

Strategic position and crucial advantages



Location:

Southeast Europe, Southern Serbia, coordinates 42o52'N, 21o57'E
Leskovac is located 8 kilometers away from Corridor 10 (Belgrade – Skopje highway).

International rail route Belgrade – Niš – Skopje – Athens passes through Leskovac.

The transit hub connecting Southeast Europe, through Belgrade, with the South of Europe and, through Sofia and the Black Sea, with the corridor of Eurasia.

Distance from international airports:

Niš 45km, Sofia 150km, Skopje 160km, Belgrade 288km, Thessaloniki 320km

Distance from the nearest border crossing points:

- To Macedonia: 115km
- To Bulgaria: 112km

Population: 144.206, rural population 54,73%.

Territory: 1.025 km² – 37,18% arable land; 27,09% forests.

The number of settlements: 144, three of them are urban type.

Investment projects – removing of infrastructural barriers

- Regional solid waste management - regional sanitary landfill constructed in cooperation with Austrian company “Porr Werner Weber”;
- The construction of water system “Barje” which resolves water supply of the entire region;
- The construction of Waste Water Management Power Plant, financially supported by the European Union, with the national co financing;
- A new industrial, utility equipped, zone called “Green Zone”, designed to develop processing and distribution of agricultural products.

Preconditions for investment attraction

- Utilities
- Available investment locations
- Efficient and competent administration as development support
- Available labor force
- Openness of the city leadership towards investment support



Let's invest together!

Business environment

Free trade agreements

- **The agreement of free trade between Serbia and members of European Free Trade association (EFTA)** – 13 million potential consumers
- **The agreement of free trade with the EU, members of CEFTA, The Russian Federation, Belarus, , Kazakhstan and Turkey** – duty-free access to the market with more than 800 million residents

Tax rates in Serbia

- Value Added Tax (VAT): 20%, the special rate of 10%
- Income tax: 10%
- Profit tax: 15%
- Rates for obligatory social security contributions

The calculation method when contributions are paid concurrently from tax base and on tax base:

- 1) Obligatory pension fund and disability insurance: 26% (12% for the employer and 14% for the employee)
- 2) Obligatory health insurance: 10,3% (5,15% for the employer and 5,15% for the employee)
- 3) Obligatory unemployment insurance: 1,5% (0,75% for the employer and 0,75% for the employee)



City of Leskovac is certified as business friendly environment by National Alliance for Local Economic Development (NALED).

Working-age population: 99.163

Educational network: The Faculty of Technology, Higher Business School, Higher Textile and Design School, 11 high schools, 22 home elementary schools and 65 territorial departments of elementary schools.

Educational structure: 9,95% of university and higher education, 64,27% with high school degree and 25,78% with elementary school degree and less.

Total number of the unemployed (July 2014.):

Leskovac: 21.876; Jablanica District: 37.126

Average income (euro)	Leskovac	Jablanica District	Serbia
Net profit	290	286	419
Gross profit	400	394	577

Statistical Office of the Republic of Serbia, for the period from January to July 2014.

Number of companies (June 2014): 924

Number of entrepreneurs: 3.239

Total number of employees (March 2014):

Leskovac: 25.613 (18.096 in companies and 7.517 with entrepreneurs)

Four dominant industry branches: food, chemical, textile and wood industry Agriculture represents basic economy sector in the entire area with special emphasis on the agriculture of individual type.

Agricultural potential	Jablanica District	City of Leskovac
Number of agricultural households	27.920	15.507
Used agricultural land	65.750 ha	30.659 ha
Arable land and gardens	39.996 ha	22.448 ha
Orchards	6.674 ha	3.365 ha
Vineyards	1.254 ha	673 ha
Meadows and grasslands	17.134 ha	3.814 ha



Agency for local economic development (ALER) is engaged by the City of Leskovac for project management, providing direct support to the local business community and the wide range of promotional activities. ALER provides all necessary information for potential investors (locations for investment, incentives, the number of unemployed, etc.)

Incentives and exemptions

Financial grants

1. Serbia Investment and Export Promotion Agency (SIEPA)

Conditions for the allocation of funds									
Production (Conditions for Leskovac-III group of municipalities development)		Services that can be the subject of international trade		Investments in the strategic projects in the field of tourism		Great investment projects		Intermediate investment projects	
Number of workplace	Value of the investment (euro)	Number of workplace	Value of the investment (euro)	Number of workplace	Value of the investment (euro)	Number of workplace	Value of the investment (euro)	Number of workplace	Value of the investment (euro)
100	1.000.000	20	300.000	500	5.000.000	300	50.000.000	150	30.000.000

2. The City of Leskovac in cooperation with National Employment Service (NES)

- Subvention for creating of new jobs for people from the records of NES, 120.000 RSD per person (150.000 RSD for persons with disabilities);
- Subvention for self employment is given to an unemployed person in disposable amount of 160.000 RSD, 200.000 RSD for persons with disabilities, in order to establish a store, a cooperative, or other forms of entrepreneurship or in order to establish a business organization;
- Program of professional practice for hired people pays 20.000.00 rsd financial assistance monthly, not longer than 12 months;

3. Reduction of fees for the construction land development

Fees for the construction land development for the construction of commercial office buildings or office buildings are reduced for:

- 20% of full amount calculated payment for a specific location in zone III,
- 30% of full amount calculated payment for a specific location in zone IV,
- 50% of full amount calculated payment for a specific location in zone V.

The investor of the object who will commit to hire a certain number of workers has **the right to reduce fees**, if the value of the investment is not less than 500.000 euro. The reduction is performed in accordance with the number of hired workers:

- 10-20 workers - 10% of full amount calculated payment for a specific location,
- 20-50 workers - 20% of full amount calculated payment for a specific location,
- 50-100 workers - 30% of full amount calculated payment for a specific location,
- 100-200 workers - 40% of full amount calculated payment for a specific location,
- More than 200 workers - 50% of full amount calculated payment for a specific location.

4. Investments of broader significance for the local community

In the case of investments of broader significance for the local community or if the investor participates with his/her funds in the construction of utilities, there is a possibility for further liberation of funds. The decision of further liberation of funds the City Assembly adopts if the approval from the Republic of Serbia is given.

Conditions for land granting: the contracted obligations are to be accomplished in the following period of three years when the contract is signed. Minimum size of land 25 acres, on 2 acres 1 new full time worker.

The largest local companies: "Jugprom" (processing and preserving of fruits and vegetables), "Mesokombinat-promet" (meat processing), "DCP-Hemigal" (production of perfumes and toilet products), "IGM Mladost" (construction material).

The most important foreign investors: "Yura Corporation" (automobile industry, South Korea), "Actavis" (pharmaceutical industry, Iceland), "Porr Werner & Weber" (waste disposal and treatment, Austria), "Bonafarm group" (milk products, Hungary), "Falke Serbia" (textile, Germany), "Jeanci Serbia" (textile industry, Turkey), "Autostop Interiors" (technical and industrial textiles, Greece).

German company "**Falke**" is engaged in the production of socks for more than a century. The new factory is in the northern industrial zone in Leskovac with the area of 15,000 m² with 620 workers employed.

"**Yura Corporation**" is engaged in the production of electronic components for the automobile industry. The firm signed a contract with the city of Leskovac to lease land in Leskovac, where the company has built its factory. So far, in this company are employed more than 1,000 workers. By the end of the year it is foreseen that 2,500 people will be employed.

"**Jeanci Serbia**" is a company from Turkey, which specializes in the production of high quality jeans. By leasing of two halls, the company hired more than 480 workers. By purchasing a brownfield, Jeanci is planning to open a third section.

The company "**Autostop Interiors**" from Athens is engaged in the production of seat covers and floor mats for automobile industry. Their products are components of the first installation in Toyota, Ford and Chrysler cars. The company uses the production hall of former Zevelon, with the area of 12000m², in the northern industrial zone in Leskovac with 80 employees. In the following 3 years, it will adapt and equip the existing place with the investment of 5 million Euros. More than 300 workers will be employed there.

"**Jugprom**" Leskovac for several years purchases and processes 9,000 tons of various fruits which allow export of 7,500 tons of frozen finished products to the market of the European Union. There are 125 full time employees at Jugprom Company. The introduction of quality management system (ISO 9001:2008) and HACCP system guarantees the success of the company and safety on the markets of the European Union and beyond.

"**DCP Hemigal**" Company is engaged in the production of cosmetic products. The applied knowledge using new technologies, effective and efficient processes of quality management and environmental protection, and the quality of its products makes DCP Hemigal strive for a leading position in the market of Serbia, Montenegro, Bosnia and Herzegovina and for the conquest of the Croatian market, as well as the market of EU countries. Ninety nine workers are employed at the company.

"**IGM Mladost**", with 198 employees, is one of the largest and most important manufacturers of construction materials in the region. Due to the quality of its products, the company finds its way to the satisfied customers on the territory of Serbia, but also in the market of Macedonia, Bulgaria, Romania, Albania, and Montenegro. The investment in the latest technology and equipment, construction materials, organization, modernization of business processes, marketing, and human resources led to an increase in production volume. The expansion of the market and the growth in demands for Mladost products simultaneously followed.

F A L K E
ERGONOMIC SPORT SYSTEM

YURA
YURA CORPORATION

JEANCI

AUTOSTOP
INTERIORS

JUGPROM
...more than fruits... ...since 1992...


DCP HEMIGAL

1911
MLADOST
Industrija građevinskog materijala
KRUNA SVAKE KUĆE

Brownfield potentials

Location Name:	Social enterprise "Sintetika" Part of complex "Zeke Veljkovic"
Location:	Northern industrial zone
City/Municipality:	Leskovac
Location Address:	Street Tekstilna 40
Land Purpose:	Construction land
Total Land Area (m²):	21,860.00
Total Buildings Area (m²):	8,624.00
Cadastral Number:	995/2
Ownership Status:	Agency for Privatization, Centre for bankrupt
Model of Transfer:	Purchase or rent
Competition Type:	Public auction
Remarks:	Utility is fully equipped



Building name:	Area (m ²):	Year of Construction:
Production hall	774.00	1967
Production hall	2,055.00	1975
Storage	2,160.00	1975
Production hall	1,040.00	1976
Production hall	2,595.00	1978

Building name:	Area (m ²):	Year of Construction:	Number of floors:	Floor height (m):
Administration building	427.00	/	1	2.85
Production hall	5,141.00	1927	1	5.0
Canteen	999.00	1976	1	4.5
Ambulance	420.00	1948	1	
Storage of color and chemicals	284.00	1989	1	2.8
Buildings	216.00	1932	1	2.8
Transform substation and steam compression plant	278.00	1948	1	3.0
Old canteen and storage	975.00	1927	1	3.0
Machine workshop and ambulance	438.00	1948	1	2.80

Location Name:	Social enterprise "Zeke Veljkovic" Part of complex "Zeke Veljkovic"
Location:	Northern industrial zone
City/Municipality:	Leskovac
Location Address:	Street Tekstilna 40
Land Purpose:	Construction land
Total Land Area (m²):	47,738.00
Total Buildings Area (m²):	12,145.00
Cadastral Number:	995/1
Ownership Status:	Agency for Privatization, Centre for bankrupt
Model of Transfer:	Purchase
Competition Type:	Public auction
Remarks:	Utility is fully equipped

Distance:			
Town centre (km)	4.0	Airport (km)	45.0
Highway (km)	9.0	Police station (km)	2.0
Main road (km)	1.0	Fire station (km)	2.5
Railway station (km)	1.0	Hospital (km)	2.0

Brownfield potentials

Location Name:	"Graditelj" Joint stock company
Location:	Eastern industrial zone
Location Address:	Street Kralja Petra I
City/Municipality:	Leskovac
Land Purpose:	Construction land
Total Land Area (m ²):	39.716,00
Total Buildings Area (m ²):	4.376,00
Cadastral Number:	6382/1
Ownership:	Joint stock company
Model of Transfer:	Purchase
Competition Type:	Public auction
Remarks:	Utility fully equipped



Distance:			
Town centre (km)	2.5	Airport (km)	45.0
Highway (km)	9.0	Police station (km)	2.5
Main road (km)	2.0	Fire station (km)	2.5
Railway station (km)	2.0	Hospital (km)	2.5

Building name:	Area (m ²):	Number of floors:	Building is ready to use:	Remarks:
Cast steel beam hall	2097,00	1	No	Enforced concrete building, Required adaptation
Production hall	1939,00	1	No	Enforced concrete building, Required adaptation
Administrative building	314,00	1	Yes	Required adaptation

Brownfield potentials

Location Name:	Social enterprise "Jugekspress"
Location:	Northern industrial zone
Location Address:	Street Djordja Stamenkovica bb
City/Municipality:	Leskovac
Land Purpose	Construction land
Total Land Area (m²):	81.367,00
Total Buildings Area (m²):	6.422,00
Cadastral Number:	1886/18
Ownership:	Agency for Privatization, Centre for bankrupt
Model of Transfer:	Purchase
Competition Type:	Public auction
Remarks:	Utility fully equipped



Distance:			
Town centre (km)	1.5	Airport (km)	45.0
Highway (km)	8.0	Police station (km)	2.0
Main road (km)	0.2	Fire station (km)	2.5
Railway station (km)	0.5	Hospital (km)	3.0

Building name:	Area (m²):	Number of floors:	Remarks:
Hall of Daily maintenance	2.589,00	1	Enforced concrete building
Overhaul facility	2197,00	1	Enforced concrete building
Wash house with heating	884,00	1	Enforced concrete building
Administration Building	459,00	1	Enforced concrete building, brick walls
Transform substation	41,00	1	Enforced concrete building, brick walls
Dispatcher building	121,00	1	Enforced concrete building, brick walls
Gas station	12,00	1	Enforced concrete building, brick walls
Cash desk and canteen	221,00	1	Enforced concrete building, brick walls

Location Name:	„Leteks“ Ltd
Location:	Northern industrial zone
Location Address:	Street Tekstilna 57
City/Municipality:	Leskovac
Land Purpose:	Construction Land
Total Buildings Area (m²):	15.295,00
Cadastral Number:	954/3
Ownership:	Leteks“ Ltd , Agency for Privatization, Centre for bankrupt
Model of Transfer:	Purchase or rent
Competition Type:	Public auction
Remarks:	Utility fully equipped



Distance:			
Town centre (km)	4.0	Airport (km)	45.0
Highway (km)	9.0	Police station (km)	2.0
Main road (km)	1.0	Fire station (km)	2.5
Railway station (km)	1.0	Hospital (km)	2.0

Building name:	Area (m²):	Number of floors:	Building is ready to use:	Remarks:
Weaving hall	9.377,00	1	Required adaptation	Building of reinforced concrete
Spinning mill	5.918,00	1	Yes	Solid construction

Brownfield potentials

Location name:	Area(m ²):	Building is ready to use:
TIG Grdelica	Number of buildings: 11 Important buildings: Production hall (3.400m ²); Spinning mill (1.737m ²); Weaving hall (1.280m ²); Workshop (8494m ²);	Required adaptation
ITP Grdelica	Number of buildings: 11 Important buildings: Knitting hall (580 m ²); Workshop (390 m ²); Administrative building (303 m ²); Weaving hall (220 m ²);	Required adaptation
AD "Danilo Boskovic"	Number of object: 1 The production hall (782m ²)	Completely rebuilt*

*with heating system, a built-in heater and new installations.
The building is in excellent condition, with no additional investment.
The building is fully equipped with infrastructure ready for the investor and has a fully paved road frontage.

Distance:			
Town centre (km)	17.0	Airport (km)	60.0
Highway (km)	0.5	Police station (km)	0.1
Main road (km)	6.0	Fire station (km)	0.2
Railway station (km)	1.0	Hospital (km)	0.2



Location name:	DP "TIG" Grdelica	DP "ITP" Grdelica	AD "Danilo Boskovic"
Position:	Grdelica	Grdelica	Grdelica
Address:	Street Radnicka 1	Street Oraovacka 1	Street Radnicka bb
City - Municipality:	Leskovac	Leskovac	Leskovac
Purpose of the land:	Construction Land	Construction Land	Construction Land
Total land area (m ²):	31.279,00	4.186,00	17.722,00
Surface of offered facility (m ²):	17.230,00	1.876,00	782
Cadastral number:	134 KO Grdelica	876/1 KO Oraovica	3509/1 KO Grdelica
Ownership:	„TIG“ Grdelica , Agency for Privatization, Centre for bankrupt	„ITP“ Grdelica , Agency for Privatization, Centre for bankrupt	Public ownership, user-city of Leskovac
Model of Transfer:	Purchase	Purchase	Purchase
Competition type:	Public Auction	Public Auction	Public Auction
Remarks:	Utility fully equipped	Utility fully equipped	Utility fully equipped

Brownfield potentials

Location Name:	Social enterprise "Tekstil industry" Vucje
Location:	Vucje
Adress:	Street Koste Stamenkovic 18
City/Municipality:	Leskovac
Land Purpose:	Construction Land
Total Buildings Area (m ²):	22.607,00
Cadastral Number:	1466/1447
Ownership:	Agency for Privatization, Centre for bankrupt
Model of Transfer::	Rent
Competition Type::	Public auction
Remarks:	Utility fully equipped ,Public auction



Distance:			
Town centre (km)	15.0	Airport (km)	60.0
Highway (km)	24.0	Police station (km)	0.2
Main road (km)	15.0	Fire station (km)	15.0
Railway station (km)	15.0	Hospital (km)	15.0

Unity:	Area under buildings (m ²):	Number of buildings on the plot:	Building name:
1	1.690,00	8	3 warehouses, 3 workshops, production hall, water pump
2	19.154,00	18	9 production facilities, 2 auxiliary buildings, 2 reception desks, workshop, transform stations, administrative building, staff building the main spinning mill
3	3.475,00	8	Production hall, boiler, warehouse, garage, workshop, administrative building, greenhouse, factory chimney
4	1.069,00	2	warehouse, canteen

Greenfield potential

Location name	Green Zone
Position	In the northern part of the city, on M1 main road, 8 km away from Belgrade - Skopje highway
Total area (m²)	971.500,00
Unit 4a (western part of Green Zone)	427.736,00 m2 of utility equipped land, between M1 main road and railway
Unit 4b (eastern part of Green Zone)	Utility unequipped land. Its purpose is the establishment of a distribution center and the exchange of agricultural products.
Ownership	The City of Leskovac
Remarks:	Investors will be able to obtain land in Green Zone, free of charge, for a period of 99 years.



Distance:			
Town centre (km)	4.0	Airport (km)	45.0
Highway (km)	7.0	Police station (km)	5.0
Main road (km)	0	Fire station (km)	5.0
Railway station (km)	2.0	Hospital (km)	6.0

Unit 4a – Utility equipped land	
Construction rules defined by the terms of General Regulation Plan 16	Available infrastructure
<p>-The construction of a basic purpose facility is allowed: (refrigerators, dryers, cargo transport, etc) and food industry (with the function of processing and distribution of agricultural products mainly)</p> <p>-The construction of secondary purpose facilities that are compatible with the basic is allowed: transport (distribution and export of agricultural products), mixed business operations, green area and objects associated with transportation and utility infrastructure</p> <p>-Further space development:</p> <ul style="list-style-type: none"> · Occupancy index – max 40% · Construction index of the parcel – max 1,5 · Maximum floors P+2, objects can have cellar and ground floor premises, if there are no geotechnical and hydro technical obstacles · Technical and traffic area, max 30% · Green area min 30% <p>The construction of all the facilities that jeopardize the basic purpose is restricted.</p>	<ul style="list-style-type: none"> - Main roads with a lighting system, length - 1240 m, - Water supply system, length – 3270 m - R110 - Sewerage network, length – 1200 m - Ø250 - Ø400 - Electricity network with connections 25 to 50m from the parcel

Greenfield potential

Location name:	Northern industrial zone
Planning Documents:	General regulation plan 15
The number of the parcel:	934/2, 943, 944/3, 945
Total area (m²):	41.022,00
Type of land:	City construction land
Ownership:	The City of Leskovac
Construction rules:	<ul style="list-style-type: none"> •Occupancy Index is max. 50%; •Index of the construction of the parcel max. 2; •Floors max. P + 2; •Technological and traffic areas max. 25%; •Green area min. 15%;
Remarks:	There is a possibility of connecting to the water supply, sewerage, electricity network and gas network

Distance:			
Town centre (km)	4.0	Airport (km)	45.0
Highway (km)	9.0	Police station (km)	2.0
Main road (km)	1.0	Fire station (km)	2.5
Railway station (km)	1.0	Hospital (km)	2.0





Potential of Vucje area and canyon of river Vucjanka

In the Strojkovce village near Leskovac, on the way to Vucje, is the museum of textile which is located in an old water mill. Of special importance is factory for production of ornamental braid on old Serbian national costumes, with the machine driven by power mill.

At the exit from the Vucje, going up the river, an old mill are located that still have traditional way of grinding grain. Once there were more of water mill, so the old way of processing grain is tenaciously held. Most of the water mill (they are 150 years old) are renovated, and after completed adaptation maintain its basic function of milling wheat. Manifestation "Dani vodenica" in Vucje is event during the Manifestation "Leskovacka rostiljijada" which is traditionally organized at the beginning of September. For the first time organized in 2010, manifestation "Dani vodenica" has the potential to become an independent tourist manifestation in Leskovac.



Going even further upstream the river Vucjanka, is a hydroelectric power plant Vucje. Below it there is a beach which was a favorite picnic area of Leskovac and Vucje citizens. Today, this location is one of many sites for tourism development in this region. The location is suitable for the development of modern picnic area, as the preliminary project provided. The location is designed as unique urban unit. The main concept of solution is based on the imperative of functionality and integration into the existing ambient context.



The oldest historical monument is only a few hundred feet above the hydro power plant. Skobaljic town is known by remains of the medieval city and named after Nikola Skobaljic, the legendary defender of these parts of the Turkish invasion. Skobaljic town is located on top of the rocky of the mountain „Kukavica,, on the left bank of the river canyon Vucjanka , 18 km away from Leskovac. For cultural property was declared in 1986. year. City of Leskovac launched an initiative to conserve the site and then we can expect serious funds for the preservation and promotion of Skobaljic town.

Ethno-archaeological park Hisar Leskovac

„Hisar,, Forest-Park with an area of 15 ha is the largest green area in the city. During the archaeological excavation at last three years, it was found that the plateau on the hill have settlements from the Neolithic, Copper and Bronze Ages, the Roman period, Byzantine period, the Serbian medieval and Ottoman period. Thanks to it's location, size and potential archaeological Forest-Park „Hisar,, has the potential to become a tourist attraction, with a developed tourist facilities and to be a favorite picnic destination of Leskovac citizens. Therefore, there is a need for activating the program for reviving this hill, control access and reconstruction of vegetation in order to protect the Forest Park „Hisar”.

Preliminary design was provided for the following activities: work on approach route and formation viewpoint, rest areas, plateaus and slopes, installation of bench seating, marquee and billboards, vegetation restoration, cleaning and re-forestation, the formation of ethno-archaeological park and its placed under protection as cultural property. Also the location for a restaurant with a viewpoint is planned.

