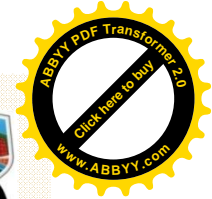


**NOVI
NOVI
PAZAR**



INVEST INTO THE JEANS CITY

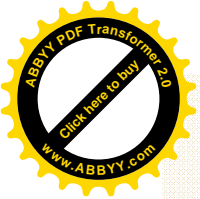
**PRESENTS:
EDIN KALAČ - HEAD OF LED DEPARTMENT
MARCH, 2010. BELGRADE**

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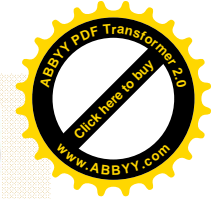
LOCATION



- South-west part of Serbia
- Distance:
 - 255 km from Belgrade,
 - 280 km from Port of Bar (MNE),
 - 150 km from high way E75
 - 130 km from international airport Pristina

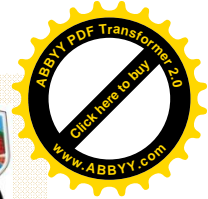
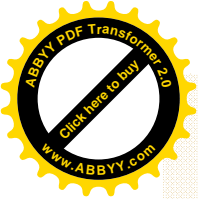


HUMAN RESOURCES



- 125.000 habitants ,
- Youngest population in Europe, 50% of populations are citizens 30 years old or younger,
- 61% are work active population,
- 2 University ,
- 6 High schools.

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ADVANTAGE OF INVESTMENT

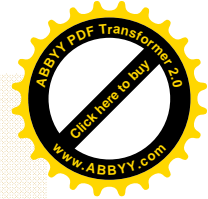
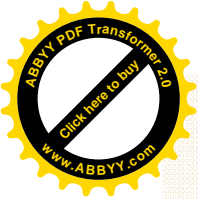
Why invest?

Republic of Serbia

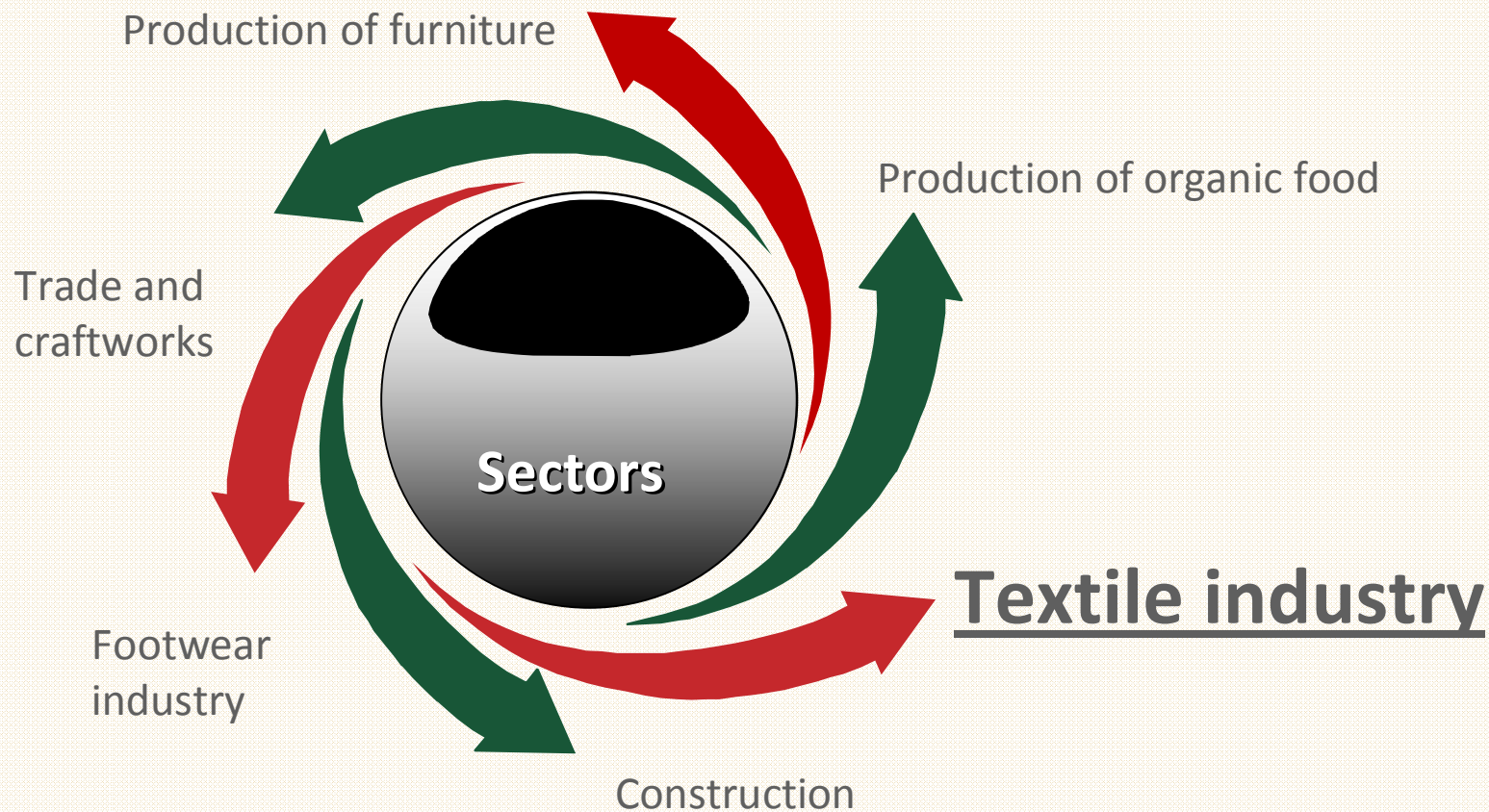
- Geographic position of Serbia
- Corridor 10
- The lowest income tax in Europe
- Credit benefits
- CEFTA Treaty
- Free trade agreement with Russia
- Free trade agreement with Turkey
- Subsidies for capital investment
- Easier procedures
- Financial subsidies for new employments

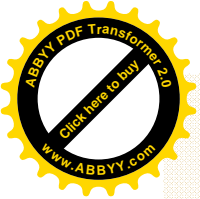
City of Novi Pazar

- Geographic position
- Industrial center of the region
- Proximity of the markets of CG, MAC, BaH
- Local communal tax benefits
- Qualified workforce
- Long tradition of textile industry
- University Center
- Industrial park
- The future highway Belgrade - Adriatic Sea
- Export oriented economy
- Brownfield possibility

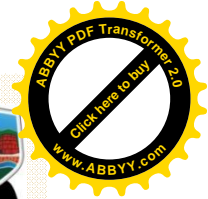


ECONOMIC SECTORS





ECONOMIC EXCHANGE WITH FOREIGN COUNTRIES



- Trade exchange of Novi Pazar with foreign countries:
- 1999. year - 21 mil.\$ (11 mil. from Textile)
- 2006. year 103 mil.\$ (80 mil. from Textile)
- 2009. year estimated around \$ 86 mil. (66 mil. from Textile)

°Source: SEDA Agency

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TEXTILE INDUSTRY



- 40 textile production factories
- Production capacity of 25,000,000 pieces a year
- About 15,000 employed

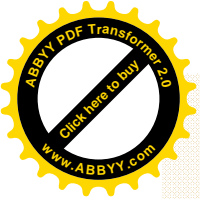


MARKET AND SUPORT

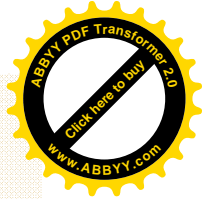


- We cover the markets of Bosnia and Herzegovina, Montenegro, Croatia, Macedonia, Switzerland, Russia, Slovenia, Hungary, Romania, Germany, Austria and other countries of EU.
- There is a cluster and Association of textile producers ASSTEX, LED office, SEDA.



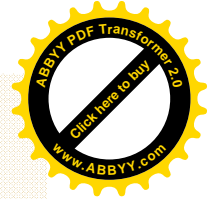
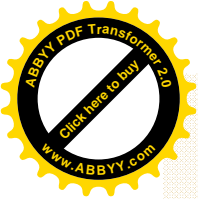


ADVANTAGES OF TEXTILE MANUFACTURES

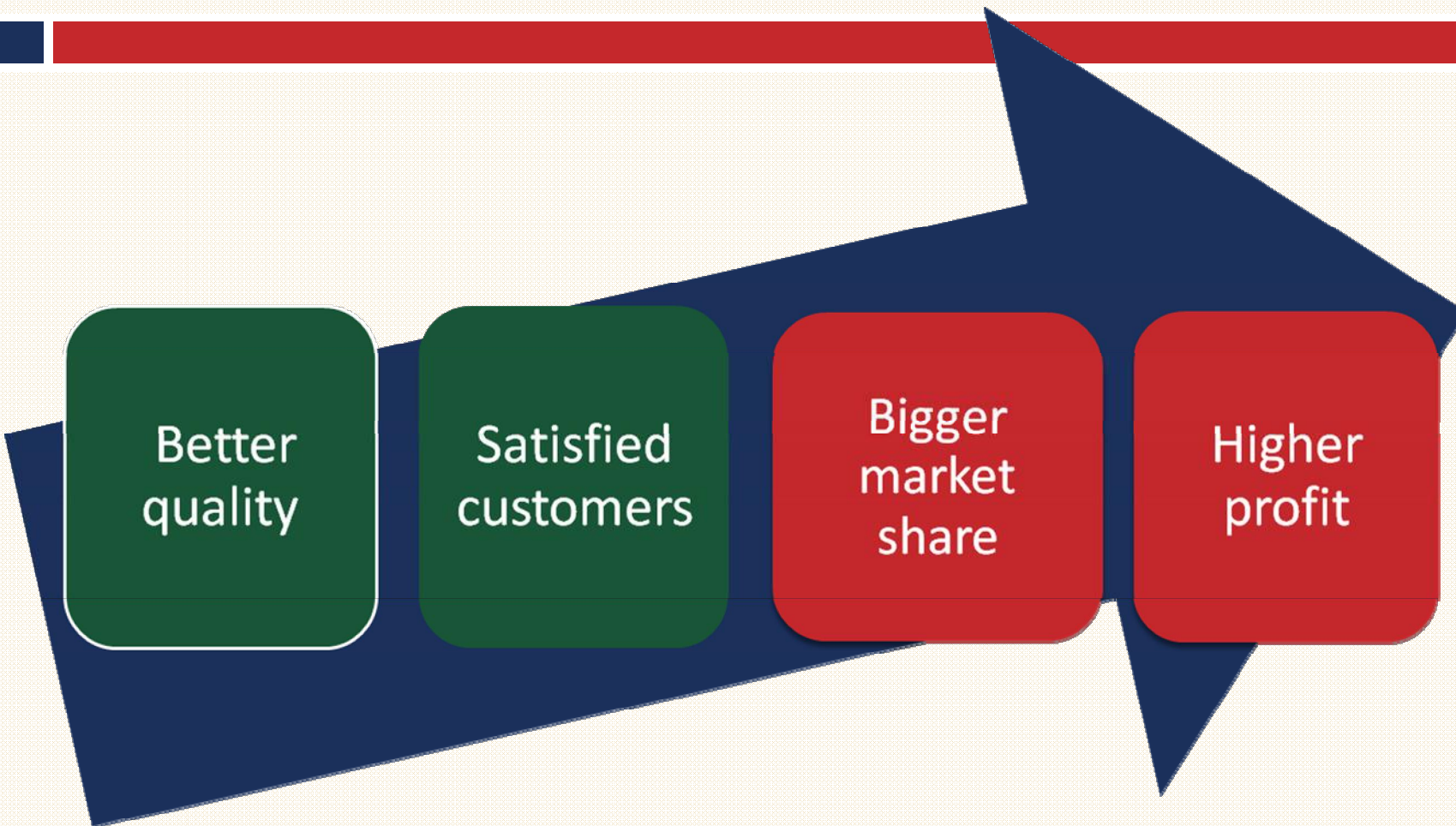


- Fast deliveries with low transportation costs to the countries of East Europe up to 4 times, and to China even up to 10 times
- Flexible production, fast delivery of small quantities
- High quality at competitive prices

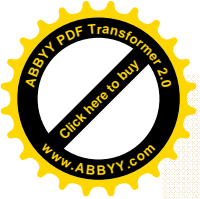
www.novipazar.org.rs



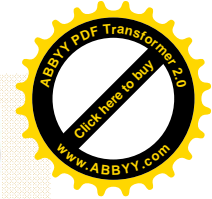
SME GROWTH PROCESS



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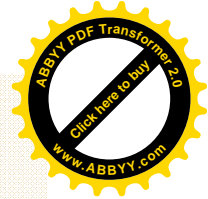
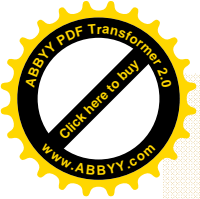


PARTNERSHIP OPPORTUNITIES



- Loan production for famous trade brands
- Production of
 - final products (from top to toes)
 - clothes and fabrics,
 - semi products,
 - raw material (denim cloth) and
 - products from textile remains.

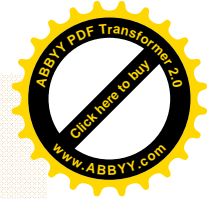
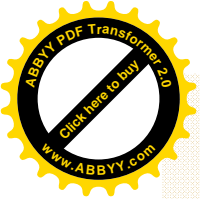
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TRADE MARK



- Trade brand-loan jobs for “other brands”. *It is estimated that this sort of sale in Serbia has been significantly rejected and it is ten times smaller than in neighboring countries*
- Investments in
 - design
 - transportation
 - sale
 - promotion
 - after-sale services

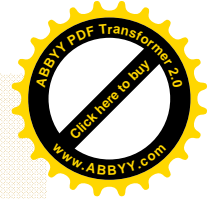
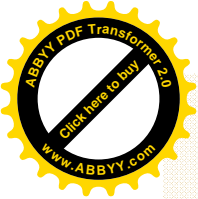


INDUSTRIAL PARK



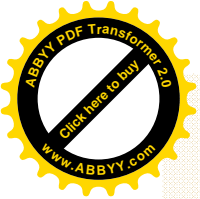
- Industrial Park (45 ha) offers various options for cooperation
 - Mutual investment
 - Individual investment
 - Rent of space
 - 39 individual lots
 - Greenfield and brownfield
 - All other sorts of investment
- Industrial Park is located in the wider city zone near the regional road Belgrade-Podgorica, 2km from the center of the city and has all the necessary infrastructure

□ www.novipazar.org.rs

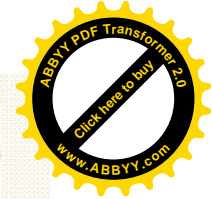


INDUSTRIAL PARK



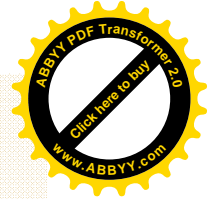
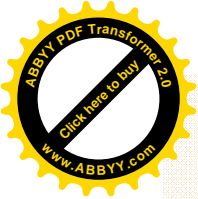


FUTURE DIRECTIONS OF DEVELOPMENT



- The textile fairs in Moscow and Dusseldorf showed great opportunities for textile producers from Serbia:
 - Focus on customs union of Russia, Belarus and Kasahstan, market with 200 million consumers
 - Serbia is currently establishing the mixed enterprise as distributive center for Serbian products in Kur region
 - There is a plan for centers in Kalugian, Samarian, Twerian district, Tataristan, Smolensk, Novgorod. The individual potential of 2.5 million consumers offers less competition than in Moscow.

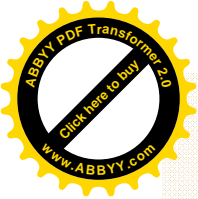
○ Source: Serbian Chamber of Commerce.



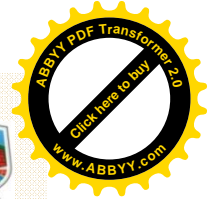
INVEST INTO THE JEANS CITY



Thank you for your attention!



INVEST INTO THE JEANS CITY



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City Administration of Novi Pazar
March, 2010.