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Global Agricultural Information Network

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Serbia

Exporter Guide

Exporter Guide 2017

Approved By:

Frederick Giles

Prepared By:

Tatjana Maslac

Report Highlights:

In the period January - October 2017, Serbia's total agro-food exports reached a value of USD 2.40 billion, a 14 percent decrease from the same period in 2016. Total agro-food imports into Serbia for the period January - October 2017 were valued at USD 1.25 billion, a decrease of 17 percent compared to the same period in 2016. Agriculture is the most important export sector, accounting for over 21 percent of all Serbian exports and enjoying a trade surplus of USD 1.15 billion or 12 percent less than in 2016. The European Union (EU), Central European Free Trade Agreement (CEFTA) and Customs Union (Russia, Kazakhstan and Belarus) countries are the most important trading partners for Serbia. The sensitive economic situation has depressed Serbia's high value food imports as national incomes have not kept up with the increased cost of living. The challenges faced by U.S. exporters include high

import tariffs for products from non-EU and non-CEFTA countries, low incomes which affect consumer buying power, standards which sometimes diverge from international norms, infrastructure issues and the presence of monopolies in the production and retail chains.

Post:

Belgrade

Executive Summary:

Serbia has free trade agreements with the European Union, Turkey, the Customs Union (Russia, Kazakhstan, and Belarus). It is also a signatory to the Central European Free Trade Agreement (CEFTA). In the period January - October 2017, Serbia's total agro-food exports reached a value of USD 2.40 billion, a 14 percent decrease from the same period in 2016. Total agro-food imports into Serbia for the period January - October 2017 were valued at USD 1.25 billion, decrease of a 17 percent compared to the same period in 2016. Agriculture is the most important export sector, accounting for over 21 percent of all exports and enjoying a trade surplus of USD 1.15 billion or 12 percent less than in 2016. The EU remained Serbia's most important trade partner, accounting for over half of foreign trade, followed by CEFTA countries. The largest share of exports went to Italy, followed by Germany, Bosnia and Herzegovina, Russia, Romania and Montenegro.

In the period January-October 2017, total U.S. agro-food exports to Serbia were valued at USD 20.7 million, a decrease of 27 percent compared to the same period in 2016 (USD 27 million). In 2016, Serbia's agro-food exports were USD 3 billion, almost the same as 2015. Agro-food imports were USD 1.6 billion, a 10.1 percent decrease compared to 2015.

In the period January-October 2017, total U.S. agro-food imports from Serbia were valued at USD 27.1 million, a decrease of 5 percent compared to the same period in 2016 (USD 28.7 million). In the same period, Serbia enjoyed a USD 6.4 million surplus in agricultural trade with the United States. In 2016, Serbia's total agro-food imports were valued at USD 1.6 billion, 10.1 percent lower than in 2015. Agro-food imports represent approximately 8.6 percent of Serbia's total imports and are composed mainly of European and CEFTA food items. In 2016, Serbia registered an agro-food trade surplus of USD 1.3 billion, or 2.4 percent higher than in 2015.

U.S. agro-food exports consisted mainly of almonds, corn, sunflower seeds, vegetable planting seeds, dietetic foods, and concentrated proteins without dairy fats, alcoholic drinks, frozen fish and seafood, snacks and fruits. The long term forecast for these products is that they will continue to grow. In the medium term, Serbia is also likely to increase imports of planting seeds, fish and fishery products, and poultry meat for processing, high-value consumer products, and beverages. Possibilities also exist for the expansion of U.S. exports of high value products such as tree nuts, raisins, snacks, beverage concentrates, planting seeds and seedlings, bovine semen and embryos, flavors, and fragrances. Key agricultural imports from Serbia to the U.S. include processed fruits and vegetables, yeast, fruit juices, confectionary products, brandy, dairy products, mineral water and bakery products.

There are number of advantages for the U.S. agro-food exports to Serbia such as Serbian consumer-ready food imports are increasing, international retail chains have become more prevalent, urban population continue to grow and generally have higher incomes, Serbian EU accession started in January 2014, Serbia has shortages of number of agriculture products including beef, pork, beans, seeds, fish, seafood, wine, proteins, additives, live genetics, rice and certain fruits and vegetables. Serbia is a member of most international organizations.

Author Defined:

I. Market Overview

Economic situation

Serbia is located at the crossroads of Europe, the Middle East, and Africa. Serbia and its neighbors Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Kosovo, Macedonia, Moldova, Montenegro, Romania, and Slovenia represent a market the size of Texas, with 60 million inhabitants and a GDP of approximately USD 600 billion for the whole region. Following the war, economic crises, and related social and political difficulties of the 1990s, Serbia remains a country in transition. In recent years, the government has made important progress on the political front, culminating in the official opening of accession negotiations with the European Union (EU) in January 2014. Public debt has risen rapidly to uncomfortably high levels, and despite some fiscal consolidation efforts in recent years, it reached over 72 percent of GDP in 2016. The original International Monetary Fund (IMF) projection of GDP growth in Serbia for 2017 was 3 percent, but then revised to 2.3 percent. The IMF estimates possible growth of GDP in 2018 at 3.5 percent.

The last parliamentary election was held Serbia in April 2016. In June 2017, Serbia had a reshuffling of the government when a strong majority government was formed again, providing an opportunity to overcome the past fragmentation and continue with necessary reforms in different segments of the economy. The government is committed to transforming the state administration, public finances, and the economy, along with pursuing the European Union (EU) accession process. The economic program for 2015–2018 focuses on ensuring economic and financial stability, halting further debt accumulation, and creating an environment for economic recovery and growth to foster employment and raise living standards. These goals are achieved primarily through fiscal consolidation measures and an acceleration of structural reforms to remove existing bottlenecks to economic growth, including reform of state-owned enterprises (SOEs), creating the foundation for faster growth and private sector-led job creation over the medium term. The last presidential election was held in April 2017.

The unemployment rate in Serbia is expected to be approximately 13.2 percent in 2017, for some 2.1 percent less than in 2016 when unemployment reached 15.3 percent, with youth unemployment above 50 percent. This is one of the highest unemployment rates in Europe. Thus the government is trying to stimulate job creation and to tighten its finances. From November 2014 to February 2018, Serbia has had a Stand-By Arrangement (SBA) with the IMF and proposed access to approximately EUR 1 billion (USD 1.25 billion). The program was based on three main pillars: restoring public finances' health; increasing the stability and resilience of the financial sector; and implementing comprehensive structural reforms to form a solid foundation for job creation and return to sustained high growth. Serbia, after expiration of the current SBA, will not enter into another SBA with the IMF. The mission reached an agreement with Serbian authorities on key parameters for the 2018 budget. The priority is to preserve achievements in the fiscal area, with the support of initiatives that should encourage growth, such as increasing public spending investment and reduction of the tax burden for low-income workers. With an agreed increase in salaries and pensions, the fiscal deficit in 2018 is expected to be 0.6 percent of GDP, which is in line with the need to ensure fiscal sustainability and reduction of public debt.

In 2017, inflation was 2.5 percent, 0.9 percent higher than in 2016. The IMF mission supports the intention of the National Bank of Serbia to target inflation to 3 percent +/-1.5 percent. This reflects the

significant improvement in macroeconomic fundamentals, and reinforces confidence. It also assist further reduce interest rates and encourage greater use of the local currency (dinar) in the economy. The current cautiously accommodative monetary policy stance remains consistent with the new target, with inflation expected to gradually increase through 2018.

In December, the National Parliament adopted the 2018 budget, based on realistic projections, and complied with economic parameters set by the International Monetary Fund (IMF) to maintain macroeconomic stability. With increased revenues from taxes and slightly increased expenditures, the USD 281 million fiscal deficit (projected to be 0.6 percent of GDP), could represent a beginning of a positive low-deficit trend which would lead to a further cut in the deficit as a share of GDP. Over the past three years, the government has managed to reduce the budget deficit by USD 2.4 billion, or from 6.6 percent of GDP to about 0.5 percent of GDP. The budget for 2018 was planned based on the projection that economic growth would reach 3.5 percent of GDP with the GDP deflator of 2.8 percent and the index of retail consumer prices of 2.7 percent. Experts praised the budget but requested further structural reforms, an end to the privatization process, and a return of all pensions to pre-crisis levels. The budget predicts an ambitious 36 percent increase in public investment which experts doubt due to the poor track record of public investments execution in previous years.

As part of the state budget, the agriculture budget was set at USD 441 million, which represents an increase of 11.8 percent compared to the previous year. The majority of the budget for agriculture in 2018 is set for incentive measures in crops, livestock and dairy production, support for use of EU IPARD funds, investments in the food processing industry, development of new markets for Serbian agriculture and food products, and improvement of the irrigation system in country. The agriculture budget for the Ministry of Agriculture, Forestry and Water Management (MAFWM) and for the Provincial Secretariat in 2018 will be harmonized with the measures from the EU IPARD program (Instrument for Pre-Accession Assistance in Rural Development).

In 2017, the Serbian dinar strengthened by 15.8 percent against the U.S. dollar and 4 percent against the euro. The Central Bank attributed this to improved macroeconomic stability and increased foreign investor interest in Serbia. Experts warn that a strong currency in a weak economy increases the foreign trade deficit by discouraging exports and encouraging imports. 2017 resonated with experts as Serbia's 2017 trade deficit ballooned while GDP growth rates were a record low in the region. Due to the strong dinar in 2017, imports were cheap, but most dinar prices of imported products on the domestic market remained unchanged. Importers earned extra profits. On the other hand, exporters suffered due to the strength of the dinar, with prices of exports higher and volume lower.

In 2015, the MAFWM has completed the explanatory and bilateral screenings with the European Commission (EC) on Chapters 11, 12 and 13. EU Commission set up two benchmarks (requirements) for Serbia to open the negotiations on Chapter 11 (Agriculture and Rural Development). First benchmark is to secure accreditation of its Payment Agency and functioning of the Payment Agency in order to be able to access EU Instrument for Pre-accession Assistance and Rural Development (IPARD) Funds for 2014-2020 valued at USD 206.5 million. Accreditation of the Payment Agency as a pre-condition to use EU IPARD funds will most likely be completed by the MAFWM by the end of January 2018, and farmers will then have the possibility to use USD 36-48 million during 2018 for various investments in physical assets, mostly related to the processing and trade of agricultural and fishery products. On December 25, MAFWM, for the first time, invited applications for funding under the EU

IPARD through 2020. The first round offered a total of USD 9 million in grants to help agricultural producers purchase farm machinery and equipment. The grants will finance refunds of at 60 percent. The EU will finance 75 percent and the state 25 percent of the refunds, according to reports. The second round of invitations for funding the procurement of new tractors will be issued on January 4th. Applications for both rounds are due by February 26, 2018. Grants range between USD 6,000 and USD 826,000 for the production of fruits, vegetables, and grains, and between USD 6,000 and USD 850,000 for the dairy and meat sectors.

Structure of the economy

The structure of Serbian economy is quite stable. Most of the economic activity is concentrated in services (approximately 66 percent of GDP), industry (22 percent) and agriculture (12 percent). Agriculture has been a key component of Serbia's economic structure, accounting for employment of one-third of the total labor force in Serbia. Serbia's industrial sectors contribute approximately a quarter of the nation's GDP. Serbia's primary industries include the processing of base metals, furniture, food processing, machinery, chemicals, mining, sugar, tires, textiles, energy, and pharmaceuticals.

The Central Bank of Serbia is projecting net foreign direct investment (FDI) in 2017 to be nearly USD 1.7 billion compared to USD 2.0 billion in 2016, 17 percent lower. The biggest investments were led by the processing industry, financial services, and the wholesale and retail sector. Serbia is intensifying its investment-oriented contacts with the Customs Union (Russia, Kazakhstan and Belarus), Turkey and China. Much of the focus has been on the transportation, energy and agriculture sector, which would contribute to Serbia's long-term economic development. Serbia has a very close relationship with the United Arab Emirates covering investment projects ranging from the national airline, agriculture, weapons manufacturing, high-tech electronics production, construction, and tourism, etc.

Agriculture remains the engine for development of rural areas. Agriculture is the only sector in the Serbian economy with a positive foreign trade balance. Approximately 60 percent of Serbia's agricultural land is used for cereal crop production including corn, wheat, barley, sunflower, soya, and sugar beet. Much of Serbia's agricultural land is in the northern part of the country. Vojvodina accounts for 84 percent of Serbia's total 4.2 million hectares of arable land. As per current statistical data, approximately 26 percent of Serbia's labor force is actively employed in agriculture. There are approximately 630,000 agriculture households of which approximately 99.6 percent are family households and only 0.4 percent are legal entities. The average family holding is 4.5 hectares. Approximately 90 percent of Serbia's arable land is privately owned and 10 percent belongs to the government.

Business Environment

Over the past year, the Serbian economy has experienced dynamic changes and improvement in its business environment. Further major steps that are planned to improve the business climate and reduce the state's footprint in the economy are effort to bolster investments, economic diversification, and sustainable private sector growth to create jobs. Serbia has set an ambitious plan regarding its top priorities - EU accession, fiscal consolidation, finalization of the privatization process, improvements of the Labor Law and pension system and reforms in the functioning of public enterprises. The European Council granted the status of candidate country to Serbia in March 2012 and decided to open accession negotiations in January 2014. Since December 2017, Serbia and the EU have opened 10 of 35 chapters and closed 2 chapters. In the period 2014-2017, Serbia has opened the following chapters of the EU

Acquis: Chapter 23 (Judiciary and Fundamental Rights); Chapter 24 (Justice, Freedom and Security); Chapter 32 (Financial Control); Chapter 35 (Other issues - Normalization of relations between Serbia and Kosovo*); Chapter 20 (Enterprise and Industrial Policy); Chapter 26 (Education and Culture, provisionally closed); Chapter 5 (Public Procurement); Chapter 25 (Science and Research, closed immediately); Chapter 7 (Intellectual Property); and, Chapter 29 (Customs Union).

Foreign trade

Serbia has free trade agreements with the European Union, Turkey, the Customs Union (Russia, Kazakhstan, and Belarus). It is also a signatory to the Central European Free Trade Agreement (CEFTA). According to Serbia's Customs Office, Serbia's trade deficit for the period January-October 2017 was over USD 3.4 billion or 30 percent higher than in the same period in 2016 when the trade deficit was USD 2.6 billion. For the period January-October 2017, Serbia exported goods valued at USD 13.6 billion and imported goods valued at USD 17 billion (10 percent higher than in the previous year due to strong domestic currency, cheaper imports and high exported prices). The EU remained Serbia's most important trade partner, accounting for over half of foreign trade, followed by CEFTA countries. The largest share of exports went to Italy, followed by Germany, Bosnia and Herzegovina, Russia, Romania, and Montenegro.

Since August 2014, when Russia imposed a ban on the import of many EU and U.S. agricultural products, Serbian has enjoyed a healthy increase in its exports to that market during. Serbian agro-food companies export fruits, vegetables, meat and meat products, dairy products, corn and vegetable seeds to the Customs Union (Russia, Kazakhstan, and Belarus). In 2014, total bilateral trade between Serbia and the Customs Union was USD 3.4 billion, approximately 12.3 percent higher than in 2013. The largest increase in exports to Customs Union countries was registered in agro-food commodities. Total Serbian agro-food exports in 2014 to the Customs Union countries were valued at USD 327 million - an increase of over 66 percent compared to 2013. After a decrease in agriculture exports to the Customs Union in 2015, valued at USD 278 million, exports of agricultural goods have increased steadily for the last two years. In the period January-October 2017, Serbia exported 22 percent more agriculture and food commodities than in the same period last year. Larger exports are the result of mostly higher exports of fruits and vegetables, especially processed fruits and vegetables including juices, jams, jellies and frozen fruits, meat and meat products, dairy and confectionary products from Serbia to Customs Union countries. Serbian exporters are still facing difficulties in exporting agriculture commodities to the Customs Union, mostly due to difficulties in fulfilling Customs Union import requirements and high transportation costs.

Serbia's total agro-food exports from January to October 2017 reached a value of USD 2.4 billion – a 14 percent decrease over the same period in 2016. Agriculture is the most important export sector, accounting for 21 percent of all Serbian exports and enjoying a trade surplus of USD 1.15 billion in January - October 2017. In 2016, Serbia's agro-food exports were USD 3 billion, almost the same as 2015. Agro-food imports were USD 1.6 billion, a 10.1 percent decrease compared to 2015. The European Union remains the most important trading partner for Serbia. Exports to EU countries accounted for 58 percent of Serbia's total agricultural exports, whereas imports from the EU represented 45 percent of Serbia's total agricultural imports. Since 2001, Serbia's agricultural exports have enjoyed preferential EU and CEFTA access. Serbia's agricultural exports consist mainly of grains, sugar, fruits and vegetables (fresh and frozen), confectionary products and beverages. In terms of export value, the following are the most important: frozen, fresh and processed fruits (USD 900 million); grain and grain

products (USD 420 million); refined sugar (USD 200 million); edible sunflower and soya oils (USD 330 million); frozen, fresh and processed vegetables (USD 140 million) and wheat flour products (USD 80 million). Serbian products with the best production and export potential are grains, oilseeds, sugar, fruits, vegetables, non-alcoholic beverages, water, dairy products and products from the confectionary industry.

In terms of suppliers to the Serbian market, in 2017 the largest share of imports came from Germany, followed by Russia, Italy, China, Hungary and Poland. Total Serbian imports from the United States for the period January-October 2017 were USD 260 million (23rd position), a drop of USD 30 million compared to the same period in 2016. Total agro-food imports into Serbia for the period January-October 2016 were valued at USD 1.25 billion, decrease of a 17 percent compared to the same period in 2016. In the period January-October 2017, agro-food imports represented approximately 8.5 percent of Serbia’s total imports. Agricultural imports are mostly high-value food items, with European and regionally produced products dominating the import market. It is expected that agricultural imports will continue to be from EU and CEFTA countries duty-free and mostly high quality consumer-oriented products. Effective January 1, 2014, per Serbia’s Stabilization and Association Agreement with the European Union (SAA), approximately 95 percent of all EU agricultural imports became duty-free. All other items now have an average duty rate of 0.99 percent, although the rate is significantly higher on certain sensitive agricultural commodities.

According to the Stabilization and Association Agreement (SAA) between Serbia and the EU that was fully implemented in January 2014 after a 6 year phase-in, most EU agri-food products enter duty-free except for sensitive items such as: live cows, pigs, sheep and lambs up to one year of age (12% duty rate); beef, pork, lamb, goat and poultry meat and offal (12%); powdered milk, yogurt, butter, cheese spreads, and other cheeses (9%); poultry eggs (9%); natural honey (9%); flavored or colored sugar syrups (9%); corn and seed corn (9%); fruit juices and concentrates from the continental fruits (8%), jams, marmalades and fruit pastes (8%); certain types of fresh, frozen or canned vegetables such as peas, sweet corn, carrots (4%) and roses (3%); These sensitive items will be liberalized when Serbia becomes an EU member.

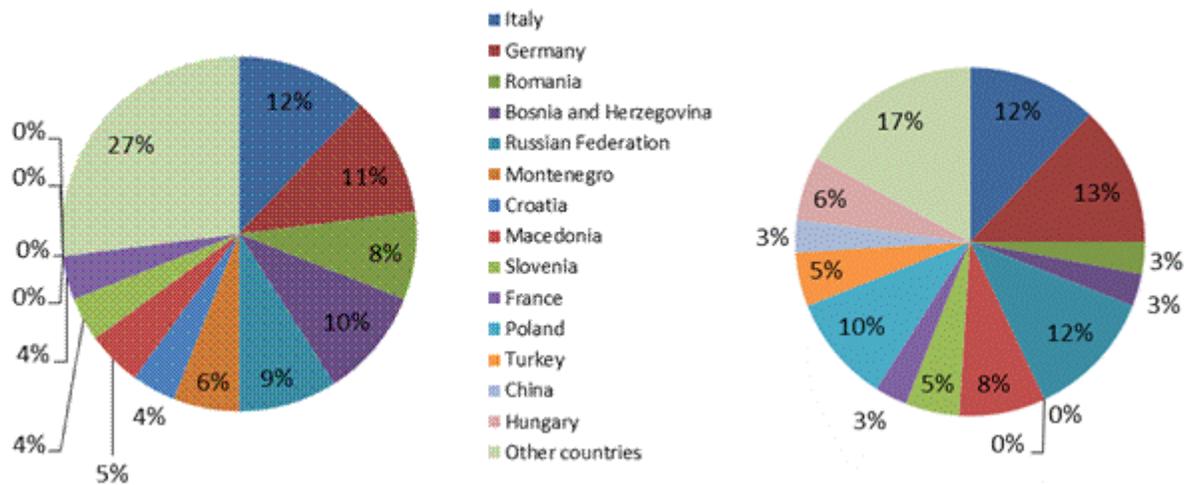
Serbian Trade of Agriculture and Food Products

Total Agriculture Trade(billion \$)	2012	2013	2014	2015	2016	Jan-Oct 2017
Exports	2.86	3.04	3.3	3.1	3.0	2.4
Imports	1.60	1.84	2.0	1.8	1.6	1.25
Balance	1.26	1.20	1.3	1.3	1.3	1.15

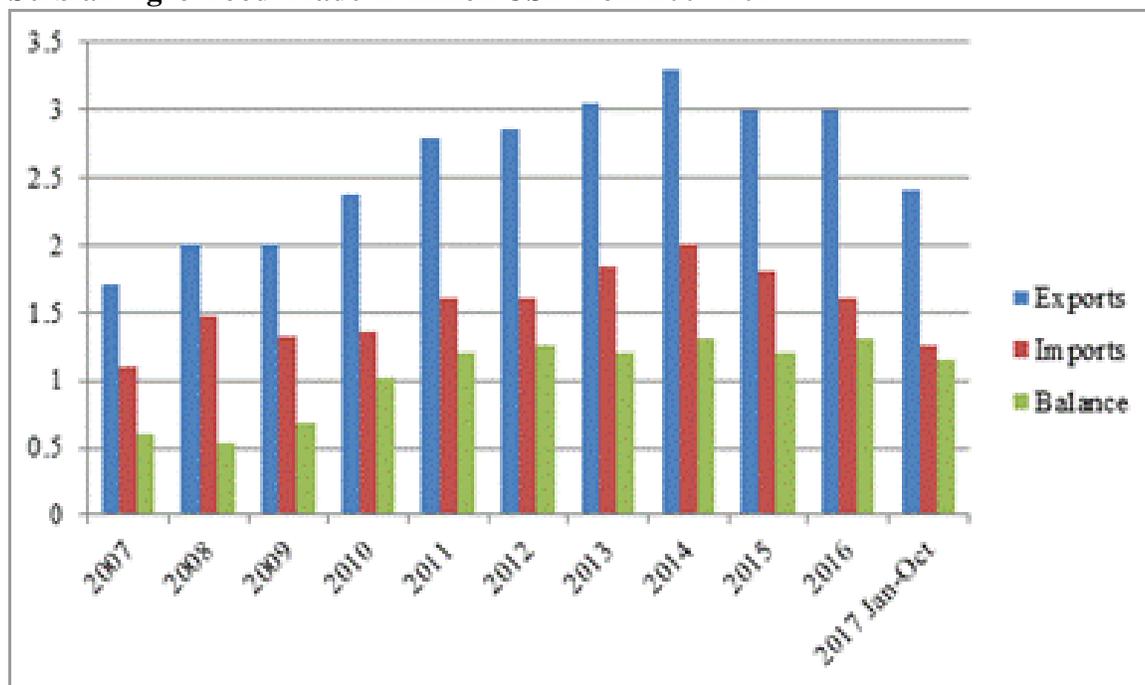
Source: Serbian Chamber of Serbia

Export

Import



Serbian Agro-Food Trade in Billion USD from 2007-2017



Source: Serbian Customs Office

Agricultural trade with the United States

In the period January-October 2017, total U.S. agro-food exports to Serbia were valued at USD 20.7 million, a decrease of 27 percent compared to the same period in 2016 (USD 27 million). U.S. agro-food exports consisted mainly of almonds, corn, sunflower seeds, vegetable planting seeds, dietetic foods, and concentrated proteins without dairy fats, alcoholic drinks, frozen fish and seafood, snacks and fruits. The long term forecast for these products is that they will continue to grow. In the medium

term, Serbia is also likely to increase imports of planting seeds, fish and fishery products, and poultry meat for processing, high-value consumer products, and beverages. Possibilities also exist for the expansion of U.S. exports of high value products such as tree nuts, raisins, snacks, beverage concentrates, planting seeds and seedlings, bovine semen and embryos, flavors, and fragrances.

In the period January-October 2017, total U.S. agro-food imports from Serbia reached USD 27.1 million, a decrease of 5 percent from the same period in 2016 (mostly due to strong local currency and non-competitive prices). Other key agricultural imports from Serbia include almonds, yeast, frozen vegetables, fruit juices, confectionary products, brandy, processed fruits (jams, puree, and jelly), sweet corn, coffee, wine, cheese, mineral water and bakery products. In the period January-October 2017, Serbia enjoyed a USD 6.4 million surplus in agricultural trade with the United States.

Bilateral Agriculture Trade with the U.S. in period Jan-Oct 2017

U.S. Exports to Serbia \$20.7 million

Major exported commodities:

Tobacco and tobacco products: \$11.4 mil.
Almonds: \$2.7 mil.
Consumer oriented products: \$2 mil.
Whisky bourbon: \$1.1 mil.
Planting seed: \$1.4

U.S Imports from Serbia \$27.1 million

Major imported commodities:

Dry, frozen and canned fruits: \$17 mil.
Yeast: \$2.1 mil.
Confectionary products: \$2 mil.
Consumer oriented products: \$3 mil.
Fruit juices: \$1.1 mil.

Size and Growth of Consumer Foods Market

Influenced by the economic crisis and very low purchasing power, Serbian consumers remain more inclined to purchase economy brands within all categories in retailing, especially within grocery retailers. Private label experienced an increase in both volume and value terms for the past three years, becoming much stronger in the process. Based on overall trends in consumer behavior, retail companies are becoming more focused on economy brands in order to increase value sales, while the same methods are being used to attract consumers, including deferred payment, price discounts, promotional sales and special benefits for retired people. The Value Added Tax is 10 percent for food and drugs and 20 percent for most other goods. There has been a noticeable increase in recent years in the sale of black and grey market goods.

Taking into account the very poor purchasing power of Serbian consumers, the domination of grocery retailers in terms of total value sales is unsurprising as the average Serbian family still spends most of its budget on food and utilities. During 2017, grocery retailers continued to experience a decline in constant value terms. Retail chains have played a large role in the restructuring of the retail segment in recent years as government retail operations were privatized and later acquired by larger foreign companies. This led to the establishment of several large retailers in Serbia and allegations of monopolistic behavior. Retail trade turnover started to decrease in 2012 and this trend continued in 2017. According to the Serbian Ministry of Trade, due to the lack of competition of big retail chains, retail margins in Serbia are almost ten times higher than in other countries in the Balkan region. As a result, Serbia has very high prices for food and other consumer products. This is mainly due to very

limited competition in the Serbian retail market.

Supermarket and hypermarket expansion in Serbia over the past 15 years has brought limited benefits to consumers and small suppliers like farmers. An analysis by Serbia's Economic Institute for the period 2000-2016 reveals a significant increase in retail prices for many product categories. For example, pork prices have increased by 60 percent; apples and chicken meat by 83 percent; potatoes by 87 percent; beans by 106 percent; and milk by as much as 119 percent. At the same time, local agricultural products have reportedly lost value. According to the Serbian Economic Institute "hypermarket revolution" in Serbia did not provide primary producers with access to consumers and the market, nor did the higher concentration of hypermarkets bring about a reduction in food prices.

Retail turnover in the Serbian market is approximately USD 5 billion a year, which represents a rather small market. If Serbia's retail turnover is calculated per square meter of retail space compared to neighboring countries, Serbia has room to grow. For every 10,000 inhabitants in Serbia, it is calculated there are approximately 42 square meters of retail space. For the same number of inhabitants in Croatia there are about 184 square meters and the number is even higher in the Czech Republic with approximately 280 square meters per 10,000 inhabitants.

There are a number of foreign retail chains in the Serbian market, primarily regional players, and also some international players such as Delhaize. Foreign retail chains hold over 80 percent of the total retail market. The Serbian retail market is mostly divided between Belgium owned Delhaize (owner of retail chains Maxi and Tempo) and Croatian Agrocór (owner of retail chains Idea, Roda and Mercator). Other international retail chains in Serbia include German Metro and Greek Super Vero. There is announcement that German Lidl will be opening 15 retail stores during 2017. The following domestic retail chains represent only some 20 percent of the Serbian market: Dis, Univerexport and Gomex.

Changes in consumer behavior

As part of the Serbian Government's budget saving measures, salaries and wages of employees in the public sector and pensions were cut by 10 percent in December 2014. Serbian Government announced some modest (1.5-3 percent) increase in wages and public salaries by the end of 2017. Due to very low purchasing power in Serbia this modest increase will not affected Serbian consumer purchasing power and retail turnover.

This change in the economic situation has also exacerbated another trend - over the last ten years there has been a widening in the economic divide between those who can afford luxury items and those who must purchase economy items. Serbian consumers also have becoming more and more conscientious about buying local and concerned about food safety and the environment. Increasingly the Serbian consumer is not just buying to satisfy his metabolic needs (he is not hungry), but to meet health and social objectives (support small local producers and reduce pollution). So suppliers either need to be price competitive or quality competitive. Consumers are responding to branding and certification (i.e. geographic, organic, and ecological) to support the quality attributes.

Trade Law

Serbia's Trade Law ("Official Gazette RS No.53/10 and 10/13), [http://mtt.gov.rs/download/1\(2\)/zakon_o_trgovini.pdf](http://mtt.gov.rs/download/1(2)/zakon_o_trgovini.pdf), divides commercial trade into wholesale and retail sales. In addition to licensed sales outlets, trade can be conducted remotely (e.g., e-trade, sale by

catalogue or mail order, TV, phone etc.) and by direct offer (e.g. door-to-door salesmen etc.) through authorized representatives. Portable or mobile venues (e.g. kiosk, counter, bench, vehicle, etc.) are also authorized. The Law also defines special marketing institutions (e.g. commodities markets, fairs and other industry activities such as green markets, wholesale markets, and auction houses).

Market Opportunities for Consumer Foods and Fishery Products:

Suppliers need to consider the following when marketing high value products in Serbia

- The weak economy affects consumer-purchasing power. According to Serbia's Statistical Office, the average monthly net wage in Serbia in 2017 was USD 472 and unemployment remained a high 13.2 percent. Due to low average income, the average Serbian consumer is price sensitive;
- Quality and safety controls for locally produced and imported food products can be somewhat erratic as the inspection service is still updating its operations and this can introduce uncertainty into the process;
- Gray and black markets have become more prevalent during the last four years, due to the global economic situation. Consumer association sources unofficially estimate that as much as 30 percent of food may be circulated through these markets;

Despite these challenges, there are market opportunities for high quality U.S. products as a result of growing consumer awareness in Serbia.

Food Expenditures and Consumption

It is estimated that the average Serbian family spends almost 45 percent of its total monthly income on food and non-alcoholic drinks. This is significantly more than the EU average of 18 percent for food and non-alcoholic drinks. According to the Serbian Statistical Office other costs of living include: household expenses (22%), transportation (8%), clothing (5%), culture/recreation (4.5%), alcoholic drinks and tobacco (4.5%), health (4%), communications (4%), restaurants (2%), and education (1%).

Demographic Development and Impact on Consumer Buying Habits

Serbia has a population of 7.2 million inhabitants, of which 69 percent are of working age (the average age is 42.2 years old). This older population is mainly attributed to emigration, although the population growth rate is -0.46 percent (2016 estimate). The country's population is mostly Serbian (83.3 percent) with ethnic minorities of Hungarian (3.5 percent), Bosnian (2 percent) and Roma (2 percent). According to a World Bank report published in 2014, approximately 48% of the population lives in rural communities. Although over the last 50 years rural populations have tended to move to urban areas, the latest trend since the 2008 world economic crisis is for some of the urban population to return to rural areas due to the lack of urban employment and growing opportunities in agricultural production and rural tourism. The total percentage of the population living below the poverty line in Serbia is estimated at 9.2 percent, according to 2016 CIA World Fact Book. The distribution of poverty is uneven with the gross average income being significantly higher in cities (Belgrade in particular) than in rural areas. The average Serbian household is comprised of 2.9 members.

Advantages	Challenges
Serbian consumer-ready food imports are increasing.	Serbia is not a member of WTO and the US has no tariff advantages.
Use of EU IPARD funds of USD 206.5 million for period 2014-2020	IPARD funds cover costs of agriculture mechanization and new technologies but only for the equipment of EU origin. Many Serbian farmers will turn to EU technology due to available EU funds.
International retail chains have become more prevalent.	U.S. products tend to be higher priced than CEFTA, Russia, Turkey, Belarus, Kazakhstan products which enjoy preferential market access.
Strengthened Serbian dinar, making imports cheaper (also from the U.S.)	Due to the fact that Serbian dinar has strengthened by 15.8 percent against U.S. dollar. Most dinar prices of imported products on domestic market remain unchanged and extra profits could be earned.
Urban populations continue to grow and generally have higher incomes.	The Serbian market is relatively small and price sensitive.
EU accession negotiations started in January 2014 (There should be improvements in the biotech legislation and U.S. goods that are transhipped thru EU Member States will enjoy the EU access).	Serbia may still maintain a de facto ban on biotech products and may continue to impose certification and testing requirements that are not science based.
During the EU accession process and transition period before tariffs are completely eliminated there may be market opportunities for U.S. products if immediate steps are taken to secure those markets.	Serbia is a member of CEFTA and has entered into free trade agreements with Russia, Kazakhstan, Belarus, and Turkey, thus these countries already enjoy preferential access for their agricultural products.
Serbia has shortages of some agricultural products (beef, pork, poultry, soybean meal, almonds, snack food, beans, seeds, fish, and seafood).	Serbia conducts most of its trade with nearby countries. Long distance and high shipping costs put U.S. products at a disadvantage compared to EU and CEFTA sourced products
Serbia does not produce rice and certain fruits and vegetables.	The regulatory process can be cumbersome.
Serbia needs new seed varieties of crops and vegetables.	Serbia continues to ban biotech products, but the U.S. share of crop and vegetable in seeds is increasing over the past years.
Serbia is a member of Codex, OIE, UPOV, FAO, and OECD, all of which are organizations that have agendas generally complementary to	Given Serbian aspiration to accede to the EU, Serbia is likely to support EU positions in these venues even before it fully becomes an EU

U.S. trade interests and priorities.	member.
Serbia has huge demand for the U.S. animal genetics under very low custom tariffs.	Serbian purchasing power is modest.

II. Exporters Business Tips

General Import Procedures

The Foreign Trade Law (“Official Gazette RS” No.36/09, 36/11, 88/11 and 89/15), <http://mtt.gov.rs/en> regulates foreign trade. The flow of goods designated for import is supervised by the Serbian Customs authorities. Customs supervision generally ends when goods are customs cleared and import duties paid, although special customs procedures exist for customs warehousing, inward processing relief, and transit.

In the areas of the customs valuation, origin of goods, tariff classification and customs procedures, Serbia tends to apply the recommendations and guidelines of the World Trade Organization (WTO), World Customs Organization (WCO), and the global trading rules set by the General Agreement on Tariffs and Trade (GATT). Serbia brought its customs regulations and practices fully in line with those of the EU and with the guidelines set by the above mentioned international organizations. For example, the Customs Tariff Law provides that Decisions on the classification of goods enacted by the Harmonized System (HS) Committee, as a body of the WCO, as well as those enacted in the EU and published in the Official Journal of EU, are enforceable in Serbia. These decisions are published in the Official Gazette of the Republic of Serbia. The Serbian Government annually reconciles the national Customs Tariff with the Combined Nomenclature (CN) of the EU.

Serbian regulations do not impose significant restrictions on foreign trading. However, there are some restrictions on the import of certain types of goods, i.e. import licenses are required for certain pharmaceutical substances, meat products, precious metals, arms and dual-use goods. Furthermore, restrictions are imposed on import/export payments and collection operations as defined by the Law on Foreign Exchange Operations. Exports and imports of goods or services for which payment has not been collected and/or made for longer than one year from the day of execution of exports or imports, as well as goods or services that were not exported and/or imported for longer than one year from the day the advance payment was made and/or collected are considered as foreign loans and as such have to be registered with the National Bank of Serbia.

Goods imported into Serbia are subject to customs duty rates provided in the Law on Customs Tariff (“Official Gazette RS” No.62/05, 61/07, 112/07, 9/08, 10/09, 100/09, 66/10, 95/11, 11/12, 115/12, 130/14, 98/15 and 97/16) or <http://www.upravacarina.rs/en/Zakoni%20engleski/SR-Customs%20Tariff%20Law-EN-2009.pdf>) and the Decree on “Harmonization of Customs Tariff Nomenclature (“Official Gazette RS” No.98/15), <http://www.upravacarina.rs/cyr/PoslovnaZajednica/Stranice/Carinskatarifa.aspx> .These rates are ad valorem (with certain exceptions) and apply on goods originating in countries which have Most Favored Nation (MFN) status with Serbia. Effective January 1, 2014, per Serbia’s Stabilization and Association Agreement with the European Union (SAA), approximately 95 percent of all EU agricultural imports became duty-free. All other items now have an average duty rate of 0.99 percent, although the rate is significantly higher on certain sensitive agricultural commodities.

Serbia's customs authorities also assess excise duties on oil derivatives, dairy products, live pigs and pork meat, tobacco products, alcoholic beverages and coffee (green, roasted and ground coffee and coffee extracts). Excise duties in Serbia are either specific (for oil derivatives, alcoholic beverages, cigars and cigarillos), ad valorem (for coffee and pipe tobacco), or combined (for cigarettes - specific + ad valorem on retail price).

VAT is payable on all imports, assessed together with customs duty. For most types of goods, the general VAT rate of 20 percent applies, calculated on the customs value and inclusive of customs and excise duty (if any). For the importation of certain goods (e.g. fruit and vegetables, meat, cereals, pharmaceuticals) the reduced VAT rate of 10 percent is applicable.

There are a small number of specific types of administrative fees relating to customs processing, charged when customs declarations or requests for certain customs procedures are submitted. However, these fees are relatively low.

Import duties are payable after customs declaration is accepted and the customs bill with calculated amount of duties is issued by the relevant customs office. The assessed duty amount should be paid within eight days on the special budget account for import duty payments. Import goods can be released after payment appears in the Customs IT system or an appropriate instrument for securing payment of the duty amount is submitted (bank guarantee or cash deposit).

Local business customs

U.S. food exporter should focus on establishing their business relationship with a reliable and efficient importer and distributor. Identify the appropriate distribution and sales channels. U.S. exporters and Serbian importers could expand trade by strengthening confidence through visits of U.S. exporters/manufacturers to Serbia, exploring opportunities firsthand, and meeting with relevant Serbian importers.

A contact list of Serbia's major food supermarkets, importers, wholesalers and distributors by sector is available upon request from FAS Belgrade Office to potential U.S. exporters. Large food retail chains like Delhaize and Agrokor have their own purchasing/importing division to handle food imports directly. Major supermarkets are increasingly importing directly from foreign suppliers in order to reduce costs. U.S. suppliers should initially contact the purchasing/importing divisions of these large food chains, especially for new-to-market food products. U.S. exporters should consider the price sensitiveness of their customers, their product requirements, purchasing policies, and expected purchase volumes.

Additional Marketing tips:

- Direct marketing (phone/video calls, emails, meetings)
- Direct marketing is common also through mail order booklets
- Telephone marketing is increasingly common, but with mixed results

Conducting appropriate due diligence is important prior to signing a contract with potential representation. Although English is widely spoken in the business community, U.S. companies will want to have a representative with strong Serbian language skills and cultural knowledge. In addition, business in Serbia is still conducted to a large extent based on personal contacts. In this respect, it is critical to find a partner who is committed to abiding by both local and U.S. laws. Importers, wholesalers and distributors can provide transportation, product storage, and market information and can effectively market goods to local consumers.

International consulting firms present in Belgrade and the Chamber of Commerce of Serbia (<http://www.pks.rs>) may have information about potential local partners. FAS Belgrade Office also can

assist U.S. companies by offering counseling on the market, explaining import requirements, and facilitating communications with Serbian Government Officials (including Serbian Customs Office, Veterinary and Phytosanitary Import Inspection) as appropriate. Please see the Key Contacts section below for more information.

The Serbian Business Registers Agency (BRA) <http://www.apr.gov.rs/eng/Home.aspx> oversees the establishment of foreign representative offices in Serbia and performs the registration of other foreign legal entities in Serbia. Foreign entities/persons and imported goods enjoy the same treatment and the same status as domestic entities (that is, national treatment). A representative office may operate in Serbia after completing the registration process with the BRA. The registration process takes approximately 10 days from the filing date of the application. Representative offices may not directly sell goods or services, but may be used to support sales transactions or business development. They may conduct operations including market research and development, contract or investment preparations, technical cooperation, and similar business facilitation activities. They may not operate in the trade of armaments or other military equipment. Representative offices are permitted to hold foreign exchange and domestic currency accounts in authorized Serbian banks.

For more detailed import standards and regulations please refer to FAS Belgrade's 2017 Food and Agriculture Import Regulations and Standards (FAIRS), Narrative and Certification report that can be downloaded from web page: <http://gain.fas.usda.gov/Lists/Advanced%20Search/AllItems.aspx>

General Consumer Tastes and Preferences

According to "GfK" Belgrade http://www.gfk-geomarketing.com/en/market_data/market_data_by_country/serbia.html, the average Serbian consumer spends 45 percent of his/her monthly income on food, compared to the average EU consumer who only spends 18 percent of his/her income on food. Most Serbian consumers view price as the primary factor when purchasing food and beverages. Large supermarket chains have become more popular as the main food sales point over the last ten years. Customers generally purchase food once or twice a month from these outlets. Due to rising food prices and the weak purchasing power of many Serbian consumers, some consumers are also returning to their neighborhood corner shops to make daily purchases of staple foods. Perishable foods, fruits, vegetables, bread and fresh meat are mostly sold at specialized stores or green markets.

In general, consumption of red meats in Serbia is fairly high. The largest consumption is of pork meat. As a result of the economic crisis, consumption of beef has declined (due to high prices), while poultry consumption has increased (due to lower prices). On a per capita basis, the average annual consumption of meat in Serbia is 60.8 kg (the EU average is 78 kg), of which 27.3 kg is pork meat, 17.2 kg is poultry, 14.4 kg is beef and 1.9 kg is lamb. Meanwhile the average annual per capita consumption of vegetables is 99.8 kg and for fruits it is 37.3 kg. Serbian consumption of bread is 106 kg (two times higher than the EU average of 50 kg), while milk and dairy consumption in Serbia are 87 liters (four times lower than the EU average of 320-380 liters). A typical Serbian meal is composed of pork or poultry meat, potatoes or some other vegetable.

There are ethnic restaurants (e.g. Italian, Chinese, Korean, Japanese, Mexican, Argentine, French, Lebanese, Greek, and Turkish) and "Food Corners" serving fast food in the larger Serbian cities (Belgrade, Novi Sad and Nis). Fast food has become more popular amongst the younger working

population. American fast food outlets have been some of the most successful businesses in Serbia in recent years. For example, McDonald's, Kentucky Fried Chicken and Madre Burritos are all present in Serbia. More outlets are scheduled to open in the near future in response to the higher demand for "western style" food. Also, most supermarket chains in the bigger cities offer ready-to-eat food at relatively low prices. In smaller cities, most people prefer to prepare meals at home from fresh items from green markets or grown in their own garden.

Food Derived from Genetically Engineered Ingredients ("GMOs") – Public opinion is generally uninformed and founded on the media's negative reporting versus the international scientific community's consensus about the food safety aspects or technological advances of this technology. The issue has proven to be too politically charged, so that even politicians in favor of innovation do not take a public stance. Grain farmers and trader organizations are not united on the issue, as there is both an import and export interest involved. Serbian researchers are well educated and are not anti-GMO, but are not active in passing this message to the general public. Serbian livestock and poultry farmers are aware of the fact that with adoption of Serbia's GMO Law in 2009, all imports of GE soybean meal for cattle feed were blocked resulting in significant increases in feed prices. Livestock farmers and cattle feed producers are eager to buy EU approved GE soybean meal from Argentina, Brazil or the United States to reduce input costs. The current Serbian GMO Law adopted in 2009, does not conform to WTO rules, as it does not provide for a system to review GMO products but rather uniformly bans their sale and cultivation. The Serbian GMO law is more restrictive than the current EU policy.

Organic food - In 2017, there were approximately 334 certified organic producers in Serbia, an increase compared to previous years. In 2017, certified organic farmers produced organic crops, fruit and vegetable products on approximately 15,200 HA and animal organic production on approximately 2,000 HA. All were certified by representatives from organizations accredited by the MAFWM. According to the Ministry, an additional 7,700 HA are still in the transition period of qualifying for organic production. Of Serbia's arable land, only 0.44 percent is currently dedicated to organic production, but it is growing. More than 90 percent of Serbia's organic production is exported to the EU (Germany, Belgium, Austria, Switzerland, and Great Britain) and the United States. Most of the production is fruit, vegetables (particularly mushrooms), cereals, and medical herbs. Total value of imported organic products in Serbia during January-October 2017 is approximately USD 4.4 million. Serbia imports organic products such as baby food, from Germany, pasta from Slovenia, and rice from Macedonia. Serbia Organica is the National Association of Organic Producers (<http://www.serbiaorganica.info/wp-content/uploads/2014/01/KatalogSRB72px.pdf>).

Given limited incomes and a still relatively modest living standard, eating organic is not a top priority for the average Serbian consumer. Although disposable income has increased over the past ten years, food prices have also risen significantly, limiting the growth in organic produce. There is a general impression that many certified organic products are imported, except for certain fruits, vegetables and cereals. There is very limited supply of organically certified animal origin products on the market. Certified organic cosmetic products have continued to grow, but certified organic textiles are hard to find. The retail sector for organic food in Serbia is still underdeveloped. There are only a few outlets in Belgrade and Novi Sad. Certified organic foods can be found only in some green markets, specialized health food stores, and a few supermarket chains. Although organic products have found their way into the supermarket chains, not much has been done to promote them. There are a growing number of health counters in the supermarkets, where products claiming health advantages are intermixed with organic products, but little is done to explain how "organic" is defined.

III. Market Sector Structure and Trends

Retail Sector Key to High Value Imports

According to Serbia's Statistical Office the average monthly net wage in Serbia is RSD 47,200 or USD 472. The cost of living for citizens in Belgrade and other bigger towns in Serbia is higher than for people living in the countryside. In contrast to other countries in the South Western Balkans, the concentration of retail outlets has yet to be completed. More than 50 percent of all food products in Serbia are still sold through small grocery shops (estimated to number close to 30,000). Tempo, a cash and carry market, was the first to open a retail chain in 2004 and many other chains have since followed. During the last couple of years there has been a rapid expansion in private label sales. Approximately 30 percent of the products in supermarkets are sold under private labels. Dairy products are the most common private label items, followed by snack foods, cereals and household cleaning supplies. Reportedly Serbian consumers sometimes buy private label brands if a product is of a higher quality or it offers a higher value than the national brand alternative. Most consumers cite price as the primary reason for purchasing a private label brand.

Labeling and Marking

The conformity mark in Serbia, verifying conformity of the product with certain technical regulations, may be the CE mark or another conformity mark according to special regulations (for example, homologation mark). The Serbian conformity mark confirms that the product meets the requirements of a Serbian technical regulation and that the prescribed conformity assessment procedures have been observed. This mark is in the form of three capital 'A' letters connected in the shape of an equilateral triangle and is affixed to the product in such a manner as to be visible.

It is prohibited to affix any other mark of similar content or form on a product which could be misleading to the consumer or that might impair the visibility or legibility of the conformity mark. The provisions for applying these marks are provided in the Decree on Manner of Performing Conformity Assessment, Content of Document of Conformity, as well as Form, Appearance and Content of the Conformity Marking ("Official Gazette of RS" No. 98/09).

Promotion and Marketing Strategies

A media campaign is strongly recommended when introducing a new food product on the Serbian market. Advertising is a very important tool in presenting new products mainly through internet, billboards, newspapers, magazines and TV. Supermarkets also use direct marketing mostly through flyers about their products, prices and special discounts. Very often in-store promotions, informal gatherings, and tasting events are used to present new food products. Food sales via the internet are still very limited in Serbia.

Most Serbian companies engage in some form of advertising. Television, radio, and print advertising are the most effective. Sales promotions and trade fairs are also common. Television, which reaches 90 percent of households, has the broadest reach of all media. Serbia has two state-owned and four private TV channels with national coverage. There are twenty-seven regional channels. Serbian law restricts advertising on state television to six minutes per hour. Advertising on privately owned (regional and local) television stations cannot exceed 20 percent of total program length. The most advertised products are telecommunications, vehicles, financial institutions, beverages, newspapers, and hygiene products. Serbian law prohibits the advertisement of tobacco and alcohol on television.

Trade events and agriculture/food fairs are also very popular in Serbia and can be an excellent way to market products and services and to find local partners and distributors. The Belgrade Fair <http://www.sajam.co.rs/> maintains its tradition of organizing specialty exhibitions such as automotive, food and drinks, construction equipment, furniture, fashion, medical, pharmaceutical, books, tourism, etc. The Novi Sad Agriculture Fair is the largest and most popular fair for agricultural products, food and equipment. It has a long history and takes place every May. Also for more information about Serbian food market you can check the following web pages: “Food and Drink Expo” (<http://www.dukeandpeterson.com/en/>), “Belgrade Ethnic Food and Drink Fair” (<http://www.etnohip.rs>), “Database of Serbian Agricultural Companies” (<http://www.hranaipice.net>) and “Food Technology”(www.tehnologijahrane.com).

IV. Best High Value Product Prospect

Product Category	Total Imports to Serbia (Million \$)	U.S. potential share of the total imports	Key Constraints	Market Opportunities
Pork meat	53	10%	Serbia is not accepting U.S. Veterinary Certificate allowing either testing or freezing. Serbia is mostly importing pork meat from EU and CEFTA countries under preferential import tariffs.	Serbian is not producing enough pork meat for domestic consumption (imports over the last 6 years have increased fivefold). Growing market, especially for pork meat for further processing.
Beef meat	7.2	20%	Serbia requires a Veterinary Certificate for import of beef meat similar to the EU's. Technical discussions continue. In 2015, Serbia has recognized the U.S. BSE status as “negligible risk”, the veterinary certificate is still not endorsable by APHIS. Serbia is mostly imported beef meat from the EU countries.	Serbian is not producing enough beef meat for domestic consumption. Growing market, especially for high quality beef meat due to the growth in restaurant and tourism business.
Coffee and Tea	36.7	20%	Strong competition from South America, Africa, India and Vietnam.	Growing market and demand for greater variety and higher quality.
Grains and	90.4	30%	Strong competition from	Growing demand for

Vegetable Seeds			domestic Seed Institutes and EU companies.	higher quality of new varieties of seeds to achieve higher yields and higher quality products.
Wine	32.0	8%	Strong competition from EU and CEFTA countries at lower price point.	Growing market for higher end wines as Serbian living standard increase.
Protein concentrates	20.0	7%	Lack of familiarity with U.S. products.	Growing demand and interest in new products.
Pet Food (Dog & Cat Food)	25.5	20%	Competition from EU/CEFTA countries and U.S. franchises in the EU. Harmonization of Veterinary Health Certificate for US exports still not completed.	Serbia has very limited production of pet food. Consumption of pet food is expected to grow as Serbians are having more pets than before.
Confectionary products (including chocolates)	180.0	20%	Strong competition from domestic companies, EU and CEFTA countries at lower price point.	Market that will continue to grow with demand for new products.
Animal Feed	30.6	16%	Strict biotech legislation and strong competition domestic supplies and EU/CEFTA countries.	Seeking lower cost inputs.
Fish & Seafood	45.0	20%	Competition from EU sources.	Demand and consumption is increasing along with changing eating habits and growth in restaurant and tourism business.
Snack Foods	70.0	15%	Strict biotech legislation and significant competition from EU and CEFTA.	Market that will continue to grow with demand for new products.
Tobacco Products	133.0	72%	The EU and CEFTA enjoy preferential customs tariff rates.	Serbia has a shortage of tobacco products and is a net importer.

*Tariff rates can be found at www.carina.rs

V. Key contact and Further Information

FAS/USDA

U.S. Embassy

Bulevar kneza Aleksandra Karadjordjevica 92,

11000 Belgrade, Serbia

Phone: +381 11 706 4158

E-mail: AGBelgrade@fas.usda.gov

Web page: <https://rs.usembassy.gov/embassy/belgrade/sections-offices/foreign-agricultural-service>

Serbian Ministry of Agriculture, Forestry and Water Management

Nemanjina 22-26,

11000 Belgrade, Serbia

Phone: ++ 381 11 260 7960

Fax: ++ 381 11 260 7961

E-mail: office@minpolj.gov.rs

Web page: <http://www.mpzszs.gov.rs>

Ministry of Environmental Protection

Bulevar Mihajla Pupina 2,

11070 New Belgrade, Serbia

Phone: + 381 11 311 0271

E-mail: kabinet@ekologija.gov.rs

Web page: www.ekologija.gov.rs

Serbian Ministry of Trade, Telecommunication and Tourism

Bulevar Mihajla Pupina 2,

11070 New Belgrade, Serbia

Phone: ++ 381 11 311 3432

Fax: ++ 381 11 311 4650

E-mail: kabinet@mtt.gov.rs

Web page: www.mtt.gov.rs

Serbian Ministry of Economy

Kneza Milosa 20,

11000 Belgrade, Serbia

Phone: ++ 381 11 36 42 700

E-mail: kabinet@privreda.gov.rs

Web page: http://www.privreda.gov.rs/?change_lang=en

Veterinary Department/International Trade and Certification

Omladinskih brigada 1,

11000 Belgrade, Serbia

Contact person: Ms. Jelisaveta Milosevic

Phone: + 381 11 311 7734

E-mail: jelisaveta.milosevic@minpolj.gov.rs; vetuprava@minpolj.gov.rs

Web page: <http://www.vet.minpolj.gov.rs/srb/kontakti/kontakt-uprava>

Phytosanitary Department

Omladinskih Brigada 1,

11070 New Belgrade, Serbia

Phone: ++ 381 11 311 77 29

E-mail: uprabilje@minpolj.gov.rs

Web page:

http://www.uzb.minpolj.gov.rs/index.php?option=com_content&view=article&id=54&Itemid=2&lang=en

Inspection on sanitary conformity

Serbian Ministry of Health

Department for Sanitary Inspection

1, Omladinskih Brigada str.

11070 New Belgrade, Serbia

Phone: ++ 381 11 2607 874

E-mail: zoran.panajotovic@zdravlje.gov.rs

Web page: www.zdravlje.gov.rs

Market inspection

Serbian Ministry of Internal and External Trade and Telecommunication

Department for Market Inspection

Nemanjina 22-26

11000 Belgrade, Serbia

Phone: ++ 381 11 361 4334

E-mail: lidija.stojanovic@mtt.gov.rs

Web page: <http://razvoj.mtt.gov.rs/en/sectors-of-the-ministry/sector-for-market-inspection/>

Directorate for National Reference Laboratories

Serbian Ministry of Agriculture and Environmental Protection

Batajniki drum bb,

11080 Zemun, Serbia

Phone: ++ 381 11 377 20 70

E-mail: slavoljub.stanojevic@minpolj.gov.rs

Web page: <http://www.dnrl.minpolj.gov.rs>

Customs clearance

Serbian Custom Administration

Bulevar Zorana Đinđića 155 a,

11070 New Belgrade, Serbia

Phone: ++ 381 11 2690 822

E-mail: kabinet@carina.rs

Web page: <http://www.carina.rs/en>

Institute for trademarks, patents and intellectual property

Intellectual Property Office
Knjeginje Ljubice 5, 11000 Belgrade
Phone: ++ 381 11 2025 800
Fax: ++ 381 11 311 2377
E-mail: zis@zis.gov.rs
Web page: www.zis.gov.rs

Statistical Office of the Republic of Serbia

Milana Rakica 5,
11000 Belgrade, Serbia
Phone: +381 11 2412 922
Fax: +381 11 2411 260
E-mail: stat@stat.gov.rs
Web page : <http://webrzs.stat.gov.rs/WebSite/>

American Chamber of Commerce in Serbia

Smiljanićeva 24/I,
11000 Belgrade, Serbia
Phone: +381 11 30 88 132; 34 46 437
Fax: +381 11 30 88 922
Email: info@amcham.rs
Web page: http://www.amcham.rs/about_amcham.34.html

Chamber of Commerce and Industry of Serbia

13-15 Resavska Street,
11000 Belgrade, Serbia
Phone: +381 11 3300-900
Fax: +381 11 3230949
E-mail: info@pks.rs
Web page : <http://www.pks.rs/>

Accreditation Body of Serbia

Bulevar Mihaila Pupina 2,
11070 New Belgrade, Serbia
Phone: + 381 11 301 47 44
Fax: +381 11 313 03 74
E-mail: office@ats.rs
Web page: <http://www.ats.rs/en>

VI. Other Relevant Reports

2017 Food and Agriculture Import Regulations (FAIRS) Narrative and Certification reports at:
<https://gain.fas.usda.gov/Pages/Default.aspx>

APPENDIX I. Statistics

Table A. – Key trade and Demographic Information in 2017	
<i>Current status in the EU accession process:</i>	Serbia started the Accession negotiation process with the EU in January 2014
<i>EU opened chapters with Serbia during 2014/2015/2016 and 2017</i>	Chapters: 5, 7, 20, 23, 25, 26, 29, 32, 35
<i>Capital:</i>	Belgrade
<i>Currency:</i>	Republic Serbian Dinar (RSD)
<i>Population:</i>	7.15 million (2017)
<i>Government system:</i>	Parliamentary Republic. The National Assembly has 250 members and the Prime Minister is the executive authority
<i>Main industry sectors:</i>	Agriculture, Automotive, Food Processing, Metals and Chemicals
<i>Foreign direct investments:</i>	USD 1.7 billion (year 2017) source: National Bank of Serbia (NBS)
<i>Major trading partners 2017:</i>	Italy, Germany, Bosnia & Herzegovina, Romania, Russian Federation, Montenegro, USA and China
<i>Real GDP/ GDP per capita:</i>	Projected 2017, USD 38.07 billion/USD 5,348
<i>FX rates (December 2017) :</i>	119.26 RSD /1 EUR 101.20 RSD/1 USD
<i>VAT rates:</i>	20% or 10% (reduced rate for basic foods)
<i>Corporate/individual tax:</i>	15% or 10-15% (individual)
<i>Next parliamentary elections:</i>	2020
<i>International organizations:</i>	Member of more than 50 int'l orgs, including CEFTA, UN, Interpol, EBRD, UNHCR, OIE, UPOV, IPPC, CODEX. Still not a member of WTO.