



Foreign Investors Council

A Partner for GROWTH

ANNUAL REPORT

2023

December 2023

CONTENT

3	Foreword	16	Business Associations
4	Partner for Growth	16	Government Bodies and Initiatives
5	Organization & Management	17	Other Stakeholders
7	Key Projects & Communication Tools	18	Public Promotion
8	Main Activities	23	Committees
8	21 st White Book	23	Anti Illicit Trade & Food
12	FIC Conferences	23	Financial Services
13	FIC cocktail	24	Human Resources
14	FIC Insight	25	Infrastructure& Real Estate
15	Engagement in Government's Working Groups	26	Legal
15	Wide Variety of Advocacy Topics	28	Pharmaceutical Industry
15	Cooperation with Stakeholders – Stronger Together	28	Taxation
15	European Union	29	Telecommunications& Digital Economy
16	International Financial Institutions	31	Tourism And Hospitality Industry
		32	FIC Members



Mike Michel
FIC President
and Yettel CEO

Dear reader,

It's our pleasure to provide a brief overview of our activities and achievements in 2023. In this Annual Report you will find concise information on our organization, main projects, and goals, and on activities our members pursued during the year. In a challenging year of geo-political turbulence and slowdown in global growth, the FIC role is more important than ever. We're grateful to members for their dedication towards creation of a better business climate in Serbia. In the past 21 years FIC has grown significantly and became the permanent, consistent, and unified voice of over 120 companies in Serbia. This is by far our biggest achievement! In 2003, FIC members had €150 million invested and 3,160 employees, whereas today they have over €44 billion invested and more than 115,000 direct employees.

The year 2023 has been challenging. The world's economies are on a rocky recovery path amidst a turbulent geo-political situation. The global slowdown in growth, coupled with high inflation in many countries, brings uncertainty worldwide, and no company can remain completely immune. Smaller economies like Serbia are even more affected. This is why the FIC job is now more important than ever. As the unanimous voice of investors in Serbia, we are best placed to address regulatory issues and provide proposals for overcoming the problems that arise in challenging times. At this moment we are very much focused on further digitalization and green transition as key elements for further economic growth in modern times. At the same time, we remain true to our long-standing main priorities that should enable stable economic growth: sustainable fiscal consolidation and implementation of deep structural reforms remain. Privatization and corporatization of public enterprises and reform of public administration will have a significant impact on the overall macroeconomic indicators. We will continue to insist on intensifying the negotiations with the EU on membership status, and on harmonization with the EU legislation. The Serbian economy is closely integrated with the EU, we have common interests with the Union, and can learn much from the EU in many key areas.

FOREWORD

Looking back at the past regulatory glad to note that the FIC has proved flexibility and adaptability, addressing the regulatory issues and complex situations as they appear. We continued intense dialogue with all the relevant stakeholders in Serbia, including the Government, the European Union, international financial organizations, the diplomatic corps, business associations and other similar bodies. In this brief overview I would outline our focus on digitalization, green transition and ESG, addressed in FIC initiatives and events. More specifically, we organized the FIC Insight events on e-Invoice Portal, on hedging, and on ESG, and conferences on financial services and on regenerative agriculture. FIC also cooperated tightly with the Government on the improvement of business climate, namely through maintaining the White Book Task Force with the Government and participating in a number of Government's working groups. The White Book remains our greatest achievement, our flagship project, and the most frequently upgraded guide on how business environment in Serbia can be improved. We are grateful to members who, as key business leaders, find time and energy for priceless efforts in drafting the White Book. This year's edition offers 397 recommendations in key priority areas. The White Book was this year presented at the public event with participation of the EU Ambassador to Serbia Emanuele Giaufret, Minister of Mining and Energy Dubravka Đedović Handanović as keynote speakers, as well as ministers, public corpse representatives and authorities. As always, the White Book launch attracted high media attention. As for progress, out of the 383 recommendations from the White Book 2022, an improvement was noted in 28 per cent. While this is still not the dynamics we would hope for, it represents a slight improvement compared to last year. We are optimistic that 2024 will bring us closer to our common goal of increased dynamics in the improvement of business climate. We hope that after the December election, the Government will be established without long delays, which would allow us the continuation of advocacy throughout the year.

Also hope this Annual Report will provide you with clear and sufficient information on our work, and that it will motivate you to additional engagement in FIC. We will welcome any kind of involvement and contribution, from more active engagement within the committees, launching new initiatives, stepping up collaboration both within FIC and with stakeholders, or spreading the word to the colleagues from potential members on the benefits FIC membership may offer. The more ideas, initiatives and engagement members bring to FIC, the stronger FIC role can be in the improvement of the business environment. And we are confident that this role is already significant.

Stay safe and healthy.

PARTNER FOR GROWTH

FIC was established more than 20 years ago with the goal to promote reforms and support sustainable economic development in Serbia. Our biggest achievement is that for more than two decades we represent the unified voice of the business community in Serbia, with consistency and continuity. We gather over 120 members with significant investments, more than 115,000 employees, and the highest standards in each aspect of doing business.

We are proud of the partnerships we created during more than 20 years of work. We have proven to be the reliable partner of the authorities in the improvement of regulatory framework and investment climate and have established institutional cooperation with the Government - White Book Task Force. Through our activities, we have also established numerous partnerships in the public, private and non-governmental sectors, and remain open for cooperation in view of creating a competitive and sustainable business environment.

Our flexibility and expertise proved to be precious in 2023, a year marked worldwide by economic uncertainty and geopolitical challenges. We in FIC believe that our goals will be achieved by constant engagement, proactive approach and understanding of the circumstances. Digitalization and green transition are clearly in our focus in 2023. Fiscal consolidation, deep structural reforms including privatization and corporatization of public enterprises and reform of public administration, remain among our top priorities. We remain fully committed to promoting the Serbia's EU accession negotiations and harmonizing of regulations with the EU.

To define FIC briefly, it is an independent business association of foreign investors dedicated to the promotion of predictable and competitive business climate and better regulatory framework, which

provides equal opportunities for all that do business in Serbia. FIC is also firmly devoted to the solid business ethics and high corporate governance principles, which it promotes equally within the organization and towards local companies, Government, and other external stakeholders. FIC strongly supports the economic integration of Serbia with the EU as it brings predictability and transparency to

the business surroundings and increases the competitiveness of the Serbian market. Moreover, Serbia's economy is deeply integrated in the EU economy.

FIC distinguishes itself by being a unified voice of more than 120 entities, as the standpoints and initiatives are agreed through discussion within the committees and approved in a well-defined voting process. As a result, FIC defends the interest of the wider business community, rather than a specific company or a business group. FIC is also proud to be among organizations whose opinions and proposals are fully public and easily accessible, notably via the annual White Book project. Since its establishment in 2002 by 14 foreign companies that operated in Serbia, FIC grew significantly both in terms of number of member companies and their size of investments and workforce.

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FINANCES

FIC holds on to its financial independence, which it preserves by financing operations and activities through membership fees, without sponsorships. Minor part of finances comes from the interests on deposited funds. The Financial Report is agreed in principle by membership at the Annual Assembly and is adopted by the Board of Directors. Financial report can be accessed at the Business Registry Agency, more specifically at the link <http://pretraga3.apr.gov.rs/pretragaObveznikaFI>, by entering FIC tax number (PIB) 102443513 in the appropriate field.

*Unified voice
of business community*

Partner for Growth

ORGANIZATION & MANAGEMENT

The FIC is established as a non-profit business association of foreign investors. The bodies of the Council are the Assembly of the Council, the Board of Directors, the President of the Board of Directors, and the Executive Director.

As the highest body of the Council, the Assembly gathers all FIC members and holds regular yearly meetings to decide on questions on strategic importance and shape broadly FIC future involvement. The Assembly elects the Board of Directors. At the Annual Assembly in 2022, the mandate of the Board of Directors was extended from two to three years. The year 2021 was the electoral year, and the next elections for the Board of Directors are to be held in 2024. The method of election of the Board was also amended at the Annual Assembly 2022: it was decided that the members would be nominated individually, instead of the previous model of the election of a team of 7 members and 4 individually elected members, and institutional members in addition.

The Board of Directors holds monthly meetings to discuss and decide on issues related to the FIC further development, as well as on current advocacy efforts and stakeholders' initiatives relevant to the membership.

At the February session, the Board of Directors discussed the Draft FIC Strategy for 2023.

The BoD President acts as FIC President, providing leadership of the Council and legally representing FIC.

Committees are the very cornerstone of FIC. They gather representatives of member companies to discuss specific regulatory fields and formulate joint proposals to improve the current framework – tackling both the regulations and their implementation. The FIC has 9 committees. This dynamic system of our committees was reformed in 2020 in order to align Committees' topics with White Book Task Force established in cooperation with the Government, as well as to increase efficiency. Their number was at that occasion reduced to 8, and in 2022 the 9th committee was established - Tourism and Hospitality Committee, as a result of the interest of members

and the need to increase the competitiveness of Serbia in the sector. Elections for committee chairpersons are held every two years. The year 2022 was the electoral year for the committees, and the next elections are to take place in 2024. The Executive Director is appointed by the Board of Directors and is responsible for the organisation of the daily activities of the Council, its bodies, committees, and documentation. Aleksandar Ljubić holds this position of high importance for FIC since June 2019.

*In 2023 FIC formed
special Task Force on
Waste Management*

The Executive Director directs the work of the Executive Office, in charge of the implementation of the BoD and committee decisions, creating dynamic network within FIC and taking care of the needs of the members. In terms of the rules of operations, besides the Statute, FIC has in place a series of statutory acts determining the rights and obligations of FIC members and officials in more detail, promoting competition rules, and defining guidelines for engagement in and on behalf of FIC.

All this aims at making FIC an association that ensures a level playing field within itself and which communicates and cooperates with its stakeholders in a transparent, consistent, and reliable way.



ASSEMBLY OF THE COUNCIL



BOARD OF DIRECTORS

Mike Michel	<i>Yettel</i>	<i>FIC President</i>
Dejan Turk	<i>A1 Serbia and A1 Slovenia</i>	<i>FIC Vice President Substitute</i>
Ana Govedarica	<i>Roche</i>	<i>FIC Vice President Spokesperson</i>
Francois Berisot	<i>Belgrade Airport</i>	<i>Member</i>
Ivan Rakić	<i>Ernst & Young</i>	<i>Member</i>
Matteo Colangeli	<i>European Bank for Reconstruction and Development (EBRD)</i>	<i>Member</i>
Alessandro Bragonzi	<i>European Investment Bank (EIB)</i>	<i>Member</i>
Dawid Sold	<i>G4S Secure Solutions</i>	<i>Member</i>
Dr Ronald Seeliger	<i>Hemofarm</i>	<i>Member</i>
Goran Pekez	<i>JT International</i>	<i>Member</i>
Marjana Davidović	<i>Nestlé Adriatic Hub South</i>	<i>Member</i>
Zoran Petrović	<i>Raiffeisen banka</i>	<i>Member</i>
Miljan Milević	<i>SGS Beograd</i>	<i>Member</i>



COMMITTEES

Anti-Illicit Trade & Food Committee	<i>Co-President for Anti-Illicit Trade</i>	Dragan Penezić	<i>British American Tobacco SEE</i>
	<i>Co-President for Food</i>	Dragana Stikić	<i>Nestlé Adriatic S</i>
	<i>Vice President</i>	Slađana Babić	<i>NIS a.d. Novi Sad (Naftna industrija Srbije)</i>
Financial Services Committee	<i>Co-President</i>	Danilo Mrvaljević	<i>Banca Intesa</i>
	<i>Co-President</i>	Dušan Lalić	<i>Generali osiguranje</i>
	<i>Vice President</i>	Jelena Vukić-Šuljagić	<i>OTP banka Srbija</i>
HR Committee	<i>President</i>	Milena Jakšić Papac	<i>Karanović & Partners</i>
	<i>Vice President</i>	Duška Jovičić	<i>G4S Secure Solutions</i>
Infrastructure & Real Estate Committee	<i>President</i>	Mario Kijanović	<i>SOG in cooperation with Kinstellar</i>
	<i>Vice President</i>	Tatjana Isakov	<i>NIS a.d. Novi Sad (Naftna industrija Srbije)</i>
Legal Committee	<i>President</i>	Marko Ćulafić	<i>Karanović & Partners</i>
	<i>Vice President</i>	Nebojša Lukač	<i>PricewaterhouseCoopers</i>
Pharma Industry Committee	<i>President</i>	Radomir Cerović	<i>Roche</i>
Taxation Committee	<i>President</i>	Dragan Drača	<i>PricewaterhouseCoopers</i>
	<i>Vice President</i>	Vanja Korać	<i>Philip Morris Services</i>
Telecommunications and Digital Economy Committee	<i>President</i>	Daniel Šušnjar	<i>Yettel</i>
	<i>Vice President</i>	Neda Teslić	<i>A1 Srbija</i>
Tourism & Hospitality Committee	<i>President</i>	Zafeirios Lampadaridis	<i>Hyatt Regency Belgrade</i>
	<i>Vice President</i>	Dubravka Kosić	<i>K&F Advokati</i>



EXECUTIVE OFFICE

Aleksandar Ljubic	<i>FIC Executive Director</i>	<i>aleksandar.ljubic@fic.org.rs</i>
Renata Pindzo	<i>FIC Communication Director</i>	<i>renata.pindzo@fic.org.rs</i>
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Tamara Kapor	<i>FIC Regulatory Associate</i>	<i>tamara.kapor@fic.org.rs</i>



KEY PROJECTS & COMMUNICATION TOOLS



WHITE BOOK

Comprehensive overview of business climate in Serbia and proposals for its improvement. FIC platform aimed at driving change. Created as a result of an enormous effort by top business leaders in the country, who are extraordinarily enthusiastic about making real changes to the benefit of the society and economy in Serbia.

Annual publication, first issued in 2003. White Book Launch, typically in November, represents one of the most significant business and social events in Serbia gathering high officials, diplomatic corps and business representatives.

WHITE BOOK TASK FORCE

Working Group for Implementation of the FIC White Book recommendations formed by the Government (Official Gazette RS 8/2017, 80/2017, 92/2017, 59/2018, 68/2019, 107/2021 and 1206/2023). Members of the Task Force, chaired by the Prime Minister, are relevant ministers, members of the FIC Board of Directors and FIC Executive Director. The goal of the Task Force is improvement of overall business climate with priority topics: tax, labour, digitalization & e-commerce, real estate, inspections, food safety, pharma industry, overall legal framework with focus on bankruptcy and foreign exchange regulations.



FIC GUIDE

Collection of standpoints by FIC officials and important stakeholders. Special edition for wider audience, published jointly with the alliance international media since 2007. Printed edition in Serbian and digital edition in English distributed to large number of stakeholders.



FIC NEWS

Monthly electronic bulletin, specially designed to provide members comprehensive information on FIC activities, plans and achievements.



PARTNERSHIP WITH THE EU

FIC is committed to the EU accession negotiations of Serbia and harmonization with the EU regulations. We are proud to have a real partnership with the EU Delegation of Serbia, and have a pleasure to participate in the annual consultations

regarding the Serbia's Progress Report, as well as in number of initiatives supporting the EU integrations. FIC is also keen to organize a visit to the EU Commission, which was done in years 2014-2020.



DIALOGUE FOR CHANGE

High level event dedicated to specific regulatory field, aimed to foster communication. Held for the first time in 2017, with the format changed in the following two years. It is envisaged in two versions: Dialogue for Change - off-the-record,

high level smaller-scale event dedicated to specific regulatory field and Reality Check Conference - high level conference on specific topic.



FIC INSIGHT

A presentation of selected important new legislation to interested FIC members and partners. It is delivered by a professional in a tackled area. First event was held in January 2020. Two events were held

in 2021, four events in 2023, and this project will be continued in 2024 in parallel with regulatory activity of the Government.

FIC CONFERENCES

FIC conferences are organized with the aim of clarifying the newly adopted or planned legislation and push for the changes when needed. In 2023, we organized the first FIC Conference on Financial Services and the first Regenerative Agriculture Conference.

COCKTAILS

Informal meetings organized as a unique opportunity for members to gather and exchange views in an informal setting. In 2023 FIC organized a cocktail in September in cooperation with a member A1 Srbija.

MAIN ACTIVITIES

21ST WHITE BOOK

White Book is a FIC flagship project, envisaged as the advocacy platform and an overview of the FIC members' expert recommendations on the significant business environment topics. It is published for 21 years now, since the first edition in 2003. White book provides an overview of the business climate and a set of recommendations on how to improve it. Since the first edition, it promotes EU economic integration and open market economy. It is drafted by FIC members and adopted within the competent committees and by the Board of Directors. Such a mechanism guarantees that the presented views have consensus among members. White Book also provides an overview of progress since the previous edition: each topic has a score card tracking response to the recommendations. The grade is given to each topic based on the scorecard, with 1 being the lowest and 3 the highest score. White Book has an independent Editor-in-Chief who also prepares the macroeconomic input. In 2023 this responsibility is once more conferred to the professor Miroljub Labus, after the successful cooperation in the past five years. Work on the White Book lasts for months and includes two rounds of editing, review of the texts based on the membership input, but also checking the regulatory changes in order to keep the project as up to date as possible. This year's "White Book" includes an analysis of the main recommendations in the areas that the FIC members see as a priority: taxes, labor regulations, digitalization and e-commerce, real estate, illicit trade prevention and inspection oversight, food and agriculture, environmental regulations, foreign exchange regulations, pharmaceuticals and tourism and hospitality. FIC continued with the modern and environmentally friendly practice not to distribute White Book in print to the wider audience, and the edition is primarily for online use. Printed booklet White Book essentials is produced and distributed on the Launch event.

White Book 21st edition was published in 2023. Our main advocacy platform is also green - distributed and used mostly on-line.

WHITE BOOK 2023 RESULTS RECOMMENDATIONS

In the White Book, the progress in implementing the recommendations compared to the previous edition is tracked in a score card. Each topic is given a grade, where 1 is the lowest and 3 is the highest score. Progress is this year achieved in 28 percent of recommendations.

WHITE BOOK ESSENTIALS

Introduced in 2018, brochure The White Book Essentials presents main conclusions of the publication. It is distributed in print during the launch event but can also be found on the FIC website. It is useful as a brief and attractive information on FIC, White Book conclusions and structure. In 2023, it also offers a brief overview of the main recommendations and scores in the ten key areas for FIC: taxes, labor regulations, digitalization and e-commerce, real estate, illicit trade prevention and inspection oversight, food and agriculture, environmental regulations, foreign exchange regulations, pharmaceuticals and tourism and hospitality.



WHAT IS THE WHITE BOOK?

- An annual publication issued since 2023
- Gives an overview of the business climate and provides a set of recommendations on how to improve it
- Promotes EU economic integration and open market economy
- Written by FIC members, promoting their common interests
- A mechanism to create consensus among members
- A platform for dialogue with stakeholders
- Each topic has a score card which tracks the response to the recommendations given in the previous year
- Based on the score card results, each topic is given a grade, where 1 is the lowest score and 3 is the highest score
- The publication has an independent Editor-in-Chief, who also provides macroeconomic input and prepares the ranking data. The Editor for the 2023 edition is Prof. Mirosljub Labus

STRUCTURE OF THE WHITE BOOK TEXT

Score card tracking results in implementation of recommendations starting from 2022.

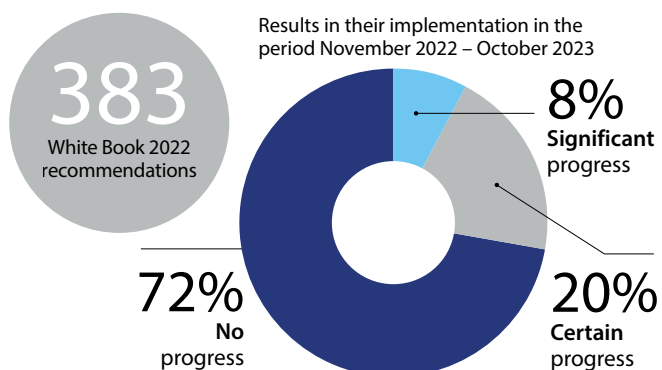
Current Situation
Positive Developments
Remaining Issues
Recommendations

WHITE BOOK 2023 IN NUMBERS



RECOMMENDATIONS

Each topic has a score card which tracks the response to the recommendations given in the previous year.



GRADES

Based on the score card results, each topic is given the grade, where 1 is the lowest and 3 is the highest score.

FIC – PARTNER FOR GROWTH

KEY CHARACTERISTICS AND VALUES OF FIC

Independence	Regulatory expertise
Consistency	Best Practices
EU promotion	Cooperation

KEY FIGURES

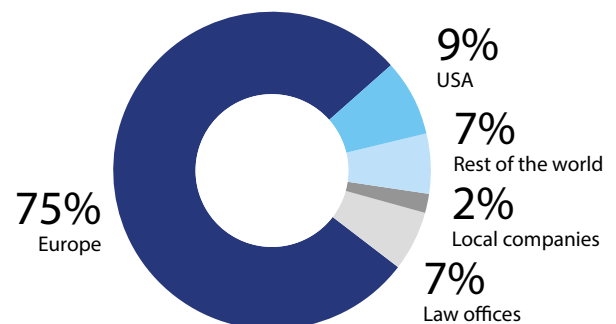


21 years since establishment



122 members from 23 sectors

Geo coverage



> €44 bil. of investments by FIC members in Serbia



>115,000 directly employed by FIC members in Serbia



9 committees

21ST EDITION OF THE WHITE BOOK PRESENTED

WHITE BOOK LAUNCHED 21ST TIME

Launch of the White Book 2023 edition was held on 21st November 2023 at Hyatt Regency Belgrade, with the participation of the highest Government officials and Head of the EU Delegation in Serbia. The event attracted large number of guests - FIC members, other representatives of business community, Government, key stakeholders, diplomatic corps, social and academic community representatives, and media. FIC gathered high level speakers including Minister of Mining and Energy Dubravka Đedović Handanović, Head of the EU Delegation in Serbia Emanuele Giaufret, as well as ministers participating at the panel after the key note speeches. Introductory address was held by the FIC president Mike Michel, while FIC Executive Director Aleksandar Ljubić provided insight into 2023 edition. The event was moderated by the renowned journalist Aleksandar Miladinović. Video recording of the event can be found at the [FIC YouTube channel](#), and the publication on [FIC website](#).

In his introductory speech, FIC President and Yettel CEO Mike Michel noted that 2023 has not been a steady-going year and that the FIC is fully aware of Serbia's challenges due to economic and geopolitical conditions. He emphasized that the FIC remains a reliable partner to the Government of the Republic of Serbia. "We are ready to make a full contribution through our joint working body - the Working Group for the Implementation of the White Book Recommendations to improve Serbia's business and investment climate to make Serbia an even more attractive place to invest for the welfare of its citizens," concluded Michel.

Introductory speeches were followed by a ministerial panel, with participation of the Minister of Mining and Energy Dubravka Đedović Handanović, Minister of Science, Technological Development and Innovations Jelena Begović and Minister of Informa-

tion and Telecommunications Mihailo Jovanović.

The White Book 2023 provides analysis of the main recommendations in 10 priority areas for FIC members: taxes, labor regulations, digitalization and e-commerce, real estate, illicit trade prevention and inspection oversight, food and agriculture, environmental regulations, foreign exchange regulations, pharmaceuticals and tourism and hospitality. "FIC Index" published in the latest edition of the White Book shows overview of improvement and ranking. It was outlined that out of the 383 recommendations from the White Book 2022, the improvement was noted in 28 percent. White Book 2023 contains 397 recommendations in the key priority areas. The 2023 edition is structured in 58 texts by 59 authors.

Having in mind all the current circumstances, the general FIC recommendations contained in the White Book 2023 refer to the biggest challenges for investments: Serbia's the EU integration process, keeping inflation at the same time as interest rates rise, the increase in the tax burden and the sustainability of the public debt. In this sense, the intensification of negotiations with the EU on Serbia's membership status remains a key priority in order to harmonize domestic regulations with European standards and reduce geopolitical risk for investments and foreign trade. Besides, it is necessary to bring inflation back within the target corridor, optimize the fiscal burden to encourage investments and economic growth, reduce public expenditures, and complete the restructuring of infrastructure companies, especially in the energy field, to sustain adequate level of fiscal deficit and public debt level.

Key information on the White Book was presented in the White Book Essentials publication, distributed at the event, and available on FIC website. Press release was issued following the event, and a series of media appearances were organized around the White Book Launch.





WHITE BOOK TASK FORCE

White Book Task Force was established at the beginning of 2017 to improve implementation of FIC White Book recommendations and achieve 50% progress on an annual basis. Both FIC and the Government remain committed to the White Book Task force, a unique institutionalized high-level cooperation channel with the Government. In 2023, the Government passed a decision on the White Book Task Force, updating the nominated ministers in line with the changes in the Government

and the priority topics. In 2022, the White Book was presented at the high-level Task Force meeting. The Task Force was previously changed in 2019, after FIC efforts to make it more operational and result oriented.

Task Force has subgroups, tackling key priority areas. Subgroups represent FIC priority areas and are subject to change based on FIC members' priorities. Subgroups consist of relevant FIC committee chairpersons and state administration representatives on the level of state secretaries or assistant ministers.

FIC CONFERENCES

In 2023 FIC organized two conferences - Conference on Financial Services on June 13 and Conference on Regenerative Agriculture on September 27. The two successful events enabled constructive discussion on the two topics that are of high importance for business community, and contributed to raising awareness in the wider audience.



FIC Conference on Financial Services, June 2023

FIC Conference on Financial Services Development on June 13 gathered all the relevant stakeholders including regulators, experts, business and professional associations and academia. Introductory speeches were held by the BoD Member Zoran Petrovic and NBS Vice-Governor Dragana Stanic. FIC BoD Member Zoran Petrovic said that FIC advocates for the improvement of business environment, intensification of European integrations and structural reforms, and outlined that digitalization is one of the key aspects for the financial sector. Two panels were organized: "Improving the relationship between financial institutions and financial services users" and "The future of the financial sector: expectations, trends, and (possible) impact of the crisis on



FIC Conference on Financial Services, June 2023



FIC Conference on Financial Services, June 2023

the future financial services development". Various topics were tackled, including financial sector development trends, digital transformation, protection of users of financial services, AML, cadaster, and emerging technologies. First panel was moderated by the Financial Services Committee Vice President Jelena Vukic Suljagic, and participants included General Manager in the NBS Department for Financial Consumer Protection Bojan Terzic, Acting Director in the AML Administration Zeljko Radovanovic, Acting Assistant Director of the Office for IT and e-Government Biljana Maric, Secretary General of Association of Serbian Banks Marina Papadakis. Second panel was moderated by the Financial Services Committee Co-President Dusan Lalic, and participants included Acting General Manager of the Payment System Department of the NBS Nenad Petrovic, President of the Board of Directors of the Association of Leasing Companies in Serbia Bojan Vracevic, Assistant Minister of the Department for Financial System of the Finance Ministry Ognjen Popovic, Director of Legal, Personnel and General Affairs of the Association of Serbian Insurers Branko Damjanovic and Full Professor of the Faculty of Law at Belgrade University Milos Zivkovic. The conference was supported by the FIC Regulatory Director Jelena Lazarevic.



FIC Regenerative Agriculture Conference, September 2023



FIC Regenerative Agriculture Conference, September 2023

Regenerative Agriculture Conference: Accelerate your Regenerative Transition was organized on September 27 in cooperation with EBRD. The aim of the event was to enable exchange of ideas, the establishment of new partnerships and the creation of a network of experts with the common vision on the sustainable future of agriculture and food production. The event attracted over 160 participants. In his introductory address, FIC BoD member and EBRD Regional Director for the Western Balkans Matteo Colangeli thanked FIC for joining forces with the EBRD in raising awareness of the regenerative agriculture, which is important topic in terms of food production sustainability, mitigation of climate changes, but also for the opportunity for Serbian farmers to integrate in international value chains. Speeches were also delivered by EBRD principal in charge of defining the strategy and implementation of climate policy Thomas Bouriot, FAO UN expert Sandra Corsi, State Secretary in the Ministry of Agriculture, Forestry and Water Management Bojan Vranjković. Panel that followed was moderated by the Journalist and Editor of Agrodnevnik on RTV Goran Eror. Panelists were: Country Manager Adriatic South Hub (Serbia, Montenegro, North Macedonia) in Nestlé Adriatic S Marjana Davidović; Vice President for Legal Affairs, Quality & Product Integrity, Corporate Communications,



FIC Regenerative Agriculture Conference, September 2023

Asset Protection and Sustainability at Delhaize Serbia Jelena Pavlović; General Manager, South-Central Europe and Baltics, PepsiCo Nuno Pinto Leite; Organizer of Agricultural Production of the company Geneza Marko Bojin; and expert in regenerative agriculture and agribusiness, CEO of Prime Trinity Branimir Popov.



FIC Networking Cocktail, September 2023

FIC COCKTAIL

FIC had the pleasure to organize one cocktail, which members welcomed as the opportunity to network and meet in a relaxed setting. Cocktail on September 20 was hosted by member A1 Srbija and organized under the motto "From Summer Glow to Business Flow - Autumn Cheers". At the terrace on the roof of the A1 premises at Novi Beograd members were greeted by the FIC Executive Director Aleksandar Ljubić and A1 Serbia and A1 Slovenia CEO Dejan Turk, who also presented some of the key achievements of the A1 company in the area of environmental protection. More than 200 FIC members, potential members and partners attended the event.



FIC Networking Cocktail, September 2023

FIC INSIGHT

In 2023 FIC organized four FIC Insight events, aimed at providing the needed information on the new legislation. Events in 2023 were dedicated to e-Invoice Portal, Hedging, Environmental, Social and Governance (ESG) and Safety and Health at Work.



FIC Insight on e-Invoice Portal, February 2023

FIC Insight on e-Invoice Portal FIC was held on February 9 to provide insight to members on the most significant challenges of the e-invoicing portal. A brief overview of the most significant changes of the VAT Law and the E-Invoicing Law and the most common E-Invoice Portal practical challenges was presented by FIC member Deloitte Advisory representatives Nebojsa Jovanovic and Andjelija Milicevic. More than 50 members attended the event, having the opportunity to engage in discussion and submit questions in the Q&A part of the session. Event was moderated by FIC Regulatory Officer Tanja Jovanovic.

FIC Insight on Hedging on April 3 was dedicated to the regulation and purposes of hedging as instruments for protection. A presentation was held by the FIC Financial Services Committee



FIC Insight on Hedging, April 2023



FIC Insight on ESG, May 2023

Co-President Danilo Mrvaljević from Banca Intesa, FIC Financial Services Committee Vice President Jelena Vukić Šuljagić from OTP Banka, as well as Branko Petrović from UniCredit Banka and Petar Kojdić from Joint Law Office Maric in Cooperation with Kin-stellar. Special guest of the FIC event was National Bank of Serbia Vice-Governor Nikola Dragasevic who presented NBS positions on hedging. The presentation was followed by a Q&A part which members used for questions and discussion. The interest in the event was high. FIC had also the pleasure to welcome to the event the students from the Faculty of Economics, University of Belgrade, FEFA, Faculty of Business, Singidunum University, and Belgrade Banking Academy. The event was supported by the FIC Regulatory Director Jelena Lazarević.

FIC Insight on ESG on May 19 was the opportunity for members to hear about the environmental, social and governance principles. Presentation was held by the Legal Committee Vice President Nebojša Lukač from PwC and his colleague Teodora Pasulj. It was outlined that the ESG is no longer the niche issue, but the responsibility of the companies operating globally.



FIC Insight on Safety and Health at Work legislation, November 2023

FIC Insight on Safety and Health at Work legislation was held on November 1. Novelties and best practice recommendations for overcoming obstacles were presented by Senior Counsel at Karanović & Partners Jelena Ašanin, Environmental and Health and Safety Expert at Yettel Marijan Djukić and a special guest – OHS Expert Vera Božić Trefalt.

ENGAGEMENT IN GOVERNMENT'S WORKING GROUPS

FIC is dedicated to the engagement within Government's working groups in wide areas of members' interests and expertise. Currently FIC participates in the following working groups and bodies: Board of the project "Implementation of innovative measures of active employment and accessibility for further integration of long unemployed, young, women, persons with disability and less employable persons" - IPA 2020, National Trade Facilitation Body, Don't Call Registry, WG for Draft National Anti-Corruption Strategy 2023-2028, as well as working groups for number of laws of high importance for members: Brokering Law, Draft Amendments to the Information Security Law, Draft Amendments to the Advertising Law, Draft Amendments to the Trade Law, Draft Amendments to the Consumer Protection Law.

WIDE VARIETY OF ADVOCACY TOPICS

FIC had been advocating and developing a predictable, competitive, and sustainable business environment conducive for investments for two decades. In this demanding process, we tackle a wide variety of topics that are all important elements of business conditions. In 2023, the key advocacy topics FIC tackled in the regulatory initiatives and communication with various stakeholders included: Law on Employment of Foreigners, Internship Law, Planning and Construction Law, Law on Foreigners, Cadastre rules, issue of road permits with Greece, Copyright Law, Competition Protection, E-Signatures issued in EU, e-invoices, VAT on food donations, E-Communications Law, Information Security, fees for the use of public property, Waste Management, non-ionizing radiation, Consumer Protection, Private Security Law, Housing Law etc.

COOPERATION WITH STAKEHOLDERS – STRONGER TOGETHER

FIC attaches high importance to maintaining and further strengthening relations with a wide network of various stakeholders. The purpose of this cooperation diligently built during more than the two decades of FIC work is to achieve synergy in order to promote a better business environment and increase leverage. This network consists of international organizations, the diplomatic corps, development agencies, business associations, civil society organizations and universities.

EUROPEAN UNION

Regular and intense dialogue with the EU is mainly dedicated to promotion of the European values and standards in Serbia and helping create a functional open market economy able to

cope with the competitive pressure of the unique EU market. In 2023 FIC remained committed to the priorities related to the EU integrations, and the intensification of EU negotiations is outlined as a key priority. Most of the FIC members come from the EU or have developed businesses in the EU, which makes FIC a natural partner for the EU accession support. FIC is also regularly included in the consultations in the process of assessment of the reforms progress of Serbia.

FIC was an official partner of the EU Opportunity Week, initially planned for May 15-18, but postponed for June 21st - 27th due to tragic events in Serbia. The aim of the event organized jointly by the EU Delegation to Serbia and Government of Serbia was to provide information on EU Programs, projects, and funds. More than 120 information sessions and panels were organized.

Within the EU Opportunity week, FIC Executive Director participated at the panel “Integration in practice: Experiences of EU companies in Serbia and Serbian companies in the EU” Aleksandar Ljubic outlined that the EU integrations process and harmonization with the EU are of key importance for Serbia. “Fundamentally, it is not a matter of choice, the EU is the destiny of the Republic of Serbia, and there is no doubt about that.”

FIC Executive Director Aleksandar Ljubić also appeared in the podcast EU For You, outlining that Serbia has no alternative to the EU accession path, and that the best would be to pursue the process more quickly to reap the benefits for the country and other European countries.

INTERNATIONAL FINANCIAL INSTITUTIONS

International financial institutions (IMF, World Bank, EIB and EBRD) are natural partners of FIC, having the same common goal to instigate stronger economy and growth.

FIC had the opportunity to discuss the burning issues of the Serbia's economy with the EBRD Board of Directors' representatives on their official visit to Serbia on 3rd March. “We are keen to continue working with FIC and their members on creating even better conditions for foreign investors and attracting them to invest in Serbia”, said EBRD Board Director for Sweden, Estonia, and Island Eva Cassel. Main topics discussed at the meeting include the following: impact of the potential lack of labor on economic activities in Serbia; energy dependence of Serbia and the importance of stability in the energy system for business and investment activities; and continuation of reforms with the necessary corporatization of public enterprises. The meeting was hosted by Regional Head for the Western Balkans Matteo Colangeli. The delegation of the EBRD Board of Directors consisted of Director for Switzerland, Ukraine, Liechtenstein, Turkmenistan, Serbia, Montenegro, and Uzbekistan Rosmarie Schlup; Adviser Board Constituency for Switzerland, Ukraine, Liechtenstein, Turkmenistan, Serbia, Montenegro, and Uzbekistan Dušan Zarubica, Director for Portugal, Greece, San Marino and India Jose Brito, Director for Sweden, Iceland, and Estonia Eva Cassel, Director for Germany Michael Offer, Alternate Director for the United States of America Katherine Allen, Director for Australia, South Korea, New Zealand and Egypt Katherine Tuck, Alternate Director for Japan Keiko Futami, Alternate Director for the Netherlands, China, Mongolia, North Macedonia and Armenia Jan Willem van den Wall Bake, and Alternate Director for Australia, South Korea, New Zealand and Egypt Sean Lee. The EBRD Board of Directors represents 73 shareholders: 71 countries plus the EU and EIB and it is in charge of approving investment projects and the Bank's strategies and policies.

On 11th September, the Tourism and Hospitality Committee met Matteo Colangeli, a member of the FIC Board of Directors and EBRD Regional Director for Western Balkans, and his team. The topics addressed at the meeting concerned the possibilities of support to the private sector in the field of tourism and hospitality in Serbia, as well as the discussion on the Tourism Development Strategy of the Republic of Serbia for 2024-2033. FIC delegation was headed by the T&H President Zafiris Lampadaridis and the Vice-president Dubravka Kosić.

BUSINESS ASSOCIATIONS

In 2023, FIC continued fruitful cooperation with other associations in tackling significant issues for the business environment and promoting the goals of interest for the business community.

On January 26, FIC Serbia Executive Director Aleksandar Ljubić attended the first gala dinner organized by a distinguished FIC Serbia member, the AHK Serbien. It was a high-level event, with the presence of the highest representatives of the political, business, and diplomatic community in Serbia.

In March and April, FIC engaged in improvement of the framework for renewable energy use, with a joint initiative with other business associations and a meeting with the energy minister. On 28th March, Joint initiative was sent for increasing the allowed capacity of the utilities using renewable energy sources. On 7th April, this issue was discussed with the Energy Minister Dubravka Djedović Handanović, who said that the economy should be provided by the predictable and stimulative legal framework for investing in green energy. FIC was represented by the Communication Officer Renata Pindžo. It was a joint meeting with Naled, AmCham and Serbian Chamber of Commerce. A preparatory meeting was held on 6th April.

Meeting of the T&H committee with the Minister of Tourism and Youth Mr. Husein Memić, was held on June 22, 2023. The delegation was led by the Vice President of the Tourism and Hospitality Committee of the FIC of Serbia, Ms. Dubravka Kosić, FIC Communications Director, Ms. Renata Pindžo and Horvath HTL Beograd partner, Branislava Miletić. The results achieved, as well as the challenges and expectations faced by the tourism and hospitality sector since the last edition of the White Book, were analyzed.

GOVERNMENT BODIES AND INITIATIVES

FIC advocacy is usually organized around specific initiatives addressed to the White Book Task Force, working groups for



drafting of the laws, ministries and regulatory bodies. In addition to that, FIC has the pleasure to hold general meetings to strengthen cooperation, as well as to participate in the specific bodies and activities. FIC participates in a number of working groups and bodies dedicated to the current regulatory changes and other issues. On 9th June a meeting was also held with the EU Integration Minister Tanja Mišćević. FIC was represented by the Communication Director Renata Pindžo.

OTHER STAKEHOLDERS

FEFA

FIC has a long-term cooperation with FEFA including involvement of the interns during the preparation of the WB Project and exchange of information.

On 18th May FIC was awarded at FEFA's partner in building the future for the future generation. The award was received at the celebration of the 20 years of FEFA foundation. FIC was represented by the Executive Director Aleksandar Ljubić. Participants at the event included FEFA professors and founders, representatives of the Harvard Business School to which FEFA is associated, as well as representatives of the business community.

LIBEK

On June 9th, FIC Executive Director Aleksandar Ljubić promoted the importance of integration to the EU at the Open Balkans Forum organized by educational and research center LIBEK. Discussions on regional cooperation are more than welcome for companies, as the various initiatives based on the interests between the countries are also present within the EU, he said. Forum Open Balkans was organized by Libek, and participants also included Trade Minister Tomislav Momirović and European Integration Minister Tanja Mišćević.

On 24th October, FIC Executive Director Aleksandar Ljubić participated at the Libek conference "Challenges and Opportunities for Growth and Development". Aleksandar was a panelist at the second panel "Global trade system and supply chains". Participants at the conference included Government's representatives, diplomatic corps and representatives of other business associations.

EMBASSIES

FIC has developed good relations with the embassies, holding regular meetings in order to promote views, strengthen advocacy, facilitate attracting new members and exchanging information on the developments regarding the legislative

framework. A very large response of embassies to the FIC 20th anniversary event came also as a result of a really close cooperation between FIC and embassies.

ECONOMY AND BUSINESS FACULTY

On May 24, FIC had the pleasure to be member of a jury at the competition of Economy and Business Faculty, Belgrade University, module Trade management and marketing. Nine teams presented the results of their research on loyalty programs and customer relations, location of retail stores, analysis of consumer profiles, assortment, prices and sales conditions, sales environment, personal selling, trademark, and consumer profile. FIC Communication Director Renata Pindžo and FIC Regulatory Officer Tamara Kapor were in the jury.

TGI

TGI Group is one of the FIC partners for the long time. In 2023, FIC supported the organization of the 8th Serbian Property and Infrastructure Development Conference held on March 21 at Metropol Palace Hotel and also the 23rd Belgrade Economic Forum. The role of the long-term institutional Belgrade Economic Forum Partner gave FIC the opportunity to organize this year as well the special panel: Waste Management: Transition to a More Responsible Business Model, which is moderated by FIC Regulatory Director Jelena Lazarević.

REBEC

Communication director Renata Pindžo participated in the "Belgrade and Serbia Hospitality Potential" at REBEC Real Estate Belgrade Exhibition & Conference, an annual specialized event that brings together relevant professionals in the field of real estate development, held on June 19-21 in Belgrade. The focus was on the perspective of the Tourism and hospitality business in Serbia regarding the challenges brought by the imperative of sustainable tourism development, the lack and fluctuation of the labor force, current and future KPI requirements, and the expectations of increasingly demanding tourists.

SERBIAN PHILANTHROPY FORUM

FIC engaged in the initiative of the Serbian charities for abolishing the VAT for food donations. We participated on 24th July at the meeting held in the premises of the Serbian Philanthropy Forum, which is a part of the Coalition for Charity. The current initiative was launched after the House of Peoples in Bosnia and Herzegovina adopted a law exempting donated foods from taxes. FIC was represented by Regulatory Officer Tanja Jovanovic. Participants included civil society organizations, business, and public sector representatives.

PUBLIC PROMOTION

FIC appreciates public events as an opportunity to engage in discussion, strengthen networks, reach stakeholders and the wider audience, and promote views.

FIC ON THE LAUNCH OF EURACTIV PORTAL

FIC attended the launch of the Euractiv platform in Serbia on Wednesday 25th January. The event gathered high level representatives including the Serbian Prime Minister Ana Brnabić and Head of the EU Delegation in Serbia Emanuele Giaufré. FIC was represented by the Executive Director Aleksandar Ljubić and BoD members Marinko Ukropina and Ivan Rakić.

FIC AT THE TGI REAL ESTATE CONFERENCE

Real Estate Committee President Mario Kijanović participated at the 8th TGI Serbian Real Estate and Development Conference held in March 2023. Mario participated in the panel "Retail, Logistics, Shopping Centers and Hospitality Real Estate Market: New Trends to Grow Your Business". FIC officially supported this TGI event.

KOPAONIK BUSINESS FORUM

FIC Executive Director Aleksandar Ljubić participated at the 30th Kopaonik Business Forum held on March 5th to 8th. FIC Executive Director was a panelist at the panel "The importance of efficient tax administration in uncertain times".

FIC AT THE ACADEMIC EVENT ON TAXES

FIC Tax Committee President Dragan Drača promoted FIC views at the round table "Specialization of the Administrative Court in Tax Matters: Needs and Possibilities" organized by the Faculty of Law, University of Belgrade and the Serbian Fiscal Society on April 6th.

FIC AT OPENS BALKANS FORUM

FIC Executive Director Aleksandar Ljubić promoted the importance of integration to the EU at the Open Balkans Forum held on June 9. Forum Open Balkans was organized by Libek, and participants also included Trade Minister Tomislav Momirović and European Integration Minister Tanja Mišćević.

FIC AT THE EU OPPORTUNITY WEEK

FIC Executive Director Aleksandar Ljubić participated at the panel "Integration in practice: Experiences of EU companies in Serbia and Serbian companies in the EU", organized by the EU Delegation in Serbia and the Government of Serbia within the EU opportunity week.

FIC AT REBEC

FIC Communication Director Renata Pindžo participated at the REBEC Real Estate Belgrade Exhibition & Conference, an annual specialized event that brings together relevant professionals in the field of real estate development, held on June 19-21 in Golden Tulip Hotel Zira in Belgrade.

FIC AT THE LIBEK CONFERENCE

FIC Executive Director Aleksandar Ljubić promoted FIC at the Libek conference "Challenges and Opportunities for Growth and Development on 24th October 2023". Aleksandar was a panelist at the second panel "Global trade system and supply chains". Participants at the conference included Government's representatives, diplomatic corps, and representatives of other business associations.

FIC AT BELGRADE ECONOMIC FORUM

FIC is a partner of the organization of the 23rd TGI Belgrade Economic Forum on 28th and 29th November in Metropol Palace Hotel. FIC is a partner of the event together with Hellenic Business Association of Serbia and Naled. The leading event on the political and economic developments and cooperation in the region gathers high officials of Serbian Governments, ambassadors of main partners of Serbia, business association, civil society, and academia.

FIC AT SOUTHEAST EUROPE CONNECTIVITY FORUM

FIC Serbia Executive Director Aleksandar Ljubić participated in the Connectivity, Green Growth and Sustainability panel at Southeast Europe Connectivity Forum in Thessaloniki, Greece, held on November 1, discussing strategies for greener growth. The focus was managing any potential trade-offs and best exploiting the synergies between green growth and poverty reduction because there is no "one-size-fits-all" prescription.

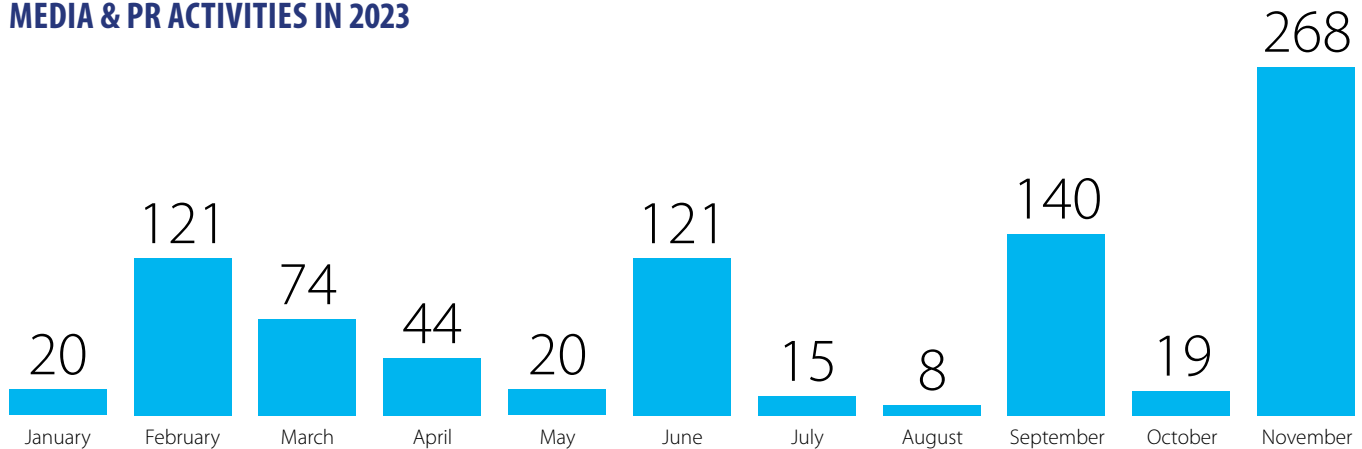
FIC AT EU COMMISSION 2023 ANNUAL REPORT ON SERBIA PRESENTATION

Aleksandar Ljubić, Executive Director of the FIC Serbia, participated in the discussion on the European Commission 2023 Annual Report on Serbia and the new Growth Plan for the Western Balkans regarding the opportunities opened by the Growth plan for the entire region. The conference was attended by Minister of EU Integration Tanja Mišćević, EU Ambassador to Serbia Emanuele Giaufré, President of the Serbian Chamber of Commerce and Industry, Marko Čadež, and representatives of the EU delegation in Serbia.



MEDIA

MEDIA & PR ACTIVITIES IN 2023



MEDIA CLIPPING IN 2023



GORAN PEKEZ FOR TELEGRAF BIZNIS

In an interview for the Telegraf Biznis portal on January 7, BoD member Goran Pekez said that the Serbian economy will be significantly influenced by the economic and political developments in the EU this year. "The continuation of reforms, inflation reduction, the prevention of the public debt growth and the intensification of EU integration are the business community's priorities", he said. In the upcoming period, the topic of labour rules should also be tackled, Goran Pekez said. He reminded of the two decades of FIC work and growth, outlining that the main principles and values were maintained from the very beginning: independence, transparency, expertise, and best international practice.



BOD MEMBER GOVEDARICA FOR BIZNIS.RS

In an interview for Biznis.rs portal on December 27, FIC BoD member Ana Govedarica said that the intensification of the EU accession negotiations and harmonization of legislation with the EU standards are key priorities in this moment. "Stability, or in other words predictable, competitive and sustainable business and investment environment is of key importance for the existing and future investors, both domestic and foreign", she said, reminding this is the key FIC objective since its establishment. Other topics tackled in the interview that can be accessed here include sectors for potential investments, challenges the world faces including the inflationary pressures and sanitary crisis, White Book results, achievements in digitalization, green agenda and pharmaceutical industry.



FIC VICE PRESIDENT FOR ADVERTISER SERBIA

FIC was promoted in the interview of the BoD Vice President Dejan Turk for the Advertiser Serbia web portal. He praised the stable and continuous communication with the authorities, as well as the improvement in the previous period. "We cooperate with a large number of business associations, we have productive dialogue with them, launch various initiatives, support them and participate in their development", Dejan Turk said.



FIC VIEWS PROMOTED BY DELHAIZE

Delhaize Serbia Executive Board member Jelena Pavlovic promoted FIC views in an interview for Moć održivog poslovanja magazine. "In this moment in Serbia, international companies in general have more demanding internal rules of functioning compared to the local regulations when it comes to the sustainability", said Jelena, Vice-president of the Executive Board responsible for the legal service and resources protection. By such sustainability principles, they have an impact on others not only by showing an example, but also by direct conditions to the business partners, suppliers and other companies they cooperate with. The interview also tackled the global and local steps to be taken in view of supporting sustainability.



FRANCOIS BERISOT FOR TELEGRAF

In an interview for Telegraf on March 24, FIC BoD member and Belgrade Airport CEO Francois Berisot said that significant improvement was noted since the FIC establishment 20 years ago. "On that

path, many reform decisions, sometimes unpopular, were taken, resulting in the significant increase of the direct foreign investors, especially in the past decade”, he said. What is encouraging is that the Government of Serbia is open for reforms, Francois Berisot said. White Book, needed public sector reforms, and functioning of the Belgrade Airport were addressed in the interview.

FIC AT BLOOMBERG SERBIA

In an appearance for Bloomberg on 21st June, FIC Executive Director Aleksandar Ljubic said that Serbia is deeply integrated in the EU economy, which should not be ignored in the context of the announcement of slowing of business in 2023 and the recession in Germany. “Besides that, what is recognized as the key priorities for further strengthening of the Serbia’s economy are the corporatization of public enterprises, macroeconomic and energy stability, as well as diversification of energy sources”, he said.

ALEKSANDAR LJUBIC FOR FIC TANJUG

FIC Executive Director promoted FIC views for Tanjug TV two times, on 9th and 12th June. On 9th June he said that in the the past decade the infrastructure in Serbia was improved. This is of key importance for proving it is possible to work in Serbia for a multinational company and have the same quality of life as anywhere in Europe. Another aspect is to further develop the digital infrastructure, which is one of the significant FIC initiatives in the past 10 years. One large project of digitalization of financial services was finalized in the past two years, to the benefit of the citizens using the services of banks, applications and electronic government. Dual education was also outlined as a positive reform. “Serbia is a leader in the region when it comes to attracting foreign investments, but it didn’t come without reason. It is the result of the combination of those several factors”, Aleksandar Ljubic said.

On June 12, FIC Executive Director said that Serbia is a good place for investment. In the past two decades, Serbia invested a lot to attract large numbers of foreign investors and achieved this goal. He cited infrastructure and digitalization as key pillars.

RENATA PINDŽO FOR EURONEWS

In an appearance for Euronews on 12th June, FIC Communication Director Renata Pindzo said that the investors are not drawing back from Serbia, but that the recession in the eurozone will impact the Serbian economy. “Unfortunately, the news (on the recession in the eurozone) was not unexpected. We tackled it in the last edition of our White Book. What will the impact on the economy of Serbia be? It is yet to be seen”, she said. Serbia is deeply integrated in the EU economy, meaning that the depth and length of the recession and the extent of the inflationary problems will determine the impact on the economy of Serbia, Renata Pindzo said. However, the investors are not stepping

back, and the FIC members came in Serbia with the intention to stay and become regional centers and suppliers of the EU. In this moment, there is no sign of loss of jobs, she said.

Announcing the first FIC conference on financial services, Pindžo pointed out that in 2022, over 3.5 million users in Serbia used mobile banking, which became a standard service. About 25% more payments were made through m-banking applications in 2022 than in 2021. Contracting cash loans and opening payment accounts also recorded significant growth. Last year, over 20,000 contracts were concluded using user video identification, which was unthinkable a few years ago.

PODCAST EU FOR YOU

FIC Executive Director Aleksandar Ljubic appeared in the podcast EU For You organized within the EU Opportunity Week. He said that the Serbia’s path to the EU should become more intense and predictable, offering additional security to both existing and potential investors. He outlined predictability as one of the priority factors for investors. Serbia has a tradition in some of the important sectors for the EU economy, but also a significant growth in some of the sectors such as IT technology, he said. Aleksandar Ljubic said that Serbia has no alternative to the EU accession path, and that the best would be to pursue the process more quickly to reap the benefits for the country and other European countries.



FIC BOD MEMBER MARJANA DAVIDOVIC ON N1

FIC BoD member Marjana Davidovic Promoted FIC Conference on Regenerative Agriculture at the N1 TV on 5th October. In the news show Dan Uzivo, Marjana said that the goal of the conference organized together with EBRD is to initiate the discussion on this important topic in the wider audience and professional circles. She outlined that the regenerative agriculture practices might soon become obligatory for Serbia, having in mind that the EU started passing the various “green laws” with the aim to reduce the emissions of greenhouse gases. “It is probable that in the not-so-distant future, perhaps in five or six years, when wanting to export our agriculture products in the EU we will be required to

either have a certificate that the production process is in line with those standards, or we will maybe have the additional fee to pay. This means that we won't be competitive", she said.



ALEKSANDAR LJUBIC FOR BLIC TV

FIC Executive Director Aleksandar Ljubic talked about the importance of regional cooperation at Blic TV on 6th October. "Each initiative for cooperation is welcome. Before 'Open Balkans initiative' it was CEFTA that is still functioning, there was also the Berlin process initiative. Open Balkans Initiative was envisaged to simplify this cooperation", he said. As examples of regional cooperation, he outlined the negotiations on the common system of electronic toll collection, and joint border with North Macedonia. For the economy, it is of utmost importance that the transport of goods runs smoothly, without disruptions such as long waiting at the borders. Aleksandar Ljubic said that the situation at the outbreak of Covid-19 pandemic showed the difficulties the disruptions bring. Other participant in the appearance was member of the Forum for International Relations of the European Movement in Serbia Branka Latinovic.



FIC AT BLOOMBERG ADRIA TV

In an appearance for Bloomberg Adria TV, FIC Executive Director Aleksandar Ljubic said the FIC will this year submit to the Government the recommendations for the improvement of business climate in terms of digitalization and green transition. "We expect that the Government does more for the private investments in

the SME-s. This is also of high importance for large companies, as SMEs are an integral part of their infrastructure and supply chain", he said. Aleksandar Ljubic outlined the importance of investments for economic growth, and drew attention to the significant part of foreign investments. Main topic addressed was the Free Trade Agreement between Serbia and China. Other interlocutor in the TV news show was Economic Faculty Professor Slobodan Acimovic.

FIC BOD MEMBER IVAN RAKIC FOR BIZNIS.RS MAGAZINE

BoD Member Ivan Rakic said for Biznis Magazine that Serbia needs further harmonization with the EU, having in mind the importance of the Union as the trade and investment partner of Serbia. FIC contributes to the improvement of the business conditions in Serbia, he said for the edition published 27th October 2023, outlining that the set of proposals is published each year in the White Book. Ivan Rakic said that FIC members are committed to the long term plans in Serbia, including expansion of business activities and increase of the production capacities. The article tackled the perspective of direct foreign investments in Serbia, and other interlocutors included the economist Milan R. Kovacevic, Managing Director of the French-Serbian Chamber of Commerce and Industry CCIFS Sanja Ivanic and Executive Director of Japanese Business Alliance Oliver Lepori.

FIC REGENERATIVE AGRICULTURE CONFERENCE PROMOTED AT PRVA TV

Sustainability Manager in Nestlé SEE Ivanka Stojnic promoted FIC Regenerative Agriculture Conference in an media appearance on TV Prva. Regenerative agriculture practices can not only increase sustainability and soil quality but can also benefit the producers by reducing the costs for the chemical fertilizers and energy, but also by the increased yields after some period of time. Sustainable production might at one point also come as an obligation for the suppliers of the EU companies, Ivanka Stojnic said.

ALEKSANDAR LJUBIC FOR TANJUG

On 5th November, FIC Executive Director Aleksandar Ljubic outlined the importance of the good regulatory framework for both attracting new investors and keeping the ones that are already in the country. "You can keep the foreign investor through the business policy reform, in particular by creating the predictable business environment" he said, adding that FIC works on that together with the Serbian Government. Both foreign and domestic investments, together with the support from the Government, are needed for achieving the best results. SMEs are the backbone of the economy, and their share in the GDP should constitute at least 10 percent. Aleksandar Ljubic promoted the White Book, ahead of its launch on 21st November.

WHITE BOOK PROMOTED IN MEDIA

White Book was promoted in the media by a series of media appearances by the Executive Office. FIC Executive Director Aleksandar Ljubic was a guest on TV Euronews, RTS TV, and Bloomberg Adria on November 21, while the Communication Director Renata Pindzo was guest on TVK1 and Tanjug same day.

FIC Executive Director Aleksandar Ljubic presented main FIC results on Bloomberg TV show Flash. The implementation rate of the FIC recommendations was this year 28%. “We are concerned that the percentage is decreasing”, he said, reminding of the 40% rate in 2019. As a reason, he outlined the frequent elections, adding that FIC expects a stable period allowing for faster progress. Some of the issues tackled included the White Book Task Force with the Government, as well as the expected investments in Serbia.



Speaking on Euronews, Aleksandar Ljubic said that the foreign investors' demands in Serbia are not different that in the other countries, and the main things are stability and predictability. After the upcoming elections, FIC expects a stable 4-year period, which would allow for sufficient time for cooperation and improvements. Serbia can't rely solely on foreign investors for growth, but also needs the state investments in infrastructure and private domestic investments. Other Euronews guest was finance consultant Vladimir Djukanovic.



Speaking on RTS TV, FIC Executive Director Aleksandar Ljubic said that the FIC is the partner of all the Serbian Governments for the 21 years, with the aim of improving the business climate in Serbia. Results are showing, as Serbia was last year the leader in attracting investments in the region. Progress in implementation of the White Book recommendations is significantly lower than in 2019, Aleksandar Ljubic said, adding that the progress was slowed by the repeated election cycles in the previous years. Other topics addressed included position of domestic investors, parafiscal burden, and labour.

Ahead of the White Book Launch on November 21, FIC Communication Director Renata Pindzo was guest at the TV K1. She said that the progress in the implementation of the White Book recommendations was noted in the 28% of recommendations, and that the biggest improvement was noted in the energy sector. Asked about workforce shortages, she said that the FIC engaged on the Law on Foreigners and Law on Employment of Foreigners. Labour rules were also discussed, as well as the need for European integrations.

Speaking for Tanjug ahead of the White Book Launch, FIC Communication Director Renata Pindzo said that the progress was achieved in 2023, but that there is room for improvement. This year's White Book contains 397 new recommendations. The number is increasing not only because some of the recommendations may remain non implemented, but also due to the dynamic environment in today's world.

COMMITTEES

Committees are the cornerstone of FIC work. Initiatives and other advocacy plans are devised and drafted within the committees.

ANTI ILLICIT TRADE & FOOD

In 2023, main Committee activities concerned the creation of the Working Group for Anti-Illicit Trade with the Custom Administration, organization of the Regenerative Agriculture Conference, and Contribution to the White Book.

On September 13th, the Committee took part at the kick off meeting of the joint working group for anti-illicit trade with the Customs Administration. Working body establishing was agreed at the meeting with the Customs on July 6, 2023. The aim of the working group is to serve as a platform for more efficient fight against illicit trade through harmonization of views, goals and activities. Main topic of the meeting was improvement of cooperation in combatting illicit trade, with focus on tobacco products. The Customs Administration was represented by assistant directors Natasa Mirkovic and Dragutin Matic. FIC delegation included BoD Member Goran Pekez, Committee Co-President Dragan Penezic and member Janko Guzijan, as well as FIC Executive Director Aleksandar Ljubic.

The Committee was engaged in organizing the Regenerative Agriculture Conference on September 27th in Metropol Palace Hotel, in cooperation with EBRD. Introductory speakers were FIC BoD member and EBRD Regional Director for the Western Balkans Matteo Colangeli, EBRD principal in charge of defining the strategy and implementation of climate policy Thomas Bouriot, FAO UN expert Sandra Corsi, and State Secretary in the Ministry of Agriculture, Forestry and Water Management Bojan Vranjković. The event attracted over 160 attendees and participants. FIC members that took part in the panel were representatives of: Nestlé Adriatic S, Delhaize Serbia, PepsiCo. Agricultural experts from the company Geneza and Prime Trinity also contributed to the panel discussion.

The Committee was also engaged in the Working Group on preparation of Draft Amendments to the Trade Law. FIC was represented by Regulatory Officer Tanja Jovanovic and member Delhaize representative Milica Popovic. Several meetings were held.

The National Coordinating Body for Trade Facilitation (NKTOT) meeting was organized for the 9th time and held by the min-

ister of Trade. FIC was represented by Communication Director Renata Pindzo and Regulatory Officer Tanja Jovanovic, emphasizing the key positions of the FIC related to anti-illicit trade and the work activities of the NKTOT. On November 22nd meeting of the Expert Working Group for Agriculture, Sanitary and Phytosanitary Measures within the NKTOT was held. Co-president of the Committee Drgana Stikic and Regulatory Officer Tanja Jovanovic attended the meeting in order to take part in Action Plan for 2024-2025 preparation.

The committee provided the following texts for the White Book: Illicit Trade Prevention and Inspection Control; Food Safety Law, Sanitary and Phytosanitary Inspection; Quality Assurance, Declarations on Food, Nutrition and Health Claims.

Committee main activities in 2023:

1. Kick-off of the Working Group for Anti-Illicit Trade with the Custom Administration
2. Contribution to the organization of the Regenerative Agriculture Conference
3. National Coordinating Body for Trade Facilitation
4. Contribution to the White Book 2023

FINANCIAL SERVICES

In 2023, the Financial Services Committee organized the FIC Insight on Hedging, organized the first FIC Financial Services Conference, and provided contribution to the White Book.

FIC Insight on Hedging was organized on 3rd April. It was an opportunity for members to get insight into the regulation and purposes of hedging as instruments for protection. Presentation was held by the FIC Financial Services Committee Co-President Danilo Mrvaljevic from Banca Intesa, FIC Financial Services Committee Vice President Jelena Vukic Suljagic from OTP Banka, as well as Branko Petrovic from UniCredit Banka and Petar Kojdic from Joint Law Office Maric in Cooperation with Kinstellar. Special guest of FIC event was National Bank of Serbia Vice-Governor Nikola Dragasevic who presented NBS positions on hedging. The event attracted significant attention from members.

The first FIC Financial Services Conference was organized on



June 13th. The Committee Co-President Dusan Lalic and Vice President Jelena Vukic Suljagic moderated the event which gathered all the relevant stakeholders including regulators, experts, business and professional associations and academia. Introductory speeches were held by the BoD Member Zoran Petrovic and NBS Vice-Governor Dragana Stanic.



FIC Insight Hedging

Various topics were tackled, including financial sector development trends, digital transformation, protection of users of financial services, AML, cadaster, and emerging technologies. The panel: "Improving the relationship between financial institutions and financial services users" initiated discussion among panelists: Bojan Terzić, General Manager of the Department for Financial Consumer Protection of the National Bank of Serbia; Željko Radovanović, acting Director of the Administration for the Prevention of Money Laundering; Biljana Marić, Acting Assistant Director for the Development of Information Systems and Electronic Administration of the Office for IT and eGovernment; Marina Papadakis, Secretary General of the Association of Serbian Banks and Darko Vučetić, acting Assistant Director of the Sector for Development and Innovation of the Republic Geodetic Authority. At the second panel "The future of the financial sector: expectations, trends, and (possible) impact of the crisis on the future financial services development" positions were represented by: Nenad Petrović, Acting General Manager of the Payment System Department of the National Bank of Serbia, Ognjen Popović, Assistant Minister of the Department for Financial System of the Ministry of Finance; Branko Damjanović, Director of Legal, Personnel and General Affairs of the Association of Serbian Insurers; Bojan Vračević, President of the Board of Directors of the Association of Leasing Companies in Serbia and Prof. Miloš Živković, PhD, Professor of the Faculty of Law, University of Belgrade.

Committee provided following texts for the White Book: Capital Market Trends; Payment Services; Protection of Users of Financial Services, Leasing; Insurance; Prevention of Money Laundering and Financing of Terrorism and Foreign Exchange Operations (in cooperation with the Legal Committee).

Committee main activities in 2023:

1. *FIC Insight on Hedging*
2. *FIC Financial Services Conference*
3. *Contribution to the White Book 2023*

HUMAN RESOURCES

In 2023, the Human Resources Committee provided proposals on the Law on Foreigners and Law on Employment of Foreigners, and Draft Internship Law, participated in the project on innovative active employment measures and delivered FIC Insight on OHS.

On March 1st, FIC sent to the Interior Ministry the Position Paper on the Law on Foreigners. Draft Amendments incorporated 43% of FIC proposals. Main FIC proposals were the following: enable unified permit for residence and work to be submitted both electronically and in person in the first 6 months; logging the tax payments for temporary residence; deadlines and procedures for providing the biometric data for unified permit from abroad; deadlines for harmonization of the bylaws with the Draft; possibility to adopt the unique Law on Foreigners regulating the residence and work; possibility for unified procedures when the joint permit is requested for more than one foreigners engaged by a single employer; conditions that the employer has to fulfill to enable the legal residence and work to the foreigners in Serbia; and conditions regarding the adequate housing. The PP contains 15 proposals and can be accessed [here](#). As for results of the initiative, Ministry of Interior has adopted 43% FIC proposals on Draft Law on Amendments to the Law of Foreigners

On March 1st, FIC sent to the Labour Ministry the comments on the Draft Law on Employment of Foreigners. The initiative was a success as 82% of the proposals were accepted. Main FIC comments concerned the requirements within the procedure for employment of foreigners, in particular the proof of compliance with the requirements for employment of the family members of foreigners who were issued the unified permit, and the way of regulating the work permit for foreigners that were issued the D visa or temporary residence permit. The Position Paper contains 11 proposals.

On 2nd June FIC launched an initiative to the Pension and Disability Fund of Serbia and the Employment Ministry to ask for recognition of the rights of foreigners employed on the indefinite-term contract. FIC outlined that Labour Law doesn't restrict contracts with foreigners to the fixed-term contract. On June 13,

the Fund responded to the initiative, saying the indefinite-term will be accepted as a basis for the foreigners' rights after the adoption of the Amendments to the Law on Employment of the Foreigners.

On September 18, the comments to the Draft Internship Law were sent to the Labour Ministry. FIC welcomed the initiative to regulate this area, as FIC advocated for years for establishing the framework for various internship models. However, FIC drew attention that the Draft Law would bring significant administrative burden, and therefore wouldn't constitute an attractive possibility for the engagement of young people. The trainees would also be limited by the solutions envisaged by the Law.

On 9th October, Committee Chairperson Milena Jaksic Papac participated at the first session of the Project Management Board for the project "Implementation of innovative active employment measures and approaches to increase the integration of the long-term unemployed, young people, women, persons with disabilities and harder-to-employ groups in the labour market - IPA 2020". Meeting was organized by the National Employment Service and the Ministry of Labour. FIC was also represented by the Regulatory Officer Tanja Jovanovic.

The Committee participated in organizing the FIC Insight on the Safety and Health at Work Law, held on 1st November, that attracted around 60 attendees. Novelties and best practice recommendations for overcoming obstacles were presented by Senior Counsel at Karanovic & Partners, Environmental and Health and Safety Expert at Yettel Marijan Djukic and a special guest – OHS Expert Vera Bozic Trefalt.

The Committee provided the following texts for the White Book: Labour Law, Professional Rehabilitation and Employment of Persons with Disabilities, Work of Foreigners, Secondment of Employees Abroad, Staff Leasing, Human Capital, Dual Education and Safety and Health at Work.

Committee main activities in 2023:

1. *Position Paper on the Law on Foreigners*
2. *Position Paper on the Draft Law on Employment of Foreigners*
3. *Initiative on the rights of foreigners employed on a definite-term contract*
4. *Draft Internship Law*
5. *Project on innovative active employment measures - IPA 2020*
6. *FIC Insight on OHS*
7. *Contribution to the White Book 2023*



Human Resources Committee meeting

INFRASTRUCTURE & REAL ESTATE

Engaged in initiative on Draft Law on the Use of Renewable Energy Sources, provided proposals to the Law on Planning and Construction, Cadastre rules and lacking permits for shipping between Serbia and Greece. Meetings were held with the ministers of Energy and Construction, as well as with the Geodetic Authority. Contribution to the White Book was provided.

The Committee engaged in the public discussion on the Draft Amendments to the Use of Renewable Energy Sources. The members were provided with the Draft and invited to send proposals. In March and April, FIC took further action on that issue, with the joint initiative with other business associations for increasing the allowed capacity of the utilities using renewable energy sources, and a meeting with the Energy Minister Dubravka Djedovic, together with Naled, AmCham and SCC.

In February, the Committee was active during public discussion on the Law on Planning and Construction with the Position Paper and a meeting with the Ministry. On February 20th, a Position Paper with 30 proposals on the Draft Law was sent to the Construction Ministry. Main FIC proposals were to: abolish the procedures of conversion with a fee; pursue conversion without a fee for all the persons and parcels eligible; to enable the transactions and construction permits concerning the parcels subject to the restitution procedures, with the risk being taken by the investor or a seller; to enable the construction permit if the property right wasn't entered into the Cadaster for the defined category of persons. Responding to FIC comments, meeting between FIC and the Minister of Construction, Transport and Infrastructure Goran Vesic and his associates was held on February 23rd. Minister responded positively to cooperation with FIC and FIC comments.

On 7th April, the members' comments on the latest amendments to the Cadastre Rules were sent to the Public Policy Secretariat. Comments were provided to the Amendments to Law on State Survey and Cadastre and Law on Procedure for Registration in the Cadastre of Real-Estate and Utilities. FIC didn't prepare the official Position Paper as the invitation was on a short notice, but Infrastructure and Real Estate Committee Members' comments were provided instead.

On 3rd May, Committee President Mario Kijanovic and FIC Regulatory Director Jelena Lazarevic were delegated as FIC representative in the Working Group for the Amendments to the Law on Mediation in Real Estate Transactions. FIC joined the Working Group upon invitation of the Ministry of Internal and Foreign Trade.

On 19 May, FIC sent the initiative to the Ministry of Construction, Transport and Infrastructure asking the resolution of the problem of lacking permits for shipping services between Serbia and Greece, the recurring problem that causes disruption in supply chains, especially in quarters 3 and 4 of each year. The problem stems from the insufficient number of permits issued in accordance to the agreement on the international goods transfer between Greece and Serbia, dating from 2003. FIC proposal is to introduce the complete liberalization of the international road transport between Serbia and Greece, as was done with other neighboring countries (Romania, Bulgaria, North Macedonia).

On June 14, the Committee President and FIC Executive Office representatives participated at the meeting with the Minister of Mining and Energy Dubravka Djedovic, organized as part of the preparations of the White Book 2023. Following topics were discussed: most significant plans and future cooperation; drafting process of the integrated national energy and climate plan; needed reforms in the energy sector; auctions for the allocation of market premiums for RES; Energy Development Strategy; Ministry's goal for reduction of emissions of harmful gases; and adoption of the plan for the development of energy infrastructure with projections until 2030.



Infrastructure & Real Estate Committee meeting with Minister of Construction

During the preparations of the White Book 2023, the Committee met the Republic Geodetic Authority. Topics addressed at the meeting on 27th July included the relevant White Book 2022 texts, as well as the situation and trends around time of the preparations of the 2023 edition.

The Committee provided the following texts for the White Book: Construction Land and Development, Mortgage and Real Estate Leasing, Cadastral Procedure, Restitution, Mining and Geological Research, Energy.

Committee main activities in 2023:

1. *Engagement on the Draft Amendments to the Use of Renewable Energy Sources*
2. *Position Paper on the Law on Planning and Construction*
3. *Meeting with the Minister of Construction, Transport and Infrastructure*
4. *Members' comments on the drafts of cadastral regulations*
5. *Participation in the Government's WG for Law on Mediation in RE Transactions*
6. *Initiative on liberalization of the international road transport between Serbia and Greece*
7. *Meeting with the Energy Minister Dubravka Djedovic*
8. *Meeting with the Geodetic Authority*
9. *Contribution to the White Book 2023*

LEGAL

In 2023, Legal Committee participated in a number of initiatives, meetings and working groups related to the Draft Copyright Law, Competition regulation, E-signatures issued in EU, Advertising Law, Consumer Protection Law and Law on Trade. The Committee members also delivered a presentation at the FIC Insight on ESG, provided contribution to the White Book and elected a Committee Vice President.

On February 14th, the Committee held elections for the committee Vice President and elected at the position the Attorney at Law in cooperation with PwC Nebojsa Lukac.

In February, the Position Paper for improvement of the Draft Copyright Law and Related Rights was sent to the Economy Ministry, and a meeting dedicated to the topic was held, which enabled some tangible results. The Position Paper was sent on 17th February. FIC main comment is that the Law stayed short of full



Legal Committee meeting

harmonization with the EU, as it was limited to the approximation with the directives from 2012 and 2014. Meeting with the Ministry was held on 23rd and FIC was represented by member representative Nikola Kliska. Meeting gathered Ministry of Economy, Institute for Intellectual Property and representatives of organizations for the collective exercise of copyright and related rights (SOKOJ, PI, OFPS and GOS). As a result, the Economy Ministry informed us that out of 27 FIC proposals, 10 were fully or partially accepted. Additional initiative was pursued within FIC related to the high fees and lack of clear criteria for determining the fee amounts for the operations of e-communications.

On May 18, Legal Committee Vice President Nebojsa Lukac and his colleague Teodora Pasulj held the presentation on the FIC Insight on Environmental, Social and Governance "Unlocking the ESG". It was outlined that the ESG was no longer the niche issue, but the responsibility of the companies operating globally. EU regulations, local regulations and the specific national regulations having impact in Serbia and globally were presented. The topics tackled include emissions, emissions trading, whistleblowing, taxonomy and non-financial reporting. Dialogue on ESG will be continued.

As a follow-up to the meeting with Competition Protection Commission held in December 2022, Committee prepared Position Paper on improvement of the competition framework in Serbia. The proposals were sent on 12th July to the Competition Protection Commission and to the Ministry of Domestic and Foreign Trade within the process of preparations of the White Book 2023. Issues tackled in the initiative are the following: transparency of the work of the Competition Protection Commission, lack of efficiency on the customers' requests in matters such as the exceptions and simple concentrations, and efficient judiciary protection and necessary amendments to the Law. On October 5, FIC representatives met the Commission to discuss FIC recommendations when more frequent meetings were agreed.

On July 12, FIC sent to the Telecommunications Ministry the proposal for the use of the e-signatures issued in the EU. The goal of the initiative was to speed up commercial operations

and improve the business environment, especially in the digital industry, which is developing significantly in the Republic of Serbia.. FIC expressed view that the current regulation, allowing only the use of the e-signatures issued in Serbia, hampers the cooperation with the foreign partners. Enabling the use of electronic signatures issued in the European Union would have a positive impact on the economy, as it will speed up processes such as concluding contracts, electronic commerce and data exchange. Legal Committee President is, together with the FIC Regulatory Director Jelena Lazarevic, a FIC representative in the Working Group on preparation of Draft Amendments to the Advertising Law. Several meetings were held, the most recent one on 31st October. The goal of the Working Group is to align the Law with relevant EU practice. The Working Group is still operational.

Committee engages in a Government's Working Group on amendments of the Consumer Protection Law. FIC is represented by FIC Regulatory Director Jelena Lazarevic who supports this process. Legal Committee members are engaged in preparation of input for the Working Group. The goal is to amend the Law in line with relevant EU Directives, while there is a room for additional improvement of the Law. The activities of the working group are still ongoing.

Committee provided the following texts to the White Book: Law on Business Companies, Judicial and Arbitration Proceedings, Law on Bankruptcy, Intellectual Property, Consumer Protection, Public Private Partnership, Trade Law, Foreign Exchange Operations, Prevention of Money Laundering and Financing of Terrorism, Law on the Centralised Records of Beneficial Owners, Law on Personal Data Protection, Law on Central Register of Temporary Restriction of Rights of Subjects, Law on Whistle-blowers, Public Procurement, and Competition Protection and State Aid.

Committee main activities in 2023:

1. *Advocacy on Draft Copyright Law and Related Rights Meeting with the Economy Ministry*
2. *FIC Insight on ESG*
3. *Improvement of Competition Protection initiative*
4. *Meeting with Competition Protection Commission*
5. *Proposal on e-signatures issued in the EU*
6. *Participation in WG on Draft Amendments to the Advertising Law*
7. *Participation in the Working Group on the Consumer Protection Law*
8. *Contribution to the White Book 2023*



PHARMACEUTICAL INDUSTRY

In 2023, Pharma Industry Committee was involved in the assessment of the implementation of the initiative of projection of entry into the legal deadlines in the processes of registration, renewal and amendment of licenses for human medicines and provided a contribution to the White Book.

On 27th September, a meeting was held with the Agency for Medicines and Medical Devices (ALIMS) on the entry into legal deadlines of the processes of registration, renewal and amendment of licenses for human medicines. Head of the Center for Human Medicines Marija Malesevic said that optimization of the processes in general is in progress, and that the complete digitization of ALIMS procedures is expected no later than June 2024, which will, together with more employees, guarantees process' acceleration. Another two meetings were organized on November 3rd and 29th in order to ALIMS present the concrete feedback and following steps in order to implement suggestions for improving administrative procedures for registration, renewal, variations and advertising of drugs, approval of clinical trials, formation of the highest drug prices and regulation of drugs sales via internet.

The Committee provided for the White Book the text on Pharmaceutical Industry.

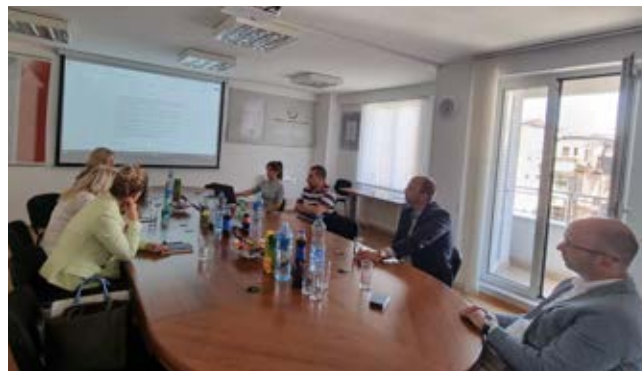
Committee main activities in 2023:

1. Engagement in the initiative of improving timelines of licensing process for human medicines
2. Contribution to the White Book 2023

TAXATION

In 2023, committee members engaged in the initiatives on the Draft Amendments on the Use of Public Property and E-Invoicing. A meeting with the Tax Administration was held, and two meetings with the Customs Administration on reinforcing cooperation related to the anti-illicit trade. FIC Insight on e-Invoice procedure was organized.

The Committee delivered the FIC Insight event on e-Invoice on 9th February. A brief overview of the most significant changes of the VAT Law and the E-Invoicing Law and the most common e-Invoicing System practical challenges were presented by FIC member Deloitte Advisory representatives Nebojsa Jovanovic and Andjelija Milicevic. The event was moderated by FIC Regulatory Officer Tanja Jovanovic. More than 50 members joined



Pharma Industry Committee meeting

the event and had the opportunity to engage in discussion in the Q&A part of the event. Key topics were the most significant changes of the VAT Law and the E-Invoicing Law, and the most common e-Invoicing System practical challenges.

On 6th April Tax Committee President Dragan Draca promoted FIC views at the round table "Specialization of the Administrative Court in Tax Matters: Needs and Possibilities" organized by the Faculty of Law, University of Belgrade and the Serbian Fiscal Society.

Together with the Telecommunication Committee, Tax Committee prepared the Position Paper on Draft Law on Amendments to the Law on Fees for the Use of Public Property. The initiative was sent to the Finance Ministry and Ministry of Informations and Telecommunications on 3rd May. 7 concrete proposals were provided.

The Committee launched an initiative on resolving the e-invoicing issues, approaching the Finance Ministry on June 15th and sending a list of open questions and issues on August 3rd. In the initiative on 15th June FIC called the Finance Ministry to enable the transfer of data regarding the entities registered in Business register on the electronic invoices via Electronic Invoices System. The connection was removed in the updated 3.3 on May 6th. In addition, on 3rd August FIC sent to the Ministry a list of open questions and issues regarding the E-Invoicing system. The FIC comments contain 19 concrete proposals, identified by members in practice, as well as additional proposals for improvement of the e-Invoicing System.

Tax Committee took part at the meeting with the Director of Tax Administration Dragana Markovic on June 27th. Both FIC and Tax administration showed commitment to improving the efficiency and effectiveness of the Tax Administration. Activities, results, and plans for the continuation of the modernization of the Tax Administration were presented. FIC was also represented by the Executive Director Aleksandar Ljubic, and was supported by the FIC Communication Director Renata Pindzo and Regulatory Officer Tanja Jovanovic.

FIC met the Customs Administration on September 13th to establish the joint working group for anti-illicit trade, which was agreed at the meeting with the Customs on July 6th, 2023. The aim of the working group is to serve as a platform for more efficient fight against illicit trade through harmonization of views, goals and activities. The Customs Administration was represented by assistant directors Natasa Mirkovic and Dragutin Matic. FIC delegation included members Goran Pekez, Dragan Penezic and Janko Guzijan, as well as FIC Executive Director Aleksandar Ljubic. On 6th July the meeting was held with the Tax Administration Director Branko Radujko and FIC was represented by TAX Committee Vice President Vanja Korac and FIC Executive Director Aleksandar Ljubic and Communication Director Renata Pindzo.

On the November 24th Committee President Dragan Draca took part in conference on the “EU Minimum Corporate Income Tax Directive and its Impact on Non-Member Countries” organized by FIC in cooperation with University of Belgrade Faculty of Law, The Serbian Fiscal Society and American Chamber of Commerce.

Committee provided the following texts to the White Book: Customs, Tax Section, Corporate Income Tax, Personal Income Tax, Value Added Tax, Property Tax, Tax Procedure and Tax Administration, Latest Developments in the Serbian Tax System (Parafiscal Charges), E-Invoicing and Fiscalization.

Committee main activities in 2023:	
1.	FIC Insight on e-Invoice
2.	FIC promotion at the round table by Belgrade University and Serbian Fiscal Society
3.	Position Paper on Draft Amendments on the Use of Public Property
4.	E-Invoicing
5.	Meeting with the Tax Administration
6.	Cooperation with Customs Administration on AIT
7.	FIC participation at the Conference
6.	Contribution to the White Book 2023

TELECOMMUNICATIONS & DIGITAL ECONOMY

In 2023, the Telecommunications and Digital Economy Committee participated in the Working Groups on Electronic Communications and the Amendments to the Law on Information Security.



Taxation Committee meeting

ity. The committee provided comments to Draft Amendments to the Law on Fees for the Use of Public Property and Draft Copyright Law and pursued advocacy on reducing obstacles for infrastructure development.

In January the Committee continued the participation in the Working Group on the Draft Law on Electronic Communications. Meetings of the Working Group were held on January 13 and 25. FIC was represented by all the telco operators and FIC Regulatory Director Jelena Lazarevic. FIC was also active in a working group in 2022, with the objective of contributing to the quality of Law that is expected to bring significant progress in the digitization of the process of using telecommunications services, especially regarding the conclusion of contracts and invoicing in digital form.

The Committee invested significant efforts in preparation of positions for the Government’s Working Group on the Amendments to the Law on Information Security. On 16th March, Telco and Digital Economy Committee President Daniel Susnjar and Regulatory Director Jelena Lazarevic were delegated as the representatives in the Working Group, upon the invitation by the Information and Telco Ministry. Several Working Groups meetings were held with main focus of harmonization the Law with the EU Regulations.

On March 24, President of the FIC Telco and Digital Economy Committee and FIC Executive Team met the City Manager of Belgrade and his team to discuss the tax Belgrade charges to each retail object (“firmarina”). FIC outlined that the municipalities in Belgrade charge this tax (“firmarina”) to each retail object within their territory separately and above the limit of 10 average salaries stipulated in the Law on Financing Local Self-Governments. FIC also drew attention to the significant tax increase in 2022. The meeting resulted with mutual understanding on the need of proper calculation of the local tax on retail objects placed in the City of Belgrade (only 1 tax amount per company regardless of the number of retail objects at their territory).

In April, the Position Paper for improvement of the Draft Copyright Law and Related Rights was sent to the Economy Ministry.

The goal was to highlight disproportionately high fees of organizations for the collective protection of copyright and non-existence clear criteria for determining their fees according to operators. In practice companies face the problem of constant unjustified increases high fees of organizations for the collective protection of copyrights to operators, simultaneously with the establishment of new organizations that demand new fees.

The Committee prepared the Position Paper on Draft Law on Amendments to the Law on Fees for the Use of Public Property. The initiative regarding the method of calculating fees for the use of spectrum intended for new technologies, in order to ensure additional investments and expedite installation and development of 5G technology, was sent to the Finance Ministry and Ministry of Information and Telecommunications on 3rd May.

Throughout the year, the Committee was engaged on reducing the obstacles for expansion of the infrastructure network. FIC has been advocating for improvement of regulations and proper interpretation in the field of construction of radio base stations and protection against non-ionizing radiation and development of 5G technology. Resolving of this topic needs to be evaluated and harmonized among various institutions (Ministry of Environmental Protection, Ministry of Construction and Infrastructure, Ministry of State Administration and Local Self Government, Ministry of Information and Telecommunications, local municipalities). The cooperation was established with Faculty of Electrical Engineering (ETF), University of Belgrade who prepared the expert study. Aiming to present results of the Study, FIC met Telco Minister Mihailo Jovanovic and other Ministry's representatives, RATEL representatives, Institute for Standardization and Ministry for Environmental Protection. In October several meetings were held with Telecommunications Ministry and Environmental Protection Ministry to discuss potential solutions. Initial agreement was reached that Environmental Protection Ministry would send instructions to local municipalities on how to implement relevant regulations. The instructions were prepared in cooperation of the Telecommunications Ministry, FIC and NALED.



Telecommunications & Digital Economy Committee meeting

On 2nd October, FIC sent to the Construction Ministry the Position Paper on the Draft Amendments to the Law on Housing and Maintenance of the Housing Business. The Position Paper contains two proposals related to the limitations on installing the equipment emitting radiation to the roofs of the building and limitations in voting rights for the those owning a third of units or more.

The Committee provided the following texts for the White Book: Telecommunications and Digitalization.

Committee main activities in 2023:

1. *Working Group on Electronic Communications*
2. *Working Group on the Amendments to the Law on Information Security*
3. *Meeting with the City Manager of Belgrade*
4. *PP on Draft Amendments to the Law on Fees for the Use of Public Property*
5. *Initiative on Copyright Law fees*
6. *Advocacy on reducing obstacles for infrastructure development*
7. *Contribution to the White Book 2023*

TOURISM AND HOSPITALITY INDUSTRY

In 2023, the Committee held two meetings with the Tourism Minister and one with the EBRD to discuss challenges and opportunities in tourism development.

The Committee advocated changes to the criteria and method of paying tariffs for copyright and related rights for accommodation facilities in the accounting period. Also, the Committee contributed to the new strategic framework for tourism in Serbia and to the White Book 2023.

By the end of last year, the FIC Tourism & Hospitality Committee held the first meeting with the Minister of Tourism and Youth Husein Memic to discuss implementation of the recommendations from the White Book 2022 in the field of tourism and hospitality. The following topics were tackled: enhancing the conditions for new investments in tourism, shortage and the seasonality of the workforce, the introduction of a new methodology for assessing the foreign exchange inflow of tourism & hospitality, reduction of VAT for food consumption in hospitality, and suppression of the high level of the gray economy in



Tourism & Hospitality Committee meeting

the individual accommodation services segment. FIC was represented by the Tourism & Hospitality Committee President Zafiris Lampadaridis, Vice President Dubravka Koscic, several Committee members, and FIC Communication Director Renata Pindzo.

Vice-President of the Committee Dubravka Koscic met the Minister of Tourism and Youth Husein Memic on June 22nd. FIC representatives also included Communication Director Renata Pindzo. The meeting was dedicated to analyzing the achieved results as well as the challenges and expectations faced by the tourism and hospitality sector since the last edition of the White Book.

Committee chairpersons Zafiris Lampadaridis and Dubravka Koscic held a meeting with a member of the FIC Board of Directors and EBRD Regional Director for Western Balkans Matteo Colangeli. The main topics addressed were the possibilities for supporting the private sector in Serbia that operates in the field of tourism and hospitality. It was noted that the FIC was closely monitoring the process of drafting the new Tourism Develop-

ment Strategy of the Republic of Serbia for 2024-2033 and that the FIC T&H Committee members provided input.

Tourism & Hospitality Committee discussed key issues and provided its contribution to the new tourism development strategy framework in Serbia. Special attention was devoted to the market positioning of Serbia as a tourist destination, defining the vision and mission of Serbian tourism in the next ten years, growth objectives, priority tourist products, markets, potential for possible improvements, and critical challenges/opportunities.

Also, the Committee proposed Amendments to the Law on Copyright and Related Rights regarding the Method of Determining the Copyright and Related Rights Tariff to introduce a fee payment criterion based on the occupancy percentage of the accommodation facility in the accounting period.

The Committee provided the following chapter for the White Book: Tourism and Hospitality.

Committee main activities in 2023:
1. Meetings with the tourism minister
2. Meeting with the EBRD
3. Contribution to the new tourism development strategy framework in Serbia
4. Advocacy on changes in the criteria and payment method of tariffs for Copyright and Related Rights for taxpayers' accommodation facilities in the accounting period.
5. Contribution to the White Book 2023.















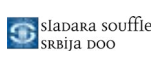




TASK FORCE ON WASTE MANAGEMENT

FIC created a special Task Force on Waste Management on 30th March 2023. The aim of the Task Force is to help improve the national legislation and raise general awareness of this topic. Many FIC members expressed interest in the Task Force. Topics discussed at the meetings were: circular economy in general, calculation of fee for communal waste removal, sorting of waste, disposal of batteries... On July 12th FIC sent the Initiative for the development of the circular economy and fair calculation of fees for waste management to the Environmental Protection Ministry. Task Force also prepared input for the White Book 2023 on Environmental Regulations.



FIC MEMBERS

 A1 SRBIJA D.O.O.	 A1 TOWERS INFRASTRUCTURE D.O.O. BEOGRAD – NOVI BEOGRAD	 ACB D.O.O. BEOGRAD – DRUŠTVO ZA POSREDOVANJE U OSIGURANJU	 ADDIKO BANK A.D. BEOGRAD	 ADECCO OUTSOURCING D.O.O.	 AIRPORT CITY BELGRADE
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The Foreign Investors Council

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