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ELI Newsletter

Serbia and Montenegro



Business News

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Competition watchdog approves takeover of Serbian dairy companies

The takeover of Serbian dairy companies IMLEK and Mlekara Subotica by Dutch dairy giant FrieslandCampina has been approved by the competition protection commission. Earlier in February this year a memorandum of understanding has been signed with private equity firm Salford Capital Partners to sell Imlek. This takeover also has to be approved by the competition authorities in other countries where Salford owns dairies. FrieslandCampina operates in 25 countries and employs around 19.550 people. The company posted €9 billion in revenue in 2010.

Dutch consortium member to participate in development of €70 million optical cable network in Novi Sad

Public company Informatika from Novi Sad will build an optical cable network that will cover the city and suburbs together with three companies from Slovenia (Sago Projektiranje In Inzenjering, Eprojekt and Riko), one from the UK (Emtelle, Scotland based) and the Dutch fiber-to-the-home equipment manufacturer Genexis. Investment is estimated at €70 million. The network will be owned by the

City of Novi Sad and strategic partners will be responsible to design, finance and build a whole system within the next six years. Strategic partners will receive 75% of the profits in the next 25 years.

Dutch company Vahali Service & Marine to complete €5 million worth of works in Serbia

Shipbuilding Company Vahali Service & Marine in Belgrade, has completed the construction of a 110 meter ship hull. The vessel will be able to accommodate 124 passengers in 62 cabins and will be used for river cruises between Amsterdam and the Black Sea. The amount of works carried out in Serbia is worth €5 million and the total value of the ship is €15 million. The final works on the vessel will be carried out in the Netherlands and are due in November this year. The Dutch company started operating in Serbia in 2008 and now employs 200 workers. According to the reports Vahali & Services Management also plans to expand operations in Serbia.

Comico Oil signs contract on land leasing

On 25th of April the Serbian Subsidiary of the Dutch company Comico Overseas signed the land lease contract for its future refinery in Smederevo. Under this contract, Comico is to pay €6.52 million for a 99-year lease of 113 hectares of land. The construction of the oil refinery is going to create 542 jobs. Investments are estimated around €250 million.

Austria's Strabag "interested" in two sections of the Belgrade-Montenegrin highway

Two sections of the highway that will go from Belgrade to the Montenegrin border, Obrenovac-Ub and Lajkovac-Ljig, could be built by means of a concession deal. Austria's Strabag is interested in this project. Estimated costs of the 26.2 kilometer project Obrenovac-Ub are €105 million. The 12.5 kilometer project Lajkovac-Ljig, would cost €123.8 million, including a one kilometer tunnel. According to the earlier reports Azerbaijan has approved a €308 million loan for building the 40.2 kilometer section on this highway.

In this edition:

- Approval for FrieslandCampina
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Business news (continued)

RTB Bor hopes to get €55 million from the EBRD

State copper mining and smelting complex, Rudarsko-topionicarski basen Bor, hopes that the European Bank for Reconstruction and Development will invest €55 million in two projects concerning flotation facilities and a wastewater treatment facility. The representative of RTB stated that this complex will meet the EBRD requirements to get the finance.

€25.5 million deal for water purification plant

A contract worth €25.5 million has been signed between Germany's WTE Wasertechtechnik and Water and Sewer Utility Zrenjanin in which is stated that the German company will build and manage a water purification plant in Zrenjanin. This plant will be built according to the highest European standards and will have the capacity to purify 300 liters of water per second. The plant should be completed in three years.

Czech company building €12 million biomass pellet plant

The Czech renewable company Bridge Power Investments (BPI) launched the construction on a €12 million biomass pellet plant near Sombor, Vojvodina. The new facility will employ 40 workers and will have a capacity of 100.000 tons on annual level. Exports up to €9 million are expected. The completion of the new plant is scheduled for September. According to the statements of BPI representatives, the company plans to open 10-15 production centers across Vojvodina. The strategy of Vojvodina is to invest in the production of biofuel from crop residues and fast growing energy crops mainly destined for exports to the EU.

€10 million for construction of affordable apartment complex in Nis

Constructions of the residential complex started in Nis. The Serbian Government has planned to build 1663 affordable apartments in 12 municipalities across the country. A total of 237 apartments will be built in Nis. These apartments will be sold

at the price of €499 per square meter. Completion is scheduled for December 2014. The Council of the European Development Bank (CEB) finances €58 million and the rest will be financed by the state and municipality's funds. Most of these apartments will be built in Kragujevac, Kraljevo, Krusevac, Cacak and Zrenjanin. Future apartments will be constructed in Uzice, Pirot, Pancevo and Kikinda. The state stated to secure affordable loans for the buyers of these apartments.

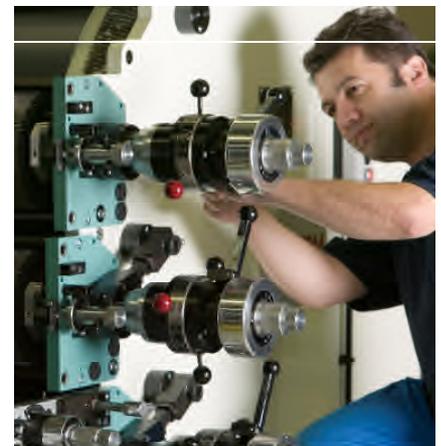
General Motors will buy valve maker MIV, Sremska Mitrovica

The world's largest carmaker, US Company General Motors (GM) will sign a contract to acquire valve manufacturer Mitrovacka Industrija Ventila (MIV) and produce car parts at its facilities. GM will employ 300 workers in this new plant.

Mars opened high-precision components plant

Petrovaradin trading firm Mars has opened a new plant for production of high precision components in a business park in Beocin. The plant will manufacture parts for mobile phones and for medical and military equipment. With this plant Mars created 150 jobs and has plans to create 200 more.

New investments in Serbia; pen water purification plant, a biomass pellet factory and upgrade production of metal components.



Source: Vereniging FME-CWM

Agriculture

Agriculture news:

Vojvodina's biggest exporter opened a new seed processing center

Seed processing center and storage facility in Novi Sad

The state institute of field crops and vegetables opened a seed processing center worth €3.5 million. The same institute started constructing a new storage facility with a capacity of 6000 tons. This pushes the overall investments to over €6 million. These two facilities will enable the institute, which is already Vojvodina's biggest exporter, to be more competitive on the domestic market and to increase exports. The new storage facility will be completed in three months and will increase the storage capacity to 15000 tons. It is expected that the institute's exports will hit a record in 2012.

€2.35 million for overhaul of vineyards

Wine and non-alcoholic beverages producer VINO ZUPA from Aleksandrovac is set to sign a €2.35 million deal with the Ministry of Agriculture, Trade, Forestry and Water Management on renewing its old orchards, vineyards and plantations in the next seven years. The plan of VINO ZUPA is to renew vineyards and start producing grafts which would be exported.

The government adopts decrees on subsidizing farmers' investments

The Serbian Government adopted a decree on subsidizing farmers' investments concerning the production and distribution of fruit, vegetables and flowers. The farmers will apply to purchases starting at €300 for new sowing and harvesting equipment and machinery. They also apply for other kinds of investments like crop protection from diseases, temperature changes and installation of irrigation systems. Decrees on subsidizing are 40% premium on crops and livestock insurance and development of new vineyards, fruit orchards and hops and gentian plantations

€15.5 million to build a new abattoir

Poultry meat producer Agroziv from Zitište plans to open a new slaughterhouse. The Project is worth EUR 15.5 million. This slaughterhouse will ramp up the production of Agroziv 2.5 times

and will enable the company to cover 60% of the domestic market.

Dutch Seminar – Wednesday, May 16 - EU integration – impact on Serbia's agriculture and agribusiness

Agriculture is both economically and culturally important in Serbia. Following Serbia's acceptance as a candidate for European Union membership, its agriculture and rural issues will receive major attention from the rest of the EU.

On May 16 the Netherlands Embassy organizes a Seminar "EU integration – impact on Serbia's agriculture and agribusiness". Researchers and representatives from the government and agribusiness will attempt to define the main challenges EU membership presents for Serbia's agriculture and how to respond to those challenges.

A joint Serbian/Dutch study will be presented that shows possible implications of EU membership for the structure and performance of Serbia's agri-food chain and how the country can adjust in order to comply with EU rules and regulations. The researchers also explore the consequences for Serbia's agricultural policies and its agro-food supply chain, as well as how Serbia can best address the new economic market forces it will have access to. Agribusiness' representatives will give their view on what the sector would need to prepare for EU membership. Next to introductions there is room for questions from the audience and discussion.

The Seminar will take place at the Congress Center of Novi Sad Fair, on Wednesday, May 16, hall VI from 11h00 to 13h00



Source: Koppert

Culture recommendation in May/June

Mikser Festival 2012, 25.05 - 02.06. Savamala, Belgrade

Mikser Festival, multidisciplinary and multicultural festival of creativity and innovation in the fields of design, art, environment, architecture, technology, music, film, theatre will take place from 25 May to 2 June. The Netherlands will be well represented this year: Stealth Unlimited, Bik van der Pol, Piet Vollaard from Archined.nl, Alexander Vollebregt and Emiliano Gandolfi from the Delft University of Technology. In addition, a selection of Dutch movies will be shown within the program "Highlights of the Lowlands". More information and program at <http://www.mikser.rs>.

Belgrade Design Week

Another prestigious festival, Belgrade Design Week, will take place from 4 to 10 June. Alan John Moseley and Victoria Eleanor Moseley from the agency 180 Amsterdam will give a lecture at FREEDOM² conference within the BDW 2012 on Saturday, 9 June. For more information on participants, program and tickets visit www.belgradedesignweek.com.

Cultural news:
Belgrade Design Week
and Mikser Festival



Source: Marcel Wanders Studio

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