

IN THIS ISSUE: *ICT Industry in Serbia and Macedonia*

SEE Perspective

MORE THAN ANALYTICS

BSN South East Europe Business magazine in English. Year 2.

FEATURED TOPIC:

*Founding of
the railway
cluster
in SEE*



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Don Vicencio Juan de Lastanoza spoke back in Middle ages: „do not expect more than necessary“. Furthermore, he spoke that „it is easy to imagine perfection, but hard to achieve it“. This introduction refers to the management of the national railway companies in Southeastern Europe that are all in very bad state. These people dream of their railways as ultramodern and fondly look back to the „good old days“ during the 20th century, when the locomotives reached speeds of over 100 km/h. In



the current time of liberal capitalism, they reached the speeds of 30 km/h. Lastanoza says that hope is, in fact, the forger of truth. Even though the people of the Balkans often say that "hope dies last". Instead of having those managers and politicians of the countries in the SEE region, who are responsible for the development and modernisation of railway system, focus on cooperation, their eyes are constantly turned toward Brussels. They harbour the false hope that Brussels and the EU will solve their numerous railway problems. And that is impossible, as the current financial need is measured in hundreds of billions of EUR.

That is why the main topic of this issue is railways in the SEE region. Authors have tried to openly point out the problems of the railway sector in this region, which is one of the most important pillars of European passenger and cargo transfer, and through that a backbone of European economy. This topic also brings our readers a

realistic hope on future intensifying of interregional cooperation in the railway sector through the announcement of the formation of the railway cluster in SEE in November 2015. Finally.

In light of improved regional cooperation one can also observe the recent visit of the regional business

association Business Support Network (BSN) to Macedonian Chamber of Commerce in Skopje. On that occasion the two organisations signed a cooperation agree-

ment, and in the autumn the business delegation from Serbia will visit their Macedonian colleagues in Skopje.

In this issue you can also read how the ICT industry is developing in Serbia and Macedonia. IT experts from the west would be interested to know how many good and high-quality small- and medium-sized IT companies can be found in SEE countries. Many companies in this sector from Serbia are already present with their quality services on the EU markets. Instead of „chasing“ after the IT experts in India, western Europe can find much higher quality experts in its neighbourhood, where the differences in corporate culture and mentality are much lower. Yes, we are speaking of the Balkans.

Despite the numerous problems (and which country doesn't have them today?) the market of Bosnia and Hercegovina can be interesting for the foreign investors for many reasons. Read this issue and find out why.

We wish you a pleasant read of our fifth issue.

BSN Team

IMPRESSUM

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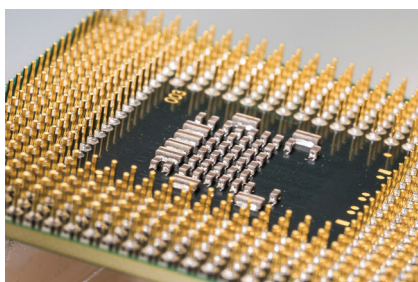
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FACTORY NEWS FOR MARCH 2015:



Only 1,700 Serbian companies have stable exports



Serbian exporters recorded a drop of exports of almost 40% when compared to 2008, and only 1,700 Serbian companies have stable exports, which is very low, keeping in mind that Serbia has around 370,000 business subjects, consultant of the Business Support Network Dragoljub Rajic said to the Tanjug news agency. In these conditions it is very difficult for the domestic companies to survive, maintain their level of operations and employment and avoid bankruptcy.

Crisis forced the companies to expand their clients list, to work with as many partners as possible, in order to survive in these difficult conditions – Rajic said. Adding that the business environment has to be changed in Serbia, and that the reforms have to be swift, Tanjug's interviewee noted that a number of business-related laws have to be changed.

Certain regulations pose barriers for doing business, force high costs and bureaucratize work of companies and that is what needs to change as soon as possible, he said.

We cannot wait anymore for the years to pass, as the economic data show us at the bottom of the ladder in the region, he noted. According to him, today Serbia is competing with Macedonia and Albania, with Macedonia having a better business environment, which will soon provide results.

Swiss HSBC assists clients to hide millions

Swiss branch of British HSBC bank assisted rich clients, including several from Serbia, to avoid taxes and hide millions of USD. This information was presented by the consortium of research journalists and European media. The list of clients, based on the secret data of the Swiss HSBC bank, is dominated by Swiss residents, followed by French, British, Brazilian, Italian, Israeli and American citizens. According to the number of clients, Serbia is the number 106 on the list, which includes residents of 200 countries, with 38 clients hiding their money in Swiss HSBC accounts. According to the total funds, with 46.6 million USD held in Swiss HSBC accounts, Serbia is 121 on the list.

From the other countries in the region, according to the number of clients, Croatia is 107 on the list, Macedonia 156, Bosnia and Herzegovina 164, Albania 194, Montenegro 132, and Slovenia 146.

Serbia's public debt 70.9% of GDP at the end of 2014

Serbia's public debt at the end of 2014 was 22.76 billion EUR, which is 70.9% of GDP, Ministry of Finance stated on Friday, 30th of January. When compared to November 2014, public debt increased by approximately 480 million EUR. At the end of 2013, Serbia's public debt was 20.14 billion EUR, that is 59.6% of the GDP. Public debt at the end of 2000 was 14.17 billion EUR, which was 201.2% of the GDP. Since then, the lowest public debt was recorded in 2008, 8.78 billion EUR, or 28.3% of the GDP.

Law on Budgetary System limits the public debt to GDP ratio to 45%.

„Danube Foods Group“ sold



“Mid Europa Partners”, the biggest investment fund that specializes in investments in central and eastern Europe, announced at the beginning of February it had signed an agreement to take over companies Danube Foods Group BV and Clates Holding BV (which are merged into Danube Foods Group), the owners of Serbian companies and Brands “Imlek”, “Mlekara Subotica”, “Bambi” and “Knjaz Miloš”, as well as all Imlek-owned dairies in Macedonia, Republic of Srpska and Montenegro. “Danube Foods Group” announced that the company had been sold to the investment fund “Mid Europa Partners” for EUR 575 million.

With a turnover of over EUR 400 million in 2014, Danube Foods Group is the Serbian and regional leader in the field of milk and dairy products, confectioneries, mineral water and energy drinks. The group exports its products to the market of Western Europe as well.

Finnish company “SISU” to take over “FAP” in April



First modern trucks from Priboj-based FAP factory with the logo of Finland’s Sisutrans will come out late this year be-

cause, as announced, production should start in April. The investment of the Finnish company in Priboj-based car factory should be implemented through the formation of joint venture. Before that, Serbia first needs to issue a tender, and FAP’s return to the economic life of our country should also affect the gross domestic product and lead to an increase in the living standard of people in Priboj and its surroundings.

According to the latest official data available, FAP employs 1.108 workers. The company’s loss in 2013 exceeded RSD 1.6 billion, while the whole system, with all subsidiaries, employing a total of 1,444 people, made a loss of 2.14 billion dinars in 2013.

Serbia at the bottom of European health protection index

In Brussels the research of the European Health Consumer Index for 2014 has been presented today where Serbia has still been at the bottom of the European ladders when it comes to health protection quality, ranking 33, out of 37 countries.

With 473 scores out of maximal 1000, compared to 2013, Serbia progressed for one place.

Italians pour EUR 3,5 m in clothing plant in Novi Pazar (South Serbia)

Serbian portal eKapija reports that the Italian company “Moda Campania” will hire three hundred people in Novi Pazar in the next three years while in the first stage 50 most qualified ones will get the job in textile industry., it was communicated at the meeting of the company representative, Angelo Amirati and the mayor of Novi Pazar, Meha Mahmutovic, it was published at the official website of Novi Pazar. The company headquartered in Naples, according to the mayor Mahmutovic, Novi Pazar region was estimated as the most competent one when it comes to clothes production and that after having an insight into production potential, and after the discussion with the minister Rasim Ljajic and the city heads, Moda Campania opted for investing there.

Production of “Bausch & Lomb” solutions is moving to Serbia

As reported by the Serbian Tanjug news agency, the most famous world producer of eye lenses solutions, “Bausch & Lomb” will relocate entire production for European market to Serbia, in the “PharmaSwiss” company. It was announced during the ceremony of celebrating 15 years of successful work of PharmaSwiss in Serbia which more than 500 guests attended.

GM at PharmaSwiss, Dejan Antić, reminded that the company and “Bausch & Lomb” are both members of Canadian corporation Valeant.

“PharmaSwiss” is also planning to take over in early September production of “diclofenac duo” medicine which has currently been produced in Germany. This pharmaceutical form of diclofenac at the Serbian market has existed for more than a decade and it has been in the final stage of obtaining a production permit for almost all the European countries.

Claudio Cesario new President of the Italian-Serbian Business Chamber



Claudio Cesario

Claudio Cesario, president of the Executive Board of UniCredit Bank Serbia, is named a new President of the Italian-Serbian Business Chamber on the annual member assembly.

He took over the function from Andree Siwmoncelli, who performed as the President for the past three years, said the Italian-Serbian Business chamber.

Coca-Cola to invest EUR 3.8 million in new bottling plant in Belgrade

Coca-Cola system in Serbia (Coca-Cola Hellenic and the Coca-Cola Company) is going to invest EUR 3.8 million in production and storage facilities with the aim of putting state-of-the-art juice production plant into operation in Belgrade.

This investment, according to the eKapjia portal, as well as the commissioning of new production line for all sorts of cardboard aseptic packaging of 0.5 and 1.5 liter, will enable the Coca-Cola system to establish the Juice Production Center within the Belgrade-based factory for the needs of previously agreed exports to Montenegro, Bosnia-Herzegovina, Macedonia, Croatia, Bulgaria, Hungary, and Poland. Thanks to this process, another 80 workers will get a job in Belgrade.

Tanjug: EBRD considers EUR 200 million loans for EPS

The European Bank for Reconstruction and Development (EBRD) is considering granting a EUR 200 million loan to the “Electric Power Company of Serbia” (EPS) for financial restructuring, EBRD Country Director for Serbia Matteo Patrone said.

Following the presentation of EBRD’s 2014 transition reports on the premises of the National Bank of Serbia, he said that the procedure for approving that loan had already started, voicing his expectation that it would be finished before July.

- We work with many companies in Serbia and the banking sector, and one of our most significant projects at the moment is the second phase of digitization in Serbia - said Patrone.

According to him, the EBRD contributed about EUR 450 million to Serbia in 2014 and intends to resume this trend in 2015 as well. He added that the EBRD had invested EUR 3.8 billion in Serbia since 2001.

Reporters Without Borders claim: there is state censorship in Serbian media



Executive Director of Reporters Without Borders and one of the authors of the report on freedom of the media in the world Kristian Mir reported that the censorship in Serbia “is not direct, or transparent, but it is easily proven”. Mir said that “the Government in Serbia has a very negative attitude toward press freedom” and that it “stifles critical, free reporting, and uses the pressures on the media, often financial in nature, through advertising, to influence the editorial policy”. He stated that Serbia, as a EU candidate, has to more seriously understand the importance of journalist independence and media freedom.

ALBANIA

Bankers Petroleum agrees to pay \$16.5 mln to BP in out-of-court settlement

Canada-based Bankers Petroleum, which operates the Patos-Marinza heavy oilfield in south-western Albania and is the country's largest foreign investor, has agreed to pay US\$ 16.5 million to U.K giant BP over the unilateral cancellation of a long-term oil supply contract, as reported by Tirana Times.

In a statement Bankers Petroleum said it has reached an out-of-court deal with BP Oil International Limited, the BP's financial services subsidiary, over a

September 2012 lawsuit initiated at the high Court of Justice in London.

“The settlement is for a payment of US\$16.5 million inclusive of all costs and interest,” said Bankers.

BP had filed a lawsuit against Bankers Petroleum in November 2012 and initially sought damages of up to US\$54.2 million for, among other things, the alleged wrongful termination of such agreement. The claim had recently been revalued at US\$37.4 million to reflect movements in oil price since September 2013.

USAID financing program supports agriculture with \$4.7 mln

„Tirana times” reports that one year after its launch, US-AID's AgroCapital programme, has facilitated \$4.7 million of financing for the Albanian agriculture which despite employing around half of the country's

BOSNIA AND HERCEGOVINA

BIH Presidency signs the statement on European commitment

Members of the Presidency of Bosnia and Herzegovina (BIH) signed a statement on the necessary reforms and European commitment, which is in line with the demands of the British-German initiative on BIH progress toward EU. London and Berlin recently demanded a new approach of the EU toward BIH, whose process of Euro-integration is at halt. The statement claims that the institutions on all levels of governance of BIH will include in their work programs reforms necessary for accession to the EU. Implementation of mechanisms for coordination of all levels of governance of BIH in the EU accession process was also announced.

Bulgarian Businesses Operate at Increased Debt Levels

Bulgarian businesses have continued accumulating in unpaid debts over 2013, thus reaching BGN 171 B at the end of the year, Sofia News Agency "Novinite" reports.

The data has been published in a report by the "Bulgarian Industrial Association" (BIA). According to the information, inter-company loans jumped to BGN 117 B, almost half of which are overdue. The outstanding obligations to banks and other financial institutions amounted to BGN 46,9 B.

Additionally, the registered 1,6% deflation in 2013 practically means that the real debt amounts to BGN 173 B. Chairman of BIA Kamen Kolev pointed out that "the increase of debt itself is not a negative tendency, but the overall economic improvement also needs to be taken into consideration." He added that in the years of economic growth, indebtedness is also rising.

A slight improvement was shown, however, in terms of sales income. The debt to income ratio was 1,38 :1 as compared to 1,57 : 1 in 2009.

Short-term indebtedness increased by 20% in 2013, showing that companies don't have enough working capital.

The slow recovery rates of the EU economy, as well as tedious bureaucratic insolvency proceedings in Bulgaria are reported to make matters even worse.

According to the BIA report local government and municipalities have also accumulated BGN 277 M towards businesses.

A new Croatian president: Barbie wins

After the recent presidential elections in Croatia, "The Economist" writes: "In the fight between Squid and Barbie, Barbie won. Squid is the nickname of Ivo Josipović, Croatia's incumbent centre-left president, who lost a run-off election on January 11th; Barbie is the nickname of Kolinda Grabar-Kitarović, the right-wing candidate and a former foreign minister and sen-



Iliyan Vasilev

In two years Bulgaria will be able to achieve diversification, Iliyan Vasilev, a former Bulgarian ambassador to Russia and currently an energy expert, has said. Speaking on an event presenting a report on Russia-Turkey relations held in Sofia, Vasilev argued links with Romania and Greece could be used to this end, but denied to give further details, "Novinite" agency reports.

"A country like ours with 2.b billion [cubic meters of gas, probably the amount consumed per annum are so easy to diversify that it's not even worth," he declared. Bulgaria is currently building gas links with most of its neighbors, but construction has been delayed for years. The report prepared by Dimitar Bechev, a senior research fellow at the London School of Economics, concludes that in the long-term cooperation between Turkey and Russia in the energy sector will be marked by their diverging interests. On the present state of relations, it notes: "What we are witnessing looks more like a marriage of convenience than a fundamental realignment or the emergence of an "axis of the excluded""

ior NATO official. Ms Grabar-Kitarović won, but she inherits a country that is sharply divided." It also adds: "She promises to be the president of all Croats. Yet a churlish prime minister, Zoran Milanović, has declared that his centre-left government is all that stands between the people and the return of "that criminal group", meaning the right-wing opposition Croatian Democratic Union (HDZ) that backed Ms Grabar-Kitarović"



More jobs in public sector as Croatian economy sinks

As reported by the "Croatian Times" the Croatian public sector continues to employ people despite the recession that has hit the country during the last six years. Business weekly Lider has reported the number of people employed in public sector has risen by 6 percent since 2008. At the same time the total number of employed people in the country has fallen for 10 percent. The private sector has experienced the job losses of 16 percent since 2008. The rise in employment in the public sector is seen as a disaster for Croatia's economy but also as part of political games where political parties secure jobs for their members. Critics say that pushes the country into deeper crisis.

MACEDONIA (FYR)



Macedonian companies are expanding cooperation with companies from Bulgaria

As reported by Macedonian "Kurir", several Macedonian companies taking the part in the recent Bulgarian Economic Forum in Sofia will enlarge the business cooperation with Bulgarian firms. Managers of Alkaloid, Ading, Swisslion, Zara Logistics and Ariljemetal will hold Thursday B2B meetings with a number of Bulgarian companies. The Macedonian-Bulgarian Chamber of Commerce (MBCC) met with the leadership of the Turkish-Bulgarian Chamber of Commerce and Industry, which includes companies that have a significant share in the US\$4 billion trade exchange between the two countries.

Swiss company invests 1.5 billion Euro in Šibenik area

A Swiss company, according to "Croatian Times" is set to invest 1.5 billion Euro in a tourism project in southern Croatian town of Šibenik. Croatian television HTV has reported the Swiss company "TFI Holding" has invested 60 million Euro in purchasing the land in Zablace at outskirts of Šibenik preparing their project.

"We are prepared to invest in the entire settlement of Zablace", "TFI Holding" official Jean-Paul Uldry has commented to HTV saying the work on the project for seven years already. Building works are expected to start before the end of the year when the urbanization plan of Zablace could be completed. The Swiss company would practically build an entire new part of the town for 2,500 people. The project will include hotels, villas, marina, but also medical services, kindergartens, etc.

Exported goods with value of 4,143 billion dollars in the first ten months of the year

In the first ten months of this year, Macedonia exported goods worth 4,143 billion dollars and imported goods worth 6,088 billion dollars, announced the State Statistical Office.

Import coverage by export is 68.1 percents, and the trade deficit was 1,945 billion dollars.

Highest participation, according to the SSO, have catalysts with precious metal or precious metal compounds, nickel, sets of ignition wires and the like, for vehicles, aircraft or ships, iron and steel products (flat-rolled products) and clothes. In imports, however, mostly present are crude oil, platinum and platinum alloys, unwrought or in powder, electricity and other metals of the platinum group and their alloys, unwrought or in powder form.

Most goods are exported from Macedonia in the European Union, even 76.8 percents followed by the Western Balkan countries with 13.9 percents. Member States of the EU, also performed and bulk import of goods in Macedonia or 64 percents, followed by the not-mentioned countries with 11.7 percents.

In the first ten months of this year, Macedonia's mostly traded with Germany, Great Britain, Greece, Serbia and Italy and has realized 52 percents of the total foreign trade.

MONTENEGRO

Chinese "Ningbo" constructs Business park in Bar



Recently the port towns of Ningbo and Bar signed a memorandum on economic cooperation. President of Bar municipality Zoran Srzentic announced that the Chinese CCCC company, that will construct the highway in Montenegro, will also be engaged in construction a Chinese industrial business park in Bar. China has 15 such distributive centers worldwide, and the newest, planned in Bar will be 16th.

Montenegrin imports five times bigger than exports

"Independent Balkan News Agency" reports that Montenegro's foreign trade in the previous year amounted to over 2.1 billion euros. This by 1.3% percent less than in 2013. The foreign trade balance of Montenegro is still extremely negative. In the previous year, imports of goods in Montenegro were five times bigger than export. Compared to 2013, Montenegro's exports dropped by 10 percent. The total foreign trade of Montenegro for the period January-December 2014, according to preliminary data from the National Statistics Agency, amounted to 2 billion 121.7 million euros.

Compared to 2013 the foreign exchange decreased by 1.3 percent. During 2014 Montenegro exported 338 million euros worth of goods, down 10 percent compared to the same period in 2013. On the other hand, the value of imports were 783.7 billion euros, which is more by 0.6 percent compared to the same period in 2013. According to these data, it can be seen that Montenegro imported five times more products than it exported. Products that Montenegro exports could be categorized as raw materials. These are mainly non-ferrous metals, iron and steel and wood products in the amount of 82.8 million euros. When it comes to imports Montenegro for many years puts money aside for importing food. During last year, 397.7 million euros were spent for meat, cereals, dairy products, fruits and vegetables, sugar and coffee. Of the total figures 122.5 million euros was allocated for meat and meat products, whereas 55.6 million euros was given for grains. The highest foreign-exchange Montenegro recorded with Serbia. In 2014 Serbia exported from Montenegro 80 million euros worth of goods. For the import of goods from Serbia most of the money – 147 million euros – was allocated for food. The total imported goods of Serbia was worth 480 million euros, and Serbia is the single largest foreign trade partner of Montenegro. Kosovo is the only country in the region with which Montenegro has a positive trade balance. Last year Montenegro exported 21.3 million worth of goods to Kosovo, mostly food and raw materials such as wood. On the other hand, Montenegro imported from Kosovo 3.3 million euros worth of goods. Montenegro's foreign trade in 2014 was the largest with the CEFTA countries agreement and European Union member-states.

SLOVENIA

Outdated tolls on trucks causes damage for Slovenia

Due to the outdated way of charging tolls for transport vehicles, Slovenia annually loses between 80 and 100 million EUR. That suits domestic transport companies, who pressure that the current system isn't changed, Ljubljana daily newspapers "Dnevnik" reports.



The road tolls for passenger vehicles is charged through compulsory vignettes, with high penalties for drivers who do not possess them, while the transport vehicles pay toll in the old fashioned, classical manner, through toll booths. The drivers who are familiar with the local area use their knowledge to their advantage and drive for free on some roads.

Slovenia has a total of 607 km of highways, and transport vehicles can be driven without paying the toll on 423 km of highways, the journalists of "Dnevnik" calculated. They added the length of the sections where toll booths do not exist, and the sections of highways where the toll booths can be avoided by temporary usage of local roads.

They also list the opinion of the traffic experts who claim it is intolerable that the state is unable to fix the "hole in the system" that allows transport vehicles to drive for free, even eight years after implementing vignettes. They also remind that the transport traffic causes much higher

pollution than passenger vehicles, and that the state loses great funds by tolerating this.

Slovenian company "Hidria" delivers engine heaters for Peugeot Citroen

After agreement with banks on financial restructuring, Slovenian company Hidria started making new deals, one of the last is with multinational company Peugeot Citroen, totaling EUR 30 m.

Hidria AET will deliver to French Peugeot Citroen, the second biggest producer of diesel engines in the world, heaters for their main diesel engine DV5R". Apart from the contract totaling EUR 30 m, in order to increase company sales, according to the opinion of the Executive Manager at Hidria, Iztok Seljak, it is also important that Hidria slowly becomes the leading world producer in that segment.

GREECE



Greece between the support and blackmail over its debt

By visiting Paris on February 1st the new Greek government started a tour of European countries in order to obtain support for its proposal to ease Greece's debt payment. The wind in the sails of the initiative was surprisingly given by the US President Barack Obama who shares the opinion of several prominent economists that people should be more lax toward the country in crisis and work on stimulating growth. Others, however, warn that concessions toward Greece could initiate a chain reaction

in Europe, that is, encourage other countries facing difficulties to demand similar treatment.

Metro concludes sale of Greek cash and carry business

As reported by the British "Reuters", Metro said it had concluded the sale of its MAKRO Cash & Carry business in Greece to Sklavenitis. Last year Metro said it had agreed to sell nine cash and carry stores, with an enterprise value of around 65 million euros.

The transaction will in addition enable METRO GROUP to invest into its future growth and also further strengthen its balance sheet. "We will continue to invest into the focus and expansion countries of METRO Cash & Carry, but also into strategically important, customer-oriented projects like the multi-channel business and thereby secure our long-term growth", stressed Olaf Koch.

METRO GROUP started its wholesale business in Greece back in the year 1992 reaching nine wholesale stores with around 1,000 employees across the country. The national subsidiary generated sales of €301 million in the pro forma financial year 2012/13. With the acquisition of MAKRO Cash & Carry Greece, Sklavenitis plans to make an inroad into the wholesale business and thereby extend its present portfolio of around 110 retail locations.

HUNGARY

Reuters: Sberbank plans to sell Hungarian units

Russian Sberbank is reportedly preparing to sell its Slovakian and Hungarian branches, international news agency Reuters said citing Czech newspaper Lidove Noviny.

According to Reuters, Czech-Slovak investment group Penta, Italy's UniCredit and Hungarian OTP are interested in buying the Slovakian units. The Czech daily said that units of the country are currently not for sale, however the "deal is already being prepared in Hungary and Slovakia".

Sberbank had assets of €1.6 bln in Hungary at the end of 2013, ranking the bank among smaller players in the market, Reuters said.

Reuters added that Sberbank and its representatives declined to comment on the matter. In December, Reuters, citing sources close to the bank's Russian office, reported that Sberbank was planning to sell two units, but had no buyers.

Hungarian consortium develops optical distance meter

The consortium of Hungarian computer technology firm Profitrade 90 and the Budapest University of Technology's BME-Infokom Innovator Nonprofit have completed research for a single-camera optical distance measurement technology and development of related smartphone applications from nearly HUF 273.3 mln with a European Union grant of HUF 196.1 mln, the company told Hungarian news agency "MTI".

Profitrade 90 employs on average 30-35 people. It had after-tax profit of HUF 13 mln on revenue of HUF 105.6 mln in 2013.

Profitrade told MTI earlier that it expects the financial results of the investments of recent years to be reflected in this year's books, but most definitely in the reports of the coming years.

ROMANIA

Romania better than Bulgaria in judicial reform

Serbian EurAktiv reports that the Bulgarian progress in reform of judicial system and fight against corruption and organized crime was slow in the past year, while Romania progressed in many fields and the signs of sustainability of the reforms are showing, according to the European Commission. The Commission criticized Bulgaria for not resolving the issues of random assignment of cases and naming for important judicial positions in a trustworthy manner, and that the fight against corruption and crime isn't conducted in a comprehensive and strategic manner. In Romania, high degree of inconsequence in court decisions has been noted as a problem, and it is estimated that many judicial questions still remain open. Large majority of Bulgarian and Romanian citizens considers that EU is a positive influence on the judicial reform and fight against corruption and wish for their countries to achieve the standards comparable to other EU member states in these fields.

Carrefour expansion plans in Romania for 2015

Carrefour Romania will open on the 23rd of April the 10th hypermarket in Bucharest. The store will be located in Mega Mall shopping center, built by the investment fund NEPI and will have an area of 10,000 square meters. Construction works for Mega Mall started in February last year and currently the main retailers have already started setting their stores.

"Mega Mall is currently in the last phase of construction, being built by over 2,000 workers. From a total built area of 210,000 square meters, 72,000 represent leased space. The surface is occupied almost entirely and for the few remaining small spaces available, there is a waiting list for potential retailers" said company representatives.





Brussels doesn't like the „Turkish Stream“ either

Belgrade newspapers „Politika“ reports that only a few hours after the Russian „Gazprom“ company announced that the „Turkish Stream“ will be constructed along the route of the original „South Stream“, once again confirming its intent to offer gas to Europe on the border

of Greece and Turkey, official Brussels announced its dissatisfaction with such arbitrariness of Russia, with an unhidden invitation to the EU countries to boycott the Turkish-Greek hub.

As an alternative, official Brussels would prefer that the countries of Southeastern and Central Europe create a gas interconnection between themselves, instead of linking to the Gazprom's new pipeline with Turkey, without explaining which other source the EU could use for gas.

It is obvious that Brussels has problems with everything that in any way can be connected with the words „Russia“ or „Putin“. The Brussels' policy of keeping the small European states of Southeast Europe in a sort of constant blackmail regime in an attempt to thwart their trade and economic cooperation with Russia.



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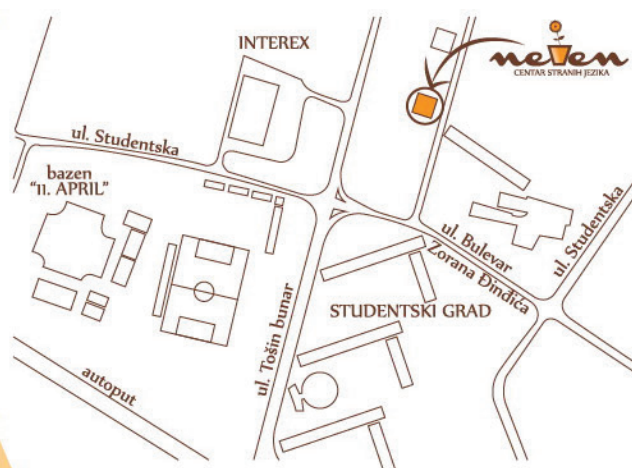


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





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FUEL PRICES COMPARISON IN SEE REGION (EUR):

COUNTRY		CURRENCY	95	98	DIESEL
	Bosnia and Herzegovina	BAM	1.19	1.22	1.20
	Bulgaria	BGN	1.45	1.65	1.40
	Croatia	HRK	1.50	1.52	1.49
	Macedonia	MKD	1.24	1.26	1.22
	Montenegro	EUR	1.34	1.36	1.30
	Slovenia	EUR	1.58	1.60	1.60
	Serbia	RSD	1.24	1.26	1.24











Source: tcs.ch

CORPORATE INCOME TAX RATES IN SEE REGION:

COUNTRY		2008	2009	2010	2011	2012	2013	2014
	Albania	10	10	10	10	10	10	15
	Bosnia and Herzegovina	10	10	10	10	10	10	10
	Bulgaria	10	10	10	10	10	10	10
	Croatia	20	20	20	20	20	20	20
	Hungary	16	16	19	19	19	19	19
	Macedonia	10	10	10	10	10	10	10
	Montenegro	9	9	9	9	9	9	9
	Romania	16	16	16	16	16	16	16
	Slovenia	22	21	20	20	18	17	17
	Serbia	10	10	10	10	10	15	15

Source: Eurostat

SOCIO-DEMOGRAPHY COMPARISON IN SEE REGION:

COUNTRY		POPULATION DENSITY 2013	GLOBAL PEACE RANKING 2014	GENDER GAP RANKING 2014
	Albania	96	65°	83°
	Bosnia and Herzegovina	75	61°	-
	Bulgaria	65	32°	22°
	Croatia	76	26°	55°
	Hungary	106	21°	93°
	Macedonia	81	87°	70°
	Montenegro	45	55°	74°
	Romania	84	35°	72°
	Slovenia	102	14°	23°
	Serbia	81	52°	54°

Source: Countryeconomy.com

SOUTHEAST EUROPE RAILWAYS: MUST DO BETTER AND IMPROVE INTERGOVERNMENTAL COOPERATION

Problems in the railways sector in the largest part of Southeast Europe are so numerous that not even those who are in charge of often do not know where to start. Forming of a „Rail Cluster SEE“ in November could change the current negative trend in interregional cooperation.

Author: BSN Team

Main characteristics of the railway situation in Southeast Europe are: large financial problem of national railways who are simultaneously marked with high influence of politics and nepotism, horrible condition of the infrastructure, large drop in passenger traffic, even more significant drop of transport, aging of the cars, minimal investments in the modernization and electrification, deficit in the intergovernmental cooperation, deficit in the education system, slow harmonization with the EU legislation and many others. If we were to continue listing all of these, this list would gain a respectable length. Some economists are known to say "do not come to me with problems, but with solutions". However, before the basic and priority issues are identified in detail, it is difficult to find right solutions for them. Simply said, the problems in the railway sector in the largest part of Southeast Europe are so numerous that not even those who are in charge of often do not know where to start.

When we look at the real situation we see that there is currently only one train that connects Croatia and Western Europe with Serbia, and only one that connects Hungary and Serbia. There are no international trains from Bosnia and Hercegovina (BIH), or trains for Sofia, Istanbul or Bucharest. Greece has, on several occasions, suspended all international trains due to financial losses. Croatian railways suffer massive losses on international lines. The list goes on.

Largest investments are connected to the revitalization of railway lines. For example, according to the official information, it is possible to reach speeds of 100 to 120 km/h on only 2.5% of the railway network in Serbia. One quarter of trains in Serbia reaches a speed of only 30 km/h. Other countries aren't much better. This implicates that there is no real market in the railway sector of Southeast Europe, there is no market competition, and the organizational level is at a minimum. It is unnecessary to even speak of safety: on 5,500 km of Serbian railways there are a total of 2,374 crossings, only 470 of which have ramps. The others, as written by „Dnevnik“, are secured mostly by signalisation, but due to theft of signposts and other form of signalisation many have no protection at all, and the pedestrians and vehicles play a sort of „Russian roulette“ when crossing them. Few know that the cost of one signalisation device, operated by a railway worker, is about 120,000 EUR, while the cost of signalisation on a railway crossing is around 150,000



to 200,000 EUR. Due to high maintenance, it is possible only to equip several crossings each year, naturally, if the funds are found, which is getting increasingly difficult for the national railways in the crisis years. If we speak of locomotives and cars, their average age in the region is over 25 years, so it is impossible to speak of „safe trips“ in the west-European sense.

Certain countries, like Serbia, have an additional problem: Although their national railways are obliged to pay the usage of international infrastructure, foreign trains entering the country do not pay the same taxes, as they are still not put in the Serbian legislation.

SEETimes previously reported that the railway lines toward west Balkans and Europe were cancelled after the Croatian railway introduced annual taxes amounting to 700,000 EUR for the usage of infrastructure, which is too expensive for Serbian and Bosnian railways. Average annual fee in other countries is somewhere in between 800,000 and 1,000,000 EUR. Professor at the Faculty of Transport of Belgrade University, Nebojsa Bojovic, said for the same media that the government should do more to support railway system. Bojovic claims that the countries should work together in advancing the regional railways. According to him „isolated and small railway networks in the Balkans cannot be efficient“. He claims that „there is only one solution – opening of the market. What we need is harmonisation of the railway system in order to reach the effect and increase efficiency“.

Is the recent announcement of the construction of „high-speed rail“ between Belgrade and Budapest, probably the most significant section in this part of Europe, some light at the end of the tunnel, no matter how weak? According to the participants in the future project, Serbia, Hungary and China (which entered this project due to its interest to transport its goods from the port of Piraeus to Central Europe by rail), there is hope. Serbia has already received an affordable loan from Russia for the larger part of reconstruction. The alternative to this project is a gloomy stagnation in the present in which this section between two capital cities of Serbia and Hungary, some 380 km in length, is in such condition that trains take up to 40 hours to cross it. The statement of one of the frequent passengers on this line from Novi



Sad is highly interesting: „Railway traffic isn’t advertised enough, and it is supposed to be a backbone of regional transport, as it is cheaper than bus or automobile. The railways everywhere in Europe are comfortable, efficient and safe, while our trains are always late, are dirty and dangerous. On the Balkans, the trains are intended for those who do not have other options and have no money, and have a lot of time“.

However, closer interregional cooperation could change the current situation in the national railways. For something like this, it is necessary for them to get organised better and improve their cooperation. A large job in that sense is undertaken by a regional association from Belgrade, „Business Support Network“ (BSN: www.bsn.rs) that is planning to organise a large regional meeting for the national railways and companies that cooperate with the railways later in the year. The idea is simple, the conference itself will be a stepping stone for the formation of the regional railway cluster „Rail Cluster SEE“, which would function as a part of BSN at first. The activities of the future cluster will mainly be based on the formation of quality databases, international and interregional cooperation, annual conferences, coordination of national railways for active participation in joint activities, and finally, intensive cooperation and communication with local municipal governments in the region.

Future cluster will have eight strategic goals:

- modernisation of railway system in the region;
- harmonisation of standards of railway system in the Southeast Europe;
- increase of productivity and competitiveness on the

international market;

- improved external image and better positioning in EU and Brussels;
- lobby and PR activities in the EU for improved financial support of the national railways in the SEE region;
- initiation of implementation of innovative technologies in SEE railways and increased transparency of the processes;
- synchronisation of laws and regulations in the region with the EU legislation, enabling more intensive passenger and cargo transfer in this part of Europe;
- development of public-private partnership in the railway sector in the region;

As an operational coordinator, and on the initiative of several of its members, BSN plans to organise, together with partners and other founders a large regional Cluster Conference in the second half of 2015, which will also be used to elect the cluster managing bodies.

The conference will be used to present the activities of the Rail Cluster SEE to the public and regional media. The members of the cluster will be regional national railways, their suppliers and subcontractors and the companies using their services.

When speaking about the railway clusters in Europe, the SEE region was a „black hole“. However, it is obvious that the daily needs for the cooperation within the SEE region outweigh the other factors.

Therefore, we will be witnesses to something that should have happened in the region a long time ago: regional institutionalisation of the railway sector. Let us hope that this idea will be officially supported through the attendance of the representatives of the national railways, Brussels and numerous companies, media and experts.

The reason is simple – the formation of this cluster is in the economic interest of whole Europe!

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BAHNGESELLSCHAFT IN SÜDOSTEUROPA: ES MUSS BESSER LAUFEN UND MIT BESSERER ZWISCHENSTAATLICHER ZUSAMMENARBEIT

Es gibt so viele Probleme betreffend der Bahngesellschaft in den meisten Ländern Südosteuropas, dass sogar diejenigen, die für ihre Lösung zuständig sind, häufig nicht wissen, wo sie anfangen sollen. Mit der Gründung des „Rail Cluster SEE“ im November dieses Jahr könnte dieser negative Trend in der interregionalen Zusammenarbeit aufgehalten werden.

Von: BSN Team

Hauptmerkmale des Zustands, in dem sich die Bahngesellschaft der südosteuropäischen Länder befinden, sind folgende: große wirtschaftliche Probleme der nationalen Bahngesellschaft, politische Einmischung und Nepotismus, schrecklicher Zustand der Gleise, Abnahme des Personenverkehr-Volumens und noch wesentlichere Abnahme des Güterverkehr-Volumens, veraltete Waggon, minimale Investitionen in Modernisierung und Elektrifizierung, Mangel an zwischenstaatlicher Zusammenarbeit, Mängel im Ausbildungssystem, langsame Anpassung an EU-Gesetze und vieles mehr. Diese Liste würde eine beachtliche Länge erreichen, wenn wir mit der Aufzählung fortsetzen würden. Einige Wirtschaftswissenschaftler sagen gerne: „Kommen Sie mir nicht mit Problemen, sondern mit Lösungen“. Zuerst müssen jedoch die Grund- und Hauptprobleme identifiziert werden und erst dann kann man die richtigen Lösungen dazu finden. Einfacher gesagt, in den meisten Ländern Südosteuropas gibt es betreffend der Bahngesellschaft so viele Probleme, dass auch diejenigen, welche für die Lösungen zuständig sind, oft nicht wissen, wo sie anfangen sollen.

Betrachtet man den realen Zustand, so erkennt man, dass es nur eine Linie gibt, die Kroatien und Westeuropa mit Serbien verbindet; und nur eine, die Ungarn und Serbien verbindet. Es gibt weder internationale Züge aus Bosnien und Herzegowina, noch nach Sofia, Istanbul oder Bukarest. Wegen finanzieller Verluste hat Griechenland schon mehrmals alle internationalen Bahnlinien eingestellt. Kroatische Bahngesellschaft verzeichnen erhebliche Verluste bei internationalen Linien.



Am meisten wurde in die Revitalisierung der Bahnen investiert. Laut offiziellen Angaben kann die Geschwindigkeit von 100 bis 120 km/h beispielsweise nur bei 2,5% des Bahnnetzes erreicht werden. Ein Viertel der serbischen Züge kann nur eine Höchstgeschwindigkeit von 30 km/h erreichen. In anderen Ländern ist es auch nicht besser. Das impliziert, dass es heutzutage in Südosteuropa in der Bahnbranche keinen wirklichen Markt und keinen Wettbewerb gibt, gleichzeitig befindet sich die

Organisation auf einem minimalen Entwicklungsniveau. Über die Sicherheit im Eisenbahnverkehr braucht man gar nicht erst reden: auf 5.500 Kilometer serbischer Bahnen gibt es 2.374 Bahnübergänge und nur 470 davon haben Bahnschranken. Laut der serbischen Zeitung „Dnevnik“ verfügen die anderen meistens nur über Blinklicht. Durch häufige Diebstähle von Warnkreuzen und anderen Signalanlagen sind heute viele Bahnübergänge völlig ungesichert und wenn Fußgänger und Fahrzeuge diese überqueren, spielen sie sozu-

sagen russisches Roulette. Nur Wenige wissen, dass die Errichtung einer vom Bahnangestellten betriebenen Signalanlage etwa 120.000 Euro kostet und dass für die Sicherstellung eines Bahnübergangs durch Errichtung von Signalanlagen zwischen 150.000 und 200.000 Euro nötig ist. Da die Wartung teuer ist, ist es in den Ländern Südosteuropas nur möglich, einpaar Bahnübergänge jährlich auszurüsten – vorausgesetzt, finanzielle Mittel wurden vorher beschaffen, was in der heutigen Zeit der Weltwirtschaftskrise für die nationalen Bahngesellschaften und die Firmen, die für die Bahnübergänge zuständig sind, in diesen Ländern immer schwerer realisierbar wird. Lokomotiven und Waggons sind im Durchschnitt über 25 Jahre alt, so dass man von Reisesicherheit, im westlichen Sinne des Wortes, kaum reden kann.

Einige Länder, wie zum Beispiel Serbien, haben noch ein zusätzliches Problem: Obwohl ihre nationalen Bahngesellschaften dazu verpflichtet sind, Gebühren für die Nutzung der internationalen Infrastruktur zu zahlen, bezahlen ausländische Züge, die in Serbien einfahren, keine Gebühren, da das in Serbien gesetzlich noch nicht geregelt ist.

SEETimes berichtete schon darüber, dass Bahnlinien zum Westbalkan und Westeuropa abgeschafft wurden, nachdem die Kroatischen Bahnen eine Jahresgebühr in Höhe von 700.000 Euro für die Bahninfrastruktur eingeführt hatten, was für die serbische und bosnische Bahngesellschaft zu teuer war.

Die durchschnittliche Jahresgebühr in anderen Ländern beträgt zwischen 800.000 und einer Million Euro. Der Professor an der Verkehrsfakultät der Belgrader Universität, Herr Nebojša Bojović, sagte demselben Medium, die Regierung müsse mehr tun, um dem Bahnsystem zu helfen und die Länder müssten bei der Verbesserung der regionalen Bahnen zusammenarbeiten. Herrn Bojović zufolge können isolierte und kleine Bahnnetze im Balkan nicht effizient sein. Er behauptet auch, es gebe nur eine Lösung – Marktöffnung. Was nötig sei, ist eine Harmonisierung des Bahnsystems, um Wirkung und Wirksamkeit zu verbessern.

Ist dank neuerlicher Ankündigungen des Baus einer „schnellen Strecke“ zwischen Belgrad und Budapest, als wichtigste Strecke in diesem Teil Europas, ein schwaches Licht am Ende des Tunnels zu erkennen? Laut Ankün-

digungen der zukünftigen Projektteilnehmer, Serbien, Ungarn und China (das diesem Projekt aus dem Interesse beigetreten ist, seine bis nach Piräus zugelieferten Waren mit der Bahn in die EU-Länder weiter zu transportieren), gebe es Hoffnung.

Russland bewilligte Serbien bereits einen günstigen Kredit für den Großteil des Wiederaufbaus. Die Alternative zu diesem Projekt stellt ein düsteres Verweilen in der Gegenwart dar, wo Züge 40 Stunden brauchen, diese 380 Kilometer lange Strecke zwischen den Hauptstädten Serbiens und Ungarns zurückzulegen.

Interessant ist die Aussage eines auf dieser Strecke Vielreisenden: „Der Bahnverkehr wird nicht genug beworben und sollte eigentlich die Säule des regionalen Transports darstellen, da er günstiger als Bus oder PKW ist. Züge sind in ganz Europa bequem, hochwertig und sicher, während unsere Züge immer mit Verspätung kommen, schmutzig und gefährlich sind. Auf dem Balkan sind Züge nur für diejenigen, die keine andere Wahl oder kein Geld haben, aber Zeit zum Verschwenden.“

Eine engere interregionale Zusammenarbeit könnte jedoch die jetzige Situation ändern. Die nationalen Bahngesellschaft müssen aber besser organisiert sein und besser zusammenarbeiten. In diesem Sinne hat der regionale Verein aus Belgrad „Business Network Support“ (BSN: www.bsn.rs) die Pionierarbeit auf sich genommen. Im November dieses Jahr veranstaltet er eine regionale Versammlung für nationale Bahngesellschaft und Unternehmen, die irgendeine Zusammenarbeit mit der Bahnbranche anstreben. Die Idee ist ganz einfach, die Konferenz soll als Sprungbrett für die Gründung eines regionalen Clusters unter dem Namen „Rail Cluster SEE“ fungieren, das anfangs im Rahmen des Vereins BSN arbeiten wird. Die Aktivitäten des zukünftigen Clusters werden grundsätzlich aufbauen auf der Bildung guter Datenbasen, internationaler und interregionaler Zusammenarbeit, großen regionalen Jahreskonferenzen, Koordination nationaler Bahnen für die aktive Teilnahme an allen gemeinsamen Aktivitäten, sowie auf der Annäherung an oder Erfüllung von strategischen Zielen des Clusters, und letztendlich auf der Zusammenarbeit und intensiver Kommunikation mit lokalen Verwaltungen in der Region.

Das zukünftige Cluster wird insgesamt acht strategische Ziele haben:

- Modernisierung des regionalen Bahnsystems;
- Anpassung der Standards von Bahnsystemen in Südosteuropa;
- Verbesserung der Produktivität und Konkurrenzfähigkeit auf dem internationalen Markt;
- besseres außerregionales Image und bessere Positionierung vor der EU und Brüssel;
- Lobby - und PR-Aktivitäten in der EU für bessere finanzielle Unterstützung nationaler Bahngesellschaft in der SEE-Region;
- Initiierung der Einführung innovativer Technologien bei den Bahnen der SEE-Region, sowie größere Transparenz im Rahmen dieser Prozesse;
- Synchronisierung der Gesetze und untergeordneten Akte der Region mit der EU, die einen intensiveren Personen- und Güterverkehr in diesem Teil Europas ermöglichen;
- Entwicklung einer staatlichen und privaten Partnerschaft im Rahmen des Bahnsektors in der Region;

Auf Initiative mehrerer Mitglieder ist BSN zum operativen Koordinator im Gründungsprozess des Eisenbahn-Clusters in Südosteuropa geworden und dementsprechend wird dieser Verein am 22. April dieses Jahres

in Belgrad, in Zusammenarbeit mit seinen Partnern und Gründern, eine große regionale Konferenz veranstalten, wo auch die operativen Organe des Clusters gewählt werden.

Der Öffentlichkeit und den regionalen Medien werden auf dieser Konferenz die Aktivitäten des „Rail Cluster SEE“ vorgestellt, dessen Mitglieder sowohl alle regionalen nationalen Bahngesellschaft als auch alle Unternehmen sein werden, die irgendeine Zusammenarbeit mit der Bahnbranche anstreben.

Was die Bahn-Cluster in Europa betrifft, war die Region Südosteuropas in diesem Sinne ein „schwarzes Loch“. Jedoch ist offensichtlich, dass der tägliche Bedarf nach einer regionalen Zusammenarbeit überwogen hat, so dass wir bald Zeugen dessen sein werden, was in diesem Teil Europas schon längst hätte eintreten müssen: eine regionale Institutionalisierung im Bahnsektor. Hoffen wir, dass diese Idee auch offiziell durch das Kommen zahlreicher Vertreter nationaler Bahngesellschaften, Brüssels und vieler Unternehmen unseres Kontinents, sowie von Medien und Experten unterstützt wird.

Aus einem einfachen Grund: die Gründung dieses Clusters ist im wirtschaftlichen Interesse ganz Europas!

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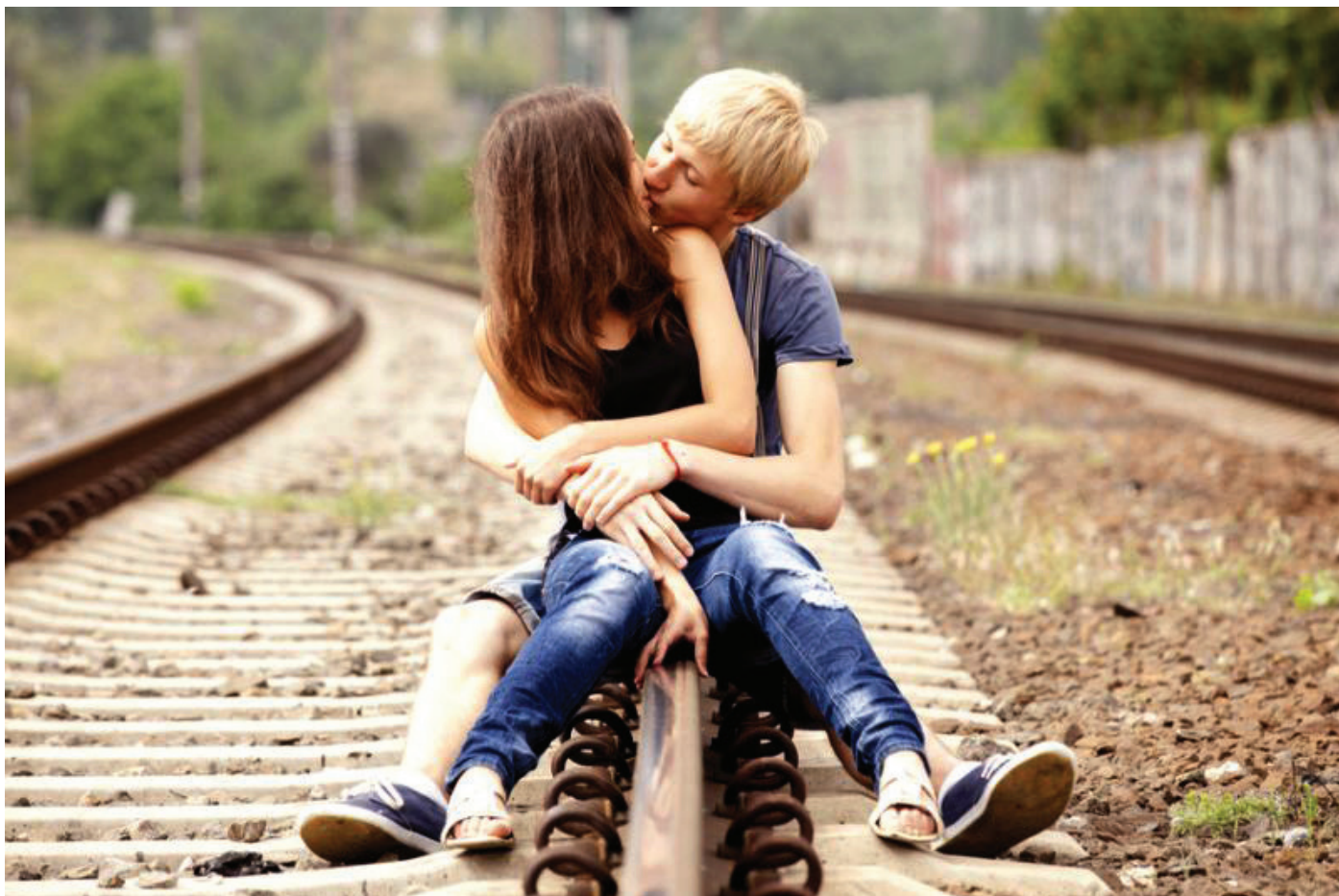
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National railways in SEE region



COUNTRY	FOUNDED	NUMBER OF EMPLOYEES	THE RAILWAY NETWORK (KM)	RAILWAY ELECTRIFICATION SYSTEM (KM)
Serbia	1881	17.078	3.809	1.279
Slovenia	1991	8.900	1.229	503
Croatia	1991	5.500	2.468	1.000
BiH (Federation)	2001	3.800	606	400
BiH (Republic of Srpska)	1992	3.300	425	340
Montenegro	1999	850	250	225
Macedonia	1991	1.800	925	315
Hungary	1869	38.000	7.606	4.594
Romania	1880	52.000	11.380	2.467
Bulgaria	1885	17.800	4.150	2.863
Albania	1947	1.800	424	-
Greece	1971	1.780	2.550	800

RAILWAY SERBIA (“ŽELEZNICE SRBIJE”) TO BE REFORMED IN THE NEXT THREE YEARS



Work group of Railway Serbia adopted the project task for development of the Study for corporate and financial company restructuring, the state secretary at the Ministry of construction, traffic and infrastructure, Dejan Trifunovic said and announced that the study will end by August.

After the meeting of the work group at the Government of Serbia, he said the study will be the basis for implementation of reform at Zeleznice Srbije in the next three years.

General estimation is that the process is running the way it was defined in the memorandum of cooperation of Serbia with the International monetary fund, Trifunovic outlined.

As he said, the Ministry in cooperation with all interested parties, prepared the draft of the founding documents for three separate companies – passenger and freight traffic and railway infrastructure management.

We discussed it and agreed to get all relevant suggestions by the end of the month so that that they would be adopted within the given deadline. Key things will happen this year from March to June when we should set up three companies, the state secretary said.

He explained that these three companies should define through the contract the future holding and that it is the concept which will be developed in that period.

RAILWAY COMPANIES OF SOUTH-EAST EUROPE SIGNED COOPERATION PROTOCOL

Serbian Railways declare that they signed Cooperation Protocol with other railways companies of SEE region.

30th January 2015 In the signed Protocol fourteen railways companies committed to joint activities and reconciliation of transport, infrastructure and commercial programmes in order to increase transport of goods and passengers in regional railway system.

General Director of Serbian Railways Mr. Miroslav Stojcic said that groups of railways of South-East Europe together have almost 300 000 railway workers. He said also that five from ten European corridors pass through SEE region. His conclusion was that all this railways have strong interest for increasing of income from passengers and goods transport.

Stojcic added that representatives of regional railways agreed about joint coordination of all activities in passenger traffic, goods transporting and further infrastructure developing. They have same goal – that railway transport became leading transport branch in SEE region.

We must use huge human potential in railways personnel of our companies for growth and business efficiency.

Two-days meeting on the "Šargan Eight" gathered representatives of Serbian Railways and railways companies from Turkey, Romania, Greece, Bulgaria, Montenegro, Macedonia and Republic of Srpska. The members of this group are also introduced with changes of international regulations in the railway traffic area.

One of the main issues was integration of pan-European corridor 10 in the network of goods railways corridors. Other issue was cooperation of SERG group with other organizations. Members of this group on the meeting initiated more intensive cooperation with international railway group G4 (railway administration of Hungary, Austria, Croatia and Slovenia).

Host of next meeting of SERG are Serbian Railways.



FIRST MEETING OF BSN MEMBERS AND FRIENDS

What was the one thing in common for over 60 people, and what connects directors and company managers, media representatives, a musician of a cult YU-rock band „S Vremena na Vreme“, mayor of Subotica, a magician, German consultants and representatives of international and domestic institutions? They were all in hotel Prag in Belgrade, attending the first meeting of members and friends of the Business Support Network.



Behind the scenes, the Network took a lot of risks. We wanted to do this meeting in a new, more modern way, and set new standards, as in everything we've done so far. Therefore, we avoided long speeches and wasting time on praising ourselves. The results of four months of activity and plans for the next period were shown in a short five-minute video, after which whole time was dedicated to the guests and good atmosphere. We did

Finally, we hope that we have provided all who attended with a useful, and above all entertaining evening. The next opportunity will happen in March, when BSN is going to prepare a new meeting of its members. Until then, we invite you to use the opportunities to improve your business through following and participating in BSN's activities, be informed and read SEE Perspective, and, of course, keep your spirits up and keep up improving!

something different from the others. Did we go wrong?

It didn't seem that way while a famous musician and composer and a legend of YU-rock scene Ljuba Ninković played his tunes. Neither did it seem that way when the Network decided to assist the representatives of the Ministry of Finance and the Serbian central bank and offer the solution for the end of the crisis which has been plaguing the financial system of this country for years. We decided that we have tried everything and nothing worked – the only thing left was to turn to magic. That is why a magician Igor Trifunov showed the guests the ways in which the financial position of Serbia could be improved.



GOOD PLACE TO DO BUSINESS AND ENJOY LIFE

Large-scale development programs and huge investment projects have already been prepared particularly within energy, transportation and tourism sectors.

Bosnia and Herzegovina is a heart-shaped country located in South Eastern Europe, at the centre of the Balkan Peninsula. With its diverse ethnic make-up, its varied landscapes and climate zones and its long history as a place where different cultures meet and merge, Bosnia and Herzegovina is a unique country where, for centuries, people from all over the world been meeting and exchanging goods and ideas.

The floods in May marked the second quarter of 2014. The damages and losses brought about by these and floods in August and the landslides caused by abun-

dant precipitation were enormous. However, it is very difficult to assess with precision the effects on the country's economic activity and the extent of decline of long-term economic potential of Bosnia and Herzegovina.

There are plenty of investment opportunities in Bosnia and Herzegovina and in a number of sectors: tourism, agriculture and food processing, energy, wood and furniture, mining and metal processing, automotive, ITC. Large-scale development programs and huge investment projects have already been prepared particularly within energy, transportation and tourism sectors.

BOSNIA AND HERZEGOVINA: KEY ECONOMIC INDICATORS

INDICATOR	2008	2009	2010	2011	2012	2013	2014
Nominal GDP (bn EUR)	12.6	12.3	12.7	13.2	13.2	13.4	-
GDP per capita (EUR)	3,289	3,194	3,296	3,432	3,430	3,509	-
Real GDP growth rate %	5.6	-2.7	0.8	1.0	-1.2	2.5	1.5
Indust. production growth rate %	9.2	-3.3	1.6	5.6	-5.2	6.7	-
Annual inflation rate (%)	7.4	-0.4	2.1	3.7	2.1	-0.1	1.5
Annual unemployment rate (%)	23.4	24.1	27.2	27.6	28.0	27.5	27.5
Foreign trade balance (bn EUR)	-4.82	-3.48	-3.33	-3.73	-3.78	-3.47	-
For. currency reserves (mil EUR)	3,219	3,176	3,301	3,284	3,328	3,614	-

Source: Agency for Statistics of BiH, Central Bank of BiH

"Earlier this year WOW gave you 10 reasons to visit Bosnia & Herzegovina and the post went absolutely viral on social media. Why? A picture tells a thousand words... and Bosnia & Herzegovina is one of the most picturesque countries off the beaten path. Fortunately it is still flying very much under the radar – making now the perfect time to visit (but be sure to be quick!)." – World of Wanderlust, The 15 Best Travel Destinations in 2015.

The Tourism sector in Bosnia and Herzegovina has an unusual range of natural, cultural, and historical attractions. These assets, together with the country's geographic accessibility, provide great potential to attract visitors. Foreign tourist arrivals have approximately doubled over the past five years. According to the World Travel and Tourism Council (WTTC) in 2013 total contribution of "Travel and Tourism" to country's GDP was 9.3% and total contribution to employment, including jobs indirectly supported by the industry was 10.7%. The WTRC predicts that the earnings from international visitors and tourism goods could generate 15% of BiH exports by 2019.

There are many fascinating destinations throughout Bosnia and Herzegovina for every type of tourist.

In Bosnia and Herzegovina, one gets the best of both worlds, the East and the West where the most interesting and attractive sites are a wonderful mix of the country's cultural and natural heritage. It is almost impossible to separate them, for it is from this pristine nature that its cultures and traditions evolved.

Why Bosnia and Herzegovina?

- Available natural resources and beauties and attractive locations (lakes, rivers, thermal and mineral springs, agricultural land, wood and mineral resources, etc.)
- Long tradition in different industries (mining and metal procession industry, forestry and wood procession industry, automotive industry, etc.)
- Abundance of industrial zones, attractive sites and available production facilities.
- Strategic geographical location.
- Transparent legal system.
- Low tax rates.
- Highly educated workforce.
- Stable domestic currency BAM pegged to EURO.

INCENTIVES FOR FOREIGN INVESTORS BOSNIA AND HERZEGOVINA STATE LEVEL INCENTIVES		
■ Full National treatment ■ Custom duties relief for equipment ■ Business operation under free zone arrangements		
FEDERATION OF BIH Exemption from payment of corporate income tax <ul style="list-style-type: none"> • first 5 years for investment capital overcome EUR 10 m • for the year when export achieves 30% of total revenue • for the year in which taxpayer employs more than 50% of disabled and / or persons with special needs 	REPUBLIC OF SRPSKA Profit Tax incentives <ul style="list-style-type: none"> • Accelerated depreciation of machinery and equipment over 3 years (40/30/30%) • offset of capital gains or losses possibility • fiscal loss carried over and compensated for by reduction of tax base in 5 years • different possibilities for relief in form of reduction of tax base Incentives under Investment and Employment Support Program.	BRČKO DISTRICT OF BIH <ul style="list-style-type: none"> • Exemption from municipal fees • Reimbursement of different fees and charges • Stimulus to employers in the amount of 50% of total health contributions for newly employed workers <ul style="list-style-type: none"> • Reimbursement of salaries during maternity leave • Reimbursement of costs in the amount of new investments into procuring assets
www.fipa.gov.ba www.fbihvlada.gov.ba	www.investsrpska.net	www.bdcentral.net

Other incentives, such as incentives for tourism development, agricultural subsidies and support projects to SMEs are awarded on the basis of a public which is announced by the competent institution.

THE “DOING BUSINESS IN CROATIA: PROGRESS AND NEW CHALLENGES” CONFERENCE HELD IN ZAGREB

Author: Agency for Investments and Competitiveness, Croatia

On February 3rd 2015 the Croatian Chamber of Economy and the Agency for Investments and Competitiveness, with the support of the World Bank, held a conference on the World Bank Doing Business report. The focal point included current developments, the new methodology of the report, achievements and challenges regarding the Croatian business and investment climate.

The managing director of the Agency for Investment and Competitiveness Damir Novinić, emphasized the importance of implementing of the Doing Business methodology as a tool to improve the business and in-

vestment climate and implement key economic changes. Novinić pointed out that reforms are showing concrete results and have been recognized by the investors. “Compared to Bosnia and Herzegovina and Serbia, we made a major leap and moved up 30 to 40 positions which can be seen as significant progress for Croatia,” said Novinić while also recognizing challenges ahead in relation to the position of other countries in the region such as Hungary, Czech Republic and Poland.

Domagoj Juričić the deputy director of the Croatian Chamber of Economy for international relations



The “Doing Business in Croatia: Progress and New Challenges” Conference held in Zagreb

stressed the importance of legal certainty and policy consistency as a crucial factor for attracting investors and improving the business climate. Referring to the role of the Chamber of Economy Mr. Juričić highlighted its role as a mediator between entrepreneurs and the policy makers. Still, there is need for more frequent public debates, working groups and committees which would bring the concerns of the business community to the forefront. In relation to the Doing Business report he voiced his concern about the perception among the survey contributors noting that it is essential to ensure a realistic overview of relevant legislation and practices.

Senior Private Sector Development Specialist from the World Bank Iva Hamel, emphasized the significant change in ranking on the Croatian Doing Business. Compared with last year's results, Croatia made greatest progress in the area dealing with construction permits, through requirements reduction and fees reduction for building permits and the final construction inspection.

Positively change in regulatory environment cause the change on lower notary fees, making it easier to start the business through the registration of the company, and the progress is registered in the implementation of the new electronic system in customs clearance of goods. "Despite the reported increase, Croatia is still behind the European average according to the report ratings, therefore, it is necessary to further their efforts and long-term approach to reform the problem areas," says Hamel.

Željana Muslim from HITRO.HR presented the improvements and reforms in the area of Starting a business in the Republic of Croatia, while Daniel Meštrić, Assistant Minister for Permits of State Significance from Ministry of Construction and Physical Planning spoke about reforms and e-permit in the area of obtaining construction permits.

According to Meštrić projections, Croatia in the forthcoming report can record significant progress, but the key to success depends on the stakeholders who should recognize the advantages of the new Acts in practice, on which basis will be filled questionnaires for this year's Doing Business report.



Damir Novinić

Croatia moved up 53 places in decade and in the past two years 23 places

In the period from 2005 to 2015 Croatia has moved up 53 places, time for starting a business is shortened for 80%, time for registering property is 92% less, while for obtaining construction permits reduced for 51%.

Of all the countries Croatia recorded its biggest progress in indicator of Dealing with construction permits. In the last years report from October, Croatia took 65th place out of 189 countries, which reported progress for 23 places in the past two years.

BUSINESS SUPPORT NETWORK MEETS WITH MACEDONIAN CHAMBERS OF COMMERCE IN SKOPJE

On February 20, 2015, delegation of Business Support Network held a meeting with the representatives of Macedonian Chambers of Commerce, agreeing upon the cooperation of the two organisations, in order to improve the trade between, and the economic co-operation of the members of two associations.



Macedonian Chambers of Commerce (MCC) is the largest independent business organization in Macedonia. Established as a non-profit organization MCC promotes and represents the business interests of thousands of member companies and connects them with more than 1.000 national, regional and international institutions and organizations.

Two organisations signed the Memorandum of Cooperation, which sets the framework of the two organisations in the activities of mutual interest, exchange of knowledge and information and joint participation in projects of interest for both parties. The agreement was officially signed by Mitko Aleksov, Executive Director of the Chambers of Commerce of Macedonia and Dragoljub Rajić as the representative of Business Support Network.

In addition to signing the agreement, two organisations agreed upon the support of CCM to the upcoming regional railway conference to be held in Belgrade on April 22nd, which will also be attended by Macedonian representatives from the railway sector.

Finally, the two organisations agreed upon the business visit of Serbian businessmen to Skopje, which would be held in the second half of September, and would be jointly organised by CCM and BSN. The business visit would be used to review the current situation in the economic exchange of the two countries, but also to examine possibilities of improving the cooperation of the two countries in the EU Single Market.



Dr Dragoljub Rajić (BSN) and Mitko Aleksov (SSK)

ICT INDUSTRY IN SERBIA

Freelancing is an increasingly popular concept among young educated people in Serbia, especially in creative industries, software development etc. According to elance.com Serbia is among the top 5 countries in Europe based on freelancers' earnings, while the number of freelancers rises by 70% annually.

Author: Serbia Investment and Export Promotion Agency (SIEPA)



There were 1,786 active companies registered for performing ICT related activities with the Serbian Business Registration Agency in 2013. The scope of their activities included software development, consulting services in the field of ICT, computer equipment management, data processing, hosting services, web portal-related services, and other services related to ICT.

Sector's of active indicators (2011 – 2013)			
	2011	2012	2013
Number of active companies	1.496	1.638	1.786
Annual turnover (EUR)	40.905,947	51.074,901	61.985,867
Number of employees	8.312	10.369	11.003

Source: *Countryeconomy.com*

The whole sector employed 11,003 people in 2013 and turned over around €62 million netting €5,083,318 in profit.

Biggest Employers	City	No. of employees
Schneider Electric DMS NS	Novi Sad	686
Asseco SEE	Belgrade	470
PSTech	Belgrade	239
GTECH	Belgrade	183
LEVI 9 Global Sourcing Balkan	Novi Sad	172
Comtrade ITSS	Belgrade	160
Youngculture	Belgrade	127

Source: *SBRA*

The average number of employees is close to 6, which is no wonder since the vast majority of these companies were classified as micro companies, meaning they turn over up to

€700,000, employ up to 10 people on average, and have the value of assets less than €350,000. However, an interesting thing about micro-sized companies is that only 1,381 do have registered employees, whilst only 226 companies from the list have 10+ employees. Since the companies formally not employing a single employee have together earned more than €0.5 million in 2013, it seems that the reported number of employees does not correspond to the actual number of people working for those companies and that there's a lot going on in the freelancing part of the developer's pool or in-formal commissioning. Freelancing is an increasingly popular concept among young educated people in Serbia, especially in creative industries, software development etc. According to elance.com Serbia is among the top 5 countries in Europe based on freelancers' earnings, while the number of freelancers rises by 70% annually. When it comes to income, 546 companies have earned more than €10,000. Together, they employ 9,190 employees (close to 17, one average).

Almost two thirds of all companies registered in the sector are based in Belgrade (1,088), Novi Sad falls far behind with 207, and the same applies to Nis with 72 companies. This discrepancy in favour of the capital doesn't seem that big with reference to the number of employed people – Belgrade based companies employed as many as 7,280 people, Novi Sad (1,894), and Nis (542).

All together, 250 new companies have joined the sector in 2013, which is slightly more than in 2012 (240), and 2011 (229). New companies gave employment to 485 new employees in 2013. Belgrade is also the most vibrant environment when it comes to growing new ICT companies with 157 new companies, giving employment to 318 IT professionals. Most of these new companies were engaged in software development (91).

Number of companies by size in 2013	
Micro	1.670
Small	102
Medium	13
Large	1

Closer Look – Software Development Sub-sector

Software and IT service sub-sectors have become the most challenging markets. System integrators and software companies which recognised the fast growing service market and went for it, achieved success. Additionally, companies that have partnered global IT vendors progressed rapidly thanks to the adoption of international experience and knowledge. The international IT vendors have strengthened their local presence significantly in the past few years by establishing their own companies for global services. Microsoft, Intel, Cisco and Red Hat – each have one of their few global developing centres in Belgrade.

Attracted by its potential, international IT companies are advancing into the Serbian IT market. Local companies will be exposed to a strong globalisation effect, but at the same time the global IT companies will have to localise – meaning that they have to establish their own companies and local offices and employ local workforce.

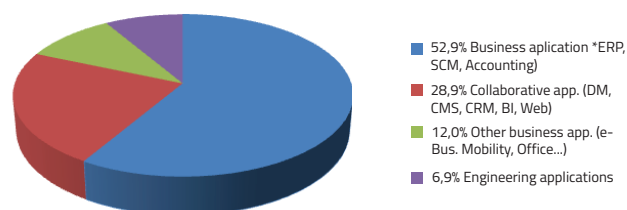
Annual turnover			
Software Development sub-sector		Net profit	
2011	30.828,271	2011	4.104,388
2012	37.102,133	2012	3.931,687
2013	45.896,983	2013	3.645,400

Source: *Countryeconomy.com*

There were 1,255 companies registered for software development (computer programming). This sub-sector earned €45,896,983 in 2013 which is around 75% of the total annual income of the entire sector. It is also the biggest employer in the sector (8,828) and the sub-sector with the largest annual growth rate over the respective period (2011–2013) – around 23%. In 2013, software development companies generated a collective profit of €3,645,400.

Oddly, but this is also the sub-sector with the largest number of zero-employee companies, 261.

APPLICATION SOFTWARE STRUCTURE

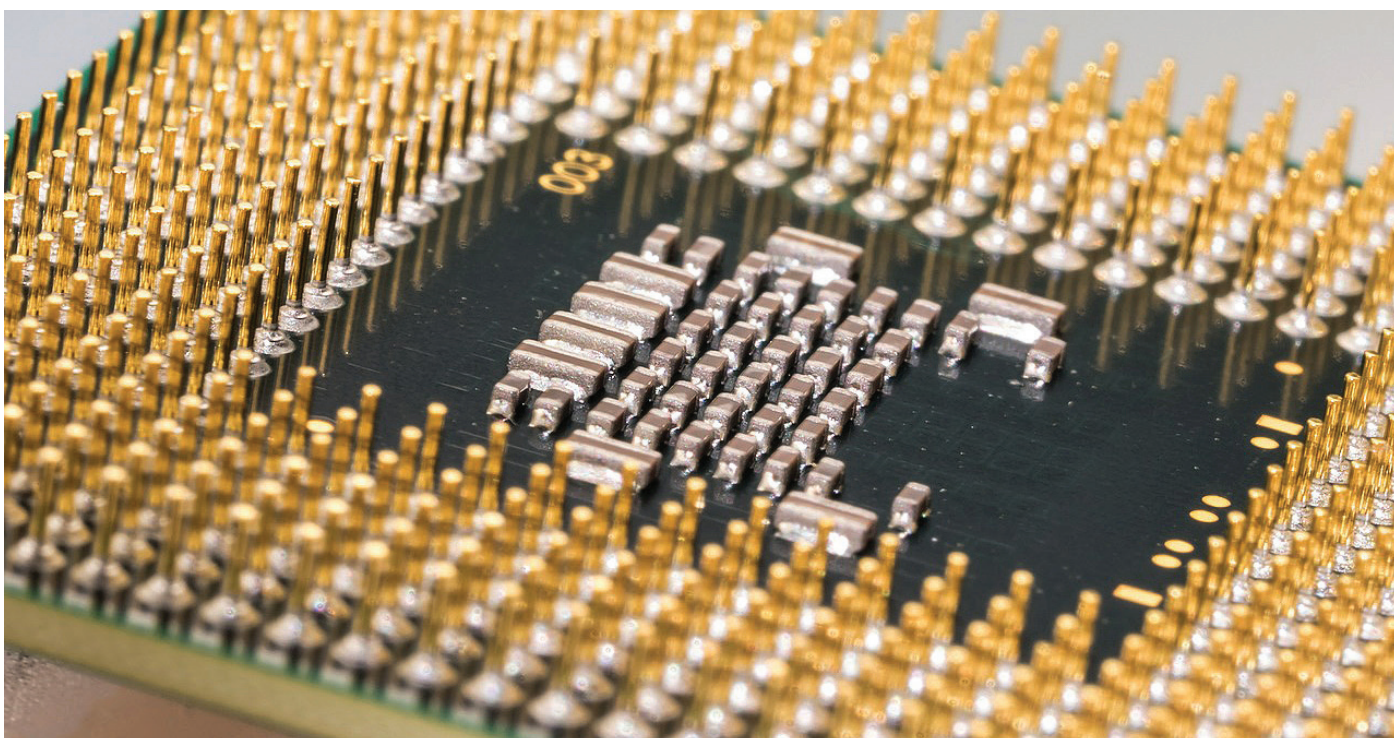


Source: *Mineco 2012*

MACEDONIA: INFORMATION AND COMMUNICATIONS TECHNOLOGY

Macedonia has an excellent supply of well-educated IT experts at among the lowest labor costs in the region. Some 500 IT graduates are produced annually in the Universities.

Author: Invest Macedonia



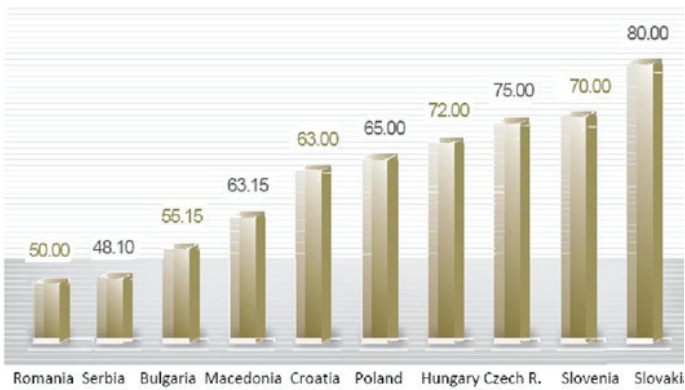
A software engineer with 1 to 2 years experience costs from €500 to €600 net per month. The telecommunications system is first class and is regarded as the best in the region. A number of international companies such as Seavus (Sweden), Netcetera (Switzerland), M Soft (France), 6PM (UK/Malta) are successfully developing software in Macedonia for the export market and others are providing 24/7 telephone customer support for major multi-national IT companies.

As one of the fastest growing industries in Macedonia, with a growth rate of about 47% in the last 5 years, the IT and software industry is of growing importance for the overall economic development of the country. In 2011 it was already accountable for \$178.98 million

turnover, \$56.31 m of exports and employed more than 2000 people.

Hardware is the largest and most dynamic segment of the Macedonian IT market, with a striking yearly growth of 84.7%, taking up nearly 62% of the total IT market. IT services is the second largest segment, comprising 25.6% of the total IT expenditure, whereas packaged software is in third place comprising 13% of the total market, with an 8.2% yearly growth rate.

This growth is spurred by large investments by the government and telecommunications companies in IT, continued spending in the financial sector, a decrease in the price of IT equipment, and a decrease in VAT for the equipment.



Structure of the ICT workforce

Fixed telephony has become nearly extinct with the rise in popularity of mobile cellular telephones. According to the International Telecommunication Union, by the end of 2011, mobile cellular subscriptions exceed-

ed fixed telephone line subscriptions by over four times. Fixed telephony has experienced nearly no growth in the last decade, in stark contrast to the mobile sector.



Source: IT Workforce demand survey, MASIT



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BAD LAW ON ACCOUNTING CAUSES COLLAPSE IN THE ECONOMIC SYSTEM OF SERBIA

For the first time in almost 50 years, 374,000 companies, entrepreneurs, associations and other legal persons that operate in Serbia cannot file their annual financial reports and regularly finish the last business year.

Business Register Agency has postponed the deadline for filing of financial reports for one month, but even now it is certain that it will be impossible to file the reports even after that deadline, as the Law on Accounting, introduced in 2013 and its 7 sub-regulations are impossible to apply in practice.

In October 2014, Business Support Network, in cooperation with Association of Accountants and Auditors of Serbia and largest German investors in Serbia warned that the bad Law on Accounting, based on the cancelled EU legislation and contrary to the International Accounting Standards is threatening to endanger the economic system of the country. However, the representatives of the Ministry of Finance that have written this Law chose not to react at the time.

In the past weeks, hundreds of companies and entrepreneurs, their accountants and accounting agencies contacted BSN with the information that the costs of implementing the new Law on Accounting are huge, and the Law itself is impossible to apply in practice, and that they do not know how to close the accounting books for 2014.

This kind of collapse of the system is a responsibility of bureaucrats from the Ministry of Finance who, during the drafting of the new Law on Accounting in 2013, stubbornly refused to listen to the appeals of the business sector and professional accounting association not to introduce the law, as it is too expensive for the failing Serbian economy, overly-bureaucratized and impossible to apply in practice.

Direct consequences of this behavior are:

- 250 billion EUR of costs for the economy to implement the new Law.

- Serbia became a black spot on the face of Europe, as the business results in Serbia are not comparable to the results in EU and surrounding countries.

- Bloated financial reports (three times the size of previous one) cause additional uncertainty in the business environment and will increase the effective costs of credit-ing, due to the increased risks.

- Law on Accounting enables false presentation of business results, increasing the possibilities of frauds and criminal activities.

- Law significantly increases the difficulty of doing business for foreign companies whose general managers are foreign residents, as it obliges them to receive a temporary ID in order to sign the financial reports, which in turn requires a lengthy and unnecessary procedure.

- Main consequence of this Law on Accounting will be the drop of Serbia on the Doing Business list of the World Bank and reduction of interest among foreign investors.

Due to all listed, Business Support Network publicly appeals to the Minister of Finance, Mr. Dusan Vujovic and the Prime Minister, Mr. Aleksandar Vucic, to suspend the implementation of the 2013 Law on Accounting and to allow all business subjects and other legal personas to file the financial reports for 2014 according to the previous 2013 regulation, which would avoid the collapse of the economic system.

It is necessary for the Government of Serbia to urgently form a new workgroup for the new Law on Accounting, that would include representatives of professional accounting associations and leading business associations, in order to draft a Law which conforms to the International Accounting Standards and reduce the possibilities of frauds.

COOPERATION OF HR MANAGERS IN SERBIA

HR workgroup of the „German-Serbian Business Association“ (DSW) held a first HR meet in in 2015, in the “Grah Autoomotive” company in central Serbia. A total of 34 people from 22 companies and institutions came to the meeting.



Introduction on the behalf of the host was given by the Director General of “Grah Automotive”, Aca Zlatić, who used the occasion to inform the participants about the business activities of this Slovenia-based company, who is, with 350 employees, the most important employer in Batočina, near Kragujevac.

An interesting lecture was held by Srdjan Janićijević from „Mokra Gora School of Management“ (MGSM). He held a motivational lecture on the topic „My leadership tree“, which has a universal character and which is intended for all who call themselves „managers“ or „entrepreneurs“.

The participants have also received an opportunity to visit the production plant of this company and get to know the labour organisation and products which are designed for the most renowned automobile producers in the world.

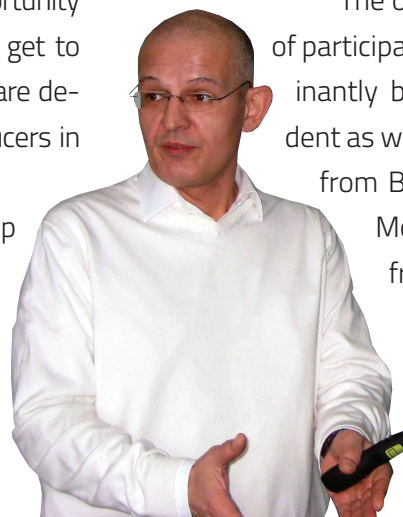
As always, this time an interesting workshop was held on the HR manager meeting. Ana Arizanović (Human Consulting) held a workshop titled „successful resolution of conflict situations“.

Largest challenge in HR management are interpersonal relations. It is impossible to change others, but it is possible to see certain kinds of

behavior or individuals from another perspective, and react in an adequate manner. Attendees could test themselves and see whether they use the aggressive, passive or constructive approach in conflict situations.

Finally, Dragoljub Rajić from “Business Support Network” (BSN) announced a large regional HR conference named “Wages and rewarding employees models” which is to be held on May 28th and 29th on the premises of Belgrade Banking Academy in Belgrade, in the partnership of BSN with the Faculty of Banking and Insurance, Economic Institute from Belgrade and International Labour Organisation (ILO).

The organizers expect a large number of participants from the whole region, dominantly by the HR managers from resident as well as foreign investor companies from BIH, Serbia, Macedonia, Slovenia, Montenegro and other countries from the region, as well as leading agencies for wage consulting in the region and wage experts from International Labour Organisation.



Srdjan Janićijević (MGSM)

“CAPITAL” – A COSTA GAVRAS FILM

Author: Christy Lemire*

Greed, for lack of a better word, is perhaps not as good as it used to be. It's ugly and treacherous, and unabashedly so, in “Capital,” a financial thriller set in the highest echelons of France's wealthy and powerful.

Veteran director Costa-Gavras, who made his name decades ago with films that sharply addressed political issues – most notably, “Capital” features men behaving badly but with only a few glimmers of panic. His film remains suspenseful and his hero-or rather, his anti-hero – remains remorseless.

As Marc Tourneuil, the young and newly minted CEO of one of Europe's largest financial institutions, Moroccan actor Gad Elmaleh rarely flinches and barely breaks a sweat. He's cold and calculating and – in case the extent of his cynicism weren't already clear – he often breaks the fourth wall to share his candid thoughts.

Marc, an up-and-coming executive at the fictional, Paris-based Phoenix Bank, finds himself ascending to its highest rank when his boss suddenly collapses on the golf course. Board members have chosen him for the position because they view him as a pawn – someone inexperienced and malleable who will serve as a placeholder until they can find the “right” chief executive officer. But Marc recognizes that they underestimate him and makes the most of his opportunity.

Unsurprisingly, everyone wants something from Marc. Some people want to control him, like Gabriel Byrne's ferocious and foul-mouthed hedge-fund manager, who lures him to Miami with a yacht full of bikini-clad babes. Then there's the hard-partying and seemingly ubiquitous supermodel Nassim (Liya Kebede), who wants to get close to him, only to push him away.

Their “relationship,” such as it is, ends horrifically in a way that's hard for us to get a handle on as viewers. Costa-Gavras never judges this complicated character, but it's also difficult at times to grasp the director's intentions. There's also an intriguing executive in the London office (Celine Sallette) who's an expert on Japanese banking; his interest in her remains frustratingly ambiguous.

Oh yes, Marc also has a wife (Natacha Regnier), who comes from old money herself, and a son who barely matter to him and rarely appear on his schedule. Marc's wife seems admirably down-to-earth, as evidenced by her rejection of a \$22,000 Dior gown sent especially for

her to wear to a black-tie gala: “I don't want to have to dress like a CEO's wife,” she argues.

To the rank and file, Marc seems like an innovator when he offers them the opportunity to complain away about their bosses and colleagues through a confidential self-assessment. (At the global videoconference where he introduces these surveys, Costa-Gavras presents the striking image of hundreds of employees clapping wildly in tiny boxes on a giant screen.) But managers and longtime executives hate the plan, which results in thousands of layoffs – and sends the bank's stock skyrocketing.

Still, a massive takeover is underway, and Marc must figure out a way to navigate it rather than becoming its victim. Having a strong handle on the workings of complex global finance probably helps while watching “Capital,” but isn't a necessity; Marc spells things out pretty plainly when he glibly describes himself as a Robin Hood to the rich. The film could take place in any number of settings where ego and testosterone dictate action and fortunes are won in lost in a matter of minutes.




**From rogerebert.com*

FAIRS IN THE REGION, MARCH AND APRIL 2015

BOSNIA AND HERCEGOVINA (SARAJEVO):

SARAJEVO	27 th BOOK FAIR	22 – 27 APRIL	
	38 th INTERNATIONAL TOURISM DAYS	14 – 16 MAY	

BULGARIA (SOFIA):

SOFIA	INTERNATIONAL FAIR FOR FURNISHING AND INTERIOR DESIGN	21 - 25 APRIL	
	TECHNOMEBEL	21 - 25 APRIL	
	BULMEDICA / BULDENTAL	13 – 15 MAY	
	THE BALKANS INTERNATIONAL WINE COMPETITION	28 – 31 MAY	

CROATIA (ZAGREB AND SPLIT):

ZAGREB	ENERGY EFFICIENCY FAIRS, INTERKLIMA: 23 rd International Fair of Heating, Cooling, Air-Conditioning and Drinking Water Treatment	22 – 25 APRIL	 
	ENERGY FAIR: 3 rd International Energy, Energy Efficiency and Renewables Fair	21-23 MAY	
	GREEN BUILDING: 1 st International Sustainable Building Fair RIGHT AGE: Senior Fair (first time in Croatia),	27 - 30 MAY	
	23 rd INTERGRAFIKA: The International Printing and Paper Industry, 28 th MODERNAK: Manufacturers and consumers-users of packaging	27-30 MAY	


MACEDONIA (SKOPJE):

SKOPJE	5 th INTERNATIONAL TOURISM FAIR	7-9 MAY	
	WIZ AIR SKOPJE MARATHON EXPO 2015		


MONTENEGRO (BUDVA):

BUDVA	24 th INTERNATIONAL TOURISM EXCHANGE AND TOURISM FAIR	16-18 APRIL	
	21 th ECOLOGY FAIR		
	33 th NAUTIC SHOW		


ROMANIA (BUCHAREST):

BUCHAREST	ROMMEDICA	22-25 APRIL	
	T.M.A., Alternative Medicine Fair	28-31 MAY	
	DENTA: EQUIPMENT, ACCESSORIES...FOR DENTISTRY PRODUCTS	28-30 MAY	

SERBIA (BELGRADE AND NOVI SAD):

BELGRADE	41 th INTERNATIONAL BUILDING TRADE FAIR	15 - 19 APRIL	
	20 th INTERNATIONAL HORTICULTURE – BEOPLANT FAIR		
	59 th INTERNATIONAL FAIR OF TECHNIQUE	11 – 15 MAY	
	8 th TOTAL FUTURE GAMING BELGRADE	19 – 21 MAY	
NOVI SAD	82 th INTERNATIONAL AGRICULTURAL FAIR	9 – 15 MAY	

TURKEY (ISTANBUL AND ANTALYA):

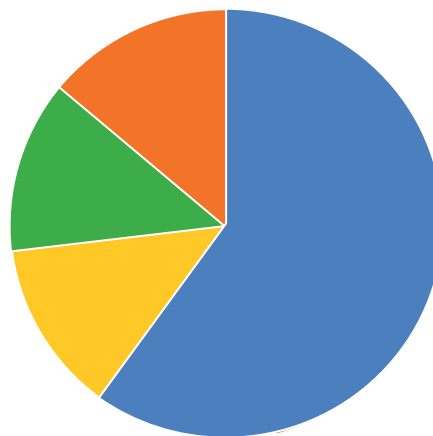
ANTALYA	ANFAS CITY EXPO ANTALYA (FOR URBAN PLANNING)	15 - 17 APRIL	
	TURKEY STONE: INTERNATIONAL NATURAL STONE AND PRODUCTS FAIR	28 – 31 MAY	
ISTANBUL	PETROLEUM ISTANBUL (EQUIPMENT, TECHNOLOGIES AND SERVICES)	9 – 15 MAY	
	AUTOMECHANIKA ISTANBUL	9 – 12 APRIL	
	21 th EVTEKS, ISTANBUL HOME TEXTILES EXHIBITION	19 – 23 MAY	

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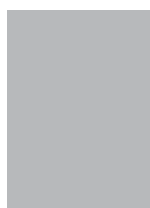


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