

Ispod Carrers with CB Richard Ellis

### The youngest independent country of the 21<sup>st</sup> century

Open economy and business-friendly environment has become one of the cornerstones of Montenegrin economic policy. Key driving factors for many to invest in Montenegro undoubtedly lie in easy business start-up solutions, lucrative property market opportunities and still untapped business solutions.

- Foreign companies in Montenegro are guaranteed equal legal treatment as local ones. Foreign investor can operate in Montenegro either as a legal entity or as a natural person.
- There is no limit of amount of invested capital. Foreign investors are allowed to invest in any industry and freely transfer all financial and other assets, including profits and dividends.
- Foreign investors can acquire rights to real estate, such as company facilities, place of business, Apartments, living space or construction land. All major national and international investment insurance companies insure investment projects in Montenegro.
- **4 days** to establish limited liability company in Montenegro for **1 euro**
- **9% corporate profit tax rate** is by far the most competitive in Europe.
- **VAT** \* Standard rate **17%**
  - \* Lower rate **7%**
- Property Transfer Tax - **3%**
- **Property tax** – ranging between **0.08%-0.8%** of the immovable property's market value
- **GDP** growth in % - **7% (2007)**
- **GDP** per capita (€) - **3,673.56**
- **Inflation – CPI**, average annual inflation rate (%) – **4.2%**
- **FDI inflow** **€1,007.7 mil**
- **FDI** top 3 in Europe (**1,600€ / capita**)
- Tourism inflow growth – **74%**
- Unemployment rate – **11.9%**
- Average NET monthly salary **€386** (January 2008)
- Nominal annual salary growth – **12%**
- Budget deficit/surplus (in mil €) - **+168.4**
- Crime rate virtually **none**

Source: Montenegrin Investment Promotion Agency