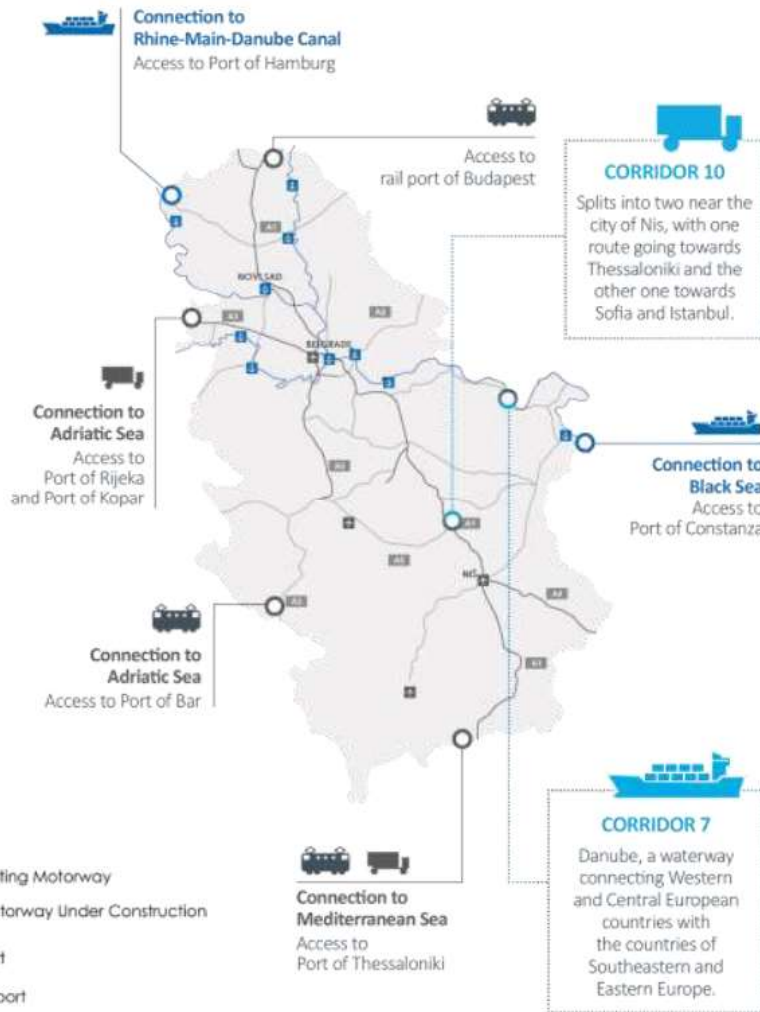


? German FDI in Serbia - One page SWOT analyze



Nearshoring in Serbia - Why make sense?



Highways/Motorways



1020 KM

of highways and fast road track under construction

½ of Serbian GDP value has been allocated for the ongoing traffic infrastructure projects



60 M

Passenger vehicle went through Serbia in 2019 (Pre Covid)

#1 Balkans N°1
More km than any other WBalkans country

Railways



The biggest infrastructure project in South East Europe

(Re)construction of the fast railway Belgrade-Budapest as part of the one belt one road initiative



(Re)construction of the fast railway Belgrad- Nis



Belgrade Metro

Nearshoring in Serbia - Why make sense?

9.6%

Unemployment Rate

Source: Statistical Office of the Republic of Serbia, Q2 2023

Unemployed by age groups

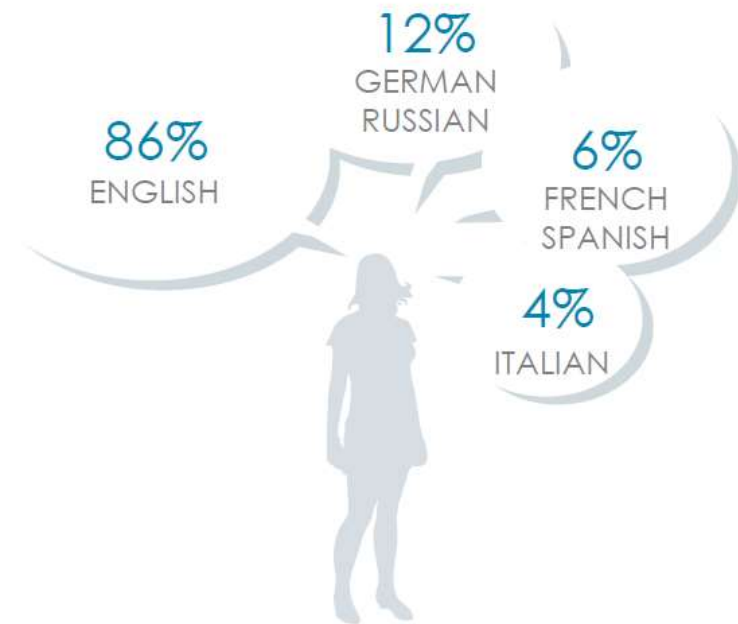
Age Group	Number of Unemployed	%
15-24	54,400	18.0
25-34	77,200	25.5
35-44	74,300	24.6
45-54	58,000	19.2
55-64	36,100	11.9
65+	2,100	0.7
Total	302,200	100%

Unemployed by educational attainment

Level of Education	Number of Unemployed	%
No formal and low education	51,300	17.0
Medium education	195,000	64.8
High education	55,000	18.2
Total	302,200	100%

Source Statistical Office of the Republic of Serbia, 2022

% of job applicants that speak a foreign language

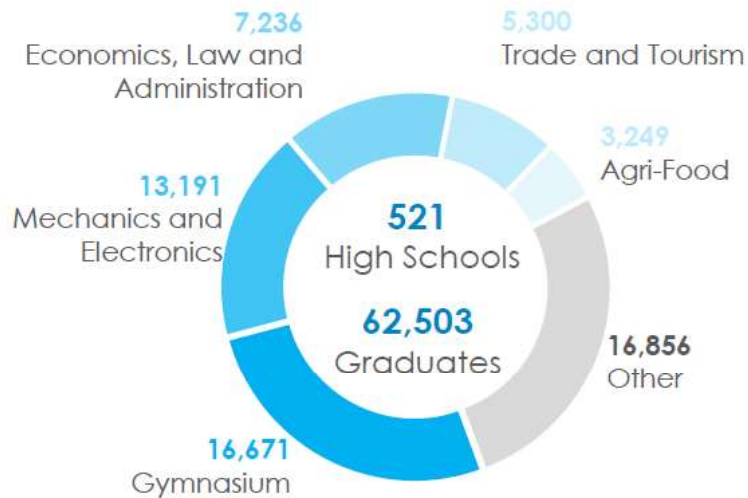


27th High Proficiency Score
place in the world
(out of 111 countries in the world)

Source: EF EPI, EF English Proficiency Index, 2022

Nearshoring in Serbia - Why make sense?

High School Education Relevant Statistics



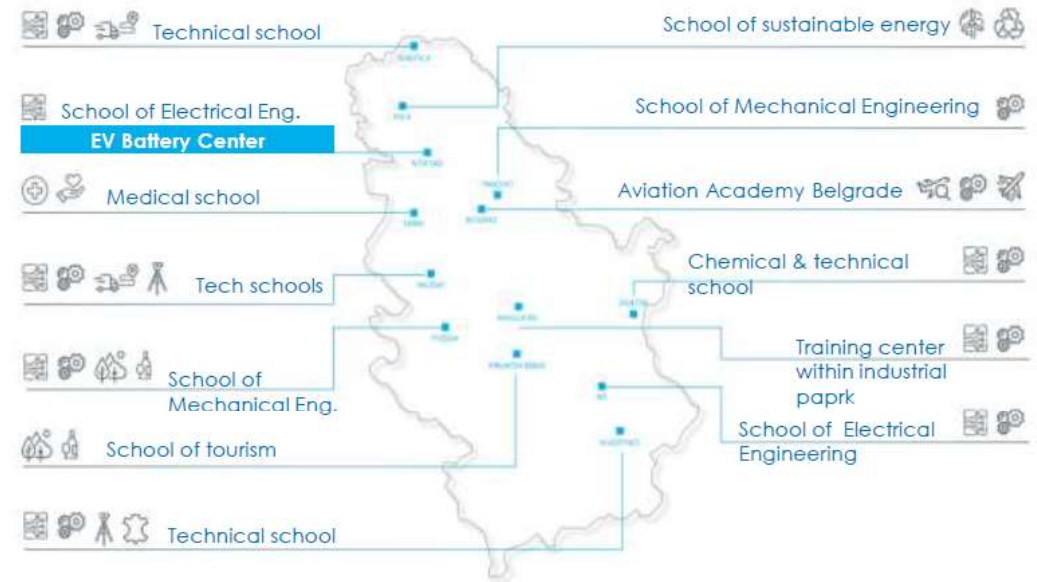
School Year 2021/22, Source: Statistical Office of RS

High Achieving Education Sector

Currently, over 900 companies from different sectors have already taken part in this programme

Serbia is first and only country in this part of Europe with dual education legal framework based on German and Swiss model & definite winner of dual education system implementation in Europe

High School Training Centers in Serbia



Total 72

STUDENTS IN ONE SHIFT/PER SCHOOL

140

STUDENTS PER DAY

By the end of 2021, 12 best secondary schools will be transformed into a state-of-the-art training centers for adult transformation

Nearshoring in Serbia - Why make sense?

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%;

Nearshoring in Serbia - Why make sense?

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;

FDI Expert & Founder @ Phoenix East - Hr. Pierluigi Ghione



Hr. Ghione mit über 25 Jahre Erfahrung in der internationalen Industrie, dem Aufbau ausländischer Direktinvestitionen, der Umstrukturierung von Unternehmensbereichen, der Optimierung der Präsenz und Subventionssystemen in CEE und SEE, mit einem Schwerpunkt auf Schwellenmärkten, wobei er den Großteil seiner Karriere bei sieben großen deutschen Tier-1-Unternehmen verbracht hat wo er verschiedene Geschäftsbereiche leitete.

In Serbien seit 2010 leitete er den Aufbau, die Umstrukturierung und die schnelle Einführung von Erweiterungen großer Industriestandorte, unter anderem bei Grammer AG, Magna AG und Leoni AG, mit erfolgreicher zweistelliger Gewinn- und Verlustverbesserung und war Teil des Teams, das definiert und verwaltet Förderverträge, für Betriebserweiterungen und Greenfield-Investitionen.

Darüber hinaus unterstützte er mit Interim-Management-Kompetenzen aktiv und schnell wichtige Projekte für IAC, Total Hutschinson und Novares Group.

Hauptfachgebiete:

Firmen Umstrukturierung
Unternehmens-M&A, Strategie
Rentabilitätsverbesserung
Internationales Management
CEE- und SEE-Expertise

Abgedeckte Rollen als Vorstandsmitglied der AHK in Serbien und Vorstandsberater bei PKS, Vorstandsmitglied im Automotive Cluster Serbien, FDI-Berater für Private Equity in Deutschland

Gründer von Phoenix East Consulting, wo in einem Expertenpool bei TSG Kanzlei Spezialprojekte mit besonderem Fokus auf DACH-Konzerne und Familienunternehmen unterstützt werden, um Umsatz, Gewinn und Vermögensstabilität zu steigern.

Sprachen:

Fließend Deutsch, Englisch,
Spanisch, Französisch,
Italienisch, Rumänisch und
Serbisch