



## Average values of investment project

1. Average value of an investment project - **EUR 6,754,986**
2. Average amount of incentives per project - **EUR 1,193,818**
3. Average share of incentives in the value of an investment project - **22%**
4. Average number of new jobs created per project - **84**



## Most significant effects of granted incentives

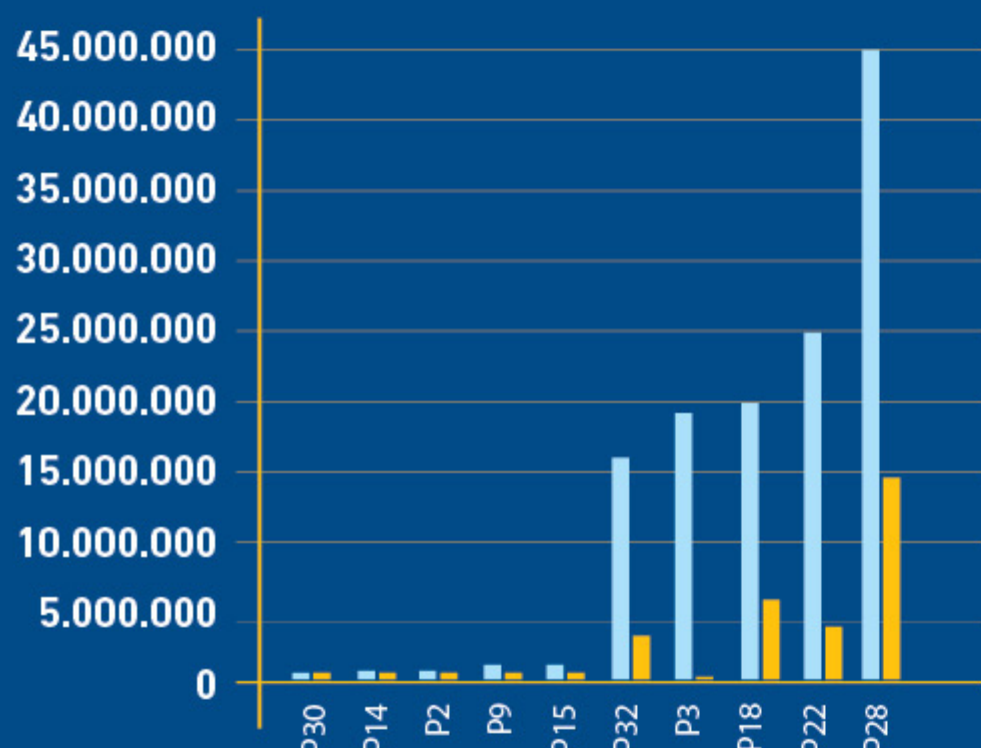
1. All respondents have **retained the same number of employees** compared to the year when the incentive was sought or increased the total number of employees by adding 92 new ones;
2. All respondents have reported **identical income** compared to the year when the incentive was sought or an **increase in income** from 4% to as much as 25%;
3. Most of the respondents would **apply again** for incentives granted by the Ministry of Economy.



## What do non-beneficiaries say?

1. It is necessary to move away from the "traditional state aid criteria", such as the obligation to hire and retain a certain number of workers after the project has been completed, and
2. Insufficient emphasis is being placed on the need to automate processes and introduce new technologies

■ Total Investment  
■ Total Income



Only end values are shown. The total number of projects is 32

Through the program of the Ministry of Economy, from 2006 until today, over **EUR 38.2 million** have been granted to **32 beneficiaries**, most of which are **medium-sized businesses**.



## Purpose of the subsidized investment projects:

- 1) Construction and /or expansion of the production and processing facilities
- 2) Improvement of the production capacity



## RECOMMENDATIONS

- To include the primary food production and the food industry in the incentive package
- To network incentives of the Ministry of Economy and the Ministry of Agriculture, Forestry and Water Management
- To make incentive program more visible to the wide public
- To make one authority responsible for approvals, allocations and monitoring of the incentive program, preferably the Development Agency of Serbia
- All documentation pertinent to the program should be obtained by the Government through official channels, instead of through beneficiaries
- Investments in intangible assets should include certification processes, promotion or innovative processes that improve the desired parameters of the final product
- To increase the amount of incentives for a certain percent in case of production of organic food or in case there is a favorable impact on the environment or improvement to animal wellbeing
- To ensure that the main criterion for approving certain project is not necessarily an increase in new jobs
- To improve the criteria for approval of projects by adding the environmental impact assessment criterion, the effect on climate change, alignment with European Union standards in the industry, transition to organic farming and production, local development, and automation processes
- To reduce the existing threshold related to the minimum value of the project and required number of new employees