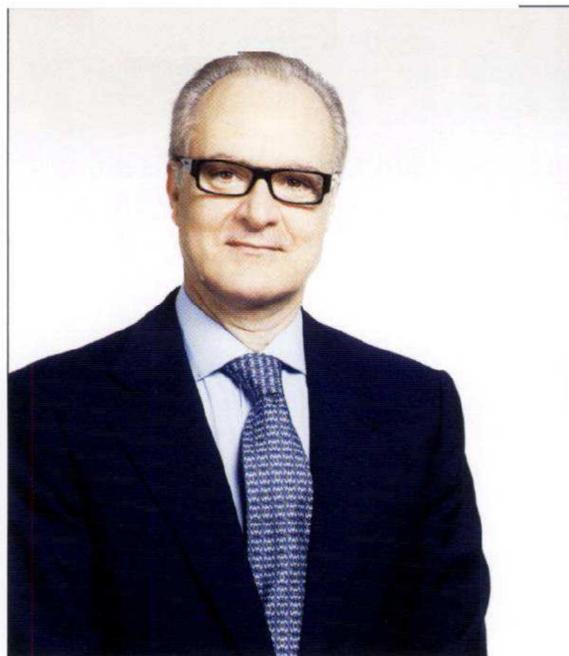


INTERVIEW **ANDREA SIMONCELLI**, PRESIDENT OF THE ITALO-SERBIAN CHAMBER OF COMMERCE



Shake Off the Red Tape

*With the Italo-Serbian Chamber of Commerce celebrating 12 years of operations in Serbia, chamber president **Andrea Simoncelli** reflects on the progress made during that period and how the strong business and investment relationship between both nations strengthens them mutually*

With major investors such as Fiat and Banca Intesa operating successfully in Serbia, and more Italian investors making enquiries with the Italo-Serbian Chamber of Commerce daily, there are great opportunities ahead for both parties in the coming years.

■ **This year marks the 12th anniversary of the Italo-Serbian Chamber of Commerce. From today's perspective, how do you assess the development of the chamber, whose members today employ more than 20,000 workers in Serbia?**

- Last year the Italo-Serbian Chamber of Commerce reached the number-one position among more than 20 foreign chambers present in Serbia. We continue to have approximately 250 members, Italian and Serbian companies participating in several business initiatives organised in both Italy and Serbia. Italy is the first trading partner in Serbia to have more than 500 companies operating in Serbia. In the first quarter of this year, a political standstill due to the election notwithstanding, we have continued to receive more than 30 business enquiries

per day, highlighting the ongoing interest of Italian investors in this country.

■ **You announced recently that over the course of a year the chamber receives up to 5,000 inquiries from Italian businesses about investing in Serbia. What are the most common reasons for Italian entrepreneurs to invest in Serbia?**

- Italy is still facing negative economic conjuncture, while exports are showing signs of recovery. To have a production facility in Serbia allows Italian goods to be more competitive in foreign markets. The Serbian policy to attract investment with limited bureaucracy, professional manpower, low tax rates and competitive costs are the main reasons Italian investors are attracted.

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■ **How do you assess the economic reforms announced by the Serbian government, with the aim of facilitating foreign investment in the Serbian market?**

- Serbia has always been very open and the new government is pushing for more foreign investments as a fundamental tool to guarantee the inflow of hard currency and to boost employ-

No. 1 chamber

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Restructuring

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Stability

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ment. I believe this time the government should choose something more innovative, such as co-sharing risk in the restructuring of loss-making companies, more than offering traditional incentives.

■ **Italy is Serbia's largest trade partner. You have said the intensity of this cooperation will continue and increase during this year and the years ahead. In which branches of industry should we expect the most interest?**

- Italy is already present in many industry sectors: automotive with Fiat Auto Serbia and several car suppliers; finance with Banca Intesa and UniCredit; insurance with **Generali Serbia** and DDOR/Unipol; textiles with Benetton, Calzedonia, Golden Lady etc. But it will be small and medium enterprises in the fields of energy, agribusiness, packaging, civil engineering and interior decoration that will have highest chances of growth.

■ **The Italian economy is based largely on SMEs, which expect a dynamic turnover of capital, greater business flexibility and a transparent market. Which of these criteria should be improved to help more Italian companies invest in Serbia?**

- Italian laws and regulations are very complex, which is a heavy burden for anyone wishing to start up a business quickly. Serbia represents a good opportunity to shake off this red tape, but the risk of becoming lost in bureaucracy exists even in Serbia. I keep saying that a clear investment path is more important than a temporary incentive.

■ **For years you have advocated for clear and enforceable laws, market transparency and predictable operations. Soon you will be leaving Serbia to take on a new role. How much has the business environment improved during your time here?**

- My new responsibilities in Romania will not cause me to leave Serbia. On the contrary, I am going to continue work-

ing in this country, which I particularly appreciate for its business-friendly environment and the professionalism of its management. Having said that, Serbia's main achievement

in this period is its capacity to control the inflation and exchange rate, allowing the Serbian population to improve their purchasing power in this period of recession. This is an outstanding result, the best in the region, and it's thanks to the National Bank of Serbia's monetary policy.

■ **Would you agree that regional stability is a significant factor for the influx of new investment, not only in Serbia but all countries in the region?**

- Political stability is a presumption for any foreign investor that wants to enter in a foreign country. The recent election results allow the new government to have a vast majority in parliament and give Serbia a further reason to be selected as a preferred country for foreign investors. ■



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