

MIPIM 22

## DRIVING URBAN CHANGE

SEE YOU IN CANNES!

IREP&WEST

A NEW JOINT VENTURE BRINGS  
INNOVATIVE SOLUTIONS IN SEE REGION

UNIQUE INVESTMENT OPPORTUNITY

SERBIAN SPA & WELLNESS

DISCOVER

CONSTRUCTION POTENTIAL OF SERBIA



INTERNATIONAL REAL ESTATE PARTNERS

## Custom Facilities Management solutions for every client, every time

Strong track record on global facilities management

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Multi-sector knowledge

Custom Business Intelligence Management Platform

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MAGAZINE

SPECIAL MIPIM 2022 EDITION  
MARCH 2022

Real Estate magazine covers all current real estate subjects as well as modern lifestyle topics such as architecture, design, fashion, art, travel, gastronomy, and prestigious fresh new releases. The magazine was established in 2016 and is published on a quarterly basis.

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EDITORIAL

# SEE YOU IN CANNES!

**T**he COVID-19 pandemic has forced us to rethink the way we live. But we have no more time to just contemplate. The virus is not the only threat we are exposed to. We must be prepared now. That includes the real estate industry, the one that has the most direct impact on our daily lives. Are we really driving urban change, as the MIPIM 2022 theme alarms us, or are we just talking about it?

It would be great to exchange our visions, plans, and projects, as well as our worries, when we finally, after two years of postponing, meet at MIPIM in Cannes this March. Because more than ever, it is a matter of networking and sharing ideas rather than just finding a new profitable investment opportunity.

In the sense of urban change and going green, I am very happy to present to you some of the green real estate activities going on in Serbia and the Balkan region in this special MIPIM 2022 edition of the Real Estate magazine.

Did you know that Belgrade was the 8th city to join the EBRD's Green Cities network in 2018? As an EBRD Green City, the capital of Serbia has agreed to strive towards building a better and more sustainable future for its residents. Investors in new buildings must get an energy passport for the building and ensure that it is constructed according to energy efficiency guidelines. According to the Green Building Information Gateway, there are 55 green building certifications and 83 green program activities in Serbia. The majority of certifications are for office and retail buildings.

I am also very happy to inform you that there is a new joint venture in the SEE region, a Serbian-based company

IREP&WEST, that will deliver innovative and comprehensive solutions not currently available in the region, especially in the facilities management (FM) sector. In the sense of urban change, FM will be a crucial business operation to ensure the safety, sustainability, and efficiency of buildings and properties. Find out more about FM and SEE real estate market potential in the magazine as we are presenting IREP, a boutique global company with deep expertise in facilities management, as well as West Properties, a well-known Serbian real estate services provider and local expert, with access to and extensive knowledge of the Serbian and Balkan real estate markets.

In this edition, we also present to you the greenest treasure of Serbia - its spas and special climate regions. Discover its beauty and investment potential, supported by the Serbian Government. Vrnjačka Banja and Vrdnik Spa in Irig are truly special gems of Serbian nature and spa and wellness tourism, presenting to you their unique investment offers in this issue.

And to carry our urban change and green projects into effect, we all need reliable partners in construction. We are pleased to introduce you to the Belgrade-based company Jadran, a veteran and leader in the construction of the most demanding building projects. With their experienced managers and an expert engineering-technical team, you can really make your visions come true.

Yes, there is a lot to talk about when we meet at MIPIM 2022.

See you in Cannes!

Yours,

*P. Knežević*



**T**he whole global real estate industry is looking forward to gathering at MIPIM in Cannes, but those who are really eager to see it happen after two years of postponing are the organizers of the event, RX France. Ronan Vaspert, MIPIM Managing Director, shared with us how challenging it was to prepare the event, why MIPIM 22 is a bit special and what we shouldn't miss in the programme.

**Since the MIPIM was postponed twice in the last two years due to the pandemic, how challenging and difficult was it to organize the event for this March?**

#### **RONAN VASPART**

MIPIM Managing  
Director

#### INTERVIEW

## MIPIM 22 WILL BE A SUCCESS

It will be an amazing edition and the first time the real estate industry will get the opportunity to gather all together in two years, says Ronan Vaspert, MIPIM Managing Director

By: **GORDANA KNEŽEVIĆ MONAŠEVIĆ**  
Photos: **MIPIM**

– It's true that the event industry has faced huge challenges in the past two years due to the pandemic. MIPIM had to reschedule and then postpone the 2020 edition just a few weeks before. It was a difficult decision to take, but two years later, we all agree that there was no other choice. MIPIM can be proud of having such loyal partners and clients. However, we never stopped. After creating our first digital platform in April 2020 to allow the real estate community to gather digitally and enjoy content, we organized the Paris Real Estate Week in Paris in September 2020 and the MIPIM September edition in Cannes in 2021.

But it's true that MIPIM 22 is a bit special



for us. Till January 2022, nothing was 100% sure and we didn't know if we could organise a "normal" MIPIM. My team and I worked really hard to make this MIPIM possible and to allow the real estate and tech community to be back in Cannes. Restrictions are currently being lifted in Europe, especially in France. MIPIM 22 will be a success.

**What is the response and interest of participants this year compared to previous years? Do you notice some changes in the number and type of participants, countries, or real estate trends?**

– We are happy to confirm that we have as many exhibitors from Europe and the Middle East as in 2019. To date, MIPIM will welcome 350 stands and pavilions, and we are expecting nearly 18,000 people in Cannes in March. It will be an amazing edition and the first time the real estate industry will get the opportunity to gather all together in two years. In 2019, we welcomed 25,000+ delegates. This year, we won't have the pleasure of welcoming the Asian delegates due to travel restrictions. Of course, due to the current context, Russia will not be exhibiting either.

**The MIPIM itself is a special event which used to be the highlight of the industry's calendar. What will make MIPIM "especially special" this March and what do you suggest we shouldn't miss at the event?**

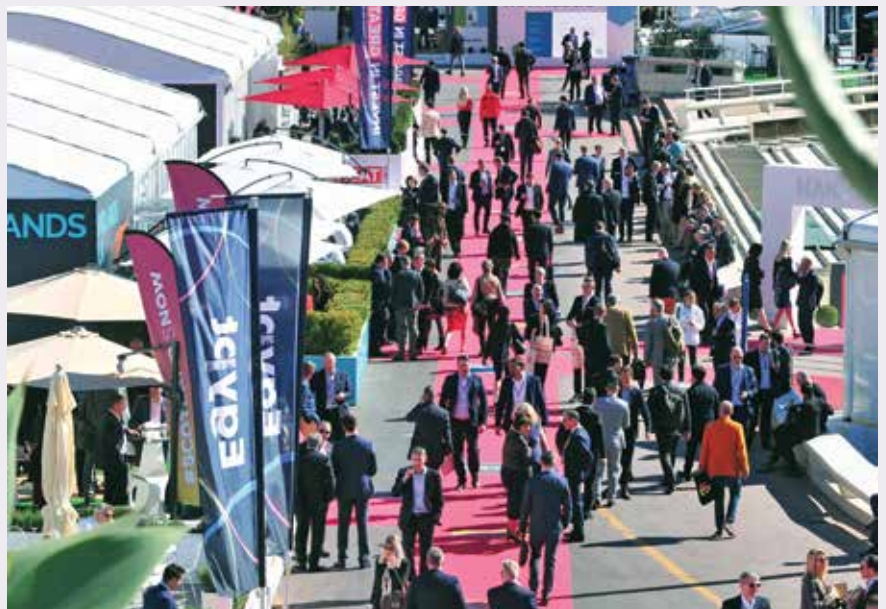
– François Hollande, President of the Republic from 2012 to 2017 and one of the architects of the Paris Agreements in 2015, will do the honours of delivering the opening speech. He will outline his vision of the real estate sector's challenges and opportunities and discuss how real estate can "drive urban change." It will also address major societal issues, post-pandemic health and well-being measures, the fight for diversity, equality, and employment.



**TILL JANUARY 2022, NOTHING WAS 100% SURE AND WE DIDN'T KNOW IF WE COULD ORGANISE A "NORMAL" MIPIM. MY TEAM AND I WORKED REALLY HARD TO MAKE THIS MIPIM POSSIBLE**

MIPIM 2022 will also put a lot of emphasis on innovation, technology, and data at the service of the city's fabric. Indeed, for the first time, Propel by MIPIM will be organised at the same time as MIPIM in Cannes and will have a dedicated area to highlight innovative start-ups serving real es-

tate. This event, which took place in Paris in the summer, therefore joins its "big brother" in Cannes because it seems essential to us that the real estate and tech players be brought together under the same roof. Nearly 100 start-ups will be exhibiting in Cannes, and many more as visitors. ●



A NEW JOINT VENTURE: IREP &amp; WEST

# WHERE REAL ESTATE AND FACILITIES MANAGEMENT MEET

International Real Estate Partners (IREP) and West Properties (WP) are pleased to announce the signing of the Serbian-based joint venture: IREP & WEST. Recently penned in Dubai, UAE, the joint venture is a strategic alliance designed to provide the full spectrum of real estate services for both Serbia and the wider Balkan region

Photos: **IREP&WEST**



**T**he amalgamation of key services, knowledge, and experience from both partners will deliver innovative and comprehensive solutions not currently available in the region, to businesses of all sectors. The partnership will also bring the best out of each of the two companies. IREP brings its international footprint and connections, along with the relevant deep expertise in brokerage and

FM. West Properties, on the other hand, is the local expert, with access to, and extensive knowledge of, the Serbian and Balkan real estate markets. Both groups are likeminded, independent organisations, looking to maximise on opportunities and give clients a credible, partner-led alternative to the established international players.

The partnership will be launched and cemented at the MIPIM event

(Marché International des Professionnels de l'Immobilier or the Market for International Real Estate Professionals) held from the 15th to the 18th of March in Cannes, France. This will also be a good opportunity for IREP & West to forge new relationships and further build a business network. IREP will also use the event to promote several other business ventures, such as the SperryCGA office in Madrid and the SREC & IREP SIRE fund.



# INTRODUCING THE TWO PLAYERS

## INTERNATIONAL REAL ESTATE PARTNERS (IREP)

IREP is a global company that specialises in custom facilities management. In addition, IREP is also a market-leader in the management of property, energy, commercial real estate, assets, and sustainable solutions.

Born in 2013 with the management buyout of some underdeveloped Middle Eastern assets, Kenneth McCrae and Kamran Abbas - the two co-founders - have turned IREP into a global powerhouse. In just 9 years, the pair have taken IREP from 10 to 49 entities (and counting), and from a 7 to a 9-figure annual turnover. All the while,

IREP has remained committed to being a 'boutique' business, by offering custom solutions to all of our clients.

The remarkable growth has been driven by its strategy of diversified diversification: diversifying by geography, client, technology, and service line. The geographical part of this strategy is where the IREP & West joint venture comes to the fore. This venture will see us add Serbia - and eventually the Balkan region as a whole - to our Europe & Africa offering.

IREP is truly global, operating widely throughout all six inhabited continents. Our leanness and agility allow IREP to operate in even the most challenging markets - those that others often avoid. In terms of how we organ-

ise our global presence, our 49 entities are divided into 6 geographic regions: the Middle East, North America, Latin America, Europe & Africa, and Oceania, with the global headquarters being situated in Dubai, UAE. IREP is also widely ISO accredited, including: Quality (ISO 9001), Asset (ISO 55001), Facility (ISO 41001), Environmental (ISO 14001), Occupational Health and Safety (ISO 45001), and Information Security (ISO 27001) management. This is a crucial part of who we are, as we make absolutely sure that all customers and staff are operating in safe and functional environments. Relentless in chasing both innovation and excellence, IREP is always taking strides to be at the top.



## WEST PROPERTIES (WP)

West Properties began its story in 2003, in the midst of a nascent Serbian real estate sector. However, it was in 2015 that West was transformed by two experts in the local real estate sector: Vladimir Vukićević (CEO, founder, and co-owner) and Vladimir Popović (Managing Director and co-owner).

Since then, West Properties has grown into one of the most well-known and respected real estate service providers in Serbia, being particularly well-regarded by corporate and

diplomatic clients. WP defines itself by its combination of unparalleled local knowledge and the professionalism of a larger foreign corporation. They have made their name through their impeccable understanding of the local rules and regulations, customs, and needs in the Serbian real estate industry.

Some of the institutions that have placed their trust in West Properties are: the European Investment Bank, the European Fund for the Balkans, EU Delegation to Serbia, and the embassies of the USA, Canada, Israel, Germany, and the United Kingdom.

West Properties provides custom-made support, brokerage, and consulting services for all types of residential and commercial properties. Always placing customer care and client interest at the centre of what they do, West considers each client as a long-term partner to whom they will consistently offer a custom service. In numbers, West Properties have sold over 300,000 square metres of residential property, leased over 200,000 square metres of office and retail properties, and provided investment consulting for over 300,000 square metres for all project types.



## HOW WILL THE NEW VENTURE WORK?

The purpose for the venture is to bring together a local market expert and an international service powerhouse. The partnership plays upon the strengths and connections of both groups. IREP brings their international footprint in brokerage and FM, along with their FM skillsets and international connections. WP, on the other hand, brings access to, and intricate knowledge of the Serbian market. Furthermore, WP enjoys a good reputation as well as a strong client base.

The joint venture seeks to establish itself here, before expanding into the wider South-eastern Europe (SEE) region comprising of the following countries: Serbia, Croatia, Slovenia, Bosnia and Herzegovina, Montenegro, Albania, North Macedonia and Greece.

In terms of the specifics, West Properties will retain their brand for brokerage, whereas IREP and West Properties will form a joint brand under which the facilities management offering will sit. This joint venture branding will then be that which is expanded across the wider Balkan region.

## WHAT SERVICES WILL THE NEW JOINT VENTURE OFFER?

IREP & West will provide brokerage, valuation, financial, marketing, and market research services for the real estate market in the SEE region. These are services that the two companies already provide in and of themselves, but they will join forces to create an enhanced offering for Serbia and the Balkans. The facilities and property management aspect of the joint venture will only be provided in Serbia.

All IREP & West service lines will customise their offerings based on the unique needs of each individual client. We will do this, as we believe it



to be the only way to maximise ROI for the long-term and guarantee client benefit. Furthermore, each service line has sustainability built-in, so –no matter the work we are doing – we save both business and environmental costs.

Below are some examples of our offering:

### VALUATION

The joint venture will provide value assessment services for a whole range of real estate types. A professional team of assessors and associates, with rich experience, will make

a detail report tailored to the client's needs. All work undertaken is done so through the application of a clear methodology, as well as being compliant to the highest international standards set by the Royal Institute of Chartered Surveyors (RICS).

Some of the types of real estate for which we can provide comprehensive assessment are: residential, office, retail, hotel, industrial & logistics facilities, as well as different types of land. In addition to the valuing of the real estate itself, we can make estimates of all types of personal properties, including machines and vehicles.





As well as our core valuation service, we also offer a whole host of advisory services, too. These include: feasibility studies, due diligence, analysis of investment opportunities, highest & best use analysis, real estate appraisals, real estate portfolio estimates, desktop analysis, and cash-flow investment projections.

### **FINANCIAL (INCLUDING CAPITAL MARKET AND PROJECT FINANCING ASSISTANCE)**

We will also provide expert assistance with financial services. Due to our wide range of professional services, our investor clients will receive full support at all stages of project development, including: capital advisory, valuation and advisory for investors, architectural and design services, building surveying, cost management, property investment, investor leasing, and legal advisory.

Furthermore, the joint venture will also have a specialised team designed to assist domestic and foreign investors through the entire lifecycle of the project financing loan request process. This would include:

- Preparation of the business plan
- Introduction to local and international commercial banks
- Daily contact with the project financing teams of the banks
- Daily contact with the technical advisors of the banks
- IREP & West will be responsible for the entire project finance loan re-



quest process until the loan is disbursed (including negotiations of loan contract)

Lastly, depending on the in-house capacity and the local contacts of investors, IREP & West will also be able to assist domestic and foreign investors in the following critical areas:

- Detailed assessment of the real estate project
- Overview of the critical paths towards completion
- Assistance with local authorities and institutions
- Introduction to legal advisors
- Introduction to construction companies
- Marketing advisory

### **MARKET RESEARCH**

IREP & West also has an expert market research team for Serbia and the wider South-eastern Europe region.

Market research allows stakeholders to make informed strategic decisions based on data, rather than just their own intuition. This is where our team comes to the fore. Our group of market research experts will provide advice and a wide range of specialist insights for Serbia and the wider Balkan region. They continually observe, track, and report on all types of real estate assets. No matter if one is a bank, developer, investor, or occupier of real estate, such a bespoke consultancy can aid you in your informed strategic decisions that will hold over the long-term.

IREP & West market research coverage activities include: general economic data and trends, specific property type data and trends, including sales, rents, and yields; demographic studies; and market analysis on office retail, residential, industrial and logistics, and the hotel market. ●

### **CONCLUSION**

This is a partnership that we are extremely excited about. It will present us with an opportunity to join forces with a professional and expert local real estate broker, as well as the possibility to expand into an exciting new geography of

Serbia and the wider Balkan region.

We will provide real estate brokerage, valuation, financial, market research, and marketing services to our Serbian and Balkan clients. We will do so with our customers at the centre of our thinking, creating bespoke ap-

proaches for each of our clients that are design to deliver maximal ROI over the long-term.

Launching at the MIPIM event in March of this year, we hope to count this as yet another success in our strategy of geographical diversification.



**CONTACT**

[www.irepartners.com](http://www.irepartners.com) | [www.westproperties.rs/en](http://www.westproperties.rs/en)

INTERNATIONAL REAL ESTATE PARTNERS (IREP)

# EXTENSIVE NETWORK WITHOUT GEOGRAPHICAL LIMITATION

At IREP, we describe ourselves as a boutique global company that specialises in facilities management, but who also has extensive expertise in property, energy, asset management, commercial real estate, and sustainable solutions. We are currently operating in 49 countries across the world and continuously expanding to other geographies

Photos: **IREP**



**I**nternational Real Estate Partners, or IREP for short, was born in 2013 through the management buyout of some underdeveloped Middle Eastern assets. The two co-founders that started it all are Kenneth McCrae (Chairman & CEO) and Kamran Abbas (CFO & Commercial Director).

As a team the two are formidable. Kenneth is the strategic lead, determining the vision and overarching direction for the company. This has predominantly taken the form of 'diversified diversification': diversifying by geography, client, technology, and service line. Kamran, on the other hand, is the financial and implementation head. Every transaction passes his desk, and he is fundamental to mak-

ing Kenneth's strategy, a reality.

In 2017, IREP had a presence in 8 countries and a \$7 million turnover. Humble beginnings, indeed. Yet, their appetite for both excellence and growth was insatiable, and – within less than 5 years – they have grown IREP's global footprint to 49 countries (and counting) and its turnover to nine figures.

## OUR GEOGRAPHY: WHERE WE ARE

As aforementioned, we are currently operating in 49 countries across the world, with our headquarters being located in Dubai, United Arab Emirates. Our offices are spread across 6 geographical regions: the Middle East, North America, Latin America, Eu-

rope & Africa, Asia, and Oceania.

We are also continuously expanding to other geographies. One such example is the Kingdom of Saudi Arabia, a fast-emerging market upon which we are putting a lot of focus. We see ourselves as a company without geographical limitation, due to both our own extensive network as well as our partnership agreements. We will operate and succeed in even the most challenging markets.

## OUR SERVICES: WHAT WE DO

As a truly multi-disciplinary company, IREP offers a wide range of services. From facilities, asset, and property management, to brokerage, technology, and vertical farming, we cater to all kinds of business requirements.



The common thread throughout, however, is our dedication to our clients. For each and every project, we built a boutique and custom solution, designed specifically to maximise the client return on investment.

Furthermore, each service line has sustainability built-in, so – no matter the work we are doing – we save both business and environmental costs. We operate in accordance with a ‘green circular business model’ meaning that we offer maximal value with the least amount of social and environmen-

tal cost possible. Our data-driven approach has drastically lowered client emissions time and time again, no matter their location or chosen service.

### FACILITIES MANAGEMENT

Facilities management is our particular forte. All over the world, for a whole host of business types, we improve the efficiency of their business spaces. For many, however, facilities management – or ‘FM’ for short – is not a well-known business activity. So, what exactly is it?

FM is defined by the International Organisation for Standardisation (ISO) as: “an organisational function which integrates people, place, and process within the built environment to improve the quality of life of people and the productivity of the core business”. In short, FM is the daily operations that ensure a physical environment best supports a business’s needs. Naturally, the next question is, why does it matter?

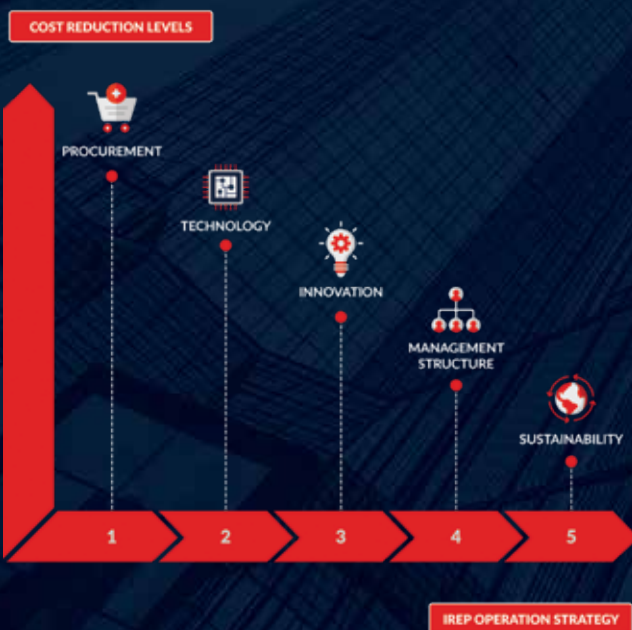
FM is a crucial business operation for two main reasons.

## COMPONENTS OF THE IREP FACILITIES MANAGEMENT APPROACH

First among these is the proper functioning of a business.

The right working environment is fundamental to the proper functioning of any company. Properly executed FM creates safe, comfortable, productive, and cost-effective environments within which your staff can concentrate on their core business.

Second is cost. After personnel cost, building related costs are the second largest business cost for any company. Inefficiency with one’s strategy for assets and facilities, can seriously eat into one’s bottom line. The reduction of these – all the while ensuring the highest internationally recognised standards – is IREP’s speciality.



## SAVING LEVERS, COST OPTIMISATION & BENCHMARKING

### Client type:

IREP client base includes several Fortune 500 companies who entrust IREP with their global building and assets portfolio.

### Deliverables for IREP:

- Reduction of overall business costs by up to 25%
- Reduction in overall energy consumption up to 12% (these can relate to very large numbers particularly in these times of accelerating energy costs)
- Management of global corporate property portfolios
- Evaluate performance across all global sites and report on defined KPIs

## STRATEGIC GOAL – FINANCIAL

### IREP Cost Reduction Model

IREP Technology Centre and Business Intelligence Solution (IREPort) are fully geared to reduce costs and create operational, financial and commercial efficiencies.

Business Intelligence solutions help reduce costs across all service streams:



Soft  
Services



Security



Hard (HVAC  
maintenance  
Services)



Asset Management  
& Lifecycle through  
predictive maintenance



Energy &  
Utilities



### TECHNOLOGY AND INNOVATION

- Technology is the future, and IREP is investing in the research and development needed for forward advancement. This is a critical part of the IREP business strategy, and we have set up a dedicated IREP Innovation and Technology centre, operating from IREP Spain in Girona.

- This innovation team consists of back- and front-end developers, data

analysts, and IoT specialists. One of the principal projects of the IREP Technology team, is the new IREPort Business Intelligence Platform. We use this for: monitoring clients' energy usage; asset management; financial reporting; and visibility on all business operations. The reporting and data generation, accessed via this advanced platform, gives global companies full visibility on their data and operations. This is fundamental in enabling them to reduce their costs as much as possible.

- IoT Technology is key to new service offering for our clients. SMART sensors and Smart metering.

- SMART meters can be used to monitor, control and improve energy usage and efficiency

- SMART sensors distributed through the different sites and locations can control carbon footprint, building security, detect water leaks, control fire alarms. A bespoke centrally controlled and connected network where the client has 100% visibility on their buildings.





## IREP PROPERTY

Another one of IREP's offerings, is our Property service line. This was established as part of IREP Holdings, to enable the Group to provide a total real estate solution to our clients as well as building the IREP brand.

As part of IREP Property, we offer a list of services:

- Commercial brokerage (sales and lettings)
- Landlord and tenant representation
- Local and cross-border investment
- Retail advisory; development advisory; and a real estate investment fund (our SIRE Investment Fund)

Our strategy when creating this offering has often included key business

partnerships. These allow us to extend our services further around the globe, increasing our scope.

Such partnerships include:

### WEST PROPERTIES

This collaboration between IREP and West Properties, will bring Serbia and the wider Balkan region into our sphere of operations. Such a partnership is an example of a joint venture that will provide advisory and brokerage services in local geographies.

### SPERRYCGA

Starting at the end of 2022, SperryCGA will lend their US-based 80+ office brokerage footprint as part of a franchise business partnership. This will offer independent brokers access

to services offered by IREP Property/SperryCGA as well as the wider IREP group.

### NASH BOND

A London-based specialist retail advisory and brokerage group, who will bring a focus to retail development advisory, placemaking, location, and market strategy.

### SPERRY REAL ESTATE CAPITAL (SREC)

A real estate development, financing, and investment fund with which IREP will collaborate to create the SIRE Investment Fund, that will focus on acquiring ground-up and value-add investment and development opportunities in the United States.





## IREPFARM

We also have a hand in vertical, hydroponic farming: IREPFarm.

### What do we do?

Having partnered with Intelligent Growth Solutions (IGS), we now have a best-in-class turnkey offering for the: design, construction, and operation of vertical farming facilities. These modular units produce two to three times the yield, 50% less energy consumption, and 80% less labour costs compared to regular agricultural practices.

IREPFarm is a complete centralised team of experts that covers the entire lifecycle of a project, making it a fully accountable 'One-Stop-Shop' for vertical farming.

## THE IREPFARM TEAM

Our team consists of award-winning experts in:

- Precision vertical farming technology
- Architecture and interior design
- Global project and cost management
- Construction
- Facilities and asset management
- Research and development
- Finance

This is an incredibly important capability for us because – put simply – our goal is to change the face of food production and security, making it more efficient and sustainable. This particularly pertains to the Middle East, our home base.

The world and its supply chains are changing rapidly, whether that be by man-made or natural crises. There is

an increasing demand for: food, water security, energy, and urbanization. Adaptation is crucial, and we want to be the tip of this spear.

## ENVIRONMENT, HEALTH & SAFETY MANAGEMENT & CONSULTANCY

IREP supports and advises clients to ensure that their portfolio and operations are fully compliant in addition to providing a safe working environment for all staff and visitors.

Services provided:

- Gap Analysis Action Plan
- Accident, Incident & Near Miss Reporting Process
- Building Risk Assessments
- Audit & Quality Assurance Process
- Standard Operating Procedures
- Review Contractor Management Scope.



## ISO ACCREDITATION

Our global expertise is recognised by the International Organisation for Standardization (ISO). We hold the following credentials:

- ISO 9001 Quality Management

We consistently maintain our high quality, meeting and exceeding our customers' expectations.

- ISO 14001 Environmental Management

A proven track record when addressing our, and our clients', environmental responsibility.

- ISO 45001 Occupational Health & Safety Management

We are known for creating secure working conditions for employees, no

matter their location.

- ISO 55001 Asset Management

Specialists at ensuring assets are an advantage, not a drain, over the entire lifecycle.

- ISO 41001 Facility Management

Consistent, effective, efficient, and sustainable facilities management. Nothing less.

- ISO 27001 Information Security Management (Compliance Level Only)

Your informational security is paramount. We are recognised as a trusted partner.

## CONCLUSION

In sum, IREP is a multi-disciplinary company that focuses on excellence,

innovation, and customer satisfaction. We build bespoke solutions for each of our customers, maximising their ROI. We are also truly global, operating on all 6 inhabited continents through our 49 entities – a number that will only continue to grow.

As a company, we have seen remarkable growth in the few years since our inception. We have seen multiple partnerships agreed, numerous service lines added to our offering, and revenues grow. Most of all, we are a company that is defined by its people and their dedication to their respective crafts. All of our success is due to their excellence both as individuals and as a team. ●



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International Real Estate Partners

## EUROPEAN INVESTMENT BANK (EIB)

# LONG-STAND PARTNER FOR MAJOR INFRASTRUCTURE PROJECTS

As the largest international and long-standing lender in the Western Balkans region, the EIB unlocked close to €10 billion in the last decade alone for countries in the region

Photo: **EIB**



Over 40-year long dedication to the Western Balkans by the European Investment Bank (EIB) has resulted in kilometers of new roads, bridges and tunnels built, over half million jobs retained, hospitals and hundreds of schools refurbished and modernized, and new Science-Technology Parks constructed. As one of the largest international and long-standing financier in the region, the EIB unlocked close to €10 billion in the last decade alone for countries in the Western Balkan region.

As the EU Bank, our mission is to support the path towards EU and its standards, help increase connectivity across the region with modern transportation, digital and energy networks that improve living and business conditions, attract new investments and job opportunities. The Covid-19 pandemic has generated severe disruptions, but it also trig-

gered economic transformation towards green and, digital models. These concepts should find their place across all sectors and core businesses and the EIB is already actively cooperating with local partners on the preparation and implementation of the key sustainable projects for development of the vital infrastructure and private sector.

The EIB is planning to scale up its technical support as well through the recent set-up of a new and dedicated branch EIB Global, that will enable engagement of more experts on the ground, able to identify concrete needs and provide hands-on support.

## MODERN TRANSPORTATION NETWORKS ACROSS THE REGION

With €5 billion invested in transportation sector of the Western Balkan to date, the EIB has created new opportunities for economies in the Western Balkans and its people. New, high-performance motorways lead to significant decrease in travel time, vehicle operating costs and frequency of road accidents. They have also enabled the region to get back on the European road maps, by improving connections and integration within the regional countries and the EU.

By financing the construction of highway on Corridor X, the EIB helped improve transportation links between Serbia and Bulgaria, Serbia and North Macedonia, and, consequently Western Balkan to EU. This is the largest public sector investment of EIB in Serbia since 1977 accounting to €579 million.

Corridor Vc in Bosnia and Herzegovina proved to be equally challenging and ambitious project. By investing €1 million in this important Pan-European Corridor, the EIB contributed to better connectivity between







Bar-Vrbnica railline



Bridge Počitelj - Corridor Vc BiH

BiH and Hungary, eastern Croatia and the Adriatic Sea. A new highway linking Niš to Merdare known as the Highway of Peace is also another priority investment in the region. The EIB's €100 million investment is complemented with €40.6 million EU grant channeled through the Western Balkan Investment Framework (WBIF). This road has a wider geopolitical importance as it connects Serbia with Albanian ports on the Adriatic Sea and increases cooperation and economic exchange in the region.

Along with rehabilitation of roads, the EIB aims to help upgrade more sustainable mobility options that contribute to decreased environment pollutions, higher efficiency and diversity of transport options. Such kind of projects include the renovation of the railway links on the major routes in the region, such Bar-Podgorica-Vrbica in Montenegro, or the reconstruction of 96km-long railway line between Niš and Dimitovgrad. Another example of such kind of project is the improvement of the inland waterway along the river Sava and Danube in Serbia.

Most recently, the EIB unlocked a €40 million worth financial support for the modernization of the urban transport in the Canton of Sarajevo, through improvement of the tram and trolley bus networks, replacement of existing vehicles and construction of new tramlines and tracks. For the city of Niš in Serbia the EIB is

providing technical support for the preparation of investment plan targeting improved and greener urban mobility. All these improvements will lead to faster regional economic development and trade flow. They will contribute to the modal shift from road to rail, as climate-friendly, reliable and safer transportation system.

#### MORE SECURE AND DIVERSE ENERGY NETWORK

As the EU climate bank, the EIB has already started supporting the transition of the Western Balkans to sustainable economy and cleaner, safer, renewable and more efficient energy solutions. These projects will enable the diversification of energy supply and strengthen energy networks in

regional infrastructure, the EIB is financing the other vital sectors, such as the construction of modern water and wastewater facilities, as well as improvements in the healthcare, education and judicial sectors. In the context of technological revolution that is rapidly changing the business landscape, the EIB unlocked close to €200 million for digital sector in Serbia that will translate to introduction of 5G network, upgrade of existing 4G network, as well as deployment of digital equipment and skills in over 1,500 schools. In this way, the projects will ensure long-term competitiveness of the local economy, higher productivity and growth of the private sector, as well as creation of new job opportunities.

### BY FINANCING THE CONSTRUCTION OF HIGHWAY ON CORRIDOR X, THE EIB HELPED IMPROVE TRANSPORTATION LINKS BETWEEN SERBIA AND BULGARIA, SERBIA AND NORTH MACEDONIA, AND, CONSEQUENTLY WESTERN BALKAN TO EU

South East Europe. They will also support faster integration of the region into the EU energy market, improve competition and ultimately attract more investment. To date, the EIB has invested over €672 million in the energy sector in the Western Balkans.

In line with the European Commission's Economic and Investment Plan, along with transportation and ener-

An integrated Western Balkans with connected, digital and sustainable market will accelerate EU accession and help countries of the region find their place in a new post-COVID global economy. The EU will support activities towards creating integrated European market and the Western Balkan countries should seek their development opportunities in that direction. ●

## WEST PROPERTIES

# YOUR KEY TO THE RIGHT PROPERTY ON THE GROWING SERBIAN MARKET

Highly professional work and 20 years of experience in the local real estate market have established West Properties as a leading Serbian real estate service provider widely recognized by domestic and international clients for its custom-made support, brokerage and consulting services related to all types of residential and commercial properties

By: **NIKOLINA VUKIĆEVIĆ**  
Photo: **WEST PROPERTIES**



WEST PROPERTIES

**O**ur story begins in 2003, when only the potentials of the Serbian real estate industry could be seen. The single premise that guided us at the time was the belief that respect, trust, dedication and responsibility must be at the core of everything. These were the fundamental values on which we built our daily work, and our philosophy grew over time around them.

It is often said that any sale is an ordinary craft. This claim is fundamentally true, but when does the craft become a business? When you start dreaming big dreams. When you build a team. When you bring together your own and other people's experiences to create synergy.





In 2015, West Properties transformed from a firm to a company when two people of the same beliefs and, funny enough, with the same names, and both with decades of experience in the real estate market, united in an effort to create an extraordinary business model. Vladimir Vukićević, WP's CEO, founder, and co-owner, and Vladimir Popović, WP's

managing director and co-owner, have quite different personalities and approaches, but they share the same vision of a strong Serbian company capable of meeting the challenges of the new era as well as the new game rules.

Serbia and Belgrade have become one of the most attractive parts of Europe in recent years when it comes to the real estate sector. Unlike large

foreign corporations that are distinguished by highly professional work but only have a basic understanding of a local market mentality, West Properties has established itself as a company with knowledge equal to large international systems but also with an impeccable understanding of local rules and regulations, habits, and needs in the real estate industry.

## SERVICES

West Properties has grown into one of the well-known and most respectable real estate service provider in Serbia and the unquestionable market leader among clients, providing the highest standards of quality and integrity.

### THE WIDE RANGE OF SERVICES WE PROVIDE INCLUDES:

- Capital Markets and Investor Services (including Project Financing Assistance)
- Brokerage services (including Leasing Agency and Exclusive Sales Agency)
- Valuation and Research
- Project Management services
- Marketing services



Navigator 2

Domestic and international clients recognize us as a partner that provides complete support in the real estate market. We are committed to advising clients ranging from individual private investors, clients and home-

owners to major developers and investors, and offering sales and marketing solution.

We always strive to provide our clients with better and more than standard and conventional business ser-

vices. Customer care and clients' interests have always been at the focus of West Properties' business. We consider each client a long-term partner to whom we offer a "custom-made" service.



## WP IN FIGURES

Over  
**300,000**  
square meters of  
residential properties sold

Over  
**200,000**  
square meters of office  
and retail properties leased

Investment consulting  
provided for over  
**300,000**  
square meters of  
different types of projects

## SOME OF OUR MOST SIGNIFICANT PROJECTS

- Belgrade Waterfront
- Kapija Vračara
- Rankeova 16
- King's Cross
- Ziegel House
- Panorama Voždovac
- ML 27 Swiss Apartments
- Puškinova Residence
- Business Center 29
- Block 12



## VALUATION & ADVISORY

With the application of clear methodology and compliance with RICS – Professional Standards and International Standards of Evaluation, West Properties provides value-assessment services for various types of real estate, including:

- Office buildings
- Shopping centres
- Residential and mix-used developments
- Industrial and logistic facilities
- Development land

In addition to estimating the value of real estate we provide a wide range of advisory services, including:

- Feasibility Studies
- Due diligence
- Analysis of investment opportunities
- Highest & Best Use Analysis
- Real estate appraisals
- Real estate portfolio estimates
- Desktop analysis
- Cash-flow investment projections





## INVESTOR SERVICES

With a wide range of our professional services, investors receive full support and at all stages of project development, including:

- Capital Advisory
- Valuation and Advisory for Investors
- Architectural and Design Services
- Building Surveying
- Cost Management
- Property Investment
- Investor Leasing
- Legal Advisory

## PROJECT FINANCING ASSISTANCE

West Properties has a specialized team to assist domestic and foreign investors through the entire project financing loan request process which can be analyzed as follows:

- Preparation of the Business Plan
- Introduction to Local and International Commercial Banks
- Day-to-Day contact with the Project Financing Teams of the Banks
- Day-to-Day contact with the Technical Advisors of the Banks
- Responsible for the entire Project Finance loan request process until the loan disbursement including negotiations of the loan contract.

Depending on the in-house capacity and the local contacts of investors, West Properties can also assist domestic and foreign investors in such critical areas as:

- Detailed assessment of the Real Estate Project
- Overview of the critical paths towards completion
- Assistance with Local Authorities and Institutions
- Introduction to Legal Advisors
- Introduction to Construction companies.
- Marketing Advisory

## MARKET RESEARCH

Our Research team provides advice and a wide range of specialist insights for Serbia and Adriatic region, including strategic location, sector and market consulting services. Our dedicated researchers are continuously observing, tracking and reporting on all type of real estate. Whether you are a bank, a developer, an investor or an occupier of real estate, our research and bespoke consultancy can help you make informed strategic decisions.

WP Market research coverage:

- General economic data and trends
- Specific property type data and trends, including sales, rents and yields
- Demographic studies
- Market Analysis on Office, Retail, Residential, Industrial & Logistics, and Hotel Market





Mia Dorćol



Puškinova Residence

## REFERENCES

West Properties always strives to provide its clients with exceptional and professional business services, making sure that individuals and companies are satisfied and their interests and needs are met to the fullest expectations. Each customer is seen as a long-term partner who is offered a bespoke service. Trust is the key word that motivates us, and one's trust is not easy to gain. They trusted us:

- European Investment Bank
- European Fund for the Balkans
- EU Delegation to Serbia
- Embassies of the USA, Canada, Israel, Germany, United Kingdom
- Crawe Insurance
- Raiffeissen Bank
- Credit Agricole Bank
- Vojvodjanska Banka
- OTP Banka
- Direktna Banka
- Investors like: Alpros, Aleksandar Gradnja...



**VLADIMIR VUKIĆEVIĆ**  
CEO

For a foreign investor looking to enter a new market, system security is critical, as well as the financial structure. That is why we always recommend project financing to our investors. When it comes to major investments, that flow must be as smooth as possible, with as few oscillations as feasible.



**VLADIMIR POPOVIĆ**  
Managing Director

New real estate investments in Serbia are more than desirable. Belgrade has a great investment potential since there is a significant need for more residential buildings as well as office space. Due primarily to construction trends, I am certain that Serbia will remain Europe's Hot Spot.



**STEVE J. FROUSTIS**  
Capital Markets and Investor Services Advisor

It is safe to say that Serbia is on the radar of large real estate investors. We have seen numerous transactions which have been concluded in the previous period, in all sectors of the real estate market, which justifies this statement. One of the most noteworthy transactions in the office sector involves Globe Trade Centre (GTC) decision to sell its portfolio of office space in Belgrade to the Hungarian investor Indotek Group for an amount close to EUR 270 million.



## NETWORKING AND NEW BUSINESS PROSPECTS

The crisis time, particularly the first year of the pandemic, was extremely difficult for all players in our real estate market, and West Properties' strategy was to keep operating as usual. On the one hand, we were highly effective in adjusting to new market trends, and on the other hand, we worked on our own networking. We made contact with potential new partners all around the world, which led us to new business prospects. What matters most to us as a company is that we have maintained and, even during the most difficult phase, the lockdown, we have remained consistent with our business standards, which has maintained customer trust. We even stepped up our efforts, particularly in terms of hiring new and high-quality professionals, all for the benefit of our clients.



Ušće Tower Two



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Tel: +381 11 324 3274 • E-mail: [office@westproperties.rs](mailto:office@westproperties.rs)  
[www.westproperties.rs](http://www.westproperties.rs)



### IVANA GRKOVIĆ

*Exclusive Sales Representative*

This delicate business, which requires extensive experience and a comprehensive approach to mediation between investors and future buyers, is one of the most challenging in the real estate sector and high-quality representatives are today a valued staff in the market due to many years of experience gained through participation in various projects.



### ALEKSANDAR ILIĆ

*Leasing Consultant*

Belgrade set one of its construction records a year ago when it registered the millionth square meter of office space. Although the construction of new business facilities in Belgrade, as well as the renovation of existing ones, is in full swing, the fact that every new office that appears in sight finds a renter before it is ready for use, clearly shows how high the demand is in this sector.



### BRANKA PETKOVIĆ

*Valuation Sector Coordinator*

Leading banks, financial institutions as well as real estate companies choose us in different projects for our unique approach in combining established international assessment methodologies and adapting them to the local market based on our comprehensive knowledge of local regulations and laws, standards and trends in the market.

DEVELOPMENT AGENCY OF SERBIA

# FIRST POINT OF CONTACT FOR FOREIGN INVESTORS

Since the onset of economic reforms Serbia has become one of the most attractive countries in Central and Eastern Europe for investing, which has resulted in over 37 billion euros worth foreign direct investments (FDI) since 2007. We asked Mr. Radoš Gazdić, Agency's acting director, to explain what are Serbia's advantages motivating foreign investors to give preference to this location

By: **GORDANA KNEŽEVIĆ MONAŠEVIĆ**  
Photo: **DEVELOPMENT AGENCY OF SERBIA**

**D**evelopment Agency of Serbia is an agency of the Republic of Serbia established with an aim to stimulate and facilitate inward FDI, promote and enhance export opportunities, development and advancement of local companies, as well as overall regional economic development and reputation of the Republic of Serbia, by providing necessary expert skills and operational support.

For every direct investor, Development Agency is the first point of contact for obtaining relevant information and necessary support throughout this process - from the project preparation phase, location identification and analysis, to the full realization of the investment.

Radoš Gazdić, Agency's acting director, talks about the factors creating the stimulating investment climate in Serbia, reveals what it is that construction and real estate investors find most attractive, and explains all steps of cooperation with the Agency throughout the implementation of an investment project.

**Serbia received 3.9 billion euros worth foreign direct investments in 2021, which is more than it attracted in 2019, when it received the record amount of 3.815 billion FDI. Do these results make Serbia regional and possibly even European record-holder in FDI?**

  
**RADOŠ GAZDIĆ**

Acting director,  
Development Agency of  
Serbia





– These are still preliminary data, but Serbia is no doubt regional leader when it comes to attracting FDI. According to data for the first six months of 2021, which is also available for other countries, Serbia is by far the regional leader, but also in comparison to some EU countries, such as Bulgaria or Slovakia. With FDI worth 1.758 billion euros, Serbia is ahead of Bulgaria with 653 million worth FDI received during the same period of time, Slovakia with 650 million, Albania with 463 million and Macedonia who received 247 million euros of FDI.

**Favourable business and investment climate is one of the key reasons for Serbia's success in attracting foreign investments. What is,**

**according to you, Serbia's comparative advantage in this part of Europe for a foreign investor contemplating to invest their money into a new project?**

– There are many factors and aspects that create favourable investment climate in a country. Political and economic stability is a primary indication to investors, and that is something Serbia definitely possesses. This is something that speaks of a predictable system which guarantees the safety of one's investments, and depicts the state and the government as reliable project partners. Today, Serbia has a reputation of a country where investment projects can be successfully realized thanks to an organized system in place, support offered by all relevant

institutions and Government's overall dedication on one hand, and positive feedback from investors' companies, on the other hand.

Serbia's another comparative advantage is our highly qualified and skilled human capital. We are the only country in the region that boasts a well developed dual education system, both at high school and university levels, based on the best European models, such as German and Swiss. This allows for cooperation between science and universities with the private sector, with an aim to boost development of both science and economy.

Furthermore, geographically, and logistically speaking, Serbia is most suitably located at the juncture of East and West, which provides investors with good connectivity and access to markets on both sides of the world. We are also one of the few countries which provide the opportunity of duty-free-exports to EU, CEFTA, EFTA, Russia, Eurasian Union and Turkey, thanks to our free-trade agreements. Finally, if we add to all that preferential trade agreements with USA, Japan and Australia, we come to conclusion that Serbia provides investors with an access to markets with over 1,3 billion consumers. Other favorable factors for investors are very competitive operational costs, opportunity to operate in free zones, and some other financial and nonfinancial incentives which are on offer.

**Annual inflow of three to four billion of FDI has been a trend of the past few years, which tells of the fact that there are many foreign companies doing business in Serbia for some time now. Which foreign companies would you single out as examples of good practice and what has been their experience of operating in Serbia so far?**

– FDI growth trends in the past few years are remarkable. As employees of the Development Agency, which is





the primary address for most investors in the initial phase of investment planning, we have witnessed a rapid growth in the number of investor queries, particularly in the past two years. For example, number of projects in the negotiation phase was almost twice as higher in 2021 than it was in 2019 which had been the record year.

Some of the leaders in their industries are working here and have already reinvested in Serbia several times over. One such example is Continental with as many as three projects in Serbia, one of them a research and development project, and factories developing and constructing most advanced technology segments for the new-age automotive industry - such as software development and other autonomous driving solutions. It is one of the companies whose decision to reinvest and keep enhancing its capacities in our country speaks of overall satisfaction with doing business here and of recognizing the quality Serbia offers, primarily the expertise and skills of our engineers.

There is an increasing number of companies investing in research and development centers and in creating innovation in our country. These are, for example, ZF Friedrichshafen, one of the largest suppliers in automotive industry, or Siemens and Bosch, who



overall image and promotion of Serbia as an attractive investment destination. Today, we have names such as Japanese producer of electric motors NIDEC, Toyo Tires and MTU engines in the field of aerospace industry, Brose in automotive industry, Barry Callebaut as a well-known name in the confectionery and food industry - opting for Serbia as its new or recurrent investment destination.

**Forty investment agreements were signed in 2019, anticipating over 12.000 job openings. By the end of 2020, 22 agreements of around 1.6 billion euros worth were signed, which should ensure 5.906 employment opportunities. What are the 2021 figures like?**

will directly result in 8.721 new jobs. We should keep in mind that this figure does not include a large number of the ongoing projects which have not been supported by incentives. There are many companies not applying for incentives for various reasons, and instead seek consultative services from our Agency on coming to Serbia and initiating their operations and manufacturing processes. So, when all this is considered, the total number of projects and investments the Agency is involved in by providing different services, is actually much higher than the mentioned number of agreements.

**SERBIA'S COMPARATIVE ADVANTAGE IS THE FACT THAT WE HAVE HIGHLY QUALIFIED AND SKILLED HUMAN CAPITAL, AS WELL AS OUR GEOGRAPHIC LOCATION, AS WE ARE SITUATED AT THE JUNCTURE OF EAST AND WEST**

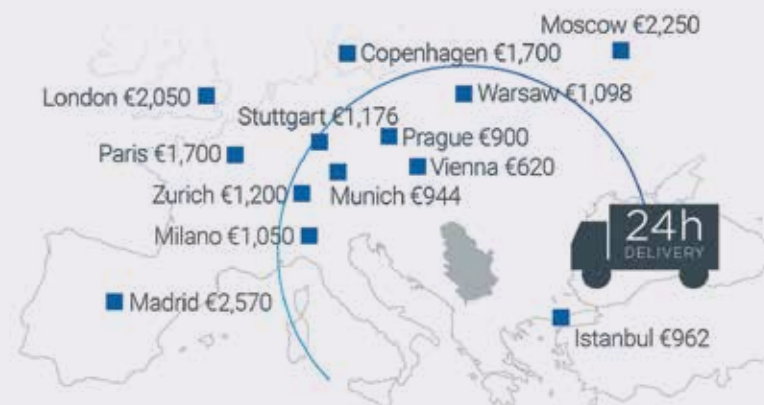
**We are witnessing an intensive expansion of the real estate sector and a construction boom in Serbia. We may say that the whole of Serbia, and particularly Belgrade, has become a huge construction site. Roads, railways, subway, residential, commercial and hotel areas, logistic hubs and retail centers are under construction. What is most attractive for foreign investors in this sector and which companies have already recognized the potentials of this sector in Serbia?**

– As the industry accounting for 5.8% of our country's GDP with investments amounting up to 400 million euros in 2020, construction and real estate industries in Serbia have a significant growth potential. It is remark-

have been operating here for a number of years, and whose effects on development of our economy and on our initial success in attracting investments can hardly be overestimated. All these examples of good practice played a unique role in creating the

– We are equally happy with this year's figures when it comes to the number of agreements related to incentives and planned investments. In the past year we signed 50 investment agreements foreseeing investment value of over 630 million euros, which

### Average Road Transportation Costs (1€ per km)



able that there were 87,491 active construction sites in Serbia until September last year. The outstanding interest in investing in infrastructure and constructions of various purposes is closely linked with the growth of tourism and the fact that Belgrade and Novi Sad, as well as some other locations, such as spas and mountain resorts, are becoming increasingly popular among tourists, especially foreigners. There are still many opportunities for investing, for example, in spa-tourism across Serbia, considering that our country has over 50 spas and climatic resorts as well as over one thousand natural springs. A favorable factor for potential investors in real estate industry is our efficiency in dealing with building permits - Serbia is ranked among the top ten countries in the world with the shortest building permit procedures.

We are having an expansion of industrial construction and building of logistic hubs and office space, all of which is directly linked to our success in attracting foreign direct investment in a variety of industries.

Some investors already present in our market are Eagle Hills, project developer of the largest residential project in this part of the region - Belgrade Waterfront, AFI Group (AFI Europe), CTP as a leading industrial and logistics investor and developer, Plaza Centers, BIG CEE, Arlon, GTC, BLUE-

HOUSE, CA IMMO, Immofinanz, Mitiska, Nepi Rockcastle, Hyprop...

### Which incentives are offered to foreign investors deciding to invest in Serbia?

- A broad array of incentives and benefits are available to those opting for Serbia as investment destination. We are talking of different forms of financial and nonfinancial stimuli. Financial incentives include - subsidies for the manufacturing industry and services focused on international trade;

### SOME INVESTORS IN THE FIELD OF CONSTRUCTION AND REAL ESTATE ALREADY PRESENT IN OUR MARKET ARE EAGLE HILLS, AFI GROUP (AFI EUROPE), CTP, PLAZA CENTERS, BIG CEE, ARLON, GTC, BLUEHOUSE, CA IMMO, IMMOFINANZ, MITISKA, NEPI ROCKCASTLE, HYPROP...

tax reliefs, Tax Holiday and "no double taxation", tax relief for R&D activities and for IP (intellectual property) development in Serbia, various incentives for employment and training (education) of employees. Furthermore, by operating in one of the 15 Free Zones in Serbia investor can avail of preferential tax regime (VAT and customs duties exemption for import of raw material and material intended for manufacturing of goods for export;

machines, equipment, and construction material). Export and import in the free zone are limitless. Goods imported from the zone to the domestic market are subject to the foreign goods import regulations. Finally, employers operating within the free zone are given the opportunity to rent office premises, workrooms, and storage space under favorable conditions.

### Is Serbia's Development Agency the first and principal point of contact for potential foreign investors and what is the tangible assistance and support they can expect from you?

- Serbia's Development Agency serves as the primary contact for all potential investors and represents a partner on behalf of the Government, from the initial phase of expressing interest by investor, throughout the entire process of project preparation, location identification, analysis, application for incentives, all the way to investment realization. We provide support in needs analysis for the potential project related to location, traffic, communal and other infrastructure elements, work-

force, potential partners and suppliers, access to financial and other forms of support available; in dealing with challenges and in Aftercare support - following the completion of the project. So, we are talking of consultancy services and other forms of assistance in each and every phase of the investment realization and the cooperation upon its completion, with an aim to improve business and overall investment climate in our country. ●



# Investment potential of Serbian tourism: Spa and Special Climate regions



The Government of the Republic of Serbia  
The Development Agency of Serbia

View point on Lake Uvac from Air Spa Zlatar, Western Serbia

2021

## Brief overview of the potential of Serbian Spa and Special Climate regions

28

Spa Areas in  
Serbia



Enriched with  
minerals such as  
**sodium, sulfur,  
calcium, potassium  
and magnesium**

Up to **110°C**

Highest temperature  
of the **natural  
thermo-mineral water**  
in Serbia

19

Special Climate  
Districts



3 Mountain Climate  
District altitudes:  
**1496 m** (Zlatibor)  
**1132 m** (Rudnik)  
**980 m** (Divčibare)

Ozone **O<sub>3</sub>**

High concentrations  
of **ions and ozone** in  
the air with **no  
air pollutants**

2,000

Years old tradition dating  
from the Roman Empire



Presence of ancient  
**Roman, Turkish and  
genuine Serbian  
baths** unfolds the rich  
tradition and heritage



**17 Roman Emperors**  
were born in Serbia  
where strong medieval  
dynasties have ruled

Over **3.6 B**

People do not need  
visa to enter Serbia



Among other  
countries, no visa  
regime applies to  
the **USA, EU, Russia,  
India and China**



**3 Airports**  
Direct lines to every  
**EMEA destination**  
and the **USA via  
New York**

**2.8 M**

Nights spent by tourists in  
spa areas in 2019



As currently **87%** of  
tourists in spa areas are  
domestic, the **potential  
for international growth**  
is huge

**#1**

**Spa areas** are country's  
**most visited touristic  
sites**, exceeding even  
Belgrade's performance



## Brief overview of notable recent investments in Serbian Spa & Wellness

Total investment value  
**160 M EUR**

Total number of new employees  
**> 1 K**

Additional capacities (rooms)  
**> 2 K**



Vrdnik Spa - Fruške Terme



Vranjska Spa - Marriott



Divčibare Climate District - Crni Vrh



Vrnjačka Spa - Fontana



Vrnjačka Spa - Tonanti



Vrnjačka Spa - Terme Vrnjci



Vrnjačka Spa - Terme Vrnjci



Sokobanja Spa - Sunce



Lukovska Spa - Bela Jela



Zlatibor Climate District - Tonanti



Kuršumlijska Spa - Žubor



Zlatibor Climate District - Tankmont

## Brief overview of global notable hotel brands in Serbia



## Brief overview of 3 projects currently in the pipeline

High category hotel complexes in Vranjska Spa, Kuršumlijska Spa and Zlatibor

### Vranjska Spa

#### Marriot Hotel



Investment

**66**

Million EUR

N° of employees

**145**

**Under construction**

### Kuršumlijska Spa

#### Hotel Žubor



Investment

**12.4**

Million EUR

N° of employees

**70**

**Under construction**

### Zlatibor

#### Tankmont Hospitality



Investment

**10.6**

Million EUR

N° of employees

**72**

**Under construction**





## Snapshot of recent investments in Spa and Special Climate Districts

During the last 3 years, Serbian Spa and Special Climate Districts have experienced the biggest rise of hotel capacities in their modern history

### KEY STATS & FIGURES FROM 2018



**160 M EUR**

Total investment value



**1.029**

Number of employees



**1.930**

Additional capacities (rooms)



**32 M EUR**

Cash incentives provided



# Unique investment opportunity: Spa & Wellness Cluster Area in Western Serbia

Additional Greenfield opportunity:  
Hidden rural gateway  
spa in Western Serbia



Slatinska  
Spa

Unique health benefits



Located just 18 km away from the City of Čačak, Slatinska Spa and its natural thermomineral water is known for curing Rheumatism, Arthritis, Gout and Rheumatoid Arthritis.

#### Key stats

Total greenfield area available:  
**16 ha**

Minerals:  
**K Li Rb Sr Cs Ba P**

Highest Water Temp:  
**16.8°C**

Altitude:  
**275 m**

Greenfield opportunity as focus

## Breathtaking natural gem in Western Serbia



Ovčar Spa  
Landscape



Ovčar Spa  
Gorge



Ovčar Spa  
Greenfield Site

Unique health benefits



Located in the heart of Western Serbia, just 17 km away from the City of Čačak, Ovčar Spa and its natural thermomineral water is known for curing: **Rheumatic diseases, Degenerative rheumatism, Spondylosis, Arthroze, Consequences of bone fracture, Nervous diseases, Muscle tissue injuries, Skin diseases**

#### Key stats

Total greenfield area available:  
**11 ha**

Minerals:  
**Ca Na K Li Rb Cs Sr Ba I Br P Mn**

Highest Water Temp:  
**36°C**

Altitude:  
**278 m**

Connectivity

Morava Regional Airport:  
**40 km**

Nikola Tesla International Airport:  
**140 km**

Bosnia & Herzegovina Border:  
**90 km**

Montenegro Border:  
**150 km**

Culture & attractions

Serbian Orthodox Church Monasteries:  
**10**

Artificial Lake Medunjski:  
**11 km**

Hiking, Cycling & Mountain trails:  
**8 trails**

Ovčar & Kopaonik Mountains:  
**985 m**

Additional Greenfield opportunity:  
Hidden in nature medical  
treatment spa in Western Serbia



Atomska  
Spa

Unique health benefits



Located just 17 km away from the City of Čačak, Atomska Spa and its natural thermomineral water is known for curing: **Rheumatic diseases, Various diseases of the gastrointestinal tract**

#### Key stats

Total greenfield area available:  
**11 ha**

Minerals:  
**Rn Cs**

Highest Water Temp:  
**30°C**

Altitude:  
**460 m**

## Detailed overview of Spa locations in Serbia

Nature consisted of hills and mountains in Western and Central, canyons in Southern and flat land in Northern Serbia

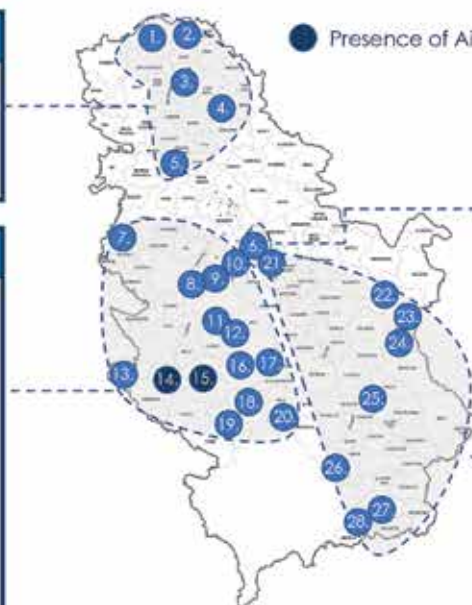
### Northern Serbia Spas

1. PALIĆ (Subotica)
2. KANJIZA (Kanjiža)
3. SPA BEČEJ (Bečej)
4. RUSANDA (Melenci, Zrenjanin)
5. VRDNIK (Vrdnik, Irig)

### Central & Western Serbia Spas

7. SPA KOVILJAČA (Loznica)
8. SPA VRUJCI (Mionica)
9. SPA LJIG (Ljig)
10. BUKOVIČKA SPA (Arandelovac)
11. GORNJA TREPČA (Čačak)
12. OVČAR SPA (Čačak)
13. PRIBOJSKA SPA (Priboj)
14. AIR SPA ZLATAR (Nova Varoš)
15. AIR SPA IVANJICA (Ivanjica)
16. MATARUŠKA SPA (Kraljevo)
17. VRNJAČKA SPA (Vrnjačka Banja)
18. JOŠANIČKA SPA (Raška)
19. NOVOPAZARSKA SPA (Novi Pazar)
20. LUKOVSKA SPA (Raška)

● Presence of Air Spas



### Belgrade Region Spa

6. SELTERS SPA (Mladenovac)

### Central, Eastern & Southern Serbia Spas

21. PALANAČKI KISELJAK (Smederevska Palanka)
22. BRESTOVAČKA SPA (Bor)
23. GAMZIGRADSKA SPA (Zaječar)
24. SOKOBANJA SPA (Sokobanja)
25. NIŠKA SPA (Niš)
26. SIJARINSKA SPA (Medveđa)
27. VRANJSKA SPA (Vranje)
28. BUJANOVAČKA SPA (Bujanovac)

BRIEF OVERVIEW OF SPA SECTOR

STATISTICS OVERVIEW OF SPAS IN SERBIA

GRADE THE SPAS AND BENEFITS



**DEVELOPMENT AGENCY OF SERBIA**

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## IRIG

# A HEALING GEM OF NATURE IN VOJVODINA

With its excellent position, the gorgeous beauty of the mountain Fruška Gora, the Vrdnik Spa, famous for its clean air and healing thermal water, with its celebrated wineries, and numerous tourist attractions and activities, the municipality of Irig offers great opportunities for investing, especially in hotel complexes and residential villas

Photos: **MUNICIPALITY OF IRIG**



**I**rig is a visitor-friendly municipality, offering rich cultural and touristic content to both the visitors and its inhabitants. In addition, Irig has an exceptional natural surroundings. The town is located on the southern slopes of Fruška Gora which is a mountain in north Srem, also referred to as jewel of Serbia due to its beautiful landscape, nature and its picturesque countryside. Fruška Gora is the oldest modern na-



tional park in Serbia, with highest concentration of linden forests in Europe and home to many protected species of plants, insects and animals.

Irig is a municipality with 12 communities. It covers an area of 225 square kilometers, and has a population of roughly 10,000 people. Irig, being a settlement on the Fruška gora domain, enjoys a very advantageous geographic location, particularly in terms of tourist trends.



### CONNECTIVITY

Located in Vojvodina Region, Irig is 25 km away from Novi Sad, which is second largest city in Serbia, 75 km away from Belgrade and 30 km from Nikola Tesla airport. It is located within 25 km away from both main motorways A1 and A3. A new motorway connecting highways A1 and A3, and cities Novi Sad-Irig-Ruma-Šabac (with a tunnel through Fruška Gora) and the motorway Šabac-Loznica, is under construction and is expected to be completed by the end of next year.

### ECONOMY

The leading branches in the development of industrial production are the food industry, metal industry, and construction materials industry. The development of the food industry is based on the processing of fruits and grapes, the production of animal feed, and the communal slaughterhouse. The metal industry is concentrated mainly in Vrdnik, where companies operate for the production of equipment, accessories, and machines, cut-

ting materials with water jets, etc. The construction materials industry and its development are based on the existing raw material potential, primarily clay, on which a privately owned brickyard was built in Irig.

Viticulture is one of the most important segments of agricultural activity in the municipality. It is characterized by excellent climatic and geological conditions, a long tradition of viticulture and winemaking, as well as the recognizability of the geographical origin of Fruška Gora wines. On the territory of the municipality of Irig, there are three most important wineries in terms of the amount of wine produced, namely: "Kovačević", "Mačkov Podrum" and "Deurić". In addition to wine, quality goat cheeses, cured meat products and brandy can be found in Irig.

### TOURISM POTENTIAL

The municipality of Irig has very favorable geographical and natural characteristics for the development of tourism, because it is located on the

## ITALIAN RIESLING



Fruška Gora is an area of Italian Riesling, and according to some, even its ancient homeland. More than half of the vineyards on this beautiful mountain in Vojvodina are under that type of vine. Due to its geographical position, proximity to the Danube, microclimate and reflection of the sun from the surface of the Danube, in this area the grapes ripen earlier and have a higher percentage of sugar.





## SERBIAN ATHOS



Monastery Hopovo

There are 17 orthodox monasteries along the edge of Fruška Gora, built at the end of the 15th and during the 16th century. This imposing monastery complex was mostly renovated in the 18th century and forms a specific cultural and historical whole of Serbian baroque art. Thanks to a large number of monasteries in one place, Fruška Gora received the epithet "Serbian Athos". The most famous monasteries are Mala Remeta, Mala Ravanica, Jazak, Krušedol, Hopovo, etc.

slopes of Fruška gora, in the central part of Srem. According to the Spatial Plan of the Republic of Serbia, Fruška Gora is singled out as a primary tourist destination, and Vrdnik Spa is classified as a spa tourist place of national importance.

Due to its attractive resources, the municipality of Irig has a huge potential for the development of various tourist contents. Some of them are:

- Activities such as hiking, mountaineering, cycling, horseback riding, camping, hunting, fishing, water sports activities, winter and extreme sports, such as adrenaline parks, bike parks, zip lines, paragliding, hang gliding...
- Cultural-thematic routes, such as visits to Fruška Gora monasteries, wine routes, etc.
- Business tourism (meetings, congresses, seminars and workshops)
- Health and Spa & Wellness tourism
- Ecotourism (bird watching, beekeeping, nature studies...)
- Rural tourism (stays on farms and in rural tourist households and activities related to life in rural settlements)
- Ethnotourism (visits to ethno galleries,

gastronomy and consumption of organically produced food, introduction to customs and old crafts).

### VRDNIK SPA: NATURAL HEALTH RESORT

Irig is famous for its healing, thermo-mineral springs in the Vrdnik village. Health tourism has a long history, and for many years, Vrdnik has been among the top health, wellness, and recreational centres in Serbia. Banja Vrdnik is located in an extraordinary natural amphitheater, surrounded by gentle stream valleys, overgrown with lush and diverse vegetation. It provides excellent opportunities for treatment, rest and recreation, as well as tourism, given the many cultural and historical monuments in the vicinity.

In the spa, the source of acid and the source of thermal water stand out. The source of acidic mineral water is located in the valley of Vrdnički potok. This spring was discovered in 1953 and gives about 50 liters of water per minute at a temperature of 15.5 °C. There is another spring with thermal water with a temperature of 32.8 °C. Water is classified as sodium-magne-







sium-hydrocarbonate-sulfide homeo-therm, and is successfully used in the treatment of rheumatism and postoperative rehabilitation.

There are two spa and wellness hotels in Vrdnik: Premier Aqua and Hotel Termal.

Today, the Termal Special Rehabilitation Hospital has a modern facility with a total area of 11,000 square meters and five pools with thermal water - open Olympic and children's, indoor recreational and children's and therapeutic. It has 254 beds in triple, double and single rooms and deluxe rooms (96 rooms

in total), two restaurants, aperitif bar and sun terraces. The building has a business center with a modern congress hall with a capacity of 500 seats and a meeting room with a capacity of 25 seats, which has been completely renovated, and equipped with adequate technical equipment.

The special hospital is known for its successful treatment of a wide range of rheumatic and neurological diseases, such as all degenerative diseases of the locomotor system, inflammatory rheumatism in remission, extraarticular rheumatism, soft tissue

injuries, post-traumatic limb conditions, multiple sclerosis, rheumatoid arthritis, peripheral deprivation, psoriasis, Parkinson's disease, sports injuries and many other diseases.

Hotel Premier Aqua (5 \*) is an ideal combination of natural beauty and peace of Fruška Gora with the latest technology and comfort of a high category hotel that can satisfy even the most discerning guest with the wealth of its facilities. The hotel has a modern spa, outdoor and indoor swimming pools, a congress hall, a restaurant and richly equipped rooms and suites. ●

## INVESTMENT OFFERS

There are three most appealing locations on the territory of our municipality that we can offer for larger investments that are in accordance with the path of municipal development.

# 01

The site is on the right side of the entrance to the Vrdnik Spa. It involves construction land on cadastral parcel 4781/1, with a total area of 5 hectares, 40 acres, and 85 m<sup>2</sup>. The plot is intended for the construction of a tourist complex and residential villas.

# 02

The second location is at the exit from Irig towards Fruška Gora, near the future Fruška Gora corridor. It is planned to be a vacation-home zone and a tourist-recreational area.

# 03

The third location is the industrial zone in Irig, at the entrance to Irig from the direction of Ruma, next to the state road Ib row no. 21. The area is about 57 ha. There are 4 companies operating on 12 hectares, the rest is undeveloped construction land.



**CONTACT** Opština Irig • Vojvode Putnika 1, 22406 Irig, Srbija • Tel: +381 22 400 600 • [www.irig.rs](http://www.irig.rs)



## VRNJAČKA BANJA

# A MAGICAL PLACE IN THE HEART OF SERBIA LIKE NO OTHER

Vrnjačka Banja has always been the most popular spa resort in Serbia and rightfully named "queen of the continental tourism". According to official data, Vrnjačka Banja is among the three top investment destinations in Serbia guaranteeing the quickest return to your investments

By: **VIOLETA TRIFUNOVIĆ**  
Photo: **VRNJAČKA BANJA**

**V**rnjačka Banja is situated at 400 m above sea level, 200 km south of Belgrade and 120 km northwest of Niš. It covers an area of 240 square kilometers and its current population is close to 28.000 residents.

Vrnjačka Banja boasts 154 years of tourism tradition. It is known to have 165 types



of rare plants, alleys with 1.000 century-old trees, 60 hectares of cultivated parks, and seven mineral water springs whose temperatures vary from 14 to 37 degrees Celsius. This statistics speaks of the reasons why Vrnjačka Banja is the most popular domestic tourism destination and Serbian First tourist category location.



### HEALTH TOURISM

Health tourism is at the core of the Vrnjačka Banja tourist offer, which has always been a synonym for a place of health, healing and recovery. Medical services offered today by the specialized institution „Merkur“, which include natural health therapies, aesthetic medicine as well as wellness and spa treatments, are cut-

ting edge of this type of medical care.

Apart from the health tourism, Vrnjačka Banja has a developed sport tourism, cultural manifestations tourism and congress tourism.

### AIRPORT AND HIGHWAY

When it comes to accessibility, the newly opened Lađevci airport is just a couple of kilometers away.

Government project „Morava corridor“, a highway which will cut the time needed to get from Kragujevac and Belgrade to Vrnjačka Banja to just an hour and a half drive is to be finished by 2025. This corridor is also the route used by over one million of tourists passing here on their way to Bulgaria, Turkey or Greece.



### BOBAN ĐUROVIĆ

President of the Vrnjačka Banja Municipality

It is my honor but also a huge responsibility that Vrnjačka Banja will mark a turning point in Serbia's tourism development during my mandate. During the first 154 years there have been innumerable individual contributions to positioning our town as the Queen of the continental tourism, a title it held for a century and a half. We never suffered from the shortage of ideas and plans and the people of Vrnjačka Banja are known for their hospitality and willingness to work together for a common aim. Vrnjačka Banja intends to selfishly keep its leadership position. Welcome to the most popular and most frequently visited spa resort in Serbia, a destination which serves as a perfect example of sustainable tourism and unrivaled competitiveness.

## ROMAN HISTORY AND EUROPEAN TRADITION

The first evidence of use of spring water dates back to the first centuries A.D. when today's Balkans were under the Roman rule. During the pipes installation works to capture the Vrnjci hot spring water in 1924, a Roman spring was discovered and a pile of nickles dating 3rd and 4th century A.D. Evidence of Roman history made Vrnjačka Banja eligible to join the Association of Roman Thermal Spas of Europe in 2018.

Following the liberation of Serbia from Turkish rule, Prince Miloš Obrenović instigated the exploration of mineral resources and thermal waters throughout the principality. In 1835, Baron Herder of Saxony came to Serbia at the invitation of the Prince Miloš with the purpose to carry out initial explorations. Jeftimije Hadži Popović, a priest from Vrnjačka Banja provided him with two containers of hot thermal water from the Vrnjci spa. Baron Herder's analysis revealed the samples to be acid-hot water, which is rare in nature. This confirmation is the first written document mentioning the mineral water in Vrnjci.

The history of the modern and organized tourism

begins in 19th century. The word got around about the healing properties of the Vrnjci waters and the place became attractive for many educated people of that time – doctors, engineers, architects from European Universities, coming from Germany, Austria, Czechia. They carried out spring water capturing processes, designed parks in the French baroque style, built villas and bungalows... It is thanks to them that European atmosphere and culture became intrinsic elements of Vrnjačka Banja. When Defence and Construction Minister, general Belimarković built the „Belimarković“ palace there, Vrnjci became attractive for political, business and cultural elite of that time. Due to its healing water, urban planning concept, lavish parks and authentic architecture, it was compared to the famous French spa resort Vichy, Czech Karlovy Vary and German Baden Baden.

There is an incredible information of 970.000 nights spent in 1938 in Vrnjačka Banja, which is more than the total number of overnights in Belgrade, Bled and Dubrovnik in the same year.



Hotel Vrnjačke Terme



Hotel Zepter



Hotel Tonanti



Hotel Vrnjačko Vrelo

## NEW WELLNESS&SPA OFFER WORTH 200 MILLION EURO

In writing its new history chapters, Vrnjačka Banja has acquired some new partners. Today, they are members of the same team, setting together new goals and higher standards. In the past four years hotel investments were realized worth almost two hundred million euro. The projects include a wide range of spa & wellness programmes and construction of more than 20 indoor and outdoor swimming pools. Six new four-star hotels were opened - „Fontana“, „Zepter“, „Slatina“, „Banbus“, „Vrnjačke terme“ and „Vrnjačko vrelo“ - as well as two five-star hotels - „Tonanti“ and „Park“. This year we expect additional parts of the „Zepter“ and „Splendor“ hotels to be opened and this is not the end of investing trends in our queen of the continental tourism.

## COMPLETED INVESTMENT PROJECTS

Projects have been completed in Vrnjačka Banja in cooperation with the Serbian Government which have changed both its appearances and its future tourism development. More than 10 million euros has been invested in the reconstruction of the infrastructure and the heart of the town. Some European trends were followed in the reconstruction of the Promenade, arrangements of the waterfall and Church Hill areas, complete adaptation of the Summer Stage, laying down of new prom-

## FOLLOWING PROJECTS WILL ADDITIONALLY LEAD TO INCREASE OF PROPERTY VALUE IN VRNJAČKA BANJA:

- The “Paradise Mountain of Goč” project, only 12 km from the Vrnjačka banja, and construction of a mountain gondola 6.9 km long, worth 23 million euro, going from the Centre of Vrnjačka banja, with one substation, and ending up at the highest mountain peak. These two projects will be funded as state investments. The gondola will be open year-around and will pass through beautiful rainforest landscapes and above hunting

grounds of the Goč mountain. There are many investment options in the Goč mountain area: sports and tourist programmes, building of mountain tourist resorts...

- There are hotels in the area and the very heart of Vrnjačka Banja and its Central Park, still waiting to be privatized, such as „Beli Izvor“ on the Goč mountain, hotel „Železničar“ in the central area, hotel „Serbia“ and „Snežnik“ in the exclusive area of Vrnjačka Banja.



Paradise Mountain Goč project



Selište lake on Goč mountain



enades, while the old aristocratic character of Vrnjačka Banja was preserved. Public parks, plazas, fountains and the complete infrastructure were renovated.

In line with the promotion of the sports and healthy lifestyle, several sports halls were constructed, one of which, the „Vrnjačka Banja“ sports hall, fulfills the standards needed for the professional sports competitions and trainings. This year, Vrnjačka Banja's offer will be enriched by a most up-to-date aqua park with high-altitude water slides and other facilities unique in this part of the Balkans. The aqua park will spread over an area of 3.5 hectares and will have programmes for all age categories. Another ongoing project is the construction of a wastewater treatment plant, worth 20 million euros.

By investing into new hotel capacities and by rehabilitating the existing four, five and five star plus hotels, Vrnjačka Banja boasts a competitive tourist offer for the European and world markets.

### INVESTMENT OPTIONS

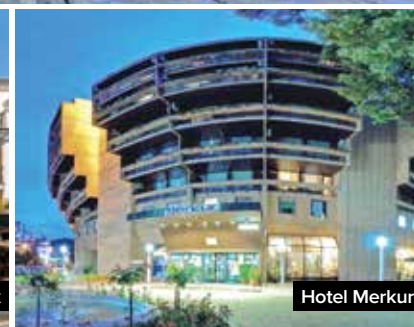
A recently carried out survey places Vrnjačka Banja among the top three investment destinations guaranteeing the quickest return of investments. According to the Ministry of tourism official statistics Vrnjačka Banja has in the past five years been the most popular destination for domestic guests and among the first three for foreign guests. ●



Hotel Fontana



Hotel Park



Hotel Merkur



Hotel Solaris

- Particularly attractive is investment into sport tourism, especially football grounds, because Vrnjačka Banja has in the past few years been favorite destination for professional sportists, those preparing for Olympic games, and international sport clubs preparations.



Kedar village on Goč mountain

### TRIVIA

- In the 70s Vrnjačka Banja used to have over 130 millionaires
- In the 70s the new Merkur hotel building was declared the best architectural solution in Serbia (architects: Miloš Konstatinović and Dimitrije Ivančević)

- "Games Without Borders" were held in Vrnjačka Banja in 1990 with following participants: Spain, Italy, Portugal, San Marino, France and Yugoslavia

- Prince Miloš Obrenović, royal family Karadžević, Josip Broz Tito... were some of the guests of Vrnjačka Banja

### CONTACT

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# LEADING WORLD COMPANIES ARE BUILDING IN SERBIA

The great investment boom in Serbian construction has not happened by chance, says Tomislav Momirović, Minister of Construction, Transport and Infrastructure in the Serbian Government. He explains positive effects of economic, financial and political stability, as well as legislation reform and substantial government investments in building trust of foreign investors

By: **JOVANA NIKOLIĆ**  
Photo: **MGSI**



**TOMISLAV  
MOMIROVIĆ**

Minister of  
Construction,  
Transport and  
Infrastructure

**S**erbia has been working for years on advancing investment options and carried out a reform of a number of laws with an aim to attract foreign investors. These significant changes placed Serbia among the most attractive locations taken into consideration by potential foreign investors from around the world. We have talked to Minister Momirović about the ongoing investment cycle in Serbia, massive infrastructure projects and construction projects that are being realized in cooperation with numerous foreign partners.

**The highest number ever of building permits issued and active construction sites in the past year, satellite image of Serbia showing million new buildings constructed in the past five years, largest ever overall real estate transactions - these are best indications of the construction boom taking place right now in Serbia. How would you define it?**

– We are witnessing the greatest investment boom in the history of Serbian construction in the past 70 years. The number of building permits issued in Serbia in 2021 is the highest ever. The total value of invest-



ments launched and covering almost 100,000 active building sites equals 23 billion EURO, which is also the largest amount to date. Being one of the the largest Ministries in the Government of Serbia, this sector has maximum responsibility in making of a modern Serbia and in developing its economic future. Construction in general, and particularly large state investments in infrastructure, play a major role in maintaining the state's macroeconomic stability. Ongoing projects are the most significant we had in the past 70 years and their purpose is a complete modernization of Serbia which strives to reach an equal level of development as EU countries. The amount allocated for capital investments in the 2022 budget law is twice as high as the last year's, which is sure to have positive effects on the next year's GDP growth.

**To which extent have foreign investors participated in the last year's construction projects?**

– An unparalleled construction expansion is the main reason for an increased trust of foreign investors. Another important factor is the stability of the financial sector which has, thanks to reforms launched by Serbian President Aleksandar Vučić, resulted in partnerships with foreign investors enabling incorporation of mutual visions into ambitious projects we have ongoing across the country. This tells us that the investment boom in Serbia has not happened by chance. It is instead a result of favourable economic conditions and reform measures. That's why this government set itself ambitious tasks in building traffic infrastructure, which are about to be fulfilled. With regard to significant foreign investments, we are proud to have created a predictable and stable business climate based on legality, first-rate workforce and the reputation of having an overall conducive business environment.



Belgrade is Serbia's investment gate and a new capital's port is going to be the largest logistic hub in the Western Balkans

**As we are speaking, 1,200 km of highway is under construction or in the planning stage, the railway reconstruction is substantially underway, as well as the construction of the Beograd-Kelebia-Budapest high speed rail. What are the countries Serbia cooperates with in infrastructure projects and is there a niche for additional foreign companies here?**

**BELGRADE IS SERBIA'S INVESTMENT GATE. OUR CAPITAL HAS POSITIVE CREDIT RATING WHICH MAKES IT THE BEST INVESTMENT DESTINATION IN THIS PART OF EUROPE**

– The "Serbia 2020-2025" programme was initiated by President Vučić and the Government of Serbia with an aim to boost Serbia's future and, on the basis of fiscal consolidation, create a modern functional state with best roads, fastest railways, digital highways, but also an ecologically safe environment. The Government's strategy is to realize massive infrastructure projects in cooperation and friendly partnership with some of the major economic and political actors. We can proudly say that some of the

leading world companies are building in Serbia.

American consortium Bechtel-Enka is constructing the Morava transit corridor. More than 2,700 workers are engaged in building this only digital transit corridor in Serbia. This is foreseen to be the "traffic backbone" of Serbia around which many industrial zones will be set up, where numerous European and global companies

will be given the opportunity to open their branches.

Chinese company CRBC is building the Preljina-Požega highway as an important connection between Western Serbia with Belgrade and further on with Montenegro. When it comes to Belgrade-Sarajevo highway which will provide an excellent connection between Serbia and BiH, Turkish company TAŞYAPI covers the Sremska Rača-Kuzmin section.

In cooperation with our Chinese and Russian partners we are building





The most up-to-date high speed rail in Eastern Europe will connect Belgrade with Europe, via Budapest

the most up-to-date high speed rail in Eastern Europe which will connect our capital Belgrade with Europe, via Budapest.

All this information tells of the great value of the investment cycle we are setting off, it speaks of the successful cooperation with numerous foreign partners and says that we are witnessing a moment that many generations dreamt of.

– Construction of a new port in Belgrade is considered to be one of the most important projects for development of Serbia's transport infrastructure which will create added value for Serbian economy by allowing import of raw materials and export of finished products by using water transport which is the most cost effective means of transport when it comes to transporting large quantities of goods

**CONSTRUCTION OF A NEW PORT IN BELGRADE IS CONSIDERED TO BE ONE OF THE MOST IMPORTANT PROJECTS FOR DEVELOPMENT OF SERBIA'S TRANSPORT INFRASTRUCTURE. SOME OF THE LEADING PORT OPERATORS HAVE EXPRESSED THEIR INTEREST IN IT: MAERSK, DP WORLD, COSCO, DUISPORT, ETC.**

**One of the major projects planned is construction of a new Belgrade Port which will spread over 50 hectares and which is envisaged to be the largest logistic hub in the Western Balkans. Have any domestic and foreign companies already recognized the potential of this project or shown interest in it?**

over long distances. Considering the geographical position of Serbia and Belgrade, as well as the fact that the project is designed to include the construction of all port terminals adapted to domestic and Western Balkans import and export capacities, and that container terminals are designed according to Dry-port models and in

line with capacities of the largest sea ports in our surroundings (Koper, Rijeka, Thessaloniki, Piraeus and Konstantza), some of the leading port operators have expressed their interest in the Belgrade Port: MAERSK, DP World, COSCO, Duisport, etc.

**What will be Serbia's major targets this year when it comes to investments in construction and infrastructure projects?**

– The priorities of this Ministry are clear - to build a modern and strong Serbia on the basis of the most up-to-date infrastructure. Over 250 billion RSD are allocated to this Ministry in the 2022 budget which is 40% more than in the initial 2021 budget. Apart from the construction of highways, we will be focused on upgrading our railways, an area where we already have some major projects going on, such as some reconstructions and the construction of the high speed rails, i.e. Hungarian-Serbian (Belgrade-Budapest-Hungarian border) railway, Belgrade-Niš railway reconstruction, as well as sections from Niš to Dimitrovgrad.

We are investing in the traffic infrastructure with an aim to make Serbia a leader in the Western Balkans. Due to our geostrategic position, we are an obvious crossroad of many thoroughfares and transport corridors. All these state investments into construction of highways and subways and modernisation of railways boost economic growth by creating jobs and encouraging private investments, especially foreign direct investments. We will not stop, we are moving forward, eager for new challenges and aspiring to make Serbia even more attractive for foreign investors.

**Apart from Belgrade, which towns or municipalities are most attractive for foreign investments in real estate?**

– Belgrade is Serbia's investment gate.





Our capital has positive credit rating which makes it the best investment destination in this part of Europe. Apart from that, by building highways across the country, by investing in airports outside of Belgrade such as „Constantine the Great“ airport in Niš, by reconstructing railways, we are increasing the chances of all towns in Serbia to attract new investors and manufacturers. Construction of roads and railways gives the opportunity to local population to find employment where they live, and we all know how important it is to sustain small towns and the countryside.

We can take Kragujevac as an example. We used to call it “Yugoslav Detroit”. Today, Kragujevac is once again becoming a major industrial force of our country. MIND Park, as the largest industrial park in Serbia, is the source of pride of Kragujevac, Šumadija and all of Serbia. If we want to have such modern industrial centres and bring leading world companies, we must build modern infrastructure. Today, we invest billions of EUROS in traffic infrastructure, we are designing and building 1,200 km of highways and high speed roads, and in March

we will complete the most revolutionary railway project in Serbian history - high speed rail connecting Belgrade and Novi Sad. This will make Novi Sad more attractive for investments, because, as we know, one investment leads to another, and so on. Once you get that positive trend, things develop spontaneously.

**What was the foreign investment that made the strongest impression on you in the past few years?**

– The political stability we have been enjoying for a decade now which is based on the results achieved by the President Aleksandar Vučić, on his energy and his visions, has enabled reform measures which stabilized the economy, reinforced it and made it attractive for investments. Belgrade Waterfront stands out as a symbol of modern and economically strong Serbia. It is the project which placed Belgrade on the map of the most developed European metropolises. It is an impressive part of the city with modern buildings, shopping malls, and the most beautiful river promenade in this part of Europe. When you find yourself in this part of Belgrade, in

a small area, in a not so big country, than you really realize how much this country has advanced and how much it has changed in the past 10 years.

**Do you expect Serbia to remain one of the most attractive investment locations in the forthcoming period?**

– Serbia has been working for years on advancing investment options and carried out a reform of a number of laws with an aim to attract foreign investors. These significant changes placed Serbia among the most attractive locations taken into consideration by potential foreign investors from around the world. All measures undertaken had one common goal - to make Serbia competitive in terms of foreign investments and to maintain it as one of the most attractive locations for foreign investment. In this context, we should mention the automotive industry whose leading world manufacturers and innovators are operating in Serbia, as well as ICT and food industries. This is why we must continue to invest in infrastructure, to persist with capital projects, which will secure higher living standard of our citizens. ●

JADRAN

# INNOVATIVE AND EXPERT SOLUTIONS FOR ALL CONSTRUCTION CHALLENGES



Highest quality of service, strict adherence to deadlines and good relations with investors, as well as continuous investing in staff and mechanisation, have positioned „Jadran“ company as a leader among the construction contractors of most demanding building projects in Serbia. As a result, „Jadran“ is a globally recognized construction company

By: **PETAR VELIČKOVIĆ**  
Photo: **JADRAN**

**D**o you know what some of the largest systems in Serbia - hydropower plants „Đerdap“ and „Mali Zvornik“, thermal power plant „Nikola Tesla“, Pančevo Oil Refinery and some of the most significant buildings in Belgrade such as the Serbian Parliament and the University Library „Svetozar Marković“ have in common with the Konstantinovskiy Palace in St. Petersburg, Marriott Hotel in Cairo or military bases in Baghdad?

All these edifices of great economic, cultural and historical importance were built

  
**NIKOLA  
MALBAŠA**

Owner and Director



by skilled workers and engineers of the Belgrade's „Jadran“ company. One of the oldest construction companies in Serbia with over 16.000 completed projects has recently celebrated seven decades of work, and simultaneously marked the completion of a major transformation into a company with sufficient professional and technical expertise to implement the most demanding construction projects. This is the story of a company's development path and a dedicated team of professionals who positioned „Jadran“ as a leader in its industry.





## FROM A PAINTING FIRM TO A GENERAL CONTRACTOR

„Jadran“ was established as a state firm for painting back in 1950. In the beginning, like other companies working in construction, they were mostly engaged to work on newly built buildings in Belgrade or those reconstructed after being damaged during the World War II. Soon they expanded their activities to facade painting and insulation works. In the 60s they added a team for sandblasting and anti-corrosion protection works. It is at that time that „Jadran“ was contracted for work on the newly built thermal power plant „Nikola Tesla“ in Obrenovac and the hydro-power plant „Đerdap“. Their performance quality generated demand and demand induced an expanded service portfolio. The company became involved in reconstruction and rehabilitation of buildings and finishing works and soon built an international reputation. „Jadran“ was engaged in construction works in Algiers, Czech Republic, Russia, Lybia, while at the same time maintaining a close cooperation with largest domestic companies working in construction, energy, oil and military industry... The company was privatised in 2006 and has to date been managed by its owner and director, Mr Nikola Malbaša.

„When I took over „Jadran“ together with my team, we retained what was most valuable - people, expertise and the decades-long experience. We furthered existing capacities by strong investments, mostly in mechanisation, and set a course or actually a long-term strategy of a dynamic and exponential growth through continuous expanding of service portfolio. We entered each new phase completely prepared - both in expert and technical terms - and that is what made our growth sustainable from the moment of privatisation to this day,“ emphasised Nikola Malbaša.

**THANKS TO OUR SKILLS, EXPERTISE AND EXPERIENCE SUPPLEMENTED BY OUR REFERENCES AND CERTIFICATES, WE HAVE THE CAPACITY TO OFFER INNOVATIVE AND COST FRIENDLY SOLUTIONS IN LINE WITH THE BEST VALUE FOR YOUR MONEY MOTTO**

He explained that although the company has changed its way of working and its internal organization, it still firmly follows those same principles established long time ago: highest service quality, adherence to agreed deadlines and good relationships with investors.

„Our motto remains „Building the

Future While Keeping With Tradition“. We have increased the company's value and shown how the privatisation can bring many benefits to a company. The pandemic period introduced other priorities such as safety of our workers and their families, but we managed to remain dedicated to our development strategy. Despite the pandemic we remained firm in our efforts to position „Jadran“ as a company implementing large „design&build“ projects. Our efforts were awarded by the opportunity to act as a general contractor for the construction of the new justice building in Novi Sad, because this

project in a way marks a new era in the way we do business. Construction of this building is a component of the IPA 2017 project funded by the European Union, represented by the Delegation of European Union in the Republic of Serbia. The beneficiary of the project is the Ministry of Justice,“ explained the „Jadran“'s company General Manager. ➤

He told us that construction of the „Nikola Tesla“ elementary school in Belgrade for 1.000 students has been completed, as well as a residential and office building in Belgrade’s downtown, and „Anton Skala“ elementary school’s new gym, another project implemented in cooperation with the EU Delegation in the Republic of Serbia.

„New jobs, and a new marketing position and business perspective, as well as the tangible growth we have achieved, are clear indicators that we had made the right decision,“ says Mr Nikola Malbaša.

in project planning and implementation. We also hire workers of different profiles - construction workers, painters, plasterers, carpenters, rebar workers, which is the responsibility of our dedicated administrative department. This number of workers and up-to-date mechanisation enables our company to work on projects across the country. At this moment, we have teams working in Horgoš, at the very north of our country, Novi Sad, Belgrade, Požarevac, Kragujevac, all the way to Preševo at the south,“ explained the „Jadran“ General Manager.

The company is, among other things, authorised by the Ministry of Construction, Transport and Infrastructure for construction and construction craft works on buildings in protected areas, for construction and construction craft works on diplomatic and consular buildings and premises, as well as offices of international organisations in the Republic of Serbia, for building facilities intended for energy production from renewable sources...

„Thanks to our skills, expertise and experience supplemented by our references and certificates, we have the capacity to offer innovative and cost friendly solutions in line with the best value for your money motto,“ says Nikola Malbaša.

## THE CONSTRUCTION COMPANY „JADRAN“ EMPLOYS 650 PEOPLE, INCLUDING EXPERIENCED MANAGERS AND AN EXPERT ENGINEERING-TECHNICAL TEAM, AS WELL AS WORKERS OF VARIOUS PROFILES – CONSTRUCTION WORKERS, PAINTERS, PLASTERERS, CARPENTERS...

### „JADRAN“ TODAY

The construction company „Jadran“ employs 650 people. Among them are experienced managers as well as an expert engineering-technical team.

„We employ 60, mostly construction engineers, but also electrical and machine engineers with experience

### LICENCES AND CERTIFICATES

In order to be able to respond to all professional challenges and to manage projects from the planning phase to the hand over moment, it was necessary for the company to obtain a number of certificates. The engineering team has a total of 54 construction, machine and electrical licences.

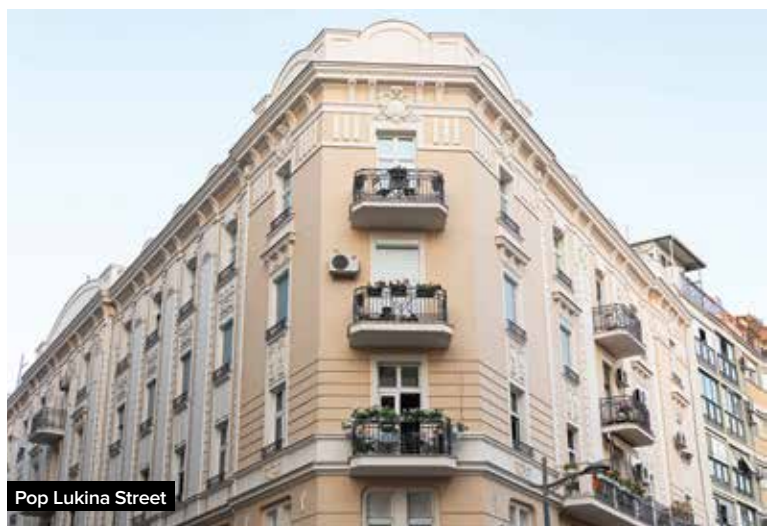
### SCOPE OF WORK

Apart from the fields in which it had an already established reputation, such as all types of finishing works in construction and anticorrosion protection, today, „Jadran“ is involved in planning, construction, maintenance of concrete surfaces, asphalt paving...

„The company essentially consists of five departments. The largest one is definitely the construction department, which is in charge of „design&build“ projects. We are also



Elementary School Kralj Petar



Pop Lukina Street





Office building, Hilendarska 14 Beograd

engaged in rehabilitation of buildings and facades under state protection, reconstruction and adaptation of commercial premises, as well as concrete injection and rehabilitation of concrete structures. We have recently invested in road construction machines and already have signed some contracts, “ explains the „Jadran“ General Manager.

The company is also engaged in maintaining green areas within infrastructure projects. Apart from the Sector Lead, members of this team are Construction Site Managers, whose job is to supervise the field work and ensure the work quality, as well as 40 skilled workers. This sector is responsible for mowing, pruning shrubs, weed eradication, felling of large trees and clearing the land to make paths and roads.

In 2017 „Jadran“ company established a Sector for electrical installation works. The aim was clear: to expand its services to include the electrical installation and electrical fitting works and telecommunication in industrial, commercial and health facilities. The company’s clients are provided by services of complete preparation of technical documentation, concept solution, project preparation for building permit application, construction project and com-

pleted project report.

„When it comes to anti-corrosion protection, we are working with all types of installation, equipment and structures. The initial step in this process is chemical mechanical preparation of the surface with use of abrasive materials, by using air and water for material application. Our teams have the necessary expertise for carrying out complete anti-corrosion protection of industrial facilities, bridges, railway crossings, metal fences and safety barriers along the roads, tankers, industrial machines, transmission lines. Anti-corrosion works include coating for anti-fire protection, cable protection, as well as wood and plastic protection,“ Nikola Malbaša says.

In order to enrich its offer to investors, the company has established a design team which provides complete project design services starting from the first, initial phase. This covers initial concept, project design, project preparation for building permit application, construction project, interior design project, obtaining licences and approvals from relevant authorities.

This is why the „Jadran“ company is one of the few Serbian firms offering an all-inclusive service in the construction domain. ●



## OUR SERVICES

Building of commercial and education facilities

•  
Project planning

•  
All types of finishing works in construction

•  
Asphalt paving

•  
Reconstruction and adaptation of commercial facilities

•  
Rehabilitation of facades and buildings under state protection

•  
Sandblasting and anti-corrosion protection of construction structures

•  
Rehabilitation of concrete structures

•  
Maintenance of green areas

•  
Electrical installation works



## CONTACT

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## PROJECTS

At the moment, „Jadran“ company has 70 active construction sites across the country. The largest ones among them are:



01 ▶

### CONSTRUCTION OF A NEW PALACE OF JUSTICE IN NOVI SAD

**INVESTOR:**

European Delegation in the Republic of Serbia

**TIMEFRAME:**

22 months

**PROJECT VALUE:**

12 million EURO



03 ▶

### RECONSTRUCTION AND UPGRADE OF THE HORGŐS BORDER CROSSING

**INVESTOR:**

Ministry of Construction, Transport and Infrastructure

**TIMEFRAME:** 30 months

**PROJECT VALUE:** 17 million EURO







◀ 02

## CONSTRUCTION OF THE VOLLEYBALL CENTER, BELGRADE

### INVESTOR:

Public Investments Management Office of the Republic of Serbia

### TIMEFRAME:

960 days for project design and implementation

**PROJECT VALUE:** 26 million EURO



04 ▶

## RECONSTRUCTION OF THE SAVA CENTER, BELGRADE

### INVESTOR:

Delta Congress Center d.o.o. Belgrade

### TIMEFRAME:

12 months

### PROJECT VALUE:

6.3 million EURO by the end of 2022



## WEST PROPERTIES RESEARCH

# SNAPSHOT OF SERBIAN REAL ESTATE MARKET

**T**he real estate sector in Serbia has been very dynamic in the past several years demonstrating strong development activity in all market segments. In the office segment, Belgrade modern office stock exceeded 1 million sq m of GLA in 2020, while the retail market has got the biggest western type shopping centre in the region, Galerija, with 93,000 sq m of GLA. The residential market is witnessing new developments all over Belgrade, with the price for sq m reaching historical high, it's been very attractive to international and domestic developers.

## PRICES

Prices have risen 15% in 2021 compared to 2020 and around 40% during last 5 years. Cause of price rise has come from inflation and construction material rise worldwide as well as locally, but even bigger cause is lack of supply. Prices will keep rising until the moment when supply meets the demand. There is a big demand due to positive GDP growth and cheap bank loans.

## OFFICE MARKET

The office stock in Belgrade is on a continuous rise and further development will continue in the following period. More than 160,000 sq m of office space is currently under construction, while an additional 70,000 sq m is under refurbishment, ready to become a part of modern office stock.

## RETAIL PROPERTY BELGRADE

In the period 2017-2021 app 275,000 sq m of modern retail space was delivered to the Belgrade retail market, including 4 western type shopping centres, 4 retail parks and 1 neighbourhood mall. Currently, two schemes are under construction which will enlarge retail supply in the capital for additional 40,000 sqm.

## INDUSTRIAL PROPERTY BELGRADE

The industrial and logistics sector in Serbia is flourishing with an increase in the number of domestic and foreign investors developing logistics and industrial facilities. The total supply of modern industrial space in Belgrade and its vicinity exceeds 2.2 million sq m at the end of H1 2021.

## KEY DEVELOPMENT PLAYERS

### Belgrade Waterfront (Residential/Commercial)

Total Income	Employees	Average Gross Salary	Capital	2020
33.700.000€	72	5406€	56.500.000€	

### Merin Investment Group (Cyprus) – Operating as Merin Asset Management in Serbia (Residential/Commercial)

Total Income	Employees	Average Gross Salary	Capital	2020
4.246.085€	20	2065€	2.221.000€	

### Delta Real Estate (Commercial)

Total Income	Employees	Average Gross Salary	Capital	2020
13.588.102€	57	1923€	327.000.000€	

## GTC (Office)

In Serbia, GTC is the leading real estate developer since 2004 managing portfolio of 120.000 sqm of A Class office space 35.000 sqm of retail space and 18.000 sqm of office space in construction phase.

## Concord West (Residential/Office)

W.D. Concord West is a construction company founded in 2010, in Belgrade, focusing their primary activity on building construction services, design, consulting, and engineering services.





WEST PROPERTIES

## YOUR KEY TO THE RIGHT PROPERTY!

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Over  
**300,000**  
square meters of  
residential properties sold

Over  
**200,000**  
square meters of office  
and retail properties leased

Investment consulting provided for over  
**300,000**  
square meters of different types  
of projects

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# WHERE REAL ESTATE AND FACILITIES MANAGEMENT MEET

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