

FIC OVERVIEW

In 2022, Foreign Investors Council proudly marks two decades of its existence and consistent work on improving the business conditions in Serbia. Our journey together towards a better business environment began in July 2002, when 14 companies, with the support of the OECD, founded the Foreign Investors Council. We are among the oldest associations with the main goal to improve the business climate and business ethics. We can proudly state that, during the two decades of our work, we have remained committed to our main goal, achieved a large increase in membership and significant results, while at the same time successfully adapting to the evolving and often challenging economic circumstances. One year after our establishment, the total investments of our members in Serbia amounted to €150 million and 3,160 employees, compared to almost 120 members with a total of €36 billion and 100,000 jobs today. This indicates that our members came to Serbia with long-term plans, coupled with an interest to contribute to increasing economic growth and competitiveness, as well as their full commitment to that aim. Foreign Investors Council is an association that allows the voice of business to be heard directly. Our partners and interlocutors have recognized the value and reliability of our work. We cultivate special relations with key partners for the achievement of our goals: we are the only business association with an institutional framework for cooperation with the Government of the Republic of Serbia through the Working Group for the implementation of the recommendations from the "White Book", chaired by the Prime Minister, whose permanent, institutional members of the Board of Directors include the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD). In addition, the Council gathers bilateral chambers of commerce.

NEW CHALLENGES

This year has brought new challenges. In 2022, we expected the final end of the Covid-19 virus pandemic, marked with an acceleration of economic growth, restored supply chains and a return to global economic cooperation. However, a conflict in Europe and the economic and political divisions pushed all other topics into the background, calling into question the expected acceleration of economic growth both globally and in Serbia.

LONG-TERM COMMITMENT TO DIGITALIZATION

For years, Foreign Investors Council members have been

advocating for "paperless work", accelerated digitalization of society and digital transformation of business, as key elements in addressing a number of challenges faced by Serbia's economy. The pandemic further highlighted the need for such development and accelerated these processes. The contribution of our members to initiatives already implemented or to be implemented in the near future has been quite significant. Some of the major initiatives implemented to date include bill of exchange digitalization, video identification and signature in the cloud. Particularly noteworthy is the extensive initiative for the digitalization of financial services, launched in 2020, which is still ongoing. Its goal is to provide as many financial services as possible electronically and make them available to the clients, thereby removing the so-called 'bottlenecks' in companies' business operations and simplify numerous transactions for citizens. The Council also participates in the work of the Coordination Body for Healthcare System Digitalization. Given its overall commitment to digitalization in all areas of work and business, the Council dedicates its capacities and work to digitalization in the area of the Labor Law and harmonization of the Labor Law with the laws on electronic document and electronic signature. Furthermore, capacity-building of the Tax Administration portal, as well as streamlining procedures through digitalization in this area, is also among the key segments of improving business climate in Serbia which is in the Council's focus.

COMMITTEES AS THE BACKBONE OF OUR WORK

Foreign Investors Council has nine working committees, which form the backbone of our work. Participating in the committees' work are experts interested in the particular committee's focus area. The committees are the very core of the Council's work, serving for exchange of knowledge and views, analysing policies, regulations and their drafts and drafting proposals for the improvement of regulations and thus also business and investment climate. The committees are a living system that evolves and adapts to the circumstances and the members' needs. In 2022, one new committee was established, so Foreign Investors Council now has a total of nine working committees: Anti-Illicit Trade & Food Committee, Financial Services Committee, Human Resources Committee, Infrastructure & Construction Committee, Legal Committee, Pharma Industry Committee, Taxation Committee, Telecommunications & Digital Economy Committee and the new Tourism & Hospitality Committee.

MAIN PRINCIPLES – GUARANTEES OF STABILITY AND SUCCESS

Over the two decades of work, Foreign Investors Council has been changing, adapting to the new circumstances and anticipating changes. However, its main principles have remained unchanged, standing the test of time and reflecting the stability and continuity of our work. Our main principles are independence, expertise, best practices, cooperation and European integration.

INDEPENDENCE

Foreign Investors Council advocates for the general interests of the business community. Its independence and self-sustainability are crucial in fulfilling that mission. Two-level decision-making is a further guarantee of the equality of our members. The first decision is made within the working committees, with the equal participation of interested members without any restrictions and with the aim of reaching full consensus by agreement. As a second step, the Council Board of Directors considers the proposed decisions of the working committees and decides upon them.

EXPERTISE

The White Book before you would not have been possible without the huge professional knowledge, practical experience and dedication of our members. The White Book is our main platform for dialogue on improving regulations and business climate. Thanks to the expertise of our members, it has become an important source of information and is used by the European Commission in preparing its annual report on Serbia's progress on its path to the European Union. Drawing on experience, over the years we have developed a unique methodology for measuring the results achieved and progress made in the implementation of recommendations from the White Book. It is the White Book Index, which provides a comparison and ranking of progress in all its focus areas, based on the implementation of recommendations from previous years. An additional criterion is the time elapsed from when the recommendation was first published in the White Book to its adoption. In this way, the pace of business climate improvement is also measured, which can have a significant impact on decisions to invest.

BEST PRACTICES

Foreign investors bring not only investments and jobs, but

also high ethical and business standards, business ethics, the concept of sustainability and application of new technologies. We can proudly say that our members are good employers, who take care of their employees and the local community through various socially responsible projects. When it comes to commitment to the green agenda and waste management, our members, following policies of their parent companies which are mostly in the EU, are carbon neutral.

COOPERATION

Cooperation is one of the main backbones of our activities and achievements. The Government of Serbia and regulatory bodies are our natural partners, as they are responsible for passing relevant regulations and their implementation. Notably, the existing institutional framework for the Council's cooperation with the Government of the Republic of Serbia, the Working Group for Improvement and Implementation of the White Book recommendations, ensures a more efficient and successful implementation of the White Book recommendations. We are honored to be the regular interlocutor and partner of the European Union, as well as of other relevant actors such as the diplomatic corps, international financial institutions, development agencies, the academic community and other business and public-private associations.

EUROPEAN INTEGRATION

From its beginnings, the Foreign Investors Council has been committed to European integration. The Council has no doubts whether the EU membership is the path that Serbia should follow. We believe that this path is even more important in challenging times, considering Serbia's geographic position and its deep ties with the European Union. We are also aware that close international cooperation is necessary in order to address regional or global-scale crises. We believe that, in terms of our knowledge and experience, we are among the best-placed organizations to provide support to European integration, with more than 70% of our members coming from the European Union and the majority of others operating on the European market. In light of this, we actively advocate for the harmonization of Serbian legislation with the European Union's regulations and support the intensification of accession negotiations. The strong European action context is also reflected in our partnership with the EU Commission, the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD).

EXECUTIVE OFFICE

The Council's Executive Office is a small team whose efficiency, knowledge and dedication ensure the smooth functioning of the association and easy communication with

the Council members, affiliates and partners. Its task is to implement the decisions of the Council bodies, as well as to improve cooperation between members through daily communication. As such, it plays an indispensable role in the mechanism which, though complex, has proved successful.

Key characteristics and values of FIC

Independence	Regulatory expertise	Consistency
Best Practices	EU promotion	Cooperation

Key FIC figures

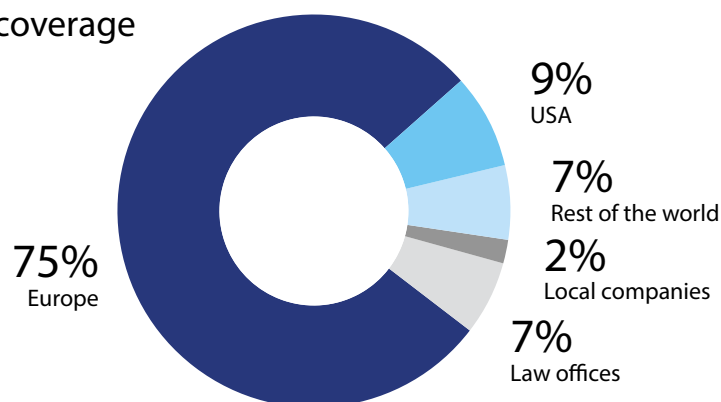


20
years since
establishment



116 members
from **21** sectors

Geo coverage



> €36 bil.
of investments
by FIC members
in Serbia



> 100,000
directly employed
by FIC members
in Serbia

White Book 2022 in numbers

