



10 + 1

REASONS FOR INVEST IN PALIC

1. Easy access to 200 million consumer market

- ✓ free trade agreement with Croatia, Bosnia and Herzegovina, Macedonia, Albania and Moldova – a 20 million consumer market
- ✓ free trade agreement with Russian Federation – a 140 million consumer market

2. Perfect strategic location for business development

- ✓ Pan-European Corridor X
- ✓ two international border-crossings

3. VAT 8 to 20%, PROFIT TAX 10% - one of the lowest in Europe

4. 30 ha of land in ownership of the City for "Greenfield" investments

5. Efficient and business friendly administration

6. Protected park of nature "Palic"

7. Special discounts and incentives for investors

8. Satisfied present investors

9. Well trained hard working and easy to come by labour

10. Potential for education and science institutions

+1 Friendly and cheerful people, good place for living, entertainment and relaxation

INFO FOR INVESTORS

From the initial phase of interest to the decision and realization of an investment, investors can get the following information from us:

I. INFORMATION ON INFRASTRUCTURE

For all necessary information on existing infrastructure, necessary capacities, connection fees and other, the company is in contact with and in coordination with public utility companies in charge of this area. At the request of investors, the company is able to organize meetings with representatives of these companies or to provide the investor with a direct contact.

- **Public utility company 'Vodovod i kanalizacija' Subotica**
- **Public utility company 'Suboticagas'**
- **Electric company Elektrodistribucija Subotica**
- **Stock company 'Telekom Srbija' Subotica**

II. INFORMATION ON AVAILABLE WORK FORCE IN SUBOTICA

In cooperation with the National Employment Service (affiliate in Subotica), we are able to ensure all necessary information on available workforce on the territory of Subotica and its surrounding area, as well as on programmes and services provided by the National Employment Service. At the request of investors, the company is able to organize meeting with the National employment service or to provide the investor with a direct contact.

- *Number of unemployed by age and gender on the territory of Subotica*

City	No. Of unemployed	Age structure			
		> 30	30 - 40	40 - 50	50 >
Subotica	16.518 (8.096 women)	4.695 (2.421 women)	3.532 (2.034 women)	3.830 (1.997 women)	4.474 (1.664 women)

- *Number of unemployed by qualifications and gender on the territory of Subotica*

Σ	Qualifications				
	I	II / III / IV	V	VI 1/2	VII 1/2
16.518 (8.096 women)	5.791 (2.715 women)	9.093 (4.462 women)	130 (254 women)	738 (415 women)	766 (480 women)

I Level – four years of elementary school
II Level – elementary school
III Level - SSS high school
IV Level - SSS high school
V Level - VKV - SSS high school

VI Level - VS college
VII Level -VSS graduate college degree
VII-1 Level - Specialist
VII-2 Level – Magistrate

III. INFORMATION ON THE PROCEDURE OF OBTAINING A BUILDING PERMIT

In order to start construction on a specific parcel, the investor has to undergo the procedure of obtaining a location permit, detailed designs and issuance of a building permit.

In cooperation with the Public company “Zavod za urbanizam Subotica“ and the city service for construction, we are able to provide the investor with all necessary preconditions in order to obtain a location permit and building permit in a very short period of time.

PROCEDURE FOR OBTAINING A BUILDING PERMIT

First step:

- **Documentation:** The investor needs to have proof of ownership or, in case of lease, on lease, in order to obtain a location permit.
- **Land subdivision:** Has to be approved by the competent department within ten days.

Second step:

- **Location permit:** Along with all necessary documentation and project for the land subdivision, request for obtaining a location permit is submitted. The city construction service has 15 days to issue it.

Third step:

- **Main design:** The main design is done by the responsible designer in the name of the investor and its compatibility with the town-planning scheme is verified by external control.
- **Fee for infrastructure:** The investor is obliged to pay a fee for infrastructure in order to obtain a building permit. The fee is determined according to the degree of communal infrastructure, urban areas, use and net surface of the object. In case of a single payment, the investor gets 20% discount on the fee.
- **Building permit:** If the main design is in accordance with the parameters in the location permit, the city service for construction has 8 days to approve it.

IV. INFORMATION ON ENVIRONMENTAL PROTECTION

Environment protection area in Serbia is regulated by the laws adjusted to European legislation on environmental protection.

Prior to building of the facility, the investor is obligated to carry out the procedure of obtaining the approval for the assessment of the impact of the underlying facility on the environment. The influence of the facility is estimated based on the criteria according to law, which includes the influence of the facility on the environment during the construction of the facility and the eventual termination of the work of the facility. Overall, for the estimation, it would be helpful to us to have the information about the type of production and the main technological processes, about raw materials used in production along with extra funds, as well as finished product (material balance). Based on these data, we could provide you the information for all the parameters of the environmental protection (water, air, soil, waste).

The procedure for obtaining the documentation includes:

- The application form;
- Conceptual design and main design;
- Approvals of other relevant organizations (water and sewage, electricity, telephone) that the investor will certainly need in the process of obtaining building permit.

Analyzing these documents, we will be able to inform you as to whether the study evaluation on the environment is needed or solely measures are prescribed which need to be conducted and controlled.

More informations: Law on environmental protection

V. INFORMATION ON INCENTIVES FOR INVESTORS

V.I. ALIENATION OF THE LAND OR GIVING LAND UNDER LEASE AT A RATE LOWER THAN THE MARKET RATE WITHOUT ANY CHARGES

According to the Regulation Act, local authorities can alienate or give under lease construction land which is public property at a price, or lease, at a price lower than the market price or without any charge, pursuant to a previously obtained approval by the government in accordance with the Law on planning and construction under the condition that this land is intended for construction.

The investor can apply for this kind of an incentive provided that he meets the condition of employing more than 1% of all people employed in the city economy (in case of the city of Subotica that is over 250 workers).

Alienation or giving into lease of land in public ownership at a price that is lower than the market price or alienation or leasing of construction land in public ownership without compensation is conducted by tendering through public advertising or direct negotiation

VI. INFORMATION ON ESTABLISHING A COMPANY (LLC Forming)

The following documents are submitted along with the application for registration:

1. Original application for company registration
2. Proof of identity of the founder (copy of ID or passport for a natural person and/or Certificate of Registration issued by the Register in which the legal entity is registered)
3. Articles of Association (Decision or Agreement), with certified signatures of the founders
4. Bank certificate on deposit of the monetary contribution to a interim account or a certified statement of the founder that he/she has provided the monetary contribution (250€ deposit and additionally 250€ within 2 years of formation)
5. Decision on the appointment of the company representative, unless the representative was designated in the Articles of Association
6. Certified signature of the authorized representative
7. Receipt of Payment
 - ✓ Registration fee
 - ✓ Tax for the procurement of a registration number through the
 - ✓ Agency

Remark for Investors

- ✓ Documentations from the foreign legal entity should be provided with official seal of authentication (Apostille)
- ✓ Certified translation into Serbian by an official court interpreter must be attached

REGISTRATION FEE: 4,600.00 RSD

TAX FOR THE PROCUREMENT OF A REGISTRATION NUMBER: 1,750.00 RSD *

Registration forms and instruction are available on-line at the Serbian Registers Agency website www.apr.gov.rs

Companies registered with the Serbian Business Registers Agency (SBRA) receive:

- registration number
- Tax identification number (PIB)

Serbian Business Registers Agency (SBRA), after registration, automatically sends required documentation to:

- Pension Fund (PIO)
- Health Fund

After the registration, company should:

- Create a stamp
- Open a permanent bank account