



AMCHAM SERBIA

A LEADER IN CHANGE

YEAR 2017 | REVIEW

AMAZING YEAR!

NETWORKING & PROMOTION:

CONNECT FOR **ACTIVE**
BUSINESS GROWTH

IMPROVING BUSINESS ENVIRONMENT:

LEAD **BOLD** CHANGE BY
MAGNIFYING YOUR VOICE

EXCELLING PROFESSIONAL DEVELOPMENT:

INSPIRE YOUR **CONFIDENT**
PROFESSIONAL EXCELLENCE



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A LEADER IN CHANGE



ABC OF AMCHAM SERBIA

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Dear AmCham family,

It is my privilege to address you as a President of AmCham Serbia!

I am honored to have served my mandate and have given my best to represent AmCham's vision and mission, but more importantly, immense positive energy invested in making our country better place. 2017 was yet another successful year for AmCham and I am using this opportunity to commend, thank, and praise this superior community. Your continuous support and devoted engagement were a stimulus in making again AmCham Serbia the strongest INDEPENDENT business network in the country in 2017.

Previous year was successful in many ways. Reached milestones in improving business environment, high-quality networking events and excelling professional development platform for our members has brought us again an amazing retention rate of 90%!

Today, our membership includes 200 of the most successful US, international and local companies from 18 industry sectors. We have collectively invested over €14 billion and employed over 100,000 people directly and 125,000 more indirectly. Our family had €9,2 billion in total revenues in 2016, while we paid €1,5 billion in excise taxes (75% of

total excise budget) and €2,2 billion in VAT contributions (62% of total VAT budget). Those numbers are our power and our strength, but also, those numbers are a huge responsibility that we are more than capable of shielding.

We are proud to say that the AmCham community keeps expanding, and that in the recent period we have welcomed new successful companies into our membership, such as Hilton, Cummins, PepsiCo, Sanofi Aventis, Gilead, Phoenix Pharma, Wind Vision, GGE, Atlantic Group, Veolia and many others.

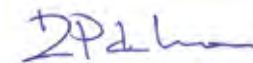
Our Committees gather the most experienced and the most active leaders from our member companies, who joined their expertise to set up the Committee agenda. We altogether constantly work on recommending the best policies and pointing out regulation which needs better implementation. Thanks to the dedicated work of our Committee leadership, Serbia has conducted various successful reforms that affected the business environment and reaffirmed AmCham as a reliable partner for the Government of Serbia. We have participated in numerous Government groups working on enacting new or improving existing Laws and regulations. We always have had the same goal - to bring the best practices

of our member companies, offer solutions which will make a positive impact on the business environment in Serbia, and to be a helpful hand for Government in all the initiatives that are relevant for our membership. We are particularly proud of our growing portfolio of our respected AmChamps educational program that has recently enrolled its 5th generation and so far, has nurtured more than 200 young people ready to be

leaders in changing Serbia. It has been a great privilege and honor to preside over this outstanding independent organization. This family is destined to keep growing, keep crafting the reforms and keep leading the change!

I am confident that the new President will represent true values of our ever-growing community!

ZORAN PETROVIĆ,
AMCHAM PRESIDENT



Your support and engagement helped make AmCham Serbia the strongest INDEPENDENT business network in the country in 2017!



Dear AmCham Members,

AmCham has been a key catalyst for systemic reforms making Serbia a more prosperous country. With your help, Serbia is creating new jobs, wages are rising, predictability has increased, and the economy is growing. Partly due to your efforts, I am convinced that Serbia is marching unstoppably towards the European Union. By spearheading major reforms so crucial to Serbia's EU path, such as cleaning up the grey economy, making tax regulations more predictable, reforming the healthcare sector, and facilitating trade, AmCham is living up to its mission to be a "leader in change." The United States and AmCham have been a partner in Serbia's efforts to develop strong institutions that attract foreign investment, and your efforts and determined agenda are having a lasting impact on the prosperity of the Serbian people. More than anything else, investors need a stable and predictable business environment if they are going to invest and create well-paying jobs. This means strong rule of law that provides certainty for investors that if they follow the rules, their operations will be able to run smoothly. Over the past year I have been honored to participate in many of AmCham's signature efforts, from the annual Lap Time conference, to events supporting intellectual property rights and a sound environment, or engagements with key political leaders such as October's in-depth discussion with Prime Minister Brnabic. The Embassy has proudly supported these and many more events,

and we will continue to stand with AmCham in whatever we can.

The U.S. Government, through milestone USAID projects, have helped Serbia adopt flexible and fair labor laws, implement effective inspection regimes, make the Serbian judiciary more efficient, reform the country's construction permitting regime, and much more. None of these successes would have been possible without the input from our partners in AmCham. Your expertise is making a permanent impact on the Serbian economy and creating a better future for generations to come.

Today, U.S. investments in Serbia amount to nearly \$4 billion and have to date created over 18,000 jobs over a broad range of sectors, and these numbers are steadily growing. I regularly speak to new U.S. investors considering Serbia as a new location for foreign investment. I tell them what you tell us - that American investors are very positive overall about their experiences doing business in Serbia. Your confidence and commitment to making things even here and this is clear sign that we are on the right path.

So please accept my congratulations on a very successful 2017. I look forward to our work together in 2018 to encourage reforms that will help create an even better business climate and, continue to level the playing field for international companies in Serbia. Keep up the outstanding work!

KYLE R. SCOTT
U.S. AMBASSADOR TO SERBIA



THE MOST ACTIVE, BOLD AND CONFIDENT BUSINESS COMMUNITY IN SERBIA IN 2017!

AmCham Serbia is the country's leading international business hub composed of **195+** companies united by their will to improve the Serbian business environment and to be part of AN **ACTIVE, BOLD AND CONFIDENT** influential community. Ranging from small companies to global corporations, our membership includes US, internationally and locally owned enterprises that have collectively invested over **€14 billion** and employ over **100,000 people** in the country.

AmCham Serbia is a non-profit, non-governmental and non-political association and **100% member-funded**.

It is an Active, Bold and Confident organization that never stops evolving to serve its members and their interests and needs. We do it through:

- **Actively partnering with decision makers** with the goal to improve the business environment and to deliver critical business information to our members;
- **Facilitating connections and networking** through promoting vibrant exchange of ideas and best business values practices;
- **Providing professional development platforms** to enable our members to share their knowledge and excel in their own businesses.

By doing what we do, we promote the best American business values of competition, transparency and free enterprise.

Members always come first!

STRENGTH OF AMCHAM COMMUNITY DATA FOR 2016

200

U.S., INTERNATIONAL AND
LOCAL MEMBER COMPANIES

100.000

IRECTLY EMPLOYED CITIZENS OF SERBIA
AND 125.000 MORE INDIRECTLY EMPLOYED

14

BILLION EUROS
IN TOTAL INVESTMENTS

9,2

BILLION EUROS IN
TOTAL ANNUAL REVENUES

75%

OF TOTAL EXCISE BUDGET
(1,5 BILLION EUROS)

64%

OF TOTAL VAT BUDGET
(2,2 BILLION EUROS)

COMMITTED TO ACTIVELY, BOLDLY AND CONFIDENTLY LEADING CHANGE!

AmCham's Board of Governors provided expert and strategic guidance to the Executive team throughout 2017 and played a pivotal role in further market-positioning AmCham as the leading international business community in Serbia.

The Board's guidance proved to be of key importance for Active, Bold and Confident performance in 2017.

President:

Zoran Petrović

Raiffeisen Bank

First Vice President:

Jelena Pavlović

Philip Morris
International Services

Second Vice

President:

**Vladan Živanović/
Stefan Lazarević**

NCR

Secretary Treasurer:

Igor Lončarević

KPMG

Untitled Governor:

Boris Vujičić

Trizma

Untitled Governor:

Branko Mitrović

Telenor

Untitled Governor:

Diana Gligorijević

Telegroup

Untitled Governor:

Dragan Lupšić

Coca-Cola Hellenic

Untitled Governor:

**Nenad Vučinić/
Mila Marčeta**

Telesign

Ex Officio Board member:

**Robert Dunn/
Zorica Mihajlović**

U.S. Embassy



EXTENDED “FAMILY” OUTREACH

AmCham Serbia is a member of the **115-strong AmChams** community worldwide and particularly proud to be part of the **AmChams in Europe network**, comprised of **45 Chambers** in **43 countries** with **16,438 member companies** with **4.2 million employees**. This is an influential network, accredited by the largest business association in the world — **the 3-million member-strong US Chamber of Commerce** in Washington, DC.

AmChams in Europe meet twice a year to exchange best practices and discuss relevant issues impacting AmChams and their members. In 2017, AmCham Serbia participated in AmChams’ Summer Training in Hungary, as well as in the official visit to Washington DC and Boston, with goal to strengthen partnerships with U.S. companies, organizations and governmental agencies.

Finally, annual Brussels Policy Briefings organized by AmCham EU provide great platform to stay on top of the latest updates on EU policy priorities and trends.

When it comes to the region of **South Eastern Europe**, we can always rely on our neighboring colleagues for focused and strategic regional cooperation, to provide **more opportunities** for our members and to **extend our community** for the **benefit of our member** companies.



STRENGTH OF ACTIVE, BOLD AND CONFIDENT COMMUNITY

Our power is our community. The network of **195+ companies** and **2,300+ top executives** generates a tremendous amount of insights, peer-support, connections and access. Each member company is invited to add its unique value to the common good and help us as a community reach even further.

AmCham Serbia in 2017 was all about expanding its reach. Activity levels were high and that fed directly into member satisfaction.

We will let the numbers below tell the story.

1 **ACTIVE, BOLD AND CONFIDENT** COMMUNITY

195+ **UNIQUE** MEMBERS

20 **NEW** MEMBERS

2,300+ **TOP LEVEL** CONTACTS

450+ **NEW** CONNECTIONS

100+ **SUCCESSFUL** EVENTS

3,000+ **SATISFIED** PARTICIPANTS

8 **IMPROVING BUSINESS**
ENVIRONMENT COMMITTEES

1 **DIGITAL ECONOMY** PLATFORM

2 **SHARING EXPERIENCES** GROUPS

1 **HR** FORUM

400+ **ENGAGED** EXPERTS

100+ **POLICY** PROPOSALS

20+ **LAUNCHED** INITIATIVES

3,000+ **VIBRANT** MEETINGS

350,000+ **EXCHANGED** EMAILS

1,500+ **MEDIA** MENTIONS



FOCUS ON AN ACTIVE, BOLD AND CONFIDENT DIGITAL FOOTPRINT

AmCham's focus is to get the right messages to the right people. That is why we use all the available tools to keep you updated.

AmCham@WWW

20,300+ people browsed AmCham's web site.
130,000+ page views.
55% new visitors and 45% returning visitors.

AmCham@Twitter

More than **500** tweets reached **2,300+** of our twitter followers. Our tweets earned over **400,000** impressions throughout 2017, which on average equaled around **1,000** impressions per day

AmCham@Facebook

Since January 2017, AmCham Serbia's Facebook page has doubled its followers - from **700+** to **1500+** page likes, reaching more than **20,000** Facebook users. In 2017, we continued to live stream videos to secure you don't miss out any important moment from our events. In last year, our AmChamps Facebook page gained **400+** likes, total of 2100+, with **600,000+** people being exposed to **250+** of our posts.

AmCham@YouTube

240+ videos, **148,000+** views, **224,000+** minutes watched. In 2017, we shared with you **15+** "360 degree view" video, image and media reports, covering the full atmosphere from our events.

AmCham@LinkedIn

660+ followers in 2017, an increase of 20% compared to 2016.

AmCham@e-mail

In 2017, we have sent you **10+ AmCham Alerts** to inform you about important regulatory updates. Members of our Committees received **30+** e-mails from our team with invitations to meetings and news on our improving business environment activities. Finally, we have shared **2 semi-annual Engage for Policy Change Newsletters** to keep you in the loop about our key advocacy battles.



OUR POLICY TEAM DEDICATED MORE THAN 800+ HOURS IN 2017 TO IMPROVING BUSINESS ENVIRONMENT, SUPPORTED BY MORE THAN 400 EXPERTS FROM OUR MEMBERSHIP ENGAGED IN OUR 8 COMMITTEES AND DIGITAL ECONOMY PLATFORM.

DEMAND: 109 COMPANIES SAID THAT THEIR PRIORITY AS AMCHAM MEMBER IS IMPROVING BUSINESS ENVIRONMENT THROUGH ADVOCACY.

ENGAGEMENT: 156 MEMBERS ARE ACTIVELY ENGAGED IN SUPPORTING IMPROVEMENTS IN SERBIAN BUSINESS ENVIRONMENT.



BOLD
IMPROVING
BUSINESS
ENVIRONMENT

BOLD PERFORMANCE ON TOP PRIORITIES IN 2017

In 2017, AmCham Serbia conducted its traditional survey among its members on Investors Satisfaction and Confidence, aimed at identifying key reforms necessary to further improve business environment. Out of top priorities that were chosen by AmCham members, significant results have been achieved in recent period.

A major step forward in 2017 is the continuation of the **reform of parafiscal charges** with adopted amendments of the Law on Administrative Taxes, and publishing for proper public discussion Draft Law on Compensations for the Use of Public Goods.

In 2017 the grounds were laid for the **formation of special private-public dialogue platform, chaired by Public Prosecutor's Office and aimed at curbing illicit trade over internet and better IPR enforcement.**

After 3 years of insisting on the importance of proper regulation of the data protection in line with EU standards, **Draft Law on Personal Data Protection** was put to the public discussion, with the strong basis in the EU regulations.

Top priority recommendation of AmCham Trade Facilitation Committee -**the establishment of National Trade Facilitation Committee**, as a platform for public-private dialogue between relevant authorities on much needed trade facilitation measures, was finally accomplished in 2017.

Finally, based on our members' demand, we have decided to **expand the mandate of Real Estate Committee** in 2017, by introducing a new set of energy and infrastructure topics!



BUSINESS AND CORPORATE LAW COMMITTEE

Business and Corporate Law Committee focused its efforts in 2017 on the **improvement of the personal data protection regulation and its proper enforcement.**

By participating in the public discussion on **the Draft Law on Personal Data Protection**, AmCham stressed the importance of further regulating data processing in specific areas, necessity of defining consent to personal data processing, recognizing EU Model Clauses and extending the transitional periods for the law implementation.

Earlier in 2017, **AmCham organized a Briefing Session with the Commissioner** to discuss necessary improvements to the Model Law on Personal Data Protection and implementation of the current Law, especially in terms of personal data export.

Moreover, AmCham prepared an informative Briefing Session on the GDPR Implementation,

which underlined necessary steps companies need to take to become compliant with the EU regulation.

Highly informative Briefing Session on Data Protection in Arbitration Cases highlighted challenges with document discovery in arbitration procedure.

Upon invitation from the Commission for Protection of Competition, **AmCham named a representative in the working group in charge for drafting Amendments to the Competition Law**, which is expected to be published in 2018.

Bankruptcy Law with some AmCham comments was adopted in 2017, however missing the opportunity to fully strengthen the position of creditors, and remove bottlenecks existing in practice.

Finally, Committee also provided suggestions for the improvement of the current **Company Law**.

LEADERSHIP

Nataša Lalović Marić, Chairperson

Partner, Wolf Theiss Law Office

Vladimir Vesović, Vice Chairperson

Head of Late Workout Department, Raiffeisen Bank



FINANCE AND TAX COMMITTEE

Ministry of Finance has finished 2017 with a good practice – by publishing the long-awaited **Draft Law on Compensations for the Use of Public Goods**, allowing proper access and time for public discussion. The adoption of this law in 2018, in line with AmCham's suggestions, will be an important initial step in reducing unpredictability of tax laws amendments and continuation of the reform of parafiscal charges.

The year ended with **amendments of the 5 tax laws** that entered Government procedure after only two days of public insight. The adopted regulations brought important improvements such as tax reliefs for the startups and the basis for regulating administrative taxes in one law, however failing to fully take stock of the suggestions of the private sector.

In 2017, Committee commented on the **Draft Law on Interchange**

Fees and Special Rules of Dealing with Payment Transactions based on Payment Cards published by National Bank of Serbia and provided recommendations that could address some of the possible negative effects.

At the beginning of 2017 Committee organized Briefing Session on VAT Law Implementation with relevant representatives of Ministry of Finance. Furthermore, **AmCham provided suggestions for simplifying the Draft Rulebook on keeping VAT records** whose application was, once again, postponed after serious pushback of the whole business community.

By the end of the year, AmCham held a very informative **Briefing Session on Criminal Liability for Criminal Offence of Tax Evasion**, which gathered representatives of Tax Administration, Tax Police and Public Prosecution, offering conclusions relevant for practice and regulatory changes.

LEADERSHIP

Nenad Nešovanović, Chairperson

Tax & Legal Director, KPMG

Snežana Altman, Vice Chairperson

Tax Manager, Metro Cash & Carry

*Until mid-2017, Committee Chair position was held by Tanja Unguran, Karanović Nikolić Law Office



COMBATING GREY ECONOMY COMMITTEE

As the focus of Combating Grey Economy Committee shifted in 2017 from inspections oversight of traditional markets to the internet sphere, **Committee's recommendation to establish a special private-public dialogue platform aimed at curbing illicit trade over internet and better IPR enforcement, was supported by Public Prosecutor's Office.**

After first consultation meeting which included all interested parties, **it was decided to establish a working group** composed from representatives of the business sector, all relevant inspections, Ministry of Interior and Customs Administration, chaired by Public Prosecutor for High Tech Crimes.

The aim is to jointly identify regulatory and implementation bottlenecks in inspection oversight and prosecution of online illicit trade cases, as well as to propose measures for overcoming them.

In 2017, Committee's members actively contributed in **including Serbia in the Economist's Report on Illicit Trade Environment Index**, which should map the extent of illicit trade in the Serbian market and help raise awareness on the necessity of addressing this issue.

Finally, **Committee once again participated in drafting the revised Government's Action Plan for Fighting Grey Economy**, with proposals aimed at more efficient prosecution of grey economy cases and inspections oversight.

LEADERSHIP

Ivan Miletić, Chairperson

Director Corporate Affairs RS & ME, Philip Morris Services

Slobodan Doklešić, Vice Chairperson

Partner, DBP Law Office



ENVIRONMENTAL COMMITTEE

The breakthrough in 2017 was **the establishment of the separate Ministry for Environmental Protection**, which has been in the focus of Environmental Committee's advocating efforts, along with the need to raise Ministry's administrative capacities, to achieve better inspection supervision and consistent collaboration with the private sector.

During second half of the year, Committee members **had a series of meetings** with key Government stakeholders, including the newly appointed Minister of Environmental Protection and his cabinet.

In September, AmCham initiated a **Briefing Session on Packaging and Packaging Waste** with representatives of Waste

Department at the Ministry of Environmental Protection, which resulted in joint set of conclusions on priority measures for intensifying the collection and recycling of packaging waste.

To top it all, AmCham organized a **highly successful Conference on Environmental Protection - Waste Management**, opened by Minister Trivan and U.S. Ambassador Scott, attended by representatives of Government, local self-governments, private sector, European, local and regional waste operators. Conference raised attention about the most burning issues in the area of packaging waste and special waste streams management.

LEADERSHIP

Dragan Lupšić, Chairperson

Public Affairs, Communications and Legal Manager, Coca-Cola Hellenic

Dragan Dilparić, Vice Chairperson

Environment and Administration Manager, Gorenje



HEALTH CARE COMMITTEE

First half of 2017 was dedicated to the public procurement in health care, through **series of Health Care Committee roundtables related to analysis of centralized INN procurement effects, use of quality criteria in public procurement and innovative forms of medicines' contracting.**

Recommendations from the public procurement roundtables, as well as the ones made in the joint study by AmCham and the Ministry of Health on the improvement of health care efficiency, were reviewed at the annual **Conference on the Development of Health Care Policies in Serbia**, attended by all relevant public authorities, private sector, international and local experts in the field.

Meetings with Ministry of Health's Subgroup for the Development of Health Care Strategy, NHIF and ALIMs in 2017, proved to be useful to directly discuss priority steps in health care reform and learn about Government's plans in this regard.

In 2017, Committee continued its activities related to the improvement of health care legislation. **Majority of AmCham's suggestions were accepted as integral part of the Draft Law on Medical Devices**, as well as in the finalized drafts of the Law on Health Protection and the Law on Health Insurance.

Towards the end of the year, Committee initiated discussion with Agency for Medicines and Medical Devices regarding sudden hike in fees, while maintaining the average delay in its operations.

The reduction of grey economy among the providers of the health care services was included as a new topic on the Committee's agenda, followed by meetings with Tax Administration and participation at the panel discussion within The Economist's conference World in 2017.

LEADERSHIP

Sandra Marinković, Chairperson

External Affairs Lead, Merck Sharpe & Dohme

Aleksandar Milojković, Vice Chairperson

External Affairs and Market Access Manager, GSK

*As of the beginning of 2018, Committee Vice Chair position is held by Zorana Stanojevski, GSK



LABOR REGULATIONS COMMITTEE

Labor Regulations Committee has been active in advocating for **the adoption of the Staff Leasing Law**, which would create more effective and accessible legal framework, by defining rights of both workers and employers and reduce possibilities of abuse. **Briefing Session on Draft Staff Leasing Law** organized in August 2017 with members of the working group in charge for its drafting, proved to be a great platform to learn about Government's plans for the adoption of this highly anticipated regulation.

Briefing Session on Inspection Supervision with Labor Inspectorate was an opportunity for AmCham members to raise their concerns about implementation of labor, safety

and health at work regulations and receive proper clarifications from the persons directly in charge for inspections oversight.

On the regulatory side, certain progress in reducing red tape has been made by the new **Proposal Law on Foreigners**, which was improved in line with Committee's suggestions and harmonized with the EU directives.

AmCham was also active in raising attention about the significant negative impact of **changes in interpretation and implementation of the Law on Employment of Foreigners by National Employment Service** regarding renewal of working permits for posted workers.

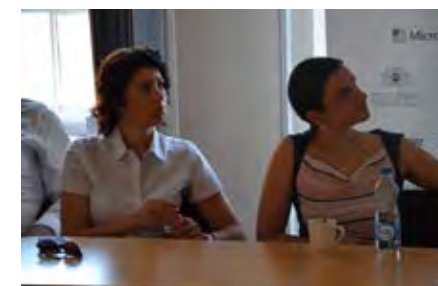
LEADERSHIP

Jelena Danilović, Chairperson

Attorney at Law, Karanović Nikolić Law Office

Marijanti Babić, Vice Chairperson

Attorney-at-Law, Ernst & Young



REAL ESTATE AND ENERGY COMMITTEE

Based on members demand, **energy and infrastructure topics were introduced in the agenda of the newly formed Real Estate and Energy Committee.** After many of bilateral meetings with companies operating in the energy and mining industry, Committee's focus was put on improving the legal framework for PPPs in this area, better implementation and enhancement of specific regulations around renewable energy and supporting the development of novel energy business models.

In September 2017, Committee representatives had an **introductory meeting with Minister of Mining and Energy, to present the agenda of the newly formed Energy** Subgroup and agree on cooperation. As one of its first activities, the Subgroup provided comments on the

Draft Decree on the Energy Strategy Implementation Program for 2017 - 2023.

In a written letter to the Ministry of Construction, Transport and Infrastructure, Committee advocated for the official public discussion on the Draft Law on Registration in the Cadastre. In July 2017, AmCham suggested significant changes to the Draft Law, followed by consultations with members of the working group in charge for its drafting.

Finally, Committee has been **providing comments to the Draft Amendments to the Law on Planning and Construction,** within recently completed public discussion and will take active part in improving its text through continued collaboration with the Ministry.

LEADERSHIP

Ivan Petrović, Chairperson

Senior Associate, Janković, Popović, Mitić

Đorđe Popović, Vice Chairperson

Partner, CMS



TRADE FACILITATION COMMITTEE

Top priority recommendation of AmCham Trade Facilitation Committee - the **establishment of National Trade Facilitation Committee**, as a platform for public-private dialogue between relevant authorities on much needed trade facilitation measures, was finally accomplished in 2017.

As per AmCham's suggestion, this body will be based on the model of Coordination Commission for Inspections Oversight, to include both representatives of state and businesses and will be co-chaired by Ministry of Trade, Tourism and Telecommunications and Customs Administration.

AmCham **Public-Private Dialogue for Trade Facilitation Conference** organized in partnership with USAID in November, highlighted the importance of identification and resolution of obstacles for more efficient import-export procedures that would lead to more intensive economic growth.

Two conference panels tackled the removal of non-tariff barriers through the newly established National Trade Facilitation Committee as well as in the context of the CEFTA agreement and other regional initiatives.

LEADERSHIP

Slobodanka Cucić, Chairperson

Corporate Affairs Manager, Apatinska pivara

Tamara Stanković, Vice Chairperson

Corporate Affairs Manager, PMI Services



DIGITAL ECONOMY PLATFORM

Collaboration between AmCham and the newly formed Government's Office for IT and eGovernment was kick-started with the special **Briefing Session with Director Mihailo Jovanović**, who presented the organization, upcoming activities and projects of the Office.

With the Law on eDocument, elidentification and eTrust Services adopted in the second half of 2017, with AmCham comments incorporated, **Briefing Session on this topic** with representatives of Ministry of Trade, Tourism and Telecommunications, served as a platform to discuss key novelties that the Law brought and further plans for its implementation.

The importance of and means for successful establishment of cyber security and the risks that stem from digitization were in focus of special **Briefing Session on Cyber Security**, gathering representatives of public, private and civil society sector.

Regulatory wise, **AmCham provided comments to the Draft Law on eGovernment** and warned about significant negative impacts of the newly introduced obligation of state authorities to migrate their email accounts and data records on servers located in Serbia.

Synergy between corporations and startup community further explored in 2017 through **several meetups** with **StartIt and ICT Hub**.

Finally, U.S. Embassy Commercial Service and AmCham joined forces with aim to honor and empower amazing women leaders from the ICT industry into a series of events and programs: **Emotional Intelligence Program** by Mind. Protect, panel discussion on male perspective on this important topic and **a brand-new Women in Tech Mentoring Program**, connecting successful women from business and startup community.

LEADERSHIP

Miloš Stojković, Živković Samardžić, **Regulatory Stream Chairperson**
Diana Gligorijević, Telegroup, **Women in Tech Chairperson**
Boris Vujičić, Trizma, **Collaboration with Startups Chairperson**



MAGNIFY YOUR VOICE

Events to facilitate improving business environment

Business Luncheons & Breakfasts

Featuring keynote speakers and Government officials, these working events provide a high-level platform for influencing and networking and cover key issues facing the Serbian market and our members. In October 2017, AmCham hosted Prime Minister Ana Brnabić, who was eager to hear private sector recommendations for improving the business environment.

Briefing Sessions, Roundtables, Conferences

These are perfect formats for getting critical and useful business information on newly adopted regulations and their implementation in everyday business. We hosted events on

topics ranging from personal data protection, public procurement in health care, packaging waste management, employee privacy, staff leasing, VAT Law implementation, criminal liability for tax evasion and much more.

We organized 4 large scale conferences, landmark 5th Lap Time Conference on improving business environment priorities identified in AmCham's traditional Survey on Investors Satisfaction and Confidence, attended by key Government officials, Roundtable on the Possible Directions to Increase the Efficiency of the Health System in Serbia, Trade Facilitation Conference and Environmental Conference on Waste Management.



OUR TEAM INVESTED MORE THAN 700 WORKING HOURS IN CREATING A WIDE RANGE OF TAILOR-MADE NETWORKING AND BRAND-BUILDING ACTIVITIES, FROM HIGH-LEVEL EVENTS TO ONE-ON-ONE MEETINGS BETWEEN OUR MEMBERS AND FURTHER DEVELOPING THE ONLINE PLATFORM TO ALLOW MORE DIRECT PEER-TO-PEER CONTACTS.

DEMAND: 77 COMPANIES SAID THAT THEIR PRIORITY AS AMCHAM MEMBER IS TO NETWORK AND PROMOTE THEIR BUSINESS TO FELLOW MEMBER COMPANIES.

ENGAGEMENT: 107 MEMBERS ARE COMING TO OUR EVENTS ALLOWING NETWORKING AND MEMBERS' PROMOTION.



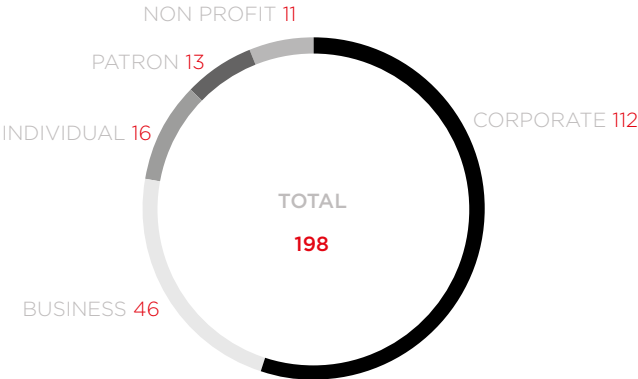
ACTIVE
NETWORKING
& PROMOTION

OUR POWER IS OUR COMMUNITY!

AmCham keeps growing! By year end **AmCham welcomed 20 new members for a total of 198**, with a historic record — **90% retention rate!** In order to get members’ feedback and modify AmCham service in line with their expectations, AmCham

team held more than 115 bilateral meetings with member companies and used every interaction at events and other meetings over the year, for instant inputs and comments.

MEMBERSHIP BY CATEGORY:



MEMBERSHIP BY INDUSTRY (end of 2017):

Agriculture	5	3%
Consulting & Accounting	10	5%
Distribution & Logistics	8	4%
Education	5	3%
Energy	7	4%
Financial Services	16	8%
FMCG & Services	23	12%
Health Care & Pharmaceutical	19	10%
HR, Recruiting and Executive Search	5	3%
ICT	23	12%
Legal	23	12%
Manufacturing & Production	13	7%
Marketing & PR	10	5%
Media & Entertainment	2	1%
NGO/NPO	6	3%
Real-Estate	12	6%
Security	1	1%
Travel & Hospitality	7	4%
Other	3	2%
Total	198	100%

ACTIVELY CONNECT FOR BUSINESS GROWTH

Events to facilitate networking and promotion

Business Speed Meeting

Relaxing and enjoyable business development opportunities with B2B contacts. In 2017 we hosted Business Speed Meeting French Serbian Chamber of Commerce and Nordic Business Alliance.

WineCham

As the newest networking format, WineCham is designed to bring together AmCham Board, Patron and founding members. The first WineCham in 2017 was organized @Aleksandrović Winery, while the second was hosted by dear AmCham member MK Group @Erdevik Winery.

Cocktail Parties

An after-work networking format aimed at building the community through spending off-time together. More than 350 AmCham members, business partners and friends, attended a HELLO Change Cocktail

Party co-hosted with Philip Morris. The guests enjoyed a jazzy and elegant evening with Vasil Hadžimanov band and special guest star Bisera Veletanlić.

Family Events

An informal format aimed at providing business development opportunities and B2B contacts while enjoying fun time with the family. We hosted four family events to celebrate Halloween, Thanksgiving, and enjoy sports games and tournaments such as American Football and Basketball.

Executive Assistants Network

Executive & Personal Assistants and Office Managers from both AmCham member companies and public sector enjoyed a Day for the PA -moderated panel discussion that gathered representatives of business sector and Prime Minister's Office.



PROCUREMENT GROUP

Initiated to create a unique networking, information and **knowledge-transfer platform** for Procurement executives from the membership and to enable increased interaction.

More than 30 engaged and dedicated procurement professionals met in 2017 to share their experiences, knowledge and best practices.

Staff leasing from procurement perspective was the topic of the meeting organized in cooperation with Adecco Serbia, dedicated to the upcoming Law on Staff Leasing. Emphasis was put on the areas that this law will regulate and the position of the agencies for hiring labor.



MARKETING AND COMMUNICATIONS GROUP

Marketing and Communications Group was made to facilitate and provide a platform for marketing and communications professionals from member companies to **network, exchange ideas, examine cases and experiences, and discuss various outreach models**. Peer-to-peer network is the great way to rise above the everyday thinking, see the big picture and get the real lead in business.

In August 2017, the initial meeting for the formation of the Program Committee was held, with new

goals and activity plan for the upcoming period. Vanda Kučera of I & F McCann Belgrade, was selected as coordinator of the Program Committee, while the other members are Sanja Burg of L'Oreal Balkan and Radomir Marković of TAG Media.

Panel "Video Format: The Fastest Reach to Your Audience", organized in cooperation with TAG Media, was dedicated to using video format as a form of advertising that will be dominant in the upcoming years.



MORE THAN 700 HOURS OF EXECUTIVE TEAM WERE DEDICATED TO PROVIDING PROFESSIONAL DEVELOPMENT FORMATS AIMED AT EXCELLING OUR MEMBERS' KEY TALENTS THROUGHOUT 2017.

DEMAND: 12 COMPANIES SAID THAT THEIR PRIORITY AS AMCHAM MEMBER IS TO EXCEL ITS PEOPLE THROUGH PROFESSIONAL DEVELOPMENT OPPORTUNITIES.

ENGAGEMENT: 147 MEMBERS ARE INVOLVED AT OUR EVENTS PROVIDING PROFESSIONAL DEVELOPMENT.



CONFIDENT
EXCELLING
PROFESSIONAL
DEVELOPMENT

AMCHAMPS - DEVELOPING TOMORROW'S LEADERS

AmChamps - Young Leaders in Change is our landmark professional development program, launched in early 2014 as a showcase model on how academia and corporate sector should work together with aim to develop people who will be leading the business community in Serbia. In 2017, program activities continued to evolve.

New generation of AmChampions.

AmChamps Class of 2017 included 42 new participants — 21 prospective young managers from member companies and 21 exceptional, final-year students from more than 10 Belgrade University faculties.

An exclusive curriculum was made for them — 23 events (business lectures, soft skills workshops, extracurricular activities, networking, company visits, team buildings), as well as 5 lectures/roundtables/panel discussions at University of Belgrade faculties.

Leading business professionals dedicated their time and knowledge — 14 top managers as lecturers and 10 HR professionals as trainers. **Valuable prizes awaited the best** – scholarships for MBA and Master studies at Sheffield University, internships at member companies for students, career development sessions,

foreign language and professional skills courses. **The program was supported by our valued partners** – Sheffield University, MK Group, Coca-Cola HBC, NELT, as well as Gi Group, Nedeljnik, the Centre for Career Development and the Ministry of Youth and Sports.

Growing AmChamps Alumni Club.

Alumni Club organized a number of events with the aim of further promoting the program and nurturing the AmChamps network. Club organized fundraising initiatives for Children's Foster Home "Jovan Jovanović Zmaj", several networking and educational opportunities, including theatre visits.

Evolution of AmChamps Summer School.

A one-week intensive sub-program that enables students to brush up on skills and competencies that are becoming important in the modern market. The 2017 Summer School was powered by Banca Intesa, as a series of lectures and workshops for 12 enrolled students. Participant prepared final projects in the teams of three, while the winning team directly qualified for AmChamps 2018.



HR FORUM – COMMITTED TO INSPIRE AND EMPOWER TALENTS TO EXCEL

Recognizing promotion of professional development initiatives and sharing best experiences as its essential role, HR Forum focused on the following activities:

HR in Public Administration: In cooperation with the Cabinet of the Prime Minister, group organized a set of meetings on professional development of employees in public administration, aimed at finding synergies between the state and business sector in this field. AmCham representatives shared their experience and knowledge by holding soft-skills workshops at the Council of Europe's Conference "HR Management in Local Self-Government".

HR & Ethics: Together with AmCham Labor Committee, the group held **Employee Privacy Panel**

Discussion, aimed at learning more about the importance of employees' privacy at the workplace and legal obligations of the employer.

HR & Tech: Digital era effects on HR profession were topics of two HR Forum gatherings – a panel **on how digitalization would influence HR work** and meeting on **gamification in the HR sector**, based on coaching tool – Coachonaut, launched by Philip Morris International in Serbia.

HR & Power of She: Three successful women from AmCham membership joined group's **inspirational talk on the empowerment of women in the business sector**, challenges and opportunities they encounter during their careers.

LEADERSHIP

Tijana Tadić, Chairperson

Karanović Nikolić Law Office

Mia Pešić, Vice Chairperson

Deloitte

*Until October 2017, Vice Chair position was held by Tatjana Krasulja, NCR



INSPIRE YOUR PROFESSIONAL EXCELLENCE

Events to facilitate excelling professional development

Workshops, Lectures & Seminars

Our educational portfolio has been developed to ensure that all employees from AmCham membership network have the opportunity for professional growth. Our activities in this field are held throughout the year, and comprise of hand-tailored programs aimed at excelling leadership and management skills. In 2017, we organized a series of interactive workshops on various topics such as how to become a psychology coach, influencing others, mentoring, chaos and leadership, how emotions can affect successful communication, own the room bootcamp, complexity leadership and more.

SMART Trio A laid-back, informal, yet revamped format that provides outside-the-box, inspirational stories of successful individuals

on selected topics from business, culture and science perspective. In 2017, our SMART Trio events featured topics of Excellence with Jelena Pavlović of Philip Morris International, Ivan Dragošan of Symphony and Srđan Ognjanović of Mathematical Grammar School, Empathy with Tamara Vučković Manojlović of Yugoslav Drama Theater, Zoran Petrović of Raiffeisen banka and Boris Vujičić of Trizma, while the one on Happiness included stories from Živorad Vasić of Delta Holding, Aleksandra Ninković Tašić of Educational – Research Society “Mihajlo Pupin” and Vojislav Lazarević of Piraeus Bank.

All SMART Trio events were hosted by Dr. Nikolaos Dimitriadis of City College, International Faculty of Sheffield University, and partner in SMART Trio series.



LEAD THE CHANGE!

Leader in Change Award

AmCham's Annual Leader in Change – HERO Award recognizes the outstanding core values and principles that contribute to the overall progress of Serbian society. The aim of the award is to acknowledge individual, organization or institution that represents the role model of excellency in Serbian society.

HERO Award laureates are recognized for their significant contribution in culture, sports, science, education, or substantial impact on Serbian society in general.

They demonstrate innovativeness, creativity and determination in achieving objectives related to overcoming challenge.

They are characterized by strong leadership in making a difference and readiness to stand and fight for causes significant for the Serbian society.

They are an inspiration to others to pursue their vision to the extent that it becomes a shared effort, a shared vision, and a shared success.

HERO – Special Leader in Change Award

Laureate for 2017:

Dr Magdalena Đorđević

A decision on 2017 laureate was made by a five-member Special jury composed of Srđan Ognjanović, Director of the Mathematical Grammar School in Belgrade, Aja Jung, Director and founder of the Belgrade Dance Festival, Vanja Grbić, a former volleyball star and 2000 Olympic gold medalist, Tatjana Veselinović, presenter, editor and producer of TV N1, and Igor Bogićević, co-founder and CTO of Seven Bridges Genomics.



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Tel: +381 (0) 11 31 144
Fax: +381 (0) 11 62 11 100
www.ibdo.rs

Army Stranaka 16
11000 Belgrade
Belgrade, Serbia

INDEPENDENT PRACTITIONER'S REVIEW REPORT

TO THE TO THE MANAGEMENT OF
THE AMERICAN CHAMBER OF COMMERCE IN SERBIA

We have reviewed the accompanying balance sheet of the American Chamber of Commerce in Serbia (hereinafter referred to as "the Association") as of 31 December 2017 and the income statement and related Notes for the year then ended (hereinafter the "financial statements").

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the accounting regulations prevailing in the Republic of Serbia, based on the Law on Accounting ("Official Gazette of the Republic of Serbia", no. 62/2013) and accounting policies described in Note 2 and 3, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), "Engagements to Review Historical Financial Statements". ISRE 2400 (Revised) requires us to conclude whether anything comes to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements of the Association are not prepared, in all material respects, in accordance with the accounting regulations prevailing in the Republic of Serbia, based on the Law on Accounting and accounting policies described in Note 2 and 3.

Emphasis of Matter

We draw attention to the Note 2 to the financial statements. The accounting framework used in preparing these financial statements does not comply with all requirements of International Financial Reporting Framework. Our conclusion is not modified in respect of this matter.

Belgrade, 14 February 2018

For and on behalf of
IBDO d.o.o. Belgrade

Daniela Krstic
Daniela Krstic
Certified Auditor



IBDO d.o.o. is a company with registered office in Belgrade, Serbia.
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INCOME STATEMENT For the year ended 31 December 2016 (Expressed in 000 RSD)

	Note	2017	2016
OPERATING INCOME			
Income from the sale of goods, products and services	5	3,337	6,521
Income from membership fees	5	62,511	61,725
		65,848	68,246
OPERATING EXPENSES			
Costs of materials	6	(1,414)	(1,185)
Wages, salaries and other personnel expenses	7	(33,554)	(30,280)
Production services	8	(11,260)	(10,182)
Depreciation and amortization	9	(477)	(601)
Donations	10	(31)	(1,175)
Other non-material expenses	11	(16,430)	(24,537)
		(63,166)	(68,542)
OPERATING PROFIT		(286)	(296)
FINANCE INCOME/(EXPENSES)			
	12		
Financial income		1,320	1,247
Financial expenses		(182)	(2)
		1,138	1,245
OTHER INCOME/(EXPENSES)			
	13		
Other income		115	20
Other expenses		(3,478)	(911)
		(3,363)	(891)
PROFIT BEFORE INCOME TAX		457	58
Income tax expense		-	-
Deferred tax income		-	-
Deferred tax expenses		-	-
PROFIT FOR THE YEAR		457	58

Date: 8 February 2017

Vera Nikolic-Dinic
Vera Nikolic-Dinic
Executive Director

YOUR AMCHAM TEAM!

We work full time to serve
our members and help them grow.

Vera Nikolić Dimić

Executive Director

Amalija Pavić

Deputy Executive Director

Strahinja Mitrovski

Communications Manager

Tina Kostić

Membership and Finance Manager

Milica Samardžić

Regulatory Affairs and Education Manager

Branislav Valent

Events and Outreach Officer

Ana Milić

Regulatory Affairs and
Communications Coordinator

Anita Karadžić

Office Manager (On leave)

Milica Gavrilov

Office Manager







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