

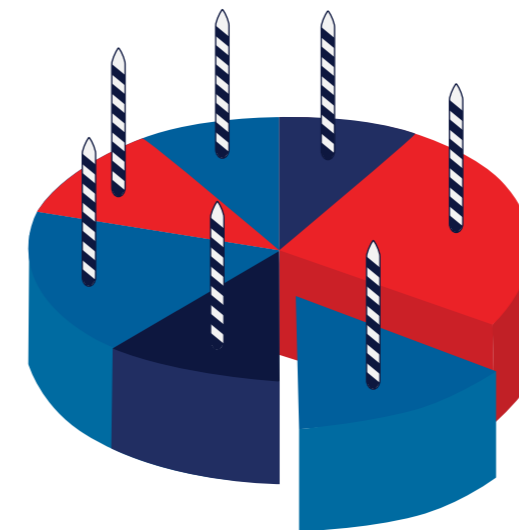
Open Parliament Newsletter

# PARLIAMENTARY INSIDER

Issues 6, 7, 8 / Vol 6-8 / April, May, June 2019

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Introductory remarks: Hot topics and opposition mirage
- ✓ **Open Parliament Analyses**  
Parliament in the Report of the European Commission:  
repetition is (not) the mother of all learning
- ✓ **Summaries of the laws**
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  - Law amending the Law on the Capital City



**7 YEARS  
OF THE OPEN  
PARLIAMENT**

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## ABOUT THE OPEN PARLIAMENT INITIATIVE

The Open Parliament Initiative has been monitoring the work of the Serbian Parliament every day since 2012. The Open Parliament collects and publishes data on the Parliament's work and results and deals with the analysis of various processes from the perspective of transparency, accountability and participation.

The main goal of the Open Parliament Initiative is to increase transparency and accountability of the work of the Parliament, to inform the citizens about the work of the Parliament and to establish regular communication between citizens and their elected representatives. Our work is based on the values contained in the international Declaration on Parliamentary Openness, and the Open Parliament took part in the development of this initiative.

Since January 2018, the Open Parliament team has increased the focus of this initiative's activities on democratism and accountability in the conduct of MPs and the work of the institution.



The Federal Foreign Office of the Federal Republic of Germany has been supporting the Open Parliament Initiative since August 2018, including drawing up the newsletter. The views expressed in the newsletter are the views of the Open Parliament team, but they do not necessarily reflect the views of the donor.

# 7 YEARS OF THE OPEN PARLIAMENT

We have been opening the Parliament for you for seven years.

We have been monitoring the work of MPs and the Parliament, analysing their activities, drawing attention to problems, offering solutions and inciting citizens.



We opened and enables search of **of more than 250 000 speeches** of MPs in plenum, and of **nearly 2000 transcripts** of the Assembly sessions.



We published **several tens of thousands** of amendments put forward by MPs.



We opened a communication channel with MPs which was used by more than 900 citizens eager to ask questions.



We supported the organisation of **170 events** dedicated to the Parliament in more than 30 Serbian cities.



We regularly **monitored and analysed** the work of MPs and the activities of the Parliament, **reported** on trends in their work, on key laws and on oversight they performed over the work of the executive.



We analysed law proposals for you, **singled out and explained the most important changes** they bring in our **law summaries**.



We made **fifty educational videos** about the role of MPs in the society, functions of the Assembly and the citizens perception of MPs and the Parliament.



We regularly **summed up the most important events** in our periodical reviews of the Assembly activities and in our monthly newsletters.

## BIRTHDAY NEWSLETTER: PARLIAMENT UNDER THE LOOP FOR SEVEN YEARS

The Open Parliament initiative celebrated its seventh birthday in June 2019. Since 2012, the Open Parliament informs the citizens on the work of the National Assembly, monitors the activities of the MPs, draws attention to problems and offers solutions.

In the course of seven years, the Open Parliament analyzed **682 plenary days** during which **1057 laws were adopted**, disclosed more than **250.000 speeches** of MPs, developed **almost 300 summaries of the laws** and more than **30 analysis** of parliamentary processes and work of the National Assembly and collected **more than 900 questions which citizens addressed to MPs**.

The Open Parliament team regularly analyses and reports on the performance of the Parliament as well as on trend in conducting legislative and oversight activities, key problems and challenges in the work of the Parliament and potential recommendations. Below, you may find the birthday infographic with key accomplishments in the previous years.

## ● INTRODUCTORY REMARKS

### Spring in the Parliament: hot topics and opposition mirage

*From the introduction of a life sentence to lawfully bribing and tipping physicians, spring in the Parliament was marked by a set of important laws. The opposition boycotted the Parliament whereby daily arguments outside the agenda and altercations with the dissents still dominated the plenum. The epilogue of the European Commission Report for 2019 is the announcement of a turning point in the work of the National Assembly.*

**Members of Parliament worked in plenum in spring for a total of 28 days**, 7 in April, 12 in May and 9 in June. The Third sitting was completed, three more ordinary sittings were held, one extraordinary session and three separate sessions of the National Assembly.

Opposition MPs **boycott** continued throughout spring with nearly 50 MPs who are still boycotting the plenum and the work of the committees. The Party of Modern Serbia parliamentary group stopped the boycott in May, with the exception of Nenad Božić. In April, the Speaker of the Parliament convened the National Assembly Collegium, for the second time this year, in order to consult on the further work of the Parliament. However, in addition to the ruling majority, only representatives of opposition parliamentary groups of the Serbian Radical Party and the Liberal Democratic Party / League of Social Democrats of Vojvodina / Party of Democratic Action of Sandžak responded to the call. There were **changes in parliamentary benches** in April. The Dveri movement group no longer existed as MPs Srđan Nogo and Zoran Radojičić left the group, whereas the Green Party has two mandates in the Assembly. Aleksandra Čabraja, elected within the list Enough is Enough (Dosta je bilo) passed to the Independent MPs Club, only to become a member of the Green Party. She will continue her mandate outside MPs clubs.

**The biggest controversy of this spring sparked about health care, the amendments to the Criminal Code, which imposed a life sentence, as well as the report on Kosovo presented in the plenum.** Having adopted the Healthcare Law at the Third sitting of the First ordinary session in 2019, MPs also legalised the practice of tipping physicians with non-cash gifts, in the maximum total value amounting up to one average monthly salary. During the Fourth sitting, MPs mostly argued about the Law on Conversion of Housing Loans in Swiss Francs, that the Minister of Finance Siniša Mali presented as “the best possible solution”, “given the circumstances”, but the opposition MPs severely criticised, considering that it could only partially solve this citizens’ problem. Amendments to the Law on Cable Cars for Transportation of People were also adopted, allowing the Ministry of Construction, Transport and Infrastructure to prescribe conditions regarding the cable car construction procedures without consent of other competent ministries (such as the Ministry of the Environment and Agriculture).

May was marked by the argument about the proposed amendments to the Criminal Code, the Anti-Corruption Act, and The Law on the Capital City. The main argument during the Fifth sitting related to the introduction of a life sentence to the Serbian legal system. Although this sentence concerns a large number of crimes, ruling party MPs discussed almost exclusively about the amendments of sentences foreseen for rape and murder of children and the weak, pointing to cases of murdered children. **The name of Tijana Jurić** was mentioned 160 times during the sitting. On the other hand, the professional public criticised the introduction of the life sentence saying that the amendments were populist.

In spring, the Assembly Plenum was also **a stage for daily political arguments**. The Serbian Progressive Party MPs seized the opportunity in April to **invite citizens to the “Future of Serbia” rally**, sending them a message to “Come tonight to show the strength and support that the Serbian

Progressive Party has”. On the day devoted to the discussion about corruption during the May session, MPs mentioned **Dragan Đilas 159 times**, and his so-called purchase of the MPs club and the party. While discussing the amendments to the Law on the Capital City the main topics were the present and the former local authorities. While considering the decision on the termination of the court presidents’ function, MPs dedicated the largest portion of time to the participation of the Appellate Court judge **Miodrag Majić in the show The Impression of the Week**, the subject of which were adopted amendments to the Criminal Law. MPs talked about the judge Majić’s work, questioning his integrity; about the work and **financing of the Centre for Judicial Research**, where Majić is a member, as well as about other non-governmental organisations. The argument about daily political topics went on during the discussion on the bill of the Science and Research Law, when MPs discussed about **the academic background of Jovo Bakić**, assistant professor at the Faculty of Philosophy.

By the end of June, the **12th extraordinary sitting took place**, with a bill of the Law on Communal Police and a bill of the Science and Research Law on the agenda. Although it was noted that the practice of a joint discussion about all items of the agenda was no longer dominant, the question remained whether the work of the Parliament would actually continue to improve, given the lack of interparty dialogue.

**Three separate sittings** took place in spring. A special sitting devoted to the **visit of the Chairman of the State Duma of the Federal Assembly of the Russian Federation** was held in May. In June, special sittings were dedicated to Kosovo and to consideration of independent institutions’ reports. The twenty second separate sitting in the Eleventh Session was held on June 3rd regarding the Report on Kosovo and Metohija, submitted to the National Assembly by the State Office for Kosovo and Metohija. The report on Kosovo was last discussed in plenum in 2013, when the then-Prime Minister Ivica Dačić reasoned the Report on Process of Political and Technical Dialogue with Provisional Institutions in Priština. Although they assisted the entire sitting, representatives of the Government did not engage in the discussion this time. President of the Republic of Serbia, Aleksandar Vučić, first addressed the Assembly in a speech that lasted for two hours and twenty-five minutes. He talked about historical events, demographic structure of the population of this area throughout the history, financial investments of the Serbian Government, as well as about two possible, but different scenarios of the development of relations with the Albanians. Nevertheless, nothing was said about concrete steps that the Government envisaged to undertake in these negotiations. At the twenty fourth separate sitting annual **reports about the work of independent institutions** were adopted, namely of the State Audit Institution, the Fiscal Council and the Commission for Protection of Competition, together with conclusions of the competent committees.

The beginning of June was marked by the annual **Report of the European Commission for 2019**, which pointed out particularly worrisome trends in the work of the Parliament, such as the lack of interparty debate, the opposition boycott and an infringed control over the work of the Government; and called for an urgent change of such practice. The heads of the state, including the Speaker of the Parliament, announced a turn in the work of the Parliament in the first week of June and a termination of negative practices. **The Assembly Committees organised two public hearings in June.** This mechanism had been neglected in previous years. The Foreign Affairs Committee organised a public hearing on topic of “The Presentation of the First National Report on the Sustainable Development Goals”, and the Education, Science and Technological Development Committee conducted a public hearing on the bill of the Law on Science and Research. The **institute of MPs asking questions on the last Thursday of the month** was used, although it had not been applied during ordinary sessions in April and May, but only on the last Thursday in June. Inter alia, MPs asked the Government representatives about specialisations for doctors, sales of Komercijalna banka, agreements on the export of agricultural products and election process reforms. The Prime Minister Ana Brnabić attended the session with ministers, but the Deputy Prime Minister was absent.

### Collegium reduced to a rump and the absence of parliamentary questions

The MPs worked for 7 days in the plenum. The third sitting was concluded at the beginning of April, whereas the fourth was scheduled only after the two-week break. The boycott of 55 opposition MPs continued throughout this month as well.

2.

### Continuation of the third sitting of the regular spring session

Like every Tuesday, the MPs requested notifications and explanations. On that occasion, there were words about settling debts related to agricultural insurers, additional information on the expansion of the Ladjevci airfield runway, the visit of the Mayor and the President of the Šabac Assembly to the town of Peć. By the end of the day, the debate in detail of health legislation proposals was completed: the Law proposal on Items of General Use and the Law proposal on substances used in the illicit production of narcotic drugs and psychotropic substances. The sitting was attended by Minister of Health Zlatibor Lončar.

Changes in health system: past or future

The MPs of the ruling majority spoke more about the effects of the previous government than on the proposed acts. As they say, there are reasons for comparing the effects. Although the laws on the agenda relate to the future organization of the health system, the time for the debate was mainly dedicated to commenting on health system and salary levels at the time of the previous convocation.

"Ladies and gentlemen MPs, I am constantly surprised by the remark that we should not talk about what former regime was like. Why not talk? We need to talk, we need to talk constantly, as many times as I can, and wherever I can, I will be speaking about the kind of crime they committed against their citizens while they were in power," said Veroljub Arsić.

3.

### The Voting Day

During the Voting Day, the MPs adopted all the items on the agenda. A set of laws in the area of health system was adopted. In one of them, the Law on Health Care, MPs also legalized the practice of giving gifts to doctors in the form of non-cash gifts in the maximum amount up to one average monthly salary. In addition, two international agreements were adopted. The Chairman of the Securities Commission - Marko Janković was also appointed. During the sitting, the MPs pointed out to the violation of the Rules of Procedure so they also voted in relation to that. However, it was decided that in no case the provisions of the Rules of Procedure were violated.

16.

### Collegium reduced to a rump

For the second time this year, Maja Gojković convened the National Assembly Collegium to consult on the further work of the Parliament. However, the number of representatives of parliamentary groups present indicates that the agreement which would involve all parties will not be reached. In addition to the ruling majority representatives, only representatives of the parliamentary groups of the Serbian Radical Party and the Liberal Democratic Party/League of Social Democrats of Vojvodina/Party of Democratic Action of Sandžak responded to the invitation.

18.

### Fourth Sitting of the regular Spring Session

After a two-week break, the Fourth Sitting was convened, which was scheduled within a shorter period than the one determined by Article 86 of the Rules of Procedure of the National Assembly. The Speaker of the National Assembly is obliged to explain such a procedure.

"...because of the need for the National Assembly to consider the draft acts of the proposed agenda and adopt them." – said Maja Gojković.

Ministers at the session as well

All members of the Government were invited to attend the sitting. However, only Minister of Finance – Siniša Mali, Minister of Labour, Employment, Veteran and Social Policy – Zoran Djordjević and Minister of Construction, Transport and Infrastructure – Zorana Mihajlović showed up.

19.

### Calling for a rally as a part of the speech on proposed laws

At the sitting of the Parliament, on the day of the "Future of Serbia" rally, the MPs requested to be granted the floor to talk about the rally among other things. Thus, the MPs of the ruling Serbian Progressive Party called for a rally "which modern Serbian history does not record." "Come tonight for us to show the strength and support of the SNS," one of the invitations said. We remind that on Friday MPs sat in violation of the Rules of Procedure, which prescribes that sittings are held from Tuesday to Thursday.

23.

### Swiss francs on the agenda

The Law on conversion of housing loans indexed in Swiss francs caused the most controversy among MPs during the fourth sitting. The MPs discussed it for the entire 3 days. Opposition MPs criticized the law proposal because, as they say, it only partially solves the problem. On the other hand, Minister of Finance Siniša Mali claims that "given the circumstances, they have found the best possible solution". However, the Law was adopted by a majority decision.

What is suggested by the Law on housing loans in Swiss francs?

The Law provides that the remaining share of the debt (principal + accrued unpaid interest) shall be converted into euro, so the amount thus generated shall be decreased by 38% and the appropriate interest rate shall be applied to this amount. The banks shall bear the costs of conversion and reduction, but they can request from the state to have their costs compensated by 15% from the amount generated by the conversion. Court proceedings that users and banks conduct in connection with these loans will be suspended if the user accepts the conclusion of a debt conversion contract, and each party will bear their legal expenses.

25.

### Voting day

During the voting day, all items of the agenda were adopted. It is interesting that the three adopted laws shall enter into force in the period of less than eight days following that of their publication, for particularly justified reasons. These are: Law amending the Law on Budget System, Law amending the Law on Planning and Construction and the Law amending the Law on the real estate and utility lines cadastre registration procedure.

Changes in parliamentary seats

In April, some changes in parliamentary seats occurred. The parliamentary group Dveri has been dissolved after the departure of MPs Srdjan Nogo and Zoran Radojičić. The Green Party now has two mandates in the assembly. Aleksandra Čabraja, who was elected by the citizens from the list of Enough is Enough (Dosta je bilo), and who then moved to the Independent MPs Club, has now become a member of the Green Party and will continue to hold the mandate outside of the MPs clubs.

## End of the Spring Session

The highlights of the Parliamentary May were the adoption of the Criminal Code amendments, as well as the special sitting on Kosovo and Metohija, when after 6 years the Government Report on Kosovo and Metohija was again discussed and substantiated in the plenum. Several opposition parties MPs who had participated in the boycott by now, have joined the sittings this month. The Modern Serbia Party MPs, except Nenad Bozic, officially ended their boycott. During the May sittings, the MPs discussed topics unrelated to the agenda, so they commented the part of the public response to the introduction of the life imprisonment sentence at the sitting dedicated to amendments of the Law on Capital City. The appearance of the Appellate Court judge Miodrag Majic in the TV talk show "Utisak nedelje" (Impression of the Week), and the credibility of his work were the main topics of the sitting during the debate on the termination of presidents of courts offices. The institution of parliamentary questions has not been used this month again, so the Spring Session had ended with only one appearance of the Government at the March sitting when the MPs posed their questions.

14.

### Convening sitting and the Agenda with amendments to the Criminal Code and Law on Prevention of Corruption

Under the Rules of Procedure, it is foreseen that the Speaker of the Assembly shall convene the sittings seven days in advance, except in exceptional cases when it is required for the Speaker to substantiate that. Fifth and Sixth Sittings were convened sooner than the time foreseen. However, in line with the Rules of Procedure, the Speaker of the National Assembly substantiated this was necessary due to the "need of the National Assembly to examine the proposals of the legislation under proposed agenda at the earliest."

The Agenda of the Fifth Sitting included the set of laws from the area of judiciary: Law amending the Criminal Code, Criminal Procedure Code, Law on Enforcement of Penal Sanctions and Law on Seizure and Confiscation of the Proceeds from Crime. Proposal of the Law on Prevention of Corruption has caused great attention. The focus of the discussion of this Law concerned the declaration of assets and income of the public officials. In addition to this, the agenda included eight international agreements in the area of economics, transport and infrastructure, as well as the two proposals of the decisions on election of judges and courts' presidents. Minister of Judiciary Nela Kuburovic was present at the sitting.

Notifications and explanations

The MPs requested notifications and explanations from the Government this Tuesday as well. Some of the questions concerned the case of the prosecutor Danijela Trajkovic, the stoppage of works on the Republic Square reconstruction, decentralisation of Serbia and measures of retorsion towards Montenegro due to the judgment against 11 citizens of Serbia who were sentenced for the coup d'état attempt in this country.

15.

### MPs of the ruling majority spoke about the life imprisonment punishment and boycott

Most of the time the MPs discussed the topic of Criminal Code amendments, however, while taking floor they mostly referred to the boycott of one group of the opposition MPs, inviting them to return to their MPs seats.

Introduction of the life imprisonment in the Criminal Code was supported by all MPs present during the discussion. The focus of the discussion was harsher punishment for rape of children such that results in the death of a child. However, under this law, the life imprisonment was extended to aggravated crimes against the constitutional order and security of the Serbia, terrorism, and assassination of the representatives of highest national authorities and other. It did not stop the MPs from bringing up the name of Tijana Juric for 160 times.

16.

### Notifications and explanations

Thursday began, in line with the Rules of Procedure, by demanding the notifications and explanations from the Government. On this occasion, the MPs demanded information on the public lighting at the village Malča interchange, recognition of wartime pension schemes calculated doubled for the entire wartime, lobbying on the change of the USA position as regards Kosovo and results of the population policy.

What do the MPs talk about?

On the third day of the Fifth Sitting, the agenda included the proposed international agreements which were to be discussed. However, during the discussion on the acts, a lot was spoken about the results of the former governments. MP Marko Atlagic, (SNS), mentioned the previous health care: "When Djilas was in power, as the people called him Djiki the Mafia, during the rule of Vuk Jeremic, also known as Vuk the Successor, the health care was characterised by everyday affairs. You do remember, ladies and gentlemen, the cytostatics case. During their regime, the cytostatics were purchased as if in the street market".

17.

### The Radicals' amendments

The discussion on the Criminal Code continued on Friday, by substantiating the submitted amendments. The MPs of the Radical Party proposed 19 amendments that would impose prison sentence to all citizens saying in public that what happened in Srebrenica was genocide. Some MPs of the ruling majority have supported these amendments. However, the Committee on Constitutional and Legislative Issues declared these unconstitutional, and on the Voting Day, the amendments were not adopted.

Modern Serbia Party ended the boycott

The Modern Serbia Party MPs, except Nenad Bozic, have decided to end the boycott and continue the work in the Parliament. They decided to do that, since, as they have said, the laws that seriously influence the lives of the citizens are included to the agenda. The Modern Serbia Party MPs were present during the discussion on amendments of the Criminal Code, as well as the Kosovo Sitting, and they have proposed two acts currently in the procedure. Several MPs from other parliamentary groups are also occasionally present at the sittings.

20.

### The MPs ignore the agenda

We could hear the discussions on the topics unrelated to the proposed acts again. During the day for discussion on corruption, the MPs have mentioned Dragan Djilas name for 159 times and his so-called purchasing of the parliamentary group and the political party. So, MP Marijan Risticovic (NSS), applied for the floor regarding the submitted amendment and asked: "Had Dragan Djilas, when he bought Marinika Tepic and the remaining of the parliamentary group, also committed an offence, an act, or name it as you want, the act of white corruption?"

21.

### The Voting Day

The MPs adopted all acts included to the agenda. With this, the sentence of life imprisonment without the possibility of a release on parole for specific criminal offences such as aggravated murder or rape of a child resulting in the death of a child was introduced into Serbian legislation. In addition to this, more harsh punishment for repeat offenders in committing criminal offences was introduced, and new criminal offence of the assault on a lawyer was introduced. Among those present at the sitting were also Igor Juric, who established the Foundation "Tijana Juric", and Ivan Jovanovic, Blic newspaper journalist, who had started the initiative for amendments of the Criminal Code.

22.

### Amendments to the Law on Capital City on the agenda

The agenda of the Sixth Session included the Proposal of the Law amending the Law on Capital City. During the sitting, the MPs supported the amendments. However, the focus of the discussion was more directed towards the former and current local authorities, so little could have been heard about the very amendments of the Law and the changes resulting from them. The Minister of Public Administration and Local Self-Government Branko Ruzic was present at the sitting.

**23.****Notifications and explanations**

At the Sixth Sitting, the MPs also demanded notifications and explanations. Some of these were: civic initiative for adopting the Law on parent-foster parent, Law on determining the origin of property, setting up of the Committee for determining the reasons of transferring the Kosovo issue to EU and EULEX, the possibility of the EU member states citizens living in Serbia to vote in the European Parliament elections, as well as the amendments of the Law on Anti-Hail Protection.

The impression of the sitting

The agenda included the decisions on the termination of the office of courts' presidents. During the debate, the MPs referred to the appearance of the Appellate Court judge Miodrag Majic in the TV talk show "Utišak nedelje" (Impression of the Week) dedicated to the amendments of the Criminal Code. Although the amendments of this Code were already adopted at the previous sitting, the MPs used their time meant for the decisions from the agenda to talk about the Code amendments as well as the judge Majic's work. The MPs spoke about the election of judges as well as their credibility and integrity, during the former governments.

During the continuation of the discussion, the MPs mentioned the non-governmental organisations that have commented the introduction of the life imprisonment in public, first of all, the Judicial Research Centre (CEPRIS), Majic being a member. The MPs talked about the work and financing of the non-governmental organisations, and MP Aleksandar Martinovic mentioned that CEPRIS "more or less openly works against the Serbian state". The ruling majority MPs expressed their concern that their right to freedom of expression is threatened. "It seems like everyone can say whatever they want against the MPs. Yet, we here cannot ask anything. We may not say anything, and then suddenly they flip the story by using the media saying that we have actually attacked the man.", said MP Jelena Zaric Kovacevic. So the agenda was again put aside, and daily politics again became the topic of discussion.

**27.****The sitting on Kosovo convened after 6 years**

The Report on the process of political and technical dialogue with the provisional institutions in Pristina was substantiated in the plenum the last time in 2013 by the then President of the Government Ivica Dacic. Today, the President of Serbia Aleksandar Vucic reports on Kosovo and Metohija to the MPs. Special sitting took two days, and 145 MPs voted for the Report.

Not a word on Kosovo from Government representatives

For both days of the sitting, all members of the Government were present. However, although the Government Office for Kosovo and Metohija was submitted the Report, representatives of the Government did not take part in the discussion. The first one to speak was the President of the Republic Aleksandar Vucic, whose substantiation had taken 2 hours and 25 minutes. He spoke about the historical events on Kosovo and Metohija, the demographic structure of the population in this area through history and substantiated in which places in Kosovo and Metohija the Government of Serbia had invested financial resources. He mentioned the Brussels Agreement, and two separate scenarios the relations with the Albanians might develop. On the other hand, there was no mentioning of the precise steps that the government is planning to take in these negotiations. The representatives of the parliamentary groups joined the discussion, so on the first day the following MPs took the floor: Dragan Markovic (JS), Cedomir Jovanovic (LDP), Vojislav Seselj (SRS), Balint Pastor (SVM), Aleksandar Martinovic (SNS), Aleksandar Stevanovic (SMS) and Djordje Milicevic (SPS).

**29.****The Voting Day and the end of the Spring Session**

The Sixth Session continued after the Kosovo and Metohija sitting. The MPs ended the discussion on amendments and adopted the items of the agenda afterwards, including the amendments of the Law on Capital City. First Regular Session has ended with the singing of the national anthem.

**30.****May without parliamentary questions as well**

For the second month in a row, the MPs were not given a possibility to pose parliamentary questions on the last Thursday of the month. Regular Spring Session has ended, and MPs had a chance to use the institution of asking parliamentary questions only in March.

**2019****A month in the Parliament****JUNE****Public hearings and parliamentary questions as highlights of June in Parliament**

The highlight of June in Parliament was the adoption of independent institutions reports which were considered again in the plenary session after five years. The Twelfth Extraordinary Session was also scheduled for the proposals amending the laws on fees for the use of public goods and municipal militia. During the sittings in June, the MPs also spoke about matters unrelated to the agenda, so during the discussion on the Law on Science they had discussed the academic career of the Faculty of Philosophy Assistant Professor Jovo Bakic. Only for the second time this year the MPs had an opportunity to pose questions to the members of the Government on the last Thursday of the month.

**3.****Special Sitting**

The Speaker of the National Assembly convened 23rd Special Sitting, and Vjaceslav Volodina, the Chairman of the State Duma of the Federal Assembly of the Russian Federation, addressed the MPs.

**6.****Judges elected to judicial office for the first time took their oath of office**

Four judges elected on 21 May 2019 at the Fifth Sitting of the Spring Session took an oath of office before the Speaker of the National Assembly Maja Gojkovic.

**10.****Session of the National Convention on the European Union**

For the second time this year a plenary session of the National Convention on the European Union (EU) was held. While the Sixth Session concerned the reforms in the area of economics, education and health, the focus of the Seventh Plenary Session was the annual European Commission Report on Serbia. From the point of view of democracy, prosperity and security, the Report was presented by Sem Fabrizi, Head of the EU Delegation in Serbia. Jadranka Joksimovic, Minister of European Integration, and Maja Gojkovic, Speaker of the Assembly, also spoke at the opening of the Session.

**11.****Public hearings**

In the last two years only one public hearing each year was held. Citizens and MPs were being deprived of expert opinions following the regular Spring Session until June, when the Assembly Committees have organized two public hearings. On 11 June the Foreign Affairs Committee organized the public hearing on the topic "Presentation of the First National Report on Implementing Sustainable Development Goals", and on 17 June the Committee on Education, Science, Technological Development and Information Society organized a public hearing on the Proposal of the Law on Science and Research. Both proposals for organizing public hearings were initiated by the thematic committees i.e. the Chairmen of the Committees.

**18.****Special sitting with the focus to the independent institutions reports**

Eight days following the 23rd Special Sitting, Maja Gojkovic convened another special sitting. The agenda included the annual reports on the work of the State Audit Institution (DRI), Fiscal Council (FS) and Commission for Protection of Competition (KZK), along with the proposals of the conclusions of the competent committees. The sitting took four days, and on the Voting Day, 21 June, all reports with conclusions of the competent committees were adopted.

Notifications and explanations

Before scrutinising the proposed acts, the MPs requested the notifications and explanations, in accordance with the Rules of Procedure. On that occasion, there were questions regarding the attacks on Serbian sportsmen in Croatia, the resignation of Mladen Sarcevic, the Minister of Education, Science and Technological Development, instigation of the proceedings against Jovo Bakic, and hiring of the agricultural aviation for mosquito abatement. One of the questions was who is the official Head of the Serbian Negotiating Team in the dialogue with Pristina.

After 5 years the reports of independent institutions in plenary session again

The annual reports of the State Audit Institution (DRI) and Fiscal Council (FS) were discussed in the plenary session for the last time in 2014. The Annual Report on the work of the Commission for Protection of Competition (KZK) was not once discussed in the plenary session since the institution was established in 2005. During the explanation of the Report, the President of DRI Council, Dusko Pejovic, spoke about the mistakes and irregularities that DRI has detected during its audit which amount to RSD 217 billion for 2018. As the recognisable problem of the public sector, Pejovic mentioned the public procurement, where irregularities concern the conclusion of the contract and enforcement of payment, where the procedures of public procurements were neither implemented nor in those cases even planned.

**19.****Parliament guests and MPs at cross purposes**

President of Fiscal Council Pavle Petrovic spoke about the potential reforms in the area of pension system and employment in public sector. He also referred to respecting the process of adopting the budget in the National Assembly that should be transparent and enable the comprehensive debate in the plenary session. Following his speech, the MPs requested the floor, but the discussion was mostly dedicated to privatised undertakings. The topics were RTB Bor, PKB, Steel Mill, but also International Monetary Fund and European Commission Report.

**20.****The best Commission in the Balkans**

On the occasion of presenting the annual report on the Commission for Protection of Competition, its President Miloje Obradovic had said that the Commission is among the best in Europe, and the best one in the Western Balkans. Obradovic spoke about the 2018 surplus in the value of RSD 243 million, where RSD 140 million is allocated to the budget of the Republic. During the discussion he said that the Commission has a conflict with the Law on Free Access to Information of Public Importance. "So, if everything is made available, I do not understand then, what is the point of doing business? You cannot do business if everything is open." He added that the Law is not completely explicit and that it fails to understand the area of the Commission's work.

Notifications and explanations

This Thursday the MPs requested the notifications and explanations from the Speaker of the National Assembly, ministers and officials from other government bodies. Some of the questions referred to the results of the work of Commission for investigating the consequences of the 1999 NATO bombing, Serbian citizens' entry bans to Montenegro, share of government ownership in Komercijalna Bank and housing for families of refugees.

Instead of the laws, Miskovic and Dveri on the agenda

Instead of devoting time to cognate debate in principle on the acts from the agenda, the MPs discussed the daily political news again. Veroljub Arsic (SNS) and Milorad Mircic (SRS) debated on the market position of "Delta Holding", Miroslav Miskovic and his communication with the then-president Tomislav Nikolic. Miladin Sevarlic (no party affiliation) and Vladimir Orlic (SNS) argued about the Dveri Movement registering as the political party and utilization of the party money. The academic career of the Faculty of Philosophy Assistant Professor Jovo Bakic and his master work were also discussed.

**25.****Twelfth Extraordinary Session started**

On the request of the Government, Twelfth Extraordinary Session was convened. The agenda included the proposals of the Laws on Science and Research and Municipal Militia. In addition to this, the agenda included the amendments of the Law on fees for the use of public goods, as well as the Law on establishing public interest and special procedures for the realization of the project for the construction of the infrastructure corridor of the E-761 motorway.

Notifications and explanations

Before the beginning of the debate, the MPs requested explanations and notifications on Jovo Bakic, the share of the government agricultural land, the construction plan for storm water sewage and the registration of "Nova S" TV. Djordje Vukadinovic, an MP from the parliamentary group New Serbia – Serbian Renewal Movement asked if the police intended to take any steps regarding the incident in Sabac, when the activists of the Party of Freedom and Justice were attacked.

About Petnica

Minister Mladen Sarcevic, explaining the Law on Science and Research, spoke about the changes in financing the scientific and research activities, investment in scientific institutions infrastructure and cooperation with the scientific diaspora. While the MPs of the ruling coalition expressed their pride for the Serbian membership in European Organization for Nuclear Research, the Serbian Radical Party MPs criticised the law saying it is not in public interest and that it increases the brain drain. So Vjerica Radeta, an MP, objected that this law did not provide for regulating the financing of Petnica. "It should not be financed from the budget anymore because there are no real talents there anymore. They have children there whose parents pay so they could brag about their kid being in Petnica."

**26.****Roads of pudding**

On the second day during the discussion on the Morava Corridor Pojate – Preljina, there was a debate on "Behtel", the works contractor for that section and its affair in the construction of petrochemical facilities in Abu Dhabi. The opposition MPs criticised the collapsing of the wall in the Gredlica Gorge (Gredlica Ravine), and the heated debate followed when the Minister Zorana Mihajlovic had said that the roads are not being made of pudding as the governments prior to this one had been doing. The debate exploded and ended with fight between MPs of the Serbian Radical Party and the Chair on the remaining time for discussion of this parliamentary group.

**27.****Ministers answered the parliamentary questions**

Only for the second time this year, the MPs had an opportunity to use the institution of posing parliamentary questions on the last Thursday of the month. Previously, only in March the MPs exercised the possibility of controlling the work of Government. The members of the Government answered the questions on the Bosniak National Council, agreements on the export of agricultural products, the selling of Komercijalna Bank, specialist trainings for doctors. There were 10 members of the Government present at the Sitting, including the Government Prime Minister Ana Brnabic, while the Government Deputies were not present. A total of 9 Government members were answering the questions posed by 10 MPs.

**28.****The agenda included the Proposal of the Law on Municipal Militia**

Before the debate on the law, the MPs requested notifications and explanations on the further functioning of Kragujevac factory Fiat, opening of border crossing Kadibogaz and the availability of multiple sclerosis medicines. The Proposal of the Law on Municipal Militia provides for the extension of the jurisdiction and powers of municipal militia officers, possibility of forming municipal militia in all units of local self-government and increasing of the number of municipal militia officers who will be able to carry out tasks not wearing a uniform. Minister of Public Administration and Local Self-Government Branko Ruzic explained the law proposal in the plenary session.



# PARLIAMENT IN NUMBERS

Statistical review of the work of the 11th Convocation  
is concluded with 30th June 2019



## LEGISLATIVE ACTIVITY

**274** days of legislative activity

**431** adopted laws

**97.2%** of adopted laws were proposed by the Government

The common practice of the parliamentary agenda dominated by the proposals submitted by the government, or in some cases the MPs from the ruling majority, continued in spring. Hence, the noteworthy case in March, when two proposals of MPs not belonging to the ruling majority were included in the agenda of the plenary session, remains the exception that proves the rule.<sup>1</sup>



## URGENT PROCEDURE

**48.9%** of all laws (including new laws, amendments to laws and ratifications of international agreements) were adopted by an urgent procedure

**66.8%** are adopted by an urgent procedure If we exclude the laws on the ratification of international agreements, which are generally adopted by a regular procedure, and consider only new laws and amendments to laws



## PAY ATTENTION TO:

- boycott of the parliament by part of the opposition MPs;
- changes in “filibuster” activities during spring sessions - decreased number of “bravo” amendments that used to be submitted by the ruling majority and consolidating agenda items into a single debate;
- the most recent European Commission Report 2019 on Serbia highlights the state in the parliament, urging for immediate changes of negative practice and restitution of inter-party dialogue.

## PARLIAMENT'S SUPERVISORY ROLE:

### 9 “MPs Question Time” sessions were held in almost 3 years:

October 2016, October 2017, March, April, September, October and November 2018, March and June 2019. Question time in April and May 2019 were not held.

**10 public hearings:** only one public hearing was organised in 2017 and in 2018. In 2019, the current convocation held two public hearings, both organized in June.

**In March 2019, independent bodies have submitted their reports for 2018 to the Parliament. In June 2019, after five years, the annual reports of three independent institutions (State Audit Institution, Fiscal Council and Commission for the Protection of Competition) were discussed and adopted in plenary, along with the conclusions of the parliament.**

**Since 2018, only two of the 20 parliamentary committees are chaired by MPs who do not belong to the ruling majority.**

## ● ANALYSIS OF THE OPEN PARLIAMENT

### PARLIAMENT IN THE REPORT OF THE EUROPEAN COMMISSION: REPETITION IS (NOT) THE MOTHER OF ALL LEARNING

Author: Tara Tepavac

The end of the Spring Session was marked by the new annual [European Commission Report on Serbia](#). The analysis of the work of the National Assembly has significant importance in the report on the Serbia's progress in the European Union accession negotiations in 2018, painting a sobering picture of the state of the democracy in Serbia. Sharp and precise assessment of the situation in the Parliament emphasised the deterioration of legislative debate and undermining of parliamentary oversight that the parliament should carry out over the executive, as well as the lack of cross-party debate.

Sharper tone and more explicit criticism in this year report did not suddenly appear, since the key issues are mentioned and underlined year after year. From urgent procedures to failure to discuss the independent bodies reports, the problems that have been repeated in the most in the European Commission reports are stubbornly trying to resist the Latin expression Repetitio mater studiorum est (“Repetition is the mother of all learning”).

Problem of excessive use of urgent procedures for law adoption, which reduces time and space for true debate on the proposed law amendments, is mentioned for the sixth consecutive time, in fact, in every report of the European Commission since 2013. Assembly cooperation with the independent bodies, recognition and respect of their role in the process of parliamentary oversight represents another eternal topic in the reports of the European Commission. Six years ago, along with the praise for consideration of their annual reports, the need was also underlined to monitor and promote the implementation of their findings and recommendations in the attempt of strengthening the parliamentary oversight and making it more proactive. However, compared to the 2013 and 2014 Reports, today, instead of making a step forward, we have made a step backward, since the Assembly had not been discussing the reports of the independent bodies in the plenary for four consecutive years.

The trend of deteriorating good practices is visible when it comes to parliamentary questions and public hearings, and their frequent use had been praised in the reports between 2013 and 2015 as the contribution to the improvement of parliamentary oversight. Lack of the annual work plan of the Assembly, the need to adopt the Code of Conduct, and the lack of essential cross-party debate have been mentioned since the 2015 Report. Since then it has been repeated that it is necessary to improve transparency, inclusivity and quality of the legislative process, as well as the effectiveness of the parliamentary oversight.

Two previous reports of the European Commission are characterized by more explicit tones. In the [2018 Report](#) the attention is drawn to “the effectiveness of the parliament in scrutinising legislation that on certain occasions has been limited by deliberate actions of the ruling coalition”, as well as that no draft legislative proposals tabled by the opposition were discussed. Non-effectiveness of parliamentary oversight is illustrated with the lack of parliamentary questions and absence of discussion in the plenary sessions on the implementation of key laws and policies. This trend of deteriorating the legislative and oversight role of the parliament became evident in the 2019 Report, which directly mentions that negative practice of the ruling coalition in the Assembly often prevented proper implementation of the legislative function of the parliament and disabled the opposition to effectively participate in the debate and present its amendments. The fact that since

<sup>1</sup> In March 2019, for the first time since 2015, two proposals submitted by the opposition MPs Nenad Canak, Olena Papuga and Nada Lazic were included in the agenda of the plenary session: the Proposal of the Law on Financing of the Autonomous Province of Vojvodina, and the Proposal of the Resolution of the National Assembly of the Republic of Serbia on Vojvodina. Proposals were not adopted as they have not received support from the sufficient number of MPs.

2014 the parliament has not discussed any of the annual reports by independent bodies in its plenary sessions, exemplifies its lack of willingness to ensure effective oversight over the executive. The Report emphasises the novelty of systematically employed practices of merging unrelated laws under one discussion point, and proposing hundreds of amendments irrelevant to the content of legislation so as to use up the allocated time for debate in the plenary since December 2017. Along with parliamentary boycott by the part of the opposition and several months of civil protests, which received bigger attention in the latest report, the set of problems listed in this year report is infused with a tone of greater emergency which urges for the re-establishment of the room for true cross-party debate and conditions for essential participation of the opposition in the work of parliament.

In their reaction to this year report, the government highest ranking officials, including the Speaker of the National Assembly, announced the change in the work of the parliament and the cessation of the negative practices listed in the report. In the spur of the awakened efficiency, the Assembly organised even two public hearings in June – two times more than for the entire last year, and on last Thursday of the month even the parliamentary questions sitting was held.<sup>2</sup> In mid-June the 24th Special Sitting was organised when during four days three annual reports on the work of independent institutions, State Audit Institution (DRI), Fiscal Council (FS) and Commission for Protection of Competition (KZK), were scrutinised and adopted, along with the proposals of the conclusions of the competent committees.<sup>3</sup> However, we should wait and see whether the epilogue of the enduring repetition in the European Commission reports will reflect in essential improvement of the work of the parliament, or we will just have a pure simulation of parliamentary mechanisms and the old bad habits will remain.

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<sup>2</sup> On 11 June the Foreign Affairs Committee organized the public hearing on the topic "Presentation of the First National Report on Implementing Sustainable Development Goals", and on 17 June the Committee on Education, Science, Technological Development and Information Society organized a public hearing on the Proposal of the Law on Science and Research. For more information please visit the National Assembly website: <https://bit.ly/2irROcy>.

<sup>3</sup> More information on the 24th Special Sitting held on 16 June 2019 is available on the National Assembly website: <https://bit.ly/301cUBi>

## ● SUMMARIES OF THE LAWS

APRIL 2019

### LAW ON HEALTH CARE

Due to the need to reform this area and due to its adaptation to the changed socio-economic circumstances in the health care system and the correction of omissions, this Law replaced the previous one from 2005 and it regulates the health care system, the issues of importance for its organization and implementation, social care for health of the population and general interest in health care.

The Law introduces the right to health care of foreign nationals and stateless persons with residence in Serbia. The concepts and scope of health care, participants, activity and health care system are defined. The Law introduces the concept of "medical care" in the definition of health care, whereas the term "health care system" has been introduced instead of "health service".

The Law prescribes the level of achieving social health care and its scope, with the extension of the population group encompassed by introducing the obligation of the targeted preventive examinations - screening. The scope of citizens' rights to information relating to the protection and promotion of health is extended as well as the field of realizing the general interest in health care in the Republic.

The adoption of the Government's Strategy for the development of health care is provided for in order to ensure and implement social health care at the state level, and is based on the analysis of health status, needs and resources.

The priority principle of the Law is respect for human rights and values and rights of children in health care, the ban on cloning of human beings has been introduced; the principle of equity is extended to categories of prohibition of discrimination; the principle of comprehensive health care includes medical care as well; whereas the principle of accessibility explicitly includes persons with disabilities as well.

"Health services" are replaced by "health care providers" which include public and private health institutions, institutions of higher education and other persons. Types of health institutions are expanded and can be established in public ownership (in line with the Health Institution Network Plan), private ownership, or as a public private partnership. The concept of medical centres is re-introduced. Health institutions at the level of the Republic are established by the Republic, at the level of autonomous province by the province, apart from the pharmacy institution which is established by the local self-government unit. Types of exclusively publicly owned health institutions are determined.

The conditions for carrying out the activity of a health institution are provided for, and these are stipulated by the Ministry, whereas for the pharmacy institutions the conditions are stipulated by the health inspector. Health institutions and organizational units are registered in the Register of Health Institutions at the Business Registers Agency (hereinafter referred to as BRA). The Law prescribes the possibilities and limitations of the engagement of a health care professional of another specialty.

The conditions and obligations for performing the health care activity of private practice are regulated,

as well as the termination of work, restrictions and conditions for engaging an external health care professional of another specialty. Private practice is registered in the BRA together with the determined activity. Temporary termination of private practice is up to 5 years (for pharmacy up to 30 days). When it comes to termination of up to 30 days, the notice shall be indicated at the place of its performance, and when it comes to termination longer than 30 days (and its completion), the Ministry, the BRA and the Chambers shall be notified. BRA keeps the Register of Health Institutions and the Unique Record of Health Care Entities.

It is the responsibility of health institutions and private practices to apply appropriate health technologies in the implementation of care, which are more closely defined. The concept of new health technology and its use are specifically defined. The Law prescribes the method of marking health institutions and private practices, and introduces novelties in the form of advertising. Health institutions are obliged to keep medical documentation and records and submit reports. Development strategy and organization of an integrated health information system develops planning and efficient system management.

The type and activity of the health institution/private practice determines the work schedule and working hours, to which the BRA shall be notified. Strike is prohibited in institutions that provide emergency medical attention and emergency management, while other institutions provide a minimum work process. Duty hours are considered overtime and the conditions and duration of their performance are provided for, whereas hours of duty on-call are overtime for employees in the standby mode (and exceptionally, those who are not). It is no longer the case that duty hours involve both standby mode and hours of duty on-call, and this Law does not treat the concept of standby mode as overtime. Supplementary work is limited to the additional maximum of three supplementary work contracts for a total duration of up to one third of full-time work, with the consent and limitations.

The healthcare activity is carried out at the primary, secondary and tertiary levels and the related obligations are prescribed, with reference to healthcare activities and institutions by levels. Educational activity can be performed in health institutions at several levels of health care.

The Minister shall designate a health institution that carries out the activities of the following centres: the poison control centre, the centre for rare diseases, the centre for a particular disease of higher public health significance, and the Law provides for circumstances related to their work.

The primary health care area includes: health centre in public ownership established by the Republic (or autonomous province in its territory), which was previously done by a municipality or city, the possibility of organizing branches has been introduced; polyclinic is a novelty at this level of protection; it provides specialist-consultative health care activity from at least three different fields of medicine; pharmacy institution is established by a local self-government unit or it is established in private ownership; institute with three new types: for palliative care, for laboratory diagnostics and radiological diagnostics.

The secondary health care area includes: hospital in public ownership established by the Republic, whereas on the territory of the autonomous province – it is established by the province, it can be general and specialist, depending on the categories of the population and the types of illness it treats; medical centre represents a reintroduced legislative solution, it performs the activities of the health centre and the general hospital, both for the sake of expediency and better organization of work.

Tertiary health care includes the activity and the conditions for performing health care fulfilled by the clinic, institute, clinical centre and university clinical centre.

Listed are health institutions that perform health care activities at multiple levels of protection, with

reference to the territory for which they are established, the tasks they perform and organizational issues: the Public Health Institute, including the screening unit, which establishes and maintains electronic records for the implementation of early detection programs of greater significance in the target population; then blood transfusion institute; occupational medicine institute; forensic medicine institute; institute for virology, vaccines and serums; anti-rabies protection institute; psychophysiological disorders and speech pathology institute; institute for biocide and medical ecology.

The bodies of the public health institution are: the director, the management board and the supervisory board, whereas the conditions for their work are foreseen, including the prohibition of conflict of interest, appointment, deadlines and dismissal, a more detailed job description, description of qualifications and circumstances concerning their terms of office. The novelty is to prescribe the professional qualifications of the members of the management and supervisory boards. The adoption of the statute of the health institution and the issues it regulates are provided for. Organizational units of the institution with assistant directors may be established. The institution is obliged to organize the following professional bodies: board of experts, expert team, ethics committee, and committee for improvement of quality of health care, for which the Law provides for competencies, composition, qualifications and other circumstances, with limitations.

Professional bodies at the level of the Republic are: Health Council of Serbia – ensures the development and quality of the system of protection, organization of the system and insurance, Ethics Committee of Serbia – ensures the implementation of health care in accordance with the principles, Republic Expert Committee – for certain areas of protection and complementary medicine.

The Law provides for the way to obtain funds for the operation of a public health institution and ways of disposing of funds and reporting. The novelty for publicly owned institutions that generate own revenues is the ability to increase the basic salary of employees in accordance with regulations. The free capacities of the publicly owned institution can be leased out.

The level of education and other obligations of medical workers and medical associates for performing activities are provided for. A foreign citizen may perform health care activity in Serbia upon the fulfilment of conditions. The status of teachers and faculty associates who perform practical classes and provide health services is prescribed.

The establishment plan of the Minister provides for the number of employees per institutions in public ownership. The Law includes traineeship and certification exam of medical workers, professional development, specialization and super specialization with appropriate circumstances, as well as continuous education and other forms of professional development. The recognition of the foreign higher education diploma, specialization or super specialization has been arranged. The conditions for obtaining the title of primarius, the procedure for issuing, renewing and withdrawing licenses to medical workers, conditions for its issuance, duration and renewal procedure are prescribed.

The following concepts are defined: quality of health care, quality assurance of professional work, internal control and external quality assurance of professional work, whereas the conditions, obligations and other circumstances related to them are stipulated, as well as the implementation of the accreditation process.

The time and cause of death is determined by the doctor of medicine, following the prescribed procedure depending on the place of death and other obligations. It is foreseen when an autopsy is mandatory and if it can be revoked. Human organs and parts of the human body can be extracted and transplanted in exceptional cases, and cells and tissues with more restrictive conditions. The cases, conditions and procedure for taking over the bodies, organs and tissues of the deceased by the faculty for carrying out practical classes are provided for, limitations and obligations arise from the above.

Complementary medicine is regulated as well as the appropriate diagnostic assessment and conditions that must be fulfilled to be allowed. This legislative solution has replaced earlier provisions on traditional medicine.

Pharmaceutical health care activity is carried out at the primary, secondary and tertiary level of protection; the Law stipulates what it covers and who performs it. The network plan determines organizational issues related to the establishment of pharmacies in public ownership in the Republic. The conditions for establishment of branches are foreseen, and the pharmacy institutions and other organizational units are registered in the Register of Health Institutions in the BRA, the conditions for prohibition of performing activities or certain tasks, as well as the restoration of the activity after the removal of the prohibition are also foreseen.

Special conditions relate to the performance of activities of private pharmacy practice. In particular, it is provided for to carry out pharmacy activities of the primary level of protection in the form of a pharmacy of the health centre, pharmacy of the organizational part of other institution and pharmacy activities of a hospital pharmacy. Pharmacy and organizational units are managed by the responsible MSc of pharmacy.

The Law defines the concepts of corruption, conflict of interest and private interests, it provides for specific actions and a circle of persons with whom the medical worker is considered related in this context. The competencies and role of the Ethics Committee of the health institution are prescribed. The person who violates the obligation to report suspicion of a conflict of interest violates a work obligation that leads to disciplinary responsibility.

The circle of persons – non-citizens who enjoy the right to health care in the Republic, as well as the manner of bearing costs for the provided health services is explicitly stated.

Supervision over the implementation of the Law and other regulations in the area is performed as an inspection of the Ministry through a health inspector/pharmaceutical inspector, depending on the supervised institution. The system of penalties provides for ranges of penalties and outlined offences for both responsible and legal persons.

The Law envisages the adoption of the Development Strategy, the Network Plan, the relevant bylaws, implementing regulations, the Good Pharmacy Practice guidelines, as well as the Register of Health Institutions and the Unique Records within the prescribed deadlines from the entry into force of the Law.

It is envisaged to take over the founding rights of the Republic of Serbia over the health institutions carried out by the competent local self-government unit, appointing the bodies of the health institution in accordance with the Law, while the local self-government unit is obliged to conduct a procedure of control over the work and operation of the institution.

It is envisaged to take over the competencies and to transfer the BRA data from commercial courts with deadlines, harmonize general acts of institutions, other legal entities and private practices, their organization and work with the Law.

The Law stipulates the deadlines and harmonization of determining the number of pharmaceutical inspectors, the change of the names of the field and the title, the harmonization of the labour law status, the conclusion of the agreement and other circumstances.

## LAW ON HEALTH INSURANCE

As the main reasons for the adoption of the new Law on Health Insurance, the proposer of the Law points out the need for modernizing the health insurance system, primarily by establishing compulsory and voluntary health insurance, but at the same time by the need to reduce public spending, that is, to align it with real budgetary potential of Serbia, as well as the National Health Insurance Fund (hereinafter referred to as NHIF).

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### Introducing new bases of insurance

The Law provides extended bases of insurance for insured persons by introducing two insurance bases for farmers; by introducing the insurance basis based on the performance of the activities of the notary and the enforcement officers, as well as by introducing two insurance bases for persons receiving a pension or disability allowance exclusively from the foreign insurance holder, who have a domicile or place of stay, i.e. permanent residence or temporary stay in Serbia.

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### Determining the priority basis for acquiring the status of the insured

The Law sets priorities in the event that a person meets the requirements for several insurance bases in accordance with the introduction of new insurance bases for insured persons, as well as the possibility of choosing the basis for insurance for these insured persons. The possibility of choosing will not be possible for insured pensioners who will always be insured as pension beneficiaries, regardless of whether they fulfil conditions on multiple insurance bases..

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### The right of the parent branch to check the credibility of employment contract on the basis of which the right to compulsory health insurance is exercised

U slučaju postojanja sumnje da ugovor o radu na osnovu koga je izvršena prijava na obavezno zdravstveno osiguranje nije zaključen u svrhu obavljanja poslova u skladu sa tim ugovorom, nego isključivo u svrhu ostvarivanja prava iz obaveznog zdravstvenog osiguranja, matična filijala RFZO-a ima pravo i obavezu na osnovu provere činjenica i prikupljenih dokaza da pokrene postupak pred nadležnim sudom za osporavanje tako zaključenog ugovora o radu.

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### New bases of insurance for persons who do not fulfil the conditions for acquiring the status of the insured persons

The Law has extended the circle of persons to be insured despite the fact that they do not fulfil the conditions for acquiring the status of insured persons (victims of terrorism, as well as veterans whose status as a veteran is determined in accordance with the regulations on the protection of veterans). In addition, an entrepreneur who has ceased to be an insured person as well as a spouse, or a common law partner of an employee who is sent to work abroad and whose rights and obligations have inactive status as regards the employment relationship for the referral period, will be able to engage in compulsory health insurance in order to exercise rights arising from compulsory health insurance for themselves and members of the immediate family.

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### **Defining health services packages covered by compulsory health insurance and option for additional payment for certain services**

The Law defines a package of services covered by compulsory insurance which are determined by the nomenclature and for which NHIF sets prices. Accordingly, health services that are not provided by compulsory health insurance are also listed.

The novelty brought by the Law relates to the extension of the right to health care for insured persons – women who have undertaken a mastectomy of one or both breasts, in that they can perform aesthetic reconstruction of the breast after the performed mastectomy, as well as aesthetic correction of the second breast, thereby contributing to the improvement of the psychological condition of the woman after mastectomy.

In addition, the Law also introduced the possibility of determining the surcharge for medical rehabilitation, drugs, medical devices and certain health services.

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### **Availability of preventive examinations to the broader circle of the insured**

The Law stipulates that all adult insured persons are entitled to preventive and other examinations related to family planning, and not just women in relation to pregnancy. In addition, in order to preserve and promote health of the insured persons, to prevent, detect in an early phase and control diseases and other health disorders, insured persons are entitled to immunization and chemoprophylaxis at the expense of compulsory health insurance funds, as recommended by the regulations governing the protection of the population from infectious diseases.

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### **Possibilities for extending the right to paid leave benefits due to child care and the base for calculation of paid leave benefits**

The important novelty envisaged by the Law is the introduction of the possibility of extending the right to paid leave benefits due to the care of a close family member in the event of severe damage to the child's health status up to 18 years of age due to severe damage to brain structures, malignancy or other serious deterioration of the child's health condition for further treatment of the child and rehabilitation. In this case, the paid leave benefits will amount to 100% of the base of paid leave benefits. The Law stipulates that the base of paid leave benefits which is paid out from compulsory health care insurance amounts to the average salary earned by the insured in the previous 12 months prior to the month in which the temporary inability to work occurred.

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### **Specifying the realization of health care abroad**

The Law specifies the realization of health care abroad in case of being assigned to work abroad, professional development or education; in the case of private stay or education at their own expense abroad in terms of the validity period of the certificate on the use of health care, as well as in the case of referral to treatment abroad for the purpose of conducting diagnostic procedures, i.e. establishing diagnosis abroad.

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### **Extension of cases where persons whose contributions have not been paid are entitled to health care under the compulsory health insurance**

The Law stipulates that the entitlement to health care at the expense of the compulsory health insurance, in the event that the due contribution is not paid or the insurance certificate is not certi-

fied, can be achieved, in addition to the case of emergency medical attention (which is the previous solution) in case of palliative care; conducting screening in accordance with the national program and mandatory immunization.

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### **Possibility of determining waiting lists for certain types of health services (highly specialized and most expensive health services)**

The Law regulates waiting lists and authorizes the NHIF to determine by general act the types of health services for which waiting lists are established, as well as the criteria and standardized measures for assessing the health status of insured persons in order to establish a waiting list, the longest wait time for health services, necessary data, the methodology for list creation and other issues of relevance to the list, whereas expert methodological instructions are issued by the Minister.

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### **Specification of palliative care**

The Law defines the concept of palliative care and palliative care is foreseen to be provided to all persons, fully covered by the compulsory health insurance (100%).

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### **Obligation to respond to screening examinations**

The Law stipulates that if a person does not respond to screening examinations without just cause for three times, the insured person pays a maximum of 35% of the participation of the price of the health service. Namely, the insured will bear part of the cost of treatment for the treatment of the disease for which the screening was organized and the insured person did not respond to one call screening call within one call cycle, and his or her absence was not justified, and the disease occurred in the period until the next call cycle.

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### **Possibility for chosen physician to determine the length of sick leave of up to 60 days**

Zakonom je predviđeni da izabrani lekar utvrđuje dužinu privremene sprečenosti za rad osiguranika do 60 dana sprečenosti za rad.

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### **Mogućnost da lekar specijalista neposredno uputi pacijenta na stacionarno lečenje**

The Law stipulates that a doctor who specialized in the appropriate branch of medicine who treats an insured person at the referral of the chosen physician may refer this person to the stationary treatment directly if he deems it necessary.

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### **Possibility for a specialist doctor to refer the patient to a stationary treatment**

This Law for the first time regulates the health insurance system as a whole, since the area of voluntary health insurance is precisely regulated, and so far it has been regulated only in principle by the Law, and in more detail by the bylaws of the Government. The Law regulates the types of voluntary health insurance, the conditions for its organization and implementation, as well as the way it is financed.

Voluntary health insurance, which as a rule can last at least 12 months, cannot be implemented by

the insurer in the area of programs of interest for the Republic of Serbia. The insurer is obliged to conclude a voluntary insurance contract with any interested person, regardless of the risk to which the insured is exposed. In addition, the insurer is forbidden to require the results of genetic tests for hereditary diseases when concluding the contract. The amount of the premium is determined in relation to the risk (years, state of health, etc.) and must be equal for all insurers of that insurer who have the same degree of risk.

Types of voluntary health insurance depend on the costs that are covered, as well as the circumstances of whether the insured is covered both by compulsory health insurance. For persons who are not in the compulsory insurance system, the Law provides for private voluntary health insurance, which may be carried out by insurance companies. In the remaining two cases (supplementary and additional insurance), insurance can be carried out both by insurance companies and by NHIF, and their insured persons must be compulsorily insured. In this case, the termination of the compulsory insurance terminates the status of the insured person of compulsory insurance regardless of the agreed deadline.

The Law regulates the procedure for concluding a contract (the content of the offer, conditions and contract). In addition, the Law also specifies the content of the policy i.e. the list of cover.

The insurer is obliged to issue to the insured a document on voluntary health insurance, and if the insured person used health care services from the contract, the insurer is obliged to pay the service to the service provider. The insurer is obliged to inform the insured about the increase in the premium and the change in the terms of the insurance.

The previous opinion on the fulfilment of conditions for the organization and implementation of voluntary health insurance will be provided by the Ministry of Health.

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### **Enabling public-private partnerships in the compulsory health insurance system**

The Law stipulates that the relations between the National Health Insurance Fund and health service providers regarding the exercise of the rights of insured persons to health care from compulsory health insurance are regulated by the contract concluded for one calendar year in accordance with the financial plan of the Fund; that until the conclusion of the contract for the next year, the provisions of the contracts for the previous year apply. NHIF can conclude a contract regarding the right to health insurance with the social security organization of military insurers, as well as with a legal entity or entrepreneur in accordance with the regulations governing public-private partnership. In this way, public-private partnership in the compulsory health insurance system is also enabled.

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### **Organization of health insurance**

Provision and implementation of compulsory health insurance is performed by the National Fund (NHIF). In this area, that is, in the areas of the very organization, jurisdiction, as well as monitoring of the work of the health insurance organization, the competencies of the management bodies of the National Health Insurance Fund are extended – the director, management board and supervisory board (supervisory board, in addition to supervising the financial operations of the branch offices and the NHIF, will also supervise the financial operations of the Provincial Fund).

It is a novelty that, apart from adopting general acts, the National Fund also provides proposals of general acts issued by the Minister, as well as that the National Fund controls and approves the financial plans of health institutions. It is also foreseen that the Minister shall give opinions on the constitutionality and legality of the regulations issued by the National Health Insurance Fund within 30 days from the day the regulations were submitted.

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### **Replacement of health cards no later than 31 December 2020**

The Law stipulates that insured persons, who have not been replaced with a health insurance card until the date of entry into force of this Law, exercise the rights from compulsory health insurance on the basis of the insurance document issued and certified according to the regulations that were in force until the day of entry into force of this Law, up to the replacement on 31 December 2020 at the latest.

### **LAW ON ITEMS OF GENERAL USE**

The previous Law on the wholesomeness of items of general use, which was adopted in 2011, is not sufficiently harmonized with the regulations of the European Union in terms of provisions relating to items of general use. When it was written for the first time, it was sought to be harmonized with the then EU laws. The problem that arises regarding the current legislative solution is that it is not comprehensive and that its provisions have been dispersed. The goal of adopting a new law is to improve legislative solutions related to the protection of the health and safety of individuals and different groups of the population. This eliminates all the ambiguities and inconsistencies that existed. This Law has been expanded in comparison to the previous one for more than 60 Articles, which is more than half. This indicates the legislator's desire for the law to be specific and to fill in all the shortcomings that existed in the past.

Carrying out better control and monitoring over the wholesomeness of these products are necessary as a final step towards the implementation of this Law and the improvement of the legislative solution. Certain groups of items were not covered by the control in the previous legislative solution, and now these groups are placed under mandatory health and sanitary control.

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### **Basic provisions**

This Law applies to items that are in general use and to the conditions that they have to fulfil in terms of wholesomeness. These include all raw materials, materials and additives used to produce the aforementioned items. The scope of application covers all items that are produced, imported, exported and located in the territory of the Republic of Serbia. Groups of items covered by this Law are materials and objects that come into contact with food, toys, cosmetic products, materials that come into contact with skin, detergents and tobacco.

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### **Principles**

The legislator defines the following principles: of risk analysis, precaution, consumer protection, transparency and confidentiality. In addition, the justification of the measures that are being implemented when restricting and prohibiting the use and circulation of items of general use is also set.

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### **Special working group for the categorization of border products**

Prior to the categorization of clearly defined groups of items, it is necessary to separate items of border products, where it cannot be determined which group they belong to. It is therefore necessary to form a special working group that will deal with the delimitation of the given items and on the basis of the analysis give the expert opinion that is binding.

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## General conditions that must be met by items of general use

In order to clearly set out criteria relating to items of general use, this Law provides for the general conditions that they must fulfil. Firstly, this refers to placing these items on the market, whereby only items that are wholesome can be placed on the market. The Minister of Health shall issue the necessary bylaws to regulate more closely the rules relating to the materials and objects used in the production of the mentioned items. The Law comprehensively lists all items that are medically defective. The prohibition of attributing medicinal effects to items of general use is explicitly prescribed, as well as misleading the consumer in regard to the properties of the items.

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## General obligations of business entities

The obligations assumed by the entity operating the items of general use are firstly related to wholesomeness of these items and acting in situations if it is determined that the items are defective. Also, the obligations and responsibilities of the manufacturer in terms of establishing and implementing internal control and ensuring all sanitary and health conditions are also defined.

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## Rapid Exchange of Information System

In case it is determined those items are dangerous for the health and safety of people, a rapid exchange of information is established, as well as the conditions and manner of information and information exchange. In order to prevent and eliminate risks to human health by using these products, these systems are used. The Minister shall appoint a contact person with the competent authority. Data on items of general use must be publicly available due to the nature of the risks and the measures taken.

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## Materials and items that come into contact with food

In the second part of the Law, special groups of items of general use are dealt with. The first group consists of materials and items that come into contact with food. Here, the general requirements for these materials, the manner of labelling, the quality assurance and the manner of controlling the quality of the said material or items are specified. In addition, the legislator provides for the obligation of the entity operating the materials and items that come into contact with food to keep all the necessary documentation in paper and electronic format and that it is presented at the request of the sanitary inspector.

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## Toys

The next category of items of general use is toys. The same principle of general requirements that toys must fulfil applies. The notion of toys is defined, as well as the obligations that the subject in the business of toys has to fulfil, as well as safety compliance. With respect to safety compliance, it is important to mention the assumptions, rules and conditions of conformity, the method of assessing conformity and assumptions. In order to enforce safety compliance, the Minister appoints a body to assess compliance. Also, there are procedures in the case of risky categories of toys but also for those which do not fulfil formal compliance.

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## Cosmetic products

When it comes to cosmetic products, the very notion is defined first. As with previous items of

general use, the obligations of the responsible person dealing with the manufacturing, trade and distribution of the item are stated. The legislator prescribes the manufacturing practice as well as the assessment of safety of cosmetic products, whereby the necessity of keeping a product information file (PIF) is prescribed. This Law also prescribes certain restrictions with the novelty of the prohibition of animal testing and the import of cosmetic products into the territory of the Republic of Serbia, which were tested on animals at their final stage.

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## Materials that come into contact with skin

Items from the group of products that also come in contact with the skin are comprehensively listed as well. These provisions regulate the conditions that they must fulfil; they must be safe in terms of health and they must comply with the requirements of this Law.

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## Detergents, biocides and other agents for general use and hygiene maintenance

Particularly separate category of items is detergents, biocides and other agents for general use and hygiene maintenance. This provision defines their notion, the purposes they are used for, as well as the conditions that they must fulfil.

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## Tobacco, tobacco products and smoking equipment

So far, the least attention has been paid to contaminants used in the tobacco industry and tobacco growing. One of the novelties is the conditions that manufacturers and distributors must fulfil when placing these products on the market. Particular emphasis is placed on the way the packaging is labelled, where information on the product and the declarations must be indelible and easily observable.

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## System of supervision

Supervision is carried out over the application of laws and other regulations governing the safety and wholesomeness of items of general use. Supervision is carried out by the competent ministry through sanitary inspectors. The established areas of importance for items of general use are being supervised; supervision is exercised over the production, transport, use, monitoring, sampling, authorized laboratories. The rights and duties of sanitary inspectors are also laid down.

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## System of penalties

Sanctions stipulated by this Law fall into the area of economic offenses and violations. The Law provides for exhaustive enumeration of provisions for whose violation sanctions are imposed.

## LAW ON SUBSTANCES USED IN THE ILLICIT PRODUCTION OF NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES

Since it was necessary to align the basic text with the numerous regulations adopted in the European Union, the need to amend this Law has occurred. It must be amended accordingly since the EU accession process concerns the normative alignment with the *acquis communautaire*. Also, as this Law was adopted in 2005 and since then a number of internal regulations have been adopted

it is necessary to make alignments accordingly. Finally, it is necessary to improve legislative solutions from the Law on Precursors.

This Law introduces changes that primarily concern the terminological alignment with the EU regulations and definitions, introduction of new category of precursors, establishing of new authorities and also the method of registering and controlling the substances subjects to this Law.

Previous legislative solution stipulated the classification of three categories of drug precursors, and with the new amendments the fourth category of drug precursors was established including all medicinal products for human and veterinary use which contain ephedrine, norephedrine and pseudoephedrine and their salts.

The legislator shall foresee the obligation of the Government to establish the Committee for drug precursors, and one of the new assignments of the Committee shall be to draw up and update the guidelines and instructions for precursors and substances outside of the List of drug precursors.

If it is in accordance with the regulations, the retail trade of third and fourth category precursors shall be allowed. The retail trade of first and second category of precursors shall not be allowed.

Since it is necessary to align with the national regulations which were adopted following the basic text of this Law, the amendments were introduced concerning the provisions regulating the chemicals, and then the registration in the Serbian Business Registers Agency and also specifying the occupational status of the persons in the production of all category precursors. Moreover, the obligation shall be foreseen for the legal person which carries out the production or the wholesale trade of the fourth category of the precursors to submit the information on the person responsible to the competent ministry.

Deadlines predicted for issuing precursors licences shall be cut from 90 to 60 days and the deadline for changing and renewing the licence is 30 days. Issuing the licence for first and second category precursors shall be authorised by the competent ministry, and the Minister shall define the layout and the content of the application form for issuing licence for using precursors.

Concerning the licence for import and export of all category precursors, it shall, first of all, refer to the licence authorised by the competent ministry to the legal entity. The law shall specify the procedure for issuing and getting licence as well as the content of the licence and the information delivered to the Ministry. Application for licence could be rejected if it is established that the information for issuing licence is incorrect or if the precursors are abused in the illicit production of narcotic drugs and psychotropic substances. The decision on the licence is adopted by the Minister and it is final.

By his decision the Minister shall determine the reference laboratory that shall carry out chemical analysis of precursors. List of all legal entities which may carry out laboratory tasks will be published in the "Official Gazette". The chemical analysis of precursors which are required to be seized from the illicit trafficking shall be carried out by the National Forensic Centre laboratory.

The legislator prescribed the obligation of notifying the national authorities on the illicit production and trade of drug precursors as well as the very content of the notice which was specified in the law.

The requirements have been prescribed for the cancellation of the issued licences for both trade and production as well as the deadline for renewing the expired licence.

The necessary requirement to keep the record of all precursors shall be prescribed as well as the necessary content of this record in order to prevent the abuse and the precursors use for the illicit purposes. The legal person which carries out trade and production of precursors shall keep this

record and this record could be kept in electronic or any other form. On the other hand, the Ministry also keeps the record referring to all issued licences and authorisations. The legal person shall be obliged to submit annual reports on the trade and production of the drug precursors to the competent ministry even if there were no transactions during the previous calendar year.

The supervision is carried out by the competent ministry through the inspectors for psychoactive controlled substances and precursors. Supervision over import, export and transit of substances outside of the list of precursors shall be carried out by the authority in charge of customs affairs. The tasks within the competence of the inspectors have been specified.

The scope of precursors for which the penalties are imposed has been extended as well the procedure following the abuse of the precursors or a criminal offence related to them. In this event, the government shall form the Commission for controlling the destroying of precursors when they are treated as waste.

Minister shall appoint the members of the Commission 30 days after this Law entry into force, and no later than 6 months the Minister shall adopt all necessary bylaws.

## **LAW AMENDING THE LAW ON ROAD TRAFFIC SAFETY**

For the fourth time in a year the National Assembly has adopted the amendments to the Law on Road Traffic Safety.

The new range of amendments specifies the provision regulating the manner of owner proving that a certain person was driving the vehicle which belongs to the owner. Namely, it was foreseen that the owner should no later than eight days provide not only complete and accurate data on the identity of the person that was allowed to drive the vehicle, but also has to provide the evidence – certified written statement by a person whose data the owner shared confirming that at a certain time this person was driving the vehicle.

Additionally, the law amendments allow that in some situations, with the permission of the authorities that belong to the Ministry of Interior, besides imprinting VIN (chassis number) for the purpose of the vehicle identification, the engine number shall be imprinted as well.

The law amendments extended the validity of the registration certificate until the owner changes or other information registered change in relation to certain motor vehicles which meet the legally prescribed requirements (roadworthiness) and which are intended for agricultural works.

Finally, the application of the law provision related to issuing provisional (probation) driving licence shall be postponed until 2 September 2019. The law proposer explains this postponement with the need to make savings in the budget by exhausting already printed templates before using the new ones.

## **LAW ON CONVERSION OF HOUSING LOANS INDEXED IN SWISS FRANCS**

Due to continuing strengthening of the Swiss franc, as many citizens who concluded the CHF-indexed housing loan contracts had faced huge problems in repaying them, the Government of Serbia submitted a law proposal that from the day of this Law entry into force will allow the users of the CHF-indexed housing loans to continue repaying their loans by allowing them to convert the



remaining share of their debt (principal + accrued unpaid interest) into euro, so the amount thus generated shall be decreased by 38% and the appropriate interest rate shall be applied to this amount. The banks shall bear the costs of conversion and reduction, but they can request from the state to have their costs compensated by 15% of the amount generated by the conversion. In the next five years the budget earmarked for this purpose shall be around 11.7 billion RSD.

Court proceedings that users and banks conduct in connection with these loans will be suspended if the user accepts the conclusion of a debt conversion contract, and each party will bear their legal expenses. If the contract is concluded, the enforcement proceedings will be also suspended and the bank will not be able to request the remuneration of previous enforcement costs from the client.

On the contrary, court and enforcement proceedings shall continue for the clients who do not conclude the contract with the bank within the legally prescribed deadline.

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### **The clients to whom the bank will offer the conversion**

In order to apply the provisions of this Law to specific loan contracts, it is necessary to meet the following conditions:

- On the day of this Law entry into force the loan repayment is still on-going;
- Before this Law entry into force there was no conversion of the loan from CHF to EUR;

The law shall apply to those loan users whose debt obligation is due in entirety by the day of the law entry into force however the enforcement procedure/out-of-court settlement was not initiated as well as for those for which by the day of this Law entry into force the enforcement procedure/out-of-court settlement was initiated, including those situations when the real estate collateral was sold, but the debt was not settled in entirety.

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### **Method of implementing conversion and debt relief**

The bank in which the client is repaying the loan is obliged to offer to every client who meets the requirements the conversion of **the remaining debt** (principal + accrued unpaid interests on the day of the conversion) into the debt indexed in euro.

Such amount shall be decreased by 38% and to that reduced amount the interest rate shall be applied the same as of 31 March 2019 for the loans indexed in euro which are of the same type and same maturity with the same type of interest rate (variable or fixed) as the housing loan that is the subject of the conversion. The Law defines which interest rate shall be applied if the bank had no such offers on 31 March 2019, yet in any case the variable interest rate cannot be higher than 3.4 + three-month/six-month EURIBOR while the fixed interest rate cannot be higher than 4%.

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### **Sending an offer and conclusion of the contract**

Within 30 days from the day of the law entry into force the bank is obliged to deliver the offer for concluding the contract on conversion to the user and submit along the indicative calculation of the loan conversion (with the exchange rate as of the day of sending the offer and by applying the interest rate in accordance with the provisions of the law) as well as the proposal of the contract by which the conversion will be implemented with the new repayment plan. Final text of the contract shall be laid down in agreement by both the bank and the user.

If the user accepts the conversion, he/she shall be obliged to notify the bank on that within 30 days from the day of the reception of the offer and conclude the contract with the bank. Following that, the bank would deliver to the user the written contract on the execution of the conversion and the repayment plan in accordance with the conversion rate.

#### **Non-acceptance of the conversion**

If the user fails to notify the bank within 30 days from the day of the reception of the offer that he/she would accept the conversion, the loan repayment shall be continued in accordance with the loan contract. Court and enforcement proceedings shall continue on the next day from the end of 30-day period.

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### **Court and other proceedings which were initiated**

All civil proceedings with the subject of the proceeding related to the currency clause from the loan contracts which are the subjects to this Law and which were initiated until the day of this Law entry into force, shall be suspended on the day of this Law entry into force. The civil proceedings shall be suspended by the conclusion of the contract on conversion and each party shall have to bear their costs.

If the client refuses to accept the offer on the conversion, after the end of the 30-day period from the day of the offer delivery, the court proceedings will be resumed.

As regards the enforcement proceeding, and/or the out-of-court settlement proceeding in connection with the recovery of debts under the loan contract, they shall be postponed until the day of this Law entry into force.

If the client concludes the contract on conversion, the enforcement proceeding/out-of-court settlement shall be suspended and the bank cannot demand the compensation for costs incurred during the implementation of the enforcement so far. On the other hand, if the client does not accept the offer of the contract on conversion, the proceeding will be resumed.

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### **Collaterals**

All collaterals established by the initial loan contract shall remain in force, meaning there is no need to re-establish collaterals or to register again in the cadastre or other records. These provisions include the mortgage and the insurance with the National Mortgage Insurance Corporation.

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### **Bank's right to request compensation for the part of conversion costs**

The law proposal stipulates that the bank will bear the costs of conversion and debt relief, however it can demand from the state to have the compensation of costs in the amount of 15% of the converted amount (so, the amount generated before the reduction of 38%).

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### **Tax treatment of the conversion**

The amount of the debt relief shall be recognised in entirety as the bank's tax expenses. In addition, the bank is entitled to the tax loan in the amount of 2% of the amount of the remaining debt of the user.

The income generated through the conversion will not be considered as user's income tax.

## LAW AMENDING THE LAW ON BUDGET SYSTEM

Law on Budget System was amended in 2018 for the last time, however as it was necessary to align it with other laws, the amendments were introduced. It is aligned with the Law on Preschool Education which had been amended February this year. The alignment is done pursuant to the provision stipulating that the base for calculating salaries in preschool institutions will be the same as the salaries base in elementary education. By this, the salary of employees in preschool institutions shall be equal as the salaries of employees in elementary education institutions.

## LAW AMENDING THE LAW ON PLANNING AND CONSTRUCTION

The Government of Serbia, as the law proposer, emphasises that all projects representing line infrastructure facilities – roads, railroads and other, are constructed at large lengths covering several thousand cadastre lots. For the purpose of speeding up the process of constructing these facilities the amendments to the Law on Planning and Construction have been proposed in order to enable faster obtaining of building permits, and/or the building permit would be issued to the developer for the entire project design. It means that it would be possible for the developer to start the works on the parts for which the expropriation procedure was completed, and/or for which the property relations are solved, while for the parts for which the expropriation was not completed including the cadastre procedures, this would be solved in parallel with carrying out construction works, so the contractor would not have to wait for all procedures to be completed before starting the construction.

### **Defining an economic–industrial facility and a possibility of deviating from the planning document when forming the building lot for the construction of the facility**

The law defines the economic-industrial facility (a unit which includes several interrelated independent functional wholes, and/or cadastre lots, which might have different purpose in the function of production, non-production and other economic activities, and/or energy production) and stipulates that during the construction of the facility and/or its installation the building lot can be formed which deviates from the surfaces or the positions predicted by the planning document for that zone, under the condition that there is an access to the facility for the purpose of maintenance and removal of defects or damage.

### **The developer's statement that before issuing the exploitation permit he/she will solve the real estate property relations will be considered as relevant evidence on solved property relations for the land**

As the evidence on the solved property relations for the land, for the purpose of construction, extension or the reconstruction of the utility infrastructure and electrical power and infrastructure line facilities, as the evidence on solved property relations on the land, instead of the evidence prescribed by this Law, a list of cadastre lots may be also submitted along with the attached owner's consent and/or land user or developer's statement that before issuing the exploitation permit the real estate property relations shall be solved.

## Reducing the competences of the Republic Directorate for the Property

If the acquired subject is only the land underneath the facility constructed in an open residential block or a residential complex and that land is the public property of the Republic of Serbia, the authority responsible for the legalisation procedure of the designated land area shall obtain the consent from the Republic Directorate for Property of the Republic of Serbia, which is a novelty introduced with the Law since according to the previous applicable legislative solution in this situation the decision was made by the Republic Directorate for Property, and now it only gives consent.

The Review Committee will draw up the report with the measures that shall be obligatory to apply with making of the preliminary design for building permit, and not with the main design as it was provided for with the former solution.

## Issuing building permit for specific types of facilities

The law amendments stipulate that the building permit for the construction of line infrastructure facilities could be issued for several cadastre lots, and/or parts of cadastre lots by obliging the developer before the exploitation permit being issued, and on the grounds of the re-allotment design, to merge the cadastre lots.

Apart from that, for constructing the distribution substation inside the facility, the developer's and/or owner's consent shall be considered as a proof of the relevant right. Following the construction of the facility, the part of the building where the distribution substation is located, shall become a separate part of the building in accordance with the provisions governing the building maintenance matters.

Additionally, the building permit, to the risk of the developer, could be also issued if the annotation was registered in the cadastre which came into force after the Law amending the Law on real estate and utility lines cadastre registration procedure has entered into force ("Official Gazette of RS", No. 41/18).

## Possibility of issuing the building permit for several cadastral lots/parts of cadastral lots for constructing line infrastructure facilities

Former rule that the building permit is issued for the entire facility, and/or a part of the facility, if that part represents technical and functional whole, shall be amended with the possibility to issue building permit for several cadastre lots or parts of cadastre lots for constructing line infrastructure facilities

## Extending the validity of the building permit if it was issued on the basis of the developer's statement that before issuing of the exploitation permit the real estate property relations shall be solved

The law amendments enable that the building permit, issued on the basis of the developer's statement that before issuing of the exploitation permit the real estate property relations shall be solved, will be valid until the works for all parts of facilities are notified. This is an exception to the former rule that the building permit shall lapse if the works are not notified within three years from the day of the finality of the decision certifying the issuing of building permit.

If the building permit was issued on the grounds of the aforementioned developer's statement, the

notice of the commencement of works may be submitted only for the part of the facility for which the developer has submitted the evidence of solved property relations.

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### **Conferring some tasks related to professional exam**

A professional exam, as the requirement for carrying out specific tasks prescribed by this Law, will be taken before the commission established by the minister in charge of matters of urban planning and construction. It's a novelty that the Ministry could use the contract to confer the administrative, professional and technical matters related to the professional exam to the professional organisation or an association.

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### **Changes in the decision-making bodies of Serbian Chamber of Engineers**

Instead of the former number of participants proportionate to the Chamber members, the law amendments provide for that each parent section that has representatives in the Chamber Assembly shall delegate an equal number of their representatives.

The Management Board will have 12 members: six will be appointed by the Ministry and six by the representatives of parent sections, but it is obligatory that the chairperson and the deputy chairperson are selected from the members appointed by the Ministry. This is a significant amendment considering the fact that until now the Chamber Management Board had 11 members and three of these were appointed by the Ministry.

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### **The Government prescribed the criteria for drawing up documentation for urban planning**

The amendments to the law specify that the Government shall have competences to prescribe in more detail the criteria for drawing up documentation for both urban and spatial planning.

This Law shall enter into force on the next day following that of its publication in the "Official Gazette", and the bylaws for the implementation of the law will be adopted within 60 days from the day of the law entry into force. In addition, it is provided for that the valid planning documentation adopted before 1 January 1993 will cease to be valid 24 months after this Law entry into force, and the authorities in charge of its adoption will be obliged to adopt new planning documentation within that time period.

## **LAW AMENDING THE LAW ON CABLEWAY INSTALLATIONS DESIGNED TO CARRY PERSONS**

The Government of Serbia, as the proposer of the Law amending the Law on cableway installations designed to carry persons, would like to emphasise that it is necessary to amend existing legislative solutions both for alignment of the national legislation with the European regulations and for the more precise defining of the terms, better regulation of the cableway installation operation and safety.

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### **Cableway installation manager**

Under the current law it was prescribed that only a legal person can be a cableway installation manager, but the law amendments will allow that an entrepreneur could also be a cableway installation manager.

Under the applicable legislative solution, the manager shall be obliged to organise and carry out the investigation in the event of an exceptional occurrence, but it is precisely defined that the manager is obliged to do so only in the event of a serious accident or an accident while the cableway installation was working. The manager shall appoint the investigation committee that shall carry out the investigation and it must include representatives of all entities to which this exceptional occurrence refers to.

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### **Operating personnel**

The law precisely defines the form of education and training the operating personnel must have, and/or a worker who carries out tasks and directly participates in the operation/maintenance of the cableway installation or a specific towing device.

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### **Cableway installation line in the built-up area**

If the cableway installation line is located in the built-up area it must fulfil the special requirements that shall be prescribed by the competent minister.

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### **Higher independence of the Minister of Transport in stipulating the requirements for this field**

The amendments to the law have completely excluded the Ministers of Environment and matters of forestry and hunting (Minister of Agriculture) from the procedures of prescribing requirements for cableway installations lines, requirements for the cableway installation, stations, columns, foundations and other infrastructure as well as the procedure for specifying width and height of the area of safety, since under the until now applicable legislative solution, the Minister of Construction, Transport and Infrastructure was not able to adopt regulations in these fields without the consent of the abovementioned ministers.

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### **Technical inspection of the cableway installation**

The amendments to the law specify that the operations of technical inspection of the cableway installation may be carried out exclusively by the technical, legal or natural person authorised by the

ministry in charge of transport matters. The Ministry shall issue the authorisation for the five-year period which is a subject to the administrative fee paid in accordance with the Law on Administrative Fees.

Following the technical inspection of the cableway installation, a report is drawn up and it is required to submit documentation on the performed inspections, conformity assessment certificates and other technical documents along with the report. The positive conformity assessment from the report on the technical inspection is the proof of the cableway installation safety.

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### **Obligatory technical inspection following the re-installing of the cableway installation**

For the purpose of ensuring the higher degree of passengers' safety, the amendments to the law have introduced the novelty of obligatory technical inspection following the re-installing of the cableway installation or a specific towing device.

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### **Copies of safety analysis certificates do not have to be stored at the location of the cableway installation**

Instead of the previous provision stipulating that the safety analysis, conformity assessment certification and accompanying technical documentation related to safety components and subsystems have to be submitted to the competent government authority, while their copies are stored at the location of the cableway installation, the new legislative solution just stipulates that these reports have to be available without specifying the location where their copies are stored.

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### **Legalisation of cableway installations constructed without a permit**

If the cableway/specific towing device does not possess use permit and/or permit for installation of the facility within the meaning of the Law on Planning and Construction, the manager is obliged to obtain the final document and the document laying down the suitability for use in accordance with the regulations governing the legalisation of facilities.

## **LAW AMENDING THE LAW ON PASSENGER ROAD TRANSPORT**

Law on Passenger Road Transport entered into force in 2015 and it has been applied since 2017, but it was amended twice in 2018. Last amendments introduced were related to taxi and limo service (service of renting vehicle with a driver). Following its last amendment, the amendments to the Law on Road Traffic Safety have been adopted as well, so it is necessary to make alignments with it. Provisions to be aligned concern the qualifications and a professional degree of the driver, yet it is also necessary to make more precise provisions in order to carry out unique application of the administrative authorities' provisions.

Some provisions from the previous legislative solution shall be deleted, first of all the definition of the licence, and then the provision instructing the companies to make certification of the travel order. Also, the provision prescribing the obligation of the driver to have the licence for carrying out tasks of professional driver shall be deleted.

The legislator prescribes the obligation for each driver to possess a qualification card or a certificate on professional competence in order to carry out tasks of the professional driver.

As regards the appearance of the vehicle, the appropriate length of the vehicle shall be specified as well as the obligation to possess the air conditioning device in the vehicle. This provision was obligatory so far, yet in this Law it was estimated that such a strict provision referring to the air conditioning devices is unjustified and unnecessary. As regards the vehicles of the limo service, the obligatory number of seats these vehicles must have shall be prescribed. The provisions regarding the tachometer and types of motors in the vehicle have been specified, as well as the obligatory possession of the qualification card or a driving licence with the Code 95.

The powers of authorised persons in the autonomous province and/or municipal and city administration or the authority competent for matters of transport in carrying out inspection tasks have been prescribed.

The fine has been prescribed as regards penalty provisions for the limo service drivers who drive vehicles which do not meet the prescribed requirements. Also, a new penalty provision refers to the non-possession of qualification cards. Inspector or a municipal policeman could penalise the driver if he/she fails to stop the vehicle at the stop paddle sign.

The provisions of this Law will apply to the proceedings which have not ended by the day of this Law entry into force.

The Law shall enter into force on the eighth day following that of its publication in the "Official Gazette" of the Republic of Serbia, besides the provisions referring to the qualification card and driving licence with Code 95 which will enter into force on 1 January 2021.

## **LAW AMENDING THE LAW ON AIRPORT MANAGEMENT**

The law amendment refers to the amendment of a sole article providing for that operational activities under the procedure of implementing National Programme for the Development of Airports, implemented by the ministry in charge of transport matters, shall be carried out by the company "Airports Serbia d.o.o." In the previous text of the law it was mentioned that its central headquarters shall be in Belgrade, however by deleting this word there is a possibility now for the company carrying out operational activities to change its headquarters.

The Law shall enter into force on the eighth day following that of its publication.

## **LAW AMENDING THE LAW ON PLEDGE OF MOVABLE ASSETS REGISTERED IN THE PLEDGE REGISTRY**

Law on pledge was adopted in 2003 and it allowed the functioning of the Pledge Registry which started operating somewhat later, in 2005. The law was amended several times after it was adopted, and the provisions on the Registry were in force until 1 May 2013, when the tasks of the Registry were conferred to the Business Registers Agency. Registering pledge on movable assets turned out to be a good method of securing the loans without transfer of possessions. However, some legal gaps have appeared as well as the uncertain norms that have negatively influenced the harmonisation of the securing practices. In addition, the World Bank and the Doing Business rankings have demanded this Law to be amended, first of all, for the purpose of Getting Credit area in order to create a single legal framework and make the legal transactions more secure. Also, one of the demands of the World Bank was to have the object of pledge described so it could be defined,

but it does not have to include precise information on each object of pledge.

The amendments will be made as regards the content and the written form of the agreement which will be specified, so it shall result in the terminological alignment regarding the changes.

The provision pertaining to the acquisition of the right of pledge shall be amended specifying that the pledgee who has acquired the right, whether by transferring assets or any other legally prescribed manner, may request to register that right into the Pledge Registry in order to acquire the priority right of settlement.

As regards determining the objects of pledge, the article pertaining to movable assets shall be amended in order to be aligned with the proposals of Doing Business rankings. This shall mean that the pledge right may be exercised through the body of movable assets. Apart from this solution, the possibility of pledge upon existing and future assets of the pledger's special bank account is also added.

The right of pledge over claims has been also specified and laid down so it is exercised under the pledge agreement over claims by registering into Registry, while the debtor does not need to be informed on the pledge. Shares of movable assets can also be the objects of pledge.

In order to fill in the legal gap for the part of the law pertaining to the designation of the third party, the legislator proposes who may designate another party in that case, who can be designated with the right, the waiver method as well as the manner of registering in the Registry of movable assets.

Priority right shall be laid down so if there are two pledgees and one has the possession upon the pledged object and the other pledgee has registered the right of pledge in the Registry, the pledgee who has the registered the right of pledge shall have the priority right. The time of reception of the application for the pledge registering shall be counted in minutes, hours and days.

Initiating settlement shall be specified by providing for an obligation of the pledgee to notify all debtors on the intention of satisfying his matured claim. The notice shall be then registered in the Registry of Pledges which shall make it available and visible.

When the settlement procedure was initiated, within 30 days from sending the notice on settlement the pledgee has the right to take possession of the object of pledge. He can settle his claims both in and out of court. In accordance with that, a special procedure has been prescribed for acquiring possession on the object of pledge in extra-judicial settlement. During the extra-judicial settlement the pledgee shall submit the excerpt from the Registry and the pledge agreement.

Apart from this possibility, the pledgee may also settle debt by judicial sale. This provision specifies that the possibility of acquiring possession shall be possible only for a pledgee for whose settlement an annotation was made.

Notice on the location and time of extra-judicial settlement shall be published on the Pledge Registry webpage no later than 15 days before the day of the sale.

It is provided for that on the grounds of some other document which proves that the claims have ceased there is a possibility to delete the right of pledge and thus delete the former legal gap.

The law defines that the Pledge Registry shall be the public registry of the right of pledge upon objects but also the rights specifying what is included in the registration of the right. The jurisdiction of the Registry shall be extended so the agreements on selling movable assets could be pledged for the purpose of securing which means adopting the recommendations of the World Bank and the Doing Business rankings for the purpose of creating a single legal framework.

This Law introduces the novelty of regulating the availability of data and documentation containing

this data as they could be publicly available in accordance with the personal data protection and the business secret.

## **LAW AMENDING THE LAW ON REAL ESTATE AND UTILITY LINES CADASTRE REGISTRATION PROCEDURE**

The reasons behind adopting this Law are recognised in the need for its alignment with the latest amendments to the Law on Planning and Construction, in order to make faster and more efficient changes in the cadastre of real estate and utility lines, and on the grounds of the allotment and re-allotment designs for the purpose of expropriation – especially for the construction of line infrastructure facilities and infrastructure projects of special importance in the civil engineering construction. This provides for speeding up the beginning of construction and enabling faster acquiring of building permits for very important projects for Serbia and creating conditions for their efficient realisation. The purpose of adopting the law is to create a legal framework for adequate problem-solving regarding the practice related to projects Serbia has great interest in which are necessary for improving infrastructure and connecting citizens.

For the facilities with the established public expropriation interest, for which the proceedings were initiated and completed, and the decisions were final, the annotation on a dispute on any grounds shall not be allowed so as not to influence the obligations Serbia has accepted by signing and ratifying the international agreements or concluding contracts pursuant to them. On this basis, Serbia is obliged to hand over real estate without any encumbrance since the existence of the annotation prevents their enforcement, introducing the basis for applying sanctions for default stipulated by the contract. Within that meaning, it is explicitly prescribed which of legally mentioned annotations may not be registered with the real estate for which the property right has been registered on the basis of the final decision on expropriation of real estate or final decision on the administrative transfer of real estate. These annotations already registered before this Law entry into force shall be deleted by the day of this Law entry into force on the request of the expropriation beneficiary pursuant to the decision on the expropriation/administrative transfer. These annotations are transferred to the real estate handed over as the ownership/co-ownership on behalf the compensation for the expropriated real estate, and/or other personal property of the appropriate value.

For the decision order as regards registering in the cadastre, the priority is given to the registration on the basis of the provision regulating expropriation, and then, as in the previous legislative solution, to the registration of the annotation for the decision on enforcement adopted on the grounds of mortgage agreement and lien statement previously registered, unless there are unresolved matters of registering on the basis of the final court decisions and applications before the registration.

The proceedings initiated by the day of this Law entry into force shall be finalised in accordance with the provisions applicable when they were initiated.

This Law shall enter into force on the next day following that of its publication.

## **LAW AMENDING THE LAW ON FOREIGNERS**

The law shall regulate the entry of foreigners to Serbia and their stay, in accordance with the Constitution. The reason to adopt the law is to enable exercising the rights of foreigners to employment on the grounds of the long-term visa issued in accordance with the relevant provisions. The purpose of this

Law is to facilitate the procedure of issuing work permit to foreigners in Serbia, to enable issuing the temporary residence authorisation electronically and to introduce the single administrative point for foreigners submitting a unique application for both residence and work permit.

Article regulating the long-term visa shall be extended so as to stipulate that a foreigner who was issued a visa on the grounds of the employment shall exercise the right to employment in accordance with the law regulating that area. If the foreigner's work engagement is longer than the validity of the long-term visa, before its expiry he/she shall undertake to submit the application for temporary residence authorisation.

Diplomatic and consular missions shall be obliged to obtain the consent of the Ministry of Interior before the visa is issued, and this is no longer conditioned by the stipulation from the act of the Government laying down the list of countries for whose nationals it is necessary to obtain consent to issue visa.

The visa issuance shall define the obligation of the foreigner who has been issued a visa to reside in Serbia in accordance with its issuing purpose and grounds. The law shall introduce the possibility of foreigners' temporary residence authorisation for longer than 90 days to certain categories of foreigners regardless of the authorisation grounds, and the Government shall determine criteria for this.

The possibility is introduced to electronically submit application for temporary residence or its extension which shall be closely regulated by the Minister of Interior. A foreigner may submit an application for temporary residence when legally staying in Serbia without a required visa or with a long-term visa (former time period of 90 days from the day of last entry was excluded), and application may be submitted electronically or from abroad.

The novelty introduced by the law is an option to submit a unique request for authorisation/extension of temporary residence of a foreigner and a work permit, in person or electronically in the prescribed manner with a fee charged. The additional conditions shall be prescribed in agreement by the Minister of Interior and Minister of Employment. For foreigners who were issued a long-term visa on the grounds of employment in Serbia, requiring a necessary work permit, an obligation is deleted to submit an application for temporary residence when entering Serbia.

The law extends the definition of a nuclear family concerning the temporary residence on the grounds of family reunification, and in extraordinary circumstances it is allowed to consider the wider circle of relatives as the members of the nuclear family outside of those directly related.

The right of foreigners to an identity card shall be extended to the members of the family who live in a household with a person who is a member of a diplomatic/consular mission of the foreign country or any other mission with the diplomatic status. Different types of special identity cards have been foreseen, as well as the persons who will be issued with these cards, detailed data of these cards and information regarding the application for issuance. The Minister of Interior shall continue to be in charge of prescribing the layout of the form and the procedure for issuing identity cards for foreigners and temporary identity cards, while the Minister of Foreign Affairs shall have the scope of duties extended to the layout of the application template for issuing special identity card, along with the card form and the procedure for its issuance.

The personal data which are collected and processed by the Ministry of Foreign Affairs concerning the foreigners and persons related to them shall be extended to include additional information from special foreigners' identity cards issued.

The fines are prescribed for a new violation which refers to foreigners who reside in Serbia contrary to the purpose/grounds of the visa issued to them, while the protective measure of removal of a foreigner from the territory of Serbia can be pronounced for any violation now. The misdemeanour provision pertaining to the foreigner's failure to meet the obligation of submitting the application for temporary

residence authorisation following the entry to Serbia on the grounds of the long-term visa issued for the purpose of employment which requires a work permit shall be deleted.

From the part related to provisional and final provisions, a provision which foresees the adoption of the regulation laying down the list of countries for whose nationals it is necessary to obtain prior consent from the Ministry of Interior to issue visa shall be deleted. Also, the Government obligation to adopt within 6 months the act regulating the price for the forms and stickers types referred shall be deleted.

It is foreseen that the Government shall lay down the criteria for determining the category and the foreigners' category, in accordance with the law; the Minister of Interior shall lay down requirements for electronically submitting the application for temporary residence; the Minister of Foreign Affairs shall lay down the layout of the application template for issuing special identity card; and the ministers for interior and employment jointly and in agreement shall determine the layout and the content of the form, and this should be all done within 6 months from the Law entry into force.

The Law shall enter into force on the eighth day following that of its publication, with the deferred application of the provisions related to the long-term visa on the grounds of employment, obtaining consent of the Ministry of Interior before issuing visa, the residence in Serbia in accordance with the visa purpose, categories of foreigners and submitting the application electronically by 1 January 2020, or 1 December 2020 for the unique application for both temporary residence and work permit.

## **LAW AMENDING THE LAW ON EMPLOYMENT OF FOREIGNERS**

Law on Employment of Foreigners was adopted in 2014, and amended after in 2017 and 2018. New amendments introduced to this Law refer to the simplified procedure of issuing work permits to foreigners. The amendments shall merge the procedures of the National Employment Service when obtaining consent and opinions from the competent ministries when extending the validity of the work permit for movement within the company. Under the proposed measures the National Employment Service shall ex officio obtain consents and opinions thus facilitating the procedure of work permit extension for the employer. This Law is aligned with the Law on Foreigners which enables simplified obtaining of the residence permit and the work visa. The employer may initiate the procedure for issuing work permit during the on-going procedure for issuing residence permit and work visa even before the foreigner will come to Serbia.

As far as the employment of foreigners is concerned it is allowed under the condition that a foreigner has a long-term visa on the grounds of employment, permanent residence authorisation or a work permit.

The work permit issued on the basis of the long-term visa shall be valid until the expiry of the visa. The work permit may be issued to a foreigner possessing the long-term visa on the grounds of employment.

Work permit for seconded persons, work permit for movement within the company and work permit for self-employment may be issued to a foreigner who has long-term visa on the grounds of employment.

One of the novelties provided for by the law is that the National Employment Service shall ex officio obtain consents and opinions from the competent ministries in order to simplify the procedure of issuing work permits.

The deadline to apply for work permit issuance shall be extended to 60 days before the end of validity of the previous permit.

No longer than 90 days from this Law entry into force the Minister shall be obliged to adopt all bylaws and align them with this Law.

The Law shall enter into force on the eighth day following that of its publication in the "Official Gazette".

**MAY 2019**

## **LAW AMENDING THE LAW ON SEIZURE AND CONFISCATION OF THE PROCEEDS FROM CRIME**

Law on Seizure and Confiscation of the Proceeds from Crime was adopted in 2013, and amended in 2016. As the Criminal Code was amended in 2016 as regards Chapter XXII regulating the economic criminal offences, it is necessary to make the corresponding amendments.

The amendments concern, first of all, amending the article in which the criminal offences are listed. It means the formulations of economic criminal offences related that are novelties from the Criminal Code.

The Law shall enter into force on the 8th day following that of its publication in the Official Gazette of the Republic of Serbia.

## **LAW AMENDING THE LAW ON ENFORCEMENT OF PENAL SANCTIONS**

The grounds for adoption of this Law are to extend the scope of judges' jurisdiction for enforcement of penal sanctions (in accordance with Chapter 23 Action Plan), and the harmonisation of labour provisions related to persons employed in administrations for enforcement of penal sanctions.

It is stipulated that the competences of the minister in charge of judiciary, in addition to adoption of regulations governing the work of the Training Centre of the Administration for Enforcement of Penal Sanctions, also involve the organisation and implementation of the other types of trainings, including professional and specialised training.

The criteria were precisely defined concerning the degree of the person who may be appointed as the Head of the Administration for Enforcement of Penal Sanctions, that this person had to have a university degree and to be a graduate of the law faculty, along with the detailed specifications of the type of the degree, while the requirement of 9 years of professional work experience (more general requirement in comparison to previous legislative provision that provided for experience in the enforcement of penal sanctions, judiciary or lawyers profession) specified that at least 7 years had to be in managerial position.

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## **Enforcement of up to one year prison sentence in the premises that the prisoner resides**

The Law introduces a novelty of the proceedings on the request for the enforcement of the prison sentence in the premises the sentenced person resides, and the request may be filed after the judgment was final until the moment the serving of sentence begins if the imposed imprisonment sentence is up to one year. The proceedings is stipulated regarding the request for enforcement of the sentence, while it is mandatory to take into consideration the purpose of the punishment, circumstances of its enforcement, application of additional surveillance measures, with possibility of the appeal against the court decision and related application of the law governing the enforcement of noncustodial sanctions and measures.

The prisoner who is sentenced to the imprisonment or has the remaining sentence up to one year (exceptionally two years) shall be as a rule assigned to the district prison.

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## **Employing sentenced persons**

The Law stipulates that the decision on the employment of sentenced persons shall be adopted by the Prison Governor on the proposal of the expert team.

Besides the previous possibility of employment in the workplace under specific conditions on the basis of the decision of the Administration Head, the Law specifies the procedure and requirements of permitting labour in the workplace outside of the Administration upon the decision of the court on the proposal of the Prison Governor, on the initiative of the prisoner, as well the revocation of the permission. The circumstances are stipulated regarding the contract and the wages – the amount of the remuneration and the potential tax exemptions.

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## **Disciplinary measure of solitary confinement**

The Law amendments concern the imposition of the disciplinary measure of referring the prisoner to solitary confinement, and the mandatory medical examination to be done immediately after the disciplinary measure was enforced, unlike the previous version of the law when it was done – before the very enforcement of the measure. If the examination indicates that this measure shall effect the medical condition of the prisoner, its enforcement shall be suspended until the health improves, and after that the prisoner is back to solitary confinement.

The Law introduces the corresponding application of the provisions of the Criminal Code and Criminal Procedure Code in relation to the disciplinary proceedings, establishing of the liability and measures adopted by the minister in charge of judiciary, those which are not provided for by this Law.

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## **Possibility of early release for up to one year sentences**

In addition to the possibility of the early release pursuant to the decision of the Head of the Prison Administration for serving up to 6 months sentence, the judge for enforcement of penal sanction may on the proposal of the Prison Governor release the prisoner no sooner than 12 months before the expiry of the sentence, if they have served one half of the imprisonment sentence, and due to the serious disease, severe disability or old age, if the continuation of the sentence would represent inhumane treatment.

The proceedings initiated by the Prison Governor has been stipulated, mandatory obligation of the prisoner to deliver evidence on the medical condition, and this decision may be revoked if no rea-

sons for early release were established or the reasons have ceased to exist.

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### **Grades, degrees and training of the Administration staff**

The Law introduces amendments in the chapter related to the grades of the Administration staff, special professional exam and professional training. In relation to the grades of the Administration staff, the Law stipulates the division of jobs into working positions, positions for penal enforcement, positions of carrying out tasks in security service and non-executive positions. Positions for penal enforcement and positions for carrying out tasks in the security service shall mean the tasks of law application related to the enforcement of sanctions and shall be ranked into separate grades in accordance with the Law depending on the degree of education. The necessary requirements were set that should be met in order for the position to be ranked into a particular grade, while the Government shall closely regulate the division of positions into grades, jobs, rules and job classification. For the remaining positions – public offices and non-executive positions the provisions governing the positions of the civil servants shall apply.

The Law provides for obligation to take special professional exam for the purpose of carrying out tasks in the security service for specific work positions and necessary requirements. The exam committee shall be set up by the Head of the Administration. Training, professional and specialised trainings of the staff shall be implemented by the lecturers designated by the Head of the Administration (previous law had foreseen the committee to be set up by the minister in charge of judiciary). The Law provides for requirements to be met by the members of the exam committee and the lecturers. The minister in charge of judiciary shall more closely regulate the trainings and specialised and professional trainings, requirements, records, certificates (on completed training) and confirmations (on specialised and professional trainings), and the templates of certificates and confirmations.

It has been stipulated for which staff the Training Centre shall implement specialised, professional and other training programmes, including the staff in other public authorities. Training programmes shall be drawn up by the Teachers Board of the Training Centre, and the Law stipulates its composition as well. The Director of the Training Centre shall propose the plan for implementation of specialised, professional and other trainings to the Head of the Administration who is adopting the plan.

The provision providing for Administration staff members who have accelerated pension scheme calculated by maximum of 30% in proportion to the increase of the pension scheme shall be excluded from the law.

The Law foresees the finalisation of the professional exams in line with the previous law, exemptions of commanders who passed the exam from mandatory exam for junior commanders, as well as the deadlines for adopting bylaws stipulated by the Law.

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### **Entry into force**

The Law shall enter into force on the eighth day following that of its publication.

## **LAW AMENDING THE CRIMINAL PROCEDURE CODE**

The Criminal Procedure Code was adopted in 2011, and had several amendments since, the last one in 2014. The amendments that followed in 2019 in the area of the Criminal Code that introduced the penal sanction providing for the possibility of life imprisonment for gravest criminal offences have necessitated the amendments of this Law. In addition to that, the alignment with previous amendments of the provisions of the 2016 Criminal Code shall be carried out in relation to Chapter XXII regulating economic criminal offences.

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### **Composition of the panels of judges**

The first novelty foreseen by the legislator refers to the composition of the court, and/or the panels of judges. After the introduction of the life imprisonment sentence, the same composition of the panel of judges that had adjudicated for criminal offences punishable by up to 40 years of imprisonment, will have under their jurisdiction criminal offences punishable by life imprisonment sentence. Namely, two judges and three lay judges will adjudicate in first instance for criminal offences punishable by up to 40 years of imprisonment or the life imprisonment. The same principle applies to second instance proceedings and appellate proceedings as the five-judge panel shall adjudicate for aforementioned criminal offences.

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### **Economic criminal offences**

As the Criminal Code was amended in 2016 regarding Chapter XXII that regulated the area of economic criminal offences it was necessary to make the corresponding amendments. Concerning the amendments related to the inspection of the accounts and suspicious transactions new criminal offences shall be added as regards giving and receiving bribe in carrying out business activity.

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### **Special evidentiary actions**

In relation to the chapter pertaining to special evidentiary actions, the legislator shall make the alignments with the Criminal Code as regards the economic criminal offences. Therefore these provisions shall be more precisely defined and criminal offences on which special evidentiary action may be applied shall be added.

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### **Agreement on giving testimony**

This provision stipulates who are the persons who may be given a possibility of concluding the agreements on testimony with the Prosecutor. However, persons for whom there is grounded suspicion to be the organisers of an organised criminal group, who were sentenced to forty years of imprisonment or a life imprisonment may not be proposed to be a cooperating defendant.

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### **Appeal, waiving and abandoning an appeal**

In line with the newly introduced amendments, the provisions pertaining to the appeals shall be aligned regarding which group of persons may file an appeal. It stipulates that defence counsel and other persons stipulated by the law may file an appeal even without the consent of the person sentenced to thirty to forty years of imprisonment or life imprisonment. Also, the defendant who



was sentenced to thirty to forty years of imprisonment or life imprisonment may not waive the right to appeal nor abandon the appeal.

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### **Entry into force**

The Law shall enter into force on the eighth day following that of its publication in the Official Gazette of the Republic of Serbia.

## **LAW AMENDING THE CRIMINAL CODE**

The amendments of the Republic of Serbia Criminal Code were initiated by the Foundation “Tijana Juric”, but also due to the need to prescribe the harsher punishment for offenders who are recidivists and multiple recidivists.

On 9 November 2017, the Foundation “Tijana Juric” submitted the people’s initiative to amend the Criminal Code supported by exactly 158,460 citizens’ of Serbia signatures to the National Assembly. This initiative proposed the introduction of the life imprisonment for gravest criminal offences against life and limb and criminal offences against sexual freedom in cases when criminal offence resulted in death of a child, minor, pregnant woman or helpless person. This initiative also proposed to exclude the possibility of conditional release for these offences.

Taking into consideration of the above-mentioned reasons for amendments of the Criminal Code, as the purpose of the punishment, besides the special and general prevention, as well as the expression of social punishment for criminal offence, the amendments also stipulate “the execution of justice and proportionality between the committed offence and the weight of the penal sanction”.

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### **Life imprisonment punishment**

Due to that, besides the existing types of punishment referring to revocation of driving licence, community service, fine and imprisonment, the punishment of life imprisonment was introduced which may not be imposed to persons who were younger than twenty-one at the moment they committed a criminal offence. The life imprisonment punishment completely replaces the existing prison punishment provided for the gravest criminal offences and most severe types of criminal offences – the punishment of thirty to forty years of imprisonment.

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### **Release on parole and life imprisonment punishment**

The stipulated amendments to the Criminal Code prescribe that the release on parole for the cases referring to the offenders punished to life imprisonment could be possible only after twenty seven years of prison. For the cases the release on parole is not excluded, it is stipulated that for the prisoner serving life imprisonment the release on parole should start on the day of the release on parole and last for ten years.

It further stipulates that the court may not allow release on parole for the prisoner sentenced for following criminal offences:

- aggravated murder of a child or pregnant woman;
- rape, such that results in death of the person against whom it was committed, or if committed

against a child,

- sexual intercourse with a helpless person, such that results in death of the person against whom it was committed;
- sexual intercourse with a child, such criminal offence that results in death of a child;
- sexual intercourse through abuse of position, such that results in death of a child.

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### **Stricter punishment for repeat offenders**

Considering that the stricter punishment of repeat offenders committing criminal offence was among the reasons for amending the Criminal Code, it has been prescribed that the court shall take the earlier sentence for criminal offence committed with premeditation as aggravating circumstance in the cases where less than five years elapsed from earlier sentence or served sentence. In such cases of repeated offence, it is stipulated that the court may not impose a penalty which is under statutory limits or a mitigated penalty, unless mitigation of penalty is provided by the law or if the law provides for remittance from the punishment of the offender but the court decides otherwise.

In case of the multiple repeated offences, it is prescribed that for criminal offence committed with premeditation punishable with imprisonment, the court must impose punishment above the middle range of statutory punishment under the following conditions: 1) if the offender was twice or more times sentenced to punishment of at least one-year imprisonment for criminal offences committed with premeditation; 2) if less than five years elapsed from the day the offender was released from serving the imposed punishment until a new criminal offence was committed.

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### **Mitigation of penalty – limitations**

In addition, regarding the institution of mitigating the penalty, it is prescribed that apart from already listed exceptions when it is not possible to mitigate the penalty, it may not be mitigated not even in cases referring to the criminal offence of unlawful selling and trading of substances or concoctions declared as narcotic drugs, and also in cases this offence was committed by a group, organised criminal group or an offender who had organised a group of dealers or middlemen. Under the new amendments of the Criminal Code, the penalty may not be mitigated for persons previously imprisoned of the same kind/type of criminal offence.

In accordance with providing for stricter punishment of imprisonment, after the amendments of the Criminal Code, the suspended sentence may not be imposed for criminal offences punishable by eight years imprisonment or a heavier penalty.

The stipulated amendments also prescribe there is no statute of limitations for criminal prosecution and enforcement of the penalty for criminal offences against humanity and other goods protected under international law (war crimes under Articles 370-375 of the Criminal Code), but also each criminal offence punishable by life imprisonment.

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### **Other criminal offences and penalties**

Apart from the amendments mentioned that concern introduction of life imprisonment for five types of criminal offences upon the initiative of the Foundation “Tijana Juric”, other criminal offences were also amended, especially those concerning the unlawful production and circulation of narcotics, their illegal possession, and facilitating the taking of narcotics. These offences have been amended by either increasing the punishable sentences or prescribing the qualified types of

these criminal offences committed against children, minors or persons with mental disabilities or committed by persons such as doctors, social workers, priests, teachers, pre-school teachers and others.

Considering that the amendments to the Criminal Code prescribe the punishment of life imprisonment, hence the thirty to forty imprisonment punishment shall cease to exist in our legal system, the punishment of life imprisonment was prescribed for other criminal offences – for murder of representatives of highest national authorities, and other heavy offences against the constitutional order and security of the country and criminal offence of genocide, crimes against humanity, and more heavy types of war crimes against civilian population, war crimes against the wounded and sick, war crimes against prisoners of war and other war crimes. Also, this type of imprisonment was prescribed for criminal offence of terrorism and any other criminal offence which had been punishable by the thirty to forty years' imprisonment as the main punishment.

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### **New criminal offences**

Finally, the amendments to the Criminal Code prescribe new criminal offence – an assault on a lawyer, punishable by three years imprisonment for persons assaulting a lawyer or a member of lawyer's family, in relation to the work of the lawyer. In addition to, the law prescribed the types of this criminal offence related to committing this offence by causing bodily harm, as well as destruction or damage of property of a lawyer or a member of lawyer's family.

For the purpose of aligning with the international recommendations in the area of fight against money laundering and terrorist financing, the amendments of the Criminal Code shall stipulate more detailed definition of criminal offence under Article 393 of the Criminal Code – Financing terrorism.

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### **Entry into force**

Taking into consideration the scope of changes provided for by the amendments of the Criminal Code, the deadline for the beginning of these measures implementation shall be extended so the amendments proposed should enter into force on 1 December 2019.

## **THE LAW ON PREVENTION OF CORRUPTION**

The area of anti-corruption is regulated by the 2008 Law on Anti-Corruption Agency, governing the competences of the Anti-Corruption Agency. The need for its improvement occurred during the negotiations for Serbia's accession to the European Union (Chapter 23 Action Plan, hereinafter referred as the AP 23). One of the measures for improvement stipulates the adoption of the new law extending the scope of competences and the capacities of the Agency, with professionalization of staff and providing for new legislative solutions\* (see the comment at the end)[AM1] . Additional reason for adopting the Law concerns the necessity to precisely define the provisions referring to, first of all, the conflicts of interest, accumulation of public offices, declaring assets and income of the public officials, and regulating the Agency's scope of activity.

The first deadline for adopting new law was the fourth quarter 2015, but the AP 23 review postponed it until the third quarter 2016, which was not met. Draft Law was published only in July 2018, and amended twice – in August 2018 and at the beginning of 2019, and it entered the Assembly procedure in May 2019.

With the adoption of this law the alignment with the strategic documents in the area of anti-corruption has been completed. The only problem is that the Anti-Corruption Strategy and the accompanying Action Plan have expired. The alignment with GRECO recommendations has been done, that have indicated the necessity of specifying the conflicts of interest, as well as the need to enable the access to the officials' data, possibility of citizens filing anonymous applications and keeping the records of all criminal complaints/offences/disciplinary proceedings.

One of the problems that occurred during the adoption of this Law is the violation of the first GRECO recommendation warning that the adoption of the law under the urgent procedure should be avoided.

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### **Basic provisions**

The first chapter determines the subject matter of the Law also defining the key terms, including the definition of corruption, public authorities, public officials and other. It is especially important to draw attention to the definition of the term public official, where unlike the previous legislative solution, this one excludes a specific group of persons holding office in the management body of the company that is also a public authority. The name of Anti-Corruption Agency is changed into the Agency for Prevention of Corruption.

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### **Agency for Prevention of Corruption**

The legislator provides for novelties in the election of members and the work of bodies of the Agency, including the Director and the Council of the Agency, putting to the forefront the requirements for the appointment of the director. The public competition procedure includes several steps. Committee for the appointment of the Agency Director (body established by the Steering Committee of the Judicial Academy) shall carry out three-phase testing. Results are made public, following that the candidate has three days to appeal on the decision to the Review Committee. After the appeal procedure has been concluded, the Committee shall submit the ranking to the ministry in charge of judiciary, and the ministry shall subsequently adopt the act closely governing the enforcement of the competition. Minister proposes to the National Assembly the appointment of the candidates who have scored at least 80 points on the test.

The National Assembly shall appoint the Director by the majority of votes of all MPs. If none of the candidates scores 80 points, or the National Assembly decides not to appoint any of the candidates, the competition shall be announced again no later than 30 days from the day of the decision. Upon the expiry of the Director terms of office, the competition shall be announced by the ministry in charge of judiciary (hereinafter the Ministry of Justice), whereby excluding this procedure from the jurisdiction of the Agency Committee, which was the case before. Director shall elect the Deputy Director through the public competition no later than 15 days from taking public office. In the event of the termination of the public office of the Director, the National Assembly shall propose the acting director until the new director has been appointed. Concerning the Director's salary it is aligned with the salary amount of the Constitutional Court judge, and the Deputy's salary shall be 70% of the Director's salary.

The Agency Council shall be the successor of the Committee and it shall maintain the right of decision on the appeals to the Director's decisions, supervising their work and monitoring their property status. Instead of nine members, this body members' number has been now reduced to five and their term of office has been extended from four years to five years. General requirements for the election of Council members, as in the previous Law, include precise requirements of the educational degree, work experience, non-conviction and that they are not members of political party. Under

the same principle as for the Director, the competition is carried out to elect the members of the Council, where the National Assembly shall appoint the member of the Council on the proposal of the Minister of Justice. Unlike the tests for Directors, the test for Council members has two phases. The bodies implementing the testing, decision on appeals and the requirement of 80 points in test, as well as the dismissal and termination of the term of office of the Council member are regulated the same as for the Director. The salary of the Council member is corresponding to the level of the salary determined for the first group of public offices.

Expert and other tasks of the Agency are carried by the Agency Service that is headed by the Director. The Agency submits initiatives for adoption of regulations and gives opinions on draft laws for the purpose of removing the risk of corruption and harmonisation with the international documents.

With the justified request of the Agency, the public authority body shall be obliged to enable the access to the databases it keeps, and also deliver all required documents and information it has at its disposal, if the direct access to the database is not possible. Public authority bodies and other persons carrying out tasks under the public law must respond to the request of the Agency for the purpose of the fact-checking in the proceedings before the Agency.

The Agency submits the annual report on its work to the National Assembly no later than 31 March of the current year for the previous year. Also, it submits the reports on the implementation of the strategic documents.

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### **Conflicts of interest**

The basic rules of holding public office shall remain the same, yet the conflict of interest and private interest are more precisely defined. It has been foreseen that upon assuming public office and while holding public office, the public official shall notify the Agency of suspecting the existence of conflict of interest referring to him/her or person related to him/her no later than five days since he/she learned about it, and no later than 15 days from receiving this notification the Agency shall decide on this matter. The Agency shall ex officio initiate the proceedings to decide on the existence of the conflict of interest, no later than two years from the day of the notification.

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### **Incompatibility of other activities with holding public office**

Since this subject matter has been prescribed under a separate chapter of the Law, the focus is on holding the public office and the activities that are incompatible with it. The public official shall undertake to notify the Agency on assuming the public office no later than 15 days from the first day of office, while the Agency shall decide on this matter no later than 60 days. Under this legislative solution the public official shall carry on with other tasks or activities unless the Agency notifies otherwise no later than 30 days from the day of the notice.

It has been forbidden for the public official to give advice and opinion pertaining to the public office he/she is holding.

Public official shall not be a member of the association if that membership is creating bias in holding public office. Unlike the previous legislative solution, the public office in the body of the professional association is not explicitly excluded from this provision and its application. It is important to mention that the provision pertaining to the membership and the position in the political entity shall remain as in the previous law and no amendments shall be made. This is at the same time the only provision to some extent defining the official's campaign.

Public official shall be obliged no later than 30 days from the day of the appointment to transfer the managerial rights to other person, and no later than 15 days notify on that both company and the Agency. There might be certain derogations in transferring the managerial rights should they mean 3% share, so in relation to this there were no amendments compared to the previous law. It is necessary to notify on the participation in the public procurement procedure or procedure of concluding the contract with the public authority in which the public official or a family member have up to 20% of share, with the mandatory notification on this until two years after the termination of the public office. The deadline for notifying the Agency shall be extended to 15 days compared to the previous legislative solution which had foreseen only 3 days.

Upon the request, the Agency shall no later than 30 days decide on the limitations after the termination of the public office.

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### **Accumulation of public offices**

Accumulation of public offices is also under a separate chapter, yet the previous legislative solutions have not been amended, except the deadline for the public official to notify the Agency on another office or a membership, which has been extended to 8 days. The Agency shall decide on this matter no later than 15 days, and notify the public official on its decision..

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### **Gifts**

This Law shall for the first time define a gift, which includes an item, entitlement or a favour given or done without appropriate compensation, and/or benefit or an advantage made in favour of a public official or their family member. The provision with definition of accepting gifts pertaining to the public office shall be extended to the official's family members. Public official may receive protocol-given or appropriate gifts, which are registered as the public property and no later than 8 days it is mandatory to hand them over to the public authority in which the official is holding office. Public officials and their family members may keep appropriate and protocol-given gifts if their value does not exceed 10% of the value of the average monthly salary in the Republic of Serbia, which is twice the value compared to the previous legislative solution. There is a public register of gifts, and the public authority shall deliver the copy of this register to the Agency.

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### **Declaring assets and income**

Public authority shall undertake to notify the Agency on the assuming and the termination of the public office no later than 15 days from the day of the office. The Agency shall keep the Register of public officials, inspect the completeness and timeliness of the information and publish it on its webpage. Public official shall be obliged to notify the Agency regularly on their assets and income and also their family members, no later than 30 days from the day of assuming public office, just as in the previous Law. In the event of the significant change as regards the assets increase (in the amount higher than the average annual income) or the change in its structure, it is mandatory to submit extraordinary declaration of assets and income. Besides councillors and members of the municipal and city councils, the legislator also excludes the members of the municipal and city councils, members of municipal and city election committees, members of the bodies of public enterprises, companies, institutions and other organisations either founded by a municipality, city or an urban municipality or them being their members, from the obligation to submit declarations on the origin of assets and income. However, the Agency may request a report from these public officials. The content of the report has been predefined, with the mandatory reference of the assets both in the country and abroad. On the basis of these reports, the Agency shall keep the Register

of assets and income of the public officials. The majority of information mentioned in the report are accessible to the public, and those not accessible may be only used in the proceedings related to the violation of this Law and may be submitted to the competent authorities. If the Agency shall establish inconsistency when inspecting the assets and income, it shall, within 15 days, summon the public official to declare on the reasons for inconsistency. However, if the public official conceals the real value, the Agency may refer to the related persons to have the information on the public official delivered within 30 days.

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### **Law violation procedure**

In the event of the violation of this Law, the Agency shall act ex officio and impose measures. The public official must make a statement regarding the initiated proceedings within 15 days. The decisions on the proceedings shall be imposed by the director, and it can be appealed against to the Agency Council within 15 days. The Agency Council decision is final and an administrative dispute may be initiated against it. Types of measures imposed by the Agency shall be a letter of warning and a measure of dismissal from the public office. Exceptionally for the public officials elected directly by the citizens, a measure of public disclosure of the decision on the violation of this law may be imposed. The public authority notifies the Agency no later than 60 days on the measures taken pursuant to the final decision. In case of a reasonable suspicion of criminal offence prosecuted ex officio or a misdemeanour or a violation of the employment duties, the Agency shall file criminal charges, or a request for initiating misdemeanour or disciplinary proceedings before the competent authority.

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### **Processing complaints**

The complaint shall mean a natural or a legal person addressing the Agency in written whereby the complaint shall contain the facts indicating of the reasonable suspicion of corruption. The citizens may file anonymous complaints, which is a novelty, and the deadline for the applicant to amend the potential irregularities shall be 15 days. The Agency shall communicate with the public authority for the purpose of establishing the existence of corruption and shall deliver recommendations and deadlines for processing, and the authority shall notify the Agency on the measures undertaken no later than 30 days. If it has been established that the criminal offence, misdemeanour or violation of the employment duties were committed, the Agency shall file criminal charges, or a request for initiating misdemeanour or disciplinary proceedings before the competent authority. The Agency shall always notify the applicant on the outcome of the proceedings.

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### **Strengthening integrity**

As far as the Agency prevention activities are concerned, the integrity plans and their contents have been organised. They include processes and preventive measures that shall remove the risks of corruption. The Law stipulates the obligation for all-level public authorities to implement the integrity plans, and they should also report on that.

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### **Records**

The Agency shall keep the records such as the Register of the Public Officials, Register of Assets and Income of Public Officials, Register of Legal Entities in which public officials or their families have more than 20% share as well as the Catalogue of Gifts, and the Law provides for the procedure of records keeping.

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### **Penal provisions**

Law shall prescribe the criminal offence of the failure to declare assets or disclose false information on the assets, and the offences related to the violation of the Law on Prevention of Corruption.

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### **Transitional and final provisions and entry into force**

This Law prescribes the deadlines for adopting the bylaws. The Law shall enter into force on the eighth day following that of its publication in the Official Gazette, and it will be applicable as of 1 September 2020, apart from articles referring to the number, appointment and mandate of the members of the Council.

## **LAW AMENDING THE LAW ON THE CAPITAL CITY**

The reasons for adopting this Law is its alignment with the following regulations: Law amending the Law on Local Self-Government, Law amending the Law on Planning and Construction, Law on Public Property, Law on Housing and Building Maintenance, Law on reducing the risk of natural disasters and emergency management, Law on Higher Education and Law on employees in autonomous provinces and units of local self-government.

In addition, estimating that the uniqueness of Belgrade as the local self-government unit and special territorial unit has not been consistently implemented by the currently applicable Law, the amendments shall be adopted. This inconsistency shall be corrected by establishing bigger number of city competences in comparison to other local self-government units, and specifying particular tasks. The intention is to reach a goal of more efficient and better quality performance of tasks under city competences in accordance with the capacities that were developed.

The Law provides for that for the purpose of ensuring conditions for development, utilisation and protection of building land, the City of Belgrade shall set up the public enterprise. In comparison to the previous provision, the legislative provision does not stipulate either the purpose of the income pursuant to compensation for development of building land or whether that resources shall belong to the enterprise.

The Law specifies that the city property shall be independently disposed by the city authorities, in accordance with the law, but also the statute of the city and other city acts, that previously were not included in this provision.

The Law explicitly provides for which goods, utility networks, immovable and movable assets and property rights, items, cultural goods that are the public property of the city, while stipulating that the City Statute shall regulate the public property of urban municipality concerning movable and immovable assets necessary for work of the municipal bodies and organisations. Public enterprises established by the city shall manage and dispose of the city property in accordance with the regulations.

It is prescribed that urban municipality shall have its own stamp. Seven urban municipalities will be given an opportunity to set up public utility enterprise with the prior consent of the City Assembly, in accordance with the Statute, that shall designate the urban municipality body to carry out the rights of the founders. The provision stipulating that the city may remove the existing urban municipality and merge its area with another shall be cancelled

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## The jurisdiction of the City of Belgrade shall be amended as follows:

1. The provision was amended providing for that city shall be carrying out inspection supervision in the field of water management, ensuring the requirements and manner of setting up floating vessels, issuing appropriate authorisations and carrying out supervision so the jurisdiction of the city in this area shall be extended regarding the determining of the parts of the river banks for construction of hydro-technical facilities and boats mooring sites pursuant to the Law.
2. That is shall manage the public roads (instead of the municipal roads), in the city territory, without the streets being particularly mentioned; besides the highway, the state roads are exempted from the jurisdiction (they are managed by the public enterprise (PE) established by the Republic), the city shall set up the PE that shall manage public roads (formerly state roads under the jurisdiction of the city).
3. It is added that establishing and organising municipal police shall be done pursuant to the law regulating it, and the fire protection shall be carried out pursuant to the law governing the fire protection.
4. The Law stipulates new competences which include:
  - To stipulate, under the statute of the city, the rights and duties of the municipalities in its territory regarding the risk of disasters and emergencies pursuant to the law
  - To decide on the names of the streets, squares and settlements with the consent of the ministry of local self-government and pursuant to the statute and the regulations
  - Requirements and procedure regarding the building land and real estate owned by the city pursuant to the law
  - Requirements for protection and management of green areas and their restoration and data management
  - Appointing and dismissing directors of public institutions in the area of child care that were founded by the city
  - Manifestations important for the city and their organising
  - Projects of boosting birth rate
  - Control of earmarked budget funds for representative associations in the area of culture
  - Type of goods and hospitality services in the temporary facilities in the city territory
  - Requirements for carrying out retail sale of movable assets
  - Tasks related to domestic and exotic animals, their keeping conditions, taking out pets in the green areas
  - Management and disposal of municipal waste
  - Prevention plan for production of plastic bags waste and its implementation
  - Hail protection and farm guard security service
  - Building permits for construction and other documents in the unique procedure pursuant to the law
  - Agricultural inspection for the implementation of measures it is prescribing related to agricultural

land use according to the plan adopted by the city and under the law

- Expropriation procedure pursuant to the law
- Organisation and performance of passengers public transport at the city territory
- Taking care of the sustainable housing development in accordance with the law.

For the tasks concerning the building permits, agricultural inspection and expropriation procedure, the Statute shall determine the division of authority between the city and the urban municipalities. If the municipality is in charge – the city shall be the second instance authority.

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## The City Assembly

The authority of the City Assembly shall be extended to adopting the spatial plans (previously only urban plans), and giving opinions shall be limited only the republic spatial plan (not the regional any longer). The number of working bodies of the City Assembly, the appointment, rights and duties of its members shall be determined in accordance with the Rules of Procedure of the City Assembly (previously the Statute of the City).

Professional degree of the City Assembly Secretary has been more widely determined so as to refer to the university studies in the area of legal sciences instead of previously required degree of the faculty of law.

The novelty is the city jurisdiction to establish the planning committee in accordance with the law regulating spatial planning and construction of facilities. If the urban municipality shall adopt urban plans, it shall set up a committee, and its third shall be appointed on the proposal of the city assembly, and for its entire documentation the consent of the planning committee of the City Assembly has to be obtained following the public insight pursuant to the law.

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## Executive bodies

The City Council – its jurisdiction to decide in the second instance administrative disputes in the area of sport unless otherwise provided by the law has been excluded. Moreover, it shall decide on the appeals to the decisions adopted by the municipal police. The jurisdiction of the City Council shall be extended to other affairs in accordance with the law (compared to previous limiting provision).

Previously determined frequency of the Mayor and City Council obligation to report to the City Assembly on the enforcement of Assembly acts has been cancelled (previously stipulated at least twice a year).

City Administration – educational degree required for the Head of the City Administration is in the area of legal sciences, and for the head of administration for specific areas from the appropriate scientific area, with the precisely defined degree of education, required exam and work experience.

If the City Administration is, pursuant to the law, organised as a unique body, the deputies of the Head of the City Administration are being appointed – Secretariats secretaries, who are the Heads deputies in the event of their absence.

The Head of the Administration shall not be accountable to the City Assembly for his work and the work of the City Administration but to the City Council in accordance with the regulations.

The Statute provides for appointment of the Assistants Mayor for other domains, apart from the

economic development that is under the authority of the City Manager, and there could be maximum five of them. The Law, however, does not explicitly provide for the appointment of the City Architect anymore. The assistants carry out additional task in their domains under the order of the Mayor (unlike the previous solution under which all these tasks were provided for by the act of the organisation of the City Administration).

The Head is not in charge anymore for adopting acts on internal organisation and job classification of the City Administration, while the Law now stipulates that the organisation and job classification of the City Administration shall be determined by the joint rulebook on the organisation and job classification.

The competences of the City Administration are extended as regards carrying out tasks of administrative supervision and issuing misdemeanour warrants, instead of previous mandatory fines.

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### Local self-government

The Law stipulates the requirements for establishing and dissolving the local communities or other types of local self-government.

Under the act of establishment of local community (LC), in accordance with the Statute, the affairs, bodies and organisation of the local community shall be determined, decision-making, appointment of Council and other bodies, while the fundamental representative citizens' body at the territory of the LC shall be elected by the urban municipality Assembly on whose territory the local community is established and on the proposal of the citizens' gathering under the procedure stipulated by the law\* (see the comment at the end). The Council shall elect its president.

City of Belgrade Ombudsman has been replaced with local Ombudsman and its impartiality and independence in decision-making has been provided for. Local Ombudsman may have maximum four deputies, and their competences and powers shall be regulated by the Statute.

The Law stipulates the provisions that shall end by its adoption, the obligation of aligning statute, obtaining opinions of the ministry in charge of local self-government related to the statute, as well as the deadlines, but also carrying out of the agricultural inspection until it has been established in accordance with the Law.

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### Entry into force

The Law shall enter into force on the eighth day following that of its publication.

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### Comment

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\*The amendments to the Law on Local Self-Government of 20 June 2018 provide for amendments of the Law on Local Self-Government in the article, which inter alia, refers to the rules and procedures for election, and/or establishment of the local community council at the territory of the City of Belgrade, providing for that it shall be determined by the law governing the status of the capital city. Law on Local Self-Government (independent provision of the Law amending the Law on Local Self-Government) also provides for that until the adoption of the law governing the status of the capital city the provisions of the Law on Local Self-Government that were in force referring to the election/establishing of the local community council at the territory of the City of Belgrade shall be the applicable provisions until the adoption of the law on capital city. Previous solution of the Law on Local Self-Government did not provide for the rules and procedures for establishing local community councils in the capital city that were different to remaining local communities in the country