

August 2017

BSBA Newsletter



Vol 6 issue 2

Word of the Chairman :

Dear Friends,

Special points of interest:

- Best of Serbia
- Activities
- 5th MCC meeting
- New members inform
- Did you know?
- Upcoming events

This summer reminded me of an old Flemish movie "De Witte" (1934, remake 1980), based on the work of Ernest Claes. The summer was burning hot and children were swimming in the local river. But the farmer's environment showed that despite the temperatures work had to be done. Nothing has changed, also we all had to continue our work and fulfill our duties be it then with the intermediate comfort of air-conditioners. After a period of conferences and interviews our team is preparing the now traditional membership meeting for end September at INHotel and a series of thematic working sessions/lunches for October and November. All members will be informed and invited individually. We hope to see you all in great numbers again at the end of September.

Hugo van Veghel,
Chairman

METECH into Laser Welding - the highest welding knowledge in the

Based on an interview with Eduard Rutten in CorD magazine:

Metech invests in the highest welding knowledge that you can find in the Balkans „Laser Welding“ from Trumpf. Now we can weld Stainless Steel, Aluminium, ... in an optimal position, without heating or deformation of the material. The best process for products in Pharma, Food or high level customers. Metech invests again in its **competence center** in Smederevo 1 mil euro, and is the best supplier with the highest quality. Metech has now more than 20 engineers, and more than 300 good educated workers, a real dream! ... First comes investing in people, then in machinery, and finally in the buildings and space. We feel that customers are coming because we organize the best solution to meet the needs of professional consumers in Smederevo. We know that our investments are long-term, as are our people, and we trust that they will stay and grow together with Metech.... At this moment we are working for all industry markets in Europe, like compressors, telecom, printing machines, heating, airco, construction products, health, pharma, diamonds... there are no limits. Everybody who needs sheet metal products or a total concept is welcome at Metech Serbia. I think we must wait a little bit in order for new companies who are coming now to find a good match between us.

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Metech brings every year more than 25 business leaders from Europe to Metech and Serbia to see what the possibilities are, and every time they are surprised how many potential opportunities there are. Businessmen need facts, figures, stability and trust, Metech can show it.

gomex
Šešir nakrivi, lakše se živi



Ahold
Delhaize



CARMEUSE



EXPERTS IN THE TOTAL CONCEPT

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Assessment of financing needs of SMEs in the Western Balkans countries

This report is one of the series of reports produced by Business & Finance Consulting GmbH (BFC) for European Investment Bank (EIB) as part of the project "Assessment of financing needs of SMEs in Western Balkans countries."



The series of reports includes individual reports on Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro, and Serbia as well as a synthesis report which considers the results of all six reports. The purpose of the project is to assess the financing needs of SMEs in the Western Balkans and identify market failures that prevent SME access to finance. The project was carried out from October 2015 to April 2016 by a team of three experts from BFC. Onsite visits were conducted for each country in order to meet with representatives from financial institutions, development institutions, government organizations, and other relevant experts who can provide insights into the SME sector.

EU-WesternBalkans Investment Climate Forum 08 June 2017

The BSBA attended this forum where Mr Johannes Hahn, European Commissioner for European Neighbourhood Policy & Enlargement Negotiations and Mr Goran Knežević, Minister of Economy, Serbia, were keynote speakers. The 3 main topics were Structural reforms as a means to improve the investor climate; Involvement of the private sector in the formulation and implementation of structural reforms; Regional economic integration as a catalyst for private sector development.

Johannes Hahn:

«Over the past ten years, trade between the Western Balkans and the EU has more than doubled, reaching 44 billion Euros in 2016 (exports from the Balkans have more than doubled from 7 billion Euros to 18). Investors know that trade between the EU and the Western Balkans is already very liberalised, and that the progressive harmonisation of rules and standards will create a level playing field for all investors. Foreign Direct Investment from the EU currently constitutes roughly 50% of the total stock in 2015 and it is growing. For Serbia, that number is over 60%.....

Building bridges and connecting territories will make a profound contribution to developing good neighbourly relations and further promoting peace and reconciliation, in addition to bringing economic benefits.

The informal economy in particular is a concern across the region; it reduces tax revenues, leads to unfair competition and negatively affects workers' skills as well as the quality of jobs. Foreign investors will not come to the region if they know that they might face unfair competition from semi-legal businesses. Strengthening the Rule of Law is crucial to improve the business and investment climate across the region. This means strong and independent institutions, the enforcement of legislation and modernised public administrations, which deliver services and



**Serbian—
Albanian
Mixed
Chamber
founding
assembly
planned for
September
2017**

not bills to businesses. This is how the enlargement process benefits your economies today already: well in advance of actual accession...» The BSBA chairman used the opportunity to talk to Mrs Milva Ekonomi, Albanian Minister of Economy about the new mixed Serbian Albanian chamber while Besix representatives had an introductory meeting with Mrs Elisabeth Gjoni of the Albanian Amadeus Group.



Vienna Economic Forum



The BSBA participated in the Serbian Chamber of Commerce hosted **Vienna Economic Talks – Belgrade Meeting 2017** on 21/22 May. The very fact that **Vienna Economic Talks** is being held under the Patronage of Jean-Claude Junker, President of the European Commission, speaks for the role of Serbia in terms of EU integration process and economic cooperation for the whole region and Vienna Economic Forum is very thankful for the great support of the European Union Delegation in Belgrade in realising Vienna Economic Talks – Belgrade Meeting 2017, reads the statement released by the Vienna Economic Forum. It concluded that

«Political obstacles in the region must be removed because, without stronger regional cooperation and ties, acceleration on the EU path is not possible either.»

Less Belgian companies present at the International Agricultural Fair in Novi Sad



One of the largest agricultural fairs in South-East Europe, which takes place every May at Novi Sad Fair, Serbia. It is among five most important agricultural fairs in Europe. In 2016 we saw three Belgian participants that presented their products to the Serbian market: LUTOSA www.lutosa.com - a worldwide provider of fine potato products, CONSTRUCTIE BRUYNNOOGHE NV <http://www.bruynnooghe.be> - a well-known name when it comes to vegetable processing machines and EASY KIT www.easykit.be - specialized in do-it-yourself heating products. This year however we only saw LUTOSA coming back for the 2017 Fair. To underline the importance of this fair for Belgian producers the Office of the Commercial Attache and the BSBA are jointly planning a Belgian Day activity during the 2018 Fair. This information will also be shared with the different chambers of commerce in Belgium, hoping for a wider representation of our companies to this fair.



Defending the colours—Sharing responsibilities geared towards the future

CorD magazine published this year a special edition on Belgium. The edition includes interviews with Ambassador D'Aes, Marijana Milošević Tufegdzic, Economic and Trade Counsellor and the BSBA chairman, Hugo van Veghel.

INTERVIEW: H.E. LEO D'AES, BELGIAN AMBASSADOR TO SERBIA

Leaving The Door Open



Western Balkan countries which genuinely want to belong to the EU, and share and defend its basic values and political objectives, are being offered ample opportunities for implementing such a policy. The statement by German Foreign Minister, Sigmar Gabriel, on a "Berlin Process reload" is only the latest example of the willingness of the EU and member states to continue extending a helping hand to those committed to the EU project – Leo D'Aes

The Belgian Ambassador to Serbia, H.E. Leo D'Aes, insists that the challenges confronting the European Union, at the internal and the global levels, have not brought an end to the idea of expansion to the continent of the Western Balkans. Everything to this, he says in this interview for CorD Magazine, are not only the interests of the citizens of the European Union, but also the concrete financial support of its citizens that Serbia received in early June from the EU in an amount of 100 million.

On what basis do you claim that the Balkans is an EU priority?

I will answer this question by recalling a clear statement made by the European Council on 9 March. Despite of the internal and external challenges that the region is facing, the European Council discussed the fragile situation in the Western Balkans, which it will keep under review. It stresses the importance of continuing on the reform path, good neighbourly relations and inclusive regional cooperation initiatives. It reinforced its unequivocal support for the European perspective of the Western Balkans.

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Belgium

Sharing Responsibilities Geared Towards The Future

CorD

INTERVIEW: MARIJANA MILOŠEVIĆ TUFEGDŽIĆ, ECONOMIC COUNSELLOR OF THE BELGIAN EMBASSY

A Satisfied Investor Is The Best Ambassador



Serbia has taken courageous steps to tackle different economic challenges, like reducing the deficit and boosting investment. Progress on EU accession also undoubtedly offers foreign companies reassurance that the business environment will be even more predictable, and increases interest among foreign partners. This is even more important for businesspeople than statistics and figures.

Bilateral relations between Belgium and Serbia are good and friendly, especially when it comes to cooperation between areas, public and private sectors. During the past few years, including this year, with two more meetings planned by the end of the year. However, the real trade exchange could be enhanced. Economic cooperation between Belgium and Serbia is growing and is gradually expanding every year, says Marijana Milošević Tufegdzic, Economic Counsellor at the Belgian Embassy.

When do you see room for the improvement of this cooperation?

There are a number of Belgian companies currently active in Serbia, represented in various sectors. Overall, foreign trade between the two countries is increasing steadily every year, making Serbia more attractive also partner for Belgian entrepreneurs. Of course, there is always room for improvement. Belgium is at the leading edge of a whole series of sectors.

Some of the most important sectors of the Belgian economy include biotech, health, the environment, the automotive sector.

Belgian companies operating in Serbia are generally satisfied with their activities and investments. Some of them are even very active in promoting Serbia as an interesting business development destination.

pharmaceuticals, the agri-food sector, ICT, transport and logistics etc. With its relatively small domestic market, Belgium has developed an open, internationally oriented economy heavily dependent on foreign trade. Our office in Serbia represents the Belgian regional agencies specialised in foreign trade – Brussels Innovate & Export (BIE) (former export bureau), Walloon

Foreign Trade and Investment Agency (Flanders Investment and Trade) (former Flemish investment bureau) and the Trade Development Centre in Belgrade (Belgium).

We are supporting Belgian companies, one daily basis by providing them with a variety of information regarding the Serbian market – generalist services (statistics, information services and indicators, etc.), information on the potential of local markets. Our goal is to raise the attention of Belgian business people regarding the Serbian market's advantages.

The bilateral trade exchange in 2015 is valued at 1.4 billion, with the balance favouring the Belgian side. Apart from engineering and cars, what else can Serbia offer the demanding Belgian market?

It is true that the engineering, or Serbia's "red gold", are one of the most important products from Serbia to Belgium. Nevertheless, Serbia has great potential in various other areas – success in mineral processing, industrial machinery agri-food, energy, the environment and ICT offer many new opportunities for various types

INTERVIEW: HUGO VAN VEGHEL, CHAIRMAN OF THE BELGIAN-SERBIAN BUSINESS ASSOCIATION

Creating New Prospects For Cooperation



The Belgian-Serbian Business Association (BSBA) continues to support prospective investors and promote the country for business cooperation. Regular events organized by the BSBA provide our members with a platform for interacting and offer a variety of opportunities for networking, establishing new business contacts and new business opportunities.

One mission is to connect and point out opportunities for all who do business in Serbia and with Belgium. Members also help to improve each other's business. Networking happens at our friendly meetings and events, both formal and informal. We are growing in size in the country's business environment every year.

The Belgian-Serbian Business Association (BSBA) was established precisely seven years ago. How much has the business climate in Belgium changed during that time?

People in the sector are certainly not as excited as last time, but I would simply say I see good signs and maybe the picture of that environment seems purgatory and where you have to open your eyes again. I ask around and you hear more often that there has changed for the better. We were very successful in both opening in the country between Belgium and New Serbia you can see along the highway new construction preparing for improved logistics. There is also a good indicator for the results of change in law and confidence in the business environment in the future.

One of the biggest investments in Serbia actually came from Belgium when Celbube bought Mlad for 100 million. How much did this acquisition impact on Belgian investors, did it have a multiplier effect on Serbia?

Supporting SMEs is a cornerstone of the EU's drive for growth and jobs. Since 99% of all EU companies are SMEs, it's clear that what is good for small businesses is good for Europe's economy.

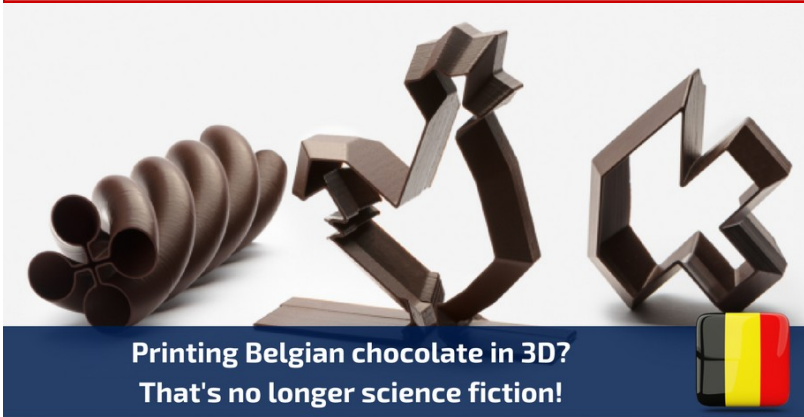
Comparing to Belgium, how does Belgium, as the ambassador for business, explore. We hear that indeed when you visit the Belgian investors visit Serbia. The Belgian direct impact in their staffing is now estimated, with its management now mainly composed of domestic staff. There is no

not only Celbube. Our MITECH company in Serbia has been working together with the French, who don't have a similar business relations with Serbia, and MITECH in the future will be more about processing their investments in the country. During a visit of 12 Belgian and more professionals last month, the presence of BESBA was seen as an important indicator for positive change.

The Serbian companies will be able to take advantage of the small scale provided by Celbube, and when it's looking for the Serbian products to be more prominent in the market of this international market.

A local company, never supplying, mainly with financial capital to make agreements with investors like Celbube. It is up to the producer themselves to work and make the right financial support investments. It is not unlike the banks which supply more heavily SME practices take into account a larger number of qualitative factors and their final lending decisions rely more heavily on the assessment of the company's potential, values, approach, innovation, experience, require

New SME member



Printing Belgian chocolate in 3D?
That's no longer science fiction!

For years Belgium, has been a leader when it comes to chocolate. Indeed, foreigners associate Belgian chocolate with the best quality. In order to maintain their lead, Belgian chocolate makers continue trying to refine their products.

The start-up La MiamFactory is helping them to take a further step, or rather layer! Indeed, the company in the Namur area has developed four 3D printers, which add layer upon layer of melted chocolate to the chosen object.

More information: <http://bit.ly/2tuXNzH>

Did you know?

Why is Belgium's National Day on 21 July?

Belgium gained independence in 1830 when it broke away from the rest of the Kingdom of the Netherlands. But why exactly is 21 July Belgium's National Day? The reason is not linked to 1830, as many think, but to 1831.

Originally, Belgian National Day was celebrated on 27 September as the commemoration of the Dutch military's final withdrawal from Brussels after several days of fighting in mid-September 1830.

In 1890, the date of the National Day was changed to 21 July to commemorate Leopold I's accession to the throne.

In February 1831, the National Congress adopted a constitution which, at that time, was considered as progressive.

On 21 July that year Leopold of Saxe-Cobourg took his oath as King of the Belgians on 21 July 1831, an event commemorated annually as Belgian National Day. His reign was marked by attempts by the Dutch to recapture Belgium and, later, by internal political division between liberals and Catholics. As a Protestant, Leopold was considered liberal and encouraged economic modernisation, playing an important role in encouraging the creation of Belgium's first railway in 1835 and sub-sequent industrialisation. The king's vow marked the start of the independent state of Belgium under a constitutional monarchy and parliament. The great powers of the time then recognised the Belgian independence.



Le Belge ("The Belgian"; 1835) was the first steam locomotive built in continental Europe



Join or Renew Your Membership



BSBA Newsletter

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Mark your agenda

UPCOMING EVENTS

September: Members meeting INHotel (27/09)

October: Working lunch on management / legal issues (date to be confirmed)

November: Working session on Blue Economy (date to be confirmed)

*For more information on these upcoming events, please contact
Milica Vranjanac, Secretary, of the BSBA at*

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Thank you Guy



Our Consul Guy Van Glabeke left the Belgian Embassy in Belgrade direction Brussels. Guy, as we will always know him, has marked his mandate in Belgrade with several infrastructural repairs and improvements in the Embassy, the Residence and its surroundings, but most of all, as a solid professional with a warm and friendly heart doing that bit more than he has to, helping others in the sometimes weary jungle of the administration. Take care and good luck in your new challenges.

The BSBA LinkedIn **discussion and information** open group has grown to **786** members in less than 6 years, and not only from Serbia and Belgium, giving international visibility to the association.

We are looking forward to meet you also there



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home=&gid=4439388&trk=anet_ug_hm](http://www.linkedin.com/groups?home=&gid=4439388&trk=anet_ug_hm)

