

13

Financial
Incentives

State Incentives

Financial incentives from the state may be awarded for financing Greenfield or Brownfield investment projects in the Manufacturing sector, projects relating to Services provided by service centers, in Hotel accommodation services and food manufacturing business.

The awarded funds are up to 50 % - 70 %, (depending on the size of the company) of the investment amount, based on the investment value or based on the 2-year gross salary of the employees.

Incentives of AP Vojvodina – Vojvodina Development Agency; regional funds

Just as it is done on the national level, the financial incentives for investment projects in manufacturing are allocated on the regional level.

Two different types of incentives are:

- Subsidizing new employment - 10 - 100 new employees, 3,000 - 5,000 euros per worker
- Co-funding of new equipment - up to 50 % of total equipment value

Construction Land Transfer Subsidy

Government or the local municipality can sell construction land at a price which is lower than the market price in support of an investment project that is of national importance (if the land is owned by the government) or an investment projects that promotes local economic development (if the land is owned by the local municipality).



Fiscal Incentives

14

10 YEAR CORPORATE TAX HOLIDAY

Companies are exempt from corporate profit tax for 10 years, from the first year in which they report a taxable profit, provided that they have invested an amount exceeding RSD 1 billion in fixed assets, and that they employed at least 100 additional employees on an indefinite contract.

Payroll Tax Incentives

Employment of people who were registered with the National Unemployment Agency for more than 6 months entitles employers to a sizable relief of taxes paid on net salary from the moment of employment:

1-9 new jobs: 65% reduction

10-99 new jobs: 70% reduction

100+ new jobs: 75% reduction

(payroll tax incentives can't be combined with Financial Incentives)

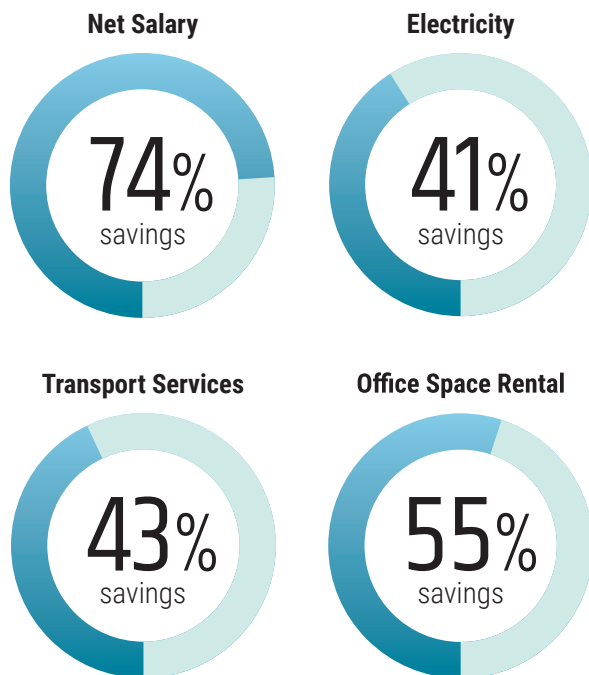
Double Taxation Avoidance

Serbia has 60 effective double taxation agreements in place that cover income, capital, and property. In addition to having double taxation agreements in place with most European countries, Serbia has double taxation treaties in place with many countries in Asia and Africa.

15

Operating expenses

Cost Savings vs EU-28 Average



TYPICAL MONTHLY SALARIES

Minimum salary
Average blue collar salary
Average white collar salary

Working week
Overtime
No. of shifts

NET

258,24€ *
320€
550€

40h
8 h/week 4 h/ day
max.3

* September 2020

UTILITIES

Electricity cost
Gas cost
Water cost Household
Industrial use
Gasoline Petrol
Diesel

0.083 €/kWh
0,38 €/m³
0.25 €/m³
0.59 €/m³
1.16 €/l
1.20 €/l

BUILDING

Average industrial facility lease cost
Average building cost

cca 2 €/sqm
330 €/sqm

Labor cost structure

16

LABOR COST STRUCTURE

NET salary (EUR)*	480.62**
Personal income tax 10%	52.72
Contributions (employee) 19.90%	132.50
GROSS salary	665.81
Contributions (employer) 17.90%	110.86
TOTAL COST	776.67

* Average net salary in Zrenjanin, September 2020

** By National Bank of Serbia, average exchange rate
22nd September 2020, 1 EUR = 117,59 RSD

SOCIAL INSURANCE CONTRIBUTIONS FOR EMPLOYEE

Pension and Disability Insurance (employee)	14%
Health Insurance	5,15%
Unemployment insurance	0,75%
Pension and Disability Insurance (employer)	12%

Source: www.croso.gov.rs

17

Human
Recourses

Level of education / Unemployed persons

Unemployed persons			Zrenjanin	Middle-Banat district
Education	I	In total	2.213	5.218
		Women	1.125	2.598
	II	In total	103	193
		Women	36	75
	III	In total	1.230	2.204
		Women	508	844
	IV	In total	1.283	2.252
		Women	795	1.355
	V	In total	30	41
		Women	13	18
	VI	In total	319	450
		Women	218	309
	VII-1	In total	605	765
		Women	371	470
	VII-2	In total	7	8
		Women	6	7
	VIII	In total	1	1
		Women	1	1
	TOTAL	In total	5.791	11.132
		Women	3.073	5.677

Total Unemployment: 11.132 persons (National Employment Agency, September 2020)

Education

18

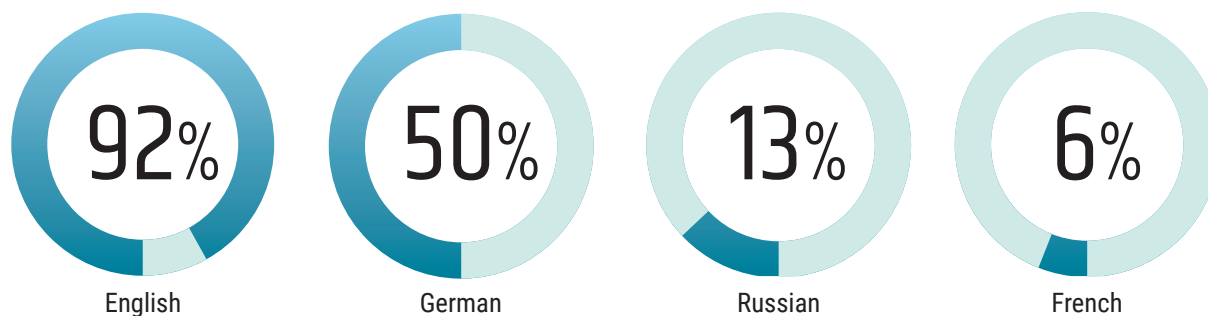
Zrenjanin is an educational centre with 150 years of tradition and today it has 32 primary and 8 secondary schools.

Nowadays, following the tradition of adjusting to the needs of the local industry demands these Town's institutions of education are willing introduce vocational programmes and trainings, within their legal competence to provide the exact specific qualifications foreign investors may need for running their business activities.

Foreign languages have also been traditionally part of both educations at schools and in every day life. There are about 15 private schools of foreign languages, the most popular and learnt languages are: English, German, Italian, French, Spanish and Russian.

Strong command of the English language. Serbia was ranked 4th out of 76 countries in Business English proficiency by BEI*.

* Business English Index, Source: Global English Corporation, 2012



The most common foreign languages taught at Zrenjanin secondary schools.

19

Health Care



Zrenjanin as a health center of the Central Banat District has highly organised health institutions which include:

- General Hospital “dr Đorđe Joanović”
- Special Hospital for Lung Diseases “dr Vasa Savić”
- Health Center “dr Boško Vrebalov”
- Stomatology Clinic
- Pre-School Children Clinic
- Woman Clinic
- Special Hospital Spa “Rusanda”
- Emergency Health Care
- Pharmacy Zrenjanin

General Hospital “dr Đorđe Joanović” is organised to provide health care to individuals and the whole

society. It is the first hospital in Serbia which obtained the Accreditation Certificate. It presents a basic health institution for stationary treatments and specialist services providing. The Hospital is ranked as a scientific-research unit offering professional trainings to students of Medical Faculty of Novi Sad University. Applying the contemporary medical technologies, execution of planned activities adjusted to the national health policy, 24/7 availability and the experience of medical experts make the Hospital a pillar of health care of population. (www.bolnica.org.rs)

Also, there is a private General Hospital “St. John”, private clinic “Radovic” and “SMD Medic”, various dentist, cardiology and other specialist clinics, laboratories and doctor’s offices...



Living and working in Zrenjanin

20

Visiting Zrenjanin today, you will come to a town of multicultural and inter-ethnically highly tolerant town, a town of culture, art, sports, ethnic tradition, you will find yourself in a town of bridges, where guests are welcome with heart open wide.

Living in Zrenjanin means spending lot of time in nature, Carska bara the Tyar's pond (habitation for about 250 various bird types, including some rare species and it is protected as a natural scientific-research area), Rusanda Spa (rehabilitation centre and favourite picnic location nearby, famous for its healing mud that used to be exported into European capitals), "Sandpit" beach, River Tisza offer a few locations for picnic equipped for bathing, sports and recreation, Etno House in Belo Blato (educative house and it a only a part of the project to be realised in future), Ecka Castle from 1820, today is a four-star castle hotel, The National Theatre "Tosa Jovanovic", The National

Museum, Cinema, Beer Days (the last week of August about 300.000 visitors)...

Zrenjanin is distinguished by providing conditions for quality family life, for raising children, shopping, and good entertainment offer.

Zrenjanin is interesting for kids and has lots of family-friendly attratcions, events and activities. Discover the magic world of puppet scene by National Theatre "Tosa Jovanovic" and visit children playgrounds indoors or outdoors (Greenfield, Happy kids, Marcconi, My Little World... The City can also offer swimmingpool, dancing schools, Children Football Academy "Bambi", tennis playgrounds, Library for kids, Cinema...

Come and see in person, then tell your friends and those you love, invite them on our behalf and let them visit us as well.



21

Success stories





Banks and Insurance Companies

22

23

Organised
support
for investors

Department of Local Economic and Investments

- to advise and support existing and new companies and foreign investors in Zrenjanin
- to support the competitiveness of the Zrenjanin economy
- to create a space for communication between foreign investors, the state administration and Serb companies
- support in permits obtaining
- other assistance (finding accommodation, renting office space, liaising with relevant institutions and organizations....)

Business Incubator

Business Incubator Zrenjanin, BIZ is the company founded with the intention to support start-up companies. BIZ organises trainings and education seminars for its residents , supports them in business plan making, marketing, market research, assistance in creating technical and other documents, obtaining necessary certificates etc, Business Incubator Zrenjanin is located at the attractive location in the very centre of the City.

(www.biz-zr.co.rs)



Awards for Implemented Investments

24

2006 – “The Most Attractive Town for Investments in Serbia” award at “Invest in Serbia” competition by USAID, SIEPA, Ministry for Foreign Economic Affairs and American Economic Chamber

2007 – “Municipality of Future Promoting the Best” for the most dynamic overall development in Serbia and “Mayor with a Vision” awards by the Club of Business Journalist of Serbia, Centre for Small and Medium Enterprises, Belgrade and “Agrobanka” a.d. Belgrade

2008 – The best in Serbia, second in South East Europe by the World Bank Project “Doing Business in South East Europe 2008” regarding the easy of doing business

2008 – The best promotion of investment potential at “Invest in Serbia” competition by MEGA, USAID, SIEPA, NALED

2010 – NALED Certificate - Municipality with a favorable business environment

2011 – The best in South East Europe by the World Bank Project “Doing Business in South East Europe 2011” regarding the easy of enforcing a contract

2011 – The best in Serbia by the World Bank Project “Doing Business in South East Europe 2011” regarding the ease of dealing with construction permits

2012 – According to the ranking conducted by the magazine for foreign direct investment FDI (division of Financial Times), Free zone Southeast is on the list of most attractive places for investment in the world

2013 – 1st position among the all Free zones in the world by Incentives, FDI Intelligence

2014 – One of the top ten European Cities of the Future 2014/15 for micro-sized European cities, in the category Cost Effectiveness, awarded from FDI Intelligence

2014 – one of the ten micro cities -BEST FOR COST EFFECTIVENESS of the future 2014/15

2014 – by the magazine FDI Intelligence, Free Zone Zrenjanin won the first place in the competition of free zones of Europe in the category of incentives in business

2015 – Free Zone Zrenjanin, by the magazine FDI Intelligence, eight place for start-up

2018 – one of the ten micro cities in category European Cities and Regions of the Future

2020 - One of the ten micro cities in category “European Cities and Regions of the Future 2020/21”

2020 - Zrenjanin was declared the European City of Sports in 2021



Contact

City Administration of Zrenjanin
23000 Zrenjanin, Trg slobode 10

www.zrenjanin.rs
<http://gisindustrijskezonezr.zrenjanin.rs>

MAYOR'S OFFICE

Phone: +381 23 315 02 00

Fax: +381 23 315 00 99

kabinet@grad.zrenjanin.rs

MAYOR'S CABINET

Jovan Vukanović

jovan.vukanovic@grad.zrenjanin.rs

Phone: +381 66 866 0112



CITY OF ZRENJANIN
2020