

2023



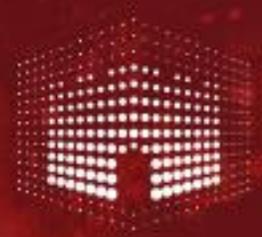
OFFICE FOR
LOCAL ECONOMIC DEVELOPMENT



Niš, Serbia



GREAT INVESTMENT IDEA



GENERAL OVERVIEW



BRIEF OVERVIEW

Niš is the 3rd largest city in Serbia and an economic, administrative, health, educational and cultural center of the South-East Serbia



249.816

Population
(2022)



596,6 km²

Area



164.227

Working Age Population
(est. 2021)



3.492 Number of Active Companies

10.482 Number of Active Entrepreneurs



19.353

Number of registered
unemployed
(November 2022)



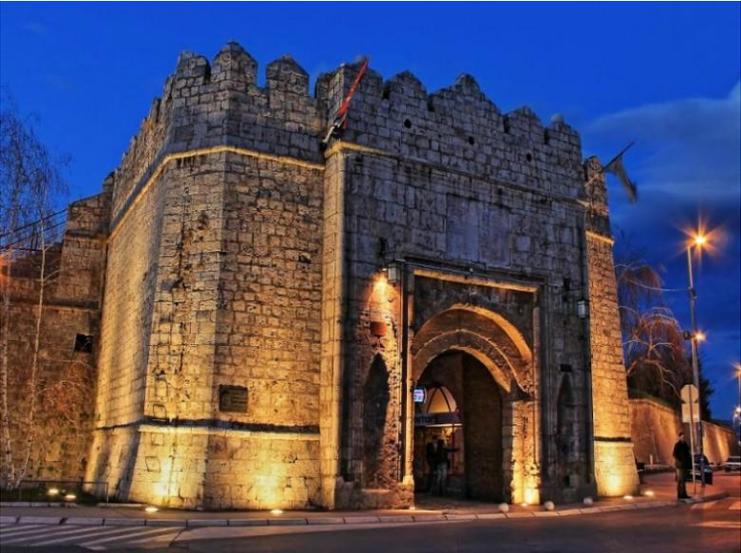
615€

Average Net Salary
(October 2022)



GREAT INVESTMENT IDEA

WELCOME TO NIS!



Source: Pictures taken from: visitnis.com

GENERAL OVERVIEW

Nis is the **3rd largest city** in Serbia and financial, educational, industrial, commercial, administrative and cultural center of Southern and Eastern Serbia Region.

The position of Nis is **strategically important**, at the intersection of European highway and railway networks connecting Europe with Asia.

As such it is the regional **center for 2 million inhabitants** (according to the last estimations) and it is in constant focus of the development strategy of the Government of the Republic of Serbia.

Many important infrastructure and other investment projects were initiated/finished during the last years: Corridor X highway, Clinical Center Nis, Nis Airport Development etc.

Resently, many foreign investors have chosen Nis as their investment location: Integrated Micro Electronics, Zumtobel, Leoni, Aster Textile, while others such as Johnsons are constantly expanding their business.

The Government of Serbia will continue with the development strategy for Nis, especially in terms of developing **Nis as engineering, technological and manufacturing hub of South Serbia.**



QUALITY OF LIFE!

- Nis offers all the advantages of modern city and at the same time is surrounded by the amazing landscape and scenery.
- Among other things Niška Banja, Sićevo gorge and Suva mountain are just some of the must-visit and must-see natural attractions.
- As one of the oldest cities in Europe, Nis is famous for its historical and archaeological treasures such as Nis fortress, Skull Tower, Mediana etc, as it was the birthplace of the Roman emperor Constantine the Great, one of the key figures in the history of Europe and Christianity.
- Along with historical monuments and attractions, Nis offers dynamic everyday life with numerous festivals, cultural and sport events such are: Nisville Jazz Festival, Film festival, International Choral Festival, etc.



- In order to foster spa and medical tourism development, the Government of Serbia financially supports spa hotel investments.
- Niška Banja is one of the best known centers of health tourism in Serbia and it is the third most popular spa in Serbia after Vrnjačka Banja and Sokobanja.
- There are 5 springs of healing water and natural mud. It is well known for its hot spring water.
- There are several hotels without enough beds and many private accommodation available.
- Niška Banja is thought to heal coronary and blood vessels diseases, increased blood pressure and rheumatic disorders. It is also famous for the treatment of orthopedic injuries, body weight control, anti-cellulite treatments and postoperative rehabilitation.



STRONG RECENT DEVELOPMENT

The development of the city is accompanied by an **increased** influx of tourists

	+25,7%		+14,9%		+9,9%		-65,6%		+49,3%		
	Total Jan-Dec 2016	Total Jan-Dec 2017	Total Jan-Dec 2018	Total Jan-Dec 2019	Total Jan-Dec 2020	Total Jan-Dec 2021					
Arrivals											
Total	85 048	106 884	122 839	134 942	46 455	69 382					
Domestic tourists	40 419	46 848	50 316	55 015	25 438	33 637					
Foreign tourists	44 629	60 036	72 523	79 927	21 017	35 709					
	+17,3%		+12,3%		+5,4%		-59,7%		+76%		
	Total Jan-Dec 2016	Total Jan-Dec 2017	Total Jan-Dec 2018	Total Jan-Dec 2019	Total Jan-Dec 2020	Total Jan-Dec 2021					
number of nights											
Total	160 947	188 730	211 914	229 678	92 638	163 053					
Domestic tourists	90 175	95 467	101 864	106 226	55 689	98 902					
Foreign tourists	70 772	93 263	110 050	123 452	36 949	64 151					



STRONG RECENT DEVELOPMENT

Companies that successfully operate in the region of the City of Nis

Indicator of satisfaction of foreign companies is that a significant number of them **reinvested** in the region of the City of Nis



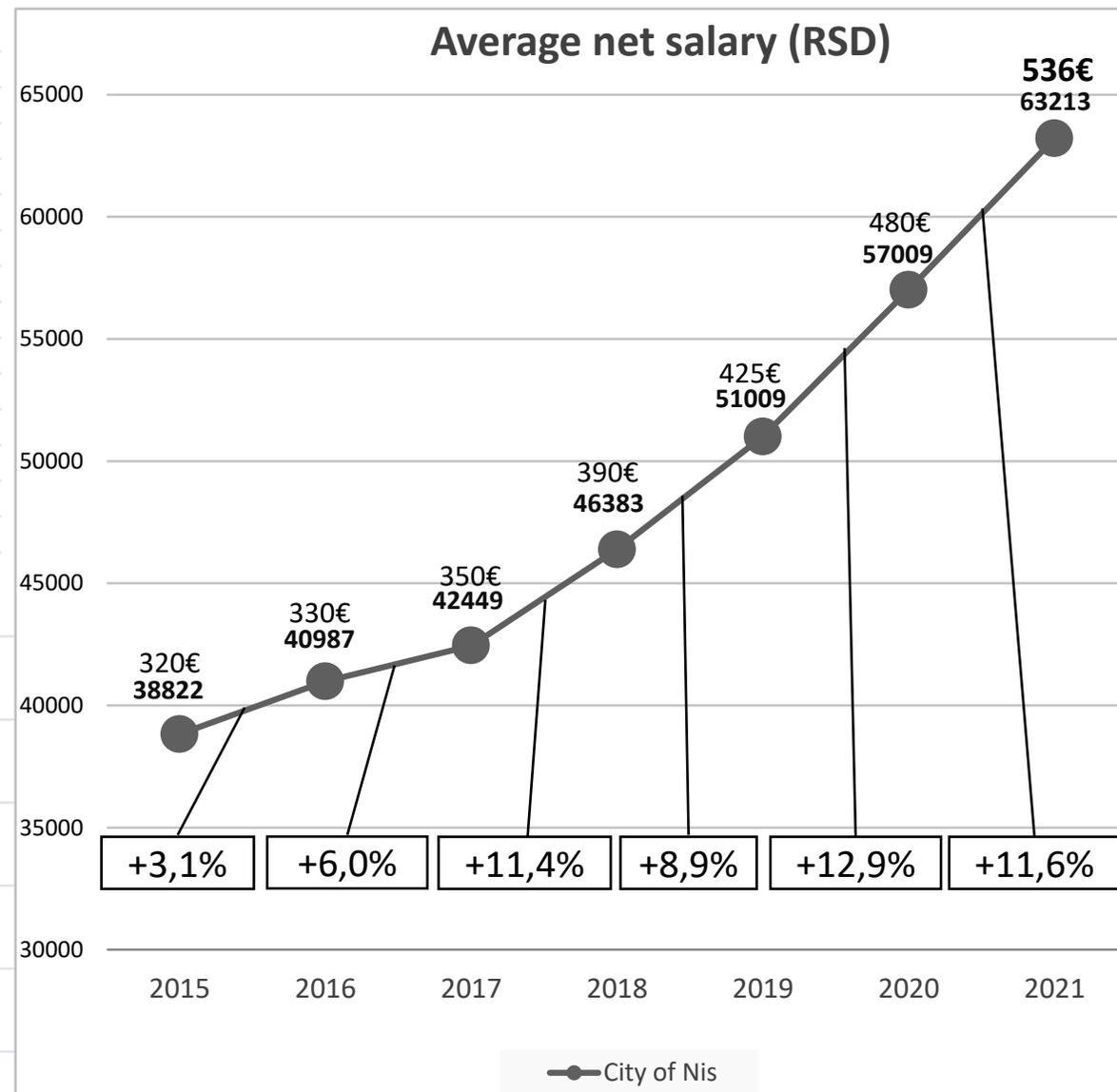
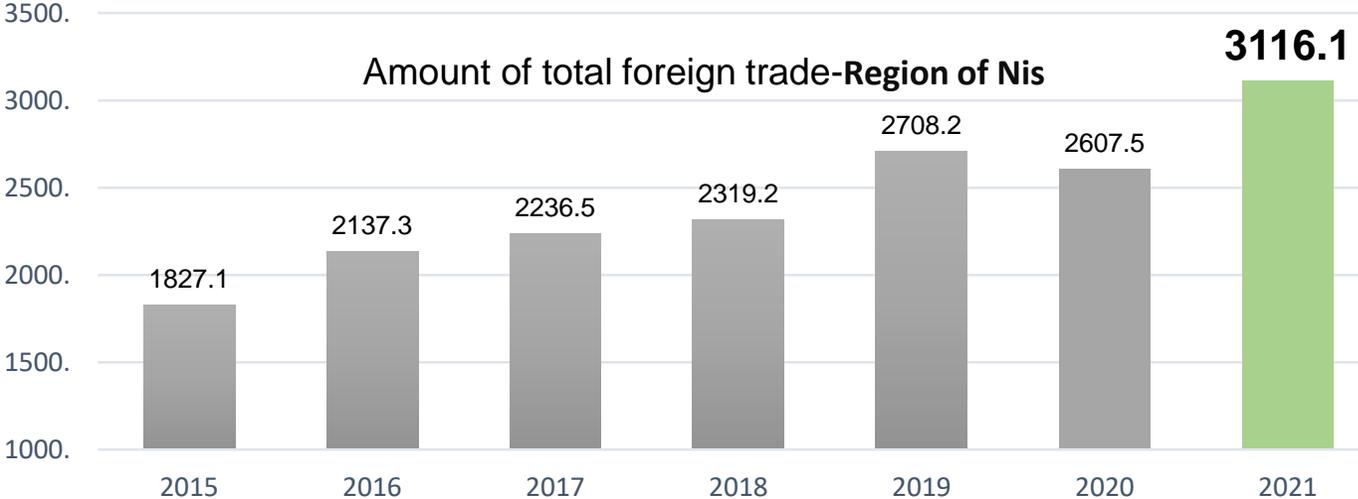
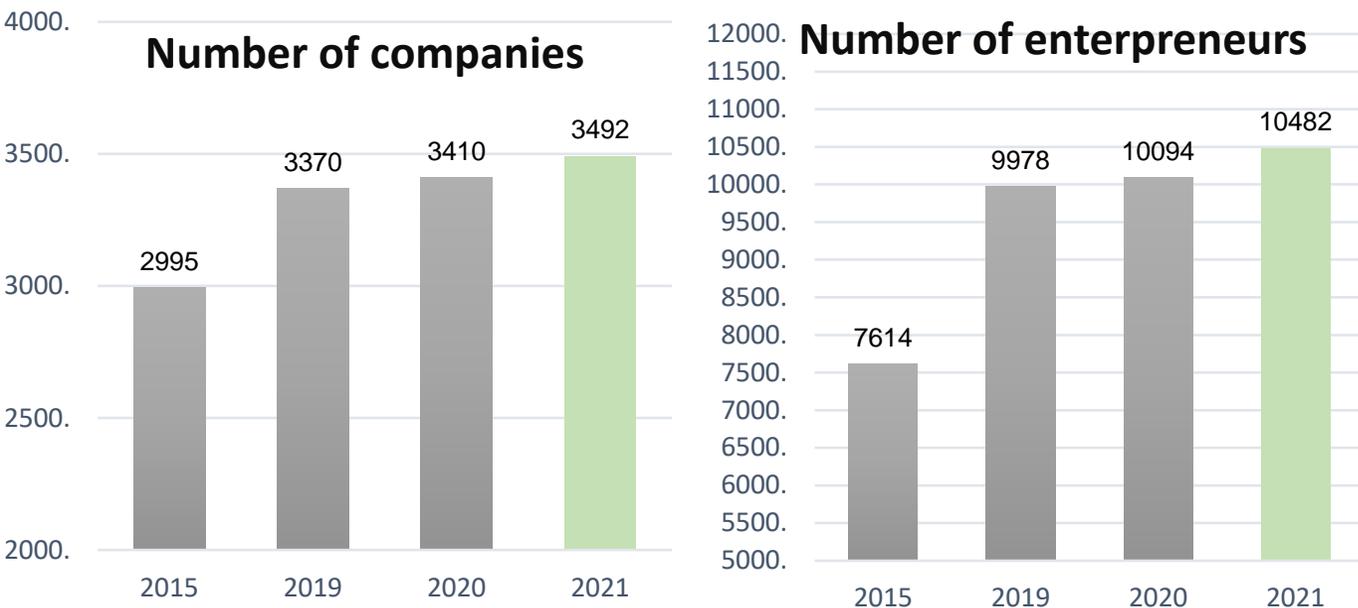
- **PHILIP MORIS INTERNATIONAL** Tobacco industry, USA, 2003. (1000)
- **YURA CORPORATION** Automotive industry, South Korea, 2010. (3300/1500)
- **SHINWON – YURA ELTECH** Automotive industry, South Korea, 2011. (182/300)
- **OLIMPIAS GROUP (BENETTON GROUP)** Textile industry, Italy, 2011. (1045/2000)
- **JOHNSON ELECTRIC** Automotive industry, Hong Kong, 2014. (2600/3400)
- **ASTER TEXTILE** Textile, Turkey, 2015. (686 -2000)
- **LEONI** Automotive industry, Germany, 2016. (2250/2200)
- **INTEGRATED MICRO-ELECTRONICS** Automotive electrical sector industry, Philippines, 2016. (214 /1250)
- **GRAMMER** Automotive industry, Germany, 2007, 1.500 employees (Aleksinac Municipality, 30 km away)
- **LEONI** Automotive industry, Germany, 2009, 2.500 + 2.000 employees (Prokuplje Municipality, 30 km away and Doljevac Municipality, 15 km away)
- **ACTAVIS** Pharmaceutical industry, 2007, 400 employees (Leskovac, 45 km away)
- **FALKE** Textile industry, Germany, 2012, 600 employees (Leskovac, 45 km away)
- **YURA CORPORATION** Automotive industry, South Korea, 2010, 1.500 employees (Leskovac, 45 km away)
- **MICHELIN** Tires production, French, 2001, 3.000 employees (Pirot, 75 km away)
- **APTIV** Automotive industry, English, 2018, 2.500 employees (Leskovac, 45 km away)
- **ZUMTOBEL ZG Lighting Tridonic** Electronics, lighting, Austria, 2017. (472 / 221 /1100)



GREAT INVESTMENT IDEA

STRONG RECENT DEVELOPMENT

The number of companies and entrepreneurs is steadily **increasing** as well as the amount of total foreign trade



INTERNATIONAL AND NATIONAL AWARDS

EMERGING EUROPE LEADERS' MEETING & AWARDS 27-28 June 2019, London

- **The City of Niš**, 1 of the 10 best in Europe in the category of attracting foreign direct investments (FDI) and success.

Niš, Serbia	Poznań, Poland	Sosnowiec, Poland	Vilnius, Lithuania	Wrocław, Poland

The City of Niš was awarded for being a Champion of Local Development for 2018/19 for the best practice in attracting investors.

Within the joint project of NALED and the Development Agency of Serbia, awards were given to prominent individuals, cities and municipalities who have contributed to the development of local governments.

FDI STRATEGY Nis region

3th
City of Nis

7th

FDI STRATEGY Nis region

6th
City of Nis

6th
City of Nis

5th
COST EFFECTIVENESS

FDI STRATEGY Nis region

8th
COST EFFECTIVENESS City of Nis

8th



CAPITAL INVESTMENTS IN THE CITY



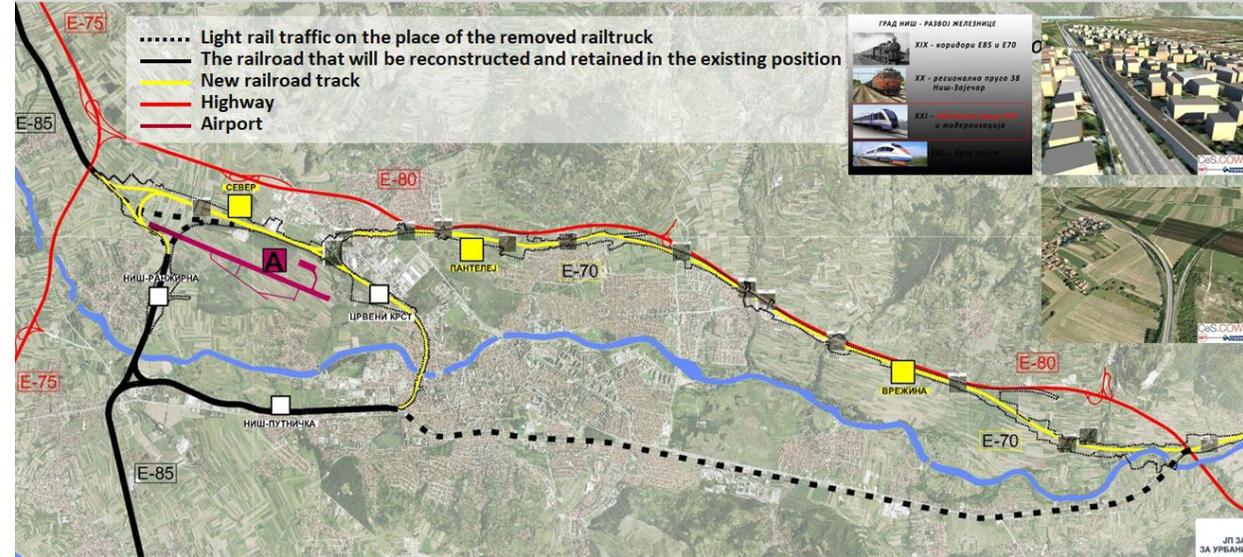
CAPITAL PROJECTS FOR THE CITY OF NIS

International highway corridor X

- Works on the southern and eastern arms of the Corridor 10 were completed in 2019 and the Corridor 10 through the Republic of Serbia is now in use.
- The corridor connects the City of Nis with the Republic of Bulgaria to the east and further to east to the City of Istanbul.
- In the south, the corridor leads to the Republic of Northern Macedonia and continues to Thessaloniki and Athens.
- During 2021, the construction of the highway from Niš to Pristina began, the section through Serbia to Pločnik in the length of 38km. Investment value of the first phase is € 220mil.



Railway bypass around Nis, value of the project is € 400mil, source of funding is the Serbian Government



Clinical Center, value of the project is € 50mil, source of funding - European Investment Bank loan



WWTP- value of the project - € 85mil, source of funding - EU IPA grant, implementation in 2022.



Science Technology Park project

Phase 1 - Student center for innovative entrepreneurship - started working on September 6, 2017.
Creates conditions and environment for the development of innovative start-ups

Phase 2 - Multi purpose Lab annex within the Faculty of Electronics - started working on November, 2020
Space for mutual project implementation (students, professors, private sector)

Phase 3 - Building and creation of the Science Technology Park – started working on September 1, 2020.
Provides space and innovative equipment for start ups and reduces initial investment costs



CAPITAL INVESTMENTS FOR THE CITY OF NIS

Large real estate project, CLEAN EARTH CAPITAL, value of the project - €167mil - realized investment value - 6mil €



CAPITAL INVESTMENTS FOR THE CITY OF NIS

Large real estate project, DELTA REAL ESTATE, value of the project- € 70mil
– building area-40000m2, shopping space, office space, residential area.



DEVELOPMENT AND CAPITAL INVESTMENTS UNDER PREPARATION

Projects under preparation for 2022-23



EXPO CENTER NIŠ
Estimated project value €18mil.
40 000m2



RECONSTRUCTION AND
CONSTRUCTION OF THE
NEW BUILDING OF THE
"CONSTANTINE THE GREAT"
INTERNATIONAL AIRPORT



COMPLETION OF THE
CONSTRUCTION OF THE CITY
STADIUM
Estimated project value € 59mil.



REGIONAL CENTER FOR
PUBLIC WASTE
MANAGEMENT
Estimated project value € 18mil.



AQUA PARK NIŠ
Estimated project value 17mil.€



PROJECT OF
INFRASTRUCTURAL
EQUIPMENT OF THE NEW
URBAN SETTLEMENT ARDIJA
Estimated project value € 13mil.



GREAT INVESTMENT IDEA



GREAT INVESTMENT IDEA

WHY INVEST



REASONS FOR INVESTING

1

Connectivity, Strategic
Position Of The City

2

Industrial Heritage
And Today's Industry

3

Available Qualified
Labor Force

4

Competitive
Operating Cost

5

Supportive LSG and
experienced OLED team



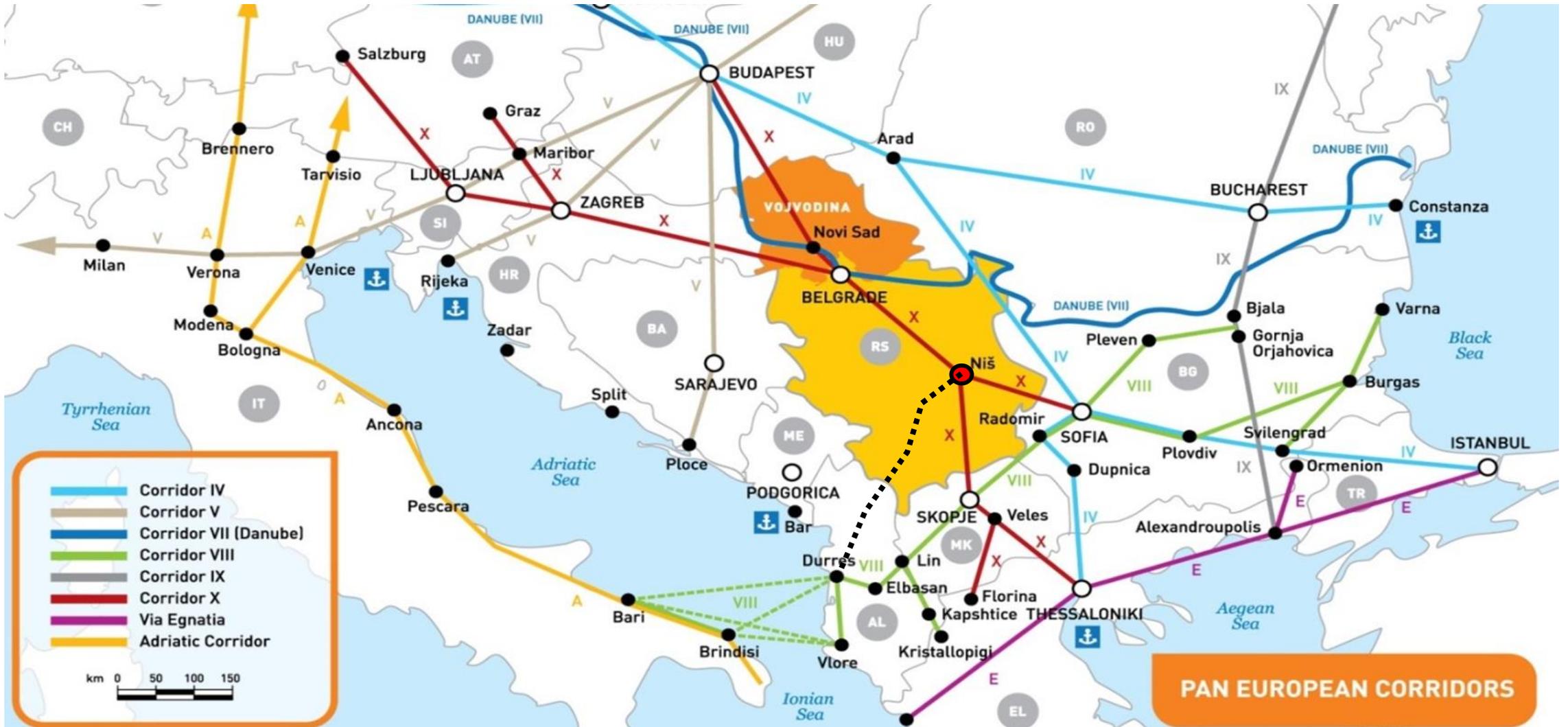
GREAT INVESTMENT IDEA



**CONNECTIVITY, STRATEGIC
POSITION OF THE CITY**

CONNECTIVITY, STRATEGIC POSITION OF THE CITY

Nis has an excellent and important strategic position- it is a major European crossroads connecting southern arms of Corridor 10- leading to Greece and eastern towards Bulgaria and to Turkey and the Middle East



CONNECTIVITY, STRATEGIC POSITION OF THE CITY

Nis Airport – 2nd fastest growing airport in Europe by the number of passengers in 2017

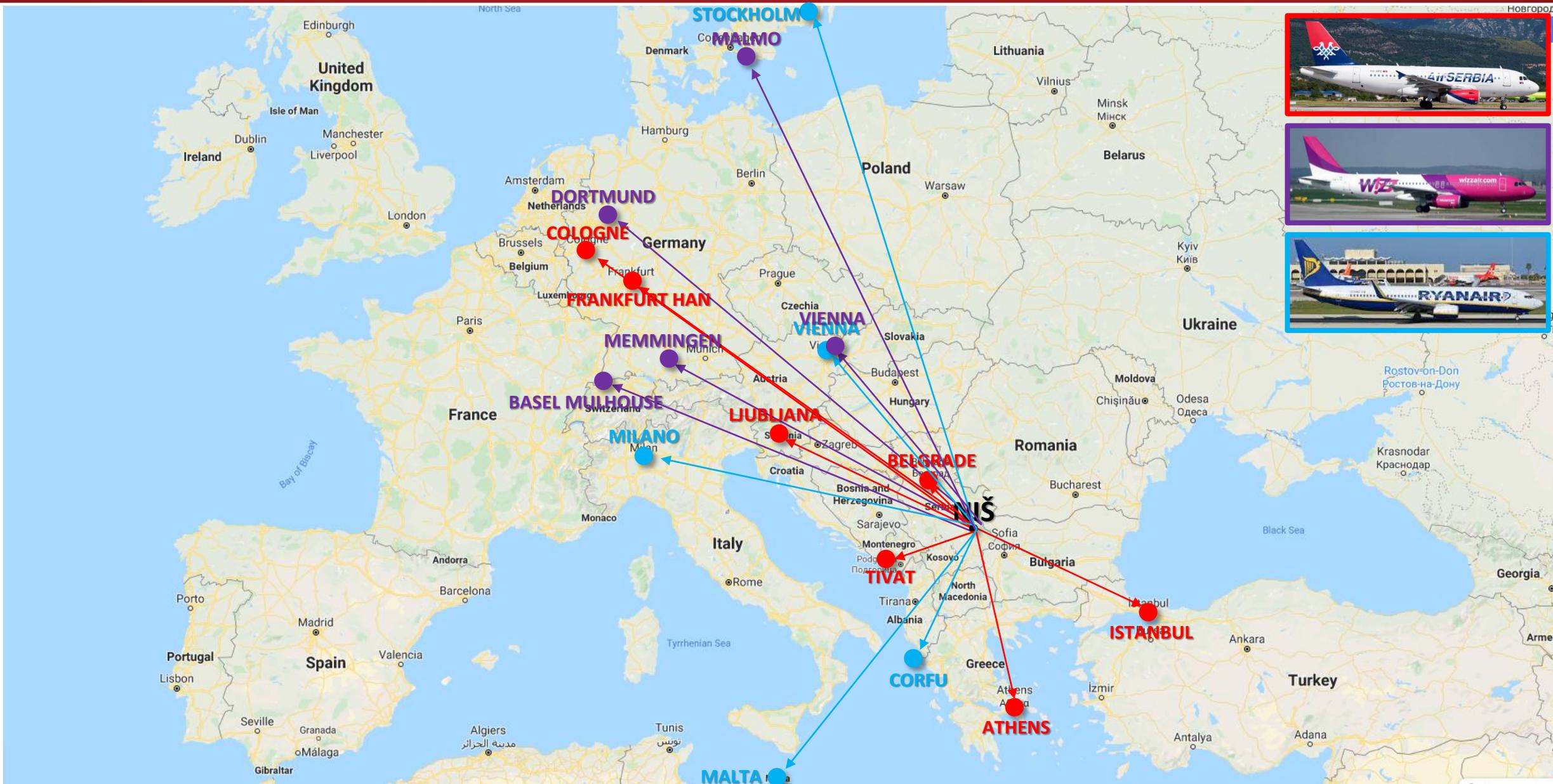
- International Airport Constantine the Great is the second largest airport (passenger and cargo) in Serbia.
- The expansion began in 2015 when low-cost airlines Wizz Air and Ryanair launched their first flights.
- After these events airport experienced triple-digit growth in passenger traffic, exceeding the previous record figure.
- Airport in Nis will continue to develop, and the Government adopted the decision of establishing new destinations of public interest.
- Today, due to the situation related to the global Covid 19 pandemic, a total of 17 flights from the airport of Constantine the Great are active.



Airline companies	Destinations from Airport	
Wizz Air	Vienna, Dortmund, Malmo	Basel-Mulhouse-Freiburg, Memmingen/Munich West,
AIR Serbia	Frankfurt/Han, Ljubljana, Atina *seasonal flight, Tivat *seasonal flight	Cologne/Bonn, Istanbul, Belgrade,
Ryanair	Corfu *seasonal flight, Milan Bergamo, Vienna	Malta Luqa, Stockholm Arlanda,

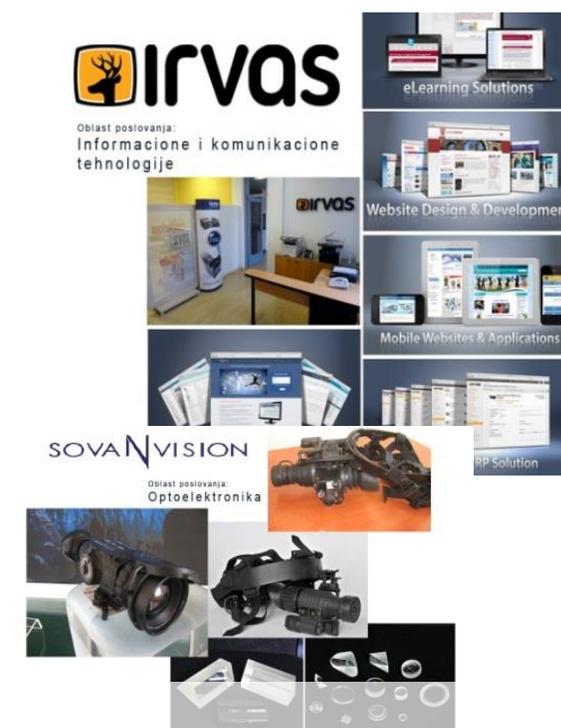
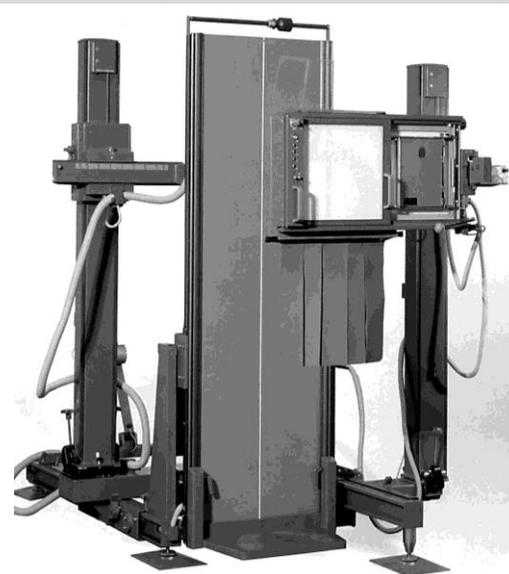


CONNECTIVITY, STRATEGIC POSITION OF THE CITY



INDUSTRIAL HERITAGE, AND TODAY'S INDUSTRY

The city of Niš has a long history of industrial production of electronics and mechatronics, which has been expanding in recent years



- Before WWII the local economy started developing through textile, machine and tobacco industry.
- In the period between 1960—1990 economy started blooming - companies such as Electronic Industry, Tobacco Industry, Machine Industry, Nitex, Vulkan, Nis brewery, Bank of Nis, etc. grew into the economic giants and in 1981 GDP per capita was at 110% of Yugoslavia average.
- Since the beginning of the political turmoils, breakup of Yugoslavia and sanctions, Nis economy started deteriorating- production halved, many people lost their jobs, etc. Within the last 15 years Nis has started to regain its former industrial glory.



GREAT INVESTMENT IDEA

INDUSTRIAL HERITAGE, AND TODAY'S INDUSTRY

In addition to the electronics and mechatronics industry, the market is increasingly dominated by IT companies that carry out new directions and dynamics of city development



Ates Soft	Joombooz d.o.o
Jakov Sistem	Max Code
Acto team	FAZI
ION Code	HTEC Group
Prizma Software	Team Logic
CDS Digital Marketing	Peaksel
Skyneting	Web Hosting Srbija
Ninet Company	Kraftwerk International
Strategy	Ates Nearsourcing
Seavus	LMB Soft
Mihajlovic Soft	Mikelsen
Better Collective	ING Software
Webelinx	Logic

- Now - more than **200 companies** with around **4000 workers** in advanced technologies, with vision to become City of advanced technologies again.

INDUSTRIAL HERITAGE, AND TODAY'S INDUSTRY

Top employers in the City of Nis

FDI	Johnson Electric Electronics 60 mil.€	2.600/ 3.400	FDI	Integrated Microelectronics Electronics 32 mil.€	414/ 1.250
FDI	YURA Corporation Automotive 15 mil.€	3.083	FDI	Zumtobel ZG Lighting Tridonic Lights 30 mil.€	472+221/ 1.100
FDI	LEONI WIRING SYSTEMS Automotive 22 mil.€	2.250/ 2.200	FDI	Philip Morris International Tobacco 600 mil.€	1000
FDI	Benetton/Olimpias Textile 36 mil.€	1.045	FDI	Shinwon- Yura Eltech Automotive 8 mil.€	209
FDI	Aster Textile Textile 5 mil.€	686/ 2.000	FDI	XingYu Automotive 60 mil.€	150/ 1.000

Note: **FDI** - Foreign Direct Investment Source: City of Nis

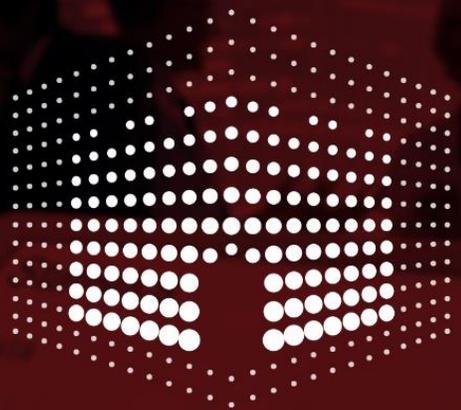


GREAT INVESTMENT IDEA

TOP EMPLOYERS IN THE CITY OF NIS



GREAT INVESTMENT IDEA



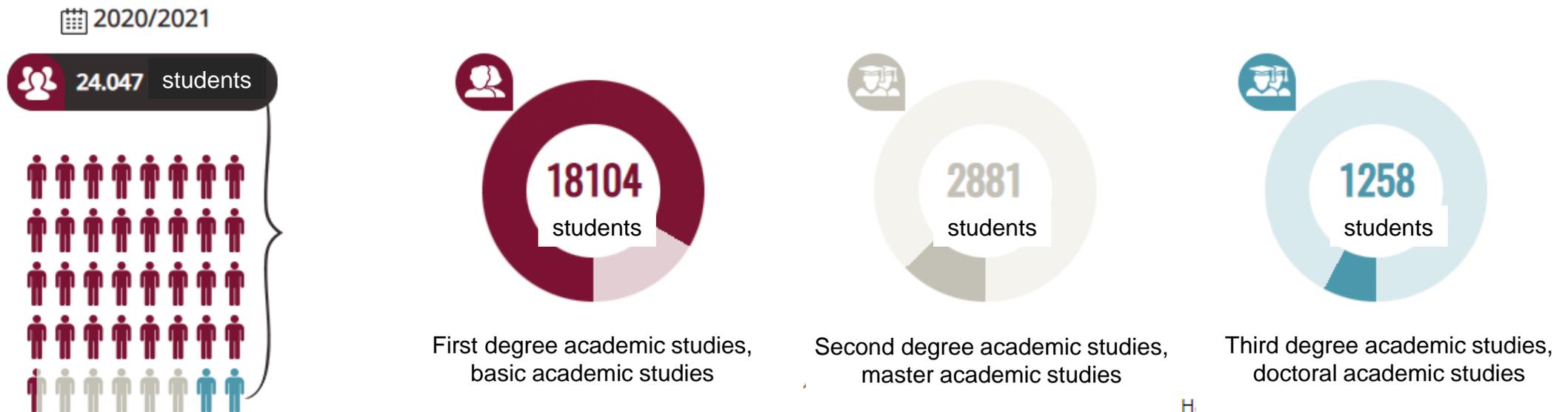
AVAILABLE QUALIFIED LABOR FORCE



AVAILABLE QUALIFIED LABOR FORCE

Research and Development- Higher education in Nis

- Nis is among the most important university and R&D centers in Serbia.
- Research work is performed at all faculties of the University of Nis, in the areas of basic, applied and development scientific research.
- Many faculties of Nis University have, within their own organizational units, research labs and innovation centers, providing professional and technical support, as well as other scientific research related services.
- Activities:
 - Scientific and research work and development
 - Innovation activity
 - Quality assurance
 - Engines and Motor Vehicles
 - Welding and Welding Structures
 - Development and Design of Machines
 - Nonlinear Dynamics and Active Structures
 - Development and design of machines
 - Abrasive Water Jet Cutting (AWJC)
 - Innovation Center for Application and Development of Innovative Technologies



Higher education in Nis

- Nis is among most important and largest university and engineering centers in Serbia (**30 000** students).

Universities	Faculties
University of Nis	Faculty of Civil Engineering and Architecture (1010 students); enrolled in the first year 360
	Faculty of Economy (2816 students); enrolled in the first year 700
	Faculty of Electronic Engineering (2320 students); enrolled in the first year 540
	Faculty of Mechanical Engineering (1333 students); enrolled in the first year 340
	Faculty of Sciences and Mathematics (1655 students); enrolled in the first year 330
	Faculty of Law (1849 students); enrolled in the first year 600
	Occupational Safety (1192 students); enrolled in the first year 360
	Fine Arts (308 students); enrolled in the first year 66
	Medicine (3366 students); enrolled in the first year 516
Philosophy (2685 students); enrolled in the first year 625	
Metropolitan University	Faculties: Information Technology, Business, Digital Design
Singidunum University	Centre Nis – Faculties: Business Economy, IT, Tourism
University Union	Law and Management

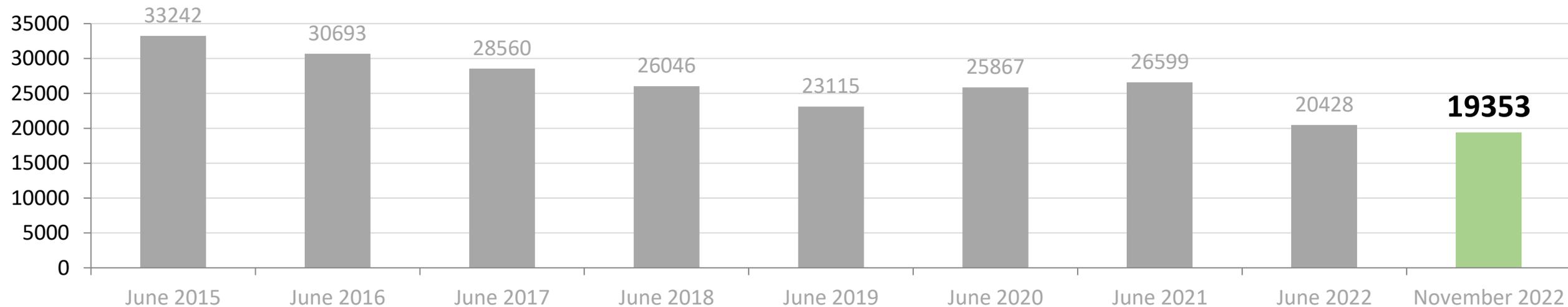
- **3300** students graduate every year at the faculties of the University of Nis.



AVAILABLE QUALIFIED LABOR FORCE - AREA

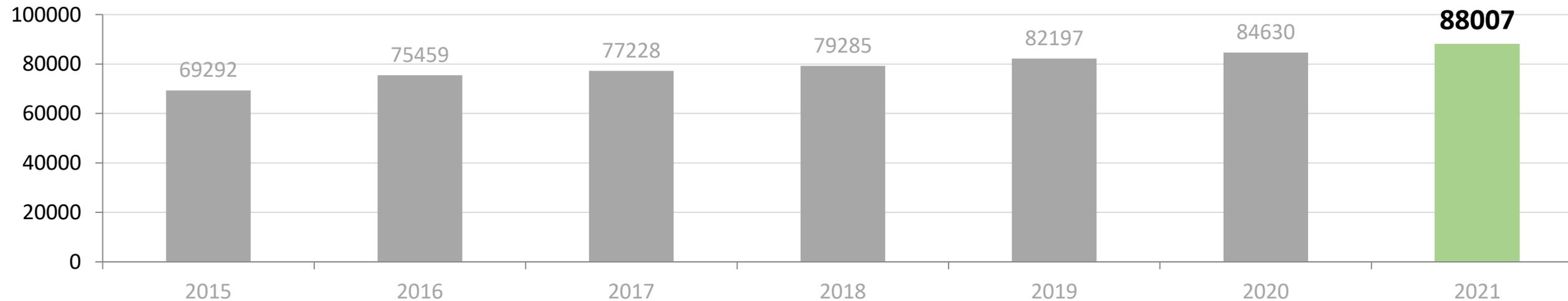
The economic development of the city directly affects the reduction of the number of unemployed persons

Unemployment



The economic development of the city directly affects the increase of the number of employed persons

Number of employees



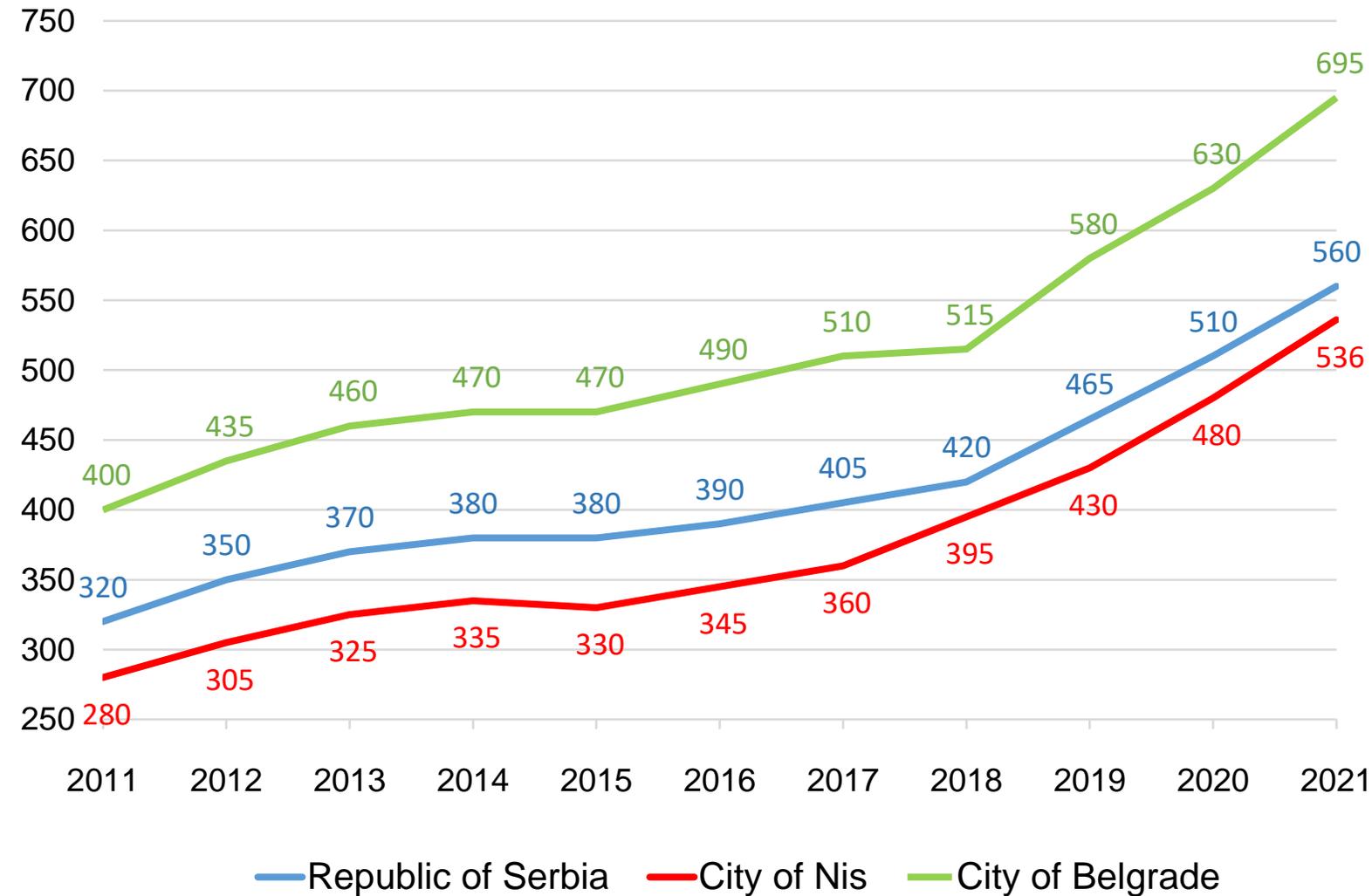


COMPETITIVE OPERATING COST



COMPETITIVE OPERATING COSTS

REVIEW OF AVERAGE NET SALARY (EUR)



Source: Statistical Office of the Republic of Serbia;

Average salary 2021	Amount
Average net salary Serbia	560 €
Average net salary Belgrade	695 €
Average net salary Nis	536 €

Labor Cost Calculation example	Amount
Net Salary	500 €
Contributions and Taxes (Employee)	138 €
Contributions and Taxes (Employer)	112 €
Total Contributions	250 €
Tax on Salary	53 €
Total Salary Cost	803 €



COMPETITIVE OPERATING COSTS, IMPLEMENTATION SPEED

WATER



0,6-1,3 EUR/m³

SEWAGE



0,17 EUR/m³

ELECTRICITY



0,075 EUR/kWh

GAS



0,38-0,42EUR/m³

All prices are average and are VAT excluded.





**SUPPORTIVE LSG AND
EXPERIENCED OLED TEAM**



ALL THE NECESSARY SUPPORT AT ONE PLACE, OFFICE FOR LOCAL ECONOMIC DEVELOPMENT

- The goal of LSG is to attract investments and improve the economic image of the city through implementation of development and investment projects and management of local development policy tools.
- The organizational section of the LSG unit or legal entity that provides professional assistance and support to the investor in the realization of the investment is carried out by the Office for Local Economic Development.
- Implementation of activities related to infrastructural equipping of greenfield locations



IMPLEMENTATION SPEED

Project name	Project type	MoU Signed	Land ownership transferred	Location permit Issued	Construction permit issued	Usage permit issued	Total elapsed time	Additional information
Yura Corporation	Greenfield	April 2010.	August 2010.	September 2010.	October 2010.	March 2011.	11 months	Land 4 ha Building 22.000 sqm
Shinwon	Greenfield	January 2011.	April 2011.	April 2011.	May 2011.	September 2011.	9 months	Land 2 ha Building 23.000 sqm
Johnson Electric Phase I	Greenfield	June 2013.	September 2013.	September 2013.	October 2013.	April 2014.	10 months	Land 4 ha Building 12.000 sqm
Johnson Electric Phase II	Greenfield	July 2015.	September 2013. (same plot as phase I)	August 2015.	September 2015.	May 2015.	10 months	Land 0 ha Building 13.000 sqm
Leoni Niš factory Phase I	Greenfield	July 2016.	December 2016.	January 2017.	February 2017.	(I phase) July 2017.	12 months	Land 8 ha Building 6.000 sqm
Leoni Niš factory Phase II	Greenfield	July 2016.	December 2016. (same plot as phase I)	January 2017.	February 2017.	(II phase) April 2018.	12+9 months	Land 8 ha Building 18.000 sqm
Cooperatief IMI Europe	Greenfield	August 2016.	June 2017.	July 2017.	July 2017.	September 2018.	10+14 months	Land 5 ha Building 14.600 sqm
Zumtobel group	Greenfield	May 2017.	June 2017.	July 2017.	July 2017.	September 2018.	2+14 months	Land 11 ha Building 35.200 sqm
Xingyu	Greenfield	May 2019.	December 2019.	February 2020.	March 2020.	June 2021,beginning of the trial operation	10+14 months	Land 6,6 ha Building 47.670 sqm





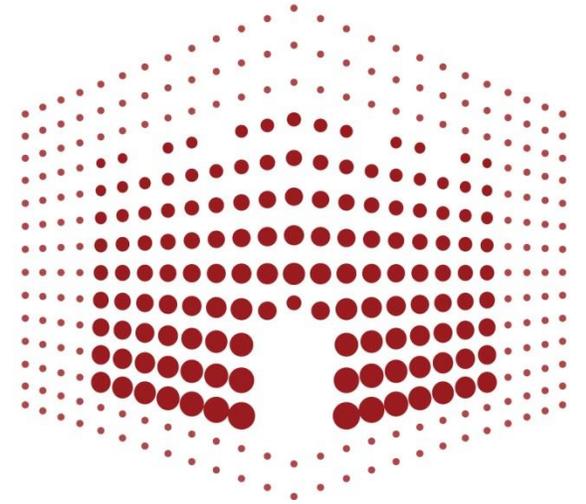
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RAS

Development Agency of Serbia



GREAT INVESTMENT IDEA