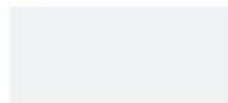
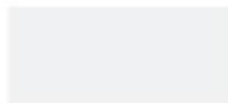
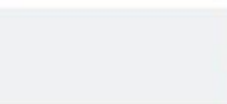
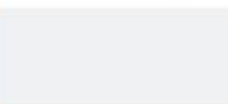
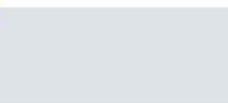


Да покренете, растете  
и успете у малом бизнису



## SUPPORT PROGRAMS FOR START UP COMPANIES



Република Србија

РЕПУБЛИЧКА АГЕНЦИЈА ЗА РАЗВОЈ  
МАЛИХ И СРЕДЊИХ ПРЕДУЗЕЋА  
И ПРЕДУЗЕТНИШТВА



Република Србија

МИНИСТАРСТВО ЕКОНОМИЈЕ  
И РЕГИОНАЛНОГ РАЗВОЈА

Ana Žegarac, Head, International cooperation, education and mentoring  
department

OECD LEED Trento, October 2009.

# Definition of SMEs in Serbia

## Small enterprises:

- Average number of employees up to 50
- Annual income less than 2,500,000 EUR
- Value of assets is less than 1,000,000 EUR

## Medium-sized enterprises:

- Average number of employees between 50 and 250
- Annual income 2,500,000 – 10,000,000 EUR
- Value of assets 1,000,000 – 5,000,000 EUR

- \*Law on accounting and audit






	SME				SME share in economy %			
	2004	2005	2006	2007	2004	2005	2006	2007
Number of companies	285.139	276.695	268.515	296.086	99,7	99,7	99,8	99,8
Number of employees	752.740	810.862	870.979	906.669	54,7	59,0	63,1	65,5
Turn over RSD bilions	2.497	2.772	3.589	4.107	68,2	65,5	67,5	67,6
GVA Gross Value Added in bilions	357	467	592	720	51,8	54,1	56,9	58,3

- 👁 **109 286 total number of registered companies and 223 904 entrepreneurs (Agency for Business registration-8.10.2009)**
- 👁 99,8% of total number are SMEs
- 👁 67,0% share in total employment
- 👁 Share in GDP 59,2%
- 👁 Major share have micro enterprises 95,6%
- 👁 Sectors: wholesale and retail /services 37,5% and manufacturing industry 16,8%
- 👁 Export: 97% of total number of exporters (50,2% of total export)
- 👁 Import: 97,8% of total number of importers



## Start ups in Serbia

	SMEs		Entrepreneurs	
	2008.	2009.*July	2008	2009.*July
<b>Number of new registered companies</b>	11.248	6.441	43.375	24.338
<b>Number of closed companies</b>	3.068	2.038	34.542	20.357

-  **Dynamic sector**
-  **Majority of new established businesses are micro companies**
-  **Sectors: retail, services ( cafes, bars, restaurants, accounting/book keeping, fast food restaurants)**



## START UP LOAN Program

- Ministry of Economy and regional development, Fund for development and Republic Agency
- Program started in 2007. and this is a third year of implementation

Eligibility	Loans	Conditions	Guarantees
<ul style="list-style-type: none"> <li>• Entrepreneurs and SMEs not registered before 1<sup>st</sup> of June 2008.</li> </ul>	<ul style="list-style-type: none"> <li>• Entrepreneurs from 500.000,00 to 1.300.000,00 RSD (5-15 000 EUR)</li> <li>• SMEs from 500.000,00 to 2.500.000,00 RSD (5-30 000 EUR)</li> </ul>	<ul style="list-style-type: none"> <li>• IR 1%/per year</li> <li>• repayment 3 -5 years</li> <li>• grace 1 year</li> <li>• quarterly based repayment</li> </ul>	<p><b>Entrepreneurs</b></p> <ul style="list-style-type: none"> <li>• pledge over equipment</li> <li>• Promissory note signed by 2 solvent guarantors (for amounts over 500.000,00 RSD)</li> <li>• Guarantee agreement*legal entity as a guarantor</li> <li>• Mortgage (immovable property and land)</li> </ul> <p><b>Legal entities /SMEs</b></p> <ul style="list-style-type: none"> <li>• Mortgage (immovable property and land)</li> <li>• Guarantee agreement*legal entity as a guarantor</li> <li>•pledge over equipment</li> </ul>



## Role of the RADSME

- Implementation of the Program throughout republic network of 14 agencies/centers and 18 RADSME offices
- Promotion on national, regional and local level
- 3 days training “Start your business” for the applicants
- Free of charge advisory role in support to applicants to fill and prepare the documents
- Collecting the applications and administrative assessment before sending to the Fund for final approval
- Monitoring and additional support after the expiration of grace period

### “Start you business” trainings for start up loan applicants

- 64 trainings for 1307 participants in 2007.
- 216 trainings for 3024 participants in 2008.
- 202 trainings for 2859 participants \*till 21<sup>th</sup> September 2009.



## START UP LOAN PROGRAM/RESULTS \*2007. and 2008.

### Approved loans in figures

Year	No of approved	Value	Employees/existing	No of new employees
2007.	1.507	1.967.830.000,00	1.768	5.326
2008.	2.276	2.799.950.000,00	2.587	7.039
<b>Total</b>	<b>3.783</b>	<b>4.767.780.000,00</b>	<b>4.355</b>	<b>12.365</b>

### Main sectors

- Food processing and beverages and tobacco production – 16,8%
- Services – 14,9%
- Wood processing – 10,5%
- Constructing - 6,9%

### Main areas/counties

- Belgrade – 777 loans, 1.055.150.000,00
- Sumadija County/Central Serbia – 263 loans, 325.990.000,00
- Macva County – 232 loans, 288.270.000,00
- Nis County - 227 loans, 277.470.000,00



# START UP LOAN PROGRAM/RESULTS \*2009.

## Approved loans in figures

Year	No of approved loans	Value	New jobs created
2009. година	2.822	4.099.000.000,00 *44 mil EUR	8.678

## Main sectors

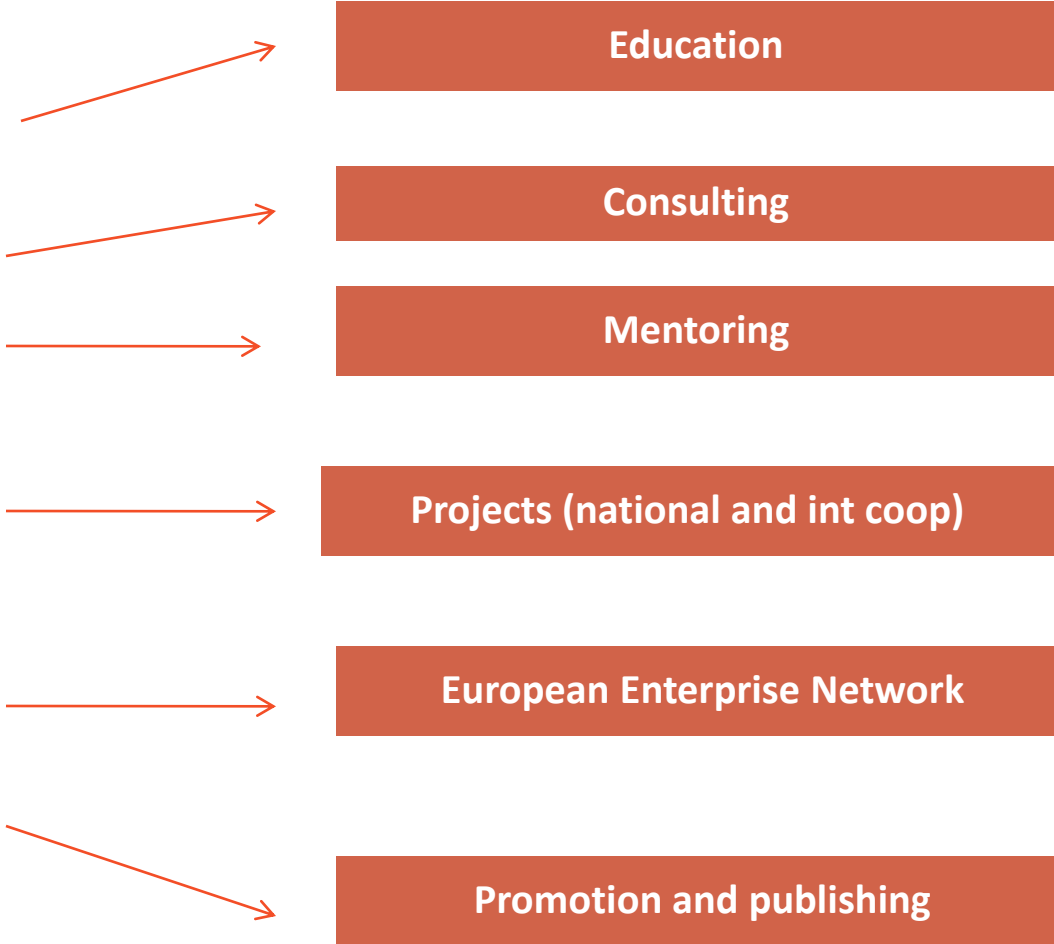
- Food processing and beverages and tobacco production
- Services
- Wood processing
- Transportation and communications

## Main areas/counties

- Belgrade
- Sumadija County
- Juzno banatski County
- Moravicki and Pcinjski County
- Nisavski County



## NONFINANCIAL SUPPORT



# Education

## Education of unemployed registered in National Employment Service and beneficiaries of Self-employment program

- Contract with NES since 2002.
- “How to start your business” training with more than 20 000 participants
- 16 specialized trainings in 2008.
- 5 trainings “Doing business under the impact of global economic crises” in cooperation with Institute of Economic Sciences in 2009.

## Training of trainers

- ToT for 200 employees of NES
- 34 members of Republic network ToT in “Enterprise Diagnosis” (JICA project)
- ToT in methodology for “Start your business” for the Republic Network
- ToT within “Development of youth entrepreneurship” project



# Education

## Training of young people 18-35 “ Development of youth entrepreneurship” project

- Project supported by Norwegian Government
- National partners: MoYS and MoERD
- Implementing partners: BIP and Republic Agency in cooperation with Republic Network of regional agencies and centers
- 5 days training according the joint methodology BIP and Agency
- 3 cycles of training for 800 young people in 2009.
- 4 young entrepreneurship fairs in 2009.

### Results:

- Two rounds of trainings conducted on 14 locations
- 507 young people trained
- 93 participants started their own business

## “Student entrepreneurship” Program in vocational schools

- 32 vocational schools
- Best practice from BIP program (35 schools included since 2003.)
- ToT for professors according BIP methodology
- simulation of entrepreneurship among students trough trainings and establishment of companies for one year
- Support from local authorities



## Consulting

Legal consulting

Financial consulting

Facilitation of access to finance

Intellectual property rights and innovation consulting

Support for the preparation of BP and BP revision

Help telephone and “open doors” principle

## Mentoring

### 20-25 hours of mentoring for start ups and existing companies

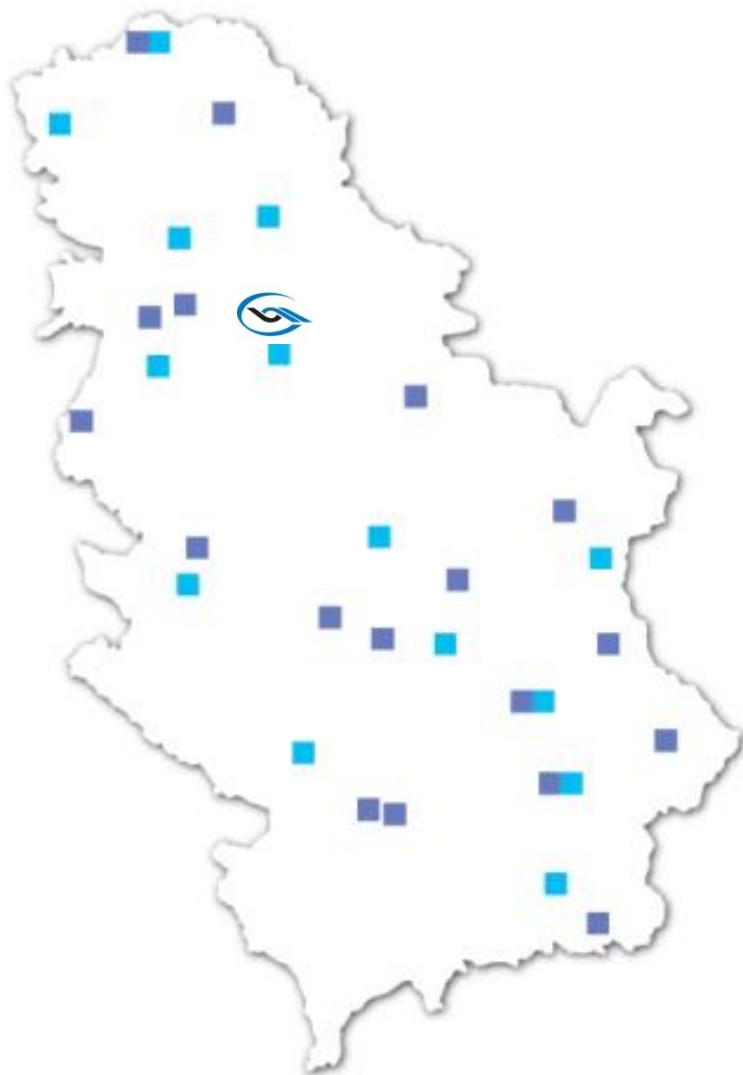
- 325 SMEs and entrepreneurs received mentoring service in 2005.-2006.
- 471 start up companies-beneficiaries of NES Self-employment program received the service from 2006.-2008.
- 99 mentoring delivered till 10<sup>th</sup> of June 2009 for NES

### “Institutionalization of mentoring” project

- TA from Government of Japan and JICA
  - Standardized model of mentoring services
  - Training for mentors
  - Practical implementation of the scheme in Serbian SMEs
  - Best practice data base



## Republic network of regional agencies/centers and offices



Регионални агенције / центри

Канцеларије

### Regional agencies/centers:

- Beograd
- Vranje
- Zaječar
- Zrenjanin
- Kragujevac
- Kraljevo
- Kruševac
- Leskovac
- Novi Pazar
- Požarevac
- Sombor
- Subotica
- Užice
- Šabac

### 18 offices:

- Ada
- Bor
- Knjaževac
- Kosejrić
- K.Mitrovica
- Kraljevo
- Leskovac
- Loznica
- Niš
- Paraćin
- Pirot
- Požarevac
- Ranilug
- Ruma
- Subotica
- Sremska Mitrovica
- Trstenik
- Trgovište



**Coming soon ...**

## **The Law on Regional Development**



**Regulates establishment of National Agency for Regional Development,  
which will be created out of the Republic Agency for SME Development and Infrastructure  
and institutional development Department from MoERD.**





**Thank you for attention**



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