

The Polytechnic Institute, Ltd. Kunovice

Bachelor Thesis

2011

Vadim Švanda

The Polytechnic Institute, Ltd. Kunovice

Field of Study: Marketing Management and Foreign Trade

**Description of the Business Environment and
Opportunities for Serbian Businesses in the Czech
Republic**
(Bachelor Thesis)

Author: Vadim Svanda

Supervisor: Ing. Ivo Benda

Kunovice, January 2011



1. soukromá vysoká škola na Moravě
Evropský polytechnický institut, s.r.o.
akademický rok 2009/2010

ZADÁNÍ BAKALÁŘSKÉ PRÁCE

Jméno a příjmení: **Vadim ŠVANDA**
Studijní obor: **Management a marketing zahraničního obchodu**

Téma práce:

**Popis a příležitosti podnikatelského prostředí Srbska pro
podnikatelské subjekty v ČR**

Cíl bakalářské práce:

Cílem bakalářské práce je z oficiálních zdrojů dané země, výročních zpráv ministerstev daných zemích, v jejich statistických institucích a dalších zdrojích vyhledat pro danou zemi data pro podrobný popis podnikatelského prostředí ve struktuře geografické prostředí, ekonomické prostředí (časové řady HDP, inflace, průměrná mzda, nezaměstnanost, státní dluh, počet obyvatel, daňový systém, a další makroekonomické ukazatele za posledních 10 let, profil rozhodujícího průmyslu a specifika zemědělství, strategické vývojové tendence země), politické prostředí (státní zřízení, politické strany, výsledky voleb), legislativní prostředí (právní systém a jeho podpora podnikatelům, řešení obchodních sporů (založení firmy, atd.), etické prostředí, sociální prostředí, ekologické prostředí.

Osnova:

1. Úvod
2. Geografické prostředí
3. Ekonomické prostředí
4. Politické prostředí (státní zřízení, politické strany, výsledky voleb)
5. Legislativní prostředí
6. Etické prostředí
7. Sociální prostředí
8. Ekologické prostředí
9. Závěr

Podle zákona č. 111/1998 Sb., § 47b, odst. 3 platí, že odevzdáním práce autor souhlasí se zveřejněním své práce podle tohoto zákona, bez ohledu na výsledek obhajoby.

Vedoucí bakalářské práce:

Ing. Ivo Benda

Datum zadání bakalářské práce:

Kunovice, 31. března 2010

Evropský polytechnický institut,

s. r. o.

Osvobození 699

686 04 KUNOVICE

-1-

Ing. Vladimíra Hlaváčková

ředitelka Ústavu management a marketing
zahraničního obchodu a Finance a daně

Oldřich Kratochvíl

H. prof., Ing., Ph.D., Dr.h.c., MBA
rektor

I hereby declare that I have elaborated this Bachelor Thesis by myself under the supervision of Ing. Ivo Benda and that all the technical and literary sources used are listed in the Bibliography.

Kunovice, January 2011

I would like to thank Ing. Ivo Benda for the very useful methodological help he provided me with during the elaboration of my Thesis. Furthermore, I would like to thank Ing. Dragan Unćanin for the practical information about the Republic of Serbia.

Kunovice, January 2011

Vadim Švanda

Content

INTRODUCTION	7
1 GEOGRAPHIC ENVIRONMENT	10
1.1 BASIC DATA	10
1.2 BRIEF DESCRIPTION	12
1.3 CLIMATE OF SERBIA	13
1.4 HISTORY OF SERBIA	13
1.5 CHARACTERISTICS OF CENTRAL SERBIA AND INDIVIDUAL DISTRICTS.....	17
1.5.1 <i>City of Belgrade</i>	18
1.5.2 <i>Bor district</i>	18
1.5.3 <i>Branicevo district</i>	18
1.5.4 <i>Jablanica district</i>	19
1.5.5 <i>Kolubara district</i>	19
1.5.6 <i>Macva district</i>	19
1.5.7 <i>Moravica district</i>	20
1.5.8 <i>Nisava district</i>	20
1.5.9 <i>Pcinja district</i>	21
1.5.10 <i>Pirot district</i>	22
1.5.11 <i>Podunavlje district</i>	22
1.5.12 <i>Pomoravlje district</i>	22
1.5.13 <i>Rasina district</i>	23
1.5.14 <i>Raška district</i>	23
1.5.15 <i>Šumadija district</i>	23
1.5.16 <i>Toplica district</i>	23
1.5.17 <i>Zaječar district</i>	23
1.5.18 <i>Zlatibor district</i>	23
1.6 CHARACTERISTICS OF AUTONOMOUS PART VOJVODINA AND INDIVIDUAL DISTRICTS.	26
1.6.1 <i>Central Banat district</i>	26
1.6.2 <i>North Banat district</i>	27
1.6.3 <i>South Banat district</i>	27
1.6.4 <i>North Bačka district</i>	27
1.6.5 <i>South Bačka district</i>	28
1.6.6 <i>West Bačka district</i>	28
1.6.7 <i>Srem district</i>	29
2 ECONOMIC ENVIRONMENT.....	30
2.1 GROSS DOMESTIC PRODUCT	30
2.2 INFLATION.....	32
2.3 EMPLOYMENT	33
2.4 EXPORT AND IMPORT.....	33
2.5 INDUSTRY	36
2.6 BUILDING INDUSTRIES.....	37
2.7 AGRICULTURE	38
2.8 INFRASTRUCTURE.....	39
2.8.1 <i>Transfer</i>	39
2.8.2 <i>Energitics</i>	40

3. POLITICAL ENVIRONMENT	44
3.1 STATE SYSTEM	44
3.2 POLITICAL PARTIES	45
3.2.1 <i>Left</i>	45
3.2.2 <i>Rights</i>	47
3.3 SERBIA AND EU	49
4 LEGISLATIVE ENVIRONMENT	51
4.1 TAX SYSTEM.....	51
4.2 THE CONDITIONS FOR ESTABLISHMENT OF COMPANY	52
5 ETHICAL ENVIRONMENT	55
6 SOCIAL ENVIRONMENT	59
7 ECOLOGICAL ENVIRONMENT	61
CONCLUSION	63
EVALUATION OF USER	64
ABSTRAKT	65
ABSTRACT.....	66
BIBLIOGRAPHY	67
LIST OF USES GRAPHS AND TABLES.....	70
LIST OF ATTACHMENTS	71

Introduction

As a topic of my thesis, I chose the "Description of the business environment and opportunities for Serbian businesses in the Czech Republic." I chose this theme because Serbia has been an outlet of Czech industry and investment, a good base, but this situation was interrupted by political events in 90th years, which were associated with the announcement of the economic embargo. But in the last period of approximately ten years in this country has recorded significant progress in privatization and macroeconomic stability. It is also a priority for the Serbian government to achieve the goal of EU membership.

Foreign investors are attracted by the lowest tax on corporate income tax in Europe, and it is the largest local market in the Western Balkan region and is also a convenient starting point for entry into other markets of the region (Bosnia and Herzegovina, Montenegro, Macedonia, etc.). Despite everything we do not share the same religion with Serbia not even the same calendar. The only thing that unites The Czech Republic and the Republic of Serbia is that Slavic blood circulates in their veins and that both nations have numerous business dealings with the Russian Federation.

Since I had the chance to visit this country several times and got to know the local customs, culture and people, so I decided to develop this land in my work and I would facilitate czech entrepreneurs and businesses, to further expand their commercial activities in this location and this work will give them an orientation of the Serbian market.

In this work you will be introduced to an overall look of Serbia, both in terms of my processed information, in part from my perspective as someone who was in Serbia and experienced the local situation firsthand.

My Thesis is divided into seven chapters in the following order: geographic environment, economic environment, political environment, legislative environment, ethical environment, social environment.

In the chapter of the geographical environment you will get to know the basic data of Serbia, which is a brief description of this country. Also, it is described the climate that reigns in this country. There is even a brief extract from the very rich Serbian history. The final section of this chapter includes a description of central Serbia and Vojvodina autonomous parts, where I focus on a brief description of each district in the area. At the very end there is a briefly part dedicated to the question of Kosovo.

Economic environment is one of the most crucial parts of this work. In this chapter I analyze the majority of economic indicators such as GDP, inflation, unemployment, the ratio of export to import, industry, construction, agriculture, infrastructure, consisting of transport and energy, which includes a new project of Russia's Gazprom pipeline South Stream, which will Serbia, and Serbia, due to the economy catching up with the money received by the transfer of this material through its territory.

Political environment of Serbia is divided as everywhere else, the left and right, and there is no such type of extremism, as it is known in our country. In this country it is rather limited the form of questions on Kosovo and for the Russian or European orientation, or attitude to NATO.

The legal environments there are the two topics, the first one is more economical and second one is about tax system. Even if it should belong to the economic part of my work, I decided to give it more into the legislative part, because I think that this is not so for the economy, as more rules and regulations on how and why the state has to pay on the profit or various values added. The latter deals with the business conditions in Serbia and what should be done if you wish to do so and a firm base in the country.

The ethical environment of the Republic of Serbia is particularly familiar with the course of preparing for a business meeting. It is very important to know the basic facts that such action include both the beginning and during and at the end of the meeting. Therefore, this chapter focuses on general concepts such as the importance of time for local people, verbal communication, dressing, eating, and also the actual conduct and behavior toward him. At the same time try to refute certain errors, which should Czech businessman at the hearing should be avoided.

In social environments, I focused mainly on the composition of the population of the country, from which also follows the religion, culture, and especially work habits, interpersonal relationships. At the same time focus on the scale of values, why and for what means most of the Serbs.

The final thematic chapter ecological environment will try to bring the state of the environment in Serbia. However, due to the fact that obtaining information on the environmental condition of the Republic of Serbia, was very difficult, I could do nothing else than give the information on this chapter from my the experience I acquired during my multiple visits to this country, some of the magazines devoted to exports, which show slightly the state of ecology in the country, and at the same time, I asked my friend in Belgrade, to be so kind to write me the position of Serbian citizens on the local ecology and what the opinion of the actual Republic of Serbia is. This letter is attached in this work as a single supplement.

1 Geographic environment

1.1 Basic data

Official name of the state:	Republic of Serbia (Republika Srbija)
Continent:	Europe – Balkans
Size:	88 361 km ² (77 474 km ² excluding Kosovo) from that: Central Serbia 55 968 km ² Vojvodina 21 506 km ² Kosovo and Metohija 10 887 km ² <i>„On February 17, 2008 Kosovo's parliament declared independence from Serbia and Kosovo, said a democratic and multiethnic state. Republic recognized the independent Kosovo on May 21, 2008. The official Serbian authorities and leaders are still refusing to recognize the independence of the region and continue to be considered as part of Serbia. “ [13]</i>
Length of state border:	2 114 km
Population:	7 498 001 (excluding Kosovo)
The average population density:	approx. 96.8 inhabitants per km ² (excluding Kosovo)
Areas:	Central Serbia: Belgrade City, Bor district, Branicevo district, Jablanica district, Kolubara district, Macva district, Moravica district, Nisava district, Pcinja district, Pirot district, Podunavlje district, Pomoravlje district, Rasina district, Raska district, Sumadija district, Toplica district, Zaječar district, Zlatibor district.

	Vojvodina: Central-Banat district, North-backa district, North-banat district, South-backa district, South-Banatska district, Srem district, West-Backa district,
State system:	republic, unicameral National Assembly
President:	Boris Tadić
Prime minister:	Mirko Cvetković
Capital city:	Belgrade (Beograd)
Official language:	Serbian with ekavsko dialect with cyrillic letters (now commonplace Latin letters as well)
Ethnicity:	Serbs 82,9 % Hungarians 3,9 % Bosnians and Muslims 2,1 % Roma 1,4 % Yugoslavs 1,1 % Czechs 0,03 %
Religious applicability:	Orthodox 8 5% Catholics 5,5 % Muslims 3,2 % Protestant 1 % Others 5,3 %
Currency:	1 Dinar (RSD) = 100 para 1 EURO = 93 RSD (November 2009)
The average age of death of people:	70 years men 75 years women

1.2 Brief description

Landlocked country, the Republic of Serbia, which is among the largest states in the Balkans with its area 77,474 km² and nearly seven and a half million population, is echoed in the southern part of Europe, particularly in the Balkan Peninsula and the southern part of the Pannonian plains. After the independence of Montenegro from Serbia in 2006, Serbia lost the contact with the sea coast. In February 2008, and then announced, until the autonomous region of Kosovo full independence from Serbia, but which still refuses to acknowledge this fact.

The Republic of Serbia is now bordering with eight states. About 151 km north of total 2114 kilometers, the border is divided Serbs in Hungary, in the west, Serbia borders with Croatia, where the length limit is 241 km, Bosnia and Herzegovina, 302 km and Montenegro 124 km in length. 88 km southwest of the border is the border with Kosovo, the southern 62 km shared with Macedonia, and constitute the eastern border with Bulgaria and Romania 318 km, 476 km.

Serbia consists of two sections of the so-called central Serbia, or also called Central Serbia both cities and the capital Belgrade. This area has the administrative status of the whole of Serbia, but is only an unofficial region, which falls under the direct administration of the Serbian republican authorities. In contrast, the autonomous region of Vojvodina in the second largest Serbian city of Novi Sad, which occupies the northern third of the country and extends from the Central Pannonian Basin, constitute a separate administrative unit, and thus this area has a certain degree of autonomy. Vojvodina is also more than etničtější Central Serbia. The classical minorities such as Hungarians, who live in large numbers, because in times of World War II was divided between Serbia, Vojvodina and Hungary was that it tried to restore the old manor. Unfortunately for the Hungarians after World War II went to Serbia, Vojvodina. Other ethnic groups, which you can find here are also Slovaks, Montenegrins, and Croats.

Another autonomous part of Serbia, specifically in the Southeast, has been repeatedly mentioned Kosovo, but was excluded from the reach of Serbian authorities and was conducted as a special area under international administration guaranteed by the United Nations from 1999 to February 17, 2008, when Kosovo's parliament declared

independence of Serbia, Kosovo and proclaimed as a democratic multiethnic state. This fact is, however, Serbia, and 129 out of 192 countries that are members of the United Nations (UN), refusing to recognize, and still consider Kosovo to be part of Serbian territory. Czech Republic recognizes Kosovo on 21 May 2008, unlike countries such as Spain or Slovakia, which expressly refused to recognize Kosovo an independent state.

1.3 Climate of Serbia

In Serbia are the different climatic conditions and especially continental climatic conditions, which are manifested mainly in the north and is characterized by cold winters, hot and humid summers with well distributed rainfall. Adriatic climate in turn, are more typical in the south. It is mainly characterized by hot and dry summers, and also hot and dry autumn. Winter is relatively cold, accompanied by dense and frequent snowfalls. Vojvodina is typical of the national climate, which consists of air flow from the northern and western Europe. South and Southwest Serbia is influenced by Mediterranean conditions, but mountains and mountains contribute to the cooling of the majority of warm air that flows just to the south. Winters are very hard to do Sandjak, because the platform where the area is surrounded by mountains all around.

1.4 History of Serbia

Serbia and its formation in the Balkans in the Middle Ages it was very complicated. Pressures in neighboring countries, as they were Byzantium, Bulgaria, Hungary and other European and Asian countries, even the sign of the overall development of economy, politics and history and the development of Serbia itself. In addition to these aspects has been significantly influenced by religious thinking and also because culture itself, which already was under Serbian countries are very diverse.

During the sixth century came to the Balkan Slavs, the Serbs in particular just because he worked in this field a very strong influence of the Eastern Empire, managed to take hold there very well the orthodox faith or orthodoxy. Later, around the first half of the 10th century created the first kingdom on behalf of Raska. Subsequently, in the years 1331 - 1355, the reign of Emperor Dusan the great, the Balkans was dominated by a large

majority of just Serbia. 1389 took place on a major battle of Kosovo, where Serbia has gradually come under the domination of the Ottoman Empire.

After many rebellions they are finally won in 1878, Serbia's independence. Subsequently in 1912, together with Serbia Montenegro, Bulgaria and Greece participated in the First Balkan War. Then Serbian army triumphed over the army of Turks at the Battle of Kamanova. In doing so, the Serbs have achieved that their territory extended nearly the whole of Kosovo and Macedonia. The 1914 event took place in Sarajevo, which in turn sparked the First World War. Serbian nationalist assassinated Archduke of Austria-Hungary, Franz Ferdinand d'Este. 28 July, when the ultimatum expired, declared Serbia the former Austria-Hungary war.

The assassination of Franz Ferdinand d'Este put Serbia in a very difficult situation. Austria-Hungary not only caused a fierce campaign against Serbia but also against the Serbs themselves, who lived at the time of the monarchy. Serbian politics itself is trying to avert war by trying to disprove the allegations and strongly condemned the assassination. However, their attempt failed and the war with Serbia could not be averted. Serbians with the Montenegrin troops initially led war, but in November 1914, the break occurred when Austria-Hungary attacked massively across the front. The consequence of this attack, the Serbian Army virtually collapsed, but in December the same year started the Serbian army, led by General Živojin Mišić, again in the fightback. With this offensive faltered Austro-Hungary line, this was deployed on the river Kolubara, and then collapsed. This was liberated by the Serbian capital Belgrade, which was under the Habsburg rule only 13 days. Success, which the Serbs have achieved this offensive, was superseded by the loss of most of Macedonia, which was confiscated by the Bulgarians. Obviously, both the Germans and Austrians lag and re-planned attack on Serbia. It was re-impulse to the head of the army was brought back into the general Živojin Mišić, which the Bulgarians and their troops managed to push away from Macedonia, but after a while Bulgarian troops again occupied Macedonia. This is Serbia divided into two areas. The northern part of Serbia was occupied by Austria-Hungary, while the southern part was under the leadership of Bulgaria. The difference between Bulgaria and Austria-Hungary was that Bulgaria tried to completely destroy Serbia. Thus the southern territory of Serbia vulgarization started very strong, there was a destruction of documents and books, mainly in Serbian and Bulgarian was proclaimed as the official language in offices and schools in the area. In the period 1917 -

1918 Serb army and Serb allies got into the lead and managed to defeat the enemy states. This moment began to slowly build the Kingdom of Serbs, Croats and Slovenes.

The First World War ends and Serbia is to become an integral part of the Kingdom of Serbs, Croats and Slovenes. Serbia became the center of this great country, mostly comprising half of the Balkan Peninsula but still local Metropolis Belgrade, did not enter between the true European metropolis's most powerful countries in Europe. Following the example of the unification of Italy or Germany took place and the unification of South Slavic peoples of Serbia, Croatia and Slovenia, where the politicians attempted unification of the single Yugoslav nation. However, it was nothing easy, and problems arose with the Kosovo Albanian population and its, and the Bosnians in Bosnia and Herzegovina. Major problems, however, were in Macedonia, while the Macedonians were viewed as the Serbian nation, which led to the fact that most of the Macedonians began to join the Bulgarian nationality and the radical part of the Macedonian population began to promote the support of various pro-Bulgarian associations which were often armed. This resulted in the fact that the Serbs tried to serbianify of Macedonian people by sending in their territory of the Serbian colonists. This was the beginning of Serbian nationalism, which is part of history as the Kingdom of Serbs, Croats and Slovenes, as well as the history of modern Yugoslavia. International issues will be primarily with the Kingdom of Hungary, where there was a debate on Vojvodina and Bulgaria, where again there was a debate on the above-mentioned Macedonia.

In 1941 the army of the Kingdom of Serbs, Croats and Slovenes was defeated and the kingdom split and created two separate states, a portion was occupied by foreign armies. The Croats went toward Germany, while Serbia and not because the war in this country very cruel. In Serbia, which was occupied by troops, has produced two resistance fighters. The revolt was led by corps of gendarmes Dragoljub Mihailović. Competitor of gendarme resistance was the Communist resistance, whose leader was Josip Broz Tito, who later became leader of the Socialist Federal Republic of Yugoslavia.

Socialist Federal Republic of Yugoslavia was a socialist multinational federal state, which lies in the western Balkans. Capital of this state, it was also the largest city of Belgrade. This state was founded and was declared in 1943 as Democratic Federal Yugoslavia, formed from the remnants of the Kingdom of Yugoslavia. Since 1946, the State bore the

name of the Federal People's Republic of Yugoslavia in 1963 and finished joint last name of the Socialist Federal Republic of Yugoslavia.

Socialist Federal Republic of Yugoslavia was formed by socialist states:

Socialist Republic of Bosnia and Herzegovina, capital city Sarajevo

Socialist Republic of Croatia, capital city Zagreb

Socialist Republic of Macedonia, capital city Skopje

Socialist Republic of Monte Negro, capital city Titograd – today's Podgorica

Socialist Republic of Serbia, capital city Belgrade

Socialist Autonomous Region Kosovo, capital city Pristina

Socialist Autonomous Region Vojvodina, capital city Novi Sad

Socialist Republic of Slovenia, capital city Ljubljana

After the fall of communism, the years 1991 - 2001 Yugoslavia erupted in civil war. It was more or less a series of conflicts that started riots between states of the Socialist Federal Republic of Yugoslavia. At first they were increasing their differences between republics and autonomous regions Federation. As a major problem proved was to the deteriorating economic situation and the surge of nationalism. During the war, gradually broke away from Yugoslavia, Slovenia, Croatia, Macedonia and Bosnia and Herzegovina. After the fighting was most heavily Yugoslavia and significantly damaged. Ethnic cleansing and its aftermath gave the most experience and Bosnia-Herzegovina and Kosovo. These two landscapes are still recovering, despite the fact that the governments of the new countries are trying to renew themselves for several years, as well as western aid, rich nations.

States of Serbia and Montenegro remained in a common federation, which bore the name of the Federal Republic of Yugoslavia, headed by Slobodan Milosevic settled. The UN has decided not to recognize this state, as the successor state of Yugoslavia, but the federation itself approved.

Federal Parliament then Federal Republic of Yugoslavia in 2002 decided to change the name and also for giving more powers to both republics. The result was renamed the State Union of Serbia and Montenegro, which had only a common defense policy of both countries. 21 May 2006 has held more or less independent state of Montenegro referendum independence to Serbia, which ended in a victory for an independent Montenegro, and so on 3 launched in June 2006, this small country's independence and autonomy. Two days on, 5

June 2006, Serbia declared its independence and changed the official name of Republic of Serbia.

This crisis in Serbia, but ended primarily because *"On February 17, 2008 Kosovo's parliament declared independence from Serbia and Kosovo, said a democratic and multiethnic state"* [13]. The course, which Serbia opposes and rejects any cooperation with the Kosovo authorities, for reasons of historical significance for the Serbian people of Kosovo. It is characterized by the ubiquitous word *"Kosovo is heart of Serbia"*, which can be seen not only throughout Serbia but also in the Serbian parts of Kosovo, such as the city of Mitrovica in northern Kosovo. This city is known that the river is divided into Serb and Albanian parts.

The very transformation of the Republic of Serbia held under the leadership of the Democratic Party, but the process itself is not proceeding as quickly as all parties would like.

1.5 Characteristics of central Serbia and individual districts

Central Serbia, and also formerly called Enhanced Serbia is a region of Serbia which is located "between" autonomy of Vojvodina and Kosovo. This section covers an area 55,968 square kilometers of a total of 77,474 square kilometers, which currently occupies Serbia. At the same time, this position is not part of the administrative unit known as the Republic of Serbia, but it is only a kind of unofficial part or region, which falls under the administration of the Serbian republican authorities. With the largest and capital city of Belgrade is also central Serbia, a rich culture and heritage. You can find many remnants of the Roman civilization, the remarkable medieval fortress. But one of the most important features of the area of central Serbia is a large number of Serbian medieval churches and monasteries.

Counties of Central Serbia is divided in 17 districts¹, plus the city itself Belgrade.

¹ *"Serbian areas are kind of statistical unit of government, not the government, bringing together every few so-called opština that resemble pre-war Czechoslovakia size" small "districts" [6, p. 54].*

1.5.1 City of Belgrade (Beograd)

This capital of the Republic of Serbia located in the north central Serbia, and the confluence of two rivers, the Sava and Danube and its population around 1.6 million inhabitants is among the world's major cities and it is also the largest and most populous city of Serbia. Among other things, the fourth largest city of Belgrade, Eastern Europe, after Istanbul, Athens, Greece, and Bucharest, Romania. Also, the city ranks among one of the oldest cities in Europe. Status within Serbia in Belgrade is a separate territorial entity with its own autonomous government. The town itself is then further divided into 17 municipalities, or the cities parts.

Culturally, this city lives mainly in the old city, where you will find, to my mind, several important points. One of the important points which today are rather just a tourist symbol full of restaurants is the oldest street Skadarska. The greatest strength is dominated by Belgrade Kalamegdan, which is the largest historic significance throughout the city. On the way to her is most likely to walk the streets with the name of the priest Mihail. This street is the current center of the modern Serbs, while business meetings and shopping malls. If you visit this city, you can be sure that your local people in this showcase site and invite you to eat here just because the street is dotted with a variety of cafes, restaurants and bars. There currently is focused through the day, most entrepreneurs and businessmen Belgrade.

1.5.2 Bor district (Borski okrug)

Bor District covers an area of 3507 square kilometers with a population of nearly 150,000 and an average population density of 41.8 inhabitants per km². Center of the Bor district is the city, which has about 50 000 inhabitants. Other more important towns in this location are Kladovo and Majdenpek. In this region we find particularly copper and gold mines, mainly in cities and Majdenpek Bor.

1.5.3 Branicevo district (Braničevski okrug)

Branicevo district occupies an area of 3865 square kilometers in the northeast of Serbia. Population is just over 200 000 inhabitants with an average density 51.9 inhabitants per km². The main center of this district is a city with a population of Pozarevac 41 000

inhabitants. Other cities that you can find as a city with a paradoxical name Veliko Gradiste with a population exceeding 7000 inhabitants, Golubac, Žabari etc.

Commercial sites are concentrated around the town of Pozarevac. The most important is probably the food giant, "*Agricultural-Industrial Combine Pozarevac*" [16], which provides employment to large numbers of male and satisfies more than a quarter of total demand of Serbia.

1.5.4 Jablanica district (Jablanički okrug)

District Jablanica is located in the southeastern part of Serbia and what the area is 2769 square kilometers. Population is the region with an average of less central Serbia with its nearly 255,000 inhabitants and a density of 87 people per km². Leskovac is a district town with a population of approximately 100 000 other cities in this district as Bojnik or Lebana. The economic development of district Jabalnica is attending mainly the pharmaceutical industry and chemical industry, tin smelting plant on the boards, meat-processing, textiles and cosmetics industries.

1.5.5 Kolubara district (Kolubarski okrug)

This region lies in the Middle Western part of Serbia. Has an area of 2474 square km and in terms of population, and its last known number, the number stood at 200,560 inhabitants. Population density of this district is moving in an average of 77.7 inhabitants per km². Valjevo is a district town with a population of 61,600 inhabitants, situated on the banks of the river Kolubara. Other cities in this area are Osečina, Ub or Lajkovac.

In this region, predominantly metal products primarily to companies' Krusik DD Holding Corporation "and bolt factory" Gradac ". Works are here as well as agricultural production and food industry, which is represented by "Srbijanka".

1.5.6 Macva district (Mačvanski okrug)

Macva District is the second most populated district of central Serbia, while Belgrade aside the city itself. Spanning an area of 3268 square kilometers is in the western part. Its

population reached nearly 340 000 people with an average population 100.9 inhabitants per km². The center of this region is Šabac city with a population slightly above 55,000 inhabitants. Other cities worth mentioning are bedrooms with a population of nearly 20 000 inhabitants and with Bogatić Lozničko Polje, both cities have a population over 7000 inhabitants.

The economy of this region is characterized mainly by large companies such as factories "Zorka", which deals with the chemical industry, "Šapčanka" engaged in the food industry, "Jela" and its furniture industry and the companies' Metaloplastika "which in turn operates in the plastics industry and metal industry. One of the biggest exporters, however, is an exporter of tin plate steel, which currently owns the "U.S. Steel Serbia ", the factory produces more than 200,000 tons of tin plate each year.

1.5.7 Moravica district (Moravički okrug)

The city is the county town of Čačak was Moravica District. The actual district sprawls in the middle part of Serbia and occupies an area of 3016 square km. The entire population is just over 230 000 inhabitants and the county town of Čačak itself has to share this about 73 000 inhabitants. Average density of population is 74.5 km². Other cities are demographically more important Gornji Milanovci and Ivanjica.

Economically the area is not worth all that bad despite the fact that their population frequency is rather average. The reason is that the metropolis itself Čačak is one of the main economic centers all over Serbia. Its economy is so dominant because of industrial production. In particular, this is processing of metals, which deal with the factory "Sloboda" and "Cer". Followed by paper production, chemical industry, which represents the plant "1 May" and last but not least, there is also growing well agriculture, for which the particular company is "Stocar.

1.5.8 Nisava district (Nišavski okrug)

Southeastern part of Serbia, here is Nišava district and its 2 729 square kilometers. Nišava a population moves to the numbers around 382 000, while population density is 139.9 km² of the population. From these figures it is clear that the district is the most populous county

Nišava throughout central Serbia. The central city is called, like the entire district. The city of Nis has 253 077 inhabitants, and diluted so as the third most populated cities in the whole Republic of Serbia, before they are no longer only the capital Belgrade and the "capital of the autonomous province of Vojvodina, Novi Sad. The city of Nis has an area of less than 600 square kilometers and is divided into 5 urban areas. District itself is then divided into 6 municipalities Aleksinac, Svrlijig, Merošina, Razanj, Doljevac, Gadžin Han.

Economically district Nišava dominates the electronics industry in the capital city of Nis, tobacco, machinery and textile industry, represented by "Niteks. However, the district Nišava lives only industry, but it also helps tourism. In the city of Nis is one of the most beautiful and best preserved fortresses in the Balkans. It was built in the late 17th century. This is not the only thing the city of Nis hiding. On the outskirts of the city can find a unique monument, which is called "head hood, or after our tower of skulls. This tower was built by the Turks from the heads and skulls of Serbian warriors who died in battle on the hill Čegar 1809. The actual district still boasts a remote place only a few kilometers from the city of Nis, Niska Banja, which is one of most famous SPA centers throughout Serbia.

1.5.9 Pcinja district (Pčinjski okrug)

The southern part of Serbia is Pcinja district, which covers an area of 3520 square kilometers, which also forms the border zone with Bulgaria and Macedonia. Population in this area is 243 529 inhabitants and a population density is 64.7 inhabitants per km². The metropolis is called Vranje and its population is around 55 000 inhabitants. Other more important points as regards the population are Bujanovac and Presevo town.

Vranjska Banja is a place that plays a specific role, because it has many medicinal-mineral springs.

The local economy is mainly in the town of Vranje, home industries, mining, construction, trade, agriculture and forestry. The most famous is primarily a holding company "SIMP" while occupied by the tobacco factory, as a holding company of Philip Morris cigarette empire.

1.5.10 Pirot district (Pirotski okrug)

Pirot District is located in the southeast of the Republic of Serbia and its population is only 116,926 inhabitants. Same district town, Pirot, this 2761 square kilometers large district has a population of 40,678 inhabitants. The average density of this area is 38.3 inhabitants per km². Already the numbers reveals that the district belongs to the rather small districts. Other cities are more important Dimitrovgrad and Bela Palanka. Bela Palanka town itself is surrounded by beautiful countryside and mountains.

Most of the tools that create the economy Pirot is located in the industrial zone. These are mainly rubber, textiles and industrial paints and varnishes.

1.5.11 Podunavlje district (Podunavski okrug)

This district is located across the center of Serbia. Its area is 1248 square kilometers and the rate of the population is 226,589 inhabitants, with an average population density is 168.5 inhabitants per km². The center of this area is Smederevo, whose population is 77,808 people. Other towns in that district can be found Smederevska Palanka and Velika Plana.

From an economic point of view of Smederevo is now one of the leading cities of Serbia. Major companies are "Smederevo Metal-Processing Combine" [17], the company "Zelvoz", which deals with personal technology, railway transport and special booths. Holding Fagran "engaged in the manufacture of construction machinery, while the companies' Tehnogas", "Jugopetrol" and "Lasta" contributes to the fact that this region has become a successful and dynamic industrial center.

1.5.12 Pomoravlje district (Pomoravski okrug)

Additional District located in the center of Serbia. His area of 2614 square kilometers is somehow different from the average of other district and area. There live 227 435 inhabitants and an average density of population is 87 km². The district town of this area is Jagodina. Jagodina population is 35,589 people. Other cities that have populations above 10 000 are Cuprija, Paraćin and Despotova.

1.5.13 Rasina district (Rasinski okrug)

The district stretches to the more southerly parts of the country's medium and its area is 2667 square kilometers, the population living in the district Rasina is 296,690 and the average population density is 96 inhabitants per km². Working capital is Krusevac and its 75,256 resident's means that the city is 10 most populous city in the entire Serbia. Another important city with a population over 10,000 is Trstenik.

The economics of the region has dominated by the chemical industry companies, such as "Merima", "Milos Zakić" and "Župa". The other prominent companies are "14 oktobar", a huge factory town of Krusevac, which deals with the Metal, and "Crvena Zastava", which represents the area of wood and timber industry.

1.5.14 Raška district (Raški okrug)

South-western district of Raska has 3918 square kilometers and its population size is 300,274 and the average population density is 74.3 inhabitants per km². In the town of Kraljevo district alone 65,142 people live. Other cities, with more than 10 000 inhabitants are of Novi Pazar and Tutin.

Raska district economy is dominated by "Magnohrom" which deals with non-metal and electrical industry, the factory in Kraljevo railway cabins, Society Jashen "dealing with the timber industry, and "Electro Serbia". Other well-known companies and factories are Kraljevova. This is the "Amiga Kraljevo", which deals with street lighting and a factory producing metal tubes "Metalservis".

1.5.15 Šumadija district (Šumadijski okrug)

This district is located in the middle of Serbia, with an area of 2387 square kilometers and population of 312,160 inhabitants is one of the more populous parts of Serbia, as evidenced by the fact that the average population density is the number of 125.2 inhabitants per km². Center of the area's fourth most populous city of the whole Republic of Serbia is Kragujevac settlements with a population 146,373 people.

Today's modern city of Kragujevac is a major center of economy for the whole of Serbia. As for us in Mlada Boleslav factory "Škoda Auto" so here you will find car "Zastava" which still makes the Balkans so popular car "Yugo". Today, it's not just this model but that this car produces. Since the car is a sort of collaboration with famous Italian automaker Fiat, so you can find in the "repertoire" of the Serbian car manufacturer, and model under the model designation "Zastava 10", which is not to say anything other than an earlier model of the Fiat Punto. However it still is nothing compared to the earlier of the "rock", which in 2008 bought a completely "FIAT" and the company was renamed 'Fiat Serbia'. Kragujevac, not just the automotive industry, but also is known for his armory.

District Sumadija but has one more important, especially for Czech, particularly for our South Region. The reason is the significant inter-regional cooperation in these two counties. Collaboration refers first and foremost, economic, public administration and education and training.

„*Cooperation of South Moravian region with the Šumadija district* I dare say, developing successfully, albeit a far more character development assistance or aid.“ [6, s.58], said RNDr. Igor Poledňák² at the end of his article "The importance of interregional cooperation partnership in the example of South Moravia and Sumadija district", which was presented at the symposium "Recent Serbia - Politics, Culture, European Union" held on 23 April 2007 in Brno.

1.5.16 Toplica district (Toplički okrug)

This region lies in southern Serbia. Has an area of 2231 square km and in terms of population, and the last known number dropped to number 102,075 people. Population density in this district averages to 45.7 inhabitants per km². District is a city with a population of Prokuplje 27,673 inhabitants. Other cities in this region, populated by more than 10,000 inhabitants is only Kuršumljia.

² Then Vice marshal of South moravian region

District Toplice is moderately advanced and developing industrial area. Leading companies or companies under this heading are the factory for the production of spirits "Prokupac" food production "Hissar", non-ferrous metals factory "FOM" and spinning cotton Topličanka.

1.5.17 Zaječar district (Zaječarski okrug)

District located east Zajecar is 3623 square kilometers and its population size is 137,561 and the average population density is 37.7 inhabitants per km². In the metropolis itself Zajecar 49,700 people live. Another city where there are more than 10 000 inhabitants is Knjaževac.

Trends of economic development in Zajecar begin artisanal and semi-industrial processing of agricultural products, continued use of coal over the textile factories, leather factories and breweries, and ending up with modern facilities and high standards of performance.

1.5.18 Zlatibor district (Zlatiborski okrug)

Western, Central Serbia is mountainous district of Zlatibor. His area of 6140 square kilometers is one of the largest district not only central, but the entire Serbian population, and 313,396 inhabitants, the average settlement of 51.0 inhabitants per km². District Užice city is populated with 55,025 inhabitants. Cities in this area, which exceeds the number of residents over 10 000 are Priboj, Prijepolje, Nova Varos and Pozega.

The most significant sectors that support economic growth in this area are factories for the processing of copper and aluminum, metal-complex "Prvi partizan" textile industry "Froteks" and company "Kadinjača" engaged in the clothing industry.

1.6 Characteristics of autonomous part Vojvodina and individual districts.

Vojvodina is the autonomous³ part of Republic of Serbia and is located in the north and forms the border with Hungary in particular belt, the main border crossing near the town of Subotica Serbian parties or by the city of Szeged in Hungary. The main and largest city of the Vojvodina is Novi Sad, which with a population over 300 000 inhabitants is also the second largest city of Serbia. Vojvodina covers an area of 21,506 square kilometers of a total of 77,474 square kilometers. This area has also a numerous amount of different ethnic groups is living here. This is mainly rich history of Vojvodina, which belonged to the various kingdoms and groups, such as the Hungarian kingdom. This is evidenced by the fact that the area's six official languages, including Serbian, Hungarian, Slovak, Croatian, Romanian, and 26 different ethnic groups, of which the largest are the Serbs, of course, followed by Hungarians and Slovaks, Yugoslavs, Croats, Montenegrins and Romanians. There are also Czech population but represented only a very small. According to the last census in 2002 there are only 1,648 Czechs living.

Administrative division of the autonomous province of Vojvodina is divided into 7 districts.

1.6.1 Central Banat district (Srednjobanatski okrug)

Central Banat district occupies an area north of Serbia, Vojvodina as part of an area of 3256 square kilometers with a population of 208,456 and an average population density of 64 inhabitants per km². District is the town of Zrenjanin city, which has about 80,000 inhabitants. The other major city in this location is Novi Bečej.

The economy of this area is diverse but takes place mainly in the capital district in Zrenjanin. These are primarily industry, agriculture, forestry, construction and transport. The biggest driving forces in these sectors are food processing industry, which is integrated into agro-industrial group "Servo Mihalj. Other representatives of the local economy as a brewery "ZIP", the chemical industry and sugar "LUXOL.

³ The autonomous regions have their own parliament and its own board (government), but autonomy has reserved a certain extent, how far may intervene as education and culture.

However, most companies are in very bad condition, apart from society "Dijamant" which deals with the oil industry and dairy "Mlekoprodukt".

1.6.2 North Banat district (Severnobanatski okrug)

Northern Banat is located, as already the title suggests, in the northern part of Serbia and what the area is 2329 square kilometers. Population is this region, with its 165,881 inhabitants and a density of 71.2 people per km², the weakest district of Vojvodina. The central city is Kikinda with a population of around 40 000 Other cities in this district as Ada, Senta and Kanjiža.

The district town of Kikinda is also a center of production of clay building materials. This is demonstrated by the fact that the oldest manufacturer of active ingredients, the company "Toza Markovic. Foundry with the same name as the city, "Kikinda", is the largest manufacturer and exporter of grinders in Serbia. Also, factory "Electron" and "25 Maj", which is engaged in the manufacture of agricultural machinery and equipment are the companies supplying the Serbian and foreign markets.

1.6.3 South Banat district (Južnobanatski okrug)

South Banat is located in northeast Serbia and occupies 4245 square kilometers. Population size is nearly 314,000 residents, making this district ranks second most populated parts of Vojvodina. The average population density is 73.6 inhabitants per km². The center of this area is Pančava, home to around 77 000 inhabitants. Furthermore Pančava you will find a city Vrsac, Bela Crkva and Kovin.

South Banat District is considered a very modern and industrial region, which extends from an oil refinery Pancevo Oil Refinery, fertilizer for plants "Azotara" and petrochemical industries Pančava.

1.6.4 North Bačka district (Severnobački okrug)

North Backa is another district which is located at the very north of Serbia. By its very large area of 1784 square kilometers is among a small district, but what nepobral in the

stretch, catching at least part of the population, the number stopped during the last census in 2002 in the amount of 200 140 inhabitants. With a land area and population, the average population density of 112.2 inhabitants per km². The city is the region of Subotica, which is also mentioned in a population with its 99,981 inhabitants, the fifth most populous city of the Republic of Serbia. Because of the small size of the average population, and the other is the larger town of Backa Topola.

Given that the region has very rich resources, so no wonder that the very developing the local food industry. The best examples are companies such as "29 novembar" which deals with the meat industry, confectionery factory "Pionir" and the company for processing flour and bread making "Fidelinka. In case the yield of crops such as corn, wheat or sunflowers, Subotica is one of the leading cities in Serbia.

1.6.5 South Bačka district (Južnobački okrug)

South Backa is located in the northern part of central Serbia and Vojvodina. Sprawls are on 4,016 square kilometers. Population, with its 593,666 inhabitants of the Southern Backa only the most populous parts of the autonomous province of Vojvodina, but also the most populous district, or to circuit throughout the Republic of Serbia, of course, not including the capital Belgrade. With this figure is the average population density of 147.8 inhabitants per km². Dominance in this circuit, of course, plays the town of Novi Sad, the center circle, but it is also the capital of the autonomous region. In Novi Sad live 283,634 people, thus becoming the second most populous city and town across the country. Since this is a whole range of the most populous country, and if we find probably the largest representation of cities which have populations of more as 10 000, these cities are Srbobran, Bečej, Vrba, Backa Palanka and Temerin.

In this district are predominant chemical, petroleum, machinery, textile and food industries. Further works are the construction tools and electroporcelain.

1.6.6 West Bačka district (Zapadnobački okrug)

West Backa is located further north of the district with an area of 2420 square km. There live 215 916 inhabitants, with an average population density of 88.4 inhabitants per km².

The center of this district is the town of Sombor with a population of slightly over 50 000 inhabitants. Other cities mention of Kula and Apatin, both cities have a population greater population than 10 000 inhabitants.

Today, the area around Sombor about 1000 km² of agricultural land, of which 970 km² are arable land. Outside of agriculture in this region plays an important role in rearing cattle. Still dynamic development is achieved in the industry, dominated by the metal complex "Bane", the battery factory in Sombor, factory supplies "Crvena Zastava" yard "Dunav" and particularly the food industry, then, that the capacity of its oil factories "Sunce" and "Somboled", conducts all of agricultural processing.

1.6.7 Srem district (Sremski okrug)

This district is located in the northwest area of Serbia in 2420 square kilometers and population of 309,981 inhabitants is one of the most densely populated parts of Serbia. The average population density is the number of 96.4 inhabitants per km². Center Sremska Mitrovica area is populated with a population 39,041 people. Other major cities are Šid, Indija, Ruma a Stara Pazova.

The main factors of economic growth in this area is a factory for the pulp and paper "Matroz" furniture factory "1 novembar" Wood and complex "Woods of Serbia"

2 Economic environment

Serbia is on its way to a market economy. Distribution of Serbia and Montenegro in year 2006 had more noticeable impact in the economic sphere. Similarly, the declaration of independence of Kosovo does not more serious for the economy of Serbia.

The only significant effect on the Serbian economy is currently running a global recession. „*Industrial production during the first half fell by 17.4%, the largest drop was recorded in manufacturing of 19.9%. In foreign trade, exports decreased by 23% to EURO 2.8 billion EURO, while imports decreased by 30% to 5.4 billion EURO. The trade deficit is 2.6 billion EURO, which is due to a stronger decline in imports reduced by 1.5 billion EURO, compared with the 1st half of the 2008.*“ [14].

The Serbian economy has recently succeeded mainly in trade and transport. Partially finance leads, and in particular ore and stone. Even the editing industry stakes, but what in the local economy is lagging forestry and agriculture before and that is now slowly giving together. Other sectors are that will not contribute to the development of the economy, and GDP, tourism and hospitality with its restaurants and hotels.

2.1 Gross domestic product (GDP)

Gross domestic product is the total volume of final output, expressed as a sum of money, created a certain period of production factors, which operate in the country, regardless of whether the nationality of the owners of Serbia or abroad.

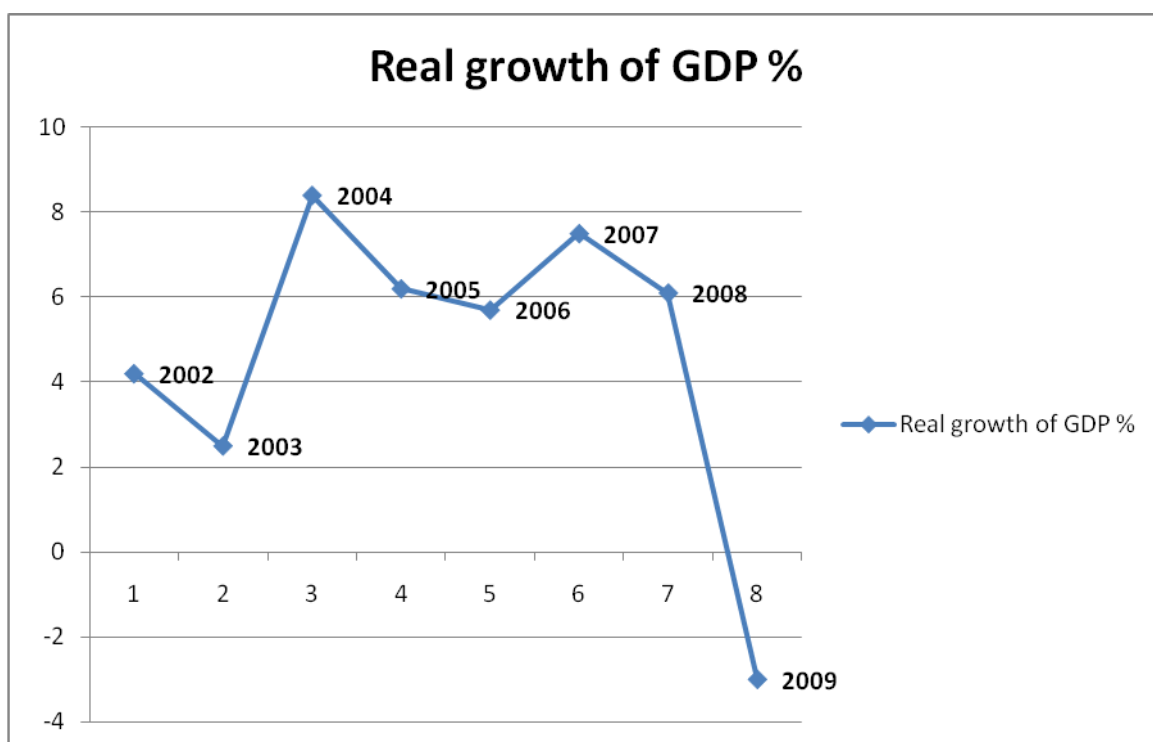
Serbia's GDP in 2008 was about 33 billion euros. Gross Domestic Product recorded during the period from 2002 to 2008 with steady growth in real average annual growth of 5.8%. Taking the average GDP during that period per capita is 3076 euro. In 2008, real GDP growth was 6.1%. The most developed sectors of trade, transport and finance. For 2009, however, the prediction percentage estimated real GDP growth is in the minus numbers. Real GDP growth for 2009 is estimated at -3.8%, while the estimate for 2010 is already a bit more optimistic, which would be the value of real GDP growth to get back into the light

plus numbers and at 0.2%. In separate figures this means an estimate of GDP for the year 2009 about 28 billion EURO in 2010 and then it is about 30 billion EURO.

X	2002	2003	2004	2005	2006	2007	2008	2009
GDP (mil. EUR)	16 811	18 011	19 723	21 105	25 262	29 124	33 861	30 385
GDP per person (EUR)	2 162	2 338	2 563	2 743	3 186	3 947	4 597	4 122
Real growth of GDP (%)	4,2	2,5	8,4	6,2	5,7	7,5	6,1	-3,0
Public dept in % of GDP	69,5	64,3	53,3	50,6	40,1	31,4	26,3	32,4

Table 1 - Rate of GDP 2002-2009

Source: [14, 19]



Graph 1 – Real growth of GDP (%) 2002 - 2009

Source:[14] [19]

2.2 Inflation

Inflation is the depreciation of the purchasing power of money, by increasing their number in circulation over the tolerable level possible. In practice, this reflected an increase in the price level in the economy. Expensive raw materials, goods, services, and of course to raise rents too. Population does not still getting poor because any price increase is offset by the increase in surface population income. This meant an increase in both wages and dividends, rents and interest on deposits.

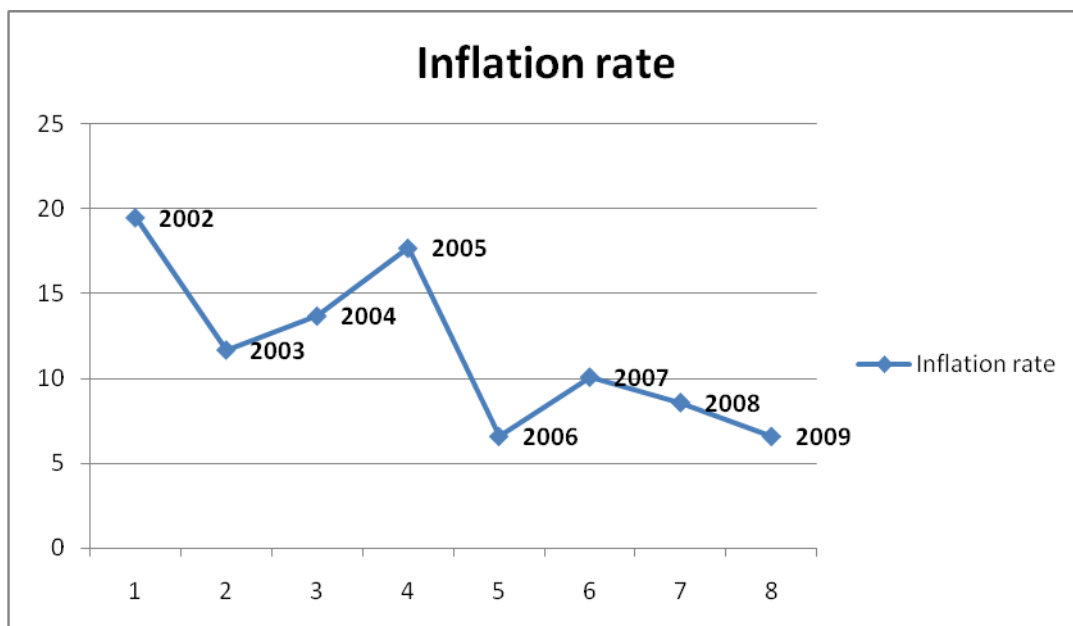
2002	2003	2004	2005	2006	2007	2008	2009
19,5	11,7	13,7	17,7	6,6	10,1	8,6	6,6

Table 2 - Inflation rate in % for the period 2002-2009

Source: [14]

The main reason why inflation is rising in Serbia is the fact that apart from excessive public sector spending, as well as the monopolistic behavior of individual actors in certain sectors of the economy becomes abnormally.

At present, we would expect the continuation of public spending, which is likely to stimulate inflationary trends in the Serbian economy in the coming years.



Graph 2 – Inflation rate in % for the period 2002-2009

Source: [14]

2.3 Employment

Unemployment in Serbia is unfortunately still one of the highest in Europe. The official unemployment rate in 2005 was almost 32%. Official figures show that in 2006, unemployment still remained very high, mainly due to continued restructuring of state enterprises is a tendency of further growth stopped. Since the beginning of 2006 the number of registered unemployed rose by 21,000. Nevertheless, in 2008, though it flashed to better times and the unemployment rate dropped to "only" 24%.

2002	2003	2004	2005	2006	2007	2008	2009
29,0	31,7	31,7	32,6	28,1	29,0	24,2	19,2

Table 3 - Unemployment rate in% for the period 2002-2009

Source: [14]

2002	2003	2004	2005	2006	2007	2008	2009
111	138,5	169,8	210,4	259,5	347,6	358,4	337,9

Table 4 - Average net wage in € for the period 2002-2009

Source: [14, 20]

2.4 Export and import

Serbia's foreign trade exchange in 2009 reached 118.9 million in 1917, a decrease from 2008 of 25.3%. Exports amounted to 5 961.6 million, and it is in comparison with 2008 a decrease of 19.7%. Import amounted to 11 157.3 million and was 28% lower than in 2008. In 2009, Serbia's foreign trade deficit of EUR 5 195.6 million, which in comparison with 2008, a decrease of 35.6%. Coverage of import export amounted to 53.3% and was thus 5.3% higher than 2008, when this coverage amounted to 47.7%.

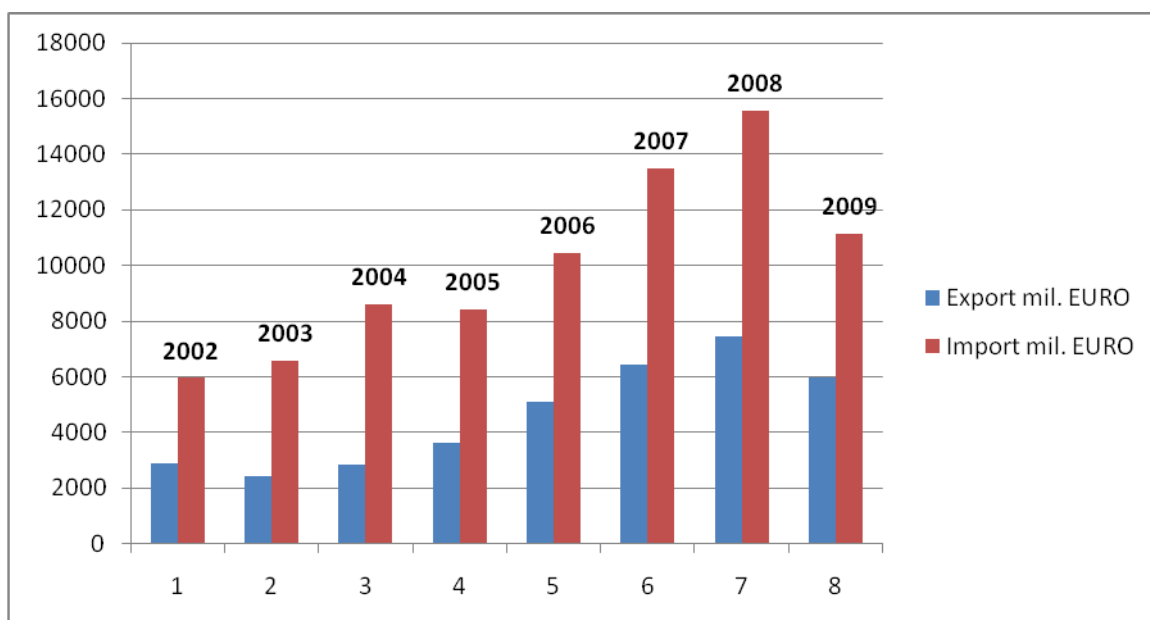
Serbia's foreign trade exchange in 2008 reached a value of 23 008,8 million EURO, in comparison with 2007, an increase of 15.4%. Exports amounted to 7 428.3 million EURO, and it is in comparison with 2007 increased by 15.5%. Import was 15 580.5 million EURO and was 15.3% higher than in 2007. In 2008, Serbia's foreign trade deficit of 8 152.1 million EURO, which in comparison with 2007 increased by 15.2%. Coverage of import

export amounted to 47.7% and was thus 0.1% higher than 2007, when this coverage amounted to 47.6%.

X	2002	2003	2004	2005	2006	2007	2008	2009
Export (mil. EUR)	2 870	2 441	2 832	3 608	5 103	6 432	7 428	5 961
Import (mil. EUR)	5 957	6 586	8 623	8 439	10 463	13 507	15 581	11 157

Table 5 - The rate of export and import in million Euros for the period 2002-2009

Source: [14]



Graph 3 - The rate of export and import in million Euros for the period 2002-2009

Source: [14]

The main reasons for increase in import:

- Increasing imports of energy materials
- Increasing imports of copper and iron ore
- Growth of demand

The main reasons for the increase of export:

- Advancing privatization and restructuring of enterprises
- Export of surplus agricultural products

- A surplus in trade in textile products
- Better ratio of prices of exported goods to the prices of imported goods

Serbian exports in 2008 were the most numerous of Bosnia and Herzegovina (910.9 million euro), Montenegro (875.7 million euro), Germany (776.9 million euro) and Italy (767.7 million euro). While Serbia was the most significant import to the Russian Federation (2375.9 million euro), Germany (1839.7 million euro) and Italy (1485.9 million euro). The first half of 2009, from January to June, the Serbian export-oriented in most of Bosnia and Herzegovina (301.8 million euro), Germany (286.8 million) and Montenegro (258.3 million euro), Import was the most numerous of the same countries as in 2008, with Russia (641.7 million euro), Germany (607 million euro) and Italy (485.5 million).

Surplus export and import in 2008 was carried out mainly in trade with Montenegro, Euro 738 million), Bosnia and Herzegovina (472.2 million euro) and Macedonia (77.3 million). As regards the deficit was, so that remains the same in most in trade with Russia (2001 million), due to import of energy resources such as oil or gas. Next in order is then placed China (1240.4 million euro) and Germany (1062.8 million euro). The excess of exports and imports for the first half of 2009 was again realized with Montenegro (207.8 million), Bosnia and Herzegovina (185 million) and Macedonia (59.1 million). The same applies to the trade deficit for the first half of 2009, so that there are countries traditionally Russian Federation (541.9 million), China (371.9 million euro) and Germany (320.2 million).

In 2008, Serbia exported most of the iron and steel (985 million), non-ferrous metals (483 million), clothing (375 million), fruits and vegetables (325 million) and metal products nec (318.3 million). While were the Serbian dominated by import crude oil and petroleum derivatives (1954 million), cars (1 254 million euro), gas (792 million), iron and steel (761 million) and industrial equipment and machinery for the general consumption (736 million). For the first six months of 2009, was mainly dominated by exports of clothing - especially military jackets (204 million), iron and steel (169 million), cereals and their products (159 million), fruits and vegetables (133 million EURO) and non-ferrous metals (127 million). Import of Serbia in the first half of 2009, the government imports, particularly oil and petroleum derivatives (412 million), passenger cars (382 million) that year, natural gas (323 million) that, iron and steel (236 million) that year, and industrial equipment and machinery general consumption (230 million) that year.

2.5 Industry

Current Industry of the Republic of Serbia has the potential to achieve much more growth than at present. The main problem is chronic illiquidity of economic entities, which is further hampered by restricting the behavior of the Serbian National Bank, NBS (tight credit and monetary policy) and thus suffers from the eventual production dynamics. More severe conditions to obtain funds from commercial banks and also due to the lack of its own corporate funds, is the reconstruction and restructuring of Serbian industry, very slowly. Thus the competitiveness of Serbian economy remains low and it is currently quite a high price to pay to Serbia in the fight against inflation.

In Serbia, continued in the first half of 2009 fall of the economy, which was mainly due to the drop in industrial production. According to available data of the State Agency for Statistics of Serbia industrial production in Serbia in the first half of 2009 fall by 17.4% over the same period last year. Industrial production in June 2009 was 14.1% compared with June 2008, as compared with the average around the year 2008 was reduced by 12%.

Compared to June 2009 to June 2008 was recorded dynamic growth of 13.4% in the industrial sector, manufacturing and supply of electricity, gas and water, while the manufacturing sector recorded a decline of 19.9% in the sector of mining ore and stone, we noticed a drop of 5.7%.

When comparing June 2009 to June 2008, industrial output we find that the decline in this area was mainly in the sections: Durables, which was a drop of 37.9%, intermediate goods, excluding energy, there was decline 29.9%, means of production to fall 21.5% and durable consumer goods, where the fall was 8.2%. The production growth was only for energy production section and by 6.5%.

In June 2009 compared to June 2008 recorded the physical volume of industrial production growth in 7 regions, which occupy the whole structure of industrial production and 25% decline in 22 areas in the overall structure of a 75%.

The biggest influence on the drop in industrial production in June 2009 (year on year compared to June 2008) were: manufacture of basic metals, chemicals and fibers, furniture, manufacture of food products and production of rubber and plastics. The slump in industrial production in the first half of 2009 compared to the first half of 2008, the most affected mainly manufacture of basic metals, chemicals and fibers, manufacture of food products, furniture manufacturing and motor vehicles and trailers.

The current global economic crisis has further deepened the problems of the Serbian industrial production and competitiveness, and it will be very small, insofar as there is no fundamental restructuring and modernization of the industry. The actual production of the industrial products produces mostly low level and very little added value. The situation is not improving or not foreign direct investment, whose amount is still minimal in Serbia, only around 1 billion euro a year. It is therefore necessary to advance in the creation of attractive conditions for foreign direct investment and improving conditions for entrepreneurship. In the second half of this year, but you can count on positive developments in these areas, which are likely to enter a number of major foreign investors in a number of Serbian industry and major events such as NIS or stops.

Otherwise, ie if the foreign direct investments in Serbia had no industry, no one expects that the Serbian sector will in future no major improvements.

2.6 Building industries

Construction has been beset by internal problems and these problems have so far failed to eliminate the pace and sufficient quality. The biggest current Serbian construction companies are still led by state employees suffering from excess and obsolete technologies. Also, the investment is still dominated by the State Directorate of the national roads through Serb lines and investing in repairs to roads and rail networks. Most of the infrastructure investments take place with the support of the European Investment Bank and EBRD⁴.

⁴ The European Bank for Reconstruction and Development <<http://www.ebrd.com/>>

The issue of housing is above all the administration, which is lengthy and thus costly. A major role is played by the corruption in obtaining various permits are unfortunately common. Prices of new construction are high mainly due to construction firms, which face high production costs, which consists mainly over-employment and inefficiency, thus they cannot and do not want to reduce their prices and new flats are available only to a narrow group of candidates. For Serbia and wage levels would be acceptable price of an apartment in the range of 450-600 EURO/m². But the reality is different and so is the minimum price is usually around 1000 EURO/m², of which only share the administrative costs of new construction is estimated at 14-17%.

Another episode in its own land is a question about the treatment of a relatively new law of 2003. The present state that all building lots are owned by the Republic of Serbia. The investor has the opportunity to rent land from the state for 99 years and gain the right to use this land for construction purposes. The only agricultural land may be private, but may be relatively easy to declare the building site due to the change in the zoning plan.

2.7 Agriculture

Agriculture in Serbia is considered a fundamental pillar of the local economy. Agricultural production is gradually increasing and contributing to the growth of the Serbian GDP. Private farmers, which is in Serbia, about 800 000, solves the basic problem is that the recurring problem of late payment of purchase prices of its products and production, in addition to purchase prices have long been almost no change, which is due to rising costs for fertilizer and the compound causes the majority of farmers have great difficulty. This fact further underscores the technique, which consists of approximately 400,000 tractors and 25,000 combines, and which is the average age of 18-20 years largely obsolete. Irrigation equipment that is installed on 180.000 ha is another problem, since it is actively using the 30 000 ha. Economic considerations are the main give cause why Serbia is currently very little soil. Average fertilization is only 36 kg / ha. This demonstrates the fact that in the European context in Serbia is the only below-average yields. Another current trend is the decline of agriculture Serbian people, who are the so-called working-age, and it happens that a large part of Serbia who have no land to till.

For the Serbian farmers are invited to help renew the option of preferential sugar exports to EU markets, which were previously suspended due to fraud on the part of Serbian exporters. In addition to the renewal of export also increased the quota from 150,000 tons to 180,000 tons.

However, the main agricultural export item to remain raspberries, which are among the most important Serbian export products. For the export product Serbia annually earns around 68 million Euros. Raspberries are grown on 12,000 hectares in the vicinity of aril, Valjevo and Požega.

2.8 Infrastructure

2.8.1 Transfer

Serbia's road network represents a total road length of 40,845 km, of which 5,525 km highway network and "artery", 11,540 km are regional and 23,780 km local roads. 32% of roads are over 20 years, only 14% were put into operation less than 10 years ago. 2570 Bridge Road area is 772,000 square kilometers, 214 of them on the motorway routes. Tunnels in Serbia in 1978 and are found mainly on regional roads.

National Investment Plan and redistributed are redistributes more in infrastructure development and modernization of Serbian institutions in a variety of 400 million EURO. This plan includes work on road infrastructure, construction of bypass around Belgrade highway and bridge reconstruction "Gazelle". In the first phase of construction of roundabout should be provided 150 million Euro, of which the Serbian government will provide 30 million euro and the remaining amount will be financed under contract with the European Bank for Reconstruction and Development EBRD and the European Investment Bank. Next is building a new bridge over the River Danube near the village Beška, again financed by the European Investment Bank loan of 52 million Euros.

Representatives of the Serbian government and the World Bank completed during 2009 negotiations on the loan for three of the motorway section Grabovica - Grdelica, Vladčin Han - Donji Neredovac and Dimitrovgrad - Bulgaria's borders with a total value of 264

million EURO. Work began in autumn 2009. Loan repayment term is 20 years, the annual interest rate reaches 1.6% and the possibility of grace period is 8 years old. World Bank puts emphasis on the Serbian government that it had sufficient funds to purchase critical land from private to state ownership, which are needed for the construction of highways, which, according to current information, the government of Serbia has already secured.

Rail service operates through loans of foreign banks. Purchase and repair of freight cars and locomotives. Number one priority is to improve the situation on the pan-European Corridor 10, which passes through Serbia from Hungary, and proceeds to Greece. Part of this corridor is turning to Bulgaria in the southern part of Serbia. Montenegrin port of Bar and sea Serbian Belgrade to keep a significant problem with using the route for cargo, as the current railways could not meet existing demand for rail transport. Serbian railways also currently suffering from a great lack of good passes and signaling devices while trying to invest in the electrification of the lines where this area is a Czech companies AŽD⁵ and EŽ Praha⁶. It also is building a new railway station in Belgrade, and plans to build a railway junction in Vojvodina, in particular its capital city of Novi Sad.

Republic of Serbia is currently in a number of meetings mainly with international financial institutions. The theme of these discussions is obviously aimed at financing the construction of railway and road corridors and further upgrading of rail and road transport.

2.8.2 Energitics

In 2002, Serbia signed the Athens Memorandum establishing the regional energy market in Southeast Europe (ECSEE).

Serbia is currently approved for the Energy Development Strategy until 2015. At the same time in 2005 the Serbia Energy Agency. These achievements began in Serbia, reform the

⁵ AŽD Praha founded in 2003 in Belgrade, Serbia subsidiary AZD Saobraćajni Sistemi doo Its scope of supply for Serbian Railways has started the implementation of level crossing safety equipment in Čačak. In addition, she participated in the delivery systems for track crossings Novi Sad - Belgrade and is currently implementing a number of other buildings in Serbia, for example, were designed contracts for the supply and installation of three pieces crossing safety devices such as AD-EA in cities Bajmok, Negotin and Raska and modernization station safety siding equipment for industrial power plant complex TENT Obrenovac.
Source: [18]

⁶ Elektrizace železnic Praha a.s. <http://www.elzel.cz/>

energy sector. The strategy assumes that the investments that are intended to implement „*program development and application of renewable and efficient energy technologies in electricity and thermal energy*“ it will exceed 238 million Euros. The above investments are to be focused mainly on the construction of small hydro power plants and the reconstruction of existing industrial capacities are increasingly using natural gas as well as construction of new capacity with the same purpose. These purposes should be financed mainly from domestic sources, but these programs are also attractive for foreign investors.

Republic of Serbia in 2005 has had the energy development strategy, which is currently scheduled until 2015. The strategy is to reduce energy intensity of industrial production and transport activities, where the problem lies in energy efficiency, and change the structure of the energy potentials in the home. The strategy allows for five major areas in 2015:

1. Modernization of existing energy infrastructure by 2012, while before we can consider the privatization, although in the newly constructed buildings is the real participation of private capital.
2. Rational consumption energy potentials quality and decrease consumption of electricity as heat sources. Gasification process, which one will be added 400 000 new connections to gas.
3. Building capacity from renewable sources.
4. Construction of a new source of power 250 MW (steam-gas)
5. Replacement of old buildings with new, caring for the needs of regional and pan-regional transmission systems.

Moreover, like Serbia, Czech energy efficiency program, thanks to the already established contacts with the Czech company SEVEN⁷ the fixing of tariffs and issue licenses for

⁷ Company SEVEN engaged in protecting the environment and promoting economic development through more efficient use of energy. <<http://www.svn.cz/>>

carrying out energy activities will be entrusted Energy Agency, but it will not interfere with the prices for qualified consumers and oil derivatives. The construction of energy facilities should be listed tenders, which are in accordance with the law on concessions. Strategy is deployed on the website of Ministry of Energy and Mining⁸.

Gas main South Stream

„ In September 2008 the Serbian Parliament ratified the energy agreement between Serbia and the Russian Federation. The agreement envisages the sale of 51% state-owned company Oil Industry of Serbia, Naftna Industrija Srbije "(NIS) to build a new section of South Stream pipeline, which runs through Serbia, and the completion of construction of underground gas storage, which have a minimum capacity of 300 million cubic meters and a minimum daily flow, 6 million cubic meters in the city of Banat Court. Treaty on the South Stream pipeline with Russia's Gazprom signed in Sochi in mid-May 2009 representatives of gas companies of Serbia, Greece, Bulgaria and Italy. Pipeline route runs from the Russian Federation towards the Black Sea, then along the bottom of the Bulgarian port of Varna, where they will head across the Balkans through Bulgaria, Serbia and Hungary to Austria and Italy. At the same time the Annex to the Memorandum signed between Gazprom and Italian energy group ENI, which substantially increased the capacity of South Stream pipeline to 63 billion m3 per year. The agreement finally confirmed the fact that the pipeline runs through Serbia, and its capacity will significantly exceed the originally estimated 20 billion m3. Serbia from the South Stream pipeline promises to gain the position of significant transition countries with the corresponding revenue. At the same time was the construction of pipeline and associated gas reservoir in Banatskom Court to ensure a smoother supply of land and the exclusion of any practical sinks in the gas supply to the population and industry.

Contract for construction of gas pipeline South Stream, and a joint venture for underground gas storage Banat Court were signed by the CEO of Srbijagas Dusan Bajatovićem and chairman of Gazprom, Aleksei Miler. Joint Russian-Serbian company is registered in the next 30 days and should begin work on the 31st March 2010. Gazprom

⁸ Ministry of Energy and Mining <<http://www.mem.sr.gov.yu/>>

will have a majority ownership stake in the joint venture - 51%, while the Serbian side will be 49%. Gazprom will invest more than 25 million euro for the completion of underground gas storage Banat Court. Co-investment by Serbia and Russia should provide increased storage capacity at least 800 million m³ of gas. In addition to a joint venture for underground gas storage facility will also be established a joint venture to build a section of pipeline South Stream through Serbia. Location of company in Switzerland, the process of registration procedures in this country is underway. The joint venture should prepare a project feasibility study and be responsible for building a section of pipeline through Serbia. The length of the Serbian section of the pipeline will be 450 km long, while the amount of investment in gas pipeline will be specified after the preparation of technical and economic documentation of the project. It is expected that the project "South Stream" will be implemented by the end of 2015. Annual capacity of the pipeline through Serbia will be between 36-41 billion m³ of gas, which would mean three to four times more revenue from transit fees than originally expected. Under the original version of the international energy agreement between Serbia and the Russian Federation should be capacity gas pipeline through Serbia, 10 billion m³ of gas annually. Serbian oil company Naftna Industrija Srbije "(NIS) and Moskovska Bank signed a loan agreement amounting to USD 100 million. According to the press announcement of NIS funds will be used for financing activities of running the oil concern. The credit limit is set at two years, renewable for another 12 months. “ [14].

3 Political Environment

Republic of Serbia is a relatively "young state" itself the Republic of Serbia was established in 2006, which separated the last part of the former Yugoslavia, Montenegro, which that year declared independence from Serbia, confirmed by public referendum. Until 2006, the Republic of Serbia waged under the name Serbia and Montenegro. Although these two states were called together all the time, politically, they shared only the defense of the country.

3.1 State system

Serbia uses a system of parliamentary democracy. Taking a unicameral parliament is the Serbian and contains 250 members. These members are elected by universal, direct and secret vote. Their term of office is four years. Threshold for political parties to enter parliament is 5% of the total votes of the election results.

The government elected on 15 May 2007 a coalition of parties formed the Democratic Party of Serbia New Serbia party DSS NS. Premiere of this new government was old-new Prime Minister Vojislav Kostunica. The priorities of this government were primarily issues concerning Kosovo, euro-integration, social and economic policy and, last but not least, the fight against organized crime and corruption.

However, the Government did not last too long as a day for almost a year after 11 May 2008, came out early elections the new government, headed, as Prime Minister, a non-party shall be settled by Mirko Cvetkovic. The government was in agreement with coalitions that are grouped mainly around the Democratic Party DS and the Socialist Party of Serbia. Because this is so characterized by its pro-European government and the social attitude towards Serbia. The actual mandate, then the government's on 7 July 2008. Content is composed of 27 members of the Government. It is the prime minister, four deputy prime minister, of which three still hold a ministerial positions, twenty-four ministers and one minister without portfolio. The main agenda of the new government is primarily a European future for Serbia, the rejection of Kosovo's independence, strengthen

the economy, strengthening social accountability of government, stepping up the fight against corruption and organized crime, respect for international law.

In some aspects of its program, both governments agree. This is non-recognition of Kosovo and the fight against organized crime. To what extent do they keep these two facts is a question because the issue of corruption, especially in the Serb is a big problem.

3.2 Political Parties

Earlier political groups clash in Serbia, more precisely in the 90 20th century can be characterized by the equation „*Us against them*“ [6, s. 71], but that was not unidirectional, but was used by the two opposing camps against the ruling party and the democratic bloc. Today's political season in the Republic of Serbia still has a bit more varied and more diverse, but it did not prevent the media, some politicians and analysts to the frequent allocation of blocks of political parties and the Democratic Party called on the former regime. Today's political schedule consists mainly of Serbian Radical Party and the moderate left who oppose right-wing parties. Left-wing parties are keen to improve living standards in Serbia and Serbia's integration into the European Union or NATO. While the right wing to deal with the problems of the Serbian community is working to maintain the integrity of Serbia, thus first and foremost to preserve Kosovo within Serbia.

3.2.1 Left

At the very edge of left side you find the radical left or radical reformers, in the years 2001 - 2003 led by then Prime Minister Zoran Djindjic⁹, who, however, at the time was chairman of the Democratic Party (DS), which is now shifted to the position of moderate reformists. The position of the radical left-wing forces took over the Liberal Democratic Party.

⁹ Personality of Zoran Djindjic was and still is a symbol of rapid change from past to future, but the 12th European March 2003 he was assassinated. For this offense they were convicted members of the largest criminal organization in Serbia, the so-called Zemunsk clan and some members of the now non-existent "special-operations civil service of the Ministry of Interior of Serbia". There is also always consider whether the assassination was also a political background.

Liberal Democratic Party (LDP) and its origin dates back to 2006 when that party was a radical splitting of the Democratic Party (DS). In January 2007 parliamentary elections took place, and have this party along with three other parties got 15 seats. Parties themselves will then become the sole and proper successor policies have already said Zoran Djindjic. But the paradox remains that most Djindjics closest colleagues and former minister remained in the Democratic Party (DS). Priority number one for the LDP, however, remains the Euro-Atlantic integration. This is related to the surrender of former Bosnian Serb Army General Ratko Mladic. LDP is also the only party in Kosovo says that Kosovo should gain independence. The reason of this is that an unresolved fact remains hampered by widespread access negotiations in the EU and the LDP also claims that Kosovo cannot be a Kosovo Serb or Albanian, however.

G17 Plus acts as the moderate left. This side is in 2003 if they "assumed" a group of reform liberals, who previously worked "thing-tank, G17 Plus," which was nothing more than a group of economic experts who have created economic plans for the Democratic Party (DS). Today's G17 Plus, it differs from the Democratic Party (DS), especially its emphasis on economic issues. Their pragmatism is evident in areas that at first glance seem to be so entirely economic in nature. The policy statement is that deals primarily with the issue of an independent and strong Serbia comically, as a member of the EU and NATO. The Kosovo issue is the G17 Plus party again very vague, making its position may be understood and interpreted ambiguously. The first says that Serbia has never had any more influence in Kosovo and the time when the Kosovo part of Serbia, Kosovo has since been constantly under the "protectorate" of the UN. At the same time, however, the party added that Serbia has an obligation to protect the Serb population of Kosovo and to guarantee autonomy for the Serb enclaves in Kosovo.

Democratic Party (DS) is currently the strongest party in the decidedly left, reformist, part of the political spectrum more precisely the position is something between the LDP and G17 Plus. In 2003, shaken not a party to the assassination of President Zoran Djindjic, which led to a loss of credibility to this page, it still followed the failure in the December parliamentary elections in 2003. Subsequently, today took the astonished president of the Republic of Serbia Boris Tadic, who was elected as head of state in 2004. Then the party was successful even in parliamentary elections in January 2007. The government however did not last long and in May 2008 went to the polls early this time, again. SV is currently

being ruled by Serbia, the Democratic Party is in coalition with the Socialist Party of Serbia. Democratic Party with its program is also pushing for the fastest possible integration of the Republic of Serbia to the EU and NATO. The Democratic Party also puts emphasis on foreign policy, where it is particularly the strengthening of regional ties and the return of Serbia as a leading country in the region. Furthermore, the DS is a program for leadership and social direction, which points to the fact that more than half of the program is dedicated to the social content site.

3.2.2 Rights

The right-wing parties in the Serbian context are those which emphasize „*social conservatism, traditionalism and traditional Serbian nationalism. This is a party which, as the basic criteria of the formation of a power law and international strategies identified tackling the issue of the Serbian community in its ethno-national concept.*“ [6, s. 80 – 81]. Here is part of the moderate right, but the radical part. These parts can themselves compete with each other, but rather to add that, thanks to similar party programs. The past can be mentioned now-defunct party of Serbia Movement Renewal (SPO), which held a long position on the right side of all political parties. However, despite this fact, this party has enjoyed a largely oppositional role in the times of Slobodan Milosevic. SPO position in today's politics has replaced the Democratic Party of Serbia (DSS).

Democratic Party of Serbia (DSS) are currently part of Serbia's conservative right. Presiding DSS Vojislav Kostunica, was also a long-term prime minister and after the 2007 elections are still defending this position, but his position after the then prime minister last parliamentary elections in 2007, not long before the early parliamentary elections in 2008, he was replaced by a non-party and current prime minister of the Republic of Serbia Mirko Cvetkovic. As for the DSS program, so it is connected and influenced by the Serbian Orthodox Church, which he describes as the main Serbian defender of traditional values. With this relationship is to the church's DSS construed as a party traditionalist. External - DSS political views are similar throughout their program. Illustrate this fact can be illustrated by looking at their relationship with the Republic of Srpska¹⁰. A similar

¹⁰ Republic of Srpska is one of the two federal entities of Bosnia and Herzegovina, the entity's capital Banja Luka, where the head offices of the country, although the Constitution guaranteed the capital of the

approach also keeps DSS Montenegro, which declared independence from Serbia in 2006. The then Prime Minister and Chairman of the ongoing DSS, Vojislav Kostunica is trying to actively interfere in the process of Montenegro's referendum on independence and sought to maintain a common state of Serbs and Montenegrins. It should also be noted that the DSS is for Serbia to the EU. As regards entry into NATO, there is no DSS somewhat skeptical. In 2007, he was issued a new program of this party, Vojislav Kostunica, Serbia's strictly denied access to NATO on the grounds that NATO supports independence for Kosovo, which was subsequently published in 2008. DSS approach to the issue of wanted criminals like Ratko Mladic, to the judicial tribunal in The Hague, on the contrary, positive. This is apparently a thing cannot be avoided in the integrity of Serbia with the EU.

New Serbia (NS) the emergence of this party is the result of a breakaway wing, decided to leave his parent party of the Serbian revival movement (SPO). NS is like SPO traditionalist Conservative Monarchist Party, which seeks to emphasize the importance of the historical role of the Serbian Orthodox Church, which is perceived as such a spiritual protector of the Serbian nation. This idea is very closely approximated with the above-mentioned DSS. The basic aim of NS is also joining the EU. But the fact remains the case that the NS, despite the passion to integrate Serbia into the EU does not intend to comply with any conditions and affairs that are required for entry and integration of EU law. The main reason is again the issue of Kosovo, to which it was submitted by the party leadership with the fact that their side of Kosovo has far more important than joining the EU in case of recognition of Kosovo by the European Union cannot develop a friendly relationship with someone who's friendly against Serbia not behave. However, this party does not play much of a role in Serbian politics. Moreover, started in 2007 to receive the light of the fact that the party came into conflict with the judiciary, though it was in this party to be corruption, which is according to the official program of the Serbian government led fight.

Serbian Radical Party (SRS) Since its inception in 1991, emphasizes ethnicity and social equality. The popularity of the SRS is currently derives primarily from a focus on socially weaker population of Serbia. Recently, however, due to the Kosovo issue again is beginning to show the site as a nationalist rather radical. The issue of integration of Serbia

into the EU and NATO is more skeptical or dismissive. Taking on joining the EU is prepared to consider this, Serbia's NATO firmly rejects. SRS would rather have welcomed the greater focus on the Russian Federation or the People's Republic of China. Sam Page, then it says that the only anti-globalization and pro-russian Party of Serbia. The program is ultra-nationalist SRS, and it shows especially in their relations with other post-Yugoslav countries. SRS still insists on the unification of all Serbian countries. It means the United Republic of Srpska in Bosnia and Herzegovina and the so-called Republic of Serbian landscape in Croatia. It also encourages the re-unification of Serbia and Montenegro.

Socialist Party of Serbia (SPS) was the transformation of the Communist Party of Serbia, and still relies on the foundation established by her longtime President Slobodan Milosevic. SPS is very different from all communist parties, as the former Soviet bloc, former Yugoslavia, and European countries. Unlike those parties who either remained faithful to its communist program, or transformed the Social Democratic Party, SPS has developed into a kind of strange phenomenon in the political arena. Keynote is inclined neo-communist option. From the nationalist sentiments, which have been taken by Milosevic, has changed little. Rather, its sentiments are still the cornerstone of the SPS program. SPS still look to the West with great suspicion and refuses entry to any Serbian military or coalition of groups led by NATO. On the contrary, supports the integration of Serbia into the EU, even though the subject en built very cautiously.

3.3 Serbia and EU

Balkan region, especially Serbia, plays a special role in the overall EU policy. Due to the recent civil wars in the Western Balkans, which are meant the Former Yugoslavia, the EU has established that it is not for peace in the Western Balkans, there is no peace even in Europe itself. The major change in EU policy towards the Balkans took place in 1999 when they were mostly completed all inter-ethnic fighting in the area. In this year, the EU moved from a passive policy to active. This fact meant that the EU has mainly focused on three main directions in this region.

The first of these was the Stability **Pact for South Eastern Europe**, whose objective is to stimulate and coordinate the activities of the stabilization, reconstruction and reform programs. It also has a pact to serve the realization of projects in three major areas. These

areas include democracy and human rights, economic reconstruction, development and internal security matters.

The second aspect is the **Stabilisation and Association Process (SAP)**, including Serbia, which includes six other Western Balkan countries. The aim of this process as much as possible is to stabilize the region and support the fastest possible transition to a market economy. Next it tries to promote regional cooperation and prepare the country, in this case Serbia joining the EU. The content of this process are mainly bilateral Stabilisation and Association Agreement between EU and Western Balkan countries. Furthermore, it is an economic and technical assistance that is realized through the program CARDS¹¹ and not at least also the autonomous trade measures to facilitate the entry of goods in the Western Balkans to the EU market.

The third and equally important part which the EU is focusing its active policy in the Western Balkans, the **European Security and Defence Policy**, whose goal is to enable the EU to assume full responsibility for the prevention of possible conflicts.

In the present situation is so that the EU has started negotiations with Croatia, whose involvement in the EU is expected in 2010 or 2011. Next year should be negotiations with Montenegro and Macedonia, which they should be given to the status of countries that are joining. As regards Serbia, yet there was no new information is published. But it is expected that negotiations will begin, together with Serbia and Bosnia and Herzegovina. The initial estimate was that the Western Balkan countries joined the EU in 2014, so that citizens of the country to participate in the elections to the European Parliament in June 2014. But this just seems rather unrealistic for Serbia. Just a thanks to outstanding issues of Kosovo and a worldwide release of wanted persons to The Hague. However, for all Western Balkan countries told the EU medium-term program called the Partnership. This program is designed to help speed up access to the EU itself. It will also continue to provide assistance to those European Union countries, economic and technical assistance.

¹¹ Community Assistance for Reconstruction, Development and

4 Legislative Environment

4.1 Tax system

In Serbia, the tax amounts from the corporate income tax of 10%. Income tax for individuals is divided into several parts. The tax rate for payment is 14% but the others have a personal income rate of 20%. Also, the taxpayer entitled to the so-called tax credit. The amount of credit does the part that the tax payer has already paid abroad. The rate of annual tax rate that applies to income of foreign citizens in the country is 10%, insofar as such income resident's pass 1910 average salaries in the country. Income tax on foreigners shall apply to certain transactions which may be, for example dividends, dividends, interest etc. amounting to 20%.

Tax credits mean that the amount of the tax levy can be reduced by up to 20% of the amount that was invested in fixed assets. This reduction may not exceed the sum of 50% tax charge. Tax Credit, which sum is estimated at 80% is introduced in 13 economic sectors such as agriculture, fisheries, textile and leather industries, manufacture of basic metals, manufacture of office furniture and others.

The standard value added tax or VAT, 18% and included the majority of sales. Reduced VAT is 8% to count on basic foods, newspapers, and so forth. Value added tax is not included in the case of exports of goods in international air transport.

Property tax is 0.40%, but only for tax payers who have a business account. For the other payer, the tax on real estate is constantly changing and depends on the tax base, which they hold. In the case of transfer of ownership to the property tax is charged at 5%, with the exception of cases of transfer of rights to agricultural and forest land, where the rate is only 2.5%.

Tax on transfer of absolute rights is always different, but for the transfer of shares, bonds and guarantees corporate tax is 0.3%, while for others the transfer of absolute rights tax is 5%. Five-year tax exemption applies if investments by the concessionaire. Or there's the possibility of yet another exemption from paying taxes so that if corporate tax is the

freedom of income for 10 years if the investment in fixed assets exceeds the amount of about 7.5 million EUR during the investment period, and employ 100 new workers after indefinitely.

4.2 The conditions for establishment of company

When comparing the legal forms of business that can be found in Serbia with those that exist for us, so we conclude that we do not find too many differences, although the names of the different forms of course, on the contrary, however, the functions of the forms are full of much the same as CR. On the territory of Serbia can be a form of trader or „Preduzetnik“ is Serbian language. Similarly, the legal form „Ortačko društvo“ the Serbian version of public companies and so-called „komanditno društvo“ is, as the name can be estimated, a limited partnership. However, I want to focus on two very interesting and the most common legal forms of enterprises founded in Serbia, which will probably Czech entrepreneurs, and Czech company, the most useful. This is a company with limited liability and joint stock company.

A limited liability company, or to Serbia „društvo s ograničenom odgovornošću - d.o.o.“ has a registered capital of at least 500 Euro, paid in dinar, however, under current applicable rate. It must also be composed of at least 50% of the share capital at the date of incorporation. The rest of the amount must be paid up within two years from the foundation.

Joint-stock company, or „akcionarsko društvo - a.d.“ has identified two types of minimum capital. They are divided according to whether they will be the company's shares traded on a stock exchange or not. In the event that the shares of the company will trade on the exchange, so it is called a closed joint stock company and its minimum equity capital is estimated at around 10 000 euros, paid in accordance with the valid dinar exchange rate. Companies' shares will trade on the stock market are the minimum changes to about 25 000 EURO, paid in accordance with the valid dinar exchange rate. The obligation to pay this amount is identical to the type of companies Ltd, or 50% of the amount to be paid on the date of incorporation and the rest within two years from the start.

Registration of economic operators

„ New law about registration of economic operators (HS) and the law about establishing the Agency for Economic Registers. Registration Service runs from 31.12.2004. The Act aims to simplify, accelerate and reduce the cost of establishing new legal entities in Serbia. At the same time aims to make the business environment in Serbia more transparent and to eliminate differences in the practice of commercial courts, which the company is currently registered under their place of residence. Here are the most important part of the new law for the most widely used legal forms Ltd. and Inc.

Candidates can register for access through the Agency for operators or via the Internet, which can carry out activities such as preview, the submission of registration documents and receipt of the statement of the HS. At the request of the registrar is obliged, through the Agency for Public Health to issue a certificate of registered particulars, a copy of the document upon which the registration is made and confirmation that the register does not contain the required information, all within two days of receipt.

Documents submitted for registration in the official language of the Republic of Serbia or Serbian. If the company's founder wants to register some information in English or in any of the other official languages of the European Union, is obliged to register and submit a translation of the data, which must be certified court interpreter. Registration documents can provide a founder or founders of the company, the authorized person for the representation of the HS. The same applies when adding or changing data. An application for registration to the Agency sent through the Internet, the founder of the Agency's website fill out the form and documents to accompany the application for registration shall be forwarded electronically to the electronic address of the agency. However, the applicant shall, within five days of filing an electronic application to deliver the originals of documents to the agency, the day of delivery, the calculation of the period for processing the application, it shall be the day after receipt of original documents.

The agency shall issue a receipt confirming that the petitioner sent to the postal address or e-mail, which are listed in the text of the application. The Agency will review the formal accuracy of the data and fulfill the requirements for registration of Notes, the Agency shall decide within 5 business days of registration. This decision is final and cannot be legally

challenged. In case of deficiencies agency within 5 days, decide to reject the request. Applicant has a limit of five days, during which it can overcome the identified deficiencies and upon payment of a supplement equal to 50% of the rates of registration may renew your registration. In this case the date of his application is granted by date of first application.

Czech Ltd. is Serbia equivalent legal status d.o.o. When applying for the registration of Notes of this form, the applicant must submit proof of identity of the founder (photocopies of personal documents), the contract establishing the company, including the verified signatures of the founders, the status of companies, bank certificate of deposit money in a temporary account or certified statement that they are secure means of equity capital, valuation of non-financial contributions by an authorized property appraiser, the decision to appoint a representative of the company (if the representative is no longer determined by the memorandum) and signature verification agent. Joint-stock company (Serbia a.d.) still has a certificate from the bank shares subscribed and proof of publication and content of the public call for subscription and payment of shares (prospectus) with the approval of the prospectus by the competent authority.” [15].

Fees for individual tasks associated with registration HS

registration Ltd.	3.000 din.
registration Inc.	8.500 din.
registration changes in status of the entity	4.250 din.
registration of title	1.300 din.
HS removal from the register	350 din.
Registration deadline annual financial	720 din.
extract from the register	1.300 din.
issue a certificate that HS is not registered in the registry	600 din.
making a copy of any document from the Registry	42 din./str.

Table 6 - Fees for various tasks associated with registration HS

Source: [15]

5 Ethical Environment

Ethics and ethical behavior in Serbia is just as important as any other country, but there is conduct somewhat different from Western style to which we are accustomed. Negotiations are not so "narrow" and it is not involved in such kid gloves. Already own address or the conduct of negotiations is started normally thou without having been offered or rejected. This applies also for conducting trade negotiations and thus these effects cannot be taken as a sign of disrespect, because it is a common habit of the population of this country. The only exception is, of course, public authorities, which is the standard polite form.

Another important factor is in the actual negotiations, but especially when meeting and parting with the handshake. This gesture is not only in Serbia but in all the southern Slavic countries, considered as though such a ceremony, which is accompanied by three kisses on the cheek and whether they are male or female. Itself, then the handshake does not take place only when meeting and parting, but also several times during the session, this gesture is to certify the agreement between the traders, of course, supplemented by contract. Since the Serbs are very friendly and warm people, there are other physical gestures, which of them cannot wait. This includes above all a pat on the back, or taking around her shoulders. Certainly the phenomenon is not good and do not be surprised wince, the Serbs would have to be taken as a sign of mistrust.

In connection with business meetings and meeting time is also an important concept. That the Serbs is not so completely determined quantity. In most cases, if you chide meeting time, it is not an exact time, but some indication of the time when you meet, in our case it could be explained by the word "around". Thus, although punctuality in western Europe is very important as well as required, the kind of plays a supporting role and not much respected, but not required. This gesture does not take into account that you would give local residents showed disrespect, rather the opposite is true, the locals will be my honor and decency will show immediately. Understandable exception of punctuality is naturally again, government agencies and other top institutions, where punctuality is the contrary to be back.

Clothing and appearance is also very important part of Serbian identity, and it is known in the capital city of Belgrade. Serbs are largely to ensure the look and appearance. Generally, men entrepreneurs civil servants or workers in managerial positions traditionally wears a business suit and tie and female costume. In the summer, then the situation changes and it becomes freer to casual dress. Men's rebuilding wear a tie and sometimes even a jacket and women wear a blouse and skirt, or resorts to summer dresses.

Necessary in business meeting in Serbia used to, is and will be the food. Serbs are the good food very shy and are able to enjoy it. It is important to note that there are trade mission lunches with a business dinner. Very often you sit down to eat there about four o'clock in the afternoon or later, and tables sometimes even 4 hours and the food is divided into many courses. But even before the first bite is used to toast your health, or "fed" to Serbia, most local liquor rakija, analogous to our plum or pear. Then followed the first course, which is generally cold appetizer. This consists of various cheeses, cold meats, different types of bread, where it is necessary to pick up local bread "ljepavica" which serves hot and intemperate excellent. At the same time is a habit that cheese and sausages are made according to local traditions. Furthermore, given the soup, this is called "vulture" or "Čorba". After the soup is served the main course, this one is always meaty. Meat is the mainstay of Serbian cuisine and local specialties are meat and minced, or their "pljeskavice" and "Čevapčići" but it also serves a so-called "flesh on fire," or various mixtures of meat prepared on the grill. Finally, here you can also get pork or lamb roast. The annex to our typical Czech here does too much emphasis is often the main course already mentioned eat after the bread "ljepavica" or some other baked goods, whether dark or light. If however you decide to annex so there is a standard steamed rice, potato chips and very popular French fries. Often a meal is complemented by rich vegetables or vegetable salads. After the main meal comes the dessert. In this case, the Serbs are partial to sweet and good desserts. Due to the one here that there are a large section of Muslims you can find there oriental desserts as well. A good example is 'Baklava' which originally comes from Turkey. It all washed down with beer or wine most often, and always on the table may be missing water, and in frequent cases, the whole dining leading brandy glasses.

The whole business meeting is then conducted often in a very polite but relaxed and friendly atmosphere. In the case of the first meeting of the conversation is put more on

general topics. Serbs often wonder how you like in Serbia, if you had seen whether the attractions and monuments of Serbia, where you are staying and other general topics. Serbs are very happy to show off their homeland, its history, and we emphasize the beauty of Serbia. It's better when you know something in advance and may involve the interpretation. Also important is the political part of the country on the topic of conversation before, and one later come to. Also note that you may Serbian counterpart to ask for your opinion. Despite all the Serbs are in the behavior of a very cordial and friendly, especially to the Czech partners. Many Serbs in the Republic worked or studied, and the secret admiration for our country and citizens. After this stage, it goes to the main meeting and addressing the core problem itself, or negotiating a contract. To actually discuss the issue, the Serbs are trying to access helpful and makes it clear that any problem is not insoluble and thus not a problem during the "short" period is fixed. This fact complements the popular Serbian phrase "no problems" or "a hundred a hundred." Acting in Serbia can be very easily in your part of the Czech and Serbian from the host. To which you can trade and even to the opposite challenge. Any language barriers or irregularity shall be dealt with using English, to a lesser extent, German or Russian. With English now, however, most Serbs have no problem dealing with the foreign trade, and even if the problem with the Serbian foreign language is easy to understand language that we are not so far away. But who expects a simple step, you may come across strongly, although the Serbs are friendly and helpful, negotiation is always a question of compromise on both sides.

It is also worth adding that the meeting does not take place continuously office, always act sooner or later move to a restaurant where you always introduce the Serbs, since it takes a kind of my duty and honor to invite you to a good meal. In that case recommend to refuse because the Serbs refusal to take such really do not like and can even know.

If you've seen pretty local towns, in most cases, trade negotiations, a Belgrade, so be aware that your business partner you kindly make this city with great pride and honor will showcase everything that the city offers.

To conclude this chapter I just wanted to point out that I myself had the privilege to feel the Serbian hospitality, warmth, hospitality and friendship of local people. They are very proud but also very helpful. I say that with a hospitality which prevails in Serbia, I have

met anywhere else. If you get that option too, be kind to their counterparts at least twice as friendly, open and friendly as they do to you, it is the biggest debt of gratitude which they can demonstrate.

6 Social environment

In the Republic of Serbia, we can find a large grouping of various nations which are the most local Serbs, of course, 82.9% followed by the Hungarians 3.9% and the Bosnians and Muslims 2.1%, Roma 1.4%, Yugoslavs 1.1% Czech population in Serbia are relatively few compared to other nations, and only 0.03%. However, a very diverse ethnic composition of the autonomous part of Serbia is Vojvodina. Here you can find a large number of Slovaks, 2.8%, Croats 2,7 %, Romanians 1,5 % and Montenegrins - 1,8 %.

Most of Serbia's population, about 85%, professes the Orthodox faith, the remaining portion of the population made up mainly of Muslims and Catholics and Protestants. It should also be noted that the government in Serbia, thanks to the Orthodox faith, the Julian calendar, which is beyond our, the Gregorian calendar, delayed by 13 days.

As far as relations between the people of Serbia, I can say that they are very good, and rather warm. Prevails here cordiality, friendship, positive attitude and are all accompanied by a general joy of networking and stay with friends. Much of Serbia are very friendly and helpful, no problem for the Serbs will immediately give a helping hand or advice. It follows the fact that the Serbs are very happy and often hold large species and common celebrations are taking place not only in the family, but also connect all acquaintances and friends.

The fact that the Serbs are like friends and like company, only emphasizes their status to family. The family is in this Balkan country in the first place in the ranking values. Here is the concept of family is much stronger than in our republic. It is not only children but parents and families are involved in all blood relatives, and often only those. Major role in the concept of the family plays such an example and witness of the wedding or be baptized. The families are obviously closer to the first child for the Serbs. They are in this country are a spoiled child and punish the public for this nation unthinkable thing. Another widely recognized value in the Serbian life is friendship. As previously mentioned, the Serbs are advising others, friends, and they are very warm people. Friendship is extremely valuable for them and the Serbs are able to appreciate people who also appreciate them. At the same time the friendly relations and contacts often help to obtain better jobs or be used

for procurement transactions. In this case, is a frequent phenomenon, that business partners are very good friends.

Another equally important value for the Serbs is of course, health and the health of one of the movement and related sports. In Serbia's first basketball accompanied football. It is no wonder that most young and middle-aged generation is dedicated to these sports, both at the amateur level as well as a semi-professional or professional level entirely. Other major sports in this country are water polo and handball.

In addition to entertainment and leisure work here too. Here, the behavior and habits are rather close to southern European nations. Employees of state agencies, state enterprises as well as employers in the private sector, are used to state the legal protection afforded by the laws and still provide that employees clearly favor. In addition, the workers themselves very well aware of their rights and those of their labor rights and make full use of rich and often abused. Generally, however, outweighs the fact that companies today, in this case, more state enterprises, in the case of workflow, or if career growth is still not a major factor in the ability of the worker, but rather his contacts and acquaintances in high circles. These higher circles are meant to have the company management, as well as in times past political affiliations. But the last time there appeared a new wave of workers but also entrepreneurs who have experience abroad, and that experience is trying to apply in their present job or business. It is in this group and partly in a group of young people is evident the fact that they have a much more professional approach to their work and to perform its duties and obligations.

7 Ecological Environment

As far as the environment in Serbia, I must say that from what I have seen, was Serbia with this problem partly by his but in a way that all played into the hands of the European Union and in time there is nothing to prevent that this country could become part of this institution. Of course, the ecology process is slowed down by the civil war took place here. Even so, I gradually pour the company, including Czech, which feels right in the sector of great potential for ecological development and thus the opportunity for profit. The actual state of Ecology of Serbia for the period 2008 - 2012 is characterized by the 62nd place in the ranking of 82 countries evaluated. We can observe three basic parts, which itself affects the ecology of Serbia, it is mainly the energy, **industrial pollution and little pollution**. Environmental Laws in Serbia is most similar to the EU, or trying to continual innovation in order to be closer to the strictest EU standards.

ENERGETICS

Serbia after 2 World War II decided to develop especially hydropower or hydroelectric power, as Serbia has fewer wind and solar power. At the same time Serbia has no nuclear power stations. On the other hand, Serbs have a substantial number of coal-fired power plants, which, in turn, so are not suitable for ecology. Anyway, the main priorities of Serbia have already mentioned hydroelectric power plants, in which Serbia has quite well and there are even potential exporters of electricity it acquired through hydropower. This fact also proves the case that Serbia has four major rivers, the Danube, Savoy, Morava and Drina. Taking on the Danube and Drina are constructed one of the largest hydroelectric power in Serbia. It is ERDAP I, ERDAP II and BAJINA BAĆTA. But this is not the end, the future of Serbia has a selection of several hundred other places where they could build medium and small dams. The Autonomous Province of Vojvodina is a project that focuses on the construction of facilities to be included on about 40 farms that would be energy independent and use the electricity and thermal energy from renewable sources.

The other side of the coin, coal-fired power plants, and since the Kosovo after Russia called for the best-stocked coal country, it is clear that Serbia is also quite a lot of coal-

fired power plants. Among the most important one are TENT OBRENOVAC, KOLUBARA A, KOLUBARA B and OBILIĆ (Kosovo).

There are however a concern that problems with the plant might occur in the future. The reason for these concerns is that the plants that were previously state, entering the private companies that are interested in power only to earn itself a somewhat neglected condition. These are mainly power plants that produce electricity for export. This fact became apparent, in 2000. For this reason, the capacity of the plants was reportedly reduced by 30% over the period since 2000 due to poor condition of the turbines.

INDUSTRIAL POLLUTION

The issue of industrial pollution in Serbia is rather odd. In 2000, the Serbian government should aim declass industry and apparently it's almost succeeded, which means that there is no factory in Serbia, which should have more than 1,000 employees. In suggesting is the rate of unemployment. But even so, there are certain industrial pollution, because of me was still marked by civil war, which completely prevent the development of a technology, therefore, are older and still comply with modern standards, of which that is always working, since it is one of many prerequisites for Serbia's entry into the EU. Another problem of industrial pollution may seem by the fact that companies from Germany and France, importing their organic or chemical waste, to defile yourself your country. That alone has several times even our republic, especially when the German company did on our territory the chemical dump.

SMALL POLLUTION

As everywhere in the world and in Serbia is a major problem in the emissions that are most responsible for the exhaust gases of obsolete vehicles, which is still considerable number of Serbia. Serbia itself has its own car manufacturing, before there was a famous production of the Yugo car, but it was suspended in the buyout and Fiat. However, this means that there is now imported to Serbia only foreign cars, which by themselves already meets, or at least would have to meet EURO 4 or Euro 5 In 2005-2006, however, the state has allowed the importation of all kinds of cars from the EU, which often belonged to old cars, which still did not have the no EURO standard.

Conclusion

The Republic of Serbia can be considered as a very interesting country, which offers over time and still can, and hopefully will offer many opportunities for business and leisure and not a few also to explore new corners even beautiful nature.

The aim of my thesis was to gather various informations about the Republic of Serbia, and to try, as possible, to bring its business environment to help all those who would like to start to do business in this beautiful country.

The Republic of Serbia is a young country, even if the history of this nation dates back centuries. The economy of this country, although not currently stable, still offers plenty of opportunities in the future.

Who would want to do business in Serbia, should bear some costs for market research, and certainly must personally visit the country and learn about the culture and the enormous warmth and hospitality of its inhabitants.

It may seem to us that this "world" is rather remote, but truth is the opposite. The Serbs themselves are fond of the Czech nation, and especially for the reason that there is not a small group of citizens of this country who lived, worked or studied here. It is therefore very good to continue to be involved with this country not only with trade relations but also further develop cooperation in other ways than just business. Serbs can provide a lot of technology in production processes and thus improve their economic situation.

At the end of my work, I would like to thank the fact that I had the good fortune to know this country and visit it several times. The preparation of my thesis only deepened my perception of Serbia as a state of emergency in a strategic geographical position, and it plays an important role in overall trade with all countries on the Balkan Peninsula.

Evaluation of user

Assessing the benefits of working at Fatra Inc.

Fatra's products, lead to many market segments, as well as to many countries and regions around the world. Fatra is a global company and the economic crisis that the world is currently undergoing, so touched her as well. Various production programs were affected with different intensity and even strategies to segment the crisis struggles are different.

While some segments (production programs) Fatra, as all have been the worst of the crisis over, and gradually returning back to growth, the construction segment, still has a very difficult journey. Industrial production in almost all of Europe returned to growth, but construction is still in recession and all indications are that that will not go away.

Even in such a challenging environment, however, correctly chosen strategy and enough relevant information may lead to growth and prosperity. Given the decline in the construction industry for almost all target markets, the Fatra expand into new markets. One of the markets where we see great future potential and where we plan an active acquisition activity is Serbia.

Mr. Vadim Švanda work, gives us a lot of information from the Serbian market. The work is recorded as information about the macro-environment (PEST analysis) and information from the construction sector. All this information will certainly be used in the analysis of the Serbian market and the subsequent establishment of the acquisition strategy.

Abstrakt

Švanda V., Popis a příležitosti podnikatelského prostředí Srbska pro podnikatelské subjekty v ČR. Kunovice 2011.

Bakalářská práce. Evropský polytechnický institut, s.r.o.

Vedoucí práce: Ing. Ivo Benda

Klíčové slova: Geografické prostředí, Ekonomické prostředí, Politické prostředí, Legislativní prostředí, Etické prostředí, Sociální prostředí, Ekologické prostředí.

Cílem této bakalářské práce bylo shromáždit nejrůznější informace o Republice Srbsko a představit a zhodnotit její podnikatelské prostředí. Jedná se pouze o pokus objasnit některá úskalí podnikání v Srbsku, což má za úkol usnadnit pohyb v srbském podnikatelském prostředí, a pomoci tak každému, kdo by chtěl začít v Srbsku podnikat.

Práce se zabývá ekonomickou stránkou země, daňovým systémem, geografii, sociálním zabezpečením, politickým systémem, ekologií, etickými základy a částečně legislativním systémem země

Republika Srbsko má s Českou republikou mnoho společného, především pak slovanské kořeny, což v mnohém usnadňuje naše vztahy a do určité míry nám to napomáhá najít společnou řeč na spoustu problémů.

Abstract

Švanda V., Description of the Business Environment and Opportunities for Serbian Businesses in the Czech Republic. Kunovice 2011.

Bachelor thesis. The Polytechnic Institute, Ltd.

Supervisor: Ing. Ivo Benda

Key words: Geographical environment, Economics environment, Political environment, Legislative environment, Ethic environment, Social environment, Ecological environment.

Target of this bachelor work is to collect all sorts of information about the Serbia and introduce and evaluate their business environment. This is just a attempt to Clar up some difficulty of business activities in Serbia, and it have a objective to a make more easy movement in serbian business environment, and help to everyone, who would like to begin making some business activities in Serbia.

This work is focusing on economic part of the country, system of taxation, geography, social security, political system, ecology, ethic standarts and partly legislative system.

Serbia has got lot of shared things with Czech Republic, at first of all is it a Slovenian basis, and at that fact is more easier our relationships and it help us to find out a shared opinions on a many problems.

Bibliography

- [1] GUINN, A.; KRATOCHVÍL, O.; MATUŠÍKOVÁ, I. *Management, Díl I - úvod do podnikání a popis podnikatelského prostředí malých a středních podniků v ČR*. Kunovice : Evropský polytechnický institut, s.r.o., 2007. 196 s. ISBN 978-80-7314-127-1.
- [2] BUCHTOVÁ, B.; POKORNÝ, J. *Podnikání a kulturní odlišnosti*. Brno : Univerzita Masarykova, 2004. 248 s. ISBN 80-210-3490-4.
- [3] ŠLACHTA, M.; BURDA, T.; HOLEČEK, M. *Ohniska napětí ve světě*. Praha : Kartografie Praha, a.s., Nakladatelství České geografické společnosti, s.r.o. 2007. 186 s. ISBN 978-80-7011-926-6.
- [4] SVĚTLÍK, J. *Euromarketing*. Zlín : Univerzita Tomáše Bati, 2003. 158 s. ISBN 80-7318-144-4.
- [5] MINISTERSTVO PRŮMYSLU A OBCHODU PRO ČR. *Obchodní jednání a národní zvyklosti(ročenka 2004)* Praha : QplusQ s.r.o., 2004. 175 s.
- [6] ŠTĚPÁNEK, V. *Současné Srbsko – Politika, kultura, Evropská Unie*. Brno : František Šalé - ALBERT, 2007. 160 s. ISBN 80-7326-127-8.
- [7] PELIKÁN, J.; HAVLÍKOVÁ, L.; CHROBÁK, T.; RYCHLÍK, J.; TEICHMAN, M.; VOJTĚCHOVSKÝ, O. *Dějiny Srbska*. Praha : Nakladatelství Lidové noviny, s.r.o. , 2005. 670 s. ISBN 80-7106-671-0.
- [8] GMB PUBLISHING. *Serbia's Business Environment*. London : GMB Publishing, 2009. 200 s. ISBN 978-0199213993.
- [9] *Privredna komora Srbije* [online]. [cit.2009-11-29]. Dostupné z WWW:
<<http://www.pks.rs/en/BusinessinSerbia/tabid/2630/language/sr-Latn-CS/Default.aspx>>

- [10] *Serbian Government* [online]. [cit.2009-11-09]. Dostupné z WWW:
<http://www.srbija.gov.rs/cinjenice_o_srbiji/okruzi.php>
- [11] *Ekonomická charakteristika země - Ministerstvo zahraničních věcí ČR* [online]. [cit.2009-12-09]. Dostupné z WWW:
<http://www.mzv.cz/jnp/cz/encyklopedie_statu/evropa/srbsko/ekonomika/ekonomicka_charakteristika_zeme.html>
- [12] *Finanční a daňový sektor - Ministerstvo zahraničních věcí ČR* [online]. [cit.2009-12-09]. Dostupné z WWW:
<http://www.mzv.cz/jnp/cz/encyklopedie_statu/evropa/srbsko/ekonomika/financi_a_danovy_sektor.html>
- [13] *Základní informace o teritoriu Srbsko – BusinessInfo.cz* [online]. [cit.2009-11-09]. Dostupné z WWW: <<http://www.businessinfo.cz/cz/sti/srbsko-zakladni-informace-o-teritoriu/1/1000798/#TOP>>
- [14] *Ekonomická charakteristika země Srbsko – BusinessInfo.cz* [online]. [cit.2009-11-22]. Dostupné z WWW: <<http://www.businessinfo.cz/cz/sti/srbsko-ekonomicka-charakteristika-zeme/4/1000798/>>
- [15] *Sdružení podnikatelů pro kontakt s Jugoslávií* [online]. [cit.2009-12-29]. Dostupné z WWW: <<http://www.sppkj.cz/clanek-jakzakladatfirmyvyrbsku.html>>
- [16] *Branicevo District* [online]. [cit.2009-11-12]. Dostupné z WWW:
<http://www.srbija.gov.rs/cinjenice_o_srbiji/okrug.php?id=258>
- [17] *Podunavlje District* [online]. [cit.2009-11-12]. Dostupné z WWW:
<http://www.srbija.gov.rs/cinjenice_o_srbiji/okrug.php?id=255>
- [18] *Srbsko – AŽD Saobraćajni sistemi* [online]. [cit.2009-12-15]. Dostupné z WWW:
<<http://www.azd.cz/kontakty/dcerine-spolecnosti/srbsko-azd-saobracajni-sistemi/>>

[19] *Ekonomická charakteristika země Srbsko – BusinessInfo.cz* [online]. [cit.2010-10-22]. Dostupné z WWW: <<http://www.businessinfo.cz/cz/sti/srbsko-ekonomicka-charakteristika-zeme/4/1000798/>>

[20] *Narodna Banka Srbije* [online]. [cit.2010-12-03]. Dostupné z WWW: <<http://www.nbs.rs/export/internet/english/80/index.html>>

[21] EXPORTÉR : *Magazín komerčních příloh*. Příloha Hospodářských novin. Číslo 8, říjen 2009. Praha : Economia, a.s.. Dostupný z WWW: <<http://exporter.ihned.cz/>>.

[22] EXPORTÉR : *Magazín komerčních příloh*. Příloha Hospodářských novin. Číslo 9, listopad 2007. Praha : Economia, a.s.. Dostupný z WWW: <<http://exporter.ihned.cz/>>.

[23] EXPORTÉR : *Magazín komerčních příloh*. Příloha Hospodářských novin. Číslo 4, duben 2008. Praha : Economia, a.s.. Dostupný z WWW: <<http://exporter.ihned.cz/>>.

List of uses graphs and tables

Graphs:

1. Graph 1 – Real growth of GDP (%) 2002 – 2009
2. Graph 2 – Inflation rate in % for the period 2002-2009
3. Graph 3 - The rate of export and import in million Euros for the period 2002-2009

Tables:

4. Table 1 - Rate of GDP 2002-2009
5. Table 2 - Inflation rate in % for the period 2002-2009
6. Table 3 - Unemployment rate in% for the period 2002-2008
7. Table 4 - Average net wage in € for the period 2002-2009
8. Table 5 - The rate of export and import in million Euros for the period 2002-2009
9. Table 6 - Fees for various tasks associated with registration HS

LIST OF ATTACHMENTS

Letter of Ing. Dragan Unćanin about ecology in Serbia.

Letter of Ing. Dragan Ućanin about ecology in Serbia.

Belehrad, 23.01.2010.

EKOLOGIE V SRBSKU

Jako v celim svete tak jse a jedan mali stat jako je Srbsko snazi ze bi neposkozilo nasi planetu. Rozdil je v tim, mali stat zne~isti planetu malo a velky mnoho.

Co jse tika ekologije, egzistuji tri cesti ohrany: **energija, prumislovi zne~istejci a mali zne~istejci.**

Co jse tika zakoni o ekologie, Srbsko ma v{echy podobni zakoni jako ma EU (Europe union).

ENERGIE

Srbsko je jeste po II svitove valce rozhodnul ze bude stavit jenom vodni elektrani a elektrani ktere pouzivaji uhl. Srbsko **nema nuklearni elektrarni** a nebude je stavit. Neco malo ma vetrne a slune~ne ale je to jenom v nau~ni u~el.

Srbsko ma velki hidro (vodni) potencial, vic ne` ma spotrebu a proto je Srbsko vyvoznik elektrin. Prez Srbsko te~e reka Dunaj, Sava, Drina, Morava,.. To jso velke reki, kazda je ve~{a od npr. Moravi u Vas. Na Dunaje a Drine jsou od roku 1963-1982 stavene velke hidro-elektarne a to jsou: \ERDAP I, \ERDAP II a BAJINA BA[TA.

Elektrarni ktere pou~ivaji uhl jso: TENT OBRENOVAC, KOLUBARA A, KOLUBARA B a OBILI] (Kosovo). V roce 1988 je odhadnouto `e jsou zasoby uhla v Kosovu nejlep{e v Evrope (krome Ruska). To je jeden od duvodu proto je Kosovo otrhnuto od Srbska a tetko jsou tam Ameri~ani.

Celkove Srbsko nema problem s energie. Bohu`el, obavam jse `e problemi budou v budoucnosti proto`e jse elektrarny velmy {patne dodr`uji. Od roce 2000 jsou se do elektrarni a do statne firmi, ktera ma na starosti prodej elektrini, dostale soukromne firme ktere jenom maji cil udelat penize pro sebe. Proto se kapacita eletrarni (po{kozili turbine) zmen{ila od roku 2000 za 30%.

PRUMISLOVI ZNE^ISTEJCI

Srbsko nema problem s prumislovim zne~istejci. Od roku 2000 v Srbska vlada (premier \in|i}) je mela cil zni~it prumisl a tetko je to fakt. Tetko u nas neegzistuje tovarena ktera ma vic od 1.000. zamesnancu ale proto mame 752.000. nezamesnancu (35%).

Neki velki ekologicki problemi jsou nebyli. Stalo jse ob~as `e jsou neke firme z Nemecka a Francie dova`ili tadi hemicki odpad a skladovali v Srbsku proto`e je ten odpad velmi {kodlivi. Doufam `e to dale nebude ale my to nevime. Ja osobne budou potporovat ka`dou akcie ktera se tika zakazani dovozu otpadu z EU.

MALI ZNE^ISTEJCI

Jako v{ude v svete, tak a v Srbsku od malih zne~istejcu, najvet{i problem je problem s vifukovych plynu. Srbsko nema vyrobu aut (egzistovala je tovarena ZASTAVA YUGO ale je ta vyroba zru{ena v roce 2008.). To znamena `e se tadi dova`e jenom auta ktera patre standardu EUR 4 a vic co je podle evropskih norem. Samo`ejmne a tu je stat udelal problem kdy je v roce 2005-2006 dovolili dovoz v{ekolih aut z EU a to jsou bila

auta která jsou neměla žádnou EUR normu. Samozřejmě, to je vyhodilo EU, osvobodili jsou se starší aut.

Celkem, Srbsko nemá problém s ekologií. Kdy se v světě bude řešit problém s Amerikou a EU (nejvíce Německo, Británie, Francie,...), kteří jsou nejlepší znečišťující na planetě, bude a v Srbsku bez problému s ekologií.

Obávám se, že přemýšlet a bojovat o ekologii v Srbsku a v jiných malých státech jsou jenom blbiny, problém má Amerika, Německo, Británie a Francie.

UNČANIN DRAGAN, dipl. inž. mas.

GSM: +381 63 222 605

Tel.: +381 11 322 87 46

Fax: +381 11 322 54 63

E-mail.: info@draun.rs