



PROJECT: BALKAN CONSUMER BRIDGE

THE SECOND PRICES MONITORING

REPORT for December 2013.

Project "Balkan Consumer Bridge"

The project is co-funded by EU through the Bulgaria – Serbia IPA Cross-border Programme.



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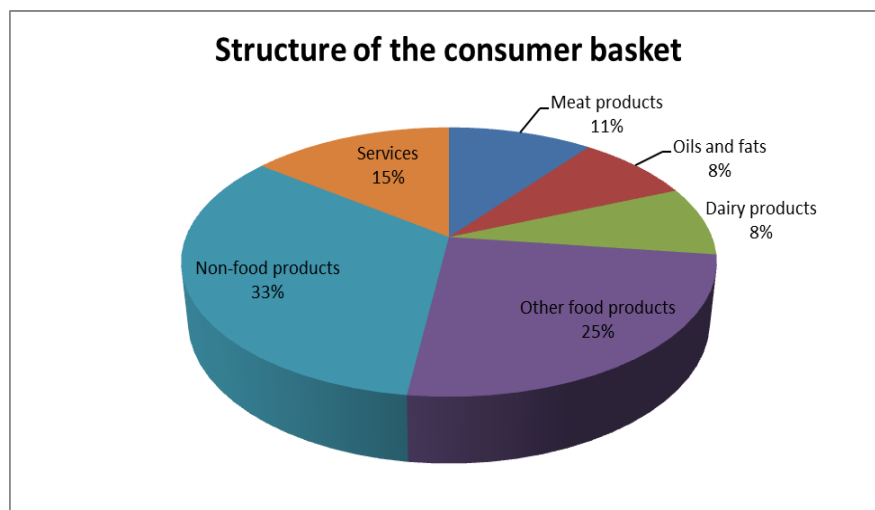
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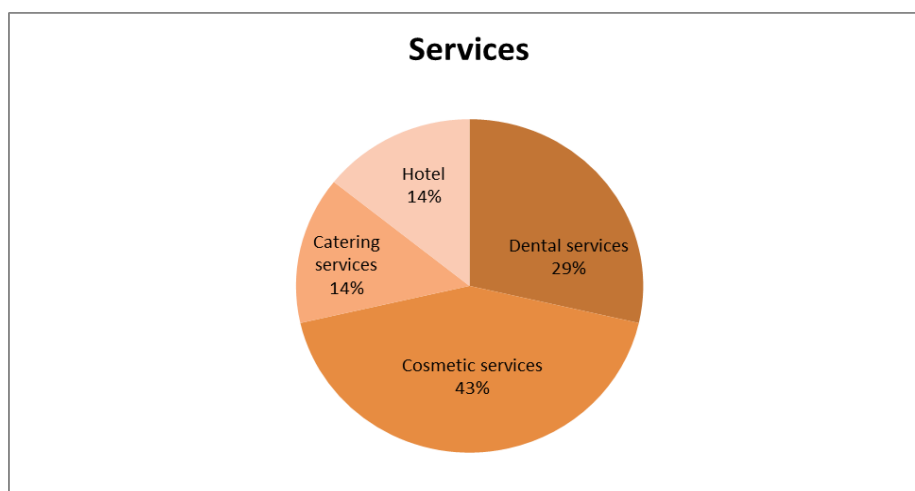
I. SUBJECT AND GOAL OF RESEARCH

The report refers to research the benefits of purchasing the same or comparable products and services in the areas bordering Serbia and Bulgaria. The results of this research about prices of certain goods, travel costs, customs regulations, tax refund and purchasing power of population can be very useful to consumers when they make decisions of purchasing products and services in neighbouring country. By the continuous prices monitoring in retail stores in Nis and Sofia, we contributed to fulfilling the basic right of consumers – right to be informed.

In reserach, we start from a hypothesis that the main motives for purchasing products and services in another country are lower prices of certain goods. Lower total costs for satisfying needs of consumers can contribute to more intensive international cooperation between Serbia and Bulgaria.

The subject of this reserach are the same or similar products that are available to consumers in the following retail stores: 1) **METRO** in Sofia and Nis, 2) **Piccadilly** in Sofia and **Maxi** in Serbia, 3) **Lidl** in Sofia and **DIS** in Nis. **41 products** and **7 services (classified in 4 types)** are included in a market basket. Included products are systematized in several categories: meat products (delicatessen), oils and fats, dairy products, other food products and non-food products. Considering services, in this research we included the prices of comparable services you can get in Nis and Sofia. We were comparing the following services: dental, cosmetic, hospitality and catering services.





The report was made on the basis of field research, using the official statistical data in Serbia and Bulgaria. The monitoring of prices was done on **13th December 2013**, at the same time in Nis and Sofia, by doing a direct inventory in previously mentioned retail stores and using data from the Internet.

Thanks to coordinated exchange of information, we did a comparative analysis of purchasing power of people in Serbia (Nis) and Bulgaria (Sofia). In this research we tried to perceive all the benefits of purchasing the same or similar products and services in bordering areas of Serbia and Bulgaria. Lower purchasing costs are one of the fundamental causes of the increasing mobility of people, flow of goods and speeding the economic and cultural cooperation of bordering areas of Serbia and Bulgaria.

Because of comparability, prices in the Serbian dinars (RSD) and Bulgarian lev (BGN) have been calculated in euros (EUR), according to the official exchange rates on the day **13.12.2013**:

- exchange rate of the dinar: 1 euro = **114,88 RSD**
- exchange rate of the lev: 1 euro = **1.95583 BGN**

II. THE PRICES OF PRODUCTS AND SERVICES

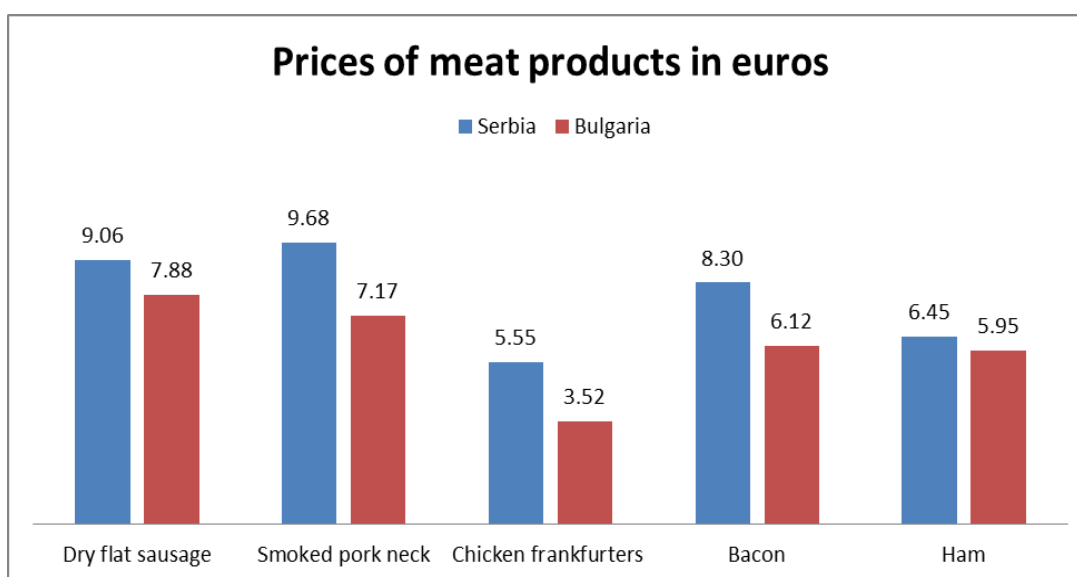
In order to make tables and graphs we used average prices of the same or similar products and services in Nis and Sofia, that we had obtained by the field monitoring of prices. We got the average prices of products on the basis of data in three retail stores.

2.1. FOOD PRODUCTS – FOOD AND DRINKS

Data shown in Table 1 shows that expenditures for the purchase of a basket of delicatessen are lower in average for 8.4 euros (or 965 RSD).

Table 1 The prices of meat products in Serbia and Bulgaria

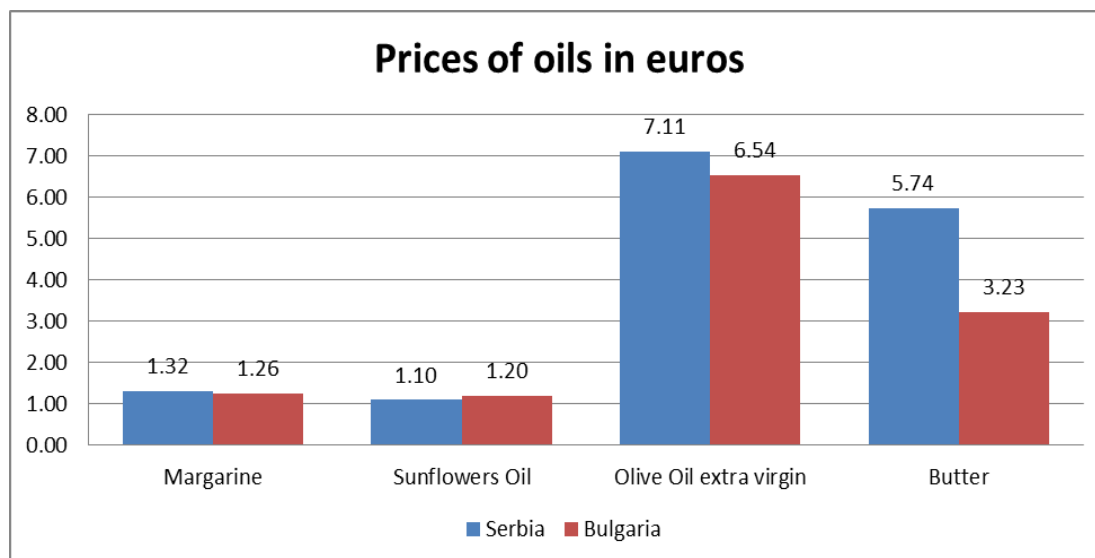
Delicatessen/Meat products	Quantity	Serbia (prices in euros)	Bulgaria (prices in euros)
Dry flat sausage	1kg	9.06	7.88
Smoked pork neck	1kg	9.68	7.17
Chicken frankfurters	1kg	5.55	3.52
Bacon	1kg	8.30	6.12
Ham	1kg	6.45	5.95
In total:		39.04	30.64



Expenditures for the purchase of certain products covered by the category of oils and fats will be lower in Sofia than in Nis for 3.03 euros (or about 350 RSD).

Table 2 The prices of oils and fats in Serbia and Bulgaria

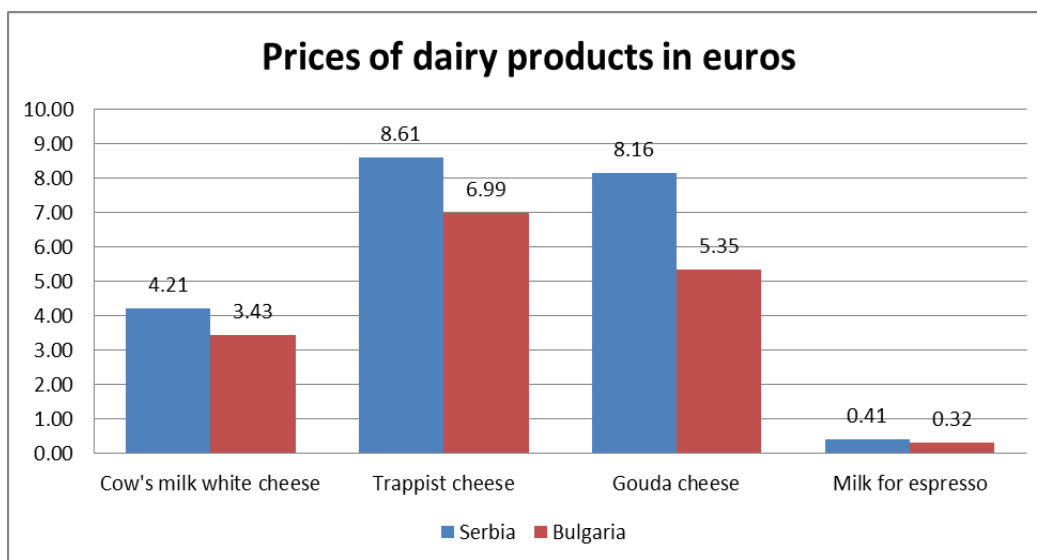
Oils and fats	Quantity	Serbia (prices in euros)	Bulgaria (prices in euros)
Margarine	0,5 kg	1.32	1.26
Sunflowers oil	1 l	1.10	1.20
Olive oil extra virgin	1 l	7.11	6.54
Butter	0,5 kg	5.74	3.33
In total:		15.27	12.24



It's also cheaper to buy dairy products in Sofia and the difference in the prices of dairy products comprised in analysis is 5.31 euros (about 610 RSD).

Table 3 The prices of dairy products in Serbia and Bulgaria

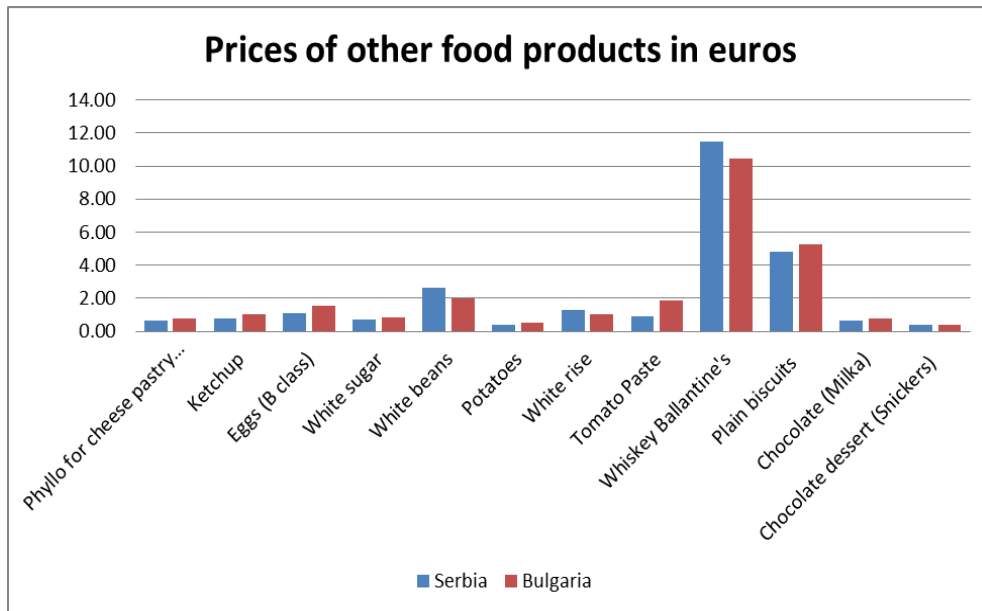
Dairy products	Quantity	Serbia (prices in euros)	Bulgaria (prices in euros)
Cow's milk white cheese	1 kg	4.21	3.43
Trappist cheese	1 kg	8.61	6.99
Gouda cheese	1 kg	8.16	5.35
Milk for espresso	75 g	0.41	0.32
In total:		21.39	16.08



Based on the data given in Table 4 it can be seen the products that are in the category of other food products are more payable to buy in Serbia. However, the savings that are realized are small, amounting to 62 dinars or 0.54 euros.

Table 4 The prices of other food products in Serbia and Bulgaria

Other food products	Quantity	Serbia (prices in euros)	Bulgaria (prices in euros)
Phyllo for cheese pastry (banitsa)	1 pc	0.65	0.76
Ketchup	0,5 l	0.79	1.05
Eggs (B class)	10 pcs	1.10	1.53
White sugar	1 kg	0.71	0.85
White beans	1 kg	2.62	1.97
Potatoes	1 kg	0.40	0.54
White rise	1 kg	1.30	1.02
Tomato paste	1 kg	0.92	1.87
Whiskey	0,7 l	11.49	10.47
Plain biscuits	1 kg	4.83	5.25
Chocolates	80 g	0.67	0.78
Chocolate dessert	1 pc	0.42	0.39
In total:		25.92	26.46



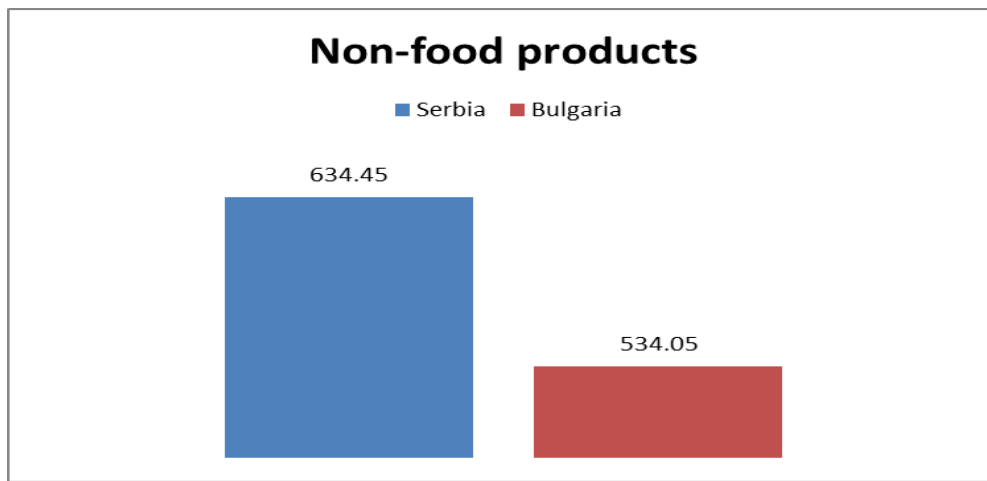
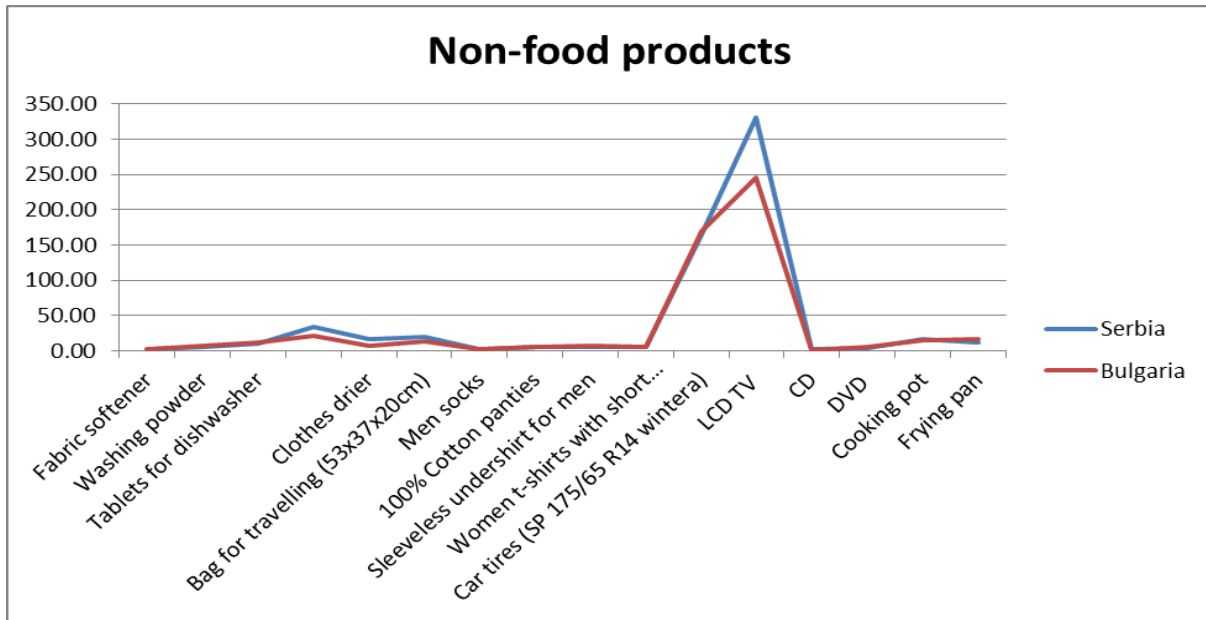
There is the biggest difference in prices for the following products: delicatessen (bacon) and dairy products (gouda cheese).

2.2. NON-FOOD PRODUCTS

The results we obtained show that the biggest difference is in expenditure needed to purchase products observed in non-food items. If you decide to purchase non-food items in Sofia, consumers can realize savings of 100.04 euros or 11534 RSD (or 18.8%).

Table 5 The prices of non-food products in Serbia and Bulgaria

Non-food products	Quantity	Serbia (prices in euros)	Bulgaria (prices in euros)
Fabric softener	1 l	2.13	2.81
Washing powder	3 kg	5.57	7.55
Tablets for dishwasher	1 kg	10.38	11.12
Ironing board with wooden board and metal legs	1 pc	33.53	21.47
Clothes drier	1 pc	16.82	6.64
Bag for travelling (size 53x37x20cm)	1 pc	19.85	13.29
Men socks	1 pc	1.74	1.83
100% Cotton panties	1 pc	5.54	5.11
Sleeveless undershirt for men	1 pc	5.05	6.13
Women t-shirts with short sleeves (cotton and elastane)	1 pc	5.75	5.62
Car tires (SP 175/65 R14 wintera)	4 pcs	164.60	169.32
LCD TV	1 pc	330.08	244.81
CD	10 pcs	2.09	1.35
DVD	10 pcs	3.13	5.83
Cooking pot	1 pc	16.71	15.33
Frying pan	1 pc	11.49	15.84
In total:		634.45	534.05



In the category of non-food items the biggest difference in prices was observed in technical goods which are better to buy in Sofia. However, it should be noted that not all non-food products are cheaper in Sofia. For example, a consumer can realize savings (nearly 4.72 euros, or about 540RSD) if it decides to purchase tires for cars perform in Serbia.

**Table 6. The comparative analysis of values of products in categories in the period:
September 2013 - December 2013**

The category of products	Total value in euros				The difference (in %)	
	September 2013		December 2013		Serbia	Bulgaria
	Serbia	Bulgaria	Serbia	Bulgaria		
Meat products	46.68	28.77	39.04	30.64	-16.37	6.49
Oils and fats	14.03	11.76	15.27	12.24	8.84	4.08
Dairy products	24.51	20.91	21.39	16.08	-12.73	-23.09
Other food products	26.41	25.27	25.92	26.46	-1.85	4.71
Non-food products	710.20	592.19	634.45	534.05	-10.67	-9.81

Comparative analysis of the value of the product categories in Serbia showed that similar movements in Serbia and Bulgaria were observed in non-food products (price drop in December compared to September 2013), dairy products (price drop in December compared to September 2013), and oils and fats (increased prices in both Serbia and Bulgaria). If we analyze meat products we can conclude that in Serbia in December for its purchase consumer needed to allocate less money in December than in September, while in Bulgaria it consumer had to allocate more money in December than in September. The same is true for other non-food products.

2.3. SERVICES

Comparative analysis of the cost of comparable services that are obtained by similar providers in Nis and Sofia showed that the use of the same is more favourable in Serbia. The data we obtained show that the difference in expenditure necessary for the use of covered services is 24.41euros (or 2805RSD or 22.7%). Thus, for example, identical dental services in Serbia are cheaper two or three times in comparison with the same in Bulgaria. Slippage at comparable cosmetic services in Bulgaria and Serbia is slightly smaller, but significant.

Table 8. Prices of particular services in Serbia and Bulgaria

Services	Serbia (prices in €)	Bulgaria (prices in €)
Tooth extraction	13.06	23.01
Tooth sealing	13.06	20.45
Solarium (15 min.)	3.92	4.60
Nail extension	9.58	17.90
Body and face massage	15.67	23.52
Dinner in restaurants (sopska salad, 1 brandy, 10 kebabs, 11 water)	7.22	6.65
Accommodation at three stars hotel (bed + breakfast)	45	35.79
Summary:	107.5	131.91

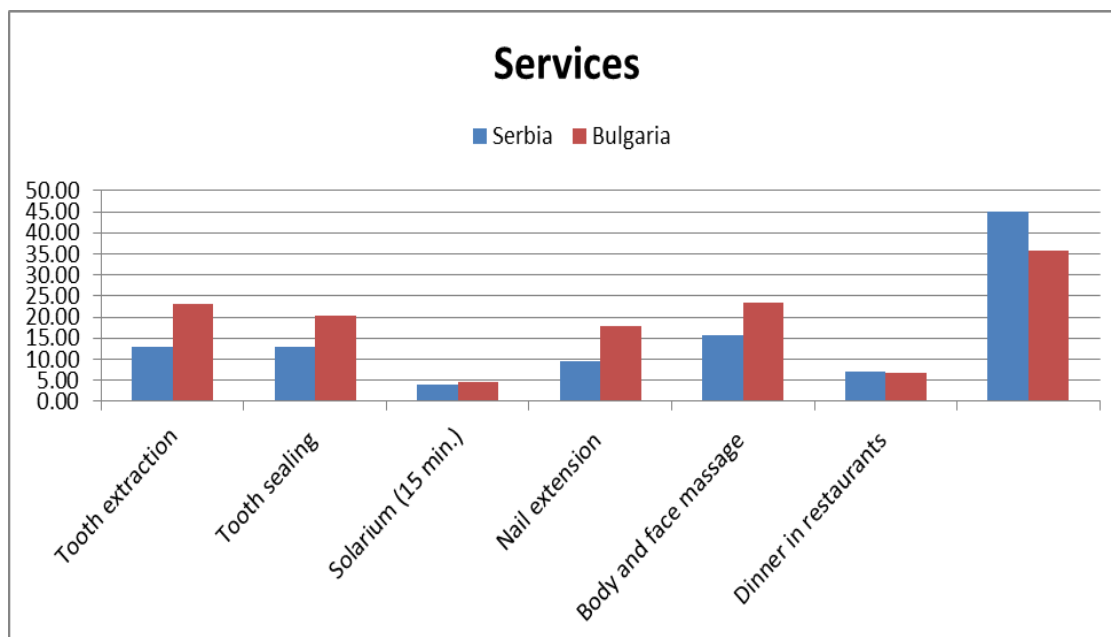


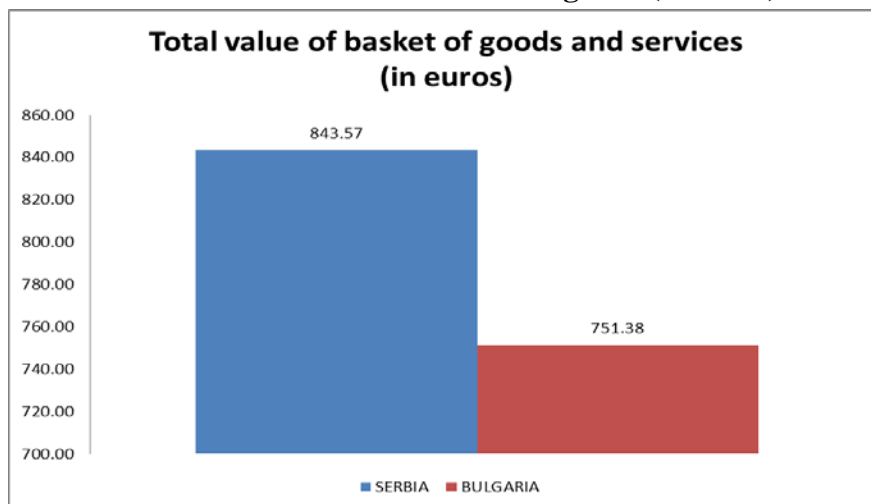
Tabela 9. Comparative analysis of prices of services in Serbia and Bulgaria period: september 2013 - december 2013. godine

Services	Serbia (prices in €)		Bulgaria (prices in €)		The difference (in %)	
	September	December	September	December	Serbia	Bulgaria
Tooth extraction	13,12	13.06	29,40	23.01	-1	-21.73
Tooth sealing	10,50	13.06	30,68	20.45	-24.4	-33.34
Solarium (15 min.)	4,59	3.92	3,76	4.60	-14.59	22.34
Nail extension	10,50	9.58	17,90	17.90	-8.76	0
Body and face massage	19,24	15.67	34,77	23.52	-18.55	-32.35
Dinner in restaurants (sopska salad, 1 brandy, 10 kebabs, 1l water)	7,17	7.22	7,16	6.65	0.68	-7.12
Accommodation at three stars hotel (bed + breakfast)	48,11	45	38,86	35.79	-6.46	-7.9
Summary:	113,22	107.5	162,51	131.91	-98.42	-80.1

2.4. TOTAL VALUE OF BASKET OF GOODS AND SERVICES

Total basket value for purchasing wanted goods and services in Serbia (without transport, customs, accommodation and telecommunication costs) is **843.57€** while in Bulgaria, value of this basket is 10.93% less (92.19euros) and it is **751.38€**

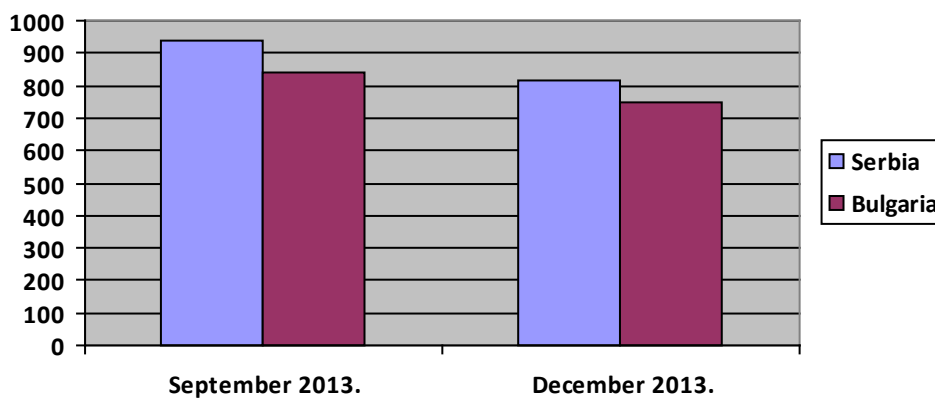
Chart 6. Total value of basket of goods (u euros)

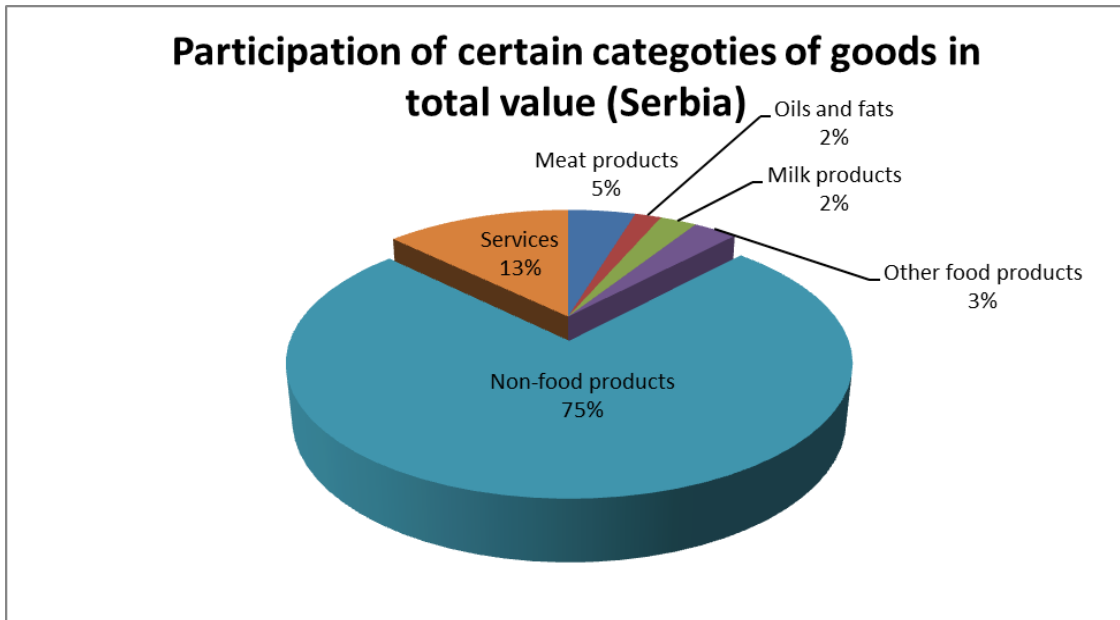


When the total value of wanted goods basket in Nis and Sofia is increased by costs of transport (which is Serbia are 37.95 euros, and in Bulgaria 39.93 euros), customs costs, and decreased by VAT returns as a percentage of value defined in notarized form, there is a summary of total costs of purchasing those goods which are most commonly a subject of import and over-border exchange.

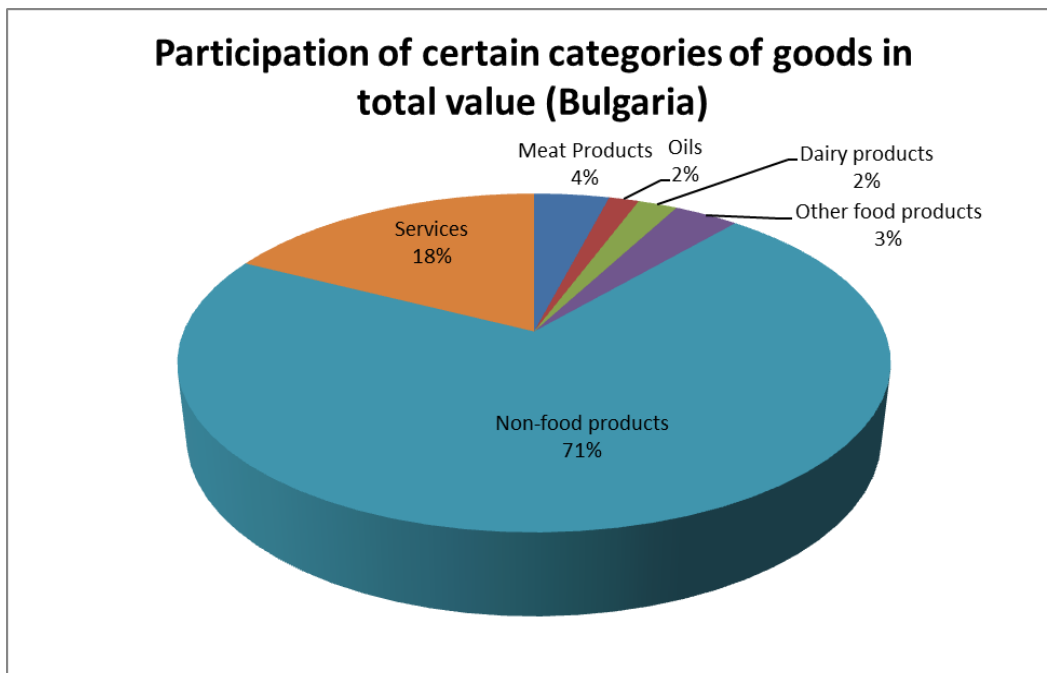
Table 10. View of total value of basket of goods (without transport and customs costs) in period: september 2013 - december 2013. Year in Serbia and Bulgaria

Year-month	Total basket's value in Euros		Difference (u %) (1-2)
	Serbia (1)	Bulgaria (2)	
2013.			
September	936.82	842.56	94,26 (10%)
December	843.57	751.38	92.19 (10.93%)
Sept.-Decem.	93.25	91.18	





The data we obtained show the largest share of non-food products in the total value of the basket (75% in Serbia, 71% in Bulgaria). Followed by services (13% in Serbia, 18% in Bulgaria) and meat products (5% in Serbia; 4% in Bulgaria). The value of the oil and fat make up 2% of the value of the basket.



III. TRANSPORTATION AND TOLL COSTS

In order to make a decision for purchasing certain goods in Nis or Bulgaria, we should add the transportation and toll costs to purchase costs. In that way we can better understand why the population of south-eastern Serbia and western Bulgaria decides to purchase in neighbouring country.

If consumers travel by car, they should expect the transportation costs on the way Nis-Sofia-Nis (or Sofia-Nis-Sofia) and the distance is 320km in both directions. The prices of gasoline in Serbia in categories are: 1) benzine 150,40 dinars, 2) diesel 151,40 dinars, 3) LPG 85,9 dinars.

In Bulgaria the price of a liter of gasoline is 2.58 levs, diesel 2.66 levs, and the LPG 1.4 levs. The citizens of Serbia in Bulgaria toll amounting to 10 leva (5.11 euros). The vignette can be bought at the border. Bulgarian citizens do not pay the toll road to Nis.

During the second field research of calculating the transportation costs, we considered the transportation by a passenger vehicle that spends 8l of diesel petrol in 100km. The transportation costs for the citizens of Serbia were 4359,41 RSD (37,95 euros) and it included 25l of benzine and vignette.

The price of a bus ticket from Nis to Sofia is 1350 dinars (11,75 euros), and from Sofia to Nis 25 levs (12.78 euros).

Table 7 The comparative analysis of the transportation price between Nis and Sofia in the period: September 2013 – December 2013

Month and year	From Serbia to Bulgaria (prices in euros)		From Bulgaria to Serbia (prices in euros)	
	September 2013	December 2013	September 2013	December 2013
Gasoline 95 octanes, 1l	1,30 (148,90 din)	1,31 (150,40din)	1,40	1.32
Euro diesel, 1l	1,32 (150,90 din)	1,32 (151,40din)	1,33	1.36
LPG, 1l	0,73 (83,9 din)	0,75 (85,9din)	0,7	0.71
Toll in Bulgaria, vignette, validity one week	-	-	5	5.11
Car transport, diesel, 320km + toll (vignette) for one week	37,81 (4323 din)	37,95 (4359,41din)	33,0	39.93
Bus transport, one-way ticket Nis-Sofia (Sofia-Nis)	11,81 (1350din)	11,75 (1350din)	12,3	12.78

Based on the data presented in Table 7 it can be seen that in the period from September to December, a slight increase in prices of petroleum products in Serbia and Bulgaria as the final buying expensive goods in the neighboring country. Bus fares have remained unchanged.

IV. THE PURCHASING POWER OF THE POPULATION IN SERBIA AND BULGARIA

The purchasing power of the population is measured by the coefficient obtained by dividing the average monthly salary and the value of the observed market basket of Serbia and Bulgaria

By information provided by Republic institute for statistic, average income without taxes and contributions in september 2013. Year in Republic of Serbia was 43615 RSD (380 Euros). **That means that there must be 2.22 average income to fullfil purchasing of one noted basket with goods and services in Serbia.** By latest informations provided by Republic fund for pension and disability insurance, average pension in Republic of Serbia in the observed period was 25439 RSD (221.44 euros). **Purchase noted basket, needs 3.8 average pensions.**

By information generated by National statistic institut and National institut for social care, average income in Bulgaria for noted period was 801 BGN (409.54 euros). **Purchase noted basket, needs 1.83 average income.** Average pension for analysed period was 297.97 BGN (152.31 euros), **which means that for a purchasing goods and services from a basket of goods in Bulgaria, needs 4.93 average pensions.**

The purchasing power of the population measured by the ratio of average net earnings and the value of the basket of goods in December was higher than in September, thanks, above all, reducing the value of the observed market basket. Specifically, the value of the observed basket for the month of September 2013. amounted to 936.82 euros in Serbia (i.e. 842.56 euros in Bulgaria) and was higher by 93.25 euros in Serbia (91.18 euros in Bulgaria) in relation to the value of the basket in December 2013.

Compared with data in September, it can be said that there has been an increase in the purchasing power of the population in Serbia and Bulgaria. Specifically, the increase in the purchasing power of decisive influence is less value of the observed basket, given that the average salaries and pensions in Serbia and Bulgaria remained approximately at the same level.

According to official data in Serbia and Bulgaria we can say that there is higher purchasing power of pensioners in Serbia compared to pensioners in Bulgaria. On the other hand, the observed increased purchasing power of the employees in Bulgaria compared to employees in Serbia.

Table 11. View of circulation of purchasing power of population in Serbia and in Bulgaria in period of september 2013. – december 2013. Year

Year - month	Average month income per employe (without taxes and contributions)		Value of basket of products in € (3)		Basket – income relation	
	Serbia (1)	Bulgaria (2)	Serbia	Bulgaria	Serbia (3:1)	Bulgaria (3:2)
2013.						
Septembar	42866 RSD (375 evra)	799 BGN (408,5 evra)	936.82	842.56	2.50	2.06
Decembar	43.615 RSD (380 evra)	801 BGN (409.54 evra)	843.57	751.38	2.22	1.83

Year-Month	Average pension		Value of basket in euros (3)		Pension-value of basket relation	
	Serbia (1)	Bulgaria (2)	Serbia	Bulgaria	Serbia (3:1)	Bulgaria (3:2)
2013.						
September	24025 RSD (210 evra)	298 BGN (152 evra)	936,82	842,56	4,46	5,54
December	25439 (221.44evra)	297.97 BGN (152.31evra)	843.57	751.38	3.80	4.93

V. LIMITATION OF TRADE MARGIN AS AN INSTRUMENT FOR CONSUMER PROTECTION

In order to protect consumers, creators of economy policy introduce new measures to prevent uncontrolled price rising. Associated with that it should be noted that since 1. January 2014. Year Limitation of trade margin Law to 10% for all basic foodstuffs which is introduced by Serbian Government at December 2011.year ceases to be valid. This means that the prices of basic foodstuffs will be formed freely on market.

Law encompass next products: wheat flour type 400 and 500, edible sunflower oil, thermal processed cow milk (pasteurized and sterilized), yogurt, whise sugar, pork, beef, chicken meat, freshwater fish.

VI. THE VOLATILITY OF FOOD PRICES (STANDARD DEVIATION)

Cycles of inflation largely driven by the fluctuations in food prices. Ending a six-year process of reduction of customs tariffs on food imports to Serbia in the European Union at the beginning of 2014. year should help reduce fluctuations in prices of these products.

Law of the National Bank of Serbia (NBS) defines the main goal of the NBS, which is to achieve and maintain price stability. Since 2009. The NBS has done the inflation targeting with the goal of inter-annual inflation in December 2012 has been determined at a level of $4 \pm 1.5\%$. NBS projects inflation based on the Consumer Price Index (CPI).

Components of the Consumer Price Index are:

- a. Prices of non-food (market) products (40.1% of CPI)
- b. Food prices (excluding fruits and vegetables) (26.7%)
- c. Prices of fruits and vegetables (7.8%)
- d. Prices of petroleum products (5.0%)
- e. Regulated prices (20.4%)

$$IPC = 0.401 \cdot \text{non-food} + 0.267 \text{ food} + 0.078 \cdot \text{fruits and vegetables} + 0.05 \text{ petroleum products} + 0.204 \cdot \text{regulated products}$$

Factors affecting the non-food market price:

- a. Inertia (previous inflation)
- b. inflation expectations
- c. Exchange rate (imported inflation)
- d. Import costs (gap of the real exchange rate)
- e. Demand (output gap)

$$\text{non-food} = 0.5 \cdot \text{Non-food-1} + 0.35 \cdot \text{inf. exp} + 0.15 \cdot \text{import inf} + 0.3 \cdot \text{real exchange rate gap-1} + 0.3 \cdot \text{production gap-1} + \text{shock}$$

Factors that influence food prices:

- a. Inertia (previous inflation)
- b. inflation expectations
- c. Exchange rate (imported inflation)
- d. Import costs (gap of the real exchange rate)
- e. Demand (output gap)
- f. The raw materials cost (gap RMTP)

$$\text{food} = 0.3 \cdot \text{Food-1} + 0.53 \cdot \text{inf ex} + 0.17 \cdot \text{import inf} + 0.3 \cdot \text{real exchange rate gap-1} + 0.3 \cdot \text{production gap-1} + 0.3 \cdot \text{gap RMTP} + \text{shock}$$

VII. FOOD WITH GENETICALLY MODIFIED ORGANISMS

The genetically modified plants were planted 150 million hectares of land in 2010, while in the 2013 there were 20 million hectares more. Genetically modified organism is an organism - plant or animal - where the cultivation of genetically engineered genes entered an another body. Law on Genetically Modified Organisms of the Republic of Serbia defines GMO as " an organism , other than a human, whose genetic basis of altered uses recombinant DNA technology ." (Official Gazette of RS , no. 101/2005). The most common genetically modified organisms are: corn, soybeans, oilseed turnip, potato, cotton and tomatoes .

In Europe, there has been a long resistance to genetically engineered products, obtained from the transgenic organisms, which have a proportion of the genome of other species present one of genetic engineering technique. Europe still does not allow the cultivation of genetically modified plants, and distribution of food that goes through them is strictly controlled. In the EU, only five countries (Spain, Portugal, Sweden, Slovakia and Romania) grown GMO plants (120,000 acres), and only corn. Member States of the European Union adopted a decision on mandatory labeling the food made of genetically modified organisms. Thus, for example, in March 2012 in Bulgaria passed a law that banned the cultivation of genetically modified crops .

In Serbia takes effect the law that prohibits the placing on the market or breeding for commercial purposes genetically modified organisms. Under this Act as a genetically modified organism is not considered an agricultural product containing up to 0.9% of GMO ingredients .

Belgrade City Administration and the Secretariat for Environmental Protection came up with a list of food producers that use genetically modified organisms in production, and whose products are found in the Serbian market . These are the following products :

- 01 Snickers , Mars , Twix , Milky Way , Bounty (chocolate)
- 02 Campbell Soup (soup)
- 03 Uncle Ben 's (peas)
- 04 Lipton (tea)
- 05 Cadbury (chocolate , cocoa)
- 06 Ferrero (Nutella, Kinder Egg , Kinder Bueno)
- 07 Nestle Chocolate , Nestle Nesquik
- 08 Coca - Cola , Sprite , Fanta , Pepsi , 7-up
- 09 Knorr (sauce, soup , bouillon cube)
- 10 Hellman 's (spices , mayonnaise , juices)
- 11 Heinz (spices , mayonnaise , juices)
- 12 Kraft (favorite Milka chocolate , chips , Jacobs coffee)
- 13 Heinz Foods (ketchup , juice)
- 14 Mc'Donalds the "fast " foods and their meals
- 15 Hipp (baby food)
- 16 Abbot Labs Similac (powdered milk for babies)
- 17 Danone - yogurt , kefir , cheese

CONCLUSION

The report presents the relevant data we obtained in research. Based on the monitoring of prices in retail stores in Nis and Sofia, we came to the exact data on average prices of comparable products and services. By using the average prices of goods and services in euros we performed a comparative analysis of the values included in the category of goods in Nis and Sofia. We watched the prices of products and services that are in regular sales and not on the specific sales offers.

The research made available to consumers information on the cost effectiveness of purchasing products and services in the neighboring country .

Using data collected from the field and official data on realized average earnings in Serbia and Bulgaria, we tried to measure the purchasing power of the population. The purchasing power of the population , was represented by the ratio of the value of the basket and the average income in Serbia and Bulgaria.

Thus, in Serbia in September was necessary to allocate 2.5 Average monthly salary to cover the value of the basket of goods . While in December it needed 2.22 The average salary for covering the basket . Here it should be noted that the value of the basket in Serbia in December fell by 118 euros compared to the value of the basket in September and amounted to 843.57 euros .

In Bulgaria in September was necessary to allocate 2.06 The average monthly salary to cover the value of the basket of goods . While in December was necessary 1.83 average earnings to cover the basket . It should be noted that the value of the basket in Bulgaria in December fell by 91.18 euros compared to the value of the basket in September and amounted to 751.38 euros.

Lower value of the observed market basket had the crucial impact on the purchasing power of the population, given that the average salary in Serbia and Bulgaria increased slightly . The total value of the basket to purchase goods and services in Serbia in December was higher by about 10.93% (92.19 euros) in relation to the value of the same basket in Bulgaria.

When the total value of the market basket to purchase goods in Nis (Serbia) and Sofia (Bulgaria) is added transport costs, the costs of customs duties (% of value of goods over 100 euros per person , tariff rate in Serbia is 10% , 5 % and in Bulgaria) and deducted VAT refund in % of the value of the certified form, receives the amount of the total cost (expenditure) for the supply of goods which are the most common items of imports and cross-border trade. Transport costs for the citizens of Serbia amounted to 37.95 euros, including 25 liters of fuel and a vignette. For consumers in Bulgaria the cost of the route Sofia- Nis -Sofia in December amounted to 39.93 euros.

The report presents data on the volatility of food prices in different countries and gives a list of products on the market that Serbia contains genetically modified organisms. The attached report shows the price at facilities in Serbia, and Bulgaria to the concretization of the observed product (service).

Trade companies meet the consumers by offering numerous benefits NVN shopping in their establishments. Useful links for more information:

<http://www.metro.rs/public/home>

<http://www.metro.bg/public/home>

<http://www.maxi.rs/code/navigate.php?Id=1>

<http://www.piccadilly.bg/profile.php>

<http://www.dismarket.rs/pocetna.php?format=plus&sifoj=52000>

http://www.lidl.bg/cps/rde/xchg/lidl_bg

<http://www.BGraspisanie.com>

APPENDIX

The attachment contains tables with prices and descriptions of products and services that were observed during the field survey conducted in Nis and Sofia 13 December 2013th year.

Products	Unit	Retail stores in Serbia (prices in RSD)			Retail stores in Bulgaria (prices in BGN)		
		METRO	MAXI	DIS	METRO	PICCADILLY	LIDL
1. Meat Products							
Dry flat sausage	1 kg		899.99	1181.99	15.00	15.94	15.30
Smoked pork neck	1 kg	995.99	1229.00		12.20	13.90	15.99
Chicken frankfurters	1 kg	588.73	656.54	668.24	5.25	11.225	4.20
Bacon	1 kg	819.99	1199.00	839.99	8.66	12.84	14.39
Ham	1 kg	730.86		751.40	6.51	15.59	12.79
2. Oils							
Sunflowers Oil	1 l	124.25	124.99	138.99	2.28	2.79	1.98
Olive Oil extra virgin	1 l	647.99	1099.99	128.99	13.79	13.3	11.30
Margarine	0.5 kg	158.39	156.99	703.99	2.50	2.1	2.79
Butter	0.5 kg	670.30	735.00	572.50	6.00	6.2	6.78
3. Dairy products							
Cow's milk white cheese	1 kg	604.76	388.99	455.54	8.75	4.49	6.89
Trappist cheese	1 kg	919.99	1049.00	999.99	16.01	8.99	16.00
Gouda cheese	1 kg	899.99	1049.00	861.99	13.08	12.30	5.99
Milk for espresso	75 g	46.43	55.99	39.99	0.60	0.55	0.70
4. Other food products							
Phyllo for cheese pastry	1 ps.	66.52	79.99	76.99	1.38	1.60	1.45

(banitsa)							
Ketchup	0.5 l	91.89	89.99	91.99	1.45	2.14	2.59
Eggs (B class)	10 ps.	113.29	164.99	100.99	2.80	3.45	2.70
White sugar	1 kg	78.84	82.99	82.99	1.66	1.65	1.69
White beans	1 kg	337.49	274.99	291.99	2.26	5.3	3.99
Potatoes	1 kg	59.40	44.99	34.99	1.02	1.08	1.08
White rise	1 kg	129.58	169.98	146.99	1.99	1.99	1.99
Tomato Paste	1 kg	92.79	133.98	91.99	3.00	2.27	5.69
Whiskey Ballantine's	0.7 l	1199.99	1474.99	1284	21.59	22.85	16.99
Plain biscuits	1 kg	535.93	599.93	530	10.35	11.27	9.16
Chocolate (Milka)	80 g	69.59	84.99	77.99	1.188	1.69	1.69
Chocolate dessert (Snickers)	1 ps.	36.99	49.99	57.00	0.70	0.79	0.79
5. Non-food products							
Fabric softener (Lenor)	1 l	223.19	264.99	245	3.71	4.49	8.3
Washing powder (Ariel)	3 kg	596.36	599.99	723	13.19	16.34	
Tablets for dishwasher (Calgonit. Somat)	1 kg		969.99	1414	14.99	28.4	
Ironing board with wooden board and metal legs (Vileda)	1 ps.	3851.99			41.99		
Clothes drier (Vileda)	1 ps.	1931.99			12.99		
Bag for travelling (size 53x37x20cm; B41)	1 ps.	2279.99			25.99		
Men socks (100% cotton. Pompea. Bohem)	1 ps.	200			3.58		
100% Cotton panties (Pompea)	1 ps.	635.99			9.99		
Sleeveless undershirt for men	1 ps.	579.99			11.99		
Women blouse with short sleeves (cotton and elastane)	1 ps.	659.99			10.99		
Car tires (SP 175/65 R14 wintera)	4 ps.	18909.25			331.16		
LCD TV (Samsung 32 inch)	1 ps.	37919.99			478.80		

CD (Verbatim)	10 ps.	239.99			2.64		
DVD (Verbatim)	10 ps.	359.99			11.40		
Cooking pot (5l)	1 ps.	1919.99			29.99		
Teflon coated frying pan (26cm)	1 ps.	1319.99	1169.00		30.99		

Key Expert: Prof. Dr. Boban Stojanović