



PRESS RELEASE

SERBIA TURNS TO ECONOMY – RESPONSIBLY TOGETHER OUT OF THE CRISIS

Belgrade, July 08, 2013 – At the “**Serbia Turns to Economy – Responsibly Together Out of the Crisis**” conference, organised by the EU Delegation to Serbia, “Privrednik” Serbian Business Club, Foreign Investors Council (FIC) and American Chamber of Commerce in Serbia (AmCham), representatives of the Government of the Republic of Serbia, conference organisers and the IMF and World Bank Offices in Serbia have talked about specific steps that are necessary to overcome the economic crisis and improve the business climate in our country.

The conference has been attended by Aleksandar Vučić, First Deputy Prime Minister of the Government of the Republic of Serbia, and Mlađan Dinkić, Minister of Finance and Economy. The Delegation of the EU to Serbia has been represented by Vincent Degert, Ambassador and Head of the Delegation, while business associations have been represented by Miodrag Kostić, President of the “Privrednik” Serbian Business Club, Costin Borc, President of the Foreign Investors Council, and Miloš Đurković, President of the American Chamber of Commerce. On behalf of the IMF Office in Serbia, the participant has been Bogdan Lisovolik, and on behalf of the World Bank Loup Brefort.

Representatives of the conference organisers have pointed to potentials of Serbia and economic priorities that need to be high on the Government’s agenda:

A key economic criterion for EU accession association is the existence of a functioning market economy. In this regard, reforms should focus on restructuring and possibly selling public companies, further liberalising state-controlled prices, enabling competition and limiting subsidies.

In the area of fiscal consolidation, it is necessary to further reduce spending (by restructuring the public sector and pension system) and improve collection of revenues by minimising the grey economy.

The Labour Law with a focus on improved conditions for new recruitments and elimination of obstacles to employing more experienced workers should be adopted by end-2013.

The Law on Planning and Construction, combined with amendments to the sector laws, should speed up issuing of construction permits. In addition, it is necessary to introduce a “one-stop” system and establish strict monitoring of the implementation via the Office for Fast Responses.

More efficient law enforcement is necessary through better coordination and supervision of the public administration. It is particularly important to focus on the **consistent implementation of tax laws** through more detailed instructions and education of the Tax Administration.

The organisers have noted that, to overcome the consequences of the economic crisis, all segments of the society have to act responsibly and endure potentially painful changes. The business sector is willing to support the initiation and consistent implementation of these essential reforms in a constructive and responsible manner, leading to accelerated economic activity and utilisation of full potentials of Serbia as the central economy of the region.