

---

## **SERBIA'S PLACE IN DIRECT INVESTMENT FLOWS AND GLOBAL GOODS EXPORTS**

Miroslav Zdravković

© National Bank of Serbia, September 2024

Available at [www.nbs.rs](http://www.nbs.rs)

---

The views expressed in the papers constituting this series are those of the author and do not necessarily represent the official view of the National Bank of Serbia.

Economic Research and Statistics Department

NATIONAL BANK OF SERBIA

Belgrade, 12 Kralja Petra Street

Telephone: (+381 11) 3027 100

Belgrade, 17 Nemanjina Street

Telephone: (+381 11) 333 8000

[www.nbs.rs](http://www.nbs.rs)

---

## **Serbia's Place in Direct Investment Flows and Global Goods Exports**

Miroslav Zdravković

**Abstract:** The paper examines Serbia's absolute and relative indicators relating to FDI flows and goods exports. Serbia has come a long way from politically and economically isolated to an open country, comparable with other countries of similar size and development level, as confirmed by the calculated relative indicators. Based on the past tendencies, in the future we can also expect Serbia's indicators to be above-average in case of direct investments inflow and goods exports relative to global indicators.

**Keywords:** FDIs, goods exports, global indicators, globalisation.

**[JEL Code]:** F40, F41.

---

## **Non-technical summary**

FDIs and trade in goods are the most important ways of a country's integration into the global economy (coupled with loans, portfolio investments, trade in services ...). The paper presents Serbia's results for these two indicators since 2008 and 2006.

In case of FDIs, the data presented date back from 2008 as this is the year when our balance of payments data were aligned with international standards.

Data on trade in goods cover the period since 2006, because from that year onwards data for Serbia are presented independently and not together with Montenegro.

In view of the initiated process of deglobalisation and fragmentation of the global economy, the data presented for Serbia seem excellent. They indicate the need for further non-alignment of Serbia in global divisions that occurred and that will persist.

---

## Contents:

<b>1</b>	<b>Introduction.....</b>	<b>70</b>
<b>2</b>	<b>The place of Serbia in flows and cumulative direct investments.....</b>	<b>71</b>
2.1	World Development Report: topics by year .....	71
2.2	Globalisation process expressed using two indicators.....	73
2.3	Serbia in the process of globalisation 1991–2023 .....	76
2.4	Comparable indicators of direct investments by country .....	78
2.4.1	Annual value of FDI inflows.....	78
2.4.2	Cumulative FDI inflow in the 2008–2023 period.....	81
2.4.3	Annual FDI outflows .....	81
2.4.4	Cumulative FDI outflow in the 2008–2023 period.....	83
2.4.5	Net FDI inflow .....	84
2.4.6	China and the Czech Republic – examples of FDI net flows’ changed dynamics .....	85
2.4.7	Announced greenfield projects in 2023 and Serbia’s place in the world.....	86
2.5	Relative indicators of FDI flows relative to the population, GDP and goods exports .....	88
2.5.1	Cumulative FDI inflow and outflow in the period 2008–2023 relative to the population .....	88
2.5.2	Cumulative FDI inflow and outflow in the 2008–2023 period relative to GDP .....	89
2.5.3	Cumulative FDI inflow and outflow in the 2008–2023 period relative to goods exports.....	90
<b>3</b>	<b>Serbia’s place in global goods exports.....</b>	<b>91</b>
3.1	Overall trends in trade in goods.....	91
3.2	Comparison with other countries .....	93
3.2.1	The rise in the absolute value of exports .....	93
3.2.2	Change in ranking by the absolute value.....	94
3.2.3	Exports per capita .....	94
3.2.4	Exports as a percentage of GDP.....	96
3.3	The most important products in Serbian exports .....	97
3.4	Best performing Serbia’s export products .....	100
3.5	Exports of selected products.....	102
3.5.1	Frozen fruit .....	102
3.5.2	Automobile cables (insulated wire, cables and other insulated electrical conductors).....	104
<b>4</b>	<b>Conclusion .....</b>	<b>105</b>
	<b>References .....</b>	<b>107</b>
	<b>Statistical Appendix.....</b>	<b>108</b>

## **1 Introduction**

The first part of the paper analyses data about the flows and stock of direct investments in Serbia and globally for the 1991–2023 period. Absolute and relative comparisons of Serbia and other countries and territories were made from 2008 until 2023, for the period for which comparable data exist.

Objective reasons caused Serbia's delay in the process of integration in the international division of labour and investment flows for full ten years, as it was subject to strict sanctions of the UN and collective West in the last decade of the 20<sup>th</sup> century.

The presented data, absolute and relative indicators suggest that Serbia made up for this delay and intensively fitted in global production chains and international division of labour.

Serbia posted particularly good relative results in the past few years, pursuing a versatile foreign policy without aligning with any side in clashes that broke out after the onset of the deglobalisation and geopolitical conflicts.

The value of announced greenfield investments in Serbia at end-2023 points to the possibility of a further rise in the value of FDI inflows in the years to come, despite global shocks and instabilities. In addition to rising FDI inflows, it is desirable to increase domestic companies' investments abroad, as this will indicate that they passed the test of international competitiveness.

The second part of the paper presents indicators, absolute and derived ones, about the dynamics of Serbia's goods exports in the 2006–2023 period.

Following the block division of the world into the eastern and western military alliances, the international division of labour quickly progressed since the 1990s until the outbreak of the global economic crisis in 2008, but lost momentum thereafter. Nowadays, we live in a dangerous period of deglobalisation and fragmentation of the global economy.

Serbia started its process of integration in the international division of labour with a delay and from a low base.

In global foreign trade bases, data for Serbia are present since 2006, while until that year they were entered under "Serbia and Montenegro".

In the period following the Montenegro separation, from 2006 until 2023, Serbia experienced extremely fast growth in goods exports and imports. Exports growth was faster, so the export-to-import coverage ratio increased.

This part of the paper includes data about the dynamics of Serbia's exports of goods compared to other countries in the world and presents products with the highest value in Serbian exports and with the largest share of Serbia in the global exports.

Based on the large share of the production in total FDI inflow in the coming years we can also expect that Serbia will continue to increase its relative shares in the global exports and imports of goods.

## 2 The place of Serbia in flows and cumulative direct investments

### 2.1 World Development Report: topics by year

UNCTAD annual reports on FDIs in the past 33 years are precious testaments of the globalisation era, as its witnesses but also important promoters. The first Report, from 1991, coincides with the disintegration of Yugoslavia, USSR and the end of the Cold war. The world was full of hope (particularly the Eastern Europe) that the globalisation process will bring great benefits to everyone included, and in the last decade of the past century restrictions to foreign investments were massively removed, their attraction was encouraged, inter-state agreements were signed to avoid double taxation, different measures and actions were taken to increase foreign investment flows and intensify mutual integration of the countries involved.

The global economic crisis of 2008 is at the midpoint of this globalisation and deglobalisation process from 1991 until 2024. The exact timing of the onset of the deglobalisation process is yet to be determined – did it start with the global economic crisis in 2008 or with the American trade sanctions imposed on China in 2018, the coronavirus pandemic or the outbreak of the Ukraine war in 2022? Global FDIs reached the highest absolute and relative significance in 2008. From that year onwards, they have been slowly declining, with the world trade's share in the global GDP also going down.

Serbia's inclusion in this globalisation process was delayed until 2000. It, too, had great expectations from the process of integration into the global economy, as had most countries of Eastern Europe ten years before. Measured by the share of cumulative FDIs in GDP, Serbia overtook most of these countries in the past almost a quarter of a century, but the effects on its overall development can be analysed.

Annual reports on global direct investments addressed different effects of foreign investments on development, employment, and foreign trade depending on investors motivation and host countries' policies.

The global investment report focuses on trends in foreign investments across the globe, at regional and local level, and measures for improvement of their contribution to development. It also contains the analysis of global value chains and operations of multinational companies, with the special focus on their development implications.

Every annual report includes:

- the analysis of FDI trends in the last year with a special focus of development implications;
- ranking of the largest transnational corporations in the world;
- a detailed analysis of selected topics in relation to FDIs;
- the analysis of policies and recommendations;
- statistical annex with data on flows and amounts of FDIs at country level.

Since the start of the publication of this important annual document on FDIs, special topics regarding this area were addressed every year. Below is the list of titles of annual publications

on foreign investments from 1991 until 2024. Based on the titles of annual publications we can understand how the perspectives and restrictions to FDI growth developed and what dominant topics were in some periods.

- 1991: The Triad in Foreign Direct Investment
- 1992: Transnational Corporations as Engine of Growth
- 1993: Transnational Corporations as Integrated International Production
- 1994: Transnational Corporations, Employment and the Workplace
- 1995: Transnational Corporations and Competitiveness
- 1996: Investment, Trade and International Policy Arrangements
- 1997: Transnational Corporations, Market Structure and Competition Policy
- 1998: Trends and Determinants
- 1999: *Foreign Direct Investment and the Challenge of Development*
- 2000: *Cross-border Mergers and Acquisitions and Development*
- 2001: *Promoting Linkages*
- 2002: Transnational Corporations and Export Competitiveness
- 2003: FDI Policies for Development: National and International Perspectives
- 2004: The Shift Towards Services
- 2005: Transnational Corporations and Internationalization of R&D
- 2006: FDI from Developing and Transition Economies: Implications for Development
- 2007: Transnational Corporations, Extractive Industries and Development
- 2008: Transnational Corporations and the Infrastructure Challenge
- 2009: Transnational Corporations, Agricultural Production and Development
- 2010: Investing in a Low-Carbon Economy
- 2011: Non-Equity Modes of International Production and Development
- 2012: Towards a New Generation of Investment Policies
- 2013: Global Value Chains: Investment and Trade for Development
- 2014: Investing in the SDGs: An Action Plan
- 2015: Reforming International Investment Governance
- 2016: Investor Nationality: Policy Challenges
- 2017: Investment and the Digital Economy
- 2018: Investment and New Industrial Policies
- 2019: Special Economic Zones
- 2020: International Production Beyond the Pandemic



2021: Investing in Sustainable Recovery

2022: International Tax Reforms and Sustainable Investment

2023: Investing in Sustainable Energy for all

2024: Investment facilitation and digital government

Based on the titles of annual reports we can see that in the beginning they emphasized the importance of transnational companies' operations, only to refocus on their impact on economic development as the time passed.

## 2.2 Globalisation process expressed using two indicators

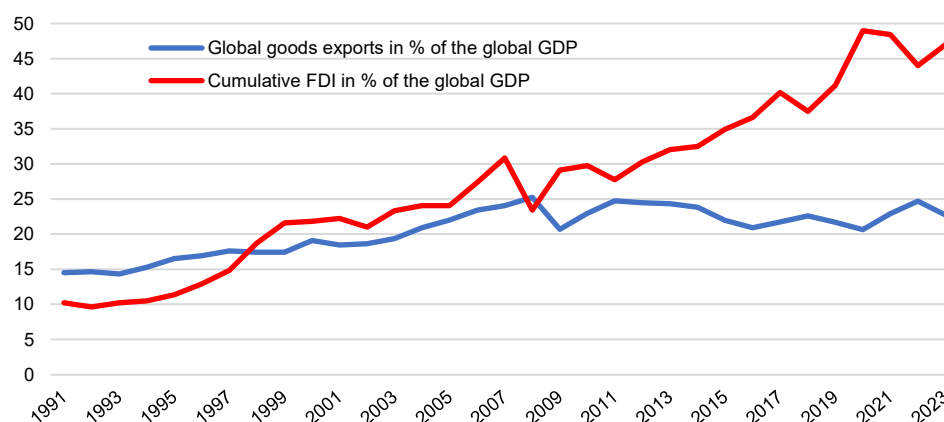
Globalisation of the world economy is the process of economic integration of countries in the global economy and a consequent rise in dependence of economic development from the rest of the world. FDI's facilitate and accelerate this integration process. Countries can develop even without FDI's by expanding their own companies via exports and investments abroad. The development driven by foreign investments implies greater flows of trade in goods, but it can also mean simply taking over others' resources, without affecting the growth of the economy in which the investment is made, depending on the investor's motives.

We calculated two indicators of the globalisation process: (1) the share of goods exports in the global GDP and (2) the share of cumulative FDI inflow in the global GDP.

The first indicator rose steadily until the global economic crisis reaching the climax in 2008 with the 25.2% share of the global goods exports in the global GDP. Since that year it stagnated and declined only to rocket abruptly – to 24.7% in 2022. The reason for this abrupt increase after 2020 was the rise in the prices of primary commodities, which was the case in 2008 as well. Likewise, a decline in primary commodity prices pushed down the share of global exports in the global GDP from 2009 until 2020. The second factor behind the decline in the share of goods exports in GDP was a faster rise in services compared to the manufacturing sector in the period observed. In 2023, the share of global goods exports dropped to 22.8%, in accordance with the decline in primary commodity prices.

The second indicator, the share of cumulative FDI inflows in the global GDP, was relatively stable in the period from 1991 until 1994, where the share of cumulative investments was around 10% of the global GDP, only to go abruptly up – to 21.6% in 1999. This was when Western Europe integrated Eastern Europe in its production processes. The share of cumulative FDI inflow exceeded 30% of the global GDP in 2012. In 2017 it was over 40% and in 2020 reached the record high 49.0%. The growth and integration of the global large capital occurs independently of trends in the share of trade in goods in the global GDP, and the main reason is a high increase of the share of FDI in services, particularly the IT sector. In 2023, this indicator stood at 47.0%.

Table 1a in the statistical annex shows the main indicators of operations of branches of transnational companies in the period preceding the outbreak of the global economic crisis in 2007–2008 with the addition of derived indicators of the relative importance of branches of

Chart 1 **Selected globalisation indicators**

Source: author's calculations based on IMF and UNCTAD bases.

transnational companies for GDP, exports and investments, as well as the latest data, which are not as methodologically updated as the older ones.

The purpose of these selected indicators was to point to the significance of transnational companies for the global economy. In the total global trade, parent transnational companies accounted for a third of exports, their branches for the second third, and smaller companies which did not acquire global character for the third.

In the period from 1990 until 2007, the global GDP increased nominally 2.46 times, total fixed investments 2.42 times and the global trade in goods and services 3.88 times.

In the period following the global crisis, the relative importance of the branches of transnational companies declined, as can be seen from their share in the global GDP and the share of FDIs in global investments, which went down after the crisis.

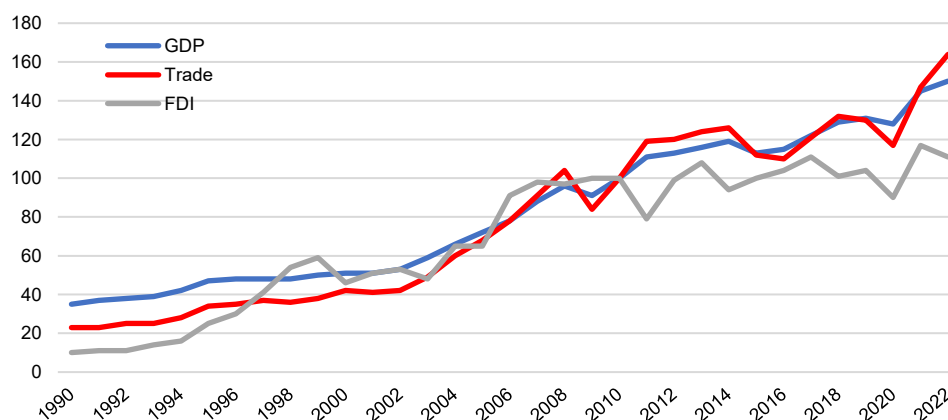
After two decades of the rising impact of FDIs, the third decade saw their stagnation. In the 1990s FDIs were rising at the rate of 15.3%, trade at 6.2%, and GDP at 3.8% on average annually. In the first decade of the 21<sup>st</sup> century, FDIs were going up at the annual rate of 8.0%, trade at 9.0%, and GDP at 7.0%. In the second decade of the 21<sup>st</sup> century, FDIs were rising only at 0.8% rate, trade at 2.7%, and GDP at 3.1% on average annually.<sup>1</sup>

In addition to this FDI lag behind production and trade, there is an increasing gap between the production sector and services, with investments channelled more and more into services.

From 2004 until 2023, the share of cross-border greenfield projects in the services sector increased from 66% to 81%.

At the same time, FDIs in the production stagnated for two decades, before they dropped significantly, with the negative annual rate of -12% in the three years that followed the outbreak of the coronavirus pandemic.

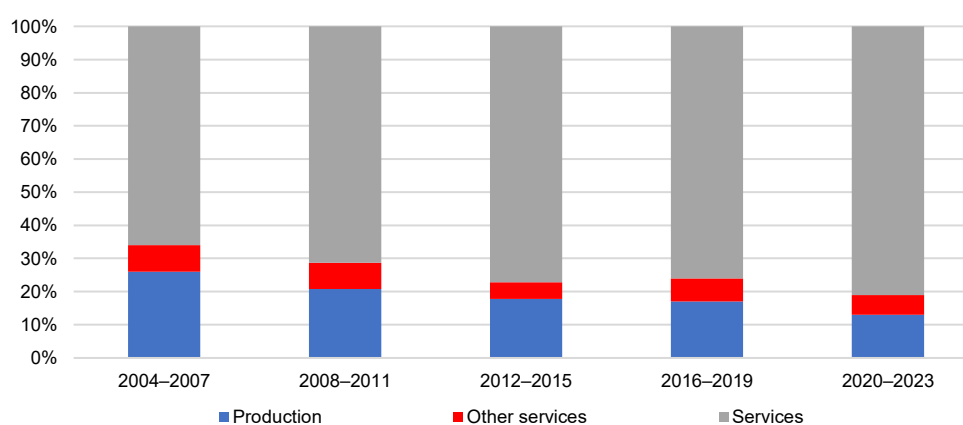
<sup>1</sup> World Investment Report 2020 "International Production Beyond the Pandemic", p 123.

Chart 2 **FDI, GDP and trade** (2010=100)

Source: <https://unctad.org/news/global-crises-fracturing-foreign-investment-impacting-developing-economies>.

At the beginning of the third decade of the 21<sup>st</sup> century, the global production system experienced a perfect storm with the coronavirus pandemic-induced crisis that broke out at the time of challenges posed by the new industrial revolution, growing economic nationalism and sustainable development imperative. The temporary effects of this perfect storm were the production and supply chain halts, global recession, and supply- and demand-side shocks. Long-term impacts of this storm made it imperative to bolster supply chain resilience and increase the national and regional autonomy of production capacities.<sup>2</sup>

The IMF addressed this new phenomenon of geo-economic fragmentation, as a process which is in opposition to the global economic integration and introduced the notion of slowbalization, which is an antonym of globalisation.<sup>3</sup>

Chart 3 **Shares of sectors in greenfield investments**

Source: <https://unctad.org/news/global-crises-fracturing-foreign-investment-impacting-developing-economies>.

<sup>2</sup> For more details, see World Investment Report 2020, “International Production Beyond the Pandemics”, p 120–178.

<sup>3</sup> For more details, see World Economic Outlook, April 2023, Chapter 4 “Goeconomic Fragmentation and Foreign Direct Investment”.

## **2.3 Serbia in the process of globalisation 1991–2023**

In the period from 1991 until 2023, the nominal value of the global GDP increased 4.3 times, from 24.2 to 104.5 thousand billion US dollars. In this period Serbia's GDP rose 2.7 times, from estimated USD 28.3 bn in 1991 to USD 75 bn in 2023.<sup>4</sup>

Global population enlarged by almost 60%, while in Serbia it declined, due to both excluding Kosovo and Metohija from the official records since 1999, and negative birth rates and people leaving Serbia since 1991, which was mitigated by the inflow of refugees from Croatia, Bosnia and Herzegovina and Kosovo and Metohija.

In the period from 1991 until 2023, global commodity exports increased 6.7 times, and Serbian 6.6. Though it seems that following 2000 the decline from the 1990s was offset, this still largely concerns the effect of the introduction of former Yugoslav republics in the statistics of external trade, where they did not appear until 1992. In 1991, Serbia's exports of goods to the former Yugoslav republics were two times higher than exports to "former" foreign countries, so by including these republics in goods exports of 1991 we can conclude that, in fact, by 2023 the exports rose somewhat more than two times, while they reached the nominal value recorded 22 years earlier only in 2013. The global trade also increased by the effect of inclusion of trade among former USSR countries and the Czech Republic with Slovakia, as well as mutual exchange between other former Yugoslav republics, but these effects are significantly lower.

The annual value of the global FDI inflow increased 8.7 times from 1991 until 2023. A record nominal value was posted in 2015 (USD 2,050 bn) when the old record from 2007 was broken (USD 1,889 bn). In 2020, for the first time since 2005, FDI fell to below USD 1,000 bn, only to recover in 2021 and 2022. In 2023, they declined by 1.8% from 2022.

A cumulative value of FDI inflow rose 19.9 times, from USD 2,471 bn in 1991, to USD 49,131 bn in 2023, which pushed up its share in the global GDP, as mentioned earlier.

In 1991, Serbia saw a record high share of 0.165% in the global GDP in the observed period, expressed in currency purchasing power. The actual record share of Serbia's GDP was posted in 1981, when it reached 0.248%.

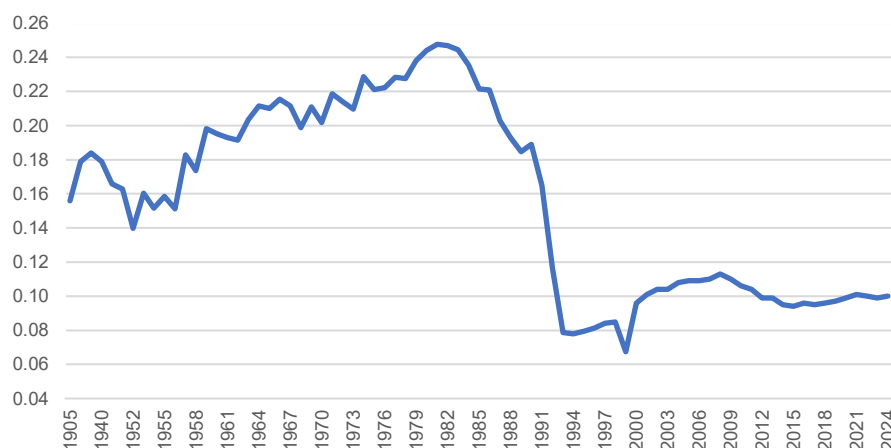
Influenced by the sanctions and bombing, Serbia's share in the global economy dropped to the minimum 0.096% in 2000, down by 42% from 1991. The subsequent recovery was fast paced until 2008, when it reached 0.113%, while following that year it declined to around 0.094% in 2015, due to unpopular measures of fiscal consolidation. After 2015, it recovered to 0.099% in 2023.<sup>5</sup>

---

<sup>4</sup> UNCTAD database quotes USD 71.9 bn in prices from 2015 for Yugoslavia. Serbia participated with 38% in Yugoslavia's GDP in 1989.

<sup>5</sup> Data from the IMF database World Economic Outlook, April 2024.

Chart 4 Serbia's share in global GDP at currency purchasing power (%)



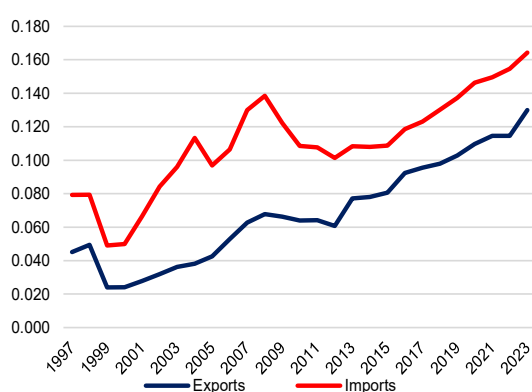
Source: Author's calculations based on Maddison Historical Statistics.

In 1991, Serbia's share in the global exports of goods equalled 0.134%, similar to its share in the population number. This share dropped to the minimal 0.024% in 1999 and 2000, 5.6 times lower than the starting level in 1991. Serbia's share in the global exports was recovering thereafter and reached 0.130% in 2023, almost the same as in 1991, and the same notes about the inclusion of former Yugoslav republics in the foreign trade statistics can be applied here as well.

Serbia's imports share declined from 0.153% in 1991 to only 0.043% in 1995, and in 2022 it outstripped the 1991 share only to reach a record high in 2023 (0.164%).

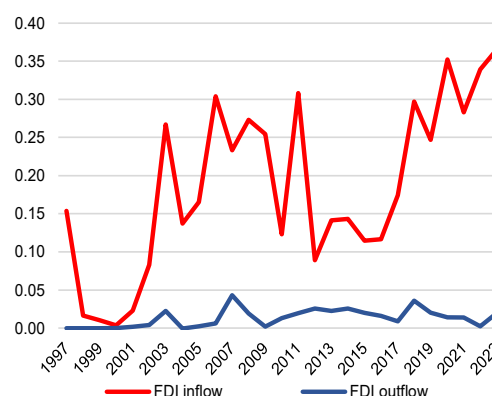
Since 2006, Serbia recorded a higher share in the global FDI inflow relative to the share in the world population, which means that its share of inflow per capita was above average throughout this period. It posted a record high share in the global FDI inflow in 2023 (0.366%) and as of 2018 it was higher than 0.24%.

Chart 5 Shares of Serbia in the global goods exports and imports



Source: UNCTAD Database.

Chart 6 Shares of Serbia in the global FDI flows



Source: UNCTAD World Investment Report Database.

Serbia's highest share in the global FDI outflow was recorded in 2007 (0.043%), when the company Telekom Serbia acquired Telekom of the Republic Srpska. So far, this indicator has

not outstripped Serbia's share in the world population, which means that its outflow of direct investments per capita is below the average.

Serbia's share<sup>6</sup> in the global cumulative FDI inflow stood at 0.123% in 2023, which is 46% above its share in the world population and it is as much higher than the average inflow per capita at the global level.

Serbia's share in the global cumulative FDI outflow stood at 0.011%, which is almost eight times lower than the share in the global population. The global FDI outflow is highly concentrated on a relatively small number of highly developed countries, so in the case of this indicator an abrupt and sharp rise in Serbia's share in the global FDI outflow cannot be expected.

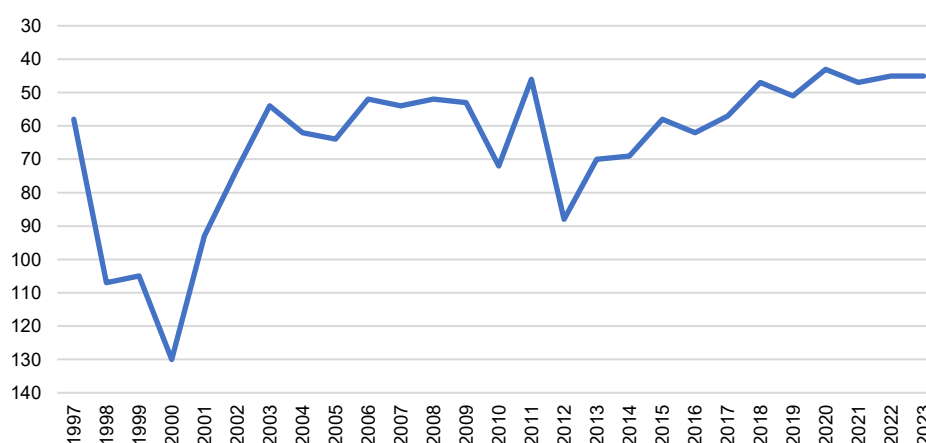
## 2.4 Comparable indicators of direct investments by country

### 2.4.1 Annual value of FDI inflows

Serbia's ranking when it comes to annual values of FDI inflows depends on its values and the dynamics of global FDI flows.

Serbia entered the globalisation process from the 130<sup>th</sup> place according to the value of inflows in 2000 and stabilised its share between the 52<sup>nd</sup> and 64<sup>th</sup> place from 2003 until 2009. Following the worsening of the position in the period from 2010 until 2014, between 69<sup>th</sup> and 88<sup>th</sup> place with an exception of 2011 when it was on the 46<sup>th</sup> place, as of 2015, it regained better positions, and in the four consecutive years 2020–2023, it was among the first 50 countries with the highest value of FDI inflows, which is two times better than its ranking by the size of the economy (83<sup>rd</sup> place).

Chart 7 Serbia's ranking in FDI inflow



Source: Author's calculation based on UNCTAD database on annual values of FDI inflow.

<sup>6</sup> Data presented here concern the total investments inflow and outflow until 2023, and not only in the 2008–2023 period, as in the following parts of the paper.

In 2022, Serbia was in the 45<sup>th</sup> place in the world and only Romania and Hungary, among the neighbouring countries had a higher value of FDI inflow. With USD 4,571 mn worth of inflows, Serbia was comparable to Cyprus and Denmark.

In 2023, Serbia preserved its 45<sup>th</sup> place and increased the value of its inflows to USD 4,888 mn. Romania in the 38<sup>th</sup> and Hungary in the 41<sup>st</sup> place were still ahead of Serbia, but with significantly lower values. Romania's value decreased from USD 11.3 bn in 2022 to USD 7.1 bn in 2023, and Hungary's from USD 8.6 bn to USD 6 bn. In 2023, Serbia was comparable to South Africa and Oman.

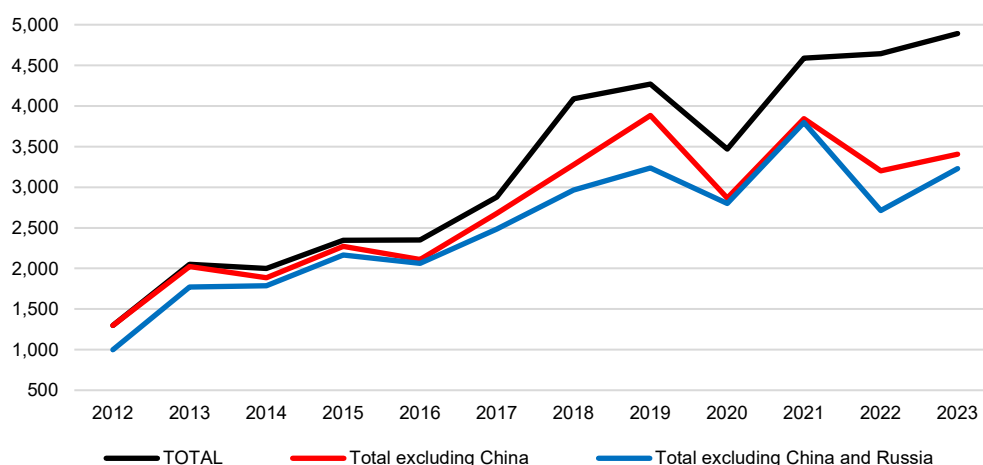
Table 1 Country ranking by value of FDI inflow (USD mn)

1	USA	310,947
2	China	163,253
3	Singapore	159,670
4	Hong Kong, China	112,676
5	Brazil	65,897
6	Canada	50,324
7	France	42,032
8	Germany	36,698
9	Mexico	36,058
10	Spain	35,914
38	Romania	7,130
41	Hungary	6,016
45	Serbia	4,888
54	Bulgaria	3,913
63	Croatia	2,749
79	Albania	1,630
98	Bosnia and Herzegovina	946
113	North Macedonia	667
118	Montenegro	655

Source: Author's calculation based on UNCTAD database on annual values of FDI inflow.

At the time of the perfect storm for FDI flows, at the end of the second and the beginning of the third decade of the 21<sup>st</sup> century, Serbia had an excellent relative result, with the share higher than 0.24% in the total global FDI inflow in the 2020–2023 period. This is a result of the policy of Serbia's and China's "steel friendship" and friendly relations with the Russian Federation, along with good relations with the EU, towards which we converge.

Chart 8 Value of FDI inflows to Serbia, total and excluding China and Russia (USD mn)



Source: NBS.

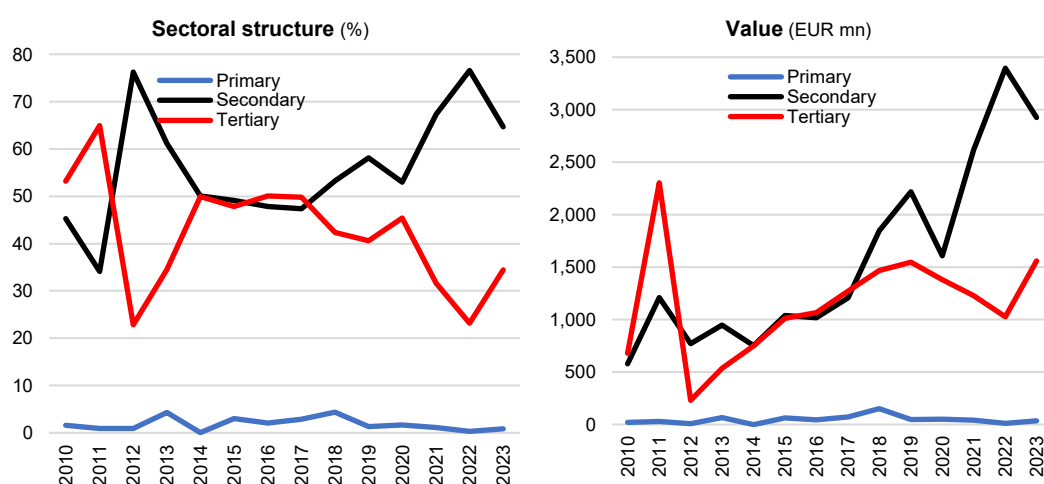
According to the NBS's data,<sup>7</sup> in the period from 2010 until 2023, China's<sup>8</sup> share in total FDI inflow stood at 14.3% and was the second highest after that of the Netherlands (14.4%), which is nominally the headquarters of many companies operating in Serbia. In the 2018–2023 period, the share of China increased to 21.4% and is ranked unambiguously first with the annual shares of 31.1% in 2022 and 30.4% in 2023.

When looking more carefully at Chart 8, one can see that FDI inflow since 2018 and deducting China and Russia stabilised at values around USD three billion.

An additional importance of FDI inflow from China stems from the fact that it boosts Serbia's share in the global direct production investments, we will assume by around 0.5% to 1.0% p.a., in the period when they were declining across the globe by 12% since 2020.<sup>9</sup>

In the 2010–2023 period, the total FDI inflow to Serbia stood at EUR 38.8 bn. Investment in the secondary economic sector (industry and construction) measured EUR 22.1 bn, in the services and uncategorised sector – EUR 16.1 bn and primary sector – EUR 0.6 bn. The share of the secondary sector in total inflow amounted to 57.0%, tertiary to 41.3% and primary to 1.7%.

Chart 9 FDI inflow to Serbia



Source: NBS.

The enclosed Chart 9 in the first part shows that the secondary sector had the largest share in total investments in almost all years, and in the second part presents absolute values, where the value of the secondary sector increased six (2023) to seven (2022) times relative to the base year 2010.

<sup>7</sup> [https://nbs.rs/sr\\_RS/drugi-nivo-navigacije/statistika/platni\\_bilans/](https://nbs.rs/sr_RS/drugi-nivo-navigacije/statistika/platni_bilans/)

<sup>8</sup> Including Hong Kong, Taiwan and Macao.

<sup>9</sup> See: <https://unctad.org/news/global-crises-fracturing-foreign-investment-impacting-developing-economies>.



### 2.4.2 Cumulative FDI inflow in the 2008–2023 period

The UNCTAD data base contains data for Serbia since 2008 in line with their adjustment to the modern balance of payments methodology. Further overviews of total data present the calculation of cumulative inflows and outflows for all countries in the 2008–2023 period, for the sake of comparison (of data for Serbia with those of other countries).

The total (cumulative) value of FDI inflows is highly concentrated on a small number of countries, of which the USA account for 17.8% of the total value. With China, Hong Kong, Singapore, Brazil, the UK and Ireland, the USA accounts for almost a half (49.3%) of all FDIs in the world from 2008 until 2023. These countries together with Australia, Canada, India, Germany, Spain, Mexico and France make up two thirds of all investments in other countries.

When observing GDP at the current exchange rate in 2023, Serbia was ranked 83<sup>rd</sup> in the world with 0.072% share. From this perspective, Serbia had three times larger share in the cumulative FDI inflow (0.218%) and the 54<sup>th</sup> place in the world is a great success.

**Table 2 Country ranking by cumulative FDI inflow in 2008–2023 in USD mn and % in the global inflow**

		Value (USD mn)	Share (%)
1	USA	4,275,237	17.82
2	China	2,182,397	9.10
3	Hong Kong, China	1,616,125	6.74
4	Singapore	1,203,283	5.01
5	Brazil	964,791	4.02
6	UK	848,962	3.54
7	Ireland	735,246	3.06
8	Australia	710,831	2.96
9	Canada	697,145	2.91
10	India	640,862	2.67
11	Germany	606,972	2.53
12	Spain	509,610	2.12
13	Mexico	502,927	2.10
14	France	477,164	1.99
15	Russian Federation	447,378	1.86
43	Romania	91,512	0.38
52	Hungary	67,993	0.28
54	Serbia	52,208	0.22
63	Bulgaria	40,763	0.17
73	Croatia	29,677	0.12
96	Albania	18,309	0.08
116	Montenegro	10,396	0.04
120	Bosnia and Herzegovina	8,501	0.04
130	North Macedonia	6,459	0.03

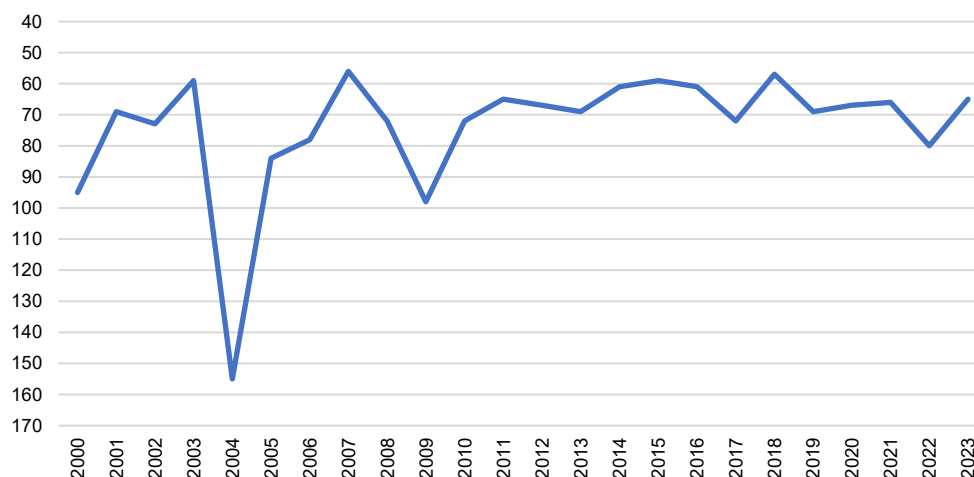
Source: Author's calculations based on UNCTAD database on the total FDI inflow.

Of neighbouring countries, Romania and Hungary had higher cumulative values of inflow, while other countries recorded lower values than Serbia.

### 2.4.3 Annual FDI outflows

Serbia posted a record value of FDI outflows in 2007 in the amount of USD 946 mn, and it also had a record ranking that year – 56<sup>th</sup> place in the world, with as many as 55 countries

Chart 10 Serbia's ranking in global FDI outflow

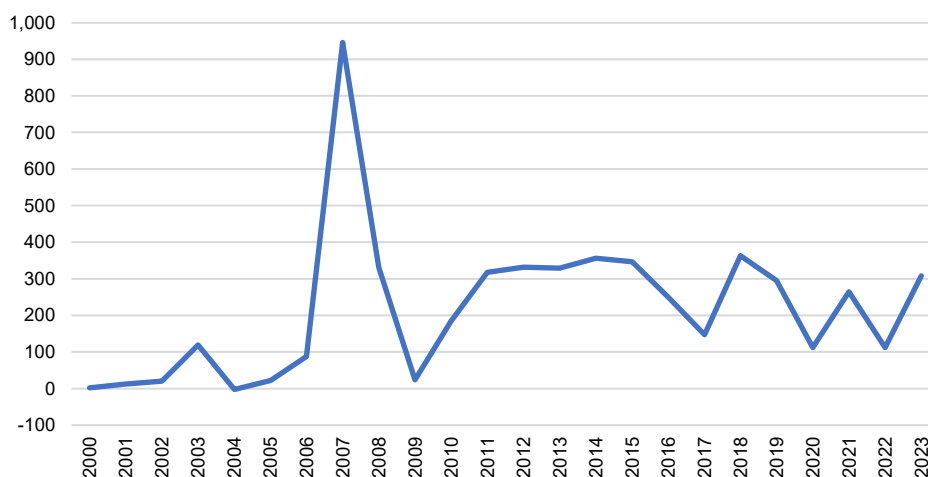


Source: World Investment Report 2024 and author's calculations.

recording more than USD one billion worth of FDI outflows. A record high value of outflows in the world was recorded that year (USD 2,191 bn).

It approached that ranking in 2018 when it was in the 57<sup>th</sup> place with the outflow of USD 363 mn, while the total global value of outflows amounted to USD 1,015 bn.

Chart 11 Annual values of FDI outflows from Serbia (USD mn)



Source: World Investment Report 2024.

In 2023, Serbia was in the 65<sup>th</sup> place in the world with FDI outflow of USD 323 mn, which is three times higher than in 2022 (USD 106 mn).

Of neighbouring countries, Hungary, Croatia and Bulgaria recorded higher FDI outflows in 2023.

**Table 3 Country ranking by value of FDI outflow in 2023**  
(USD mn)

1	USA	404,316
2	Japan	184,022
3	China	147,850
4	Switzerland	104,954
5	Hong Kong, China	104,286
6	Germany	101,254
7	Canada	89,583
8	France	72,356
9	Singapore	62,997
10	Sweden	47,498
38	Hungary	3,299
48	Croatia	1,178
56	Bulgaria	598
65	Serbia	323
67	Albania	265
78	North Macedonia	101
89	Montenegro	63
94	Bosnia and Herzegovina	48
97	Romania	40

Source: World Investment Report Database.

#### **2.4.4 Cumulative FDI outflow in the 2008–2023 period**

The greatest source of foreign investments are the USA with the share of 18.4% in the total value of direct investments in the world in the 2008–2023 period, followed by Japan, China, Germany and Hong Kong. These five countries and territories account for 48.8% of all FDIIs from 2008 until 2023, followed by Canada, France, Singapore, Russia, and the Netherlands. These ten countries and territories together account for almost two thirds of total FDIIs from 2008 until 2023.

Serbia was in the 77<sup>th</sup> place in the world with invested USD 4080 mn in other countries, which is a more favourable indicator relative to the 83<sup>rd</sup> place by the value of GDP in current dollars.

Higher value of the total FDI outflow was recorded by Hungary, Bulgaria and Croatia, among neighbouring countries.

FDI outflow is an important indicator of the power of local companies.

**Table 4 Country ranking by cumulative FDI outflow in 2008–2023, in USD mn and % in the global outflow**

		Value (USD mn)	Share (%)
1	USA	4,253,138	18.37
2	Japan	2,244,946	9.70
3	China	1,998,218	8.63
4	Germany	1,458,764	6.30
5	Hong Kong, China	1,339,732	5.79
6	Canada	1,049,063	4.53
7	France	947,667	4.09
8	Singapore	684,691	2.96
9	Russia	601,754	2.60
10	Netherlands	590,947	2.55

**Table 4 Country ranking by cumulative FDI outflow in 2008-2023, in USD mn and % in the global outflow**

		Value (USD mn)	Share (%)
46	Hungary	27,520	0.12
68	Bulgaria	5,457	0.02
75	Croatia	4,117	0.02
77	Serbia	4,080	0.02
89	Romania	2,078	0.01
100	Albania	1,187	0.01
109	Bosnia and Herzegovina	653	0.00
117	North Macedonia	458	0.00
119	Montenegro	416	0.00

Source: World Investment Report Database.

### 2.4.5 Net FDI inflow

Of 190 countries and territories for which data are available, in the period from 2008–2023, cumulative net FDI outflow (outflow higher than inflow) was posted by 36 countries and territories, which is 18.9% or almost every fifth country and territory, while the remaining four recorded an inflow higher than outflow.

Serbia was in the 163<sup>rd</sup> place by this indicator, meaning that only 27 countries and territories recorded a higher FDI inflow, with the net inflow of USD 48.1 bn.

**Table 5 Country ranking by total balance of FDI flows (2008-2023)**  
(USD mn)

		Inflow	Outflow	Balance
	World	23,993,774	23,147,951	-845,823
1	Japan	206,516	2,244,946	2,038,430
2	Germany	606,972	1,458,764	851,791
3	France	477,164	947,667	470,502
4	Netherlands	150,659	590,947	440,288
5	Luxembourg	-142,625	257,018	399,643
88	North Macedonia	6,459	458	-6,000
97	Bosnia and Herzegovina	8,501	653	-7,848
102	Montenegro	10,396	416	-9,980
121	Albania	18,309	1,187	-17,122
132	USA	4,275,237	4,253,138	-22,099
139	Croatia	29,677	4,117	-25,559
150	Bulgaria	40,763	5,457	-35,306
157	Hungary	67,993	27,520	-40,472
163	Serbia	52,208	4,080	-48,128
169	Romania	91,512	2,078	-89,434
180	China	2,182,397	1,998,218	-184,179
185	UK	848,962	499,753	-349,209
186	Mexico	502,927	138,029	-364,898
187	India	640,862	192,249	-448,614
188	Australia	710,831	249,734	-461,097
189	Singapore	1,203,283	684,691	-518,592
190	Brazil	964,791	104,577	-860,213

Source: Author's calculation based on World Investment Report Database.

Of neighbouring countries, only Romania had a higher net FDI inflow.

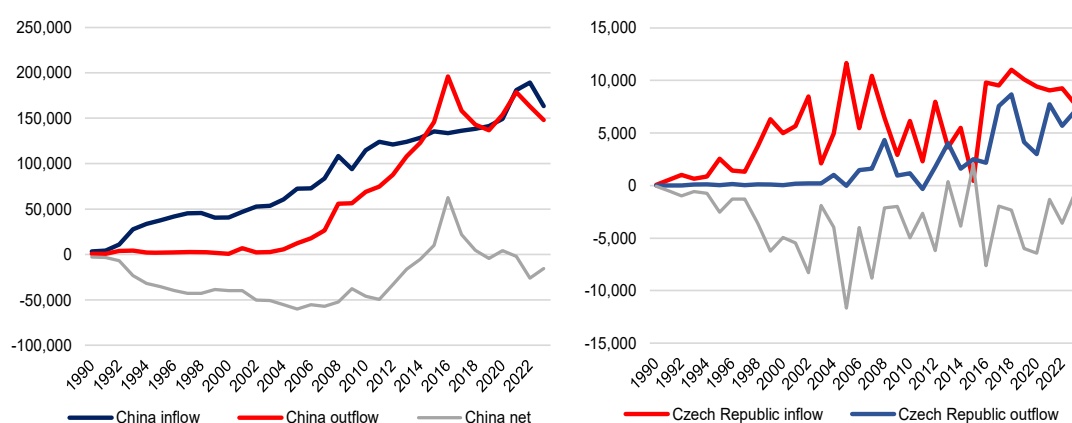
The highest net FDI outflow was recorded by: Japan, Germany, France, the Netherlands and Luxembourg.

The highest net FDI inflow was recorded by: Brazil, Singapore, Australia, India and Mexico.

### 2.4.6 China and the Czech Republic – examples of FDI net flows' changed dynamics

Chart 12 shows changes in FDI flows as a result of stronger competitiveness of domestic companies in cases of China and the Czech Republic. They both entered economic transition dependent on FDI inflows which were used to transfer knowledge and technologies and initiate development based on export expansion. As the time passed, local companies acquired knowledge and technologies necessary for entering foreign markets by direct investments.

Chart 12 FDI flows in China and the Czech Republic 1990–2022



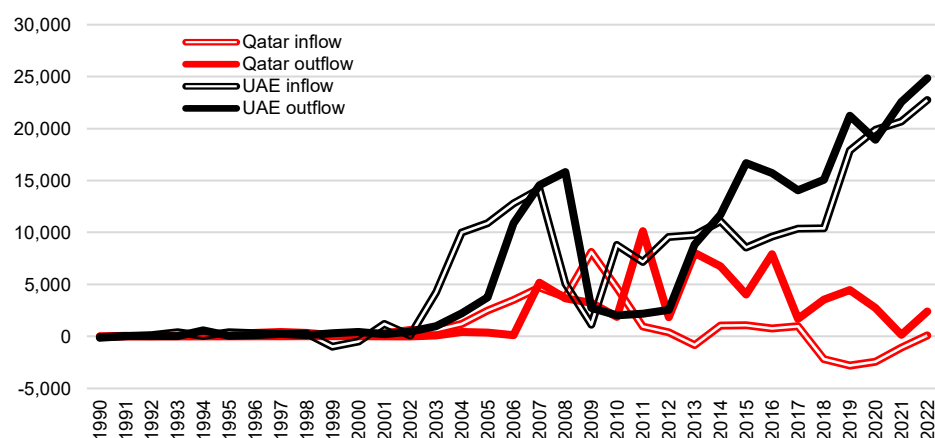
Source: World Investment Report Database.

China has FDI inflow-outflow coverage ratio of 80.3%, which is more favourable than the USA's 73.6%. Still, there are differences in trends: (1) the USA were a dominant direct investor with the maximum share of 39.7% in total direct investments in the world in 1999, which dropped to 21.3% in 2023 – the inflow-outflow coverage ratio was reduced from 135.6% in 1990 to 73.6%; (2) China increased its share in total outflows and inflows and raised the inflow-outflow coverage ratio from 21.5% in 1990 to 80.3% in 2023, and it had higher cumulative outflows than inflows from 2016 until 2020.

China, as a country with huge net savings and a surplus in trade with the world, is moving towards generating net FDI outflows in the coming years.

The Czech Republic had FDI inflow-outflow coverage ratio of below 10% in as many as 12 years in the period of 18 years, i.e. from 1990 to 2007 (the inflow being 10 and more times higher than the outflow). In this period, total FDI inflow amounted to USD 72.2 bn, and the outflow equalled USD 5.4 bn, with the coverage of only 7.4%. In the second period, 2008–2023, the inflow increased to USD 111.4 bn, up by 54%, and the outflow went up to 62.0 bn, which is an increase of over 11 times; the net outflow improved from USD -66.8 bn to USD -49.4 bn. The inflow-outflow coverage ratio went up to 55.7% in the second period and equalled 32.0% (216.6 inflow and 69.2 outflow). Judging by these data, we can anticipate that in the not so near future Czech companies will have greater investments abroad than those of foreign companies in the Czech Republic.

Chart 13 FDI flows of Qatar and UAE



Source: World Investment Report Database.

More obvious examples than China and the Czech Republic are Qatar and the United Arab Emirates. Qatar had a net FDI outflow until 2015, and the United Arab Emirates until 2016, experiencing a high net FDI outflow since then. From investing surplus income from oil sales into foreign currency reserves, they switched to purchasing foreign resources via direct investments.

#### 2.4.7 Announced greenfield projects in 2023 and Serbia's place in the world

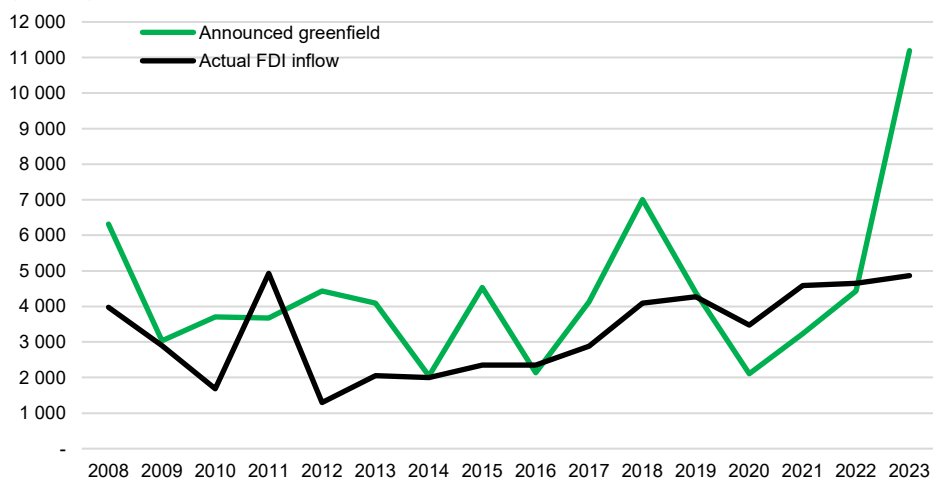
The announced greenfield projects are an indicator of future FDI movements and data pertain to multiannual investment plans. As of 2012, the services sector has accounted for around 50% of all greenfield project announcements, while prior to that year it held a smaller share.

A record value of greenfield investments was announced in 2023 – USD 1.380 bn, which was a 5.4% increase from the previous record in 2022 (earlier record: USD 1,296.9 bn in 2008). The announced value went up by 25.9% in manufacturing, while decreasing by 39.0% in the primary sector and by 1.7% in services relative to 2022 values.

Serbia holds a greater share in total announced greenfield investments than in the global investment inflow. Logically so, because large stock exchange takeovers, common for advanced markets, are not feasible in our country. Rather, existing companies are bought directly or completely new greenfield investments are made.

In 2023, foreign companies announced greenfield investments in Serbia worth USD 11.2 bn, a record annual value (previous record: USD 7 bn, in 2018). Serbia's share in announcements of total global greenfield investments reached record 0.811%, ten times its share in the global population.

Chart 14 **Announced greenfield investments and actual FDI inflow to Serbia**  
(USD mn)



Source: World Investment Report Database.

Announcements of such large greenfield investments suggest that in the coming years the annual value of FDI inflow would climb to over six or seven billion dollars.

In 2023, Serbia ranked 31<sup>st</sup> in the world according to the value of announced greenfield investments, comparable to Turkey, Singapore and Pakistan.

Serbia boasted the highest value of all neighbouring countries, with Romania and Hungary coming closest, at 34<sup>th</sup> and 37<sup>th</sup> place, respectively.

If the value of announced greenfield investments is put in relation to the number of inhabitants, we arrive at USD 175.0 per capita globally and USD 1,685.8 for Serbia, which is almost tenfold.

According to this piece of data, Serbia was the sixth in the world, topped only by Mauritania<sup>10</sup>, Tonga, Montenegro, Singapore and Ireland.

Table 6 **Country ranking by announced greenfield investments per capita in 2023**

	Greenfield	Population	Greenfield par capita
World	1,380,401	7,888.146	175.0
1 Mauritania	34,000	4.430	7,674.9
2 Tonga	369	0.100	3,690.0
3 Montenegro	1,702	0.633	2,689.2
4 Singapore	11,355	5.918	1,918.8
5 Ireland	9,797	5.234	1,871.8
6 Serbia	11,190	6.638	1,685.8
7 Australia	44,121	26.620	1,657.4
9 UAE	15,589	9.713	1,605.0
18 Hungary	9,237	9.600	962.2
33 Croatia	2,355	3.843	612.8
36 Bulgaria	3,622	6.409	565.1
37 Romania	10,589	19.030	556.4
39 Bosnia and Herzegovina	1,905	3.464	549.9

<sup>10</sup> The green hydrogen project in Mauritania is the largest announced project in the world. See: <https://cwp.global/mauritania-and-cwp-sign-glasgow-joint-declaration-on-aman-green-hydrogen-project-at-cop26/>.

Table 6 Country ranking by announced greenfield investments per capita in 2023

		Greenfield	Population	Greenfield par capita
49	USA	141,793	335.135	423.1
55	Albania	1,049	2.858	367.0
61	North Macedonia	592	1.813	326.5
133	China	37,538	1,411.397	26.6

Source: Author's calculation based on the World Investment Report Database

## 2.5 Relative indicators of FDI flows relative to the population, GDP and goods exports

### 2.5.1 Cumulative FDI inflow and outflow in the period 2008–2023 relative to the population

When data on total inflow and outflow are put in relation to the population number, we arrive at one of the relative indicators of intensity of FDI flows in the world.

In the period 2008–2023, the average cumulative FDI inflow per capita in the world measured USD 3,042 and outflow 2,934, so total flows reached USD 5,976.<sup>11</sup>

A cumulative FDI inflow to Serbia per capita amounted to USD 7,864. According to this indicator, Serbia took the 48<sup>th</sup> place, with only Montenegro recording a higher inflow per capita. In this period, FDI inflow to Serbia per capita was 159% higher than the global average.

As for FDI outflow, Serbia accounted for only 20.9% of the global average, with USD 614 per capita.

Summing up inflow and outflow, we arrive at USD 8,478 of FDI flows per capita in Serbia, which is 41.9% above the global average flows.

A cumulative FDI inflow per capita amounted to USD 7,240 in France and USD 7,180 in Germany in 2023, so Serbia had 108.6% of France's inflow per capita and 109.5% of Germany's inflow, which is a favourable indicator of its integration in international economic flows.

Table 7 Selected indicators of FDI per capita

		Population number (mn)	Inflow (USD mn)	Outflow (USD mn)	Inflow (USD per capita)	Outflow (USD per capita)	Total flows (USD per capita)
	World	7,888	49,130,846	44,380,560	6,228	5,626	11,854
1	Luxembourg	0.7	1,183,734	1,679,068	1,790,823	2,540,194	4,331,017
2	Malta	1	725,715	695,859	1,338,957	1,283,872	2,622,829
3	Singapore	6	2,632,364	1,792,289	444,806	302,854	747,660
4	Hong Kong SAR	7.5	2,107,038	2,028,532	279,633	269,215	548,848
5	Ireland	5.2	1,410,084	1,336,414	269,409	255,333	524,742
6	Netherlands	18	2,678,218	3,386,269	150,369	190,122	340,491
7	Switzerland	9	1,136,788	1,472,959	128,961	167,097	296,058
8	Cyprus	0.9	90,804	48,338	98,593	52,485	151,078
13	UK	68	3,048,932	2,124,191	44,757	31,182	75,939

<sup>11</sup> Discrepancy between inflow and outflow per capita is a consequence of common statistical discrepancies at the global level, not only when it comes to FDI, but also trade in goods data and other indicators.



Table 7 **Selected indicators of FDI per capita**

		Population number (mn)	Inflow (USD mn)	Outflow (USD mn)	Inflow (USD per capita)	Outflow (USD per capita)	Total flows (USD per capita)
17	USA	335	12,817,063	9,433,926	38,244	28,150	66,394
38	France	65.9	1,012,705	1,635,680	15,366	24,818	40,184
44	Germany	84.5	1,128,259	2,179,240	13,346	25,779	39,125
47	Hungary	9.6	118,983	46,097	12,394	4,802	17,196
49	Croatia	3.8	42,909	8,143	11,166	2,119	13,285
57	Bulgaria	6.4	61,945	4,317	9,665	674	10,339
58	Montenegro	1	6,066	271	9,583	428	10,011
61	Serbia	7	52,208	4,080	7,864	614	8,478
68	Romania	19	125,555	4,902	6,598	258	6,855
83	Albania	2.9	13,985	1,389	4,893	486	5,379
86	North Macedonia	2	8,421	210	4,645	116	4,761
96	Bosnia and Herzegovina	3.5	10,667	814	3,079	235	3,314
101	China	1,411.4	3,659,633	2,939,100	2,593	2,082	4,675
110	Japan	124.6	246,801	2,132,578	1,980	17,113	19,093

Source: IMF, UNCTAD and author's calculations.

### 2.5.2 Cumulative FDI inflow and outflow in the 2008–2023 period relative to GDP

In the 2008–2023 period, total FDI inflow globally amounted to 23.0% of the global GDP, and cumulative outflow – 22.1%, so these cumulative sums held a 45.1% share in global GDP.

With the total 75.0% share of inflows and outflows in GDP, Serbia held a relatively high 47<sup>th</sup> place in the world.

In the 2008–2023 period, a higher ratio of cumulative FDI flows than Serbia's was recorded by Montenegro, at 13<sup>th</sup>, and Albania, at 35<sup>th</sup> place.

Table 8 **Cummulative FDI inflow and outflow in 2008-2023**  
(% of GDP)

	Inflow	Outflow	Total
World	23.0	22.1	45.1
1 Cyprus	941.0	1180.3	2121.3
2 Malta	831.0	649.0	1480.0
3 Hong Kong SAR	428.7	355.4	784.1
4 Singapore	240.0	136.5	376.5
5 Liberia	183.3	102.7	286.0
13 Montenegro	140.4	5.6	146.0
35 Albania	80.5	5.2	85.7
47 Serbia	69.6	5.4	75.0
61 Japan	4.9	53.3	58.2
97 Bulgaria	40.1	5.4	45.5
98 Hungary	32.0	12.9	44.9
93 North Macedonia	43.7	3.1	46.8
103 Croatia	36.2	5.0	41.2
122 Bosnia and Herzegovina	31.2	2.4	33.6
131 USA	15.6	15.5	31.2
138 Romania	26.5	0.6	27.1
144 China	12.4	11.3	23.7
147 India	17.9	5.4	23.3

Source: IMF, UNCTAD and author's calculation.

### 2.5.3 Cumulative FDI inflow and outflow in the 2008–2023 period relative to goods exports

Impact of FDI on goods exchange flows should be two-way – encouraging both directions, exports and imports alike. Their impact depends on motivation for investment: utilisation of cheaper resources in the international division of production processes or conquering the market for one's products and services. In the first case, the impact is slightly stronger on exports compared to that on imports, concerning the costs of local labour force, while in the second case, the dominant impact is that on imports growth.

Table 9 Cumulative FDI inflow and outflow in 2008–2023, % of goods exports in 2023

	Inflow	Outflow
World	103.1	99.5
1 Palau	9,525.6	0.0
2 Antigua and Barbuda	7,826.1	382.7
3 Cyprus	5,976.9	7,497.1
4 Malta	5,025.2	3,924.7
5 Grenada	4,918.0	333.0
25 Montenegro	745.7	29.8
37 Albania	464.1	30.1
77 USA	211.7	210.6
86 Serbia	169.6	13.3
108 Croatia	120.3	16.7
123 Bosnia and Herzegovina	92.1	7.1
125 Romania	90.9	2.1
129 Bulgaria	85.1	11.4
138 North Macedonia	71.8	5.1
144 China	64.4	59.0
159 Hungary	43.0	17.4
170 Japan	28.7	311.9

Source: UNCTAD and author's calculation.

Investments into a country may change the direction of influence over time. For example, if a foreign trade chain has led to a rise in imports, it can gradually draw local producers into its network of suppliers and place their products in a foreign market. Thus, the initial imports lead to favourable effect on total exports.

Likewise, in production (resource)-oriented investments, the inclusion of local producers in the supply chain can increase the share of local added value in the unit price of export products, reducing its import component.

The greatest ratio of cumulative FDI inflow to exports is recorded by Palau and Antigua and Barbuda, as well as small European economies Cyprus and Malta, known for their robust service sector (tourism and shipping).

In the 2008–2023 period, Serbia's total FDI inflow was 69.6% above goods exports. When compared to neighbouring countries, Montenegro and Albania posted higher values of this relative indicator. These two countries recorded higher indicators of both FDI inflow and outflow relative to goods exports than those of Serbia.

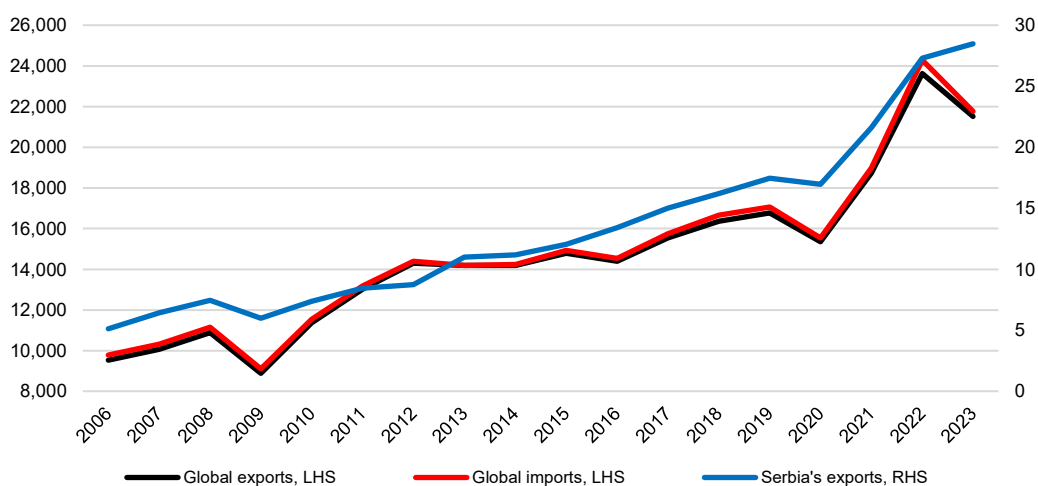
### 3 Serbia's place in global goods exports

#### 3.1 Overall trends in trade in goods

From 1991 until 2023 global exports of goods gradually lost pace after the initial strong momentum. Expressed in US dollars, global exports of goods increased by 83.5% in 2000 relative to 1991. It then rose by 88.2% in 2006 relative to 2000, only to surge by 95.8% until 2023. In the first nine years, the average geometric exports growth rate was 7.0%, in the next six years 11.1%, and in the last 17 years of this period 4.0%.

Expressed in euros, the global exports of goods rose by 125.7%, and imports by 122.5%, in the period from 2006 to 2023.

Chart 15 Values of global and Serbia's trade in goods  
(EUR mn)



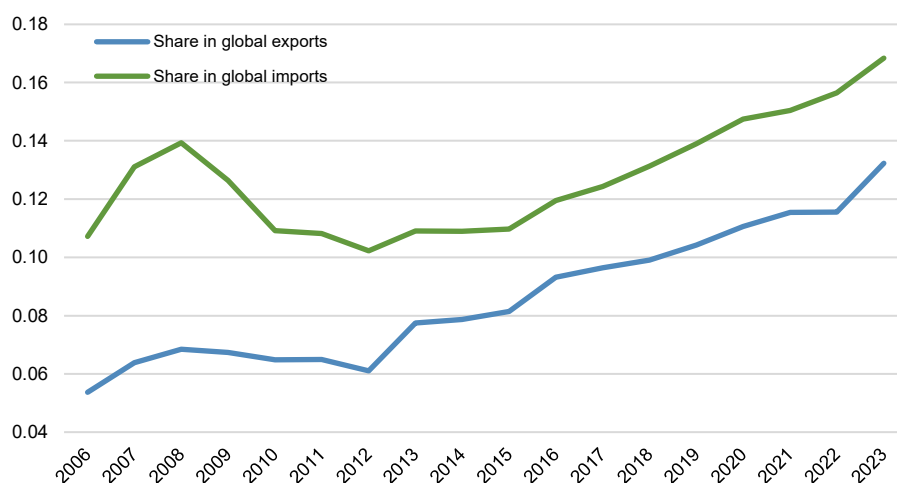
Source: Author's calculations based on UNCTAD.

In the same period, Serbian exports of goods rose 5.6 times, from EUR 5.1 bn to EUR 28.6 bn, and imports 3.5 times, from EUR 10.5 bn to EUR 36.9 bn, so that exports-to-imports ratio increased from 48.8% in 2006 to the record 77.7% in 2023.

Serbia's share in global exports of goods rose from 0.054% in 2006 to the record 0.130% in 2023, while imports climbed from 0.107% to also record 0.164%.

Serbia's share in the global exports was on the rise until 2008, when it reached 0.069%, then turned downward until 2012, declining to 0.061%, only to embark on a steady increase in every year thereafter.

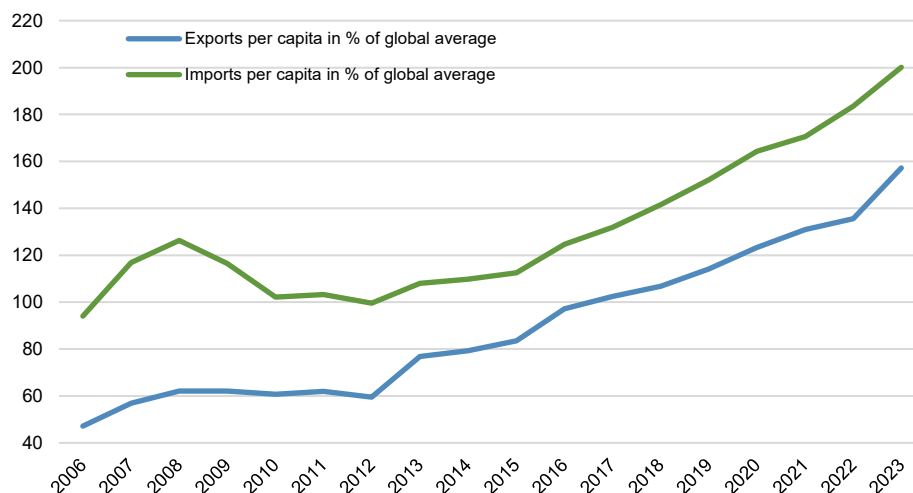
Chart 16 Serbia's shares in global trade in goods (in %)



Source: Author's calculations based on UNCTAD.

Serbia's share in global imports also reached maximum in 2008 (0.139%), while it was at a minimum in 2012 (0.102%). From that year onwards it grew year after year, except in 2014, when a drop in energy prices led to a negligible drop in Serbia's share (from 0.108% in 2013 to 0.106%).

Chart 17 Serbia's trade in goods relative to global average, per capita (in %)



Source: Author's calculations based on UNCTAD.

At the start of this period, in 2006, Serbia held close to 47.0% share of the global average exports per capita, only to reach 158.1 % in 2023.<sup>12</sup>

<sup>12</sup> In this period, Serbia's GDP in current dollars per capita increased from 55.2% of the global average in 2006 to 85.5% in 2023. Like the majority of neighbouring countries, Serbia was downgraded by seven places according to GDP in current dollars, due to faster GDP dynamics outside Europe. In terms of GDP value, Serbia exceeded Belarus, Slovenia, Tunisia and Libya, while it was

Imports per capita was at 94.0% of the global average in 2006, reaching 201.1% in 2023.

This rise in per capita indicators resulted from faster growth in Serbia's exports and imports relative to the global average, as well as from the population decline.

## 3.2 Comparison with other countries

### 3.2.1 The rise in the absolute value of exports

Comparing countries and territories with the value of exports above EUR 1 bn in 2023 (138 countries and territories), Serbia ranked 14<sup>th</sup> in the world according to a relative growth generated after 2006.

Of neighbouring countries, only Albania had a relatively faster growth, ranking 13<sup>th</sup>, while other countries surrounding Serbia also saw an above-average growth in value relative to the total global exports.

Among these 13 countries with higher relative increase, only Vietnam recorded higher value of exports than Serbia in 2006, and only Azerbaijan had a comparable value. The remaining 11 countries had considerably lower value of exports than Serbia, six of them – below one billion euros.

This means that the low base effect from 2006 had a major effect on the relative growth achieved in this period, in all countries except Vietnam.

Table 10 **Ranking of countries and territories according to a relative change in the value of exports**  
(EUR thousand and %)

	2006	2023	Change in ranking
1 Guyana	451,659	9,997,282	2,213
2 Angola	1,692,438	34,639,212	2,047
3 Guinea	613,339	8,276,061	1,349
4 Vietnam	31,703,133	418,364,840	1,320
5 Mongolia	1,227,744	14,040,583	1,144
6 Nicaragua	603,907	6,822,648	1,130
7 Burkina Faso	403,665	4,132,579	1,024
8 Armenia	799,190	7,740,537	969
9 Bahamas	405,517	3,313,300	817
10 Honduras	1,496,279	11,679,408	781
11 Cambodia	2,838,995	21,984,357	774
12 Azerbaijan	5,072,477	31,344,901	618
13 Albania	630,963	3,647,872	578
14 Serbia	5,116,838	29,060,400	556
22 North Macedonia	1,922,557	8,317,255	433
24 India	96,480,125	399,454,284	414
25 China	771,308,255	3,133,436,680	406
34 Bulgaria	12,021,313	44,292,100	368
35 Romania	25,977,742	93,060,840	358
47 Bosnia and Herzegovina	2,728,640	8,533,006	313
55 Montenegro	442,962	1,289,122	291
59 Croatia	8,260,444	22,811,952	276
66 Hungary	58,950,818	146,167,305	248
76 USA	825,513,291	1,867,051,820	226
100 Germany	893,123,583	1,574,119,664	176

Source: Author's calculations based on UNCTAD.

surpassed by: Ethiopia, Kenya, Uzbekistan, Costa Rica, Panama, Ivory Coast, Tanzania, Lithuania, Uruguay, Azerbaijan and Ghana. The data are more favourable when looking at GDP by purchasing power of currencies.

### 3.2.2 Change in ranking by the absolute value

The consequence of a relatively high growth rate of Serbia's exports is the country's ranking upgrade in global exports by 16 places, from the 84<sup>th</sup> to the 68<sup>th</sup> place. None of the countries in the region had such a huge change in ranking and Montenegro was the only country with the ranking downgrade, by seven places.

All 14 countries which recorded a greater change in ranking, except Vietnam, had lower ranking than Serbia in 2006.

Table 11 **Countries according to the change in ranking in global exports in 2006-2023**  
(EUR thousand and %)

	2006	2023	Change in ranking
1 Angola	115	63	-52
2 Guyana	142	96	-46
3 Mongolia	121	82	-39
4 Vietnam	49	15	-34
5 Guinea	136	102	-34
6 Honduras	117	88	-29
7 Nicaragua	137	108	-29
8 Cambodia	100	72	-28
9 Armenia	130	104	-26
10 Burkina Faso	145	122	-23
11 Guatemala	106	85	-21
12 Azerbaijan	85	65	-20
13 Ghana	98	79	-19
14 Bahamas	144	126	-18
15 Serbia	84	68	-16
18 Romania	53	40	-13
23 Albania	135	125	-10
25 North Macedonia	110	101	-9
36 Bosnia and Herzegovina	104	98	-6
44 Bulgaria	63	58	-5
54 Croatia	74	71	-3
62 Hungary	36	35	-1
109 Montenegro	143	150	7

Source: Author's calculations based on UNCTAD.

### 3.2.3 Exports per capita

The average value of goods exports per capita in 2023 was USD 2,950 at the global level. With USD 4,660, Serbia ranked 59<sup>th</sup> in the world.

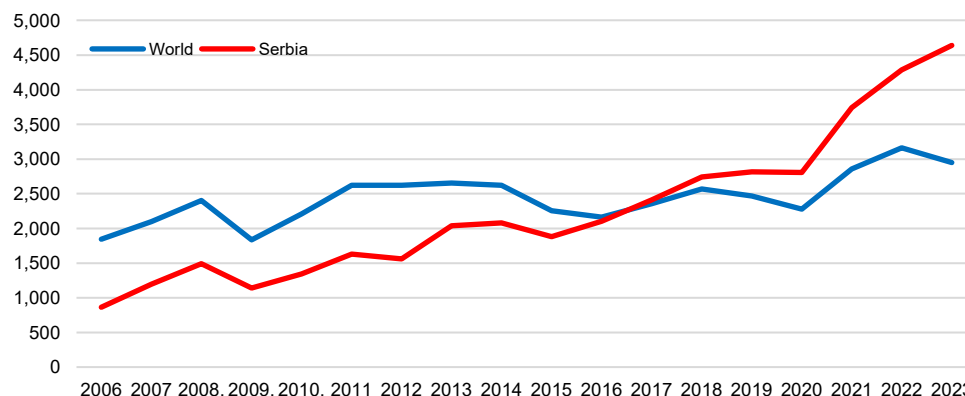
Compared to 2006, the global exports of goods increased by 95.8%, while the population expanded by 21.4%, so exports per capita went up by around 60%.

In Serbia, dollar value of exports was up by 4.81 times, while the population dropped by 10.4%, so exports per capita increased 5.37 times.

From the table below it can be seen that the highest value of exports per capita was recorded by relatively small highly developed countries, from Singapore at the top, to Slovenia at the 10<sup>th</sup> place.

With USD 4,660, Serbia ranked 59<sup>th</sup>, comparable to Mexico and Vietnam, as a country with the relatively fastest exports growth in the period observed. Still, both Mexico and Vietnam have population of over 100 million and are not appropriate for comparison in this case.

Chart 18 Value of goods exports in USD per capita



Source: Author's calculations based on UNCTAD.

Of neighbouring countries, Hungary had the highest exports value per capita, followed by Bulgaria, Croatia, Romania and North Macedonia, before Serbia. Only Bosnia and Herzegovina, Montenegro and Albania had lower values of goods exports per capita. Thanks to tourism revenues, the last two countries recorded higher values of services exports per capita than Serbia.

Based on the chart above, Serbia will undoubtedly continue to move away from the global average exports per capita and to approach other countries with relatively small population and higher GDP per capita than its own. It is a necessary condition for the growth of its absolute and relative development.

Table 12 Goods exports per capita in 2023 (USD)

	Population	Exports	Imports per capita
World	7,888	23,266,804,004	2,950
1 Singapore	6	475,472,598	80,343
2 Hong Kong SAR	8	576,144,442	76,462
3 Belgium	12	568,505,277	48,412
4 Switzerland	9	420,656,666	47,721
5 Netherlands	18	741,804,035	41,649
6 Ireland	5	212,869,514	40,671
7 Qatar	3	99,743,002	33,516
8 Norway	6	177,454,635	32,066
9 UAE	10	280,426,064	28,871
10 Slovenia	2	59,506,955	28,109
18 Germany	85	1,702,362,462	20,137
22 Hungary	10	158,075,487	16,466
43 UK	68	519,684,227	7,629
45 Bulgaria	6	47,900,557	7,474
46 Croatia	4	24,670,431	6,420
49 USA	335	2,019,159,665	6,025
53 Romania	19	100,642,463	5,289
56 North Macedonia	2	8,994,858	4,961
59 Serbia	7	30,938,000	4,660
60 Mexico	131	592,997,234	4,522

Table 12 **Goods exports per capita in 2023**  
(USD)

		Population	Exports	Imports per capita
61	Vietnam	100	452,448,829	4,511
74	Bosnia and Herzegovina	3	9,228,186	2,664
77	China	1,411	3,388,716,312	2,401
78	Montenegro	1	1,394,146	2,202
97	Albania	3	3,945,062	1,380

Source: Author's calculations based on UNCTAD.

### 3.2.4 Exports as a percentage of GDP

At the global level, exports of goods participated with 22.3% in GDP in 2023.

With a 41.1% share, Serbia was almost twice as good as the global average and ranked 47<sup>th</sup> in the world.

The largest share of goods exports in GDP, if we don't count miniature island countries, was recorded for relatively small but highly developed countries, with Slovenia taking the 7<sup>th</sup> and the Czech Republic the 10<sup>th</sup> place.

Of neighbouring countries, Hungary ranked 13<sup>th</sup>, North Macedonia 18<sup>th</sup> and Bulgaria 32<sup>nd</sup>, ahead of Serbia.

Table 13 **Goods exports per capita in 2023**  
(USD)

	Population
World	22
1 Marshall Islands	393
2 Hong Kong SAR	153
3 Vietnam	104
4 Singapore	95
5 Belgium	90
6 Slovak Republic	89
7 Slovenia	87
10 Czech Republic	76
13 Hungary	74
18 North Macedonia	61
32 Bulgaria	47
47 Serbia	41
54 Germany	38
63 Bosnia and Herzegovina	34
69 Croatia	30
76 Romania	29
107 China	19
112 Montenegro	19
114 Albania	17
152 USA	7

Source: Author's calculations based on IMF and UNCTAD.

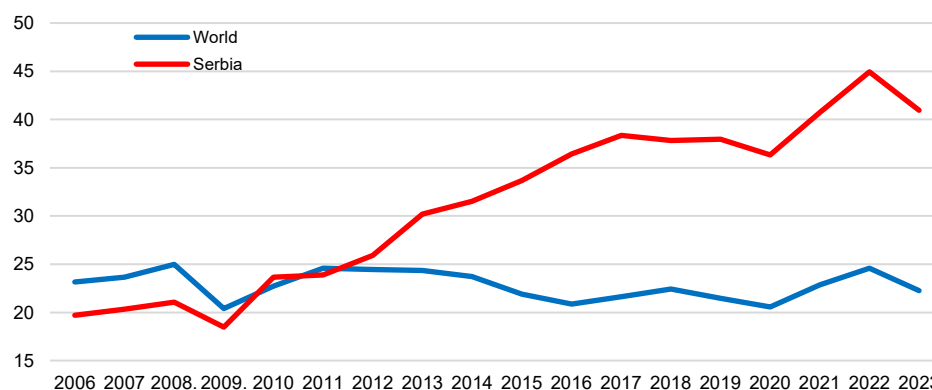
While Serbia exceeded Germany according to this indicator, it needs to have a much higher degree of openness than this huge economy which compares itself to China and the USA.

In the period observed, global GDP grew slightly faster than goods exports, so the share of goods exports in global GDP decreased from 23.2% to 22.3%.

In 2010, Serbia exceeded this indicator compared to the global average, and from 2012 it began to move further away from the average.



Chart 19 **Share of goods exports in GDP**  
(%)



Source: Author's calculations based on IMF and UNCTAD.

The ratio of goods exports to GDP is also affected by the movement of dollar value of GDP, so its large increase in Serbia in 2023 pushed down the goods exports share in GDP relative to 2022.

### 3.3 The most important products in Serbian exports

In the period observed, total exports increased 5.6 times or by EUR 23.5 bn.

The exports of agricultural and food products increased 4.7 times or by EUR 3.6 bn, from EUR 996 mn to EUR 4,633 mn, while their share in total exports edged down from 19.5% in 2006 to 16.3% in 2023, providing a 15.6% contribution to total exports growth.

The exports of industrial non-agricultural products went up 5.8 times, gaining EUR 19.7 bn, so their share in total exports increased from 80.5% to 83.7%.

Table 14 shows 30 products with the highest exports value in 2006 and 2023 each, and in both parts of the table there are 13 products that retained their place among the products with the highest exports value from 2006, which means that 17 new ones appeared in the second part of the Table.

The share of 30 products with the highest exports value was 53.2% in 2006 and declined to 33.5% in 2023.

The share of products with the highest exports value in 2023 rose from 31.5% in 2006 to 51.8% in 2023, and their aggregate contribution to total exports value was 56.2% (EUR 13.1 bn out of EUR 23.4 bn increase in total exports value).

The greatest individual contribution to growth in total value came from automobile cables, whose exports increased by almost EUR 2 bn, followed by copper ore and concentrates (1,205 mn) and electrical energy (1,262 mn), where the increase in exports value resulted from the changes in the manner of recording trade in electrical energy.

These three products are followed by electric motors and generators (872), automobile parts (687), new pneumatic tires (673), chairs (413), refined copper (408) and frozen fruit (EUR 352 mn).

In 2006, among 30 products, there were six agricultural and food products, and in 2023 there were five, namely, frozen fruit, animal feed, mineral waters, cigarettes and corn.

Table 14 **The most important products in Serbian exports in 2006 and 2023**  
(EUR thousand)

Top 30 export products in 2006				Top 30 export products in 2023				
HS	All products	2006	2023	HS	All products	2006	2023	Change
'7208	Flat-rolled products of iron or non-alloy steel, of a width $\geq$ 600 mm, hot-rolled, not clad, ...	447,517	384,526	'8544	Insulated "incl. enamelled or anodised" wire, cable "incl. coaxial cable" and other insulated ...	53,010	2,008,479	1,955,469
'4011	New pneumatic tyres, of rubber	155,210	828,238	'2716	Electrical energy	56,793	1,262,442	1,205,649
'1005	Maize or corn	143,057	254,768	'2603	Copper ores and concentrates	970	1,247,173	1,246,203
'7409	Plates, sheets and strip, of copper, of a thickness of $> 0,15$ mm (excl. expanded sheet and ...	126,474	132,888	'8501	Electric motors and generators (excl. generating sets)	11,078	883,362	872,284
'0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter	125,091	477,409	'4011	New pneumatic tyres, of rubber	155,210	828,238	673,028
'1701	Cane or beet sugar and chemically pure sucrose, in solid form	124,011	48,564	'8708	Parts and accessories for tractors, motor vehicles for the transport of ten or more persons, ...	28,580	716,029	687,449
'7210	Flat-rolled products of iron or non-alloy steel, of a width $\geq$ 600 mm, hot-rolled or cold-rolled ...	114,867	130,903	'0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter	125,091	477,409	352,318
'7606	Plates, sheets and strip, of aluminium, of a thickness of $> 0,2$ mm (excl. expanded plates, ...	112,420	157,052	'7403	Copper, refined, and copper alloys, unwrought (excl. copper alloys of heading 7405)	62,120	469,761	407,641
'3901	Polymers of ethylene, in primary forms	111,531	120,087	'9401	Seats, whether or not convertible into beds, and parts thereof, n.e.s. (excl. medical, surgical, ...	39,936	452,865	412,929
'3004	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses, put ...	99,221	402,858	'2710	Petroleum oils and oils obtained from bituminous minerals (excl. crude); preparations containing ...	93,404	419,530	326,126
'7209	Flat-rolled products of iron or non-alloy steel, of a width of $\geq$ 600 mm, cold-rolled "cold-reduced", ...	93,742	72,164	'3004	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses, put ...	99,221	402,858	303,637

Table 14 **The most important products in Serbian exports in 2006 and 2023**  
(EUR thousand)

(\$ million)

Top 30 export products in 2006				Top 30 export products in 2023				
		2006	2023			2006	2023	Change
'2710	Petroleum oils and oils obtained from bituminous minerals (excl. crude); preparations containing ...	93,404	419,530	'3402	Organic surface-active agents (excl. soap); surface-active preparations, washing preparations, ...	17,175	395,936	378,761
'3918	Floor coverings of plastics, whether or not self-adhesive, in rolls or in the form of tiles; ...	79,533	53,100	'7208	Flat-rolled products of iron or non-alloy steel, of a width >= 600 mm, hot-rolled, not clad, ...	447,517	384,526	-62,991
'7411	Copper tubes and pipes	77,419	32,038	'8503	Parts suitable for use solely or principally with electric motors and generators, electric ...	45,394	357,239	311,845
'6115	Pantyhose, tights, stockings, socks and other hosiery, incl. graduated compression hosiery ...	75,944	219,480	'8418	Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat ...	9,501	339,544	330,043
'7403	Copper, refined, and copper alloys, unwrought (excl. copper alloys of heading 7405)	62,120	469,761	'8536	Electrical apparatus for switching or protecting electrical circuits, or for making connections ...	10,301	323,840	313,539
'6403	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of ...	58,361	111,891	'8414	Air or vacuum pumps (excl. gas compound elevators and pneumatic elevators and conveyors); air ...	3,546	321,312	317,766
'4811	Paper, paperboard, cellulose wadding and webs of cellulose fibres, coated, impregnated, covered, ...	57,679	220,924	'3917	Tubes, pipes and hoses, and fittings therefor, e.g. joints, elbows, flanges, of plastics	20,426	317,499	297,073
'2901	Acyclic hydrocarbons	57,134	45,368	'2309	Preparations of a kind used in animal feeding	5,799	306,845	301,046
'2716	Electrical energy	56,793	1,262,442	'9999	Commodities not elsewhere specified	1,653	306,109	304,456
'8544	Insulated "incl. enamelled or anodised" wire, cable "incl. coaxial cable" and other insulated ...	53,010	2,008,479	'2202	Waters, incl. mineral waters and aerated waters, containing added sugar or other sweetening ...	19,813	287,374	267,561
'6406	Parts of footwear, incl. uppers whether or not attached to soles other than outer soles; removable ...	51,704	132,583	'9403	Furniture and parts thereof, n.e.s. (excl. seats and medical, surgical, dental or veterinary ...	44,869	270,679	225,810
'7204	Ferrous waste and scrap; remelting scrap ingots of iron or steel (excl. slag, scale and other ...	51,091	48,613	'2402	Cigars, cheroots, cigarillos and cigarettes of tobacco or of tobacco substitutes	4,113	266,095	261,982
'1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion ...	51,082	190,669	'8411	Turbojets, turbopropellers and other gas turbines	1,423	255,349	253,926
'8503	Parts suitable for use solely or principally with electric motors	45,394	357,239	'1005	Maize or corn	143,057	254,768	111,711

Table 14 **The most important products in Serbian exports in 2006 and 2023**  
(EUR thousand)

(EUR thousand)

Top 30 export products in 2006			Top 30 export products in 2023			
	2006	2023		2006	2023	Change
and generators, electric ...						
'9403 Furniture and parts thereof, n.e.s. (excl. seats and medical, surgical, dental or veterinary ...	44,869	270,679	'2403 Manufactured tobacco and manufactured tobacco substitutes, "homogenised" or "reconstituted" ...	60	252,331	252,271
'9401 Seats, whether or not convertible into beds, and parts thereof, n.e.s. (excl. medical, surgical, ...	39,936	452,865	'8413 Pumps for liquids, whether or not fitted with a measuring device (excl. ceramic pumps and secretion ...	10,881	248,718	237,837
'1806 Chocolate and other food preparations containing cocoa	39,181	137,116	'3923 Articles for the conveyance or packaging of goods, of plastics; stoppers, lids, caps and other ...	23,754	238,488	214,734
'6203 Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches ...	36,429	67,223	'4811 Paper, paperboard, cellulose wadding and webs of cellulose fibres, coated, impregnated, covered, ...	57,679	220,924	163,245
'2009 Fruit juices, incl. grape must, and vegetable juices, unfermented, not containing added spirit	36,053	39,489	'7308 Structures and parts of structures "e.g., bridges and bridge-sections, lock-gates, towers, ...	20,500	220,826	200,326

Source: Author's calculations based on UNCTAD.

### 3.4 Best performing Serbia's export products

In 2023, Serbia had 37 products with a four-digit customs classification which held an above-1.0% share in global exports, which is 12 or more times higher than its share in the global population and 7.5 and more times higher than its share in global exports of goods.

These 37 products aggregately accounted for EUR 9,551 mn of exports value and 33.5% of total Serbian exports.

Serbia held the largest share in global exports in the category of frozen fruit (7.3%), ranking 4<sup>th</sup> in the world by exports value.

The second largest share was that of roofing tiles (7.2%). With this product, Serbia ranked 5<sup>th</sup> in the world. Namely, large unit costs of transport hinder trade, but the factory in Kanjiža is close to Hungary and Romania borders, which makes exports profitable.

These 37 products with the above-1.0% share in global exports differ in terms of the absolute value of exports: from poles in the amount of EUR 4 mn to automobile cables worth EUR 2,008 mn.

Table 15 **Best-performing Serbia's exports**  
(EUR thousand and %)

HS code	Product name	Value	2006	2023	Change	Ranking in global exports
	All products	28,470,784	0.054	0.132	0.079	68
'0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter	477,409	6.900	7.347	0.447	4
'6905	Roofing tiles, chimney pots, cowls, chimney liners, architectural ornaments and other ceramic ...	52,471	3.217	7.203	3.986	5
'3601	Propellant powders	34,698	1.510	5.951	4.441	6
'2403	Manufactured tobacco and manufactured tobacco substitutes, "homogenised" or "reconstituted" ...	252,331	0.003	4.331	4.328	8
'4205	Articles of leather or composition leather (excluding saddlery and harness bags; cases and ...	99,996	0.013	4.068	4.055	9
'3606	Ferro-cerium and other pyrophoric alloys in all forms; metaldehyde, hexamethylenetetramine ...	13,694	0.072	3.919	3.847	9
'8603	Self-propelled railway or tramway coaches, vans and trucks (excl. those of heading 8604)	146,507	0.000	2.871	2.871	12
'3103	Mineral or chemical phosphatic fertilisers (excl. those in tablets or similar forms, or in ...	60,190	0.028	2.514	2.486	8
'5606	Gimped yarn, gimped strip and the like of heading 5404 or 5405; chenille yarn, incl. flock ...	14,077	0.033	2.498	2.464	11
'0813	Dried apricots, prunes, apples, peaches, pears, papaws "papayas", tamarinds and other edible ...	56,675	0.484	2.049	1.565	12
'4006	Rods, bars, tubes, profiles and other forms of unvulcanised rubber, incl. mixed rubber, and ...	7,866	0.018	1.943	1.925	14
'2716	Electrical energy	1,262,442	0.223	1.922	1.699	19
'4404	Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; ...	3,989	0.039	1.761	1.722	18
'8606	Railway or tramway goods vans and wagons (excl. self-propelled and luggage vans and post office ...	53,431	0.428	1.753	1.326	11
'5511	Yarn of man-made staple fibres, put up for retail sale (excl. sewing thread)	7,294	0.030	1.633	1.603	10
'7612	Casks, drums, cans, boxes and similar containers, incl. rigid or collapsible tubular containers, ...	99,469	1.088	1.556	0.468	18
'6406	Parts of footwear, incl. uppers whether or not attached to soles other than outer soles; removable ...	132,583	1.025	1.524	0.499	13
'8503	Parts suitable for use solely or principally with electric motors and generators, electric ...	357,239	0.407	1.516	1.109	18
'6115	Pantyhose, tights, stockings, socks and other hosiery, incl. graduated compression hosiery ...	219,480	1.147	1.511	0.364	10
'7409	Plates, sheets and strip, of copper, of a thickness of > 0,15 mm (excl. expanded sheet and ...	132,888	1.611	1.475	-0.136	12
'2105	Ice cream and other edible ice, whether or not containing cocoa	77,554	0.327	1.433	1.106	14
'2603	Copper ores and concentrates	1,247,173	0.004	1.425	1.421	14
'8501	Electric motors and generators (excl. generating sets)	883,362	0.043	1.376	1.332	16
'5207	Cotton yarn put up for retail sale (excl. sewing thread)	4,451	0.165	1.355	1.190	18
'3602	Prepared explosives (excluding propellant powders)	13,736	0.322	1.318	0.996	19
'2402	Cigars, cheroots, cigarillos and cigarettes of tobacco or of tobacco substitutes	266,095	0.031	1.317	1.286	21
'8544	Insulated "incl. enamelled or anodised" wire, cable "incl. coaxial cable" and other insulated ...	2,008,479	0.092	1.310	1.218	20
'8607	Parts of railway or tramway locomotives or rolling stock, n.e.s.	145,232	0.086	1.217	1.131	17
'3402	Organic surface-active agents (excl. soap); surface-active preparations, washing preparations, ...	395,936	0.120	1.166	1.046	21

Table 15 **Best-performing Serbia's exports**  
(EUR thousand and %)

HS code	Product name	Value	2006	2023	Change	Ranking in global exports
'0104	Live sheep and goats	11,660	0.002	1.142	1.140	13
'4811	Paper, paperboard, cellulose wadding and webs of cellulose fibres, coated, impregnated, covered, ...	220,924	0.501	1.119	0.618	24
'0808	Apples, pears and quinces, fresh	97,680	0.194	1.106	0.911	16
'2202	Waters, incl. mineral waters and aerated waters, containing added sugar or other sweetening ...	287,374	0.248	1.077	0.829	22
'6807	Articles of asphalt or of similar materials, e.g. petroleum bitumen or coal tar pitch	23,116	0.137	1.048	0.910	21
'1206	Sunflower seeds, whether or not broken	50,139	0.516	1.043	0.527	16
'3917	Tubes, pipes and hoses, and fittings therefor, e.g. joints, elbows, flanges, of plastics	317,499	0.183	1.030	0.847	20
'5906	Rubberised textile fabrics (excl. tyre cord fabric of high-tenacity yarn of nylon or other ...)	15,974	0.007	1.008	1.001	16

Source: Author's calculations based on UNCTAD.

### 3.5 Exports of selected products

Since the exports value of products with an above-1.0% share in global exports varies from EUR 4 mn to EUR 2.008 mn, we have singled out only two products here, to showcase their dynamics, the main competitors, the exports value of neighbouring countries and the main exports markets.

#### 3.5.1 Frozen fruit

In the period observed, frozen fruit exports had an above-average rate of growth of exports value in the global trade.

Serbia increased the value of its exports 3.8 times, which is above the global exports growth (3.6 times) ranking as the 4<sup>th</sup> world's exporter, after Thailand, Poland and Canada. In 2006, it ranked 3<sup>rd</sup>, while Thailand had five times lower exports value than Serbia.

In 2023, Serbia boasted four times higher exports value of these products compared to the aggregate value of exports of all neighbouring countries.

Table 16 **Major exporters of frozen fruit**  
(EUR thousand and %)

		2006	2023	Index	Share in global exports in %
	World	1,812,944	6,497,870	358.4	
1	Thailand	25,050	703,594	2,808.8	10.8
2	Poland	278,122	586,241	210.8	9.0
3	Canada	202,189	484,083	239.4	7.4
4	Serbia	125,091	477,409	381.6	7.3
5	Chile	115,198	383,806	333.2	5.9
32	Bulgaria	17,484	27,999	160.1	0.4
33	Croatia	24	26,862		0.4
34	Hungary	15,286	24,593	160.9	0.4
35	Bosnia and Herzegovina	8,254	24,126	292.3	0.4
46	Romania	10,806	9,299	86.1	0.1
53	North Macedonia	3,600	3,427	95.2	0.1
63	Albania	0	1,207		0.0

Table 16 **Major exporters of frozen fruit**  
(EUR thousand and %)

		2006	2023	Index	Share in global exports in %
64	Montenegro	2,102	1,185	56.4	0.0

Source: Author's calculations based on UNCTAD.

Serbia's frozen fruits exports were registered in 60 countries in 2023.

More than half of the total value was sold in three countries: Germany, France and Belgium.

In the period after 2006, only exports to Austria and Denmark declined.

Table 17 **Exports of frozen fruit from Serbia**  
(EUR thousand and %)

	2006	2023	Index	Share
World	125,091	477,409	381.6	
Germany	36,204	134,707	372.1	28.2
France	21,550	71,924	333.8	15.1
Belgium	9,708	48,404	498.6	10.1
UK	7,285	32,702	448.9	6.8
Netherlands	9,819	27,273	277.8	5.7
Russian Federation	665	20,450	3,075.2	4.3
Sweden	3,159	17,800	563.5	3.7
USA	962	17,739	1,844.0	3.7
Austria	17,469	15,475	88.6	3.2
Poland	1,714	14,524	847.4	3.0
Switzerland	3,134	10,484	334.5	2.2
Italy	3,536	9,135	258.3	1.9
Canada	544	6,518	1,198.2	1.4
Argentina	0	4,585		1.0
Norway	525	4,465	850.5	0.9
Croatia	827	3,312	400.5	0.7
Saudi Arabia	0	3,194		0.7
Hungary	779	3,140	403.1	0.7
Finland	983	2,963	301.4	0.6
Japan	129	2,530	1,961.2	0.5
Turkey	21	2,487		0.5
Australia	193	2,206	1,143.0	0.5
Bosnia and Herzegovina	357	1,960	549.0	0.4
Slovenia	513	1,799	350.7	0.4
Czech Republic	528	1,566	296.6	0.3
Spain	462	1,557	337.0	0.3
Portugal	290	1,540	531.0	0.3
UAE	0	1,420		0.3
Denmark	1,917	1,257	65.6	0.3

Source: Author's calculations based on UNCTAD.

### 3.5.2 Automobile cables (insulated wire, cables and other insulated electrical conductors)

These products hold a relatively high value in the global trade, so Serbia, with exports worth EUR 2 bn and a share of 1.3% was only at the 20<sup>th</sup> place in the world in 2023. These are the products whose exports rose at a faster pace than total global exports.

China, Mexico, the USA, Germany, Vietnam and Italy account for a half of total global exports value.

Serbia had the sharpest relative increase in value among 20 largest world exporters, because it increased exports value by 38 times.

Of neighbouring countries, Romania and Hungary recorded higher exports values, ranking 9<sup>th</sup> and 17<sup>th</sup>, respectively.

**Table 18 Country ranking according TO the value of exports of automobile cables**  
(EUR thousand and %)

		2006	2,023	Index	Share
		57,328,388	153,268,733	267.35	
1	China	5,765,204	26,208,639	454.6	17.1
2	Mexico	6,345,952	16,274,794	256.5	10.6
3	USA	5,103,057	11,656,211	228.4	7.6
4	Germany	4,678,580	9,471,415	202.4	6.2
5	Vietnam	561,783	7,193,910	1,280.5	4.7
6	Italy	2,164,134	4,656,194	215.2	3.0
7	Morocco	692,526	4,595,473	663.6	3.0
8	Czech Republic	1,609,281	4,150,540	257.9	2.7
9	Romania	1,548,561	4,068,914	262.8	2.7
10	Poland	2,075,020	3,841,688	185.1	2.5
11	Korea	1,597,763	3,570,794	223.5	2.3
12	Turkey	910,990	3,410,453	374.4	2.2
13	France	1,731,246	3,036,668	175.4	2.0
14	Philippines	720,754	2,823,288	391.7	1.8
15	Hong Kong SAR	1,739,893	2,771,314	159.3	1.8
16	Tunisia	462,371	2,769,219	598.9	1.8
17	Hungary	1,429,668	2,766,742	193.5	1.8
18	Spain	1,281,192	2,716,263	212.0	1.8
19	Netherlands	695,458	2,225,698	320.0	1.5
20	Serbia	53,010	2,008,479	3,788.9	1.3
40	Bulgaria	120,324	683,302	567.9	0.4
41	North Macedonia	15,847	639,502	4,035.5	0.4
46	Croatia	110,148	460,975	418.5	0.3
62	Albania	2,389	140,734	5,890.9	0.1
133	Montenegro	42	196	466.7	0.0

Source: Author's calculations based on UNCTAD.

In 2023, Serbia's exports of automobile cables were registered in 79 countries.

The greatest shares in total exports were those of large automobile manufacturing economies, i.e. Germany, Hungary, Slovakia, the Czech Republic, Sweden and Romania.

**Table 19 Exports of automobile cables from Serbia by country**  
(in EUR thousand and %)

	2006	2023	Index	Share
World	53,010	2,008,479	3,788.9	
Germany	5,050	598,705	11,855.5	29.8
Hungary	6,536	295,126	4,515.4	14.7



**Table 19 Exports of automobile cables from Serbia by country**  
(in EUR thousand and %)

	2006	2023	Index	Share
Slovak Republic	842	266,314	31,628.7	13.3
Czech Republic	517	219,100	42,379.1	10.9
Sweden	1,089	142,286	13,065.7	7.1
Romania	451	92,265	20,457.9	4.6
North Macedonia	755	63,195	8,370.2	3.1
Poland	1	61,049		3.0
Italy	3,376	55,680	1,649.3	2.8
UK	133	46,510	34,969.9	2.3
Belgium	0	32,013		1.6
Austria	1,614	23,724	1,469.9	1.2
Slovenia	1,309	18,451	1,409.5	0.9
Turkey	1	17,702		0.9
Albania	0	13,732		0.7
Montenegro	6,645	10,024	150.9	0.5

Source: Author's calculations based on UNCTAD.

## 4 Conclusion

Due to historical events, throughout the whole final decade of 20<sup>th</sup> century, Serbia was excluded from the process of business globalisation. In that decade, most of the former socialist countries of Eastern Europe went through the process of transition from labour-intensive exports industries to capital-intensive industries. This process was possible owing to inflow of direct investments from advanced economies into the mechanical, electrical and automobile industry of Eastern European countries.

Serbia made up for the lag in FDI inflows from 2000 to 2023 and had one of the largest cumulative FDI inflows to GDP ratios in Europe at the end of the period observed.

The existing cumulative FDI inflow to Serbia, exceeding USD 60 bn, will also bring about relatively high inflow values in the coming years, through intra-company loans, reinvested earnings and attracting new companies to Serbia.

The announced greenfield investments in 2023, in the amount of USD 11.2 bn, will additionally boost the annual FDI inflows to Serbia.

In order to better understand the position of Serbia in FDI flows, comparative structural analyses are needed, of Serbia and neighbouring and similar countries (by GDP, population...), in terms of sector and geographic distribution of inflows (and outflows) of direct investments.

The new industrial revolution, with artificial intelligence and digitization of supply chains as the main features, will have a challenging effect on the existing system of international production and Serbia's place in it. These changes in operation of large companies need to be taken into account when formulating policies to attract FDIs and incentivising domestic companies to internationalise.

The fragmentation of FDI flows and further build-up of geopolitical tensions will pose serious challenges to a measured conduct of foreign policy and the policy for attracting FDI, in order to minimise damage and maximize the benefits of FDI flows.

The data about trade in goods presented in the second part of the paper show that Serbia recorded extremely fast growth in total exports value, one of the fastest in the world during the period observed.

Thanks to the speed of value growth, it improved its ranking among countries and its share in total global exports.

The export of selected products points to specific market niches, where Serbia's share is large even at low values, as well as important global markets where it has won a visible share and recognition.

In the coming years we can expect continued growth of Serbia's share in global goods exports, as a part of a broader process of its convergence towards advanced countries.

## References

- Црномарковић Ј. (2010). Преглед спољнотрговинске робне размене Републике Србије у периоду 1988–2009 године, РЗС, *Трендови – септембар 2010*.  
[cwp.global/mauritania-and-cwp-sign-glasgow-joint-declaration-on-aman-green-hydrogen-project-at-cop26/](http://cwp.global/mauritania-and-cwp-sign-glasgow-joint-declaration-on-aman-green-hydrogen-project-at-cop26/), accessed on 2. 7. 2024.
- Enright, M. J. *Developing China – The Remarkable Impact of Foreign Direct Investment*, Hinrich foundation; <https://www.hinrichfoundation.com/media/4xtckdf3/fdi-in-china-infographics-10-12-16.pdf>, accessed on 13. 6. 2024.
- Kordos, M., Vojtovic, S. (2016). Transnational corporations in the global world economic enviroment, *Procedia*.
- Lipsey, R. E. (2001). Foreign Direct Investors in Three Financial Crises, *NBES WP*, no.8084. IMF, foreign investment database: *Coordinated Direct Investment Survey (CDIS)*. IMF, *World Economic Outlook Database*, April 2024.
- IMF, *World Economic Outlook*, April 2023, Chapter 4: Geoeconomic Fragmentation and Foreign Direct Investment.
- NBS, statistics of international economic relations.
- Poulsen, L. S., Hufbauer, G. C. (2011). *Foreign Direct Investment in Times of Crisis*, Peterson Institute for International Economics, WP 11–3.
- SZS (1989). *SFRJ Jugoslavija 1918–1988*, Beograd.
- SZS (1991). *Statistički godišnjak Jugoslavije 1991*, Beograd.
- UK Parliament, Committee on Economic Affairs, First Report, Chapter 5: Role of Transnational Corporations, 2003.
- UNCTAD, *Trade and Development Report 2023*.
- UNCTAD, *World Direct Investment Report*, various years.
- UNCTAD *Global crises fracturing foreign investment, impacting developing economies*, (<https://unctad.org/news/global-crises-fracturing-foreign-investment-impacting-developing-economies>) accessed on 13. 6. 2024.
- University of Groningen *Maddison Historical Statistics*, accessed on 12. 6. 2024.
- Walter F. Hatch “Asia’s Flying Geese – How Regionalization Shapes Japan”, 2010 Cornell University
- Law on Ratification of Stabilisation and Association Agreement between the European Communities and their Member States, on the one part, and the Republic of Serbia, on the other part.

## Appendix

Table 1a. **Selected FDI indicators and international production, 1982–2022**  
(current prices, USD bn)

	1982	1990	2005–2007 (pre-crisis average)	2020	2021	2022	2023
FDI inflow	58	205	1,425	985	1,622	1,356	1,332
FDI outflow	27.0	244	1,464	780	1,882	1,575	1,551
Cumulative FDI inflow	789	2,196	14,573	41,893	47,156	44,375	49,131
Cumulative FDI outflow	579	2,255	15,296	40,718	43,386	40,570	44,381
Income from FDI inflow	44.0	82	1,123	2,173	2,883	3,002	2,498
Rate of return of FDI inflows		5.4	9.6	6.8	8.2	8.2	6.0
Income from FDI outflows	46	128	1,235	1,954	2,857	2,923	2,516
Rate of return of FDI outflows		8.4	10.7	5.8	7.7	7.8	6.4
Announced greenfield projects				641	830	1,309	1,380
Cross-border mergers and acquisitions		98	729	475	737	707	378
Sales of foreign branches	2,741.0	4,801	19,798	31,298	33,194		
Gross product of foreign branches	676	1,074	4,662	6,547	7,030		
Total assets of foreign branches	2,206.0	4,649	47,065	97,467	91,386		
Exports of foreign branches	688	1,523					
Employment in foreign branches (thousand)	21,524.0	20,449	49,780	82,405	74,402		
GDP (current prices)	12,083.0	22,612	52,680	84,961	96,488	100,135	104,476
Total fixed investments	2,798	5,838	12,482	22,055	25,270	26,142	27,161
Income from ownership rights and licences	9	31	191	507	615	590	460
Exports of goods and non-factor services	2,395	4,417					
Derived indicators							
Gross product of foreign branches in global GDP	5.6	4.7	8.8	7.7	7.3	0.0	0.0
Exports of foreign branches in % of global exports	28.7	34.5					
FDI inflow in total investments	2.1	3.5	11.4	4.5	6.4	5.2	4.9

Sources: World Investment Report 2008, "Transnational Corporations and the Infrastructure Challenge" (p 10), World Investment Report 2023, "Investing in Sustainable Energy for All" (p 50) and WIR 2024 (p 35).

Table 2a. **Selected global indicators and indicators for Serbia**

GDP		Population		Goods exports		Goods imports		FDI inflow		FDI outflow		Cumulative FDI inflow		Cumulative FDI outflow	
\$ bn		mn		\$ bn		\$ bn		\$ mn		\$ mn		\$ mn		\$ mn	
World	Serbia	World	Serbia	World	Serbia	World	Serbia	World	Serbia	World	Serbia	World	Serbia	World	Serbia
1991	24,191	28	5,035	10	3,517	5	3,638	5	153,959	-	188,857	-	2,471,123	-	2,528,440
1992	25,877	27	5,259	10	3,787	-	3,910	-	164,685	-	206,049	-	2,493,699	-	2,540,200
1993	26,364	19	5,350	10	3,782	-	3,845	-	222,237	-	237,528	-	2,698,838	-	2,930,285
1994	28,216	17	5,438	10	4,321	-	4,382	-	255,894	-	287,275	-	2,963,744	-	3,294,486
1995	31,291	21	5,530	10	5,176	1	5,235	2	345,143	-	361,244	-	3,564,455	-	3,993,274
1996	31,952	23	5,616	10	5,411	2	5,497	4	392,779	-	394,445	-	4,133,994	-	4,553,581
1997	31,801	22	5,705	10	5,600	3	5,686	5	480,628	740	465,285	-	4,719,786	-	5,257,407
1998	31,608	20	5,829	10	5,510	3	5,633	4	681,509	113	679,498	-	5,916,607	-	6,246,958
1999	32,832	14	5,904	8	5,723	1	5,858	3	1,078,286	112	1,077,162	-	7,086,609	-	7,147,975
2000	33,791	10	5,980	8	6,453	2	6,655	3	1,356,685	52	1,162,492	2	7,377,201	-	7,408,902
2001	33,614	13	6,058	8	6,195	2	6,412	4	773,131	177	681,550	12	7,470,723	-	7,278,671
2002	34,931	17	6,154	8	6,500	2	6,664	6	590,311	491	496,583	20	7,331,947	-	7,332,719
2003	39,197	23	6,258	7	7,590	3	7,780	7	549,571	1,467	527,533	119	9,143,363	-	9,239,777
2004	44,132	26	6,337	7	9,224	4	9,479	11	699,234	958	908,072	3	10,623,276	-	10,939,968
2005	47,817	27	6,417	7	10,522	4	10,799	10	954,073	1,577	838,261	22	11,500,699	-	11,980,584
2006	51,809	33	6,496	7	12,146	6	12,380	13	1,400,939	4,256	1,360,910	88	14,188,362	-	15,134,358
2007	58,418	43	6,578	7	14,045	9	14,262	19	1,889,474	4,406	2,191,503	946	18,031,310	-	18,774,557
2008	64,105	52	6,661	7	16,183	11	16,515	23	1,454,600	3,972	1,718,611	331	19,018,575	18,333	15,531,516
2009	60,809	45	6,742	7	12,589	8	12,749	16	1,137,385	2,896	1,184,861	24	17,725,379	20,870	18,668,795
2010	66,634	41	6,825	7	15,297	10	15,425	17	1,369,184	1,686	1,391,195	185	19,842,937	22,299	20,440,527
2011	74,111	49	6,912	7	18,334	12	18,446	20	1,601,135	4,932	1,627,410	318	20,577,402	24,675	20,902,706
2012	75,681	43	7,012	7	18,506	11	18,667	19	1,459,066	1,299	1,285,421	331	22,926,396	26,014	22,821,919
2013	77,850	48	7,099	7	18,945	15	18,975	21	1,455,289	2,087	1,462,426	331	24,942,078	31,490	25,156,178
2014	79,800	47	7,188	7	19,005	15	19,080	20	1,397,394	2,010	1,378,453	348	25,947,963	29,569	26,079,746
2015	75,440	40	7,274	7	16,560	13	16,740	18	2,049,899	2,339	1,735,370	342	26,364,734	29,073	26,342,644
2016	76,683	41	7,362	7	16,042	15	16,209	19	2,019,333	2,349	1,528,679	252	28,061,134	30,369	27,736,090
2017	81,611	44	7,449	7	17,742	17	17,977	22	1,651,163	2,759	1,598,350	148	32,794,199	37,788	32,883,297
2018	86,592	51	7,529	7	19,553	19	19,817	26	1,376,139	4,061	1,010,629	356	32,441,526	40,295	31,242,775
2019	87,741	52	7,608	7	19,018	20	19,343	27	1,729,239	4,277	1,444,809	296	36,150,805	43,826	35,009,321
2020	85,484	53	7,684	7	17,653	20	17,880	26	984,578	3,501	779,507	116	41,892,770	52,220	40,717,981
2021	97,329	63	7,753	7	22,319	26	22,594	34	1,621,808	4,581	1,881,922	274	47,156,148	52,223	43,385,944
2022	100,835	64	7,817	7	24,918	29	25,700	41	1,355,749	4,571	1,574,724	106	44,375,102	53,499	40,569,644
2023	104,532	75	7,888	7	23,784	31	24,235	40	1,331,813	4,888	1,550,584	323	49,130,846	60,459	44,380,560
Index 1991=100	432	266	157	68	676	687	666	764	865		780		1988		1755

Sources: SORS, UNCTAD, IMF, J. Cmomarković.

Note: In 1991, 38% of Yugoslavia's GDP were presumed for Serbia's GDP (based on the 1989 share), and from 1992 until 1999 - data from UNCTAD base in USD from 2015.

Table 3a **Indicators for Serbia** (percentage share in the global level)

	GDP	Population	Exports	Imports	FDI inflow	FDI outflow	Cumulative inflow	Cumulative outflow
1991	0.117	0.194	0.128	0.143	0.000	0.000		
1992	0.103	0.187	0.000	0.000	0.000	0.000		
1993	0.071	0.185	0.000	0.000	0.000	0.000		
1994	0.059	0.183	0.000	0.000	0.000	0.000		
1995	0.069	0.180	0.026	0.043	0.000	0.000		
1996	0.071	0.178	0.032	0.069	0.000	0.000		
1997	0.069	0.176	0.045	0.079	0.154	0.000		
1998	0.062	0.171	0.049	0.079	0.017	0.000		
1999	0.042	0.128	0.024	0.049	0.010	0.000		
2000	0.029	0.126	0.024	0.050	0.004	0.000		
2001	0.039	0.124	0.028	0.066	0.023	0.002		
2002	0.049	0.122	0.032	0.084	0.083	0.004		
2003	0.057	0.120	0.036	0.096	0.267	0.023		
2004	0.059	0.118	0.038	0.113	0.137	0.000		
2005	0.058	0.116	0.043	0.097	0.165	0.003		
2006	0.063	0.114	0.053	0.106	0.304	0.006		
2007	0.074	0.112	0.063	0.130	0.233	0.043		
2008	0.081	0.110	0.068	0.139	0.273	0.019	0.129	0.011
2009	0.074	0.109	0.066	0.122	0.255	0.002	0.118	0.010
2010	0.062	0.107	0.064	0.108	0.123	0.013	0.112	0.010
2011	0.066	0.105	0.064	0.108	0.308	0.020	0.120	0.010
2012	0.057	0.103	0.061	0.101	0.089	0.026	0.113	0.010
2013	0.062	0.101	0.077	0.108	0.143	0.023	0.126	0.011
2014	0.059	0.099	0.078	0.106	0.144	0.025	0.114	0.011
2015	0.053	0.098	0.081	0.107	0.114	0.020	0.110	0.011
2016	0.053	0.096	0.093	0.117	0.116	0.016	0.108	0.011
2017	0.054	0.094	0.096	0.122	0.167	0.009	0.115	0.011
2018	0.058	0.093	0.099	0.131	0.295	0.035	0.124	0.012
2019	0.059	0.091	0.104	0.139	0.247	0.020	0.121	0.012

**Table 3a Indicators for Serbia** (percentage share in the global level)

	GDP	Population	Exports	Imports	FDI inflow	FDI outflow	Cumulative inflow	Cumulative outflow
2020	0.062	0.090	0.111	0.148	0.356	0.015	0.125	0.011
2021	0.065	0.088	0.116	0.151	0.282	0.015	0.111	0.010
2022	0.063	0.085	0.117	0.160	0.337	0.007	0.121	0.011
2023	0.072	0.084	0.130	0.164	0.367	0.021	0.123	0.011

Sources: UNCTAD and IMF.

