

## Introduction

Serbia is a landlocked country located at the crossroads of Central and Southeastern Europe, covering the central part of the Balkans. Serbia is bordered by Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Kosovo, Macedonia, Montenegro, and Romania. The geography of Serbia is varied and includes fertile plains, limestone ranges, and in the southeast:



the Dinaric Alps and the Carpathian Mountain range. The government system is a republic; the chief of state is the president, and the head of government is the prime minister. Serbia has a mixed economic system in which the presence of the state in the economy is considerable, but there is limited private sector freedom. Serbia is a member of the Central European Free Trade Agreement (CEFTA).



**Location:** Southern Europe

**Capital City:** Belgrade (+1 GMT)

**Chief of State:** President Aleksandar Vucic

**Head of Govt.:** Prime Minister Milos Vucevic

**Currency:** Serbian dinar (RSD)

**Major Languages:** <p>Serbian (official) 88.1%, Hungarian 3.4%, Bosnian 1.9%, Romany 1.4%, other 3.4%, undeclared or unknown 1.8%</p>

**Primary Religions:** <p>Serbian Orthodox 84.6%, Catholic 5%, Muslim 3.1%, Protestant 1%, atheist 1.1%, other 0.8%, undeclared or unknown 4.5%</p>

**Calling Code:** 381

**Voltage:** 220

## Key Websites

Main Government Page: [srbija.gov.rs](http://srbija.gov.rs)

Commerce Ministry: [privreda.gov.rs](http://privreda.gov.rs)

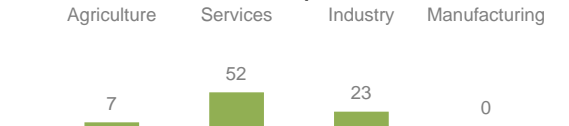
Export Promotion Agency: [ras.gov.rs](http://ras.gov.rs)

Investment Promotion Agency: [ras.gov.rs](http://ras.gov.rs)

## Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	In Transition
GDP, PPP (current international \$):	\$161.64 billion (2022)
GDP growth (annual %):	2.25% (2022)
GDP per capita, PPP (current international \$):	\$23,911.20 (2022)
External debt stocks, total (DOD, current US\$):	\$41,143,534,458.00 (2021)
Manufacturing, value added (% of GDP):	13.00% (2021)
Current account balance (BoP, current US\$):	-\$4.43 billion (2022)
Inflation, consumer prices (annual %):	11.98% (2022)
Labor force, total:	3,266,042 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	9.47% (2022)
Imports of goods and services (current US\$):	\$47.10 billion (2022)
Exports of goods and services (current US\$):	\$40.30 billion (2022)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	95 / 178
Global Competitiveness Index	70 / 141
Global Enabling Trade Index	64 / 136
Index of Economic Freedom	58 / 176
International Logistics Performance Index (LPI)	65 / 160
KOF Index of Globalization	46 / 185
Networked Readiness Index (NRI)	75 / 139
Open Budget Index	54 / 114

## Risk Assessment (Provided by Coface)

**Country rating: C** - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

**Business Climate rating: A4** - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

### Strengths

- Stabilization and Association Agreement with the EU allowing 93% of Serbian products to enter without customs duties
- Ongoing EU accession process (18 out of 35 chapters have been opened, of which two have been closed, unchanged since October 2020)
- Public sector reform in coordination with the IMF and EU
- Natural resources (coal, bauxite, copper, zinc, gold, lithium) and food self-sufficiency
- Rising automotive industry

### Weaknesses

- Landlocked with poor road infrastructure
- Massive and inefficient public sector
- Slow judicial proceedings, customs harassment, corruption, and lack of transparency in the government
- Large informal sector: 26% of GDP and 19% of employment (in 2019, latest data)
- Difficult relations with several neighboring countries
- Brain drain (youth unemployment: 32% in Q1 2021)

## U.S. Embassy

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