



EMBASSY OF THE REPUBLIC OF SERBIA
STOCKHOLM - KINGDOM OF SWEDEN

Newsletter

Serbia along the European path

We are proud to mark the beginning of New Year with remarkable news from Brussels where Serbia has started accession talks with EU. While the country is making further progress along the European path we'll take a look into the business news from Serbia and kindly welcome our guest speaker Mr. Kristofer von Beetzen, the vice president of marketing at Verisec, who shared with us his story about doing business in Serbia.

INSIDE THIS ISSUE:

- Serbia-EU: Accession Talks Opened
- Incentives for renewable energy generation in 2014 doubled
- Financial Times: Vranje among top 10 business destinations in Europe
- Kristofer von Beetzen, Verisec: "A world without passwords begins in Belgrade"

Serbia-EU: Accession Talks Opened



On 21 January Serbia had started negotiations with the EU on the country's future membership in the organization. In a statement after the meeting, Barroso said that the conference, which opens Serbia's EU accession negotiations, "is the start of an entirely new chapter in our relations and a major success," and added "I commend Serbia for its reform efforts and for the progress made over the past years. The citizens of Serbia have strong European aspirations, and we will continue to support Serbia to make progress, step by step, on its European path."

Incentives for renewable energy generation in 2014 doubled



The Serbian government passed a regulation that determines the amount of special incentive for the generation of electricity from renewable sources as well as the feed-in tariffs. According to the new regulation, the incentive for renewable energy generation now amounts to RSD 0.081 per kilowatt-hour. The incentive for the power production from renewables is almost doubled given that it previously amounted to 0.044 per kilowatt-hour.

GDP

EBRD: Serbia's GDP to grow 1.3 percent in 2014

According to the EBRD Regional Economic Prospects Report Serbia's gross domestic product (GDP) will grow 1.3 percent in 2014. Exports will continue to be the main growth driver in 2014.

Meanwhile, consumption will remain subdued, in large part due to continued tightness trends in domestic credit markets and the necessary fiscal reform expected over the year. As a result growth this year at 1.3 per cent will be somewhat weaker than in 2013, when Serbia's GDP grew 2.2 percent.

INVESTMENT LOCATIONS

Financial Times: Vranje among top 10 business destinations in Europe

The Financial Times' magazine fDi Intelligence has declared Vranje as one of the top ten business destinations in the category of European cities of the same size.

Vranje is ranked seventh among 468 cities and regions of Europe and is followed by Zrenjanin, Sremska Mitrovica and Ruma on the list, while Zajecar ranks sixth of all Serbian cities.

Mayor of Vranje Mr. Zoran Antic said that the preparatory work had commenced in the Free Zone, while pointing out that companies Geox and Ditra Italia would soon start to build their production facilities.

INVESTMENT HEADLINES

Swarovski begins factory construction in Subotica

In January land leveling work had commenced in the industrial zone Mali Bajmok for the construction of a production facility of the world-famous Austrian company Swarovski.

The first announcements of this construction were made in November 2011 while an agreement between the City of Subotica, the Republic of Serbia and Swarovski representatives has been signed in spring 2012, when the company announced an investment of EUR 21 million.

Swarovski plans to invest EUR 15 million in the first phase. According to plans 100 percent of the new plant production will be exported.



KRISTOFER VON BEETZEN, VERISEC AB

Verisec – A world without passwords begins in Belgrade

Are you fed up with all the hassle of remembering or re-setting passwords? As both our professional and private life are dependent on an increasing number of web and cloud services, the number of passwords we need to keep track of is getting unmanageable. And as fixed passwords are easily hacked, they are not secure enough to protect valuable information. But there is a solution, and the technology is being developed in Serbia.

Verisec is a Swedish IT-security company that have been providing solutions for banks, government and the corporate sector since 2002. We started out by providing secure services and as a reseller of security hardware and soon realized that there were many unexplored areas in the growing market of IT-security.



In 2008 we started our own product development and were lucky enough to recruit one of Europe's leading experts within digital identities as our head of development Mr. Dragoljub Nestic. As Mr. Nestic was born and raised in Serbia, moving to Sweden in 1992, he had an extensive network of IT professionals in his home country, something that proved to be extremely beneficial for Verisec's product development.

Our first products were developed together with a team from an outsourcing company in Belgrade and as they gained a widespread success the tasks for the development team grew. We also realized that it would not be sustainable to have our R&D outsourced and decided to set up our own operation in 2012. After recruiting the development team, Verisec Labs was established and the team of five highly skilled programmers and computer

engineers moved in to our new office in Dobračina, in central Belgrade. A little more than a year after opening Verisec Labs we have nearly tripled the number of employees and currently have 14 team members in Belgrade. A common misunderstanding is that we chose Serbia to cut costs, but the fact is that the foremost reason is competence. The extremely high academic level within computer science and mathematics in combination with an innovative atmosphere makes Belgrade one of the world's most interesting places to find top talents within IT.

For Verisec, our Serbian development centre has become an essential part of our operations and together we are on a mission to relieve the world of insecure and annoying passwords. That might be comforting to remember, next time you swear over a forgotten password in front of your computer.

Kristofer von Beetzen is the vice president of marketing at Verisec, a rapidly growing IT security company, providing innovative solutions for government, banks and corporations worldwide. His main focus is on the company's international expansion and in 2012 he was involved in establishing Verisec's new development center, Verisec Labs in Belgrade which employs some of Europe's top talents within encryption, digital identities and data protection.

Photo: SXC.hu, Novosti

Embassy of the Republic of Serbia to the Kingdom of Sweden
Valhallavägen 70, 100 41 Stockholm Box 26209
serbiaemb@telia.com; www.stockholm.mfa.gov.rs

If you have any questions or want to unsubscribe from a newsletter please send e-mail to our Economic Department
serbiaemb.economic@telia.com.