



## WORKSHPOP IN PORTOROŽ

**For the memebers of WPC-NC, National Oli  
Industry Association Members and Companies  
from Central and Eastern Europe**

**Potrrož, Thursday 10<sup>th</sup> – Friday 11<sup>th</sup> April 2003  
HOTEL EMONA**

## COUNTRY PROFILE Serbia & Montenegro

**Date of constitation 04.02.2003.**

**AREA (km<sup>2</sup>): 102 173**

### **POPULATION:**

**10 664 300 (TOTAL WITH Kosovo and Metohia)**

**2 359 563 only Kosovo and Metohia**

## GDP

	2001	2002	2003
Current prices, billion din	771.8	1006.9	1225.9
Current prices, mil USD	10861	15563	18407
Per capita, USD	1278	1831	2166
Growth rate	5.5	4.0	5.0

## UNEMPLOYMENT RATE:

- ◆ 2002 = 24.7% (unemployed / active population)

## INFLATION RATE:

- ◆ 2002/2001 = 19.2
- ◆ January = 0.8; February = 0.6
- ◆ estimated 2003/2002 = 9.0

## AVERAGE MONTHLY SALARY

- ◆ 2002 = 9208 din;  
January 2003 = 9468 din,  
February 2003 = 10367 din  
(1USD = 60 din)
- ◆ only for Serbia

## ENERGY MARKET:

(TURN OVER IN RETAIL TRADE OF BY PRODUCT AND  
TURNOVER IN WHOLESALE TRADE OF BY PRODUCT)

Retail trade turnover	Year 2000.
Coal, 000t	443
Wood, 000m <sup>3</sup>	102
Automotive diesel and other mid distillates, 000t	373
Gasoline, million litres	360
Lamp oil, 000 l	10.6
Engine and machine oil, t	5736
Household diesel	5.9
Fuel oil	-

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## REFINERIES

- ◆ THERE ARE TWO
  1. Refinery of Novi Sad
  2. Refinery of Pancevo

## CRUDE OIL SUPPLY FROM

	2001	2002
Domestic, 000 t	746	682
Import, 000 t	1838	2678
Total, 000 t	2584	3360

## PIPELINE SYSTEM:

- ◆ Length: ( 2002 year)1541 km, oil-pipeline 372 km

## MAJOR OIL COMPANIES:

- ◆ RETAIL MARKET SHARE
- ◆ NIS Jugopetrol
- ◆ NIS Naftagas promet
- ◆ Beopetrol
- ◆ NAFTA( ASSOCIACIES PRIVATES)

## NUMBERS OF SERVICE STATIONS

ESTIMATED 1098

AVERAGE YEARLY THROUGHPUT

## Average annual turnover – retail trade of engine fuels (social-owned sector)

2002.	000 dinars
January	4898187
February	4995616
March	5480705
April	5900951
May	6116427
June	6719730
July	7155010
August	7205233
September	7082312
October	(8156559) – estimation
November	(7882070) – estimation
December	(7634006) – estimation

## In 2002, NIS Jugopetrol's turnover increased for 47% in regard to 2001

In 2002, NIS Jugopetrol delivered the following amounts of fuels:

1. The value of 1,7 billion dinars to the Electrical Power Industry of Serbia.
2. The value of 800 million dinars to the Public Transportation Enterprise.
3. The value of 455 million dinars to the Railroad Enterprise.
4. The value of 340 million dinars to the Army.
5. The value of 205 million dinars to the Heating plant of Nis.

The value of 128 million dinars to PKB (Agricultural Combine).

## INVESTMENTS OF FOREIGN OIL COMPANIES

- ◆ LUK Oil-Russia
- ◆ OMV-Austria
- ◆ Avia-Switzerland
- ◆ Hellenic Petrol-Greece
- ◆ Petrol-Slovenia

## LEGISLATION

Customs fees as of 1<sup>st</sup> June 2001, Official Journal of the Federal Republic of Yugoslavia No. 23/2001:

Crude oil, 1%

- Airplane gasoline, 5%
- Engine gasoline, lead free, 10%
- Gasoline jet fuel, 10%
- Other engine gasoline, 10%
- Naphtha for processing and blending (base and virgin), 10%

## LEGISLATION

Special naphtha, other (extraction and other), 10%

- White spirit, 10%
- Kerosene for engines, 10%
- Kerosene jet fuel, 1%
- Other kerosene, 10%
- Diesel, 10%
- Ship and other gasoline, 10%

## Fuel oil directives

- ◆ Approvals are issued by the Ministry of Mining and Energy of the Republic of Serbia by a decree on special conditions and ways of import, processing, distribution and trade of crude oil i.e. its derivatives, even though import/export regime is free.
- ◆ Upon a proposal of the Ministry, the Government of Serbia can approve the import of:
  - ◆ - all grades of engine gasoline
  - ◆ - all grades of diesel
  - ◆ - household diesel, special grades (S)
  - ◆ - household diesel, light special grades (S)
  - ◆ - fuel oil
  - ◆ other crude oil derivatives

- ◆ **CERTIFICATES:** within the competence of the laboratories in Belgrade, Novi Sad and Krusevac.
- ◆ **PRICE CONTROL:** Decree on the prices of crude oil and its derivatives (Ministry of Finance and Economy of the Republic of Serbia).
- ◆ **VAT:** None

## EXCISE TAX

Excise taxes in dinars for crude oil derivatives (Kosovo and Metohia excluded):

all grades of engine gasoline	20.65 din/l
all grades of diesel	11.47 din/l
household diesel, special and light special	8.09 din/lit
jet fuels and airplane gasoline	4.06 din/kg
engine oils and lubricants	45.00 din/l
liquid petroleum gas	2.86 din/kg
lamp oil	3.74 din/kg

- Adjusted tax for crude oil derivatives is 205,400.42 dinars paid in foreign currency per tank car for goods traded with Kosovo and Metohia

## TAX EVASION – SMUGGLING

- ◆ Annual loss due to black marketing amounts to about EUR 130 million;
- ◆ Crude oil and its derivatives are smuggled from Bulgaria and Romania. As an example, on the crossing Veliko Gradiste a Ukrainian ship tried to smuggle 79 057 kg of gasoline in the total value of YUD 1 581 140

## CORRUPTION

- ◆ The Government of Serbia established a Council for fighting the corruption in administration, judiciary bodies, police, customs, health service and education.

## FUEL OIL DIRECTIVES

- ◆ There is no Yugoslav standard

# NATIONAL OIL INDUSTRY ASSOCIATION

- ◆ **Association for Crude Oil and Gas (YUNG)**
- ◆ **Established: 1995**
- ◆ **Members: 60 joint and 1100 individual**

## *SOURCE OF THE DATA*

(excluding the data for Kosovo and Metohia):

- Announcements, bulletins and other publications of the Federal Statistics Agency
- Announcement, bulletins and other publications of the Republic Statistics Agency



## *SOURCE OF THE DATA*

Memorandum on the budget and economic and fiscal policy  
for the fiscal year of 2003 and the next two years

- Federal Standardization Agency
- Chamber of Commerce of Serbia and Montenegro
- Chamber of Commerce of Serbia