

The news

Ikea interested in investing in Serbia

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Ikea is interested in continuing investing in Serbian market by opening a department store and a trade center, and the exact date of commencement of the construction depends on the negotiations on land procurement and how quick the legal and administrative procedures related to obtaining permits will be finished - Ikea PR Manager Milena Vujcic said.

She said in an interview that Ikea had already invested about 3 million euros over the previous five years through cooperation with domestic furniture manufacturers.

- Investment in the department store and the trade center will amount to 250-300 million euros, which will enable creation of 2,000 new jobs in Serbia - Vujcic pointed out.

According to her, Ikea does not ask for any exclusiveness or special terms when it comes to the purchase of land for construction of the department store and the trade center, but only for fulfillment of certain standards and norms that suit the domestic market trends.

The famous Swedish company is already present in the market of Serbia through a long-time cooperation with domestic furniture manufacturers and direct investments in their production capacities.

Pointing out that "investments in stimulation and improvement of production capacities of domestic furniture manufacturers have reached about 3 million euros", she stated that the value of the contracted works with partners like Simpo in 2010 amounted to 15 million euros.

When asked which circumstances in Serbia she found favorable for the arrival and operations of foreign companies, Vujcic mentioned the size and development perspective of the market, as well as the possibilities of improvement of domestic production.

- There are fields that can be additionally improved and still represent the challenges we face in Serbia. These are, primarily, slow decision making, insufficiently developed infrastructure, as well as complicated bureaucracy and undefined administrative procedures - she said.

Vujcic underlined that it should be expected that Simpo's product assortment be extended soon for the needs of Ikea's export and announced that the production of beds for kids would commence in October.

She added that the negotiations were underway with the representatives of Simpo on commencement of production of an assortment that includes panel furniture (veneer and melamine foil) and textile.

Source: [eKapija](#)