



CHAMBER OF
COMMERCE AND
INDUSTRY OF SERBIA

ASSOCIATION OF PHARMACEUTICAL
AND MEDICAL ECONOMY



ANNUAL

BULLETIN

2024

ISSN (ONLINE) 2956-2112



Bulletin of the Chamber of Commerce and Industry of Serbia

Publisher:

Chamber of Commerce and Industry of Serbia (CCIS)

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Proofreading:

CCIS Public Relations Department

Design:

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Advertising:

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CCIS quarterly (only in Serbian) and annual bulletins (in Serbian and English)
are distributed to all CCIS members.

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FOREWORD

Sectoral analyses of the Chamber of Commerce and Industry of Serbia (CCIS bulletins) have been reporting on the business performance indicators of the domestic economy for the 18 chamber associations for eight consecutive years. We analyze trends in agriculture, industry and services, as well as business expectations of the economy, with a review of current projections. We publish the Bulletins quarterly (review of quarterly business dynamics) and annually in Serbian and English. These publications inform members of the chamber system, representatives of the business community and the professional public about the leading macroeconomic, sectoral and branch topics.

In the bulletins you can find information on current and adopted economic initiatives that we launch with the aim of improving the business environment, creating sustainable business conditions and strengthening the potential of the domestic economy to perform on domestic and foreign markets, data on sources of financing, incentives, services, public authorizations and education of the Serbian Chamber of Commerce.

All information in the bulletins are a result of the activities of the single chamber system and the domestic economy. For analyses, we use official data from domestic and foreign institutions, results of chamber research and information available on business platforms. We develop case studies and examples of good practice in cooperation with the economy.

All previously published Bulletins are available on the website of the [Chamber of Commerce and Industry of Serbia](#).

Jelena Vasić,
Editor



During 2023, 35 meetings of the groups and the Quality Council were held, while 49 companies participated in the active work of the groups. Representatives of the groups were directly involved in activities related to the harmonization of European regulations with national regulations in the field of production and trade of pharmaceutical products. In cooperation with representatives of national institutions, nine training courses and expert meetings were organized with around 1,800 participants, the most significant of which are: The problem of illegal trade in dietary supplements in the Republic of Serbia; Presentation of amendments to the GMP guidelines; Regulatory changes and monitoring of medical devices on the market; Cosmetic products - challenges in the implementation of new regulations; Medical device vigilance system; GDP guidelines for medicines and active substances; Fundamentals of pharmacovigilance for drug license holders.

The organization of a seminar held in cooperation with the European Cosmetics Industry Association – called Cosmetics Europe, which was intended for entities operating in the cosmetic business, both from Serbia and the region, was particularly notable, and the international MEDI-THEFT conference also attracted great interest and success.

As particularly significant activities, we highlight: the accepted request to repeal the provisions of the Law on Fees for the Use of Public Goods in the part relating to medicines; and the implemented initiatives to provide a support program for manufacturers of medical devices - product certification, i.e. production, as well as to provide a support program for manufacturers of cosmetic products for the costs of assessing the safety of a cosmetic product and preparing a Dossier on a cosmetic product..

Mirjana Vučićević,
Secretary





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MEDICAL ECONOMY

ACTIVITIES

of the CCIS Association of Pharmaceutical and Medical Economy

Meeting of the Group of Pharmacies

At the meeting of the Group of Pharmacies, held on 5 February 2024, the Report on the work of the Group of Pharmacies for 2023 was adopted, where the following initiatives were highlighted as the most significant activities: a proposal was prepared to amend/supplement the Draft New Rulebook on conditions for the performance of health activities - in the part related to pharmacy activity, which was submitted to the Republic Expert Commission for Pharmaceutical Industry; the Working Group for Galenic Laboratories prepared a Proposal of the galenic laboratories for overcoming shortages of registered medicines with appropriate galenic medicines, which was submitted to the Operational Team for ensuring the continuous supply of medicines and medical devices to the market. Also, the meeting discussed the plans of the Association of Pharmaceutical and Medical Economy, and it was agreed that, on behalf of the Group of Pharmacies, the Republic Health Insurance Fund should be sent an Initiative for enabling the issuance of galenic medicines at the expense of mandatory health insurance fund in conditions of a shortage of registered medicines; to submit to the Ministry of Health the Initiative for amending the Internship Plan and Programme for Pharmaceutical Technicians; as well as to send an initiative to supplement the List of Galenic Medicines for Use in Human Medicine, so that they could be included in the List of medicines that are provided at the expense of the compulsory health insurance fund.

Meeting of the Council for Quality in Pharmaceutical Practice

At the meeting of the Council for Quality in Pharmaceutical Practice, which was held on 7 February 2024, the Report on the work of the Council was presented, the Report on the work of the Association of Pharmaceutical and Medical Economy for 2023 was presented, and it was agreed that the members of the Council should submit to the Association proposals for the Work Plan of the Council for Quality in Pharmaceutical Practice for 2024.

Meeting of the Group of Producers of Cosmetic Products

At the meeting of the Group Producers of Cosmetic Products, held on 5 February 2024, it was discussed about the establishment of a uniform procedure for sanitary inspectors on the territory of the Republic of Serbia. On behalf of the Groups operating in the field of cosmetic products, an Initiative was launched to issue an Act on the Implementation of Regulations, with the aim of solving problems in the application of the Law on Items of General Use ("Official Gazette of the RS", Nos. 25/19 and 14/22) and the Rulebook on Cosmetic Products ("Official Gazette of the RS", Nos. 60/19, 47/22 and 21/23). As for the Initiative to provide a support programme for producers of cosmetic products based in the Republic of Serbia – assessment of the safety of cosmetic products and creation of dossiers on cosmetic products with a report on the safety of cosmetic products - it is planned to be implemented through the Public Call for the Support Programme for the Development of Competitiveness, which is announced by the Ministry of Economy.



Meeting of the Group of Pharmaceutical Wholesalers

At the meeting of the Group of Pharmaceutical Wholesalers, held on 27 February 2024, the members pointed out the need for timely reporting on problems in the supply of medicines and medical devices. In addition to the adoption of the Report on the Work of the Group of Pharmaceutical Wholesalers for 2023, and the agreement on the implementation of the Group's Work Plan, the agenda of the meeting included the selection of a new delegate in the European Association of Pharmaceutical Full-line Wholesalers (GIRP), of which the Group of Pharmaceutical Wholesalers is a member. On this occasion, a representative of Farmalogist doo was selected as a delegate. The meeting of the Group of Pharmaceutical Wholesalers was held on 16 October 2024. In the period from 11 to 30 September 2024, the Ministry of Finance held a public debate on the Draft Law on Electronic Delivery Notes, on which the Group of Pharmaceutical Wholesalers provided comments. The comments were submitted to the Ministry of Finance, together with the comments of other CCIS Associations, after which it is expected that a report on the conducted public debate will be published, with the indication of the accepted comments. The Group of Pharmaceutical Wholesalers supported launching of the initiative to recommend healthcare institutions electronic signing of contracts. Due to the volume and complexity of the content of the Draft Law, it was agreed that the Group of Pharmaceutical Wholesalers will form a Working Group whose task is to prepare comments on the Report on the Public Debate on the Draft Law on Electronic Delivery Notes, as well as to participate in the preparation of proposals for the development of by-laws that should stipulate the field of electronic delivery notes. It was agreed that the pharmaceutical wholesalers who have such possibility, delegate members for the Working Group from the logistics, information technology or finance departments.

Meeting of the Group of Importers and Distributors of Medical Devices

At the meeting of the Group of Importers and Distributors of Medical Devices, held on 7 February 2024, it was discussed about the activities that stood out in 2023, i.e. on the training sessions dedicated to the implementation of the regulations in the field of medical devices. On that occasion, the launched initiatives were mentioned, as well as the implemented initiative related to the amendments and supplements to the licence for wholesale of medical devices, when categories according to the EU nomenclature are introduced. The proposal of the members of the Group was accepted, stating that when submitting a request for amendment and supplement of the licence for the wholesale of medical devices (when the conditions for sale are changed), i.e. when the licence is issued for the first time, or when it is renewed after the expiration of validity period (after five years), differently defined categories of medical devices should also be reported. The members were presented the procedure for preparing documentation for the registration of a medical device, with a presentation of the most common deficiencies in the documentation. It was agreed that the members of the Group should submit activity proposals based on which the Professional Service of the Association will prepare a proposal for the Work Plan of the Group of Importers and Distributors of Medical Devices for 2024.



Meeting of the Group of Producers, Importers and Distributors of Dietary Supplements

At the meeting of the Group of Producers, Importers and Distributors of Dietary Supplements, held on 28 February 2024, the members emphasized the importance of the presentation of the analysis of the number of registered dietary products, as well as of the overview of the turnover of dietary products prepared by the Association of Pharmaceutical and Medical Economy, in cooperation with international healthcare data analysts IQVIA. At the meeting, the subject was raised in connection with the maximum concentrations of contaminants in dietary supplements intended for children (from birth and older), by determining contaminants according to age, as well as in connection with defining the concentration or maximum allowed daily intake - as one of the most important topics for the responsible and successful work of the Group of Producers, Importers and Distributors of Dietary Supplements during 2024.

Meeting of the Group of Producers of Medical Devices

At the meeting of the Group of Producers of Medical Devices, held on 17 May 2024, the representative of the only notified body for assessing the conformity of medical devices with basic requirements in the Republic of Serbia, the representative of Kvalitet AD Niš, informed the members of the Group that Kvalitet AD Niš received an extension of accreditation and a new designation from the Ministry of Health. The new designation covers the same product groups as the accreditation, namely: MD 0301 Bandages and wound dressings, MD 0403 Dental implants, MD 1302 Monitoring devices of vital physiological parameters and MD 7009 Medical devices utilizing biological active coatings and/or materials or being wholly or mainly absorbed. A proposal to launch an initiative to extend the validity of the decision on the registration of a medical device was adopted.

Meetings of the Group of Producers of Human Medicines

During 2024, two meetings of the Group of Producers of Human Medicines were held. At the meeting held on 29 February 2024, a representative of the IQVIA (international healthcare data analysts) organization presented the recorded turnover by category of pharmaceutical products during 2023. Representatives of the Republic Health Insurance Fund indicated the need for timely reporting on problems in the supply of medicines and medical devices, so that there would be no shortages. The members were informed that all clients of the Medicines and Medical Devices Agency of Serbia who operate in the field of medicines should access information systems through a qualified certificate or through the ConsentID mobile application, and that the Association of Pharmaceutical and Medical Economy will always be at their disposal to overcome any problems. The main topic of the meeting of the Group of Producers of Human Medicines, held on 15 May 2024, was the reporting by the representative of the Medicines and Medical Devices Agency of Serbia on the development of the project of digital transformation of regulatory affairs for human medicines. The goal of the project is the complete digitization of all regulatory business processes for medicines falling within the competence of the Agency, and a comparative reform of harmonization, standardization and regulation of regulatory procedures and data related to medicines in accordance with ICH/EU standards and good practices, as well as the Law on Electronic Government and the Law on Electronic Documents, electronic identification and trust services in electronic business. The period of controlled submission of applications for the issuance of a licence for human medicines ended, and the experiences of medicine licence holders who were part of the pilot project were exchanged. Holders of a licence for a medicine for which the Agency already issued a license as of 1 January 2024, may submit a request to the Agency for the correction of a technical error (complaint) in relation to the licence number.

Meeting of the Council for Quality in Pharmaceutical Practice

At the meeting of the Council for Quality in Pharmaceutical Practice, held on 14 May 2024, the status of the launched and implemented initiatives was presented. In March 2024, the Coordinating Commission for Inspection Supervision approved Checklist No. 8 - regular control of the pharmacovigilance system at the medicine licence holder, and it was published on the website of the Ministry of Health, by which the initiative sent to the competent ministry in December 2023 was implemented. The Initiative to change the numbering method of a medicine licence in the Republic of Serbia (submitted to ALIMS in January 2024) was implemented, so that by publishing the information on the ALIMS website in March 2024, it was possible to enter as the licence number the first 13 digits (9+4) of the Agency's reference number instead of 35 digits (which takes up space for 43 characters). The Initiative for the adoption of the Act on the Implementation of Regulation IV on the Additional Extension of the Validity of the GMP Certificate (submitted to the Ministry of Health in January 2024) was implemented. The Ministry of Health published on its website the Act on the Implementation of Regulation IV on the Additional Extension of Validity of GMP Certificates, as well as the Plan of GMP Inspection supervision for 2024. The Initiative for Supplementing the List of Galenic Medicines for Use in Human Medicine (submitted to the Ministry of Health in February 2024) was implemented. In the "Official Gazette of the RS", No. 22, dated 20 March 2024, the Rulebook Amending the Rulebook on Galenic Medicines Used in Human Medicine, with a Supplement to the List, was published. It was agreed that the Council for Quality in Pharmaceutical Practice, as a permanent professional body of the Association of Pharmaceutical and Medical Economy, will prepare a document (working title: Code of Conduct of Persons Responsible for Quality in the Medicine Supply Chain), which will specify the responsibilities and duties of persons responsible for quality in the medicines supply chain (QP, QC, QA, responsible pharmacist for wholesale of medicines, responsible pharmacist in the pharmacy), in accordance with the requirements of the current regulations. It is proposed that the document be prepared in accordance with the documents of the European QP, GMP and GDP associations (QP Code of Practice, Code of Practice - Responsible Person for GDP, etc.).

Meeting of the Group of Pharmaceutical Wholesalers

European Association of Pharmaceutical Full-line Wholesalers (GIRP) held its Annual Conference in May 2024, in Prague. On that occasion, a new Director of GIRP was appointed. At the conference, it was stated that the goal of the Association is to form a stable team for a long period, and that one of the priorities is to make its work and finances transparent. The topics that marked this year's conference are: the availability and scarcity of medicines, i.e. the stability of the supply chain, ESG, artificial intelligence, digitalization, challenges and opportunities for wholesalers. The Executive Director of the European Medicines Agency also spoke at the conference, and emphasized "acceleration" as the key word, in terms of the procedure for registering medicines and conducting clinical studies. Also, the need for solidarity between member countries in cases of scarcity was emphasized. After the conference, a meeting of the GIRP Assembly was held, where the Financial Statement for 2023 was adopted, as well as the current status of changes in pharmaceutical legislation. In terms of regulatory changes, primarily in the requirement that wholesalers have the right to be supplied as a counterbalance to their obligation to supply (PSO), there was some progress, but it was agreed that GIRP should continue with its activities and proposals for change.



Meeting of the Group of Pharmacies

The meeting of the Group of Pharmacies was held on 18 September 2024, in the Chamber of Commerce and Industry of Serbia. The new Cabinet of the Minister of Health was earlier sent the initiatives for the adoption of a rulebook regulating the closer conditions for the performance of healthcare activities, in the part related to the pharmacy activity, as well as the comments on the New Draft Rulebook on the closer conditions for the establishment and performance of healthcare activities, as well as the type and manner of providing healthcare services, specifically in the part related to the pharmacy activity. Also, the initiative to amend/supplement the Rulebook on the nomenclature of healthcare services at the primary level of healthcare - in the part related to pharmaceutical services, was repeated, with the aim of enabling greater accessibility of healthcare to citizens/patients. During the meeting, members of the Group pointed out the problem of the amount of commission when paying with payment cards in pharmacies, which ranges from 0.5% to 3%, depending on the bank whose card is used. Given that medicines prices, as well as margins (wholesale and retail), are determined by the state, the members of the Group stated that these commissions should be lower, so that pharmacies would not have significant financial expenses when providing cashless payment services, which are paid from the income based on the retail margin (the retail margin for medicines is fixed and amounts to 12%), and it was agreed to send a letter to the competent institutions with a proposal to find a solution in order to successfully resolve this situation.

Joint meeting Group of Producers of Cosmetic Products and Group of Importers and Distributors of Cosmetic Products

During June and September 2024, the Chamber of Commerce and Industry of Serbia conducted the third (2021, 2022 and 2024) survey of the potential for the production of cosmetic products in the Republic of Serbia, with the aim of establishing representativeness when promoting the interests of this part of the economy before the competent institutions, as well as with potential foreign partners. At the joint meeting with the Group of Importers and Distributors of Cosmetic Products, on 26 September 2024, the Deputy President of the Group of Producers of Cosmetic Products informed the members present about the content of the first Training Course on the Impact of cosmetics on the environment with a focus on the aquatic ecosystem, which was held in the period from 16 to 18 September 2024, in Brussels. Special attention was focused on the long-term effects of cosmetic ingredients on the aquatic world, with the emphasis on the following topics: exposure of aquatic fauna to chemical compounds from cosmetic products; toxicological effects of cosmetic ingredients on aquatic life; legislation and producer responsibility and sustainable approach and green formulations. The conclusions and recommendations refer to: increasing the awareness of industry and consumers about the long-term consequences of cosmetic products on the environment; introduction of stricter regulations; development of environmentally friendly formulations (developing formulations with biodegradable ingredients and packaging); encouraging sustainable innovations (development of new methods and materials that will not endanger aquatic ecosystems). At the meeting, it was agreed that the summary results of the research on the potential of the production of cosmetic products in the Republic of Serbia, conducted in 2024 by the Professional Service of the Association, will be submitted to the members of both groups.

Meeting of the Board of the Association of Pharmaceutical and Medical Economy

The meeting of the Board of the Association of Pharmaceutical and Medical Economy was held on 13 November 2024, in the Chamber of Commerce and Industry of Serbia. Given that the four-year term of office for which the management of the Board was elected was coming to an end, before the election of the new management, the basic activities of all nine groups, and the Council for Quality in Pharmaceutical Practice, in the last four years were presented. The members of the Board pointed out the importance of association and greater strength in the dialogue with the competent institutions. They saw no less importance in networking, so they proposed that the Board meetings be held regularly, twice a year, in order to exchange information on the activities of all Groups within the Association, as well as experiences and recommendations for solving problems. The management of the Board was re-elected, namely, the representative of Hemofarm ad was elected President of the Group of Producers of Human Medicines, and in the next term of office will perform the function of the President of the Board, and the representative of Farmalogist d.o.o. was elected Deputy President of the Group of Pharmaceutical Wholesalers, and in the next term of office will perform the function of the Deputy President of the Board. The re-election was voted unanimously. The management was elected for four years, i.e. the term of office of the management will last until 17 November 2028.



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Domestic companies for the first time at the Arab Health Fair in Dubai

The International Pharmaceutical Industry Fair Arab Health 2024 was held from 29 January to 1 February 2024, in Dubai. In the organization of the Chamber of Commerce and Industry of Serbia and the Serbian Development Agency, 12 Serbian companies participated at the Serbian National Pavillion, in the Medical Equipment & Devices sector (medical devices and equipment). Over 3,450 exhibitors from 180 countries presented themselves at this year's event.

Digital transformation of regulatory affairs for medicines - progress so far and plans for the next period

In cooperation with the Medicines and Medical Devices Agency of Serbia and the Office for Information Technologies and eGovernment, on 20 June 2024, the Chamber of Commerce and Industry of Serbia held the second presentation on the digital transformation of regulatory affairs for medicines. The presentation was intended for licence holders for human and veterinary medicines, i.e. their persons involved in regulatory affairs. The current progress and future directions in the project of digital transformation of regulatory affairs in the field of medicines and IT solutions in the production of RIMS (Regulatory Information Management System) were presented, including the transition of the already established e-processes, processes for issuing permits for the import of unregistered medicine and quality control of medicines to the new platform.

Training session Good clinical practice in clinical testing of products for human use

The participants of the training session Good clinical practice in clinical testing of products for human use, held on 19 March 2024, at the Chamber of Commerce and Industry of Serbia, were presented with the requirements of the Guideline for Good Clinical Practice for clinical testing of medicines, as well as the requirements of Good Clinical Practice that are applicable to other types of products for human use. In addition to medicines and medical devices, participants were presented with the requirements and practice in the case of clinical product testing, with the aim of proving claims (cosmetic products) and statements (dietary supplements).

Successfully completed training for access to the information systems of the Medicines and Medical Devices Agency of Serbia

During March 2024, six training sessions were held for access to the new information system RIMS (Regulatory Information Management System), which the Medicines and Medical Devices Agency of Serbia developed in the project of digital transformation of regulatory affairs for medicines. The goal of the project is the complete digitization of all regulatory business processes for medicines within the Agency's competence, and a comparative reform of harmonization, standardization and regulation of regulatory procedures and data related to medicines in accordance with ICH/EU standards and good practices, as well as with the Law on eGovernment and the Law on electronic documents, electronic identification and trust services in electronic business.

Symposium of the Medicines and Medical Devices Agency of Serbia

The Symposium was held on Kopaonik, in the period from 24 to 26 October 2024, the topics of which were: challenges and solutions in the sphere of competence of ALIMs with special reference to innovations in digitization and IT improvements, i.e. the new RIMS system; then reliance, novelties in the field of medical devices; (mis)use of social networks in the context of pharmaceutical industry and medicines; interchangeable medicines, new ICH guidelines; sustainable and eco-conscious development; novelties in the work of the national control laboratory and others. The Medicines and Medical Devices Agency of Serbia (ALIMS) also celebrated its 20th anniversary this year.

Basics of pharmacovigilance for medicine license holders

In cooperation with the Medicines and Medical Devices Agency of Serbia, on 3 December 2024, the Chamber of Commerce and Industry of Serbia held the training session on the Basics of pharmacovigilance for medicine licence holders, which was intended for persons responsible for pharmacovigilance, as well as their substitutes. The medicine licence holder is obliged to organize constant monitoring of adverse reactions to the medicines, and to have in place an appropriate pharmacovigilance system that ensures the monitoring and supervision of one or more medicines for which it holds a medicine licence in the Republic of Serbia, and the implementation of appropriate measures, if necessary. It was concluded that it was necessary for the person responsible for pharmacovigilance, i.e. his substitute, to continuously improve his skills in the field of pharmacovigilance, and that a record of this should be kept.

Documents accompanying a medical device on the market

In the Chamber of Commerce and Industry of Serbia, on 3 July 2024, the training session was held under the title Documents accompanying a medical device on the market. The participants received useful answers to the questions of how to better "read" the certificates of conformity accompanying a specific medical device on the market, as well as what additional statements the producers of the medical device should provide in the period of transition from the Directives to the Regulation of the European Union, to ensure that the certificates remain valid.



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REGIONAL INFORMATION

Cooperation with companies from the Antalya Industrial Zone

Belgrade Chamber of Commerce and Industry

On 19 November 2024, business meetings of Serbian and Turkish businesspeople were held in the organization of the Belgrade Chamber of Commerce and Industry and the Organized Industrial Zone Antalya, from Turkey, and in cooperation with the RCCI of the Zlatibor Administrative District (Užice) and the RCCI of the Moravica and Raška Administrative District (Kraljevo). Special guests at the meeting were the President of the Chamber of Commerce and Industry of the Federation of Bosnia and Herzegovina with his businesspeople. Leading companies from the Industrial Zone Antalya presented their products, mainly from the fields of agriculture and food industry, chemical industry, but also construction and machinery and elevator industry.

Extended Subotica Free Zone

RCCI of the North Bačka Administrative District Subotica

By the Decision of the Government of the Republic of Serbia, the Subotica Free Zone was extended to the Municipality of Senta. Now, after expanding to the Municipalities of Kanjiža and Kikinda, it occupies an area of 100 hectares of land. The Free Zone currently consists of 11 companies: Zoppas, ContiTech Fluid, Norma Group JI Europe, Ametek, Flender, Swarovski, Boysen, B+B Sensor Solutions, Plastikcam East, Nifco Germany and Feller.

Ambassador of Italy visiting Vršac

RCCI of the South Banat Administrative District Pančevo

On 20 March 2024, the Mayor of Vršac hosted the Ambassador of Italy in Serbia, with the aim of exchanging information regarding the operations of a large number of Italian companies in the area of the City of Vršac. Fintel energija ad, which is majority-owned by the Italian Fintel Energia Group SpA, is the leading producer of electricity obtained from wind energy in the Balkans. Also, the cooperation with the Company Palladio East doo, which is a large producer of pharmaceutical paper packaging, and employs 270 workers from the territory of Vršac, proved to be very successful. The new Industrial Zone North, which extends towards the border crossing and has new locations, very suitable for numerous investments, was also presented. An invitation was made for further cooperation with Italian companies, especially due to the convenience of proximity to Romania, where tens of thousands of Italian companies operate extremely successfully.

Cooperation and partnership between Italian and Serbian businesspeople on the territory of Šumadija and Pomoravlje of the RCCI of the Pomoravlje and Šumadija Administrative District

RCCI of the Pomoravlje and Šumadija Administrative District Kragujevac

Meeting of businesspeople - Connecting industries: meetings, challenges and opportunities was held on 9 April 2024, in the premises of the RCCI Kragujevac. The meeting was attended by companies with Italian capital and members of Confindustria Serbia, with the aim of maintaining an open dialogue of the companies present and presenting activities and plans, as well as possible opportunities for cooperation.

Cooperation Agreement signed between the Chamber of Commerce and Industry of the Zenica-Doboj Canton and the CCIS – RCCI of the Šumadija and Pomoravlje Administrative District

RCCI of the Pomoravlje and Šumadija Administrative District Kragujevac

Within the cooperation project of the Faculty of Economics of the University of Kragujevac and the University of Zenica, an Agreement on Cooperation was signed between the Chamber of Commerce and Industry of the Zenica-Doboj Canton and the Chamber of Commerce and Industry of Serbia - Regional Chamber of Commerce and Industry of the Šumadija and Pomoravlje Administrative District. The Agreement envisages joint activities that should greatly contribute to the intensification of cooperation and the stronger linking of these two industrially developed regions.

Businesspeople of the Rasina, Raška and Moravica Districts visited the 25th International Business Fair in Mostar

RCCI of the Rasina Administrative District Kruševac

Companies from the Rasina, Raška and Moravica Districts, 50 of them, visited the 25th International Business Fair in Mostar, which was held from 15 to 17 April 2024, and included significant business discussions with the companies that introduced themselves at one of the most visited and most successful fair events in Bosnia and Herzegovina.

Businesspeople of the Rasina District visited the 48th International Construction Fair SEEBBE

RCCI of the Rasina Administrative District Kruševac

The Regional Chamber of Commerce and Industry of the Rasina Administrative District of the Chamber of Commerce and Industry of Serbia organized a visit to the 48th SEEBBE International Construction Fair, for 50 representatives of the economy and Local Self-Governments of the Rasina District. This provided the companies with the opportunity to enter new markets, and gave them access to current products and solutions, through an overview of all aspects of the construction industry.

Kruševac businesspeople visiting the Liaoning Province and the City of Shenyang, China

RCCI of the Rasina Administrative District Kruševac

In the organization of the Chinese Central European Logistics Zone CECZ with its Representative Office in Budapest, and the Government of the Liaoning Province, in the period from 9 to 14 October 2024, a business visit of the Business Delegations of Serbia, Hungary and Romania was realized to the Liaoning Province and the City of Shenyang, in the northeast of China. The Delegation from Serbia visited companies from the metalworking industry, rubber and light industry - textiles and fashion industry. During the visit, several conferences and meetings were held at which Serbian businesspeople established contacts aimed at economic cooperation. In addition, they participated in the dialogue of the business and the consortium of industrial and hazardous waste operators, with consultants from the field of environmental protection.



Support of the company Serbia Zijin Mining to farmers from Metovnica

RCCI of the Bor and Zaječar Administrative District Zaječar

Representatives of the Company Serbia Zijin Mining signed a Contract on Cooperation with local agricultural producers from Metovnica, near Bor, in September 2024. The goal of the signing is to provide the support to local producers and livestock farmers, especially those from the category of socially vulnerable households, and to enable continuous marketing of their products, as well as to support the development of local industry and encourage economic growth. In the coming period, more than two hundred registered agricultural households will be able to sell their livestock and agricultural products to Serbia Zijin Mining.

With hydroseeding to green areas in Majdanpek

RCCI of the Bor and Zaječar Administrative District Zaječar

Environmental Protection Service of the Majdanpek subsidiary of Serbia Zijin Copper points out that the company has so far covered 130,000 square meters with a green "carpet" in the greening and recultivation of degraded land in Majdanpek, and that 2,000 square meters of inaccessible areas have been greened, with the hydroseeding technique, by which the annual plan of reclamation of degraded land is already exceeded. Recultivation prevents soil erosion and greatly improves the quality of ambient air. Hydroseeding is a new greening technique, which is mostly used in Italy. In Serbia, it has so far been used only to stabilize terrain along highways, because the technique is not cheap at all.

The City of Leskovac won the Eco-Municipality Award for the second time

RCCI of the Jablanica and Pčinja Administrative District Leskovac

At the competition in the Sustainable Water Management category, the City of Leskovac won the Eco-Municipality award for the second time, which was presented to the Mayor of Leskovac. This city has always strived to improve its system of communal infrastructure and stand side by side with the cities of Europe.

Cross-border Conference Europe in the Balkans: a Common Future

RCCI of the Nišava, Pirot and Toplica Administrative District Niš

Cross-border Conference of the project Europe in the Balkans: a common future was held simultaneously in Belgrade and Vidin (Bulgaria), on 14 June 2024. The project Europe in the Balkans: a common future is implemented by BTA, with the support of the European Commission, and builds on the already realized project called Europe in Bulgaria: a common future. The goals of the project are: better understanding of the role of cohesion policy, with an emphasis on the Balkans, raising awareness of projects financed by the EU through cohesion policy, promoting an open dialogue on the results of its implementation at the local level, as well as civic participation in issues related to cohesion policy. The representative of the CCIS – RCCI Niš introduced the participation of this chamber in cross-border cooperation projects, which has lasted for more than two decades, and pointed out, among other things, that in addition to the Cross-Border Cooperation Programme of Serbia and Bulgaria, this Chamber also participates in other programmes financed by the EU.

A Delegation of Chinese businesspeople visited the Niš region

RCCI of the Nišava, Pirot and Toplica
Administrative District Niš

At the initiative of the Naissus Business Club, on 19 January 2024, a bilateral meeting of local businesspeople was held with a Delegation of the People's Republic of China and representatives of the Canton Chamber of Commerce and Industry. The aim of the meeting was to promote economic and trade exchange between the Chinese Province of Guangdong and the economic potential of the Nišava, Pirot and Toplica Districts, in order to create a long-term environment that will encourage the growth and development of business relations between Serbian and Chinese companies.

Agreement between Serbia and Uganda to conquer new African markets

RCCI of the Nišava, Pirot and Toplica
Administrative District Niš

The city of Niš hosted the first meeting of the Joint Commission for Trade Cooperation between the Republic of Serbia and the Republic of Uganda. At the meeting, held on 25 October 2024, a Memorandum of Understanding in the field of air transport was signed, as well as an Agreement on Air Transport between the Government of the Republic of Serbia and the Government of the Republic of Uganda. This opens the door to increasing the volume of cargo transport and trade between the two countries, which will have the opportunity to place their goods on third markets, i.e. on the territory of Europe in the case of Uganda's economy, and in the markets of Africa, in the case of our country. It was especially emphasized that the common goal is that the trade between Serbia and Uganda exceeds 100 million euros, and that it continues to grow in the coming years.

Office for the Cooperation of the Cities of Niš and Lishui opened

RCCI of the Nišava, Pirot and Toplica
Administrative District Niš

The Office for the Cooperation of the Cities of Niš and Lishui (China) was opened in Niš, on 23 September 2024. On that occasion, a Protocol of Intentions was signed, which foresees the continuation of the promotion of trade of goods and services, as well as the organization of mutual visits and dialogues.



ECONOMIC ACTIVITY

in the Pharmaceutical and Medical Economy

Relative Importance of the Activity – Gross Value Added

According to the data of the Statistical Office of the Republic of Serbia, the gross value added (GVA) in the pharmaceutical and medical economy activities, in 2023, amounted to EUR 3.0 billion, which accounts for 4.6% of the total realized GVA of the Republic of Serbia, with the real growth rate of 1.0%.

In the structure of gross value added of the section of manufacturing, the share of basic pharmaceutical products and pharmaceutical preparations is 1.7%

(EUR 167.0 million). The recorded GVA in activities providing healthcare amounts to EUR 2.6 billion (91.5% of GVA of the section of healthcare and social security), and in the social security with accommodation EUR 161.0 million (5.6% of GVA of the section of healthcare and social security).

The highest year-on-year gross value added growth was recorded in the manufacture of basic pharmaceutical products and pharmaceutical preparations (12.5%), while the year-on-year decline in gross added value was not registered in any activity of this industry.

Gross value added (GVA) in pharmaceutical and medical economy activities, 2023

Code of section and activity divisions	GVA, by sections and activity divisions of CA (2010)	Share in GVA, in %		Real growth rates (2022 = 100, %)
		in total	by section	
	Republic of Serbia	100.0	-	4.8
Section C	Manufacturing	15.6	100.0	0.9
Division 21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	0.3	1.7	12.5
Section Q	Human health and social work activities	4.5	100.0	0.4
Division 86	Human health activities	4.1	91.5	0.0
Division 87	Social security with accommodation	0.3	5.6	6.7

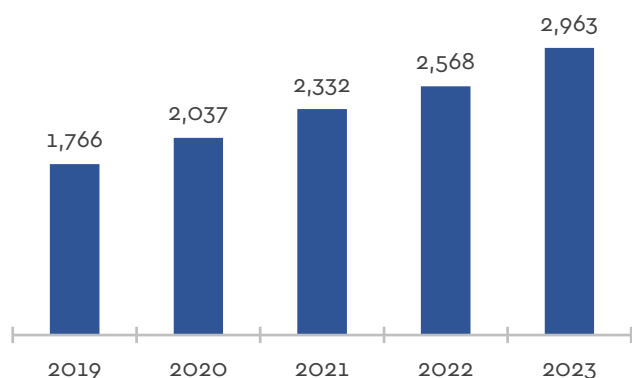
Source: SORS, precalculation by Centre for SAAPP (CCIS).

Note:

in total = the share of activity sections and divisions of CA (2010) in the recorded GVA of the Republic of Serbia

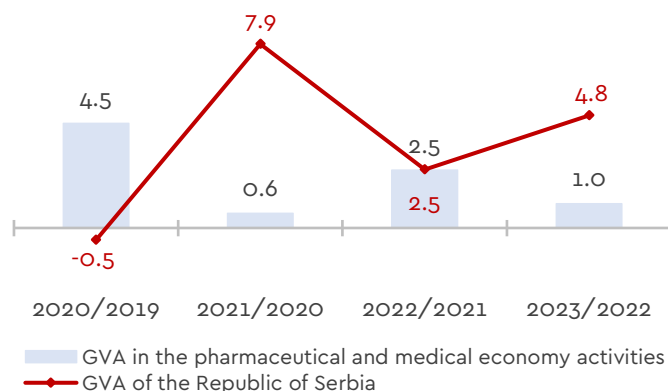
by section = the share of activity division of CA (2010) in the GVA of the activity section of CA (2010) it belongs to

GVA, current prices, in the pharmaceutical and medical economy activities (in EUR million)



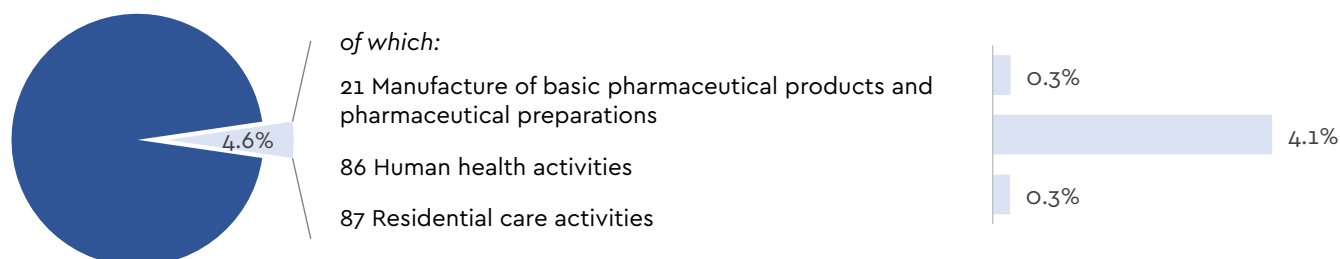
Source: SORS, precalculation by Centre for SAAPP (CCIS).

GVA, real growth, in constant prices of the previous year, in the pharmaceutical and medical economy activities (in %)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Share of GVA in the pharmaceutical and medical economy activities in GVA of the Republic of Serbia, 2023 (in %)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Note: For the calculation of GVA in the pharmaceutical and medical economy activities, the following areas of activity are included according to CA(2010): 21-Manufacture of basic pharmaceutical products and pharmaceutical preparations, 86-Human health activities, 87-Residential care activities.



Companies and Entrepreneurs

According to the calculations of the CCIS, and based on the data of the Business Registers Agency, in 2024, 147 companies operated in the pharmaceutical and medical economy activities, which accounts for 0.1% of the total registered companies in the Republic of Serbia. Out of that number, the majority of companies are registered for

the manufacture of basic pharmaceutical products (47.6%) and social security with accommodation (49.0%). The lowest number of active companies is in the healthcare activities (3.4%).

In addition to companies, in 2024, about 6,392 entrepreneurs were engaged in the pharmaceutical and healthcare activities and social security with accommodation.

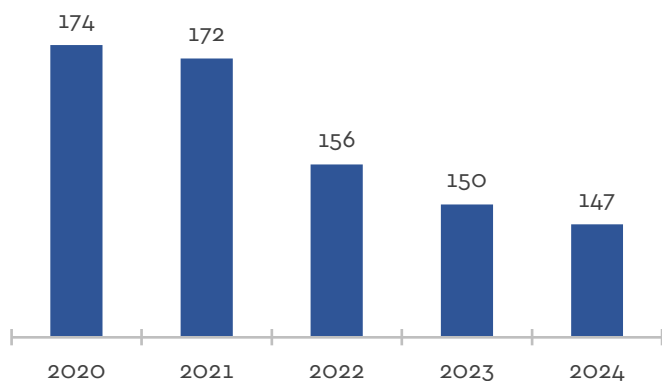
Active companies and entrepreneurs engaged in pharmaceutical and medical economy activities, 2024

Code of section and activity divisions	Active companies and active entrepreneurs	Active companies		Active entrepreneurs	
		number	year-on-year change, in %	number	year-on-year change, in %
	Republic of Serbia	137,871	0.4	353,010	7.0
Section C	Manufacturing	19,118	-2.5	48,361	3.7
Division 21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	70	-1.4	0	-
Section Q	Human health and social work activities	167	-3.5	6,496	2.0
Division 86	Human health activities	5	-28.6	6,377	2.1
Division 87	Social security with accommodation	72	0.0	15	-16.7
TOTAL		147	-2.0	6,392	2.0

Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

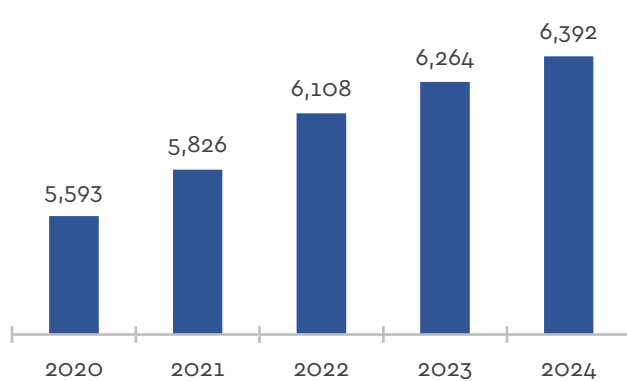


Number of companies in pharmaceutical and medical activities



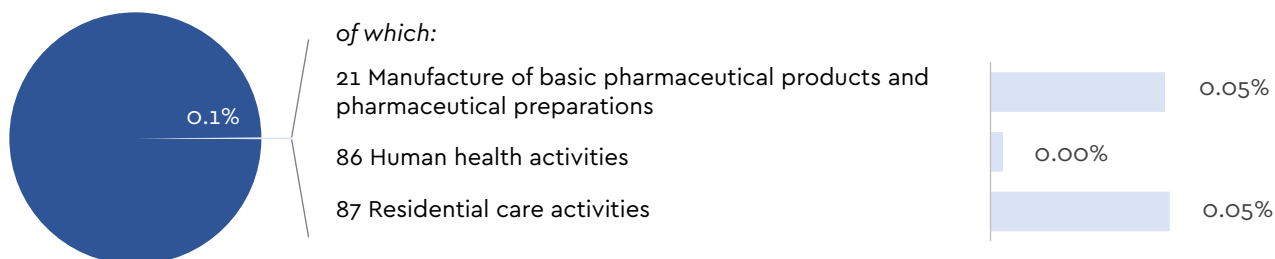
Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

Number of entrepreneurs in pharmaceutical and medical activities



Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

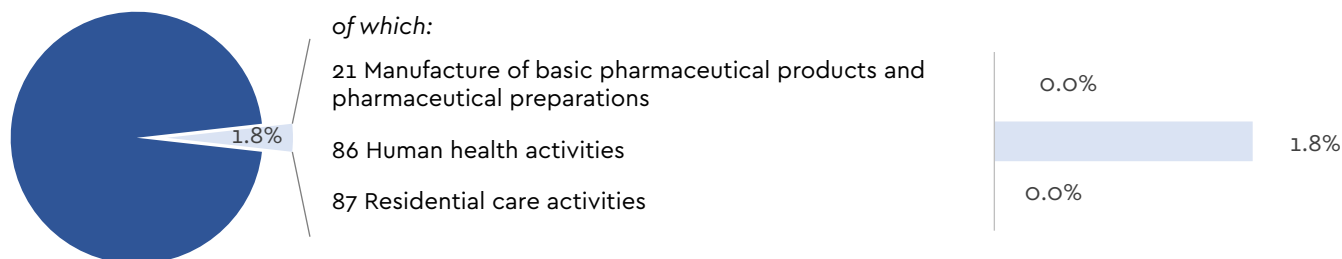
Share of the number of companies in pharmaceutical and medical activities in the total number in the Republic of Serbia, 2024 (in %)



Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

Note: For the calculation of the number of companies in pharmaceutical and medical activities, the following areas of activity are included according to CA(2010): 21-Manufacture of basic pharmaceutical products and pharmaceutical preparations, 86-Human health activities, 87-Residential care activities.

Share of the number of entrepreneurs in pharmaceutical and medical activities in the total number in the Republic of Serbia, 2024 (in %)



Source: Serbian Business Registers Agency (SBRA), precalculation by CCIS.

Note: For the calculation of the number of entrepreneurs in pharmaceutical and medical activities, the following areas of activity are included according to CA(2010): 21-Manufacture of basic pharmaceutical products and pharmaceutical preparations, 86-Human health activities, 87-Residential care activities.

Turnover

The total realized turnover, i.e. the total value of sold products and services in the non-financial business economy in the Republic of Serbia, in 2023, amounted to EUR 160.7 billion, which constitutes a year-on-year growth of 5.5%. In 2023,

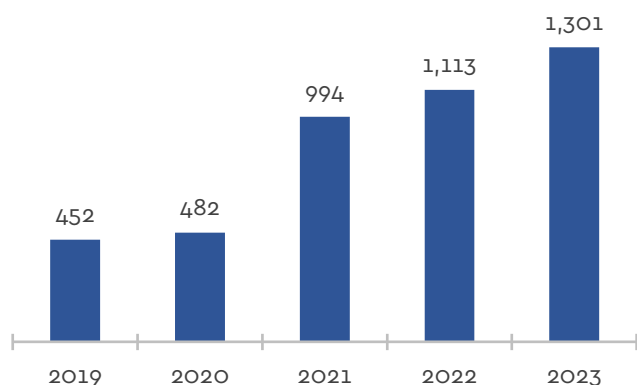
the pharmaceutical and medical economy activities recorded the total turnover of EUR 1.3 billion, which accounts for 0.8% of the realized turnover in the non-financial business economy in the observed year. Since 2019, these activities have recorded the turnover growth.

Turnover in pharmaceutical and medical economy activities, 2023

Code of section and activity divisions	Turnover in non-financial sector	in million EUR	year-on-year change, in %
	Republic of Serbia	160,680	5.5
Section C	Manufacturing	44,538	-0.6
Division 21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	651	15.0
Section Q	Human health and social work activities	737	...
Division 86	Human health activities	619	...
Division 87	Social security with accommodation	31	...
TOTAL		1,301	16.9

Source: SORS, precalculation by Centre for SAAPP (CCIS).

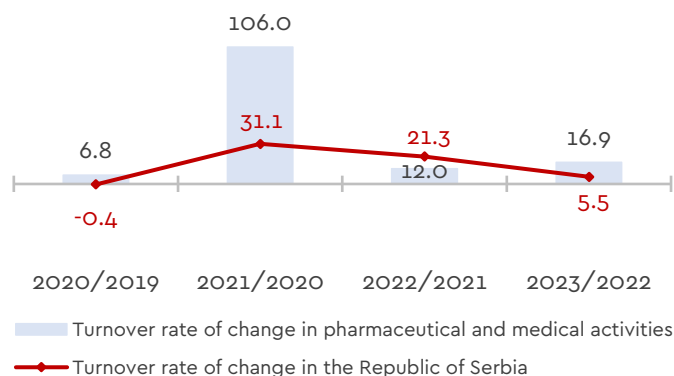
Turnover in pharmaceutical and medical activities (in EUR million)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Note: There are no data on the turnover in healthcare activities and social protection with accommodation until 2020.

Year-on-year turnover rate in pharmaceutical and medical activities (in %)



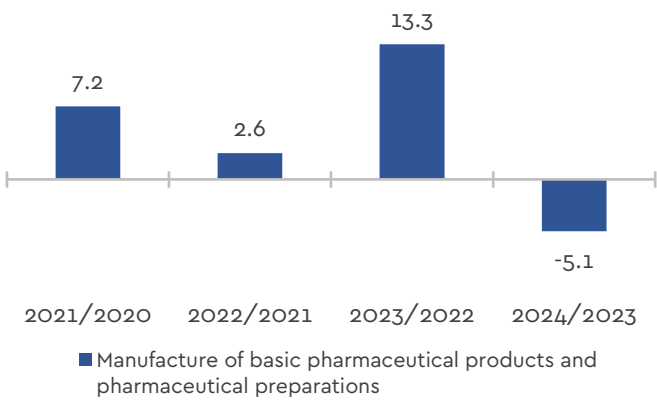
Source: SORS, precalculation by Centre for SAAPP (CCIS).

Industrial Production

In 2024, in the section of manufacturing, industrial production grew by 4.7% as compared with 2023. If the period from 2020 is observed, it is noticed that this economic indicator has recorded a continued year-on-year growth.

In 2024, in the activity of manufacture of basic pharmaceutical products and pharmaceutical preparations, industrial production decreased by 5.1% as compared with the previous year. In the five-year period (2020–2024), this activity recorded an average annual growth in industrial production of 4.3%.

Year-on-year rate of change in industrial production of pharmaceutical products (in %)



Source: SORS.



Employment

According to the data of the Statistical Office of the Republic of Serbia, in 2024, the total of 2.3 million employees were registered in the Republic of Serbia at legal entities and with entrepreneurs. In 2024, the number of employees at legal persons and with entrepreneurs in the pharmaceutical and medical economy activities reached 152,879, which is higher by 2.1% as compared with 2023.

The majority of employees are in the healthcare activities, 137,293 (y-o-y growth of 2.0%), in social

security with accommodation there are 10,361 employees (y-o-y growth of 1.5%), whereas the lowest number of employees is the manufacture of basic pharmaceutical products and pharmaceutical preparations, 5,225 (y-o-y growth of 6.1%).

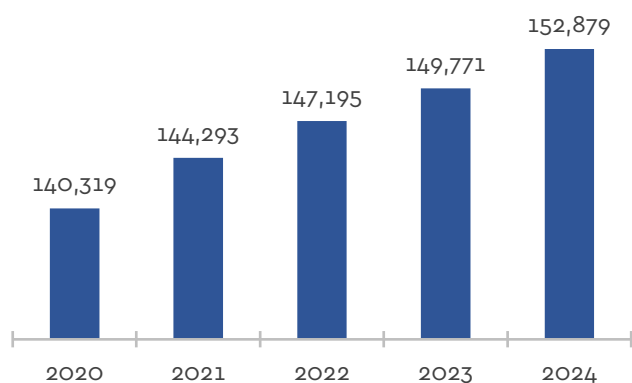
In the total number of employees in the Republic of Serbia, the share of employees in the pharmaceutical, healthcare and social security activities is 6.6%. The five-year average growth of employees (2020-2024) in the above industries amounts to 2.2%.

Registered employment in pharmaceutical and medical economy activities, 2024

Code of section and activity divisions	Registered employment	Number of employees		Share in employment, in %	
		number of employees	year-on-year change, in %	in total	by section CA(2010)
	Republic of Serbia	2,319,535	0.5	100.0	-
Section C	Manufacturing	497,939	-0.8	21.5	100.0
Division 21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	5,225	6.1	0.2	1.0
Section Q	Human health and social work activities	177,653	6.1	7.7	100.0
Division 86	Human health activities	137,293	2.0	5.9	77.3
Division 87	Social security with accommodation	10,361	1.5	0.4	5.8
TOTAL		152,879	2.1	6.6	

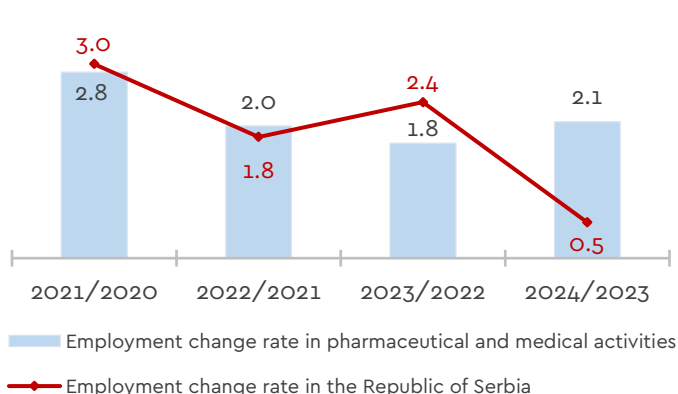
Source: SORS, precalculation by Centre for SAAPP (CCIS).

Number of employees in pharmaceutical and medical activities



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Year-on-year rate of change in employment in pharmaceutical and medical activities (in %)



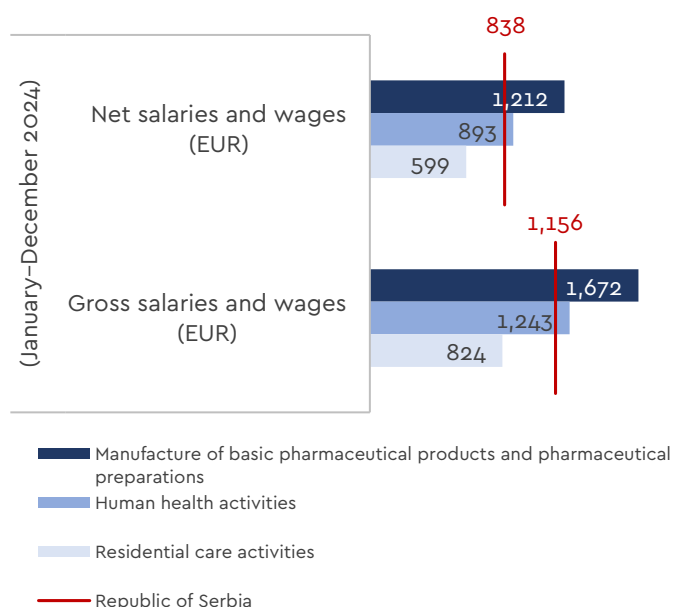
Source: SORS, precalculation by Centre for SAAPP (CCIS).

Salaries and Wages

In the period January–December 2024, the average salaries and wages paid out in the Republic of Serbia amounted to EUR 1,156, whereas the average salaries and wages without taxes and contributions (net) stood at EUR 838. The growth in gross and net salaries and wages, in the period January–December 2024, as compared with the same period in 2023, amounted to 14.2% nominally, i.e. 9.2% in real terms.

In 2024, the highest average salaries and wages were paid out in the manufacture basic pharmaceutical products and pharmaceutical preparations (EUR 1,672), and they were higher by 44.6% as compared with the average salaries and wages in the Republic of Serbia. In the healthcare activities, the average salaries and wages are higher as compared with the Republic average by 7.5%, whereas the lowest salaries and wages were recorded in the activity of social security with accommodation and amounts to EUR 824 (28.7% below the republic average).

Salaries and wages, January–December 2024 (in EUR)



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Average gross salaries and wages in pharmaceutical and medical economy activities, 2024

Code of section and activity divisions	Average gross and net salaries and wages	Average gross salaries and wages			Average net salaries and wages		
		EUR	year-on-year change, in %		EUR	year-on-year change, in %	
			nominal	real		nominal	real
	Republic of Serbia	1,156	14.2	9.2	838	14.1	9.1
Section C	Manufacturing	1,018	16.1	11.0	738	16.1	11.0
Division 21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	1,672	13.8	8.8	1,212	13.8	8.8
Section Q	Human health and social work activities	1,158	13.1	8.1	833	13.2	8.2
Division 86	Human health activities	1,243	13.6	8.6	893	13.6	8.6
Division 87	Residential care activities	824	14.5	9.5	599	14.5	9.5

Source: SORS, precalculation by Centre for SAAPP (CCIS).

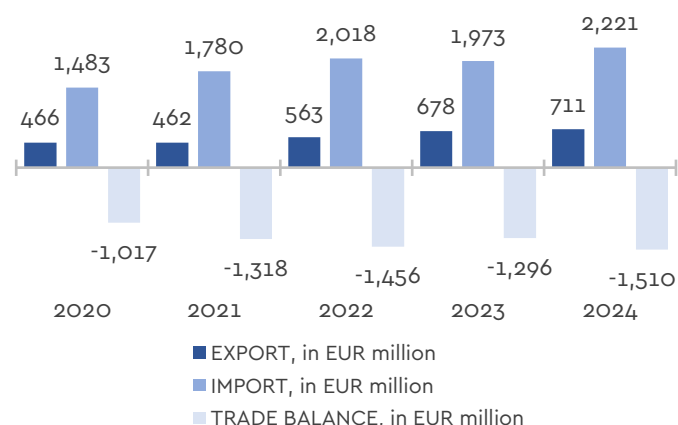
Foreign Trade

In 2024, the export of basic pharmaceutical products and pharmaceutical preparations amounted to EUR 710.6 million, which was higher by 4.9% as compared with 2023 and, at the same time, accounts for 2.4% of the total goods export of the Republic of Serbia. The average annual export growth rate in the five-year period (2020-2024) amounts to 11.1%.

In 2024, the value of import amounted to EUR 2.2 billion, which is lower by 12.5% as compared with 2023, and accounts for 5.7% of the total import of the Republic of Serbia. The average annual import growth rate in the five-year period (2020-2024) amounts to 10.6%.

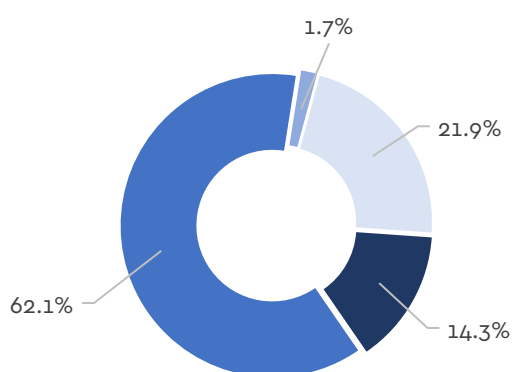
The deficit in foreign trade in pharmaceutical products amounted to EUR 1.5 billion, with the coverage of import by export of 32.0%. Since 2020, the deficit in foreign trade in these products has increased continuously.

Foreign trade in basic pharmaceutical products, electromedical equipment, dental instruments



Source: SORS, precalculation by Centre for SAAPP (CCIS).

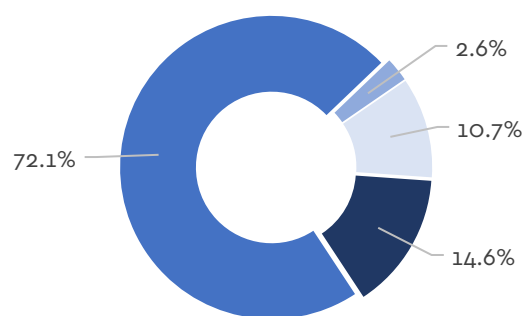
Export structure of basic pharmaceutical products, electromedical equipment, dental instruments, 2024 (in %)



- Manufacture of perfumes and toilet preparations
- Manufacture of basic pharmaceutical products and pharmaceutical preparations
- Manufacture of electromedical equipment
- Manufacture of medical and dental instruments and supplies

Source: SORS, precalculation by Centre for SAAPP (CCIS).

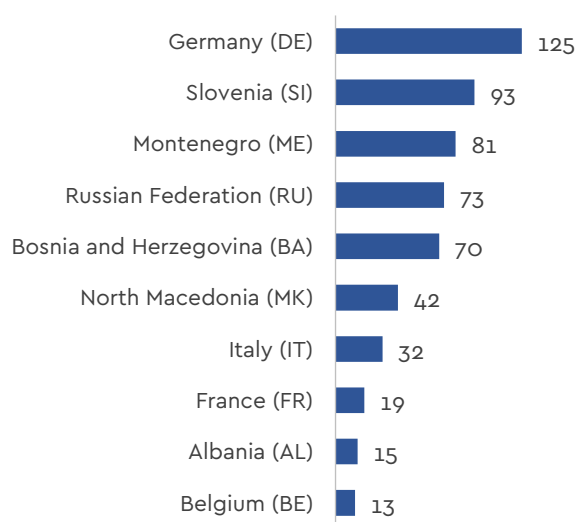
Import structure of basic pharmaceutical products, electromedical equipment, dental instruments, 2024 (in %)



- Manufacture of perfumes and toilet preparations
- Manufacture of basic pharmaceutical products and pharmaceutical preparations
- Manufacture of electromedical equipment
- Manufacture of medical and dental instruments and supplies

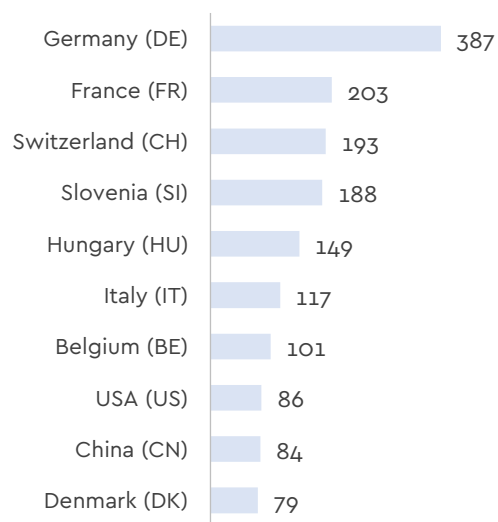
Source: SORS, precalculation by Centre for SAAPP (CCIS).

**Export of basic pharmaceutical products,
electromedical equipment,
dental instruments, by country,
2024 (in EUR million)**



Source: SORS, precalculation by Centre for SAAPP (CCIS).

**Import of basic pharmaceutical products,
electromedical equipment,
dental instruments, by country,
2024 (in EUR million)**



Source: SORS, precalculation by Centre for SAAPP (CCIS).



Total Realized Investments

The total realized investments in fixed assets in the pharmaceutical and medical economy activities, in 2023, amounted to EUR 523.6 million, out of which 87.3% was realized in the healthcare activities (EUR 457.3 million), 10.8% in the manufacture of basic pharmaceutical products and pharmaceutical preparations (EUR 56.6 million), and 1.9% in the social security with accommodation (EUR 9.7 million).

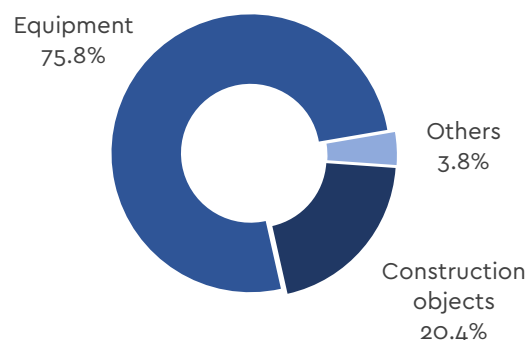
In the structure of these investments, the investments in domestic and imported equipment had the largest share (75.8%). Lower investments were made in buildings and civil engineering (20.4%), whereas the remaining 3.8% account for investments in intellectual property – research and development, software, databases and other.

Foreign Direct Investments

According to the preliminary data of the National bank of Serbia, in 2024, the total net inflow of FDIs in the Republic of Serbia, on ground of investments of non-residents, amounted to EUR 5.2 billion.

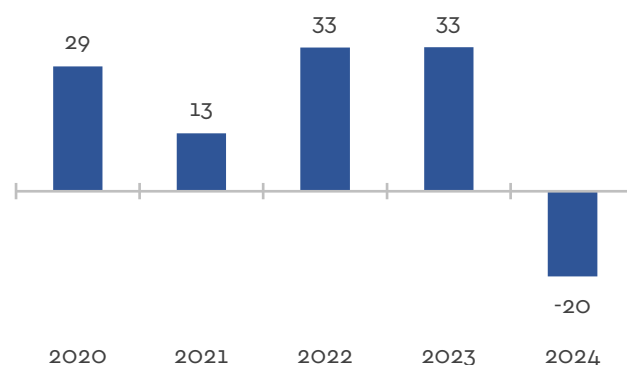
In the manufacture of basic pharmaceutical products and pharmaceutical preparations, and healthcare and social security, the net outflow of EUR 19.6 million was recorded. In the five-year period (2020–2024) the total net inflow of FDIs in the pharmaceutical and medical economy activities amounted to EUR 88.4 million, and the highest inflow was recorded in 2022 (EUR 33.0 million).

Structure of realized investments in fixed assets in pharmaceutical and medical activities, 2023



Source: SORS, precalculation by Centre for SAAPP (CCIS).

Net FDI inflow, based on non-residents' investments (in EUR million)



Source: NBS, precalculation by Centre for SAAPP (CCIS).

Note: In accordance with the "Manual for the preparation of the balance of payments and international investment position no. 6, IMF", the mentioned economic branch includes: **Manufacture of basic pharmaceutical products and pharmaceutical preparations; Human health and social work activities**. Industries are classified according to the statistical classification of economic activities of the European Community (NACE Rev. 2, 2008).

Annual Assessment of Business Activity

Investments

According to the results of the [CCIS Survey on Business Activity of the Domestic Economy](#), the surveyed companies in pharmaceutical and medical industries state that in the structure of investments the following items have the largest share: imported equipment (40.9% of realized investments in 2024, i.e. 31.3% of total planned investments in 2025), construction buildings (19.4% of realized investments, i.e. 25.8% of total planned investments), and are least interested in investing in intellectual property (only 17.5% of the realized investments in 2024, i.e. 17.3% of planned investments in 2025).

Financing

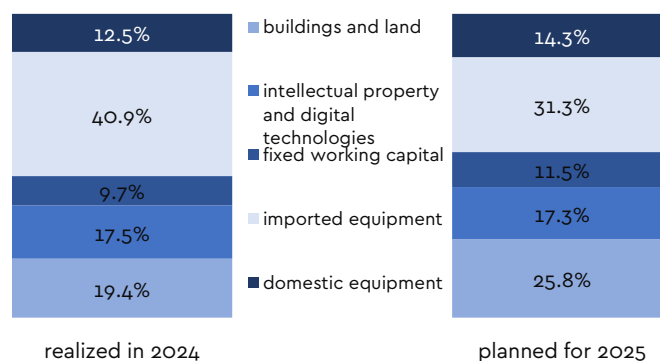
In 2024, the largest number of the surveyed companies in pharmaceutical and medical industries mainly used their own assets in business operations (88.1%) and loans (10.5%). The surveyed companies did not use budget incentives and other sources of financing in their operations in 2024.

Incentives

In 2024, the incentives of state institutions and local self-governments were used by 3.1% of the surveyed companies in pharmaceutical and medical industries, whereas 93.8% of the respondents stated that they did not apply for these funds.

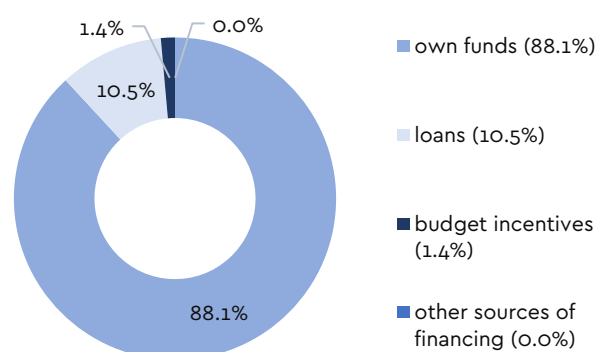
The number of the surveyed companies in pharmaceutical and medical industries is indicated by the letter "n" (sample size).

Structure of the realized and planned investments (% of respondents)



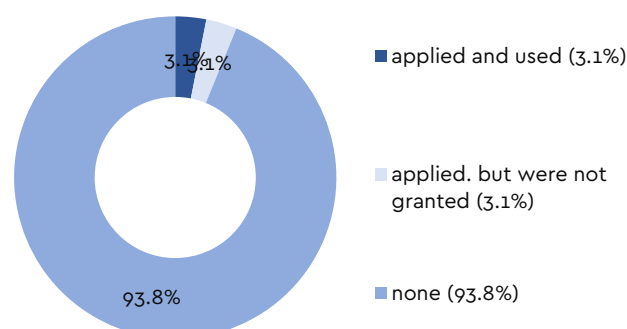
Source: CCIS Survey on Business Activity of the Domestic Economy (n realized = 16, n planned = 20).

Structure of the sources of financing in 2024 (% of respondents)



Source: CCIS Survey on Business Activity of the Domestic Economy (n=32).

Did you apply for any subsidies granted by state institutions or local self-governments in 2024? (% of respondents)



Source: CCIS Survey on Business Activity of the Domestic Economy (n=32).

ECONOMIC ACTIVITY

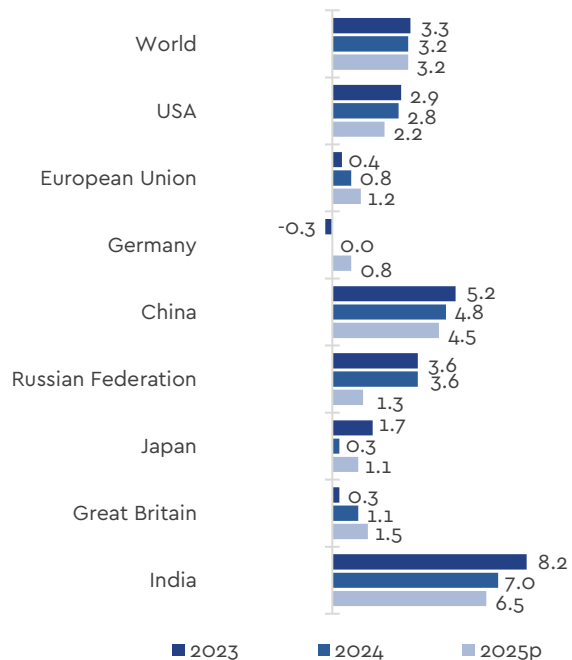
Macroeconomic Overview

In 2024, the global economy was characterized by growing risks due to increased geopolitical conflicts in the world, economic fragmentation and strengthening of state protectionism, the return of inflation to the target range and the cautious start of expansionary monetary policy, along with political instability and uncertainty. Europe, faced by the above risks, has not managed to cope with economic, political and technological challenges even in 2024, which is the main inhibiting factor in a faster exit from the crisis situation. The election process in the US and the victory of Donald Trump triggered the so-called domino effect, and political changes were also recorded in countries such as Germany, France, Canada.

While the West is struggling with political changes that could lead to strategic oscillations in the further development of its economies, China is advancing technologically and is moving towards the strategic goal of strengthening its position in the coming years. The tightening of relations between the world's largest economies has been in effect for years, and it has been further intensified by the West's increase in tariffs on imports of products from China, as well as a comprehensive package of sanctions against the Russian Federation. On the other hand, it can be said that Inflation has been brought back within the target range and the world's leading central banks have begun to lower interest rates, which has meant cheaper loans to businesses and population thus boosting both economic activity and household consumption.

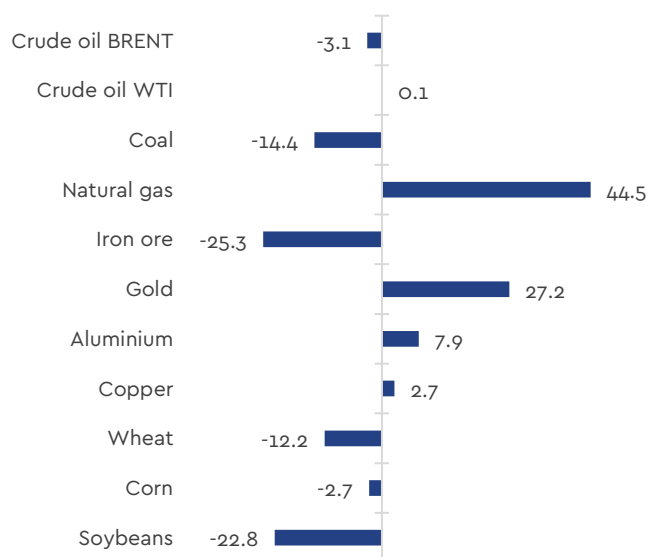
According to the IMF's estimate, the world economy recorded growth of 3.2% in 2024, with China (4.8%) and India (7.0%) being the drivers of this growth. If the impact of these two economies were excluded, only the Russian Federation (3.6%) and the US (2.8%) had growth at the average level. All other countries have recorded anemic growth, hence the European Union achieved an acceleration of economic activity of only 0.8%, whereas the largest economy in this economic bloc, Germany, is in a certain degree of stagnation (0.0%) and has been struggling with recession for several years now.

GDP growth/decline projection for the world's largest economy for 2023, 2024 and 2025 (in %)



Source: IMF.
(p – projection)

Change in the price of energy, metals and the most important agricultural products in December 2024 compared to the beginning of the year (in %)



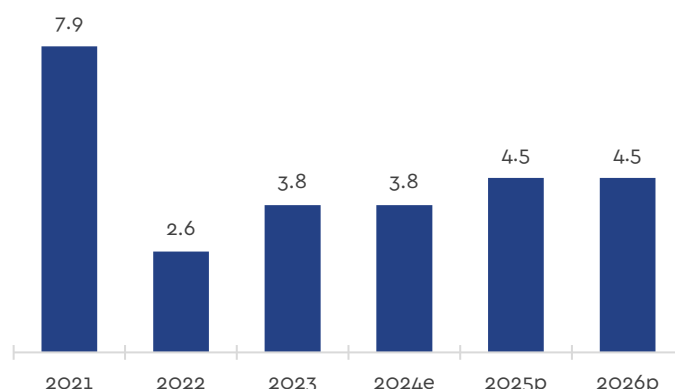
Source: Bloomberg L.P.

The 2025 outlooks are similar to the ones in 2024, and the continued dominance of China and India is expected within this parameter, as well as a slight slowdown in the US (2.2%). Global growth in 2025 will depend most on the European Union's capacity to deal with political conflict in Europe, whether leading economies will overcome problems in the industrial sector, and whether greater central bank monetary stimulus will contribute to reducing technological and economic dependence on the United States.

In 2024, Serbia managed to preserve the stability of its economy and the trust of consumers and investors, with a constant inflow of Foreign Direct Investments, growth in employment and earnings in the private sector, as well as the highest level of foreign exchange reserves. The economy of Serbia had an average quarterly growth of around 4% in 2024 measured by the **real growth rate of gross domestic product**, and given that the positive dynamics of activity in most manufacturing and service sectors continued during October, it is estimated by the economists that annual GDP growth in 2025 will be around 3.8%. Leading economists at the IMF and the World Bank also agree with this projection.

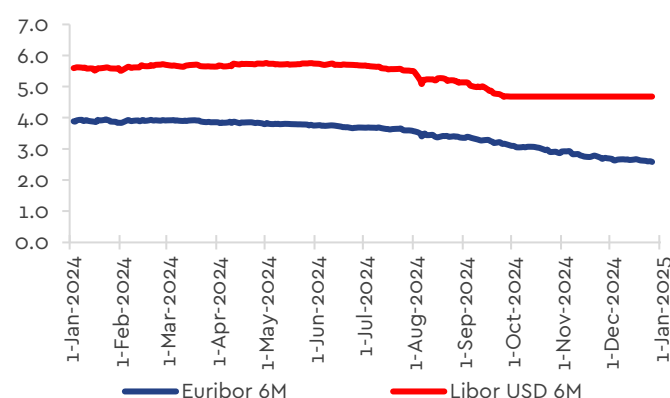
The backbone of economic activity growth in 2025 is infrastructure projects and the recovery of real incomes of citizens (private household consumption). In 2024, the domestic economy recorded an acceleration in the first half of the year, when the drivers of economic growth were the manufacturing, trade, and public administration sectors, however there was a slight slowdown in progress in the second half of the year. In 2025, the growth will still be driven by domestic demand: higher private consumption will be driven by further growth in employment and salaries and investment growth will be driven by implementation of projects in the field of transport, energy and communal infrastructure. The National Bank of Serbia projects that, due to the expected growth of investments and private consumption, imports will grow faster than exports, which will result in negative net export.

Real GDP growth of the Republic of Serbia (in %)



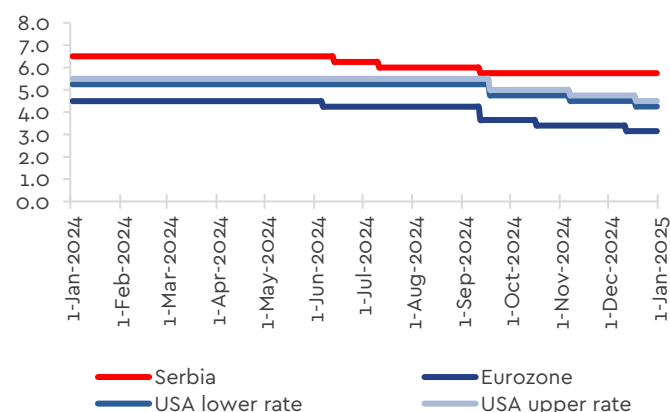
Source: SORS, NBS.
(e – SORS estimate, p – NBS projection)

Interest rates trend in Serbia in 2024



Source: Bloomberg L.P.

Trends in key interest rates in Serbia, Eurozone and USA in the last year



Source: Bloomberg L.P.

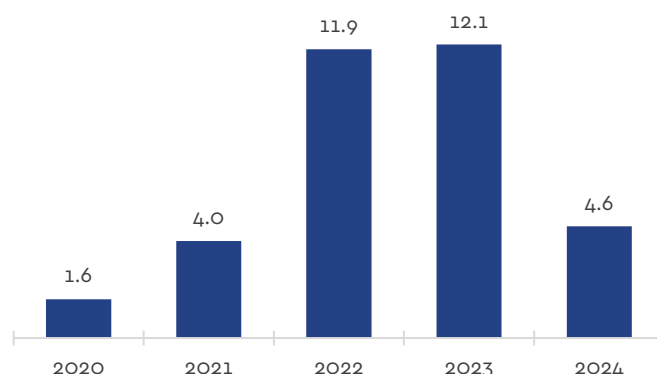
The risks of reaching the target growth rate in 2025 are: energy situation and general uncertainty regarding the functioning of NIS, the consequences of inflation on the part of the population with below-average incomes, slow economic dynamics of key trading partners, sensitive power production system, relatively high borrowing costs for both citizens and business, lack of labor in certain industries, foreign political pressures, regional political disputes, stagnation of EU integration, etc.

In 2024, **the reference interest rate** was reduced three times and currently is 5.75% (as of September 2024). In a large number of economies all over the world, regardless of their level of development, the process of reducing interest rates has been in force, which is aimed at stimulating economic activity at a time when risk factors from the global market have been neutralized and the business environment is stable and predictable. In order to avoid any unwanted effects of this decision, *inter alia*, interest rates were reduced by 25 basis points.

In the period January–December 2024, **the inflation** amounted to 4.6%, which is at the upper limit of the NBS target interval (3.0% ± 1.5 percentage points). In December 2024, as compared to the same month in 2023, the inflation amounted to 4.3% which shows that it is within the target range on a monthly basis. The National Bank of Serbia states that inflation will be within the projection horizon during 2025. According to the results of the *Ipsos* survey as of November 2024, inflation expectations of the financial sector one year ahead are within the target range (*Ninamedia* November 3.9%, *Bloomberg* December 3.5%), whereas expectations two and three years ahead are within the NBS target range.

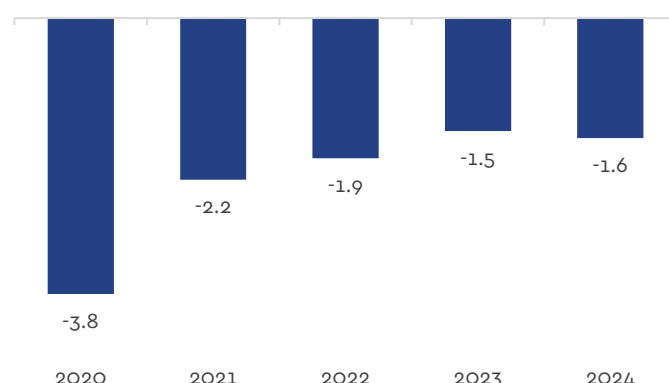
According to the data of the Ministry of Finance, a **consolidated budget deficit** of about EUR 1.6 billion was recorded in the period January–December 2024. At the end of December 2024, the **share of public debt in the GDP of Serbia** was 47.4% which is a decrease of about 60 basis points as compared to the level in December 2023. The medium-term fiscal framework envisages a gradual reduction in the general government deficit to the level of 1.5% of GDP and maintaining the share of public debt

Consumer prices
(in %, as compared with
the same period previous year)



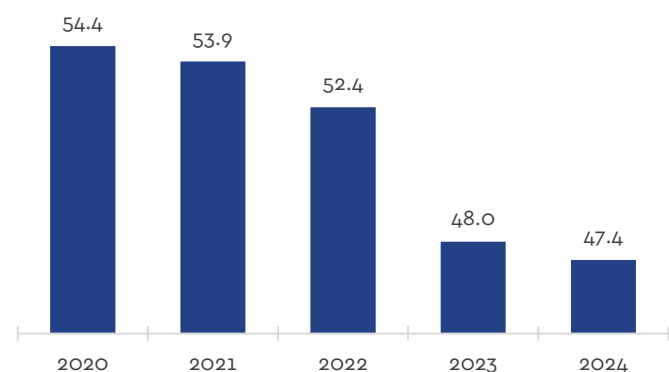
Source: SORS.

**Consolidated fiscal balance
of the Republic of Serbia (in EUR billion)**



Source: Ministry of Finance, precalculation by CCIS.

**Public debt of Serbia
(central country level, in GDP %)**



Source: Ministry of Finance.

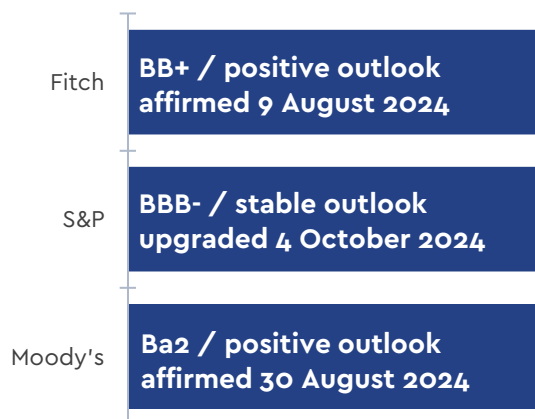
in GDP below the Maastricht limit (60%). On the other hand, the Fiscal Strategy in 2024 predicts a budget deficit of 2.7% of GDP.

In 2024, Serbia was ranked among the countries with an investment grade credit rating for the first time in its history. In October, *Standard and Poor's* increased Serbia's credit rating to the level of "BBB-", whereas, in August, the *Fitch Ratings* ("BB+") and *Moody's* ("Ba2") increased the outlook of increasing a credit rating from stable to positive, therefore, in the coming months we should expect these agencies to rate Serbia with an investment grade, as well. Key factors for obtaining an investment rating include high real GDP growth compared to the pre-pandemic level, doubled foreign exchange reserves, a substantial reduction in the share of public debt in GDP, as well as responsible management of monetary and fiscal policy.

In the period January–December 2024, the **industrial production** increased by 3.1%, as compared with the same period of 2023. The highest growth in production was recorded in the mining sector (7.4%), whereas the manufacturing industry recorded a slightly lower growth (4.7%). A 6.5% decrease was recorded in the electricity, gas, steam and air conditioning supply sector in the same period.

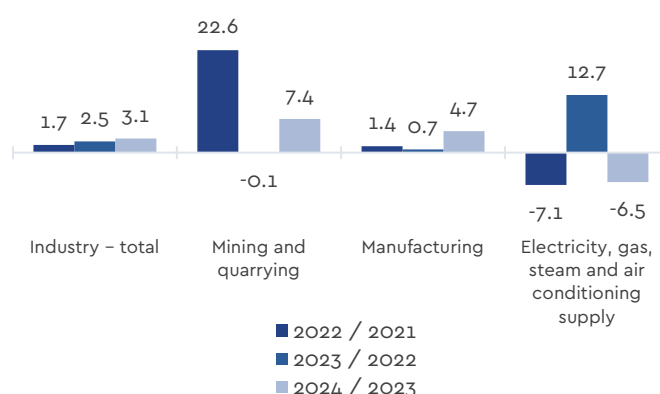
The **total foreign commodity trade** of Serbia, in the period January–December 2024, amounted to EUR 68.2 billion, which is an increase of 4.1% as compared with the same interval of 2023. Goods were exported in the value of EUR 29.2 billion, which is an increase of 1.8%, while the imports of goods amounted to EUR 39.0 billion, with the recorded year-on-year increase of 5.9%. The commodity trade deficit amounted to about EUR 9.9 billion, whereas the coverage of imports by exports decreased year-on-year by around 3 percentage points and amounted to 74.8%. The deficit increased by 19.9% year-on-year, primarily because of a growth in the import of raw and production materials for the purposes of the current investment.

Republic of Serbia's long-term credit rating



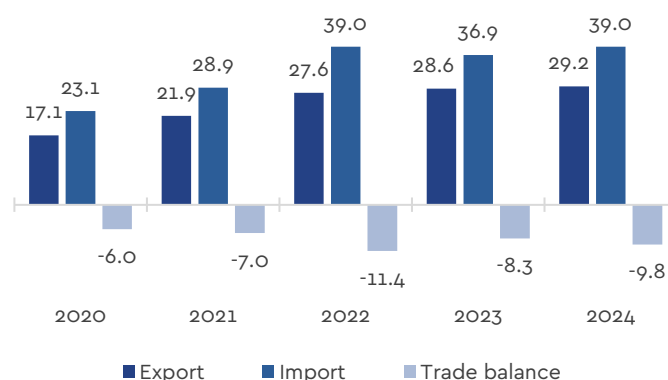
Source: NBS.

Increase/decline in industrial production, in total and according to sectors (in %)



Source: SORS.

Foreign trade (in EUR billion)



Source: SORS.

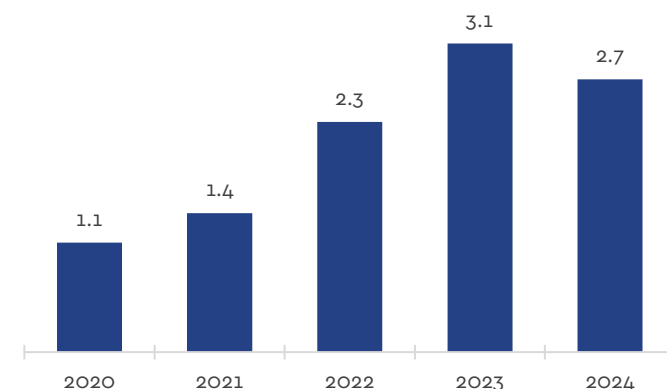
In the period January–December 2024, Serbia reached the **surplus in trade in services** of EUR 2.7 billion, with the year-on-year drop of 11.5%. Taking into account a progressive development of the service sector in recent years, in 2024, this indicator slowed down as it was expected. ICT sector in Serbia (telecommunication services, computer and information services), except for recording excellent export results, increasingly contributes to the total growth in turnover, total number of employees and gross added value, i.e. increasing gross domestic product. In addition to them, business services (management counselling, research and development, and other technical services) make the largest contribution to reducing the deficit in trade and payment balance of the country.

In the period January–December 2024, Serbia attracted totally EUR 4.6 billion of **net foreign direct investments**, which is the year-on-year increase of 7.9%. FDIs are geographically diversified, as well, with the largest share of inflows of countries from the European Union, which is the main foreign trade and financial partner, but also the growing share of inflows from the Asia-Pacific region.

According to the data of the NBS, in the period January–December of 2024, the **current account balance of payment deficit** amounted to EUR 5.2 billion, which is a significant change having in mind that in the same period of 2023 a deficit in the amount of EUR 1.8 billion was recorded. In 2024, the current account balance of payment deficit accounts for about 5.0% of GDP of the Republic of Serbia, which is within the targets of sustainability.

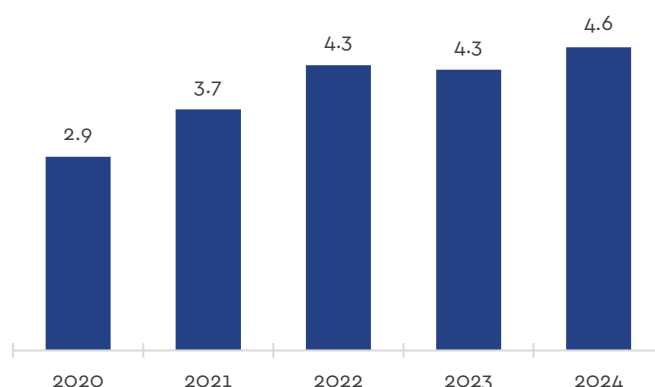
The current account balance of payment deficit in Serbia has been influenced by a faster growth in imports of goods and services than exports, which is largely reflected in the import of equipment for the needs of the investment cycle, as well as consumer goods and tourist services due to higher available income. The inflow of remittances from abroad was recorded in 2024, in the amount of EUR 3.8 billion, mainly from the German speaking countries (Germany, Austria, and Switzerland).

Surplus in trade in services
(in EUR billion)



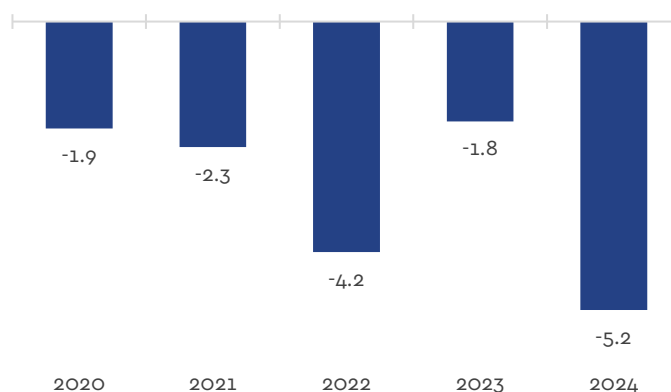
Source: NBS.

Net FDI
(in EUR billion)



Source: NBS.

Balance of payments of the Republic of Serbia
(in EUR billion)



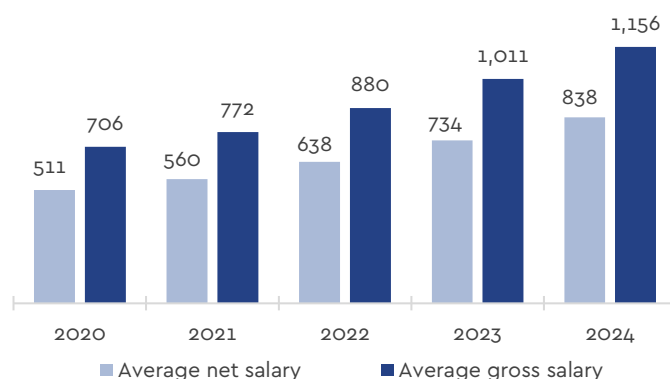
Source: NBS.

The **average gross salary** calculated for the period January–December 2024 amounted to RSD 135,403 (EUR 1,156), while the **average net salary** amounted to RSD 98,143 (EUR 838). As compared with the same period of the previous year, the salaries were higher in real terms by 9.2%. At the same time, medial net salary for December 2024 amounted to RSD 79,624 (EUR 680), which means that 50% of employees earned the salary lower than the above amount.

According to the **Labour Force Survey**, in the fourth quarter of 2024, the number of employees amounted to 2.9 million, whereas 273.1 thousand unemployed persons were registered. The number of residents outside the labor force was 2.5 million. Compared to the same quarter of the previous year, the number of employed persons increased by 50.7 thousand, the number of unemployed persons decreased by 11.6 thousand, as did the number of residents outside the labor force, which decreased by 65.3 thousand. The **employment rate** of the population aged 15 and over increased by 1.1 percentage points and amounted to 51.4%, whereas the **unemployment rate** decreased by 0.5 percentage points and was 8.6%. The rate of the population outside the labor force was 43.7%, which represents a decrease of 1.0 percentage points. The labour market can be characterized as stable.

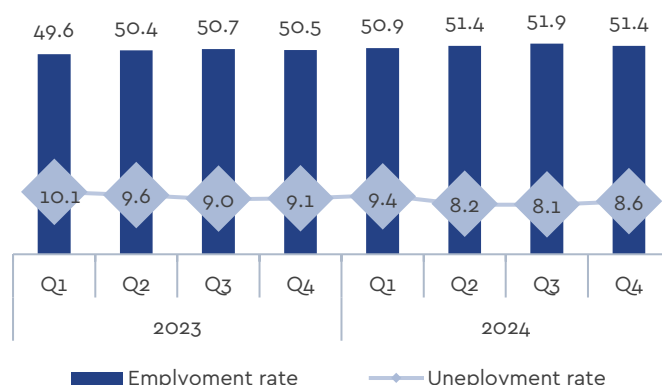
According to the data of the NBS, the domestic **lending activity** speeded up its year-on-year growth in 2024 and is expected to continue to grow in the following period. The loan structure, in 2024, remained favorable in terms of its contribution to the economic growth led by investments with corporate and housing loans with citizens. Corporate loans increased by 4.8% in 2024, and housing loans by 10.4%, with a more dominant growth in dinar loans. In 2024, banks facilitated credit standards for dinar corporate and housing loans, which was contributed by a more favorable assessment of the general economic situation. The stability of the banking sector in Serbia was maintained and additionally reinforced owing to the measures of the NBS, and the share of non-performing loans in total loans amounted to 2.5%.

**Average net and gross salary
(in EUR)**



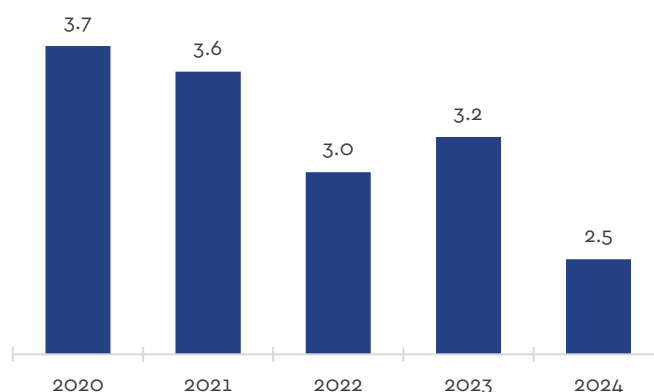
Source: SORS, precalculation by CCIS.

**Trends in employment/unemployment rate with
the population of age 15 and over, according
to the Survey on Labour Force (in %)**



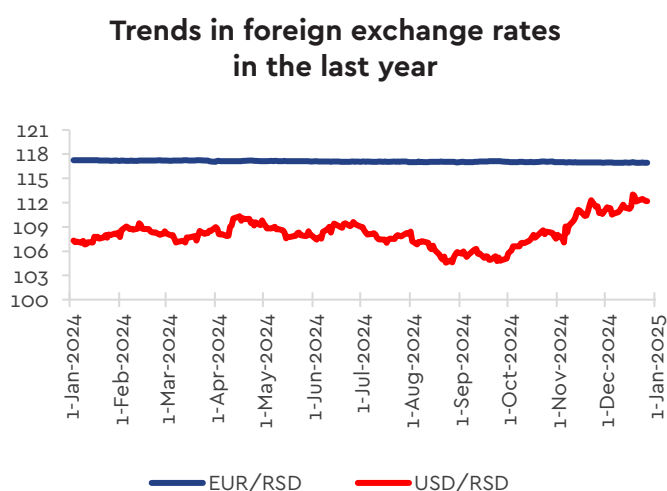
Source: SORS.

**Non performing loans (NPL)
share in total loans (in %)**



Source: NBS.

The **average foreign exchange rate**, in the period January–December 2024, amounted to 117.0851 dinars to one euro, as well as 108.1965 dinars to one American dollar. Despite numerous economic and geopolitical challenges in 2024, dinar has shown substantial level of stability against the leading currency of the Eurozone, whereas it has shown certain level of oscillations against American dollar, which has been caused primarily by the current monetary policy in the global level. The National Bank of Serbia states that the stable foreign exchange rate should be expected in the coming period without large oscillations in the value against the leading currencies.



Source: Bloomberg L.P.



Macroeconomic Overview edited by the Chamber of Commerce and Industry of Serbia is yearly and quarterly overview of the most important macroeconomic indicators of the national economy. It contains the main macroeconomic performances, current trends, and economic activities shown through the main statistical, monetary and fiscal indicators in a textual or graphical manner.

For more details, please visit the [website](#) of the Chamber of Commerce and Industry of Serbia.



PLO	EER	QRT	OPY
6,350	10,985	665	6,800
(-200)	(+580)	(-15)	(-115)
RQN	NFR	UGH	OMJ
7,654	6,522	1,632	3,652
(+169)	(+122)	(-54)	(+182)
IIT	KLM	CCX	EMH
7,150	782	1,901	3,280
(-150)	(+74)	(+101)	(-120)
OLC	LSD	SDH	GHS

METHODOLOGICAL NOTES

Pharmaceutical economy in the Bulletin, according to the CA (2010), includes the following field of activity: Manufacture of basic pharmaceutical products and pharmaceutical preparations, Human health activities and Social work activities with accommodation.

Presentation of data by activity is performed according to the Regulation on Classification of Activities („Official Gazette of the RS", No. 54/10).

From 2018, the Statistical Office of the Republic of Serbia calculates average wages on the basis of data from the records the Tax Administration. The study of wages is based on the data from the Tax Return for withholding tax (form PPP-PD). Average wages are calculated based on the amount of calculated wages for the reporting month, and the number of employees, which is shown in the full-time equivalent – FTE. All categories of employees are included, for whom their employers, i.e. economic entities, submitted to the Tax Administration a completed electronic tax return form PPP-PD, with the calculated wages. Since 1999, the Statistical Office of the Republic of Serbia has not disposed of some specific data for the Autonomous Province of Kosovo and Metohija, and therefore, they are not included in the scope of data for the Republic of Serbia (total).

The term employees implies persons who have a formal and legal employment contract, i.e. the established labour relationship with the employer, for a fixed or indefinite period; persons working outside the labour relationship, based on an engagement contract or a contract on temporary and occasional jobs; persons engaged in self-employment, or founders of companies or sole trade businesses; and persons engaged in agricultural activities, who are in the records of the Central Registry of Compulsory Social Insurance. The study on the registered employment is based on the combination of data of the Central Registry of Compulsory Social Insurance (CROSO) and the Statistical Business Register (SBR). The data on payers of the compulsory social insurance contribution and the insured, based on the work, are obtained from CROSO. The data on business entities and their main characteristics are obtained from SBR. Distribution of employees by activity, in

the context of a business entity, is done according to the structures that are formed on the basis of data on local units.

Some of the values shown in the Bulletin, are rounded up to millions or billions, with one decimal place and, therefore, the total values (summaries) do not always coincide with the sum of individual data, due to the fact that non-rounded up figures were used (which gives more accurate data).

Abbreviations used: GDP – Gross Domestic Product, GVA – Gross Value Added, FDI – Foreign Direct Investment, CA (2010) – Classification of Activities (2010), Ø – Average for Period, LFS – Labour Force Survey, NPL – Non-performing Loan, MSMEs – Micro, Small and Medium Enterprises, p.p. – Percentage Point, RSD – Serbian Dinar, EUR – Euro, USD – American Dollar.

The sources of data: Statistical Office of the Republic of Serbia (SORS), National Bank of Serbia (NBS), Business Registers Agency (BRA), Chamber of Commerce and Industry of Serbia (CCIS), Customs Administration (CA), Ministry of Finance (MF), Central Registry of Compulsory Social Insurance (CROSO), International Monetary Fund (IMF), World Bank, Bloomberg L.P.

Foreign exchange rates: All conversions in the Bulletin were made according to the average medium rates of the National Bank of Serbia:

Time:	2017	2018	2019	2020	2021	2022	2023	2024
EUR/RSD	121.3367	118.2716	117.8524	117.5778	117.5733	117.4588	117.2513	117.0851
USD/RSD	107.4987	100.2784	105.2762	103.0272	99.4925	111.8607	108.4143	108.1965

Source: NBS.



Disclaimer: The information is subject to change in accordance with the changes of the official sources of information. The information given in this report is for the purpose of general information, and cannot be a substitute for the economic advice, nor can any obligation be created for the Chamber of Commerce and Industry of Serbia by its publishing. Reproduction and distribution of the Bulletin or its parts is permitted if the source is stated and a copy of it submitted to the Chamber of Commerce and Industry of Serbia to: analitika@pks.rs.

CCIS ASSOCIATION

of Pharmaceutical and Medical Economy

Association of Pharmaceutical and Medical Economy represents interests of its members in relations with the state authorities and institutions and creates favourable business environment relating to production and trade of medicines, psychoactive controlled substances, medical devices, dietary supplements and cosmetic products.

The Association comprises nine active groups:

- Group of Producers of Human Medicines
- Group of Producers of Medical Devices
- Group of Producers, Importers and Distributors of Dietary Supplements
- Group of Holders of Medicine License
- Group of Pharmaceutical Wholesalers
- Group of Producers of Cosmetic Products
- Group of Importers and Distributors of Cosmetic Products
- Group of Importers and Distributors of Medical Devices
- Group of Pharmacies.

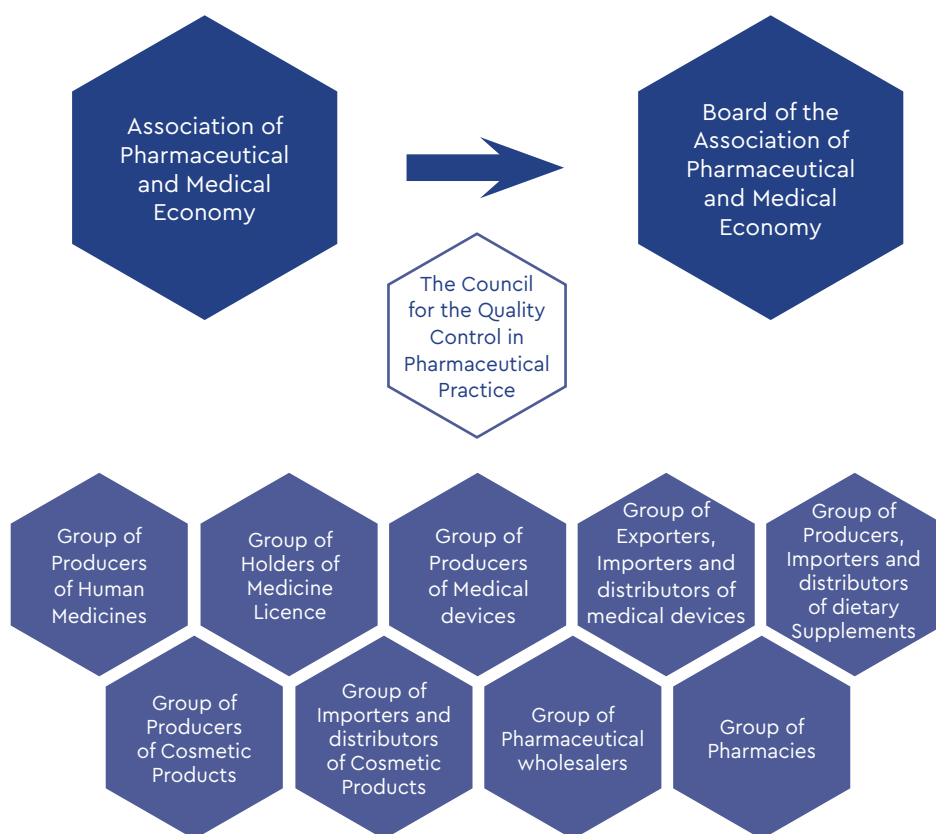
With previously obtained consent of the Board of the Association for Pharmaceutical and Medical Economy, the Council for the Quality in Pharmaceutical Practice was formed on 15th June 2019 as a permanent professional body in the Association for Pharmaceutical and Medical Economy. The members of the Council for the Quality in Pharmaceutical Practice are qualified pharmacists and/or persons responsible for maintaining the quality management system that determines responsibilities, processes and principles of risk management in relation to activities in the field of the production and trade of medicines. The establishment of the Council has been done with the participation of representatives of the Group of Producers of Human Medicines, the Group of Holders of Medicine Licence, the Group of Pharmaceutical wholesalers and the Group of Pharmacies. The professional support to the Council is provided by the representatives of the academic community, as well as representatives of associations in the field of the quality control.

The activities of the groups are also carried out through the activities of internal work groups that are formed as either permanent or temporary work bodies in order to consider and prepare proposals on certain issues within their scope of work.

The Association's expert service actively participates in the Republic Expert Commission for Pharmacy; the Commission for the Fight against HIV/AIDS and Tuberculosis, established by the decision of the Government of the Republic of Serbia; the Work Group for Resolving Non-compliance in the Procedure for Implementing the Regulation on the Health Safety of Dietary Products, established by the decision of the Minister of Health; the Work Group for the Development of the Draft Law on Medicines, established by the decision of the Ministry of Health; the Special Work Group for the preparation of the Draft Law on the Central Registry of Genetic, Biomedical and Other Data of Importance for Research and Development in the Field of Biotechnology, Bioinformatics, Bioeconomy, Genetics and Medicine; The Work Group for Coordination of Activities to Ensure Continuous Market Supply of Medicines and Medical Devices in the Republic of Serbia, established by the Conclusion of the Government of the Republic of Serbia (Operational Team for Ensuring Continuous Market Supply of Medicines and Medical Devices and Operational Team for Preparing Proposals for New and Harmonizing Existing Regulations in the Field of Medicines and Medical Devices).

The Association successfully cooperates with the European Association of Pharmaceutical full-line wholesalers – GIRP. GIRP promotes the role of wholesalers in the improving and preserving of public health and has an important role in creating legislative and regulatory policies that affect the operations of wholesalers, and it also represents the interests of its members before the highest bodies of the European Union.





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COMMERCE AND
INDUSTRY OF SERBIA