

# FOREWORD

Dear Reader,

Welcome to the Foreign Investors Council's latest White Book, the most authoritative and up-to-date guide to improving the business environment in Serbia. The FIC today comprises over 120 companies employing more than 100,000 people and invests over EUR 36 billion. Its mission is to actively promote and develop a predictable, competitive and sustainable business environment, for the benefit of all.

But we cannot talk about today without looking back at recent months. I am sure that at the beginning of 2020, when the preparations for this year's edition were intensifying and our team was keen to do its best in making Serbia a better country to do business in, nobody could even imagine the kind of crisis the whole society would suddenly face. COVID-19 has given us all an enormous challenge, forcing us to face reality and change the way we live and do business.

Nothing is the same any more, and nor is this year's edition of the White Book. With joint forces, our team has summarized all aspects of the crisis and its effects. We strongly believe that this is the right approach and is the greatest contribution we can make in a situation like this – to be the engine that drives the business sector and supports economic recovery, using our knowledge and know-how to draw up concrete proposals on how to resolve burning issues.

Our analysis is structured around the areas that we see as priorities: taxes, labor, inspections and food safety, infrastructure and real estate, health, bankruptcy and Forex, with digitalization and e-commerce as this year's top priorities. In the last couple of months, it has been clear, more than ever, that digitalization is not just a phrase, but a real need of the whole society, because the entire system has moved to remote functioning. Serbia needs to seize this opportunity and improve its competitiveness, not only in e-government, but also throughout the private sector. Improvements in these areas will have multiple very positive effects on the future economy and will make the country more attractive for foreign investors.

This year, instead of the score card system, an index which compares progress in all areas that the White Book covers, the 2020 edition reflects the impact of COVID-19 on all relevant regulatory areas.

We are fully aware of the challenges faced by the Serbian Government and that is why we have offered and will continue to offer our expertise to help in overcoming the crisis. However, despite the current situation, our expectations remain the same: further acceleration of reforms. In other words, to continue and accelerate membership negotiations with the EU, along with work on sustainable fiscal consolidation and improvement in implementing laws. It is our role to constantly point out what must be done to make Serbia a better place for all, no matter the circumstances.

Our team acknowledges Serbia's moderate but steady progress in improving the business climate. That is why the work of the White Book Task Force, especially formed by the FIC and the Government in 2017 to enhance implementation, will be so important in the upcoming year. We welcome the readiness of the Government to cooperate and understand the needs of the business community and expect the new Government to continue in the same direction.

I can assure you that, in the challenging times ahead, FIC member companies will continue to be the driving engine of the Serbian economy, bringing investments and jobs, new technology and know-how, and developing cooperation with local small and medium sized enterprises and suppliers. We all need to work together to build a better environment with a functional state, more competitive business and a higher standard of living for citizens. It is now, more than ever, crucial that the business community comes together with a unified voice and continues an open dialogue with the government. This will have multiple positive effects on the lives of all in the challenging times in which we live, but I am positive we can overcome them together.

Stay safe.

**Mike Michel**  
FIC President