



FROM VISIT TO BUSINESS

NENAD MITOSEVIC – TRADE ADVISOR, EMBASSY BELGRADE

DANISH EMBASSY IN BELGRADE COVERS 4 MARKETS



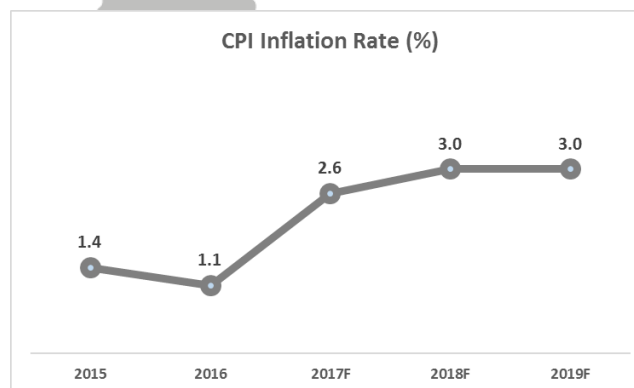
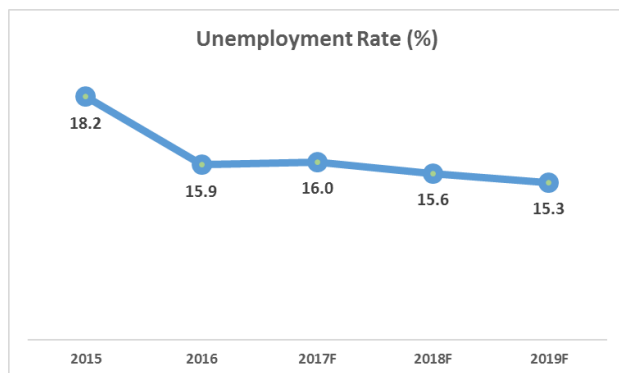
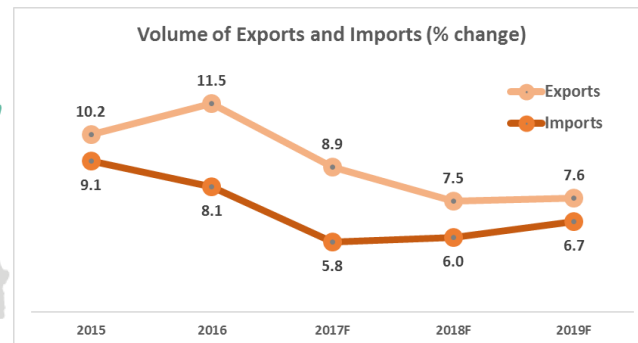
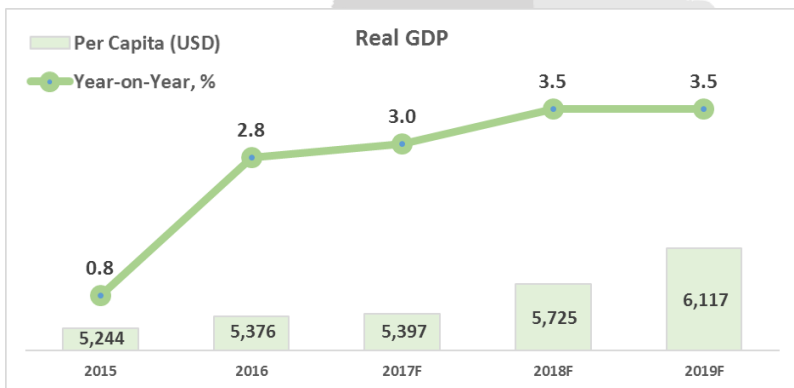


SERBIA

7,1MM inhabitants

88,360 sq km

Capital – Belgrade (1,4MM)





TRADE STRUCTURE WITH DK

- Dominated by
 - Transport and machines – 47%
 - Chemicals
 - Finished goods
- **Agriculture**
 - Meat fresh and frozen (4%)
 - Cattle feed (4%)



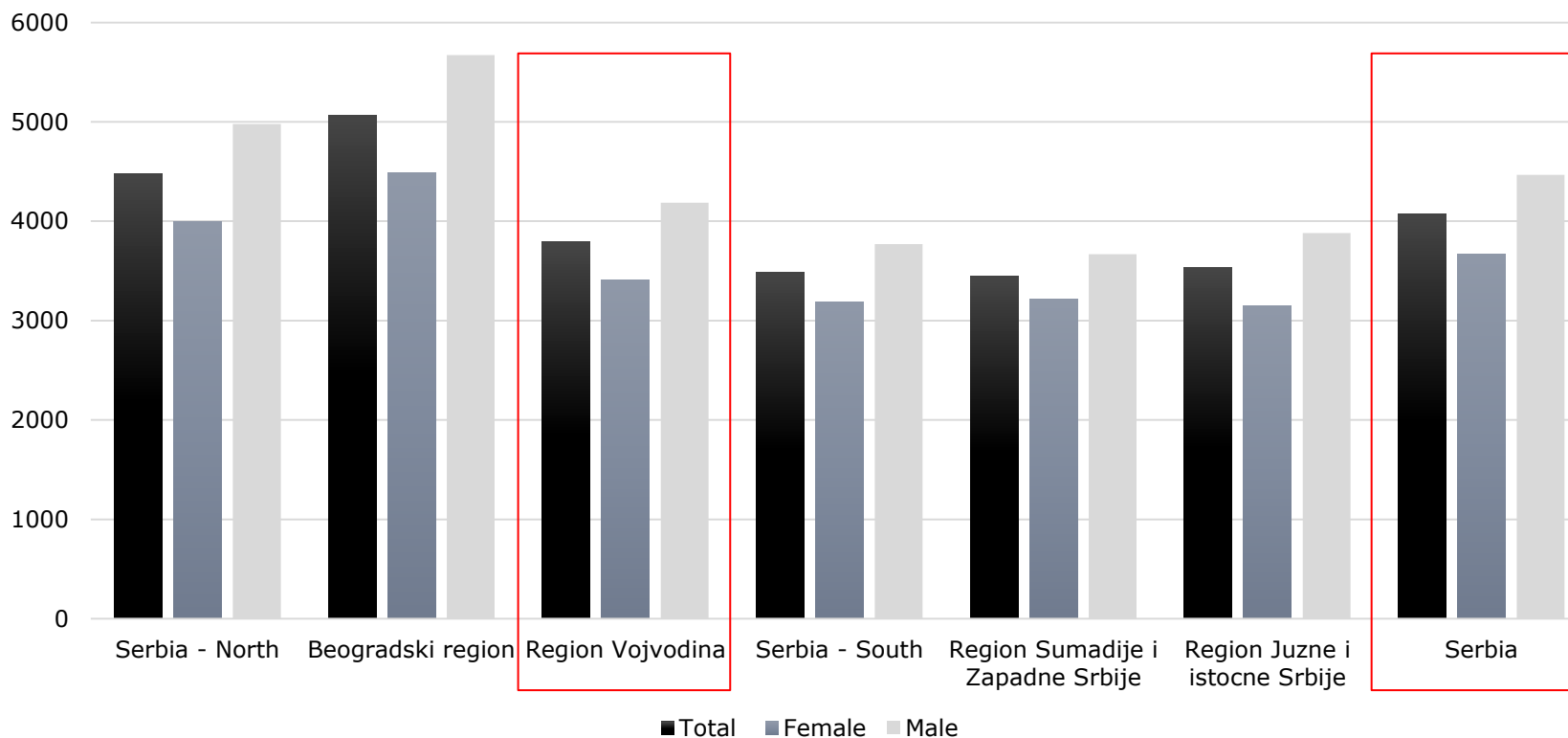
AGRICULTURAL POTENTIAL

- Serbia has **5.05 million ha** of arable land
- **84%** of the land is in Vojvodina, in the North
- First class land, prices up to **DKK150,000**
 - Second class, ranging from **DKK35,000** to **DKK100,000**
- Rental prices, state land – up to **DKK1,500**
- Rental prices, private land – up to **DKK3,000**
- *Long term lease, state agreement (30 years)*
- *Free trade agreements*



HUMAN AND LABOUR POTENTIAL

Average monthly wages by gender in DKK, 2016





LABOUR PRODUCTIVITY (WB)

Figure 15: (Real) Apparent labor productivity growth (CAGR)*, food production, 2007-2012

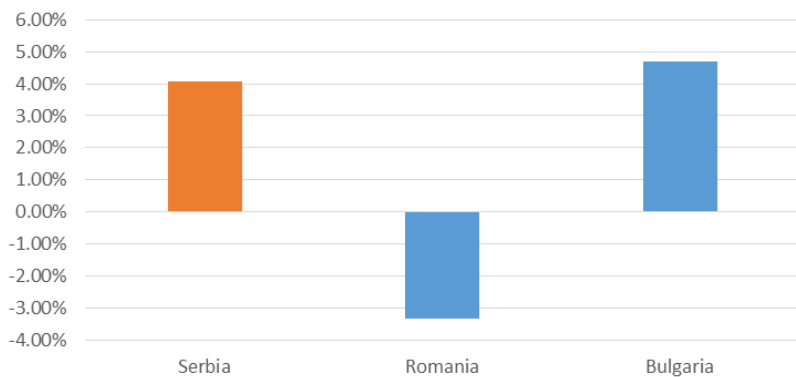
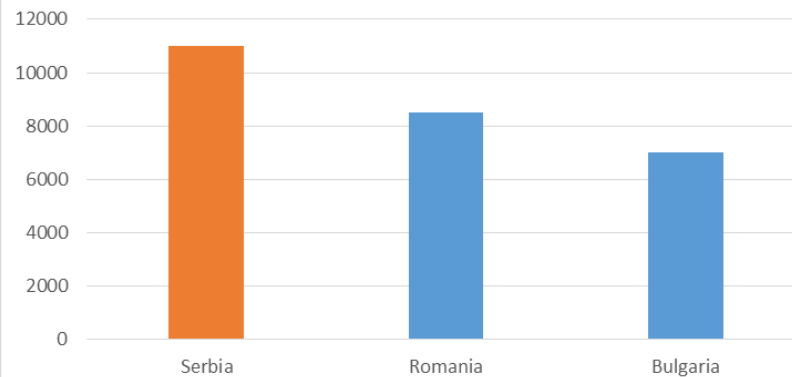


Figure 16: (Real) Apparent labor productivity level, food production, 2012





OPERATIONAL

- Two percent of working population in agriculture (**33,000** people)
- Competitive labour costs in agriculture sector: Average Gross **DKK4,100** / Net **DKK2,975** (Nov/2017)
- Electricity costs, on average **DKK0.45 KWh**
- Water (utility based), **DKK4.3 m3** (avg.)
- English widely spoken among people younger than 40 years of age



VISIT TO SERBIA (OCT/NOV 2017)

- A new market for many participants
- Key companies
 - MK Group
 - Delta Agrar
 - Mitros
 - PKB
- From visit to opportunities



FROM VISIT TO OPPORTUNITIES



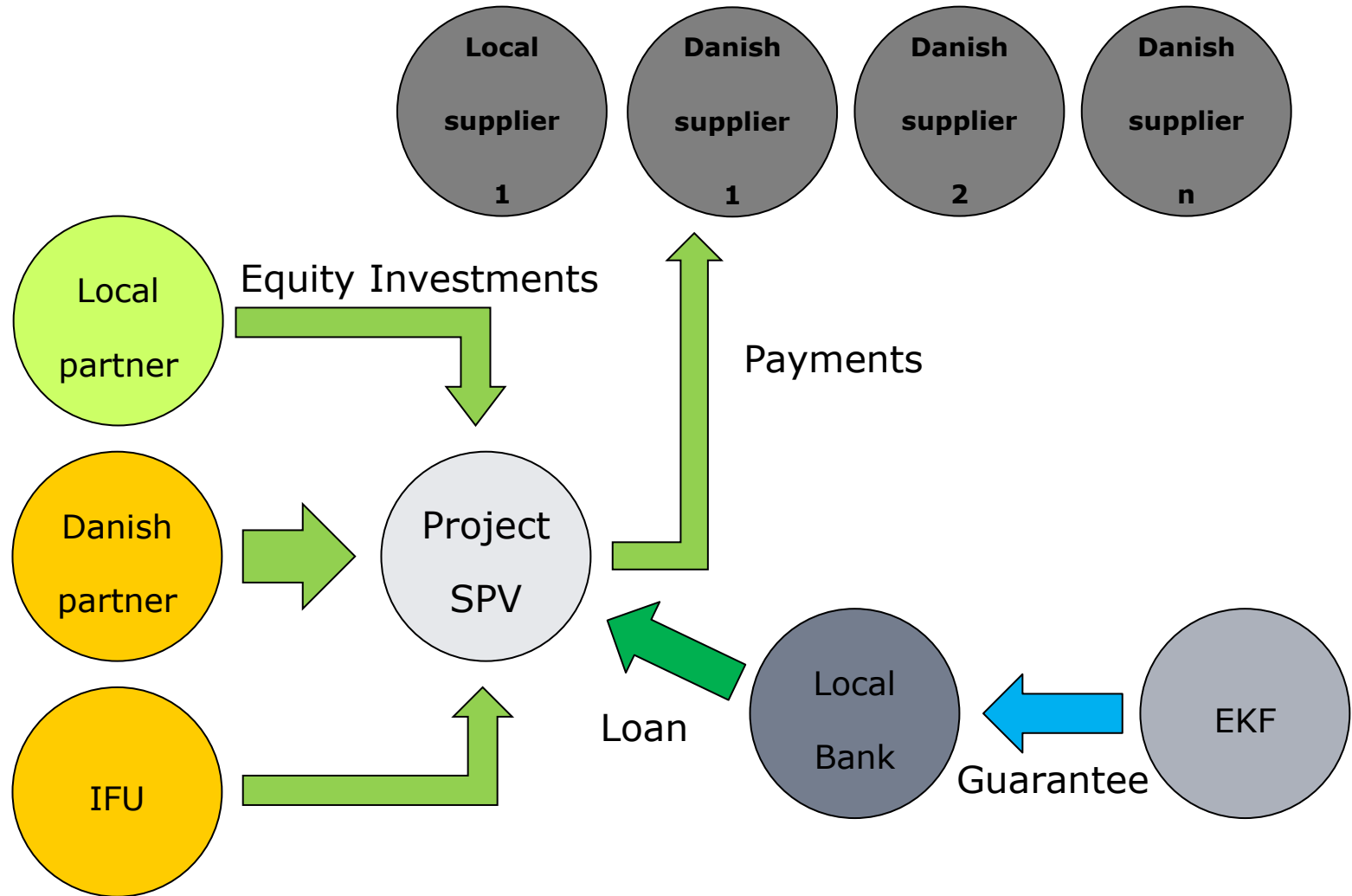


PIG FARMING - SBA

- A strategic business alliance project (SBA) with 50% subsidy for companies sharing overall costs.
- Example – 5 companies, **DKK38,200** for one year support through implementation of the project.
- Goal of the project to develop and execute a replicable and scalable Danish pig farm in Serbia



PROJECT STRUCTURE





DANISH PIG FARMS IN SERBIA

KEYS TO SUCCESS

Organization

- Farm design
- Management
- Quality control
- Cooperation

“Hardware”

- Equipment
- Energy
- Food and additives

Project financing

- Equity
- Debt guarantees



ORGANIC FARMING



Egg and poultry farming

- Export oriented production
- Baby food targeted



Vegetable production

- Glasshouse / plastic house production
- Export oriented



Organic dairy

- Integrated production
- Local market oriented



OTHER OPPORTUNITIES

- Urbanization
- Land acquisition and development
- Brownfield investments
- Crop farming
 - Low percentage or irrigated arable land
- Feed production
- Cross-industry cooperation (ICT)



QUESTIONS