

### *Chapter 3: Right of establishment and freedom to provide services*

The *acquis* under this chapter is of a horizontal nature covering a large variety of fields and professions and involving many public and/or semi-public institutions and bodies.

Member States must ensure that the right of establishment of EU nationals and legal persons in any Member State and the freedom to provide cross-border services, as laid down in the Articles 49 and 56 of the Treaty on the Functioning of the European Union are not hampered by national legislation, subject to the exceptions set out in the Treaty.

The core piece of *acquis* in this area is the Directive 2006/123 on services in the internal market ('Services Directive') which is to a large extent based on the case law of the European Court of Justice. The objective of the Services Directive which is based on case law of the ECJ is to achieve a genuine Internal Market in services by removing legal and administrative barriers to the development of service activities between Member States. This requires a comprehensive examination of the Member States' current and future legal order with the aim of identifying legal or administrative obstacles on national, regional or local level not compatible with EU law.

The implementation of the Services Directive requires Member States to take a combination of legislative and non-legislative, i.e. organisational or practical, measures. The Directive is a horizontal instrument which covers a broad range of different services and which affects a significant number of national laws and regulations.

#### **Implementing Legislation**

Member States have to provide for national provisions of a binding nature, so that service providers and recipients can rely on the rights granted to them by the Services Directive. Certain of these articles could be implemented by amendments to existing legislation, for example those in the area of authorisation schemes, could in some Member States be implemented by amending national legislation dealing with administrative procedures. In other cases, notably in relation to articles setting out general principles such as its Article 16 or 20, a new horizontal framework law should be considered.

Member States may also need to adapt existing specific legislation containing requirements which the Directive explicitly requires to be modified or abolished. Particular attention needs to be paid to legislation which contains specific rules for service providers established in other Member States. In so far as such rules are incompatible with the Directive, and are not based on other EU instruments, they need to be abolished by amending the legislation concerned.

#### **Non-Legislative Implementing Measures**

Some provisions of the Directive require implementation by putting in place appropriate administrative arrangements and procedures. This is, for instance, the case of the setting-up of points of single contact and electronic procedures. This also concerns the organisation of the identification and assessment of legislation that Member States will have to undertake prior to deciding whether legislation needs to be amended or abolished (for instance to check whether their authorisation schemes are justified or to screen their legislation and identify relevant requirements).

Furthermore, there are provisions in the Directive obliging Member States to encourage actions by private parties. Finally, the entire chapter on “Administrative Cooperation” requires putting in place the practical arrangements necessary for the competent authorities in Member States to effectively cooperate with each other.

### Follow-up Measures

The Services Directive also requires Member States to take measures in connection with the review of legislation and mutual assessment process set out in Article 39 of the Directive. The *acquis* in this chapter also provides for rules concerning regulated professions to ensure the mutual recognition of qualifications between Member States; for certain regulated professions a common minimum training curriculum must be followed in order to have the qualification automatically recognised in an EU Member State. Directive 2005/36/EC, adopted on 7 September 2005, is the key piece of legislation in this field. This Directive replaced fifteen existing Directives in the field of the recognition of professional qualifications.

As regards postal services, the *acquis* aims at opening up the postal services sector to competition in a gradual and controlled way, within a regulatory framework which ensures the provision of universal postal service and establishment of an Internal Market for postal services. The main piece of *acquis* is the Postal Services Directive (Directive 97/67/EC as amended by Directive 2002/39/EC and by Directive 2008/6/EC). Under the 3<sup>rd</sup> Postal Directive (Directive 2008/06/EC), which represents the final legislative step of EU postal reform, full market opening will be accomplished at the latest by 31 December 2010 for the majority of Member States. At the same time 11 Member States notified according to the 3<sup>rd</sup> Postal Directive that they may apply derogation and abolish reserved area in the postal sector at the latest by 31 December 2012. The establishment of an independent National Regulatory Authority (NRA) in this field is one crucial point for the proper implementation of the EU legislation and well functioning national postal markets and subsequently Internal Postal Market.

The Stabilisation and Association Agreement already lays down specific obligations in the areas covered by this Chapter. When answering the questions below, please make reference to the state of implementation of such obligations.

## ***I&II RIGHT OF ESTABLISHMENT AND FREEDOM TO PROVIDE CROSS BORDER SERVICES***

### **A. General**

#### **1. Please analyse the differences between:**

- a) the treatment that you offer to third countries in terms of establishment of subsidiaries of companies and the rights of establishment within the EU;**

By passing the Law on Companies in 2004, (*Official Gazette of RS* No.125/04) the reform of the company law in the Republic of Serbia was carried out.

This law regulates the establishment of companies and entrepreneurs, management of companies, rights and responsibilities of founders, partners, members and shareholders, joining of companies, changes of status, liquidation as a means of voluntary dissolution of companies, as well as dissolution of entrepreneurs.

Article 2 (1) of the Law on Companies stipulates that company is a legal person established by the founding act of legal and/or natural persons to carry out activities with the aim of gaining profit.

Companies wishing to run a business in the Republic of Serbia as the resident legal persons must register in the Register of Business Entities in accordance with the Law on Registration of Business Entities.

With the registration, companies shall gain legal personality, whilst with the entry in the Register of Business Entities they shall get a unique identification number issued by the Republic Statistical Office, a tax identification number issued by the Republic Tax Administration, thereupon a registration within the relevant health fund and pension and disability insurance fund shall be carried out.

The Law on Registration of Business Entities regulates the registration procedure and, depending on the form a company is established in, it is necessary to submit certain documentation including: registration application form, proof of identity of the founders (natural persons shall enclose a photocopy of identity card and foreign natural persons shall enclose a photocopy of passport, while foreign legal persons shall enclose an extract from the register they are registered in), founding act, proof of payment of contributions in cash (for limited liability and joint stock company), an assessment of the founder or a certified auditor on the value of the contribution in kind, certified signature of legal representative, proof of payment of registration fee.

From the abovementioned it follows that, in terms of the establishment, both resident and foreign natural and legal persons are equal and the only difference when registering refer to the proof of the identity of the founders (for resident natural persons photocopies of identity cards shall be enclosed, whilst for foreign natural persons photocopies of passports and for foreign legal persons an extract from the register they are registered with shall be enclosed).

In addition to companies, foreign legal persons may establish its branches in the territory of the Republic of Serbia. Establishment of branches of foreign companies is prescribed and regulated by the Law on Companies (*Official Gazette of RS* No. 125/04) and the Law on

Registration of Business Entities (*Official Gazette of RS* No. 55/04, 61/05). Provisions of the XI Company Law Directive relating to the establishment of branches of foreign legal persons are implemented into the laws, so there is no substantial difference regarding the right of establishment of branches of foreign companies in the territory of the Republic of Serbia compared to the same right of establishment within the Community.

A branch is an organisational part of a company; it has no legal personality, but only a place of business and representatives and conducts business with third parties in the name and on behalf of the company.

A branch is registered in accordance with the law governing the registration of business entities, which in Article 43a (2) thereof prescribes that if a branch is established by a foreign company, in addition to the foundation act, the decision on nomination of a representative and certified signatures, enclosed to the registration application form an extract from the register where a company is registered must be submitted as well, together with a certified translation of a sworn-in-court interpreter, an evidence of bank accounts through which a company operates and a certified statement that the company is accountable for all liabilities arising from the operations.

Article 48 of the Law on Companies stipulates that an entrepreneur, within the meaning of this law, is a natural person who is registered and who performs all activities allowed by the law in the form of occupation for the purpose of gaining profit, including arts and old crafts and cottage industry activities.

For registration of an entrepreneur in the Register of Entrepreneurs kept within the Register of Business Entities, it is necessary to submit a registration application form, a copy of identity card and a proof of fee payment.

A foreign natural person may, under the same conditions as nationals of the Republic of Serbia, establish an entrepreneurial workshop, except when a special regulation stipulates that a resident citizen can carry out the activities (for example, the bankruptcy trustee activities, court expert activities).

For registration of entrepreneurial workshop, a foreign national shall submit: registration application form, a copy of travel document (passport), the certificate of notification of foreigners stay in the Republic of Serbia and the prescribed fee. After registering the entrepreneurial workshop, a foreign national shall submit the request for granting temporary residence to the competent authority in the Republic of Serbia, unless he has already been granted a temporary stay on some other basis, or if he has permission for permanent residence in the Republic of Serbia.

**b) the treatment you give to subsidiaries of foreign companies established in your territory and the treatment the EU gives to subsidiaries of foreign companies established on its territory;**

Since the majority of company directives have been implemented into the Law on Companies and the Law on Registration of Business Entities, which were enacted in 2004, there are no significant differences in the treatment of companies and branches of foreign legal persons in the Republic of Serbia compared to EU countries.

**Please provide the findings of these comparisons.**

- 2. Is the exercise or access to a service activity subject to any of the following requirements (be it through an authorisation procedure (see below) or separately)?**
- requirements based directly or indirectly on nationality or, in the case of companies, the location of the registered office, including in particular: (a) nationality requirements for the provider, his staff, persons holding the share capital or members of the provider's management or supervisory bodies; (b) a requirement that the provider, his staff, persons holding the share capital or members of the provider's management or supervisory bodies be resident within the territory;**

The Law on Companies, Law on Registration of Business Entities and Regulation of Registration of Representations of Foreign Legal Persons in the Register of Business Entities, maintained by the Serbian Business Registers Agency, do not provide for requirements relating to the prohibition of a service provider to possess a company in another country other than the Republic of Serbia, registrations in the registers or membership in professional bodies or associations of other countries.

The Serbian legislation does not contain any differences or discriminatory provisions in respect of the rights of foreign natural and legal persons to establish companies and branches of foreign legal persons in the Republic of Serbia in comparison to the rights and obligations of resident natural and legal persons as founders. The only difference in the establishment of companies relates to the proof of identity of the founders (for resident natural persons photocopies of identity cards shall be enclosed, whilst for foreign natural persons photocopies of passports and for foreign legal persons an extract from the register they are registered with shall be enclosed).

Accordingly, there are no specific requirements in terms of language, nationality or head office prescribed by the Law on Companies, which may affect the right of establishment in Serbia.

The Law on Tourism (*Official Gazette of RS* No. 36/2009 and 88/2010) in Article 94 (2) prescribes that a tourist guide and a tourist escort must have Serbian citizenship and domicile in the territory of Serbia.

The Law on Technical Requirements for Products and Conformity Assessment (*Official Gazette of RS* No. 36/09) provides that the certification and testing of products shall be performed by the conformity assessment bodies- the companies, institutions or other legal persons headquartered in the Republic of Serbia and registered in the appropriate register in accordance with the laws of the Republic of Serbia. This law does not contain any provision forbidding testing and certification bodies to be in full ownership of foreign founders or shareholders, whether they are natural or legal persons. Furthermore, this law does not prevent members of managing and supervising boards, as well as staff in these bodies to be foreign citizens in accordance with specific regulations of the Republic of Serbia.

The Law on Postal Services (*Official Gazette of RS* No. 18/05 and 30/2010) contains no differences or discriminatory provisions in respect of the rights of foreign natural and legal

persons to establish companies and branches of foreign legal persons in the Republic of Serbia in comparison to the rights and obligations of resident natural and legal persons as founders.

The Law on Attorney at Law (*Official Journal of FRY* No. 24/98, 26/98 - corr., 69/2000 - Decision of the Federal Constitutional Court, 11/2002 and 72/2002 – Decision of the Federal Constitutional Court and *Official Journal of SCG* No. 1/2003-The Constitutional Charter) which defines the legal profession as an independent and autonomous professional activity for providing legal assistance in the realisation and protection of the constitutionally established freedoms and rights and other legal rights and interests of resident and foreign natural and legal persons, in Article 4 prescribes that a citizen of another state who, by the law of that state, meets the requirements for the practice of law is entitled to be registered in the register of attorneys at law, with the existence of reciprocity.

In addition, an attorney at law- a foreign citizen not registered in the register of attorney at law, under the provisions of this law, may, in some cases, work as an attorney at law in the Republic of Serbia, under the condition of reciprocity.

- **a prohibition on having an establishment in a state different than Serbia or on being entered in the registers or enrolled with professional bodies or associations of other States;**

The scope of the establishment, or the incorporation, organisation and termination of business entities in the form of companies, entrepreneurs and representations and branches of foreign legal persons in the Republic of Serbia is regulated by the Law on Companies (*Official Gazette of RS* No. 125/04), the Law on Registration of Business Entities (*Official Gazette of RS* No. 55/04, 61/05 and 111/09-other law), the Regulation of Registration of Representations of Foreign Legal Persons in the Register of Business Entities kept by the Serbian Business Registers Agency (*Official Gazette of RS* No. 114/05). These regulations do not provide for specific requirements of a service provider in respect of citizenship or domicile in the territory of the Republic of Serbia, its staff, people who have a stake in the capital or members of administrative or supervisory body of service providers, therefore foreign nationals in this area are given the national treatment in comparison to the nationals of the Republic Serbia. Furthermore, the said regulations do not provide for requirements relating to the prohibition of possession of companies in another country other than the Republic of Serbia, the entries in the registers or membership in professional bodies or associations of other countries.

However, there are some exceptions to this general rule, such as, for example the Law on Attorney at Law (*Official Gazette of FRY* No.24/89, 26/89-corrigendum, 69/2000-decision of the federal Constitutional Court, 1172002 and 72/2002 - decision of the Federal Constitutional Court and *Official Gazette of SCG* No. 1/2003-Constitutional Charter), which in Article 2 (3) stipulates that a citizen of another state by the law of which is eligible to practice of law shall have the right of registering in the directory of advocates, under reciprocity, and the Law on Banks (*Official Gazette of RS* No. 107/2005), which in Article 71(7) prescribes that at least one member of the bank's board of directors must be fluent in Serbian language and have permanent residence in the territory of the Republic of Serbia, while the provision of Article 75 (6) prescribes that at least one member of the bank's executive board must be fluent in Serbian language and have

permanent residence in the Republic of Serbia and all members of the executive board must have residence in the Republic of Serbia.

The Law on Registration of Business Entities regulates the process of establishing the business entities. The law contains no provisions that prohibit the establishment of a company if the founder has already registered a company in the territory of another country other than Serbia. During the establishment, a certified translation of the excerpt from the relevant foreign register for foreign legal persons shall be submitted if the founder is a legal person. On that occasion, the fact whether or not a legal person is a member of professional bodies or associations of other Member States shall not be reviewed.

For entrepreneur see answer to 1a).

- **restrictions on the freedom of a provider to choose between a principal or a secondary establishment, in particular an obligation on the provider to have its principal establishment in Serbia, or restrictions on the freedom to choose between establishment in the form of an agency, branch or subsidiary;**

Restrictions on freedom of service providers to choose between parent companies and subsidiaries/affiliates, and/or to have a parent company in the Republic of Serbia, as well as restrictions on freedom of service providers to choose between companies in the form of the representation office, the company or the subsidiaries/branch office, are not provided for by the mentioned regulations; instead, the same restrictions depend on the specific regulations governing the conduct of certain activities, such as, for example, the Law on Banks, which in Article 2 defines a bank as a joint stock company, a branch as an organisational part of a bank without legal entity status, which conducts activities that a bank can conduct in accordance with this law, while a representative office is defined as an organisational part of a bank abroad or a foreign bank in the Republic of Serbia, without legal entity status, which can not conduct activities that may be conducted by the bank, but market research activities and which represents the bank, and/or the foreign bank which part it constitutes. Also, the Law on the Market of Securities and Other Financial Instruments (*Official Gazette of RS* No. 47/06), in Article 123 (1) prescribes that the activities of broker-dealer company may conduct legal persons organised as joint stock companies.

In establishing, the business entity shall not be conditioned by a form of incorporation of company, unless specified otherwise by specific legislation (e.g. the Law on Banks stipulates that banks may be established only in the form of joint stock companies), or by conducting a particular activity as parent company or its subsidiary.

The Law on Games of Chance in Article 7 (1) stipulates that the Republic of Serbia may, in accordance with this Law, transfer the right to organise games of chance to legal persons, which means that organisers of games of chance cannot be the companies in the form of subsidiaries of affiliates.

- **the case-by-case application of an economic test making the granting of authorisation subject to proof of the existence of an economic need or market demand, an assessment of the potential or current economic effects of the activity or an**

**assessment of the appropriateness of the activity in relation to the economic planning objectives set by the competent authority;**

The Law on Trade (Article 45) stipulates the obligation of preparing the Market Structure Impact Study for trade formats with total sales and warehouse space over 2000 m<sup>2</sup> of gross size (e.g. supermarkets, shopping malls, etc.).

The impact study particularly contains the assessment in regard to the interest of consumers and other buyers for existence of a retail facility of a given size and purpose; the need for existence of different structure of trading formats and different trade subjects on wider and immediate market area; the need for improving trade by introducing new ways of sale and distribution of goods, and impact on other economic entities, small and medium, involved in retail trade in a relevant area, after opening, and/or building of a given trading format.

Minister in charge of trade shall specify the content and methodology of the study, based on the mentioned criteria.

The impact study is conducted by a scientific/research organisation specialised in economy and market research, accredited pursuant to legislation on scientific and research activity.

Approval to the impact study shall be given by the Trade Development Centre, as a public agency for the development and professional tasks in the field of market development and trade, if it is determined that the envisaged impact on market structure is unfavourable.

The impact study with approval from the previous paragraph constitutes a part of the required documentation enclosed with the request with the institution in charge for issuing the construction permit in accordance with the regulations defining the building, for the facilities comprising the trading format in question, and if the trading format is organised in the already built space, the impact study with approval is prepared prior to the beginning of its operation.

Bearing in mind that the enforcement of the Law on Trade started on January 1, 2011, and that the establishment of the Trade Development Centre, as a new development and analytical institution, is provided for by the law, until the commencement of its activities the ministry in charge of trade affairs shall give approval to the Impact Study.

- **the direct or indirect involvement of competing operators, including within consultative bodies, in the granting of authorisations or in the adoption of other decisions of the competent authorities, with the exception of professional bodies and associations or other organisations acting as the competent authority; this prohibition shall not concern the consultation of organisations, such as chambers of commerce or social partners, on matters other than individual applications for authorisation, or a consultation of the public at large;**

As regards the market structure impact study (Article 45 of the Law on Trade), the direct or indirect involvement of competing operators in the process of issuing approvals is not prescribed.



- **an obligation to provide or participate in a financial guarantee or to take out insurance from a provider or body established in Serbia (*meaning that financial guarantees or insurances subscribed in a body established in another country – but offering a coverage for activities in Serbia – would not be accepted*).**

In accordance with the technical regulations-Rulebook on Safety of Machinery, Rulebook on Electrical Equipment Designed for Use within Certain Voltage Limits and Rulebook on Electromagnetic Compatibility, body to be designated for the conformity assessment of certain products or product groups must, in addition to other things, fulfil the requirement that it has concluded a contract of insurance against liability for damage.

- **an obligation to have been pre-registered, for a given period, in the registers held in their territory or to have previously exercised the activity for a given period in Serbia.**

For the period of conducting the activity, the service providers are only required to register in a form of a new company or entrepreneur in accordance with the Law on Companies and the Law on Registration of Business Entities or to establish a branch of a foreign legal person in the territory of the Republic of Serbia.

There are no legal provisions that prescribe the submission of evidence of pre-registration of foreign legal persons in the relevant register, or provisions that prescribe an obligation of business entities to perform activities for a certain period of time in Serbia, but it is necessary to submit an extract from the foreign register during the registration in order to determine that the business entity is an active one.

**3. Please identify whether your legal system makes access to a service activity or the exercise of it subject to compliance with any of the following non-discriminatory requirements and explain the justification behind each of the requirements:**

**(a) quantitative or territorial restrictions, in particular in the form of limits fixed according to population or of a minimum geographical distance between providers;**

The Law on Companies and the Law on Registration of Business Entities does not provide for quantitative or territorial restrictions, in the form of specified limits based on population or a minimum geographical distance between providers.

See also answer to question 2 in relation to the impact study referred to in Article 45 of the Law on Trade.

The Law on Attorney at Law (*Official Journal of FRY* No. 24/98, 26/98 - corr., 69/2000 - Decision of the Federal Constitutional Court, 11/2002 and 72/2002 – Decision of the Federal Constitutional Court and *Official Journal of SCG* No.1/2003-The Constitutional Charter) does not provide for quantitative or territorial restrictions in respect of conducting attorney at law activities.

Article 37 (1) of the Law on Games of Chance prescribes that the Government can give a maximum of ten licences for organising the games of chance in casinos.

**(b) an obligation on a provider to take a specific legal form;**

Business entities providing services in the territory of the Republic of Serbia as resident legal persons may be registered, pursuant to the Law on Companies, in the following legal forms: partnership, limited partnership, limited liability company, joint stock company (closed and open joint stock company) and entrepreneur.

The provision of Article 5 (3) of the Law on Companies stipulates that the activities for which a special law prescribes to be carried out in a certain legal form of the company, shall not be carried out in other legal form of the company. In this respect, there are requirements of specific regulations governing the conduct of specific activities in a certain form of the company, mostly joint-stock company, such as the Law on Banks, Law on Insurance, Law on the Market of Securities and Other Financial Instruments. The situation is similar with the activities that cannot be conducted in the legal form of entrepreneurs such as, for example, the activities of training the candidate drivers which, in terms of Article 207 of the Law on Road Traffic Safety (*Official Gazette of RS* No. 41/2009 and 53/2010), may be performed by a company, or the activities of line passenger transport which, in terms of Article 6 of the Law on Road Transport (*Official Gazette of RS* No. 46/95, 66/01...62/06), can be performed only by legal persons.

Also, the Law on the Market of Securities and Other Financial Instruments (*Official Gazette of RS* No. 47/06), in Article 123 (1) provides for that the activities of a broker-dealer company may perform legal persons organised as joint stock companies.

In accordance with Article 2 (1) of the Law on Banks (*Official Gazette of RS* No. 107/2005 and 91/2010), the bank is a joint stock company (open or closed) headquartered in the Republic of Serbia, with the operating license granted by the National Bank of Serbia which performs deposit and credit operations and, it may perform other activities in accordance with the law.

According to Article 38 of the Law on Attorney at Law an Attorney at Law does a legal affair in a law office or in a partnership law association. Article 39 of the Law on Attorney at Law prescribes that an attorney at law can have only one law office, and two or more attorneys at law may have a joint law office. Article 41 of the Law on Attorney at Law prescribes that two or more attorneys at law may establish a partnership law association. The activity of partnership law association is limited to only affairs of attorney at law, and only attorneys at law provide legal aid in a partnership law association. Partnership law association is a legal person. According to Art. 43 and 44 of the Law on Attorney at Law, for the establishment of a partnership law association, the attorneys at law - the founders are required to obtain prior approval of the Bar Association of Serbia, and this company has the right to practice of law when it is entered into the relevant register.

Attorney at law activity shall not be performed in the company of capital (corporation).

The Law on Games of Chance in Article 7 (1) stipulates that only legal persons can organize games of chance with the exception of competitions with prizes in goods and services that can be organized by entrepreneurs according to Article 88 of the Law.

**(c) requirements which relate to the shareholding of a company;**

The Law on Companies, which regulates the two legal forms of companies of capital (limited liability and joint stock company), prescribes a mandatory minimum amount of financial capital that is necessary to pay for the establishment of the companies.

Article 112 (1) of the Law on Companies stipulates that the cash contribution of the share capital of limited liability company on the payment date shall not be less than RSD 52,750.00 (EUR 500.00) in dinar equivalent at the middle exchange rate, of which at least half shall be paid to the temporary account until the company's registration, and the rest shall be paid on account of the company within two years from the date of registration.

Article 233 (1-2) of the Law on Companies stipulates that the cash contribution of founders of a closed joint stock company at the payment date shall amount at least RSD 1,055,000.00 (EUR 10,000.00) in dinar equivalent at the middle exchange rate, while the cash contribution of founders of an open joint stock company on the payment date shall amount at least RSD 2,637.500,00 (EUR 25,000.00) in dinar equivalent at the middle exchange rate.

Specific legislation for the establishment of financial companies in the insurance industry and companies that perform certain activities (e.g. organising the games of chance) prescribes a higher amount of mandatory cash contribution.

With regards to imposing conditions to service providers in respect of requirements relating to ownership of the companies, we would note that the provisions of Article 41 of the Law on Broadcasting (*Official Gazette of RS* No.42/02 and 41/09) stipulates that a holder of a broadcasting licence may only be a resident legal person or natural person which is registered for the activities of producing and broadcasting of radio and television programmes and which have the head seat or domicile in the territory of the Republic of Serbia. A resident legal person in which the founders are foreign legal persons registered in the countries where, according to the internal regulations of those countries, it is not allowed or not possible to determine the origin of the share capital, may not participate in a public competition for a broadcasting licence. A foreign natural or legal person may participate in the share capital of the licence holder for broadcasting up to 49% of the total capital, unless otherwise provided for by international agreements. For verifying the structure and origin of capital of a licence holder, the licence holder shall for any change in ownership structure obtain the prior consent of the Republic Broadcasting Agency. A foreign natural or legal person cannot participate in the share capital of institutions of public broadcasting service. In addition, the Law on the Market of Securities and Other Financial Instruments, in Article 129 (2)(3) thereof, provides for that, along with the request for establishing a broker-dealer company, it shall be submitted the evidence that the competent regulatory body of the state of origin had approved to a foreign legal person to participate in the establishment of a broker-dealer company in the Republic of Serbia, or the proof that such approval is not required under the regulations of that State, if the broker-dealer company is subsidiary of a foreign legal person.

In accordance with the Law on Banks, a bank is established as a joint stock company - open or closed. Founders of the bank may be one or more domestic and foreign legal entities and natural persons who provide funds for the equity capital of the bank. Equity capital of the bank may take pecuniary and non-pecuniary form (assets and rights used for business operations of the

bank). Pecuniary contribution of the equity capital cannot be less than dinar equivalent of EUR 10,000,000.00 at the official middle exchange rate on the payment date, except for the bank for special purposes (bridge bank) in which case this amount cannot be less than dinar equivalent of EUR 5,000,000.00 at the official middle exchange rate on the date of payment.

A legal person that organises special games of chance in casinos must have share capital not less than RSD 105,500,000.00 (EUR 1,000,000) in dinar equivalent at the middle exchange rate.

A legal person that organises special games of chance on slot machines, as well as a legal person that organises special games of chance i.e., gambling, must have basic capital not less than RSD 15,825,000.00 (EUR 150,000) in dinar equivalent at the middle exchange rate.

**(d) requirements, other than those concerning matters covered by Directive 2005/36/EC or provided for in other EU instruments, which reserve access to the service activity in question to particular providers by virtue of the specific nature of the activity;**

The Law on Foreign Investments (*Official Gazette of FRY* No. 3/02 and 5/03) in Article 19 prescribes that "a foreign investor shall not establish, alone or with another foreign investor, an undertaking in the field of production and trade of weapons."

In addition, the right to issue a licence for exercising the activities of foreign trade in weapons, military equipment and dual-use is allowed only to persons (natural and legal) registered for performing these tasks in the special register kept by the Ministry of Economy and Regional Development, pursuant to the provisions of the Law on Foreign Trade in Weapons, Military Equipment and Dual-Use (*OJ of SCG* No. 7/05 and 8/05).

**(e) a ban on having more than one establishment in the territory of Serbia;**

Regulations do not stipulate a limit on the number of companies that a person (natural or legal, resident or foreign) can establish in the territory of the Republic of Serbia, but the conditionality defined by the rule of prohibiting the competition is regulated in Article 36 of the Law on Companies, under which a certain circle of people specified by Article 31 thereof, who have certain duties in the company, cannot be engaged in another company with competitive activities, unless they receive authorisation in accordance with Article 35 thereof, which prohibits, among other things, the following: employment, the capacity of entrepreneur, the capacity of partner or general partner, the capacity of controlling member or shareholder.

A natural person may establish only one entrepreneurial workshop.

According to the Law on Attorney at Law, an attorney at law may be a member in only one partnership law association. There are no restrictions in terms that the attorneys at law may be founders of other companies in accordance with general regulations governing the matter of companies.

**(f) requirements fixing a minimum number of employees;**

The Law on Companies, as a basic company law, contains no provisions regarding the minimum number of employees in a company.

Generally, there are no requirements in terms of determining the minimum number of employees within the service provider, except in occasional cases, such as conducting the health services, where the Law on Health Care (Official Gazette of RS No.107/05 and 72/09-other law) prescribes the fulfilling of requirements for conducting these activities in respect of certain type and number of medical professionals and the appropriate level and type of their professional qualifications.

The Law on Planning and Construction (Article 126) prescribes that the technical documentation for construction of facilities for which the construction permit is issued by the Ministry and/or by autonomous province may be developed by a company and/or other legal person registered in the appropriate register for the preparation of technical documentation for certain type of facilities and employing at least two persons as licensed designers who have adequate technical results in developing technical documentation based on which the facilities of the type and purpose in question are constructed. The minister responsible for civil construction affairs shall issue a special decision establishing the fulfilment of requirements (Article 150). A company and/or other legal person registered in the appropriate register for constructing the type of facility in question, and/or for conducting the type of works in question, which employs two licensed designers who have appropriate professional results, may carry out the construction of facilities, i.e. works for which the construction permit is issued by the Ministry or autonomous province. An appropriate professional result has the company or other legal person that have constructed or participated in construction of the facility of the same type and purpose, and/or such work. The minister responsible for civil construction affairs shall identify the fulfilment of requirements, upon proposal of the expert committee established by the minister.

Rulebook on Requirements Regarding Professional Staff and the Terms of Issuing and Revoking of Energy Activities Licences (*Official Gazette of RS* No.117/2005, 40/2006, 44/2006 - corr. and 44/2010) prescribes that for acquiring energy license for electricity transmission and transmission system operation, electricity distribution and electricity distribution system operation heat energy distribution, operation of heat energy distribution system, oil transport via oil pipelines, petroleum products transport via product pipelines oil and petroleum products storage, natural gas storage and natural gas storage operation, the energy entity shall have at least two persons employed for carrying out technical operation over work process with a university degree from the corresponding technical, i.e. technological field with at least three years of work experience on technical operation activities (Article 3 (1) of the Rulebook).

In addition, Article 3 (2) of this Rulebook prescribes that for acquiring energy license for natural gas transport and natural gas transport system operation, natural gas distribution and natural gas distribution system operation, the energy entity shall meet requirements defined by the Rulebook on Requirements Regarding Professional Staff for Carrying out Energy Activities of Natural Gas Transport and Distribution (*Official Gazette of RS* No. 93/05) i.e., Article 2 of the Rulebook on Requirements Regarding Professional Staff for Carrying out Energy Activities of Natural Gas Transport and Distribution prescribes the requirements in terms of number i.e. qualification of personnel of the energy entity for natural gas transport and distribution.

Provisions of Article 13 of the Law on Mining (Official Gazette of RS No. 44/95, 34/06 and 104/09) stipulates that the exploitation of mineral resources may carry out a company,

undertaking or other legal person or entrepreneur which is registered for conducting such activities and which has a licence for mining works and for professional supervision over mining operations. According to provisions of Article 30a of the Law on Mining, the companies that have employees with appropriate qualifications, work experience, authorisations for designing and authorisations for conducting professional tasks under this law, may obtain the licence.

Pursuant to the provisions of the Law on Accounting and Auditing (*Official Gazette of RS* No. 46/06 and 111/09) an auditing firm may conduct the audit of financial statements of the large legal persons if it employs at least three licensed statutory auditors, while it may conduct the audit of medium or small legal persons if it employs at least one licensed statutory auditor.

The number of employees is not specified by the mentioned regulations, but it is generally required that financial lessors should be adequately staffed and possess adequate technical facilities to perform financial leasing operations.

Evidence on possessing adequate technical facilities shall include: documentation showing manner of provision of business premises, specification of computer and other equipment and program support corresponding to the planned number of employees and planned volume of operations.

Adequate staffing implies employees' qualification structure and years of experience for each position as defined by the relevant internal company regulation.

The Law on the Market of Securities and Other Financial Instruments in Article 127 prescribes that a broker-dealer company shall have at least one person employed under open-ended contract of employment with a licence to conduct activities of a broker. Also, if a broker-dealer company has a licence to conduct activities of investment advisor and/or portfolio manager, in order to perform these tasks it must employ at least one person under open-contract of employment licensed to conduct activities of investment advisor and/or portfolio manager. The Securities Commission by virtue of its by-laws shall lay down more detailed requirements of staffing capacity. The Law on the Market of Securities and Other Financial Instruments in Article 90 prescribes that the Stock Exchange as a market operator, in order to obtain a work permit, must employ at least 3 person under open-contract of employment licensed to conduct the brokerage activities.

In relation to the provisions laying down the minimum number of employees, the Law on Tourism (*Official Gazette of RS* No. 36/2009 and 88/2010) in Article 50 prescribes the staffing capacity of persons employed in travel agencies. Specifically, it is prescribed that the travel agency must have, in any premises or place of business where directly offers for sale and sells tourist travels, a person employed under open-ended contract of employment in the capacity of the manager.

The Law on Attorney at Law does not provide for the minimum number of employees in a law office, a joint law office and a partnership law association.

**(g) fixed minimum and/or maximum tariffs with which the provider must comply;**

See answer to question No. 15 within chapter Economic Criteria and question No. 38a) within chapter I Free Movement of Goods.

The Law on Republic Administrative Fees prescribes the fees for issuing licences to companies or other legal persons that are authorised to produce the technical documentation and to build facilities or perform tasks for which the construction permit is issued by the competent Ministry in charge of civil construction affairs, or by autonomous province.

In accordance with Article 21 of the Law on Postal Services (*Official Gazette of RS* No. 18/05 and 30/2010) tariff rates are set out by the Republic Agency for Postal Services. Tariff rates are set out for all postal services from the scope of universal services, as for the weight rate of postal items. With the consent of the Government of the Republic of Serbia, the Republic Agency for Postal Services shall determine the limits regarding weight and price for reserved postal services, whereby those cannot exceed the weight of 350 grams and five times the public tariff for an item in the first weight step of the fastest standard category.

According to Article 23 (1) of the Law on Attorney at Law, an attorney at law is entitled to a reward for his work and reimbursement of expenses related to the attorney at law tariff. According to Article 56 of the Law on Attorney at Law, the Bar Association of Serbia shall pass the attorney at law tariff. In accordance with the provisions of the Law on Attorney at Law thereof, the Bar Association of Serbia passed the Tariff for rewards and reimbursement of expenses for attorneys at law work (*Official Journal of FRY* No. 54/98, 75/99, 8 / 01 and 11/02, *Official Gazette of RS* No. 32/03, 58/04 and 5/06 and *Official Gazette of RS* No. 129/07 and 53/10).

**(h) an obligation on the provider to supply other specific services jointly with his service.**

Regarding the obligation on the provider to supply other specific services jointly with his service, we emphasise that, pursuant to Article 6 (1)(8) of the Law on Registration of Business Entities, only one predominant activity of the entity is registered in the Register of Business Entities, but pursuant to Article 5 (1-2) of the Law on Companies a company may in addition to the predominant activities perform all other activities allowed by the law, with no special entry in the Register, with a note that the activities required to be performed only based on the consent, licence or other act of the state authority may be carried out upon obtaining the licence, consent or other act of the state authority.

**4. What comparisons has your country drawn between its laws governing the entry and employment of third country nationals as "key personnel" and the laws in force in the EU?**

The employment of foreign nationals in the Republic of Serbia and, hence, the employment of EU migrant workers is regulated by the Law on the Conditions for the Employment of Foreign Citizens (*Official Journal of SFRY*, No. 11/78, 64/89, *Official Journal of FRY*, No. 42/92 and 24/94 and 28/96 and *Official Gazette of RS* No. 101/05), the Labour Law (*Official Gazette of RS* No. 24/05, 61/05 and 54/09) and the Law on Foreigners (*Official Gazette of RS* No. 97/08).

Law on the Conditions for the Employment of Foreign Citizens stipulates that the foreign national may be employed when having permanent residence permit or temporary residence permit issued by the Ministry of Interior, and if he/she obtains work permit issued by the National Employment Service. However, work permit is not necessary in case when employment is based on the pursuit of professional duties laid down by the Treaty of business and technical cooperation, long-term production cooperation, transfer of technology and foreign investment.

Foreign national may be founder or member of the company in the Republic of Serbia and has the right to be employed in his own company. Based on the Registration Decision, a foreigner submits application for business licence to the Border Police Directorate in the Ministry of Interior of the Republic of Serbia. Please note that business licence is issued to a foreign national or stateless person who has the status of entrepreneur or founder for carrying the tasks of management, or based on which a foreign national may perform other tasks. This means that foreign nationals, as well as stateless persons who are entrepreneurs, founders or company members, do not get work permits in the National Employment Service, but they get business licence in the Ministry of Interior of the Republic of Serbia.

Bearing in mind that the existing Law on the Conditions for the Employment of Foreign Citizens is not aligned with EU legislation, as well as with the Stabilisation and Association Agreement (SAA), especially with Article 58 thereof, it is not possible to give a detailed explanation concerning the entry and employment of nationals of third countries as "key personnel" and the like, compared to the laws in force in the EU.

The preparation of the new Law on the Conditions for the Employment of Foreign Citizens has been initiated and scheduled for the adoption in the course of 2011.

**5. On the regime applicable to cross-border service providers: Is it possible for an individual or company established in an EU Member State to provide services on the territory of your country without establishing a subsidiary there? Does your legislation distinguish between the requirements applicable to EU companies wishing to provide services from an establishment in your country and those who wish to provide cross-border services there from an establishment in an EU Member State? If it does, what is the distinction? Please provide examples by sectors.**

Postal operator of the EU can provide postal services in the Republic of Serbia if it submitted, along with the application for granting the licence and among other evidences prescribed by the law, the evidence of registration for conducting the activities to the Republic Agency for Postal Service.

The law regulating the field of postal services in the Republic of Serbia does not make any difference between the requirements applicable to companies from the EU wishing to provide services through undertakings in Serbia and other companies wishing to provide cross-border services from companies into the EU member state.



- 6. PSCs: Is there a point of single contact (PSC), where the information on requirements applicable to companies who wish to provide services is available electronically? If yes, does information on requirements applicable which is available in your PSC make a difference between requirements applicable to service providers established in Serbia and those providing cross-border services from an establishment in a different State (see question 126 above) ?**

There is not a point of single contact in Serbia within the meaning of Directive 123/2006/EC. There is a plan to draw up a draft of the general law on services in the course of 2011, whereby this point of single contact would be established. It is anticipated that the Government will establish the proposal of the law in the course of the last quarter of 2011, while the law will be passed by the Assembly in 2012.

- 7. Are service providers able to complete by electronic means any procedures that may be deemed necessary for the provision of a service?**

By establishing the Serbian Business Registers Agency, a central institution for keeping the electronic registers as a centralised database of particulars on business entities has been founded in the territory of the Republic of Serbia.

The establishment and organisation of the Agency is regulated by the Law on Serbian Business Registers Agency (*Official Gazette of RS* No. 55/04, 111/2009) which in Article 4 (1) prescribes that the Agency shall keep the registers stipulated by the law as unique centralised database.

The legal basis for the establishment of electronic data exchange and electronic registration are the Law on Registration of Business Entities, the Law on Electronic Signature and the Law on Electronic Document.

The Law on Registration of Business Entities prescribes the possibility of submitting the registration request by electronic means (Article 20, paragraph 1), but there is also a prescribed obligation (Article 20, paragraph 2) of the registration applicant to submit to the Agency the original documentation, which was submitted in electronic form, within 5 days of the date of registration by electronic means.

At this moment, it is possible to submit registration applications by electronic means for registration of an entrepreneur, and there is a plan to fully implement the electronic registration by 2011.

- 8. "Authorisation scheme" means any procedure under which a provider or recipient is in effect required to take steps in order to obtain from a competent authority a formal decision, or an implied decision, concerning access to a service activity or the exercise thereof. What are the main horizontal or sector-specific authorisation schemes which**

**apply to all businesses wishing to trade in, or with, your country? If yes, for each of the authorisation schemes please specify the following:**

Energy entity (company, other legal person or entrepreneur) which is registered in the Register of Business Entities for activities which are, within the meaning of the Law on Energy (*Official Gazette of RS* No. 84/04), considered as energy activities, may commence with the activities based on the licence issued by the Energy Agency. The provisions on conditions for issuing licences, exemptions in cases when the licence is not required for conducting certain energy activities and other issues related to the issuance of the licence, are contained in Art. 44. to 50 of the Law on Energy. Detailed requirements in respect of professional staff conducting technical management in energy facilities, i.e. performing tasks of maintenance of facilities for transport and distribution of natural gas and performing the tasks of operator therein, the manner of issuance and revocation of licences for performing energy activities, keeping the register of issued and revoked licences are prescribed by the Rulebook on Requirements Regarding Professional Staff and the Terms of Issuing and Revoking of Energy Licences.

Provisions of Article 13 of the Law on Mining (*Official Gazette of RS* No. 44/95, 34/06 and 104/09) stipulates that the exploitation of mineral resources may perform a company, enterprise or other legal person or entrepreneur which is registered for conducting such operations and licensed for mining works and professional supervision over mining operations. The provisions on the types of licences and conditions for licensing are contained in Article 30a of the Law on Mining.

Pursuant to Article 203 of the Law on Navigation and Ports on Inland Waters (*Official Gazette of RS* No. 73/10), published on October 12, 2010, ports and harbours are declared property of common interest, hence for conducting the port activities a port operator must obtain an approval for performing the said activities issued by the Port Management Agency.

Pursuant to Article 80 of the Law on Postal Services (*Official Gazette of RS* No. 18/05 and 30/2010), in the process of obtaining a permit the applicant shall submit the following:

- evidence of registration for conducting the activities;
- evidence from the competent authority on fulfilling the conditions for commencement of activities (this decision is issued by the Ministry based on the Rulebook for Initiation of Postal Service Provision (*Official Gazette of RS* No. 51/2010);
- special conditions for providing postal services, which in accordance with Article 66 of the same law shall be approved by the Republic Agency for Postal Services.

In its application for permit, resident and foreign person shall particularly specify the following:

- postal services the permit is requested for;
- territory in which postal services are provided;
- validity period of the permit it applies for;
- identification mark of the said person.

In order to conduct activities in the field of insurance, it is necessary to obtain prior operation licenses.

The state has a right to organise the games of chance and this right is transferred based on the: licence - to organize special games of chance in casinos; approval - to organize special games of chance on slot machines and special games of chance – gambling; and, consent - to organize contest in goods and services.

In order for a tour operator to conduct the tasks of organising and carrying out the tourist travels in the country and abroad, as well as of organising and carrying out the travels of students and pupils abroad for the purpose of learning a foreign language or professional training with the possibility of performing temporary and occasional services, the tour operator must have a licence. Similarly, a person engaged in activities of a tourist guide, tourist escort and tourist animator, must meet the requirements prescribed by the law and pass the professional exam.

According to Article 3 of the Law on Attorney at Law (*Official Journal of FRY* No. 24/98, 26/98 - corr., 69/2000 - Decision of the Federal Constitutional Court, 11/2002 and 72/2002 – Decision of the Federal Constitutional Court and *Official Journal of SCG* No. 1/2003-the Constitutional Charter), an attorney at law acquires the right to work as an attorney at law by registering in the Register of attorneys at law and taking an oath. According to Article 44 thereof, a partnership law association acquires the right to engage in legal profession when registered in the Court register.

**a) What is the justification in policy terms for each of the authorisation schemes?**

Article 41 of the Law on Energy defines the activities in the energy sector that are considered to be the activities of common interest, therefore obtaining the licence for conducting these activities is provided for.

Article 2 of the Law on Mining stipulates that the mineral resources are the state-owned property which can be used under the conditions and in the manner specified thereof.

Pursuant to the Law on Navigation and Ports on Inland Waters, ports and harbours are designated as the property of common interest in the field of port services in the market of the Republic of Serbia, therefore the port operator shall obtain approval issued by the Port Management Agency for conducting the port activities (Article 216 of the Law on Navigation and Ports on Inland Waters).

The Law on Railway (*Official Gazette of RS* No. 18/05) which entered into force on 1 March 2005 regulates market access in the rail transport. This law is partially aligned with the Directives 91/440/EEC and 95/18/EC and with the set of rules and regulations known as the "First Railway Package".

The law also regulates conducting of public railway infrastructure management activities and conducting of public transportation activities in the rail transport, based on the principles of separation of public railway infrastructure management operations from the public transport operations in rail transport.

The condition for carriage of passengers, persons and goods in rail transport on the railway infrastructure is to have a licence for carriage and certificate on safety for carriage, issued by the Directorate for Railways and/or by the competent authority of another state on the basis of reciprocity, and the contract on use of the railway infrastructure.

Operators having received the licences for carriage and the certificates on safety for carriage do not have access to the railway infrastructure yet, as not all statutory conditions for the use of railway infrastructure have been met: (1) the network statement, containing basic principles that the charges regime for the use of infrastructure is grounded on, was not published yet (2) contract model between the infrastructure manager and operators has not been determined and, first and foremost (3) restructuring of the PE “Serbian Railways” was not conducted in the manner that enables the network access.

Route assignment is done by the public infrastructure manager applying the following statutory criteria: transport volume; public railway infrastructure utilization; volume of additional services provided by the manager in relation to the conduct of transport on the assigned route; goodwill and activities of common interest in public transport.

Provision of postal services, and especially provision of universal postal service represents the activity of common interest to the Republic of Serbia. Universal postal service represents a set of postal services that are performed continuously throughout the territory of the Republic of Serbia, within the framework of the prescribed quality, at affordable prices and on equal terms to all users, without discrimination. The service is developed in accordance with technological and economic development and users’ needs. The Law on Postal Services and the Law on Validation of the Universal Postal Union Acts (*Official Gazette of RS* No. 42/2009) oblige our state to provide universal postal service.

Licence for the provision of postal services is granted only in accordance with procedures defined by the Law on Postal Services (*Official Gazette of RS* No. 18/05 and 30/2010). A detailed answer is given under questions 9-31.

The system of issuing operation licenses in the field of insurance services is envisaged with the intention of prior verification of fulfilment of prescribed conditions for conducting activities in the field of insurance.

The Law on Tourism (*Official Gazette of RS* No. 36/2009 and 88/2010) prescribes the procedure for obtaining licences to tour operators and the authority of the Minister in passing the secondary legislation laying down the programme of professional examination for tourist guides and tourist escort with the aim of raising the quality of services in tourism

Eligibility for registering the attorneys at law in the appropriate register is necessary given the importance of this activity for achieving protection of natural and legal persons before the courts and other state authorities, as well as the necessary professional qualification for providing the attorney at law activities.

Organising the games of chance is the activity of common interest to the Republic of Serbia, given the fact that part of the funds raised from games of chance, being the revenue of the Republic of Serbia's budget, up to the amount of 40% is used for funding the Red Cross of Serbia, persons with disabilities organisations and other associations aiming at the improvement of socio-economic and social position of the disabled and other persons in social need, institutions of social protection, sports and local self-government.

In addition, games of chance via the internet, telephone or otherwise through telecommunication links can be considered more dangerous form of games from traditional ones in terms of preventing fraud and crime and the protection of participants in the game from

addiction to gambling. It was noticed the constantly growing involvement of organised crime in games of chance, including the problems of money laundering, match-fixing and other forms of corruption and criminal activities.

- b) For these authorisation schemes, describe in detail the procedure for obtaining the authorisations in question. How long does it take to obtain each of the identified authorisations? Is there a fee for the authorisations? If so, please provide information on its amount. Is the licensing requirement combined with mandatory membership of a chamber of commerce, trade association or other body? If this membership involves a fee, please provide information on its amount.**

The Energy Agency of the Republic of Serbia shall pass a decision by which the energy activity licence shall be issued upon request of the energy entity. The energy activity licence shall obtain legal persons and entrepreneurs, i.e. energy entities prior to the commencement of energy activities, in accordance with the Law on Energy and the Rulebook on Requirements Regarding Professional Staff and the Terms of Issuing and Revoking of Energy Activities Licences. Energy entities shall obtain a separate licence for each energy activity. Articles 5 and 6 of the Rulebook on Requirements Regarding Professional Staff and the Terms of Issuing and Revoking of Energy Activities Licences prescribe content of the application and the supporting documents showing fulfilment of conditions. The Law on Energy and the said Rulebook lay down conditions for issuance of licences and these conditions must be met during the period of licence validity. Articles 14-19 of the Rulebook on Requirements Regarding Professional Staff and the Terms of Issuing and Revoking of Energy Activities Licences prescribe the manner of revoking the energy activity licences.

The provisions on the type of mining licences and conditions for licensing are contained in Articles 30a of the Law on Mining. Provisions of Article 30a thereof stipulates that licences issued in accordance with this law shall be the Licence for performance of mining operations and for the performance of professional supervision of mining operations, the Design licence for mining structures and the Licence for the performance of technical control of mining projects and structures. The same licences may be obtained by the companies having employees with the corresponding professional qualifications, work experience, authorisation for designing and authorisation for the performance of technical activities specified by this law. The Mining Agency shall adopt an act on the fulfilment of conditions for the issuing of licences, i.e., until the Agency commence with its activities, the Ministry shall adopt the act. The secondary legislation passed by the Minister should lay down detailed requirements and manner of issuing licences in accordance with the Law on Mining, and that is being planned in the course of 2011.

The energy activity licence shall be issued based on decision of the Energy Agency of the Republic of Serbia within 30 days from the date of licence application. The licence is issued for a period of 10 years. The licence validity may be extended at the request of the energy entity. The energy entity shall submit the request for extension to the Agency at the latest within 30 days before the expiry of validity period the licence is issued for.

The energy activity licence holder shall pay a fee, the amount of which shall lay down the Agency, in accordance with the Criteria and Standards for Determining Energy Licence Fees and the Decision on Coefficient Value for Calculation of Energy Licence Fee for the year determining the annual fee thereby.

The energy activity licence fee shall be paid annually, the first time when making decision on licensing, and for each subsequent year during the period of licence validity, within 30 days after the end of the year of license validity, counting from the date appointed by the decision on licensing being the date of licence issuance. Criteria (application of appropriate coefficients), method of calculation and method of determining the amount of fee for the energy activity licence are prescribed by the act of Criteria and Standards for Determining Energy Licence Fees (*Official Gazette of RS* No. 14/06, 40 /06, 126/07, 120/08 and 32/10). The coefficient value for 2011 is prescribed in compliance with the Decision on Coefficient Value for Calculation of Energy Licence Fee for 2011 (*Official Gazette of RS* No. 95/10) and amounts RSD 14,400.00 (136.5 EUR).

For issuing the act on meeting the requirements for mining licence issuance, the fee is paid according to the Law on the Republic Administrative Fees (*Official Gazette of RS* No. 35/10), therefore, the republic administrative fee for issuing the Licence for the performance of mining operations and for the performance of professional supervision of mining operations is RSD 171,040.00, the republic administrative fee for issuing the Design licence for mining structures is RSD 85,850.00, and for issuing the Licence for the performance of technical control of mining projects and structures this fee is RSD 85,850.00.

Postal operator shall provide postal services based on the permit.

Within the meaning of Article 79 (1) of the Law on Postal Services, the Republic Agency for Postal Services shall issue licences for provision of postal services to resident and foreign persons. Pursuant to Article 79(2) of the same Law, the following types of permits shall be distinguished:

- 1) authorisation;
- 2) licence.

It should be noted that the providers of Universal postal service perform the service based on the licence issued for a period of twenty years. On the other hand, non-reserved postal services, which are outside the scope of the Universal postal services, are provided based on authorisations issued for a limited period of validity from one up to ten years, in accordance with the submitted request.

In its application for permit, resident and foreign person shall particularly specify the following:

- postal services the permit is requested for;
- territory in which postal services are provided;
- validity period of the permit it applies for;
- identification mark of the said person.

Based on Article 80, in the process of obtaining a permit the applicant shall submit the following:

- evidence of registration for conducting the activities;
- evidence from the competent authority on fulfilling the conditions for commencement of activities-special conditions for performing postal services.

The requirement for issuing a license is that the applicant must have the postal network.

The Agency shall be obliged to decide on the orderly application for issuing permit within 30 days from the date when the application was submitted. If the Agency does not make a decision within the above mentioned time limit, the permit shall be considered granted on the day following the expiry of the given period.

Postal operator shall pay to the Agency the cost for issuing permit and annual fee for the provision of postal services.

The expenses for issuing the permit shall be determined by the Agency Board, provided those shall not exceed the amount of RSD 21,100.00 (EUR 200.00) in dinar equivalent.

Annual compensation fee for the provision of postal services shall amount up to 0.5% of the postal operator's income accruing from provision of postal services, in accordance with the financial plan of the Agency.

The permit shall contain:

- a. specification of postal services;
- b. territory in which postal services are provided;
- c. period of permit validity and commencement date of postal services activity;
- d. amount of costs for the permit issuance and deadlines for settlement of due payments.

Based on Art. 216-222 of the Law on Navigation and Ports on Inland Waters, an approval for conducting the port activities shall be given based on the prior public tender procedure.

The Port Management Agency shall make a decision about the public tender procedure after having specified, based on the collected letters of intent or otherwise, the potential users of specific port services or of the space in the port and/or harbour.

Decision about the public tender procedure shall include: the type of port activities and/or area in which the exclusive right to use is given specifying the types of port activities in the area, the amount of fee for approved activities, the maximum period for which the approval is granted, the deadline for public tender, date and place of public opening of bids, the conditions for the selection of the best offers and other information evidencing the fulfilment of conditions for approval.

The decision on public tender procedure shall be published in the public information media.

Legal and natural persons registered for conducting one or more of port activities and having professional staff, technical and technology equipment and the ability to conduct continuous activities for which they are registered, may obtain the approval.

In addition to evidence showing the compliance with the previously mentioned conditions, a bidder must submit the plan and program of activities for the period the approval is requested for, as well as the feasibility study for the investments it intends to carry out, with particular reference to the impact that the investment shall have on the attractiveness of the port, or harbour, increased traffic and revenues of the port and/or harbour.

Prior to granting the approval, the Agency shall verify that the bidder is fulfilling all financial obligations owed to the Republic of Serbia in an orderly manner, that no insolvency or liquidation proceeding is instituted against the bidder and no criminal proceeding has been taken against the responsible person for offences in the field of economic crime.

For issuing the approval, an obligation of membership in the chamber of commerce, trade association or other body is not prescribed.

The compensation, i.e., the fee to use the port shall be paid based on the obtained approval. The amount of the fee shall lay down the Port Management Agency, which is in the process of the establishment, therefore there are no practice cases based on which we could provide the empirical data on the time required for obtaining approval and on the amount of fees to be paid to use the port.

The Directorate for Railways shall issue the Safety Certificate on Carriage within 30 days from the date of submitting the request, if the requirements of Article 58 of the Law on Railway have been met. Rulebook on Charges for Issuing of the Safety Certificate on Carriage in Railway Transport (*Official Gazette of RS* No. 39/06) prescribes the amount of charges:

- 1) for towing vehicles – RSD 5,894.00 (EUR 55.87) /per unit,
- 2) for motor vehicles – RSD 8, 420.00 (EUR 79.81) /per unit,
- 3) for passenger cars – RSD 3,368.00 (EUR 31.92) /per unit,
- 4) for the wagon – RSD 2,476.00 (EUR 23.47) /per unit.

The Directorate for Railways shall issue the Licence for Carriage within 30 days from the date of submitting the request, if the requirements of Article 58 of the Law on Railway have been met.

Rulebook on Charges for Issue of Licence on Carriage in Rail Transport (*Official Gazette of RS* No. 39/06) specifies the amount of fees:

- 1) for passenger transport- RSD 202,084.00 (EUR 1,915.49);
- 2) for freight transport- RSD 222,888.00 (EUR 2,112.68);
- 3) for passenger and freight transport- RSD 382,375.00 (EUR 3,624.41);

Pursuant to the Law on Psychological Practice Operation Requirements (*Official Gazette of RS* No 25/96, No 101/05) and secondary legislation the conditions of pursuit of psychological profession are defined in terms of the educational profile and working experience of entrepreneurs, available space and equipment. General activities of psychological profession can be carried out by a graduate psychologist who successfully passed the state licence examination, while certain activities of psychological profession can be carried out also with appropriate specialization.



After the conducted check of available space and equipment, of which a record is made, the Ministry takes a decision, that is, issues a working permit to an entrepreneur to independently perform the psychological profession.

A detailed answer for insurance services for this question is given within Chapter 9, Financial services, Question number 39 a.

Founding of a bank and procedure for granting a provisional permit to set up a bank and for issuing an operating licence are regulated in more detail by the following regulations:

-The Law on Banks

-The Decision on the Implementing the Provisions of the Law on Banks Relating to Granting of a Provisional Bank Founding Permit and Subsequent Issuing of a Full Operating License to a Bank, as well as on Implementing Specific Provisions Relating to Granting Approvals by the National Bank of Serbia (*Official Gazette of RS* No. 51/2006 and 129/2007)

Bank is set up as a joint-stock company – open or closed. Bank founders may be one or more domestic and foreign legal entities and natural persons, who provide funds for the equity capital of the bank. Equity capital of the bank may take pecuniary and non-pecuniary form (assets and rights that serves the bank's operations). The pecuniary portion of the equity capital of a bank can be no less than dinar equivalent of EUR 10,000,000 at the official middle exchange rate on the day of its payment, except for the bridge bank, where this amount can be no less than dinar equivalent of EUR 5, 000.000 at the official middle exchange rate on the day of its payment.

The National Bank of Serbia grants provisional bank founding permit under conditions prescribed by the Law on Banks and Decision on the Implementing the Provisions of the Law on Banks Relating to Granting of a Provisional Bank Founding Permit and Subsequent Issuing of a Full Operating License to a Bank, as well as on Implementing Specific Provisions Relating to Granting Approvals by the National Bank of Serbia Along with an application for provisional bank founding permit, potential bank founders submit the following to the National Bank of Serbia:

- Data on the founders, amount of their stakes, and number, type and nominal value of shares they are acquiring;
- Memorandum of association and draft articles of association,
- Statement declaring that the pecuniary portion of equity capital will be paid to the temporary account with the National Bank of Serbia;
- Statement declaring that the non-pecuniary assets will be transferred to the bank's equity capital;
- Data on all person holding a stake in the bank and grounds on which such stake was acquired;
- Names and data regarding the qualifications, experience and business reputation of the nominated members of the bank's managing and executive board ;
- The bank's proposed program of activities for the period of three years and draft business policy for the year in which the bank is to be founded;
- Draft procedures for risk management and internal control;

- If the bank is to be founded as a subsidiary of a foreign bank or another foreign financial sector entity subject to foreign regulatory authority supervision and/or monitoring, evidence that the competent regulatory authority of the home country has issued approval to the foreign bank or another foreign financial sector entity regarding the participation in the founding of the bank in the Republic of Serbia, or evidence that no such approval is required under the regulation of such country;
- If the founder is a foreign bank or foreign financial sector entity subject to supervision and/or monitoring by a home country regulatory authority, evidence that requirements specified by the Law have been met;
- Letter of authority for the person to cooperate with the National Bank of Serbia in the process of granting a provisional permit, and
- Evidence of payment of fee prescribed by the decision governing uniform fees charged for services provided by the National Bank of Serbia, as well as evidence of the payment of the republic administrative fees in line with the law governing republic administrative fees.

The above documentation has to be submitted in the original form or in certified copy, and may not be older than six months. Also, the documents have to be in the Serbian language; if they are written in a foreign language, the original or certified copy of such document has to be submitted along with certified translation in the Serbian language rendered by sworn-in-court translator.

The National Bank of Serbia shall render a decision on the application for the issue of a provisional bank founding permit within 90 days after receiving the duly completed application. If potential bank founders fail to submit to the National Bank of Serbia an application for the issue of operating license within 60 days following the granting of provisional bank founding permit, such permit shall cease to be valid.

After obtaining a provisional bank founding permit, potential bank founders have to submit to the National Bank of Serbia an application for the issue of an operating license and the following documents:

- Evidence of payment of the pecuniary portion of the equity capital, evidence of transfer of non-pecuniary assets into the equity capital of the bank as well as statement regarding the origin of such assets;
- Evidence that they have provided appropriate business premises, acquired and prepared equipment for unimpeded business activities of the bank, that the premises meet the legal requirements regarding technical resources, work safety, and protection and improvement of the environment, as well as that the premises and equipment enable access to all relevant data and information required for the conduct of supervisory function by the National Bank of Serbia;
- Evidence that the founders have hired an external auditor for the bank included in the list specified in Article 52, paragraph 3 of the Law on Banks;
- Data on the organizational structure and human resource capacity of the bank;
- Letter of authority for the person to cooperate with the National Bank of Serbia in the process of issuing a bank operating license, and

- Evidence of payment of fee prescribed by the decision governing uniform fees charged for services provided by the National Bank of Serbia, as well as evidence of the payment of the republic administrative fees in line with the law governing republic administrative fees.

Pursuant to the Decision on Uniform Fees Charged for Services Provided by the National Bank of Serbia (*Official Gazette of RS* No. 122/07, 27/08, 35/08, 63/08, 118/08, 120/08, 13/09, 27/09, 45/09, 77/09, 94/09, 6/10 and 22/10) – the fee per an application for issuing a provisional bank founding permit is 150.000,00 dinars. Also, the fee per an application for issuing a full operating license is 150.000,00 dinars.

Pursuant to the Law on the Republic Administrative Fees (*Official Gazette of RS* Nos. 43/03, 51/03, 53/04, 42/05, 61/05, 101/05, 42/06, 47/07, 54/08, 5/09, 54/09 and 35/10) the fee in the amount of 580,00 dinars is paid.

The above documentation has to be submitted in the original form or in certified copy, and may not be older than six months. Also, the documents have to be in the Serbian language; if they are written in a foreign language, the original or certified copy of such document has to be submitted along with certified translation in the Serbian language rendered by sworn-in-court translator.

The National Bank of Serbia shall render a decision on the application for the issue of an operating license within 30 days from receiving the duly completed application, except for the special purpose bank (a bridge bank) in which case the deadline for rendering a decision on the application is one day. The bank's founding assembly meeting shall be held within 30 days following the receipt of the National Bank of Serbia's decision on issuing a bank operating license, at the latest. Documents adopted by the founding assembly shall be submitted to the National Bank of Serbia for consent within five working days following their adoption. The National Bank of Serbia decides on granting consent regarding documents adopted by the bank's founding assembly within 60 days after their submission. Founders of the bank are required to submit an application for entering the bank in the register of business entities within 30 days from the day the consent of the National Bank of Serbia regarding documents was granted. The bank acquires the capacity of a legal entity as of the moment of being entered in the register of business entities.

Setting up a financial leasing company and the procedure for obtaining licence for engaging in financial leasing:

- The Law on financial leasing (*Official Gazette of RS* No. 55/2003 and 61/2005)
- The Decision on the Implementation of Provisions of the Law on Financial Leasing Related to the Issuance of Licenses and Approvals by the National Bank of Serbia (*Official Gazette of RS* No. 81/2005 and 60/2007).

Article 10, paragraph 2 of the Law prescribes that pecuniary portion of the equity capital may not be less than dinar equivalent of EUR 100,000 at the middle exchange rate of the National Bank of Serbia on the date of payment.

Pursuant to Article 13a of the Law and the Decision on the Implementation of Provisions of the Law on Financial Leasing Related to the Issuance of Licenses and Approvals by the National Bank of Serbia the founder(s) of the company – financial lessor shall submit to the

National Bank of Serbia an application for the issuance of a license to engage in financial leasing. The founders have to submit the following documentation along with the application:

- Company memorandum of association
- Evidence that the pecuniary portion of the equity capital is deposited on the temporary account of the bank (it may not be less than dinar equivalent of EUR 100,000 at the middle exchange rate of the National Bank of Serbia on the date of payment;
- Proof of having appropriate technical capacities and human resources for engaging in financial leasing;
- Company's programme of operations for the period of three years;
- List of persons nominated to be members of managing bodies, or persons with special authorities and responsibilities, references on their competence and professional qualities, evidence that they have not been sentenced for criminal offences that would make them unfit to perform the function to which they are appointed, as well as evidence that such person has not been prohibited to engage in business activities.

When deciding on the application and the documents the National Bank of Serbia will assess the business reputation of the company founders and nominated members of the management bodies and prescribes criteria for assessment of the business reputation.

Pursuant to the Decision on Uniform Fees Charged for Services Provided by the National Bank of Serbia (*Official Gazette of RS* No. 122/07, 27/08, 35/08, 63/08, 118/08, 120/08, 13/09, 27/09, 45/09, 77/09, 94/09, 6/10 and 22/10) – the fee per an application for issuing a license to engage in financial leasing is -50,000.00 dinars.

Pursuant to the Law on the republic administrative taxes (*Official Gazette of RS* No. 43/03, 51/03, 53/04, 42/05, 61/05, 101/05, 42/06, 47/07, 54/08, 5/09, 54/09 and 35/10) the fee in amount of 580,00 dinars is paid.

The National Bank of Serbia will decide on the application for a license to engage in financial leasing within 30 days after dully completed application was submitted

The procedure for obtaining tourist agencies licence is regulated by The Law on Registration of Business Entities (*Official Gazette of RS* No. 55/2004, 61/2005 and 111/2009 – other laws) and the Law on Tourism (*Official Gazette of RS* No.36/2009 and 88/2010). The licence for organization of tourist trips is issued at the request of the applicant by the Registrar of tourism, with a decision valid for three years, which contains, in particular, the company's full business title, company number, and headquarter location, and which is definitive and on whose basis the trip organizers are registered in the Register of tourism.

Article 2 of the Rulebook on the content of the application for issuance of license and the conditions and procedure for issuance of a formal form of the licence (*Official Gazette of the RS* No. 4/2010) prescribes that the application for issuance of a licence submitted by a company, entrepreneur or a branch of other resident or foreign legal person must comprise:

1. Data on the company number of the entity to which the licence is issued;
2. Signature and data on the person authorised to submit application;
3. Data on the type of license for which the application is submitted;

4. Data on the manager (name and UPIN, i.e. passport number if the manager is a foreign natural person, limits of authority, level of education data concerning the knowledge of foreign languages);

5. Data on the insurance policy;

6. Extract from the register in which the legal person is registered, unless it is registered in the register in the competence of the Business Registers Agency;

7. Appropriate evidence that the entity has at least one full-time employed person in the company headquarter, that is in the company branch, in the capacity of a manager: That can speak the Serbian language, that is, familiar with a foreign language, holds at least college degree in tourism, economy or other social sciences profile and the working experience in tourism (with the mentioned degree) of minimum three years in order to work for the organizer of tourist travels, which is proved by a diploma – certificate of the competent educational institution where the person acquired at least college degree and by a certified copy or certified transcript of employment booklet.

8. Certificate of the competent court that the entity is not in the bankruptcy proceedings;

9. Certificate from the competent register that the entity is not in liquidation proceedings, for those entities which are not registered in the register in the competence of the Business Registers Agency;

10. a certificate issued by the competent court or other state authority that no measure prohibiting the entity from pursuing the activity has been imposed on it;

11. a certificate issued by the competent court that no safety measure prohibiting the responsible person from performing the activities, profession and duty has been imposed on it;

12. Valid professional liability insurance policy;

13. General travel conditions in printed and electronic forms, for issuance of a licence to the tourist travels organizer;

14. Evidence of paid License issuance fee;

Article 2 of the Regulation on Type and Amount of Fees for Registration, Records and other Services provided by Register of Tourism in the competence of the Business Registers Agency (*Official Gazette of the RS* No. 2/2010) prescribes that the fee for issuance and renewal of license for performing the activities of a tourist agency and its entering into the Register is 3,000.00 dinars, and Article 5 of the same Regulation prescribes that the fee for issuance of the formal license to a tourist agency is 6,000.00 dinars.

If the requirements for registration from Article 22 of the Law on Registration (*Official Gazette of RS* No. 55/2004, 61/2005 and 111/2009 – and other laws) are met, Registrar within 5 days of submission of the registration application decides on adopting the registration application request and proceeds with registration into the Register with no further delay.

The license for organisation of special games of chance in the gaming establishments is given on basis of the public call, which is published in daily publications which are distributed on the entire territory of the Republic of Serbia, in the “Official Gazette of the Republic of Serbia”, “Financial Times” and on the internet webpage of the Ministry of Finances. The procedure after public call, until obtaining the permit, lasts 70 days, after which a contract on transfer of rights

for organisation of special games of chance in the gaming establishments is signed, not later than 45 days after obtaining the licence.

The procedure for issuance of a license is prescribed by Regulation on Detailed Requirements, Method and Procedure for Granting a License to Organize Special Games of Chance in Gaming Establishments (*Official Gazette of RS* No 77/05, 69/06, 85/08 and 104/8-Decision of the Constitutional Court and 7/09).

Article 40, paragraph 3 of the Law on Games of Chance prescribes that the fee for granting the license cannot be lower than EUR 500,000 (52,750,000.00 dinars) in the dinar equivalent value at the middle exchange rate on the date of submission of application upon the public call. Along with the application upon the public call, the participants will deliver, among others, the proposal of the amount of the fee for the license, which is one of the elements for assessment when creating the rank-list.

The approval for organisation of special games of chance on the gaming devices is granted at a request of a legal person within 15 days, pursuant to Article 62, paragraph 2 of the Law. The organiser shall pay the fee for the obtained approval amounting to EUR 25 (2,638.00 dinars a month) in the dinar equivalent rate per a gaming device, pursuant to Article 68, paragraph 1 of the Law.

The approval for organisation of special games of chance – betting is granted at a request of a legal person within 15 days, pursuant to Article 75, paragraph 2 of the Law. The organiser shall pay the fee for the obtained approval amounting to EUR 100 (10,550.00 dinars a month) in the dinar equivalent rate per a betting counter.

Pursuant to the Law on the Chambers of Commerce (Official Gazette of the Republic of Serbia, Nos. 65/01 and 36/09,) the members of the Serbian Chamber of Commerce (business companies and other forms of organisations engaging in business activities, banks and other financial organizations, organizations for property and persons insuring, entrepreneurs and other) from the territory of the Republic of Serbian have mandatory membership. Chambers of Commerce in Serbia have the legal person status and their bodies (Assemblies) define the membership fee for each year. The Serbian Chamber of Commerce of Serbia charges the membership fee for the year 2010 at a rate of 0,19%.

The basis for calculation of the membership fee to the Chamber is constituted by the gross income of the employees.

The members of the Chamber having up to 10 employees, pay a fee in a lump sum of 5,000.000 dinars.

The amendments to the Law on the Chambers of Commerce of 2009 stipulate that as of 2013, the mandatory membership is cancelled.

The licensing requirement is not combined with mandatory membership of a chamber of economy, trade association or other body.

Pursuant to Article 5 of the Law on Attorney at Law, the decision on the application for registration of attorneys at law shall pass the authorised body of the Bar Association, within 60 days from the date of application. In addition to the application, the applicant shall submit the evidence showing that he/she fulfils the conditions for the practice law profession laid down in Article 4 of the Law on Attorneys at Law, as well as to specify the location of the law

office. According to Article 6 of the Law on Attorneys at Law, the applicant shall bear the expenses of registration, the amount of which shall lay down the Bar Association.

**c) What are the requirements which have to be met to obtain a licence or authorisation?**

Conditions for issuing licences for conducting of business in the energy sector are laid down in Article 46 of the Law on Energy.

Provisions 13 of the Law on Mining (“Official Gazette of the RS” No 44/95, 34/06 and 104/09) stipulate that the mining of mineral raw materials can be practised by a business company, enterprise, that is, other legal person and entrepreneur registered to practice this activity and in possession of a license for execution of mining works and performing supervision over mining works. Provisions on the types of licenses and conditions for issuance of licences are contained in Article 30a of the Law on Mining.

The Law on Planning and Construction (Article 126) The technical documentation for construction of structures for which the building permit is issued by the Ministry, that is, by an Autonomous Region, can be produced by a business company, that is, other legal person which is entered in the appropriate register for production of technical documentation for this type of structures, and which has at least two employed licensed designers in possession of appropriate professional achievements in production of technical documentation for this type and purpose of structures. In possession of professional achievements is the person who produced or participated in production, that is, in performing of technical control of the documentation used for construction of structures of such type and purpose. Fulfilment of the conditions is determined by a decision of the Minister competent for civil engineering activities. (Article 150) Construction of structures, that is construction works for which the building permit is issued by the Ministry, that is, by an Autonomous Region, can be practised by a business company, that is, other legal person which is entered in the appropriate register for construction of this type of structures, that is, performing of this type of works and which has at least two employed licensed contractors in possession of appropriate professional achievements. In possession of appropriate professional achievements is the business company, that is, other legal person that constructed or participated in construction of structures of such type and purpose, that is, that participated in such type of works. Fulfilment of the conditions is determined by the Minister competent for civil engineering activities, on a proposal from the expert commission the Minister has formed.

In its application for permit, resident and foreign person shall particularly specify the following:

The postal services it applies for;

- territory where the specified services are to be provided;
- validity period of the permit it applies for:

identification mark of the mentioned person.

Based on Article 80 of the Law on Electronic Communications the applicant, in the procedure of obtaining the permit must enclose:

- evidence of registration for practising the business activity.
- Evidence provided by the competent authority of fulfilment of conditions to commence practise of the business activity – special conditions for providing postal services;

The requirement for issuing a license is that the applicant must have the postal network.

The Agency shall be obliged to decide on the orderly application for issuing permit within 30 days from the date when the application was submitted. In the absence of a decision, the permit shall be considered granted on the day following the expiry of the given period.

Pursuant to the Law on Navigation and Ports on Inland Waters, the applicant can be legal and/or natural person which is registered to practise one or more port activities, and which has professionally qualified personnel, technical equipment, capacity to continuously practise the activities for which it is registered. Apart from that, the applicant must supply the plan and programme of activities for period the approval is applied for, as well as the feasibility study for investments it intends to carry out, with particular reference to the impact the investment will have on the attractiveness of the port or harbour, increase of turnover and incomes of the port or harbour.

The Law on Railways prescribes that the Railway Directorate issues the Safety Certificate on Carriage to the transport undertaking complying to the following conditions:

1) that the Railway rolling stock is technically serviceable compliant to the regulations and standards regulating safety of railway transport;

2) that the personnel engaged in driving and using of the railway rolling stock has professional qualifications and health compliant to the regulations and standards regulating safety of railway transport;

That it has an organized service for supervision over performing transport in railway transport;

The Rulebook on Terms and Conditions for the Issue and Contents of Safety Certificates on Carriage in Rail Transport (*Official Gazette of RS*, number 39/06) provides detailed conditions for the issue of Railway Safety Certificate on Carriage.

The Law on Railways prescribes that the Railway Directorate issues the Safety Certificate on Carriage to the transport undertaking complying to the following conditions regarding financial fitness, technical equipment and professional qualification and which submits: evidence that he is not subject to bankruptcy proceedings; evidence on the insurance of passengers and/or persons, luggage and goods; and evidence that the responsible person has not been imprisoned for at least one year for criminal offences against industry and abuse of power.

The railway transport undertaking meets the requirements in terms of financial fitness if it can provide evidence that in the period of 12 months it can meet its obligations in practicing the kind of railway transport for which it wishes to obtain a transport license.

The railway transport undertaking meets the requirements in terms of technical equipment and professional qualification if it has the Safety Certificate on Carriage.

The Law on Tourism (*Official Gazette of RS* No. 36/2009 and 88/2010) prescribes that if it has a license, the tour operator can organize and carry out tourist travels in the country and



abroad; as well as organize and realize tourist travels of pupils and students abroad for the purpose of learning foreign languages or professional training with the possibility to perform temporary and occasional services. Article 52, and 53 of the Law prescribes the conditions for issuance of a licence. The Law on Tourism (*Official Gazette of RS* No. 36/2009 and 88/2010) in Article 94 and 98 prescribes what requirements a tourist guide, local tourist guide, tourist escort and tourist animator must meet in order to provide services. Article 101, and 102 of the Law prescribe the conditions for car-rental services.

A detailed answer for insurance services to the question was given within Chapter 9, Financial services, Question number 39 a.

Article 4 of the Law on Attorney at Law prescribes that the right of registering in the register of attorneys at law has a person who meets the following requirements: is a citizen of the Republic of Serbia, is a graduate lawyer with passed bar exam, has a working ability, not have a criminal record for criminal acts which make him/her unsuitable for legal profession is not employed, is not engaged in another professional activity and is trustworthy for the legal profession. Article 41 of the Law on Attorneys at Law prescribes that partnership law association may establish two or more attorneys at law. Activity of partnership law association is limited to only affairs of attorney at law, and only attorneys at law provide legal aid in a partnership law association. According to Article 43 of the Law on Attorney at Law, for the establishment of a partnership law association, the attorneys at law - the founders are required to obtain prior approval of the Bar Association of Serbia.

In order to obtain the license to organise the special games of chance in gaming establishments (casinos) approval to organise special games of chance on gaming devices and approval to organise special games of chance – betting, the legal person must have headquarters on the territory of the Republic of Serbia, as well as the capital mentioned in the answer to Question 3c.

**d) To what extent are requirements which the business has already fulfilled in its state of establishment taken into account?**

In the field of insurance services business companies whose head office are outside the territory of the Republic of Serbia cannot practise insurance activities. Namely, only those business companies having national status, that is, domestic legal person status, can pursue insurance activities.

Upon receiving operating license, a bank owned by a foreign credit institution is treated in every respect as resident legal entity. Upon receiving operating license, a bank is treated in every respect as a domestic legal entity and must conduct its business activities in conformity with the national regulations.

Also, on the occasion of submitting the application for issuance of the provisional bank founding permit, to the National Bank of Serbia, bank's founder submit among other things, evidence that the competent regulatory authority of the home country has issued an approval to the foreign bank or another foreign financial sector entity regarding the participation in the founding of the bank in the Republic of Serbia, or evidence that no such approval is required under the regulation of such country if the bank is to be founded as a subsidiary of a foreign bank

or another foreign financial sector entity subject to foreign regulatory authority supervision and/or monitoring.

Regardless of the requirements met by the credit institution which is submitting an application for issuance of the provisional bank founding permit in its home country, it is also obliged to meet all the conditions prescribed by the Law on Banks and Decision on the Implementing the Provisions of the Law on Banks Relating to Granting of a Provisional Bank Founding Permit and Subsequent Issuing of a Full Operating License to a Bank, as well as on Implementing Specific Provisions Relating to Granting Approvals by the National Bank of Serbia.

A financial lessor owned by a foreign credit institution, other foreign legal entity or natural person, authorised to perform financial leasing activities, is in every respect considered as a domestic lessor. A foreign owned lessor is treated as equal and operates under equal conditions and in equal manner as resident legal entities.

Regardless of the requirements already met by the company in its home state, it is obliged to undergo the registration procedure and to meet the requirements stated in the answer no. 8.

Conditions for issuing licences for the conduction of business in the energy sector are laid down in Article 46 of the Energy Law.

Article 32 of the Mining Law stipulates that the mining designs produced abroad should be validated and are subject to technical control in accordance with the Law. Technical control of mining designs produced abroad verifies whether the regulations, measures and conditions corresponding to the Yugoslav regulations, standards, technical norms, and quality standards specified for the construction operations which are the subject matter of the mining designs have been implemented and whether the measures and measure units and other indicators implemented in production of mining designs have been harmonised.

In the field of providing port services, the port operator, regardless of requirements already met in its home country, is obliged to undergo the registration procedure and to meet the conditions stated in the answer to the question no. 8 under c).

Article 4 (3) of the Law on Attorney at Law prescribes that a citizen of another state who, by the law of that State, fulfils the conditions for being an attorney at law is entitled to be registered in the register of attorneys at law in the Republic of Serbia, with the existence of reciprocity. Article 14 of the Law on Attorneys at Law prescribes that an attorney at law - a foreign citizen who is not registered in the register of attorneys at law in the Republic of Serbia, can, in some cases, work as attorney at law in the Republic of Serbia, under the condition of reciprocity.

### ***III POSTAL SERVICES***

#### **A. General legal framework**

- 9. To what extent is your legal framework regarding postal services aligned with the relevant EU *acquis* (Directive 97/67/EC as amended by Directive 2002/39/EC and Directive 2008/06/EC)? Please provide details about the license regime; universal**

**service provision; reserved area; requirements for tariff principles; transparency and separation of accounts for service providers; quality of service standards for postal services (e.g. EN 13850); establishment of an independent National Regulatory Authority for the postal sector.**

The Law on Postal Services (*Official Gazette of RS*, No. 18/05), which has been effective as from 5 March 2005, is aligned with the European Union regulatory framework set out in Directive 97/67/EC of the European Parliament and the Council.

The National Assembly adopted the Amending Law to the Law on Postal Services (*Official Gazette of RS* No. 30/10) on 5 May 2010, which has been applied as from May 16, 2010.

#### Licensing regime

Within the meaning of Article 79(1) of the Law on Postal Services, the Republic Agency for Postal Services, as an independent regulatory authority which became operative on 1 February 2010, shall issue permits for provision of postal services to national and foreign entities.

Pursuant to Article 79(2) of the same Law, the following types of permits shall be distinguished:

- 1) authorisation;
- 2) license.

It should be noted that the providers of Universal postal service perform the service on the basis of the license issued for a period of twenty years. On the other hand, non-reserved postal services, which are outside the scope of the Universal postal services, are provided on the basis of authorisations issued for a limited period of validity from one up to ten years, in accordance with the submitted request.

Through its activities, by issuing permits for initiation of provision of postal services, the Agency contributes to gradual introduction of competition in the postal service market. Pursuant to recommendations contained in Directive 2008/06/EC, fundamental aspiration is to achieve full liberalization in the postal service market after 2012.

Amending Law to the Law on Postal Services of May 2010 defines, inter alia, the requirement for authorisation in the form of a Decision on fulfilment of conditions for initiation of postal service provision, both for authorisations and for licenses issued by the competent ministry.

#### Provision of universal postal service

The Law on Postal Services, and the Law on Confirmation of the Universal Postal Union Acts (*Official Gazette RS* No. 42/2009), oblige our state to provide Universal postal service.

Universal postal service represents a set of postal services that are performed continuously throughout the territory of the Republic of Serbia, within the framework of the prescribed quality, at affordable prices and on equal terms to all users, without discrimination. The service is developed in accordance with technological and economic development and users' needs.

Pursuant to Article 15(1) of the Law on Postal Services, universal postal service shall be provided by the public postal operator, whereas other postal operators can provide Universal postal service, excluding reserved services, solely based on the licence.

Public postal operator shall be obliged to provide the required density of access points which meets the customers' needs, and which is in line with technological and economic development. On the basis of contract, other entities may perform certain services from the scope of universal postal service, in the name of and on behalf of the Public Postal Operator.

Action Plan for implementation of the Development Strategy of Postal Services in Serbia shall determine the obligation to establish a mechanism to cover the loss resulting from the provision of universal postal service, in order to provide the postal services to all citizens at affordable prices.

#### Reserved area for universal postal service provider

Pursuant to Article 3(1)(3) of the Law on Postal Services, reserved postal services shall be the services guaranteed by the state to operator of the universal postal service, as exclusive rights within the scope of limited weight and cost.

Within the meaning of Article 19 of the Law on Postal Services, reserved postal services shall include:

- collection and/or transportation and/or delivery of letter items, up to a stipulated limit regarding weight and price;
- collection and/or transportation and/or disbursement of money orders in ordinary and electronic form.

Reserved postal services shall also include collection and/or transportation and/or delivery of documents in judicial, administrative and infringement proceedings, regardless of limits.

Reserved postal services shall be provided by the public postal operator.

With the consent of the Government of the Republic of Serbia, the Agency for Postal Services shall determine the limits regarding weight and price, whereby those cannot exceed the weight of 350 grams and five times the postage for an item in the first weight step of the fastest standard category.

Pursuant to Action Plan for implementation of the Development Strategy for Postal Services in Serbia (*Official Gazette of RS* No. 23/08 and 21/10) the Government and the Republic Agency for Postal Service shall be authorized for implementation of the activities on gradual and controlled reduction of the limits for reserved postal services. The activity is planned to be carried out in the first quarter of 2011.

#### Requirements in terms of tariff principles

When determining the price for each service which constitutes a part of the universal postal service, the following principles must be respected:

- prices must be affordable and such that all users have access to services;
- prices must be geared to costs (application of a single tariff across the entire national territory);

- application of a uniform price shall not exclude the right of a universal postal service provider to conclude individual agreements on prices with users, except for reserved postal services;
- prices must be transparent and non-discriminatory.

Pursuant to Article 3 of the Law on Postal Services, tariff rate shall be a pre-defined category of postal items for which the postal operator determines the price.

Pursuant to provisions of Article 21 of the same Law, the Agency for Postal Services shall determine tariff rates which must be unique regarding the field of universal postal service.

Provider of universal postal service shall determine the public tariffs starting from the actual costs and respecting the principle according to which public tariff should be affordable to all users.

By the Amending Law to the Law on Postal Services of May 2010, the Agency for Postal Services was entrusted with pricing methodology for universal postal service. In this regard, the Agency has initiated the process of drawing up the aforementioned methodology which is expected to be completed in the first quarter of 2011.

The Government of the Republic of Serbia shall give its consent to the public postal operator act determining the public tariffs for the reserved postal services, on the basis of pricing methodology. Public tariffs for universal postal services, which are not reserved, shall be determined by the public postal operator Management Board, appointed by the Government of the Republic of Serbia. These prices shall also be determined by the pricing methodology for universal postal service. On the other hand, private postal operators shall freely determine tariffs for their services, while respecting market principles.

#### Transparency and separation for accounts of service providers

Pursuant to Article 24 of the Law on Postal Services, public postal operator shall be obliged to keep separate accounts for reserved and non-reserved postal services.

However, pursuant to the Amending Law to the Law on Postal Services, all the aforementioned provisions of Article 24 of the Law on Postal Services shall be applied as from 31 December 2011.

#### Quality standards of postal services

Achievement of postal services quality standards, laid down in the EU, as provided for in the Decision on Amendments to Development Strategy of Postal Services in Serbia, shall imply:

- establishing of quality standards and their harmonization with international standards;
- achieving of quality standard (D+3 for the transportation of postal items in international traffic for 75% and 85% of postal items, by the end of 2010 or 2012, and D +2 for the transportation of postal items in domestic traffic for 90% and 95% of postal items, by the end of 2010 or 2012.);

- monitoring, measuring and determining the quality of postal service provision through application of automated supervision and localization of postal items – by the "track and trace" system.

Pursuant to Article 66(1)(1) of the Law on Postal Services, the Agency shall lay down general terms and conditions for the provision of postal services and quality standards in the field of postal activities, and shall supervise their application.

Pursuant to Article 31 of the Law on Postal Services, postal operator shall be obliged to transport and deliver postal items from the field of universal postal service to the recipients, in accordance with the quality standards and within the following deadlines:

- 1) two working days in inner delivery area of the postal network unit;
- 2) three working days in wider delivery area of the postal network unit;
- 3) five working days in the widest delivery area of the postal network unit;

The above deadlines shall be counted from the day following the day of the postal item receipt.

The terms of transportation and delivery of postal items outside the scope of universal postal service shall be determined by postal operator, in accordance with special conditions for carrying out postal service activities.

Within the meaning of Article 86(2) of the same Law, the permit for postal service provision may be revoked in case the postal operator fails to provide the postal services in accordance with the Law and with general conditions prescribed by quality standards for the provision of postal service.

#### Establishment of the National Regulatory Authority for the postal sector

Within the meaning of Article 65 of the Law on postal services, Republic Agency for Postal Services was established as an independent regulatory authority, which became operative on 1 February 2010.

The basic function of the national regulator in the field of postal services is creation of opportunities for faster liberalisation and development of competitive relations, on the one hand, and prevention of every form of monopolistic activity in the postal service market, on the other hand.

The Agency was entrusted with adopting secondary legislation pursuant to Article 66 of the Law on Postal Services, within six months following the appointment of Agency Board members, and the secondary legislation was adopted within the above deadline.

#### **10. Do you have any plans to modify the existing legislation and/or to restructure the postal services? Please give details and timetables.**

The Law on Postal Services (*Official Gazette of RS* No. 18/05 and 30/10) is aligned with the European Union regulatory framework contained in Directive 97/67/EC.

The initiation of drafting a new Law on Postal Services, which will be aligned with Directive 2008/06/EC, is planned for the first quarter of 2011.

## **B. Universal Service Obligations (USO)**

### **11. What is the scope of universal postal service in your country?**

Pursuant to Article 13 of the Law on Postal Services, universal postal service in national and international postal traffic shall include:

- collection, transportation and delivery of letter items, including registered letter items weighing up to two kilograms, and letter items in an electronic form;
- collection, transportation and delivery of packages weighing up to 10 kilograms and delivery of packages weighing up to 20 kilograms in international postal traffic;
- collection, transportation and disbursement of money orders in ordinary and electronic form;
- collection, transportation and delivery of cecogrammes weighing up to seven kilograms.

Minimal and maximal dimensions of postal items in international traffic shall be aligned with the relevant acts of the Universal Postal Union.

### **12. What are the access and delivery conditions?**

Universal postal service shall be performed every working day, not less than five days a week, except in cases of public and religious holidays, force majeure and jeopardized health and safety of the operator's employees.

Pursuant to Article 16 of the Law on Postal Services, public postal operator is obliged to obtain density of access points which meets the customers' needs, and which is in line with technological and economic development.

Pursuant to Article 18 the same Law, public postal operator shall determine division of delivery areas of the postal network units where the universal postal service is provided, so as to include all inhabited places in the country, according to the following.

1. inner delivery area of a postal network unit where universal postal service is provided every working day, and at least five days a week, except in cases of public and religious holidays, force majeure and jeopardized health and safety of the operator's employees;
2. wider delivery area of a postal network unit where universal postal service is provided at least twice a week;
3. the widest delivery area of a postal network unit where universal postal service is provided at least once a week.

The Agency for Postal Services may, regarding special circumstances and geographic conditions, also manage services performance in a different way, within the meaning of Article 17(3) of the same Law.

Performance of the universal postal service provides all users with access to postal network of universal postal operator at the prescribed distance from the place of residence, including letter boxes in public places and at official premises of the postal operator.

**13. Are postal services exempted from VAT, and what is the scope of the exemption?**

Pursuant to Article 25(2) (5) of the Law on Value Added Tax (Official Gazette of RS No. 84/04, 86/04, 61/05, 67/07), value added tax shall not be paid for the supply of postal orders, and pursuant to point 6 of the same Law, value added tax shall not be paid for postal services provided by a public undertaking (i.e. public postal operator), as well as delivery of the related supplies and goods.

**14. What are your standards of quality of service (target objectives for transit time performance)?**

Achievement of quality standards, laid down in the EU, as provided for in the Decision on amendments to development strategy in Serbia, shall imply:

- establishing of quality standards and their harmonization with international standards;
- achieving of quality standard (D+3 for the transmission of postal items in international traffic for 75% and 85% of postal items, by the end of 2010. or 2012, and D +2 for the transmission of postal items in domestic traffic for 90% and 95% of postal items, by the end of 2010 or 2012).
- monitoring, measuring and determining the quality of postal service provision through application of automated supervision and localization of postal items – by the "track and trace" system.

**15. Are there exceptions to the USO? Please specify**

Pursuant to Article 18 of the Law, public postal operator shall be obliged to provide the service at least twice a week in the wider delivery area and at least once a week in the widest delivery area. The Agency for Postal Services may, regarding special circumstances and geographic conditions, also manage postal services provision in a different way, within the meaning of Article 17(3) of the same Law.

**C. Licensing and authorisations regime**

**16. How is the licensing regime applied in your country, in particular the granting, supervision and withdrawal of general authorisations and individual licenses (please refer to Article 9 of the Postal Directive)?**

Republic Agency for Postal Services shall issue permits (licenses and authorizations) for the provision of postal services to national and foreign entities, within the meaning of Articles 78 and 79 of the Law on Postal Services.

In its application for permit, domestic and foreign entity shall particularly specify the following: the postal services it applies for, territory where the specified services are to be provided, validity period of the permit it applies for, as well as its identification mark.



The application for granting authorizations and licenses shall be accompanied by special conditions for the provision of postal services and the proof of fulfillment of conditions, issued by the competent ministry. The requirement for issuing a license is that the applicant must have the postal network.

Pursuant to Article 81 of the Law on Postal Services, the Agency shall be obliged to decide on the orderly application for issuing permit, within 30 days from the date when the application was submitted.

In the absence of a decision, the permit shall be considered granted on the day following the expiry of the given period.

The permit shall specifically contain:

- 1) specification of postal services;
- 2) territory in which postal services are provided;
- 3) period of permit validity and commencement date of postal services activity;
- 4) amount of costs for the permit issuance and deadlines for settlement of due payments.

Postal operator shall pay to the Agency the cost for issuing permit and annual fee for the provision of postal services, up to the amount of 0.5% of the postal operator's revenue generated from the postal services provision.

Pursuant to Article 87 of the Law on Postal Services, the Ministry of Telecommunications and Information Society shall supervise application of the Law through postal service inspectors.

In performing the supervision, the inspector is obliged to inform the Agency of the detected irregularities, and, if necessary, to propose to the Agency to take measures within its competence.

Pursuant to Article 66(1)(6) and (7) of the Law on Postal Services, the Agency for Postal Services shall revoke licenses and authorisations for provision of postal services in case the licensee fails to perform postal services in accordance with the Law (Article 86(1) of the Law on Postal Services).

#### **D. Reserved area:**

##### **17. Are reserved services operated as a *de facto* monopoly or defined through your postal services legislation?**

Pursuant to Article 19(4) of the Law on Postal Services, reserved postal services shall be provided by the public postal operator. Reserved postal services shall be provided in accordance with the Law on Postal Services.

Pursuant to Article 3(1)(3) of the same Law, reserved postal services shall be the services guaranteed by the state to operator of the universal postal service, as exclusive rights within the scope of specified weight and price limits .

##### **18. In case of the latter situation, how are the relevant requirements defined in national legislation?**

Pursuant to Article 19 of the Law on Postal Services, reserved postal services shall include:

- collection and/or transportation and/or delivery of letter items, up to a stipulated limit regarding weight and price;

- collection and/or transportation and/or disbursement of money orders in ordinary and electronic form;
- reserved postal service shall also include collection and/or transportation and/or delivery of documents in judicial, administrative and infringement proceedings, regardless of limits.

With the consent of the Government of the Republic of Serbia, the Agency for Postal Services shall determine the limits regarding weight and price, whereby those cannot exceed the weight of 350 grams and five times the public tariff for an item in the first weight step of the fastest standard category.

#### **E. Universal Service Provider (USP)**

##### **19. How are the obligations of the USP defined in your country? When was the relevant legal framework adopted and what form does it take?**

Universal postal service shall be provided by the public postal operator, whereas postal operators can perform universal postal service, except reserved ones, based on the license.

Pursuant to Article 16(1) of the Law on Postal Services, through the provision of universal postal service, all users are enabled to access the public postal operator's network at a reasonable distance from their place of residence, including letter boxes at public places and at the premises of postal operator.

Pursuant to Article 28 of the Law on Postal Services postal items are collected in the postal network unit, through the letter box and through authorized person, at the business premises or by electronic means. Postal Operator shall be obliged to mark each received postal item and documents referring to the item with his identification mark, in ordinary or electronic form.

Public postal operator is obliged to provide density of access points which meets the customers' needs, and which is in line with technological and economic development. On the basis of contract, other entities may perform certain services from the scope of universal postal service, in the name of and on behalf of the public postal operator.

Universal postal service shall be performed every working day, not less than five days a week, except in cases of public and religious holidays, force majeure and jeopardized health and safety of the operator's employees.

The Law on Postal Services shall regulate the provision of postal services. The Law was adopted on 26 February 2005, published in the Official Gazette of the Republic of Serbia, No. 18/05 and has been applied as from 4 March 2005.

The Law amending the Law on Postal Services (*Official Gazette of RS* No. 30/2010) was adopted by the National Assembly on 5 May 2010, and has been effective as from May 16, 2010.

Provision of universal postal service shall be performed in accordance with the Rulebook on conditions for providing universal postal services (*Official Gazette of RS* No. 28/2010), adopted by the Republic Agency for Postal Services.

##### **20. How is the provision of the universal service by USP supervised, in particular regarding the granting of any exceptions or derogations from the universal service requirements? Is this supervision exerted by an NRA (National Regulatory Authority) or other supervising national authorities?**

On the basis of its internal acts, which must be in accordance with the provisions of the Law on Postal Services, public postal operator shall control and supervise the provision of postal services within its undertaking. Republic Agency for Postal Services shall be authorized to supervise the work of universal postal services providers, within the meaning of Article 66 of the Law on Postal Services, by: setting out general conditions and quality standards for the provision of postal services and monitoring their implementation, determining weights and price limits for the reserved postal services, giving consent to specific requirements prescribed by the postal operators, which must be in compliance with the general conditions prescribed by the Agency, determining the tariff rates for universal postal service, supervising the work of postal operators following users' observations and consents.

Pursuant to Article 87 of the Law on Postal Services, the ministry competent for postal service sector shall supervise the postal service provision through postal inspector, by application of the Law on Postal Services and other regulations governing the performance of postal service providers.

## **21. Is partial or full privatisation of the USP envisaged?**

Starting from 2005 and in accordance with the current transitional policy of the Government, the process of reorganization of P. E. of PTT Communications "Srbija" has been initiated in the context of restructuring procedure. In this way, the travel agency "Post Tours" Ltd was separated from the P. E. of PTT Communications "Srbija" in February 2005 as an independent undertaking, and subsequently, the undertaking "PTT-Catering" was separated in May the same year.

By the entry into force of the Law on Postal Services on 4 March 2005, introduction of competition and positioning of the P.E. of PTT Communications "Serbia", as a public operator, has been envisaged through gradual liberalization of postal services market.

## **F. Tariffs for Universal Service**

## **22. Describe the tariff structure for the Universal Service and the way in which this is defined, including any relevant legal provisions.**

Pursuant to Article 66(1)(11) of the Law on Postal Services, the Republic Agency for Postal Services shall define tariff rates for universal postal service and shall published them in the Official Gazette of the Republic of Serbia.

Provider of universal postal service shall determine postage, starting from actual costs and respecting the principle according to which postage should be affordable to all users.

Pursuant to Article 23 of the same Law, Public Postal Operator shall set up the price list determining the prices for reserved postal services, and reserved postal services shall be a part of the universal postal service. The Government shall give the consent to the public postal operator's price list which shall be published in the Official Gazette of the Republic of Serbia.

With the Government's consent, the Republic Agency for Postal Services shall determine the limits regarding weight and price of the reserved postal services pursuant to Article 19 of the Law on Postal Services.

By the amendments to the Law on Postal Services of May 2003, the Republic Agency for Postal

Services was entrusted with pricing methodology of universal postal services. In this regard, the Agency has initiated the process of drawing up the aforementioned methodology which is expected to be completed in the first quarter of 2011.

#### **G. Accounting**

- 23. Are systems for the supervision and control of accounting requirements for universal service providers (systems for cost accounting and accounting separation) already in place? If not, what are the time schedules for their implementation?**

Pursuant to Article 24 of the Law on Postal Services, public postal operator shall be obliged to keep separate accounts for reserved and non-reserved postal services.

Pursuant to amendments to the Law on Postal Services, all provisions of Article 24 of the Law on Postal Services shall be applied as from 31 December 2011.

#### **H. Quality of Service**

- 24. Who sets the quality standards for service providers and supervises them?**

Pursuant to Article 66(1)(1) of the Law on Postal Services, the Agency for Postal Services shall determine quality standards for the provision of postal services and shall supervise their implementation. In this regard, the Agency enacted the Rulebook on quality standards for the provision of universal postal service (*Official Gazette of RS* No. 34/2010) and the Rulebook amending the Rulebook on quality standards for the provision of universal postal service (*Official Gazette of RS* No. 58/2010).

Pursuant to the Law on Postal Services, postal inspector of the Ministry shall supervise activities of postal service providers and shall monitor all regulations adopted pursuant to the Law.

- 25. Is the performance of the universal service providers (measuring quality of service against the standards set for national and cross-border mail and ensuring corrective action is taken when necessary) periodically supervised? If not by the National Regulatory Authority (NRA), by whom?**

Pursuant to Article 87 of the Law on Postal Services, the ministry competent for postal service sector shall supervise the postal service provision through postal inspector, by application of the Law on Postal Services and other regulations governing the performance of postal service providers.

Pursuant to Article 66(1)(1) of the same Law, Agency for Postal Services shall determine general conditions for the provision of postal services, set up quality standards for the performance of postal services and supervise their application.

Pursuant to Article 86(1) of the Law on Postal Services, the Republic Agency for Postal Services may revoke the permit to postal operator who fails to provide the postal services in accordance with the Law. This means that the permit, i.e. authorization may also be revoked to public postal operator on a provisional or permanent basis, if he fails to provide the Universal postal service in accordance with the provisions of the Law.

## **I. Complaints procedures**

- 26. What main measures have been taken to establish complaint procedures? Who has to establish a complaint procedure scheme (e.g. only USP, USP and other postal services providers, etc.)?**

Pursuant to Article 66(1)(15) the Republic Agency for Postal Services shall supervise the performance of public operators following observations and complaints of the postal service users.

Pursuant to Article 77 of the Law on Postal Services, the decisions made by the Council of the Republic Agency for Postal Services, regulating rights and responsibilities of postal operators and users, shall be deemed final. Administrative litigation may be instigated against the decisions made by the Council, which means that the unsatisfied party may file a complaint with the Administrative Court against the decisions made by the Republic Agency for Postal Services.

If the sender or an authorized person believes that the postal item has not been delivered to the recipient, or that it was delivered with delay, he or she may file a complaint to postal operator within six months following the postal item delivery.

Within the meaning of Article 53(2) of the Law on Postal Services, due to damage or reduction of contents of the registered postal item, the user of postal services may file a complaint to postal operator immediately upon delivery of the postal item or on the following working day, at the latest.

Postal operator shall be obliged to make a declaration of the validity of the complaint within 30 days after its filing.

User of postal services or the person authorized by the user may file claims for damage compensation and other claims laid down in the Contract on Provision of Postal Services, by submitting request to postal operator in writing, as provided by special terms and conditions for the provision of postal services, or by filing a lawsuit - if the postal operator does not meet the claim within 30 days after filing the claim for damage compensation.

Pursuant to Article 61 of the Law on Postal Services, more favourable conditions for users, regarding their claims and complaints, may be envisaged by special conditions for providing postal services.

Pursuant to Article 92(1) of the Law on postal services, a complaint may be filed to the Minister competent for postal service against inspector's decision within eight days following the receipt of the decision, while filing such complaint shall not have suspensory effect on a decision. Decision of the second instance authority is final and the unsatisfied party may file a complaint against it with the Administrative Court.

## **J. National Regulatory Authority**

- 27. Has a National Regulatory Authority for the postal sector been established? If yes, is it an autonomous body? To what extent is it independent from universal services providers? How and to what extent is its operational independence ensured?**

Pursuant to Article 65 of the Law on Postal Services, the Republic Agency for Postal Services was established as an independent regulatory authority, i.e. an autonomous legal entity functionally independent from any public authority, as well as from all organizations and persons providing postal services.

Pursuant to Article 68 of the Law on Postal Services, the Agency shall be administered by the Council, appointed and dismissed by the National Assembly.

On 26 October 2009, the National Assembly adopted the Decision on appointing the members of the Council of the Republic Agency for Postal Services (*Official Gazette of RS* No. 88/09).

On 28 January 2010, the Government gave its consent to the Statute of the Republic Agency for Postal Services (*Official Gazette of RS* No 3/10), in order to be enrolled in the same register of legal entities and become operational on 1 February 2010.

Pursuant to Article 82 of the Law on Postal Services, Postal Operator shall pay to the Agency for the expenses for issuing the permit, as well as the annual compensation fee for provision of postal services.

The expenses for issuing the permit shall be determined by the Agency Council, provided that those shall not exceed 200 Euros in RSD equivalent.

Annual compensation fee for the provision of postal services shall amount up to 0.5% of the postal operator's income accruing from provision of postal services. The funds generated from annual compensation fee for the provision of postal services, shall be used for financing of activities of the Republic Agency for Postal Services, pursuant to the financial plan of the Agency, approved by the Government.

**28. Please provide information on the organisation of the Authority, including the number of its staff. Do you have any plans to strengthen the human resources (in terms of full-time equivalent) dealing with postal services available to this body?**

The Agency is administered by a five-member Council appointed and dismissed by the National Assembly. The term of office of the members of the Council shall be six years.

The Republic Agency currently employs a total of 15 persons, including Council members.

On 28 May 2010, the Government gave its consent to the Proposal for Financial plan of the Republic Agency for Postal Services, according to which engagement of 20 employees, including Council members, was envisaged during the first year of Agency's operational work.

**29. Has the NRA been assigned responsibilities similar to those defined in the postal *acquis* in respect to European NRAs?**

National regulatory authority has largely the same authorizations and responsibilities as other European national authorities.

Pursuant to Directive 97/67/EC, each member state shall authorize one or more national regulatory authorities for the postal sector, which are legally separate and operationally independent from the postal operators. In this regard, pursuant to the provisions of Article 65 of the Law on Postal Services, which is harmonized with the aforementioned Directive, the Agency for Postal Services shall be an autonomous legal entity, functionally independent from any public authority as well as from all organizations and persons providing postal services.

**30. What are the nomination procedures and terms of office of the NRA's head? What are the NRA's powers?**

Agency shall be administered by a five-member Council, appointed and dismissed by the National Assembly.

The term of office of the members of the Council shall be six years.

The Chairman and Vice-Chairman of the Council shall be chosen from amongst the Board members.

The Board shall act by a majority of the Council members. The activities of the Board shall be public.

Pursuant to Article 67(4) of the Law, the Agency shall be represented by the Chairman of the Board, and in case of his absence, by the Vice-Chairman of the Council.

Pursuant to Article 66 of the Law on Postal Services, the Republic Agency for Postal Services shall have the authorities to:

- determine general conditions and quality standards for the provision of postal services, and supervise their application;
- determine the limits regarding weight and price of the reserved postal services, with the consent of the Government;
- determine the validity period for the exclusive provision of reserved postal services;
- consent to special conditions for providing postal services;
- issue and revoke licenses to postal operators for the provision of universal postal service;
- issue and revoke authorisations to postal operators for the provision of non-reserved postal services;
- maintain a register of the licenses issued to postal operators;
- determine the amount of costs to be paid for licence and authorisation issuance and the amount of annual fee for the provision of postal services, as well as deadlines for settlement of due payments;
- observe whether postal operators comply with the requirements contained in licenses and authorisations issued, whereas in case of the breach of requirements or provisions of this Law, the Agency shall take appropriate measures within its competence;
- determine the tariffs for universal postal service;
- authorise postal operators to issue regular postal stamps and postal stationeries;
- take measures to improve competition in the postal service market;
- adopt the plan for issuing appropriate postal stamps and value items, unless otherwise regulated by the Law;
- supervise the activities of postal operators following observations and complaints of the postal service users;
- supervise the development in the field of postal services;
- gather information, create and maintain a database of importance for the field of postal services and regularly publish data;
- make international contacts in the field of postal regulation, unless otherwise regulated by the Law;
- provide transparency in its operations;
- draw up the rules of procedure on its activities;
- perform other duties prescribed by the Law.

**31. Are there several regulatory bodies dealing with different aspects of postal services, e.g. specific regulatory issues, tariff regimes and prices, market competition, etc.?**

Pursuant to Article 66 of the Law on Postal Services, the Republic Agency for Postal Services, inter alia, shall determine the tariffs and pricing methodology for universal postal service and shall take measures to improve competition in the postal service market. If the sectoral regulations contain provisions concerning competition protection, please provide answers from the competence of the relevant institutions.

#### ***IV. MUTUAL RECOGNITION OF PROFESSIONAL QUALIFICATIONS***

##### **A. Training**

**32. What is the duration and the content (curricula) of the training leading to access to the profession and/or the professional activities of doctor, nurse responsible for general care, dentist, midwife, veterinary surgeon, pharmacist and architect, given the requirements set out for the mentioned professions in Title III Chapter 3 (articles 24, 25, 28, 31, 34, 35, 38, 40, 44 and 46) of Directive 2005/36/EC on the recognition of professional qualifications?**

The Law on Health Care (*Official Gazette of RS* No. 107/2005, 72//2009) in Article 166 stipulates that the health care workers, depending on the degree are:

1) Doctor of medicine, dentist, graduate pharmacist and graduate pharmacist and graduate pharmacist - medical biochemist – with finished relevant faculty of medical orientation

2) other health care worker - with finished relevant higher education institution, college or high medical school.

The title of doctor of medical (physician) is acquired after finished integrated basic and graduate academic studies of Medicine in duration of six years (12 semesters or 360 ECTS). The study programme is realized during 5530 to 5545 classes of theoretical and practical courses, independent professional practice and professional training in health institutions and finishes with the defence of final examination.

In the procedure of accreditation of the study programme for acquisition of the title "doctor of medicine" as a standard of quality, contemporariness and international harmonization, it is required that the programme duration is not less than 5500 classes (pursuant to the Directive 2005/36/EK of the European Parliament and the Council of Europe of 7<sup>th</sup> September 2005).

Integrated basic and graduate academic studies of dental medicine whose finishing grants the title of the dentist (doctor of stomatology) last five to six years (that is, 10 to 12 semesters or 300 to 360 ECTS). Integrated academic study programme is realized during not less than 4425, that is, 4365 classes of theoretical and practical courses, independent professional practice and professional training in health institutions and finishes with the defence of the final exam.

Integrated basic and graduate academic studies of pharmacy last five to six years (that is 10 semesters or 300 ECTS), that is 4335 classes of theoretical and practical teaching, and one semester of professional practice in pharmacies and health institutions, pharmaceutical industry



or drugs control institutes as chosen by the student. After the defense of the final examination the title of Master of Science in pharmacy is acquired, that is, Master of Science in pharmacy - Medical biochemistry.

Doctors of medical, dentists, graduated pharmacists and graduate pharmacists - medical biochemists are obliged, when receiving the diploma of the finished education, to sign a statement – oath that in practising their profession they will adhere to the principles specified in the Hippocrates' oath, as well as to the principles of professional ethics. They cannot work independently until they complete the internship, pass the professional exam and obtain the license in accordance with the law.

Internship is practical work under supervision of an authorized health care worker – mentor, by which doctors of medicine, dentists, graduate pharmacists and graduate pharmacists – medical biochemists are trained for independent professional practice.

Internship duration for doctors of medicine is six months, and for dentists, graduate pharmacists and graduate pharmacists - medical biochemist it is 12 months. The program and plan of internship, and terms and conditions which must be met by the health care institutions and private practice where internship can be performed is prescribed by the Minister of Health.

After completion of internship, health care workers and assistants are obliged to pass the professional exam within 12 months from the day of internship programme termination, in front of the particular examination commissions established by the Minister.

Education for profiles: nurse – medical technician and gynaecological – obstetrician nurse lasts four years, with 4620 classes of teaching (theory, exercises, in block) per year and ending with school-leaving examination.

In the educational profile nurse - medical technician (general orientation), the programme is realised during 2345 classes of general courses (classes of theory and 70 classes of exercises) and 1975 classes of vocational courses (1330 classes of theory, 755 classes of exercises and 300 classes in block) of which, in the course of education, 105 are realised at school, and 950 in health care institutions.

In the educational profile gynaecological – obstetrician nurse (midwife) the programme is realized during 2355 classes of general courses (2285 classes of theory and 70 classes of exercises) and 1965 classes of vocational courses (1370 classes of theory, 595 classes of exercises and 300 classes in block) of which, in the course of education, 105 are realised at school, and 895 in health care institutions.

In the educational profile, nurse – medical technician – experiment programme is realized during 4839 classes: 1106 classes of general courses, 516 classes of general vocational courses, 2275 classes of vocational courses and 308 classes of elective courses. The teaching is organized as theoretical, in-block and exercise classes and the experiment provides the professional training in a health care institution.

Internship for a nurse – medical technician (general orientation) and gynaecological - obstetrician nurse lasts six months: three months in a health care centre and three months in an in-patient health care institution.

In the course of the internship, nurse - medical technician (general orientation) is training through practical work to independently perform general and specialized activities of health care;

to focus on mastering the methods and procedures of health protection in the domain of primary, secondary or tertiary prevention; to apply aseptic and antiseptic methods and work in aseptic environment, particularly to prevent intra-hospital infections and AIDS; to familiarize with the basic principles and goals of health and educational work and participate in conducting of health care education as an integral work in everyday practice; to practically work in keeping the basic medical documents and records.

Gynaecological - obstetrician nurse is in the course of the internship trained to prepare the necessary material, equipment and instruments for work; to prepare the patients for examinations and gynaecological interventions; to control vital functions, conduct therapy and collect specimens for analysis; to prepare patients for operations and take medical care of patients after surgery; to keep medical documents; to receive and perform triage of pregnant women; to monitor the status of the pregnant women in all four delivery; to perform educational work with pregnant and parturient women; to take medical care and control pregnant women having pathological pregnancies; to conduct all hygienic and epidemiologic measures and prevent intra-hospital infections.

Nurses – medical technicians (general orientation) and gynaecological – obstetrician nurses are obliged, when entering employment relationship, to sign a statement – oath that in practising their vocation they will adhere to the principles specified in the Hippocrates' oath, as well as to the principles of professional ethics.

Health care workers can independently provide health protection (individual work) in a medical institution, private practice at another employer, if, apart from the completed internship and passed professional examination, they are entered into the Chamber's directory, that is, obtained/renewed the approval for independent professional practice.

The procedure of issuance, renewal and revoking of approvals for independent professional practice to the health care workers is conducted by the competent Chamber for the purpose of verification of professional qualifications of the health care workers for independent professional practice Pursuant to the Law on Health Care Workers Chambers ("Official Gazette of RS", No. 107/2005), those are: Serbian medical Chamber, Serbian dentists Chamber, Serbian pharmacists Chamber, Serbian biochemists chamber, Serbian chamber of nurses and medical technicians. The competent chamber, ex officio, keeps the register of issued, renewed or revoked licenses. Validity of the license issued by the Chamber is seven years.

Health care workers and health care assistants have the right and obligation to keep up with the development of medical, dentist and pharmaceutical sciences, and other appropriated sciences and to professionally develop in order to maintain and improve quality of their service. Professional development of health care workers is a condition for obtaining the license. Professional development, under the provisions of the Law on Health protection ("Official Gazette of RS" 107/05 72/09) is defined as acquisition of knowledge and skills of health care workers and health care assistants, including: specialization and field specialization and continuous education.

Integrated basic and graduate academic studies of Veterinary medicine last six years (12 semesters or 360 ECTS), i.e., have a total of 5520 classes: 2625 classes of theory and 2895 classes of exercises. The teaching process is realised at the faculty and teaching facilities of the faculties – farms, horse farms, veterinary institutes, clinics, veterinary stations, outpatient clinics

and other organisations with which the appropriate contracts regulating teaching process are signed.

Apart from the compulsory pre-clinical and clinical subjects the students must attend during all six years of studies, the students may select until VIII semester, certain elective courses covering various areas of veterinary medicine, and the when enrolling the IX semester, they choose one of four elective fields they will attend until the end of XII semester:

- Clinical pathology and therapy of social animals.
- Breeding, pathology and therapy of farm animals.
- Prevention veterinary medicine and
- Hygiene and technology of food of animal origin

The last semester is mostly devoted to the practical classes of the chosen elective fields, and to production of graduation essay. After the successful defence of the graduation essay, the academic title Doctor of veterinary medicine is acquired.

The licence for practising the veterinary activity, pursuant to the Law on Veterinary practice (*Official Gazette of RS* No. 91/2005) can be obtained by a person who finished the veterinary medicine studies, passed professional examination (after completing the internship lasting no longer than one year) and with professional achievements in practising the veterinary activities, with a reference from two members of the Chamber of Veterinary doctors. Validity of the license is five years, and the membership in the Chamber is compulsory for all the veterinary practitioners.

The studies of architecture of the first level of higher education last 3-4 years (6-8 semesters or 180-240 ECTS) they have academic character and include teaching of a broad range of disciplines in the field of technical-technological and social-humanist sciences and arts. The result of the teaching process is acquiring qualifications providing continuation of studies and access to the labour market in the fields and at the level of employments which are in accordance with the acquired knowledge and skills. Vocational title – engineer of Architecture – B. Arch. (Bachelor of Architecture).

The study programme of graduate academic studies in the field of architecture (A), town planning (U) and architectonic technologies (AT) lasts 1-2 years (2-4 semesters or 60-120 ECTS) and its principal goals are: Training of students to develop and implement scientific, professional and artistic achievements in the area of architecture, town planning and architectonic technologies; acquisition of professional qualification (which is an obligatory requirement for licensing) for town and spatial planning activities, architectonic and town planning designing and construction of architectonic structures; acquisition of the right to continue education.

The teaching process is realised by lectures, studio design (design modules), seminars, consultations, educational-scientific or educational-artistic work, mentor work and other forms of teaching and research work. The studies are finished by production and defence of a final graduation paper.

The result of the teaching process is acquisition of a professional qualification enabling independent and responsible practise of architectonic profession, and in accordance with the national and EU regulations – graduate engineer of architecture - M. Arch. with designated vocational orientation (A, U, AT).

The Law on planning and construction (“Official Gazette of RS”, no. 72/2009, 81/2009) prescribes that the responsible planner (article 37) that is, town planner (article 38) can be a person who acquired higher education at second-degree studies (graduate academic studies - master, special academic studies, special professional studies) or, person with higher education and a minimum of five years of professional experience, who has professional achievements in production of the documents of spatial, that is town planning and an appropriate license issued in accordance with this law.

Responsible licensed designer – can be a person who acquired higher education of appropriate profession or orientation, at second-degree studies (graduate academic studies – master, specialist academic studies) or, basic studies lasting minimum five years and the license for designing, which can be acquired after minimum three years of working experience with professional achievements in production of technical documentation and with references of at least two responsible licensed designers or the Chamber of engineers.

Responsible licensed contractor (Article 151) can be a person who acquired higher education of appropriate profession or orientation, at second-degree studies (graduate academic studies – master, specialist academic studies) that is, basic studies lasting minimum five years or with acquired higher education at the first-degree studies (basic academic studies, basic vocational studies), that is, at three-year studies for those structures for which the building approval is issued by the authorities of local government having Ground Level+Elevated Ground Level+4stories+attic with gross total surface not exceeding 2000 m<sup>2</sup>, for building structures of low complexity having spans of up to 12 m, local and non-categorised roads and streets, internal water and sewage installations, heating and climatisation, and electrical fittings, internal gas fitting, as well a performance of certain construction and specialist trade works and installation works, and of the internal arrangement and landscape arrangement works, can be managed by a person having higher education at the first degree studies, of appropriate vocation, that is orientation, passed professional examination minimum five years of working experience and with the valid licence of appropriate vocation, that is, orientation and corresponding construction license.

Professional examination, which is a condition for practising of certain activities prescribed by this law, is passed in front of a commission formed by the Minister competent for town planning and civil engineering.

Health care workers and health care assistants have the right and obligation to keep up with the development of medical, dentist and pharmaceutical sciences, and other appropriated sciences and to professionally develop in order to maintain and improve quality of their service. Professional development of health care workers is a condition for obtaining the license. Professional development, under the provisions of the Law on Health protection (“Official Gazette of RS” 107/05 72/09) is defined as acquisition of knowledge and skills of health care workers and health care assistants, including: specialization and field specialization and continuous education.

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Gazette of RS” 107/05 72/09) is defined as acquisition of knowledge and skills of health care workers and health care assistants, including: specialization and field specialization and continuous education.

Professional examination can be taken by foreign natural persons who are in possession of licenses issued according to regulations of other countries, under reciprocal terms. Professional exam consisting of general part and special part is taken in front of special Commission formed by the Minister in charge of construction activities.

A part of the professional exam special part consists of checking the knowledge on Laws and other regulations, as well as standards and norms related to technical documentation preparation and construction works, along with the Law and other regulations related to exam-specific areas, knowledge check of Law and other regulations as well as standards and norms related to spatial and urban planning and planning documents preparation, as well as the Laws and other regulations dealing with environmental protection, protection and use of natural and cultural resources and use of construction land.

The licence for the responsible licensed planner, town planner, designer and contractor is issued and revoked by the Serbian Chamber of engineers. The license is issued at a proposal of the head section of the Chamber or at a proposal of the commission which is, if appropriate, formed by the body of the Chamber competent for license issuance. The issued license can be, due to negligent performance of duty, be revoked for the period of six months to five years.

**33. Are the dental profession and the medical profession two legally distinct professions? Please provide details.**

Pursuant to the provisions of the Law on Health Care Protection (“Official Gazette of RS” no.107/05 and 72/09 other law), health care workers, depending on professional qualifications, are:

- 1) medical doctor, dentist, graduate pharmacist and graduate pharmacist medical biochemist
- 2) other health care worker - who have completed an appropriate university, college or high school for health professions.

From the aforementioned we may conclude that dental profession and medical profession are two legally distinct professions.

**34. Does the profession of midwife exist as a specific profession, legally distinct from nurses and doctors? Please provide details.**

Yes, the tasks of midwife in the health care system of the Republic of Serbia are performed by nurse-technicians of gynaecological and obstetrics orientation. Also see an answer to the question 32.

**B. Practice of the profession/professional activity**

**35. Which professions/professional activities are regulated by your legislation (see definition of regulated professions in Article 3(1)(a) of Directive 2005/36/EC)? What is the scope of the professional field of activities?**

The Law on the State Audit Institution (“Official Gazette of the Republic of Serbia”, Nos. 101/05, 54/07 and 36/10) (hereinafter the Law) prescribes. That an Institution specifies the education and examination programme for acquisition of the title of state auditor and certified state auditor, organises examination for acquisition of auditor titles of state auditor and certified state auditor and keeps the Register of persons who acquired these titles (article 5. paragraph 1, item 10); that the Institution specifies the criteria and validates professional titles in the competence of the Institution that were acquired abroad (article 5, paragraph 1, item 11); that auditing activities are practised by state auditors (article 28, paragraph 1); that the auditing titles are: State auditor and certified state auditor (article 28, paragraph 2); that the auditing titles are acquired in accordance to this law as well as in accordance with the international auditor education practice (article 28, paragraph 3), that state auditor and certified state auditor are independent professionals possessing certificate for the title state auditor or certified state auditor and meets other requirements prescribed by this law (article 28, paragraph 4); that the Council specifies detailed terms and conditions for acquisition and revoking of auditing titles, organisation and procedure of examinations for auditing titles and issuance of certificates for auditing titles (article 28, paragraph 9).

The Council of State Auditing Institution, at the meeting held on 24<sup>th</sup> of December 2010 adopted The Rulebook on the Terms and Conditions and Procedure for Taking Examination to Acquire the Title of a State Auditor and Certified Auditor, to become effective as of 1<sup>st</sup> of January 2011. This Rulebook specifies method of validation of professional auditing titles acquired abroad, as well as the authority competent for validation.

In terms of defining the regulated professions under Article 3(1)(a) of Directive 2005/36/EC large number of sectoral regulations govern various professions of doctors , explained in the answer to the question 32. In Article 2 of the Law on Health Care Protection it is defined that health care is organized and comprehensive effort of the society with the main goal to achieve the highest possible level of the health preservation of citizens and families, as well as to include the implementation of measures for preservation and improvement of citizens' health, prevention, combating and early detection of diseases, injuries and other health problems and timely and effective treatment and rehabilitation. Measures and health care activities must be based on scientific evidences and must be secure, safe and effective and in accordance with the principles of professional ethics.

The pharmaceutical health service, Article 83 of the same law, implies on the responsible provision of medicines and certain types of medicinal products of the population, health institutions and private practice, providing a rational pharmacotherapy for medical treatment, improvement and maintenance of the quality of patients' life, as well as a continuous process of improving the use of medicines and certain types of medicinal products and assessment of adverse reactions to medicines and medicinal products.

Veterinary activity, in terms of the Law on Veterinary , include: control, monitoring, protection and improvement of animal health; detecting and diagnosing diseases and treatment of sick animals; protection of people from zoonosis; control of food safety of products of animal

origin and products of animal origin in breeding place of animals; production and sale of products of animal origin; food of animal origin and animal feed; control of water for animals to ensure its accuracy; marking the animals in order to control the movement and provide follow-up on production and trade of animals, products and food of animal origin ; animal protection of torture and suffering, as well as care about animal welfare; control of production and trade of veterinary medicines and medicinal products to be used for use in veterinary medicine; protection from environmental pollution by causative agents of contagious animal diseases; disinfection, desinsection; deratization; deodorization and decontamination, veterinary education and notification.

For architects, designers, planners and construction works contractors, as well as for the details of doctors, veterinarians, dentists, pharmacists, general medical care nurses and midwives look for more details in answer to the question 32.

Pursuant to Article 8 of the Law on Culture (adopted in August 2009, Official Gazette of RS No. 72/2009), the cultural activity was defined, and it considers jobs in the following areas: research, protection and use of cultural heritage, library and information activities, books and literature (creativity, publishing, bookselling, interpretation), music (creativity, production, interpretation), fine and applied arts, visual arts and architecture, stage creativity and interpretation (drama, opera, ballet and dance), cinematography and audio-visual creativity; art photography, digital and multimedia creativity, scientific research and educational activities in culture, other music, voice, artistic and stage performance of cultural programs.

Pursuant to Article 9 of this law, cultural activities can be carried out by resident and foreign natural and legal persons, in the manner and under the conditions prescribed by the law.

An individual can perform this activity as an occupation if employed in cultural institution or other legal person in the field of culture, or as an independent artist, independent expert in culture, independent cultural programme performer and individual associate in culture.

### **Advisor for chemicals**

Law on Chemicals ("Official Gazette of RS", no. 36/09 and 88/10) stipulate that the supplier (manufacturer, importer, distributor or the downstream user, that places chemicals on the market), is obliged to provide the person who ensures the proper management of these chemicals - Advisor for chemicals. Based on this law an advisor for chemicals can be full-time employed or occasionally engaged by the business entity. Advisor for chemicals must have an appropriate education and exam passed for the advisor for chemicals.

### **Brokers, investment advisors, portfolio managers**

The Law on the Market of Securities and Other Financial Instruments ("Official Gazette of RS" no. 47/06) stipulates in Article 128: that the jobs of the transaction of broker, investment advisors and portfolio manager shall only be performed by natural persons holding a valid licence for engaging in such transactions.

The Commission shall organize the training and taking the test for obtaining the title of broker, investment advisor and portfolio manager, and shall issue the certificate on obtaining the

mentioned titles, grant license for performing such activities, as well as keep a registry of persons possessing the license for performing these activities.

The Commission shall grant the license for performing activities of a broker, if the applicant for obtaining the license meets the following requirements:

- 1) has successfully passed test for obtaining the title of a broker;
- 2) fulfils the conditions referred to in Article 86. sub-paragraph 1 of the present Law (this article refers to the impunity – felonies, economic offences and infringements)
- 3) not previously having his/her license for performing such activities revoked.

The Commission shall grant the license for performing activities of an investment consultant and portfolio manager if the applicant for obtaining the license meets the following requirements:

- 1) Successfully passed test for obtaining the title of investment consultant, and/or portfolio manager;
- 2) fulfils the conditions referred to in Article 86. sub-paragraph 1 of the present Law (this article refers to the impunity – felonies, economic offences and infringements)
- 3) not previously having his/her license for performing such activities revoked;
- 4) possession of a university degree;
- 5) at least three years of experience with securities transactions.

### **Insurance brokers and agents**

The Law on Insurance prescribes the conditions for issuing and revocation of the authorization for conducting insurance brokerage activities and the authorization for conducting insurance agency activities.

Insurance brokerage activities performed within an insurance brokerage agency or insurance agency activities performed within an insurance agency or an insurance agent may be performed only by individuals employed at these entities who are authorized by the National Bank of Serbia. The National Bank of Serbia issues an authorisation for the performance of insurance brokerage or agency activities to a person who passed professional examination for insurance brokerage and/or agency activities and who complies with other prescribed conditions.

The Decision on the Content and Method of Taking the Professional Exam for Insurance Brokerage and/or Agency Services and Manner of Proving Eligibility for Obtaining the Relevant Certificates (Official Gazette of RS, No 80/2006) prescribe the content and method of taking the professional exam for insurance brokerage and/or agency activities.

### **Actuaries**

Insurance undertakings are required to appoint a certified actuary, both for life and non-life insurance, according to the Law on Insurance, this is a condition for obtaining the licence to conduct insurance and reinsurance business. The aforementioned is processed in answer to the question 39. with Financial Services chapter of this Questionnaire.



Requirements for obtaining the title of certified actuary are determined by the Decision on Conditions for Acquiring the Title of Certified Actuary ("Official Gazette of RS, no. 104/2006). Namely, the National bank of Serbia issues an authorization for conducting actuarial activities to a person who passed the appropriate examination and fulfilled other prescribed requirements.

The content and method of taking the professional examination to acquire a title of certified actuary (examination taken in the National Bank of Serbia) are determined by this Decision.

### **Auditors**

The Law on Accounting and Auditing (Official Gazette of RS, no. 46/06 and 111/09) regulates the professional titles of certified auditor and certified internal auditor.

The Chamber of Certified Auditors (hereinafter referred to as: the Chamber), prescribe the programs for exams as well as the conditions to acquire the certificate for this professional vocations, and prescribes the terms for issuing, extending and revoking of a license for financial statements auditing.

Licensed statutory auditor is a certified auditor who possesses the license to conduct audits of financial statements issued by the Chamber. The conditions to acquire the license are explained in answer to the question number 64. in Chapter I. COMPANY LAW – II CORPORATIVE ACCOUNTING AND AUDITING (B. Review).

Statutory internal auditor is a person who possesses the certificate for this professional vocation issued by the Chamber.

Within the meaning of this law, an audit means the examination of financial statements in order to provide the opinion on whether the financial statements give a true and fair view, in all significant matters respect the financial position, operating results and cash flows, and if they are prepared in accordance with the provisions of this Law, the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). Financial statement auditing is performed by licensed statutory auditors employed in auditing firms.

Within the meaning of this Law internal audit implies to examination, monitoring and assessment of adequacy and effectiveness of accounting system and internal control system in a legal person in accordance with the Law.

### **Aeronautical personnel:**

The Law on Air Transport ("Official Gazette of RS" No. 73/10 of October 12 2010.) in the Eighth Chapter regulates the aeronautical personnel i.e. the personnel whose tasks directly or indirectly affect the safety of air traffic.

Aeronautical personnel whose tasks directly affect the safety of air traffic shall perform its activities based on the appropriate license issued by the Directorate, pursuant to Article 172 of the Law on Air Transport. The same Article stipulates that the license holder's authorizations are registered in the license as well as that the license is issued to a person who is professionally trained and who meets the requirements related to age and other conditions prescribed by the Directorate. The license shall also be issued to a parachutist.

Pursuant to Article 171 of the Law on Air Transport, aeronautical personnel whose tasks directly affect the safety of air traffic shall be divided into: Flight Crew Personnel (the Pilot of the aircraft, Flight Engineer and Flight Navigator), Assisting Crew Personnel (cabin) and Non-Flight Personnel (Air Traffic Controller, a Student Air Traffic Controller, Aircraft Maintenance Staff, and Aviation Dispatcher).

Aeronautical personnel whose tasks indirectly affect the safety of air traffic shall perform its activities based on the appropriate certificate of acquired professional qualification where the authorizations of the certificate holder are entered, and, pursuant to Article 175 of the Law on Air Transport, issued by the Aeronautical personnel training center.

Aeronautical personnel whose tasks indirectly affect the safety of air traffic are the technical staff of service providers in air navigation, fire-fighting personnel, ground handling personnel, personnel for control of the surface for movement of aircraft, airport dispatchers and personnel performing the examination to ensure the airport safety

Notwithstanding the general provisions of the Law on Air Transport the aeronautical personnel thoroughly regulated by numerous by-law acts.

### **Maritime ship crew**

Authorities of qualification of crew members on maritime ships on which basis the appropriate vocations in maritime is acquired, the conditions for their acquisition, training program, professional examination program and the procedure for taking examination, as well as other issues important for acquire the authority of qualification are regulated by International Convention on the Standards of Training, Certification and Watchkeeping for Seafarers, 1978. (STCW) ("Official Journal of SFRY – International Treaties" number 3/84 published on March 30, 1984. as well as Annexes to the International Convention on the Standards of Training, Certification and Watchkeeping for Seafarers, the Law on Training, Certification and Watchkeeping for Seafarers and Resolutions, adopted in 1995. ("Official Journal of FRY – International Treaties" number 3/01) published on May 11, 2001, Law on Navigation on Sea on Inland Waters ("Official Journal of FRY", no. 12/98, 44/99, 74/99 and 73/00) published on December 29, 2000 and the Rulebook on the Authorities of Qualification of Crew Members on Ships of the Merchant Fleet of the Federal Republic of Yugoslavia and Conditions for their Acquirement ('Official Journal of FRY', 67/99 and 71/2000) – published on December 22, 2000 .

By acquiring the authorities of qualification the appropriate vocation is acquired: master of ship, first officer of the deck officer in charge of navigational watch, a member of a navigational watch, the machine manager machines second officer, officer of the navigational watch in the engine department and a member of a navigational watch in the engine department. In addition to these titles the following titles can be acquired too: master of ship up to 100 VT in maritime cabotage, yacht manager, mariner motorcyclist and an officer of a navigational watch on ships with machinery complex of propulsion power up to 750kW

Seafarers are trained and acquire the authorities to conduct ship activities including: navigation, cargo handling and stowage, management of ship activities and care for persons on ship, ship machinery, electrical engineering, electronics and automatics, maintenance and repair and radio communication.

Listed ship activities are carried out in the deck department, engine department and radio service.

### **Lawyers**

In accordance with the Law on Attorney at Law (“OJ of FRY”, no. 24/98, 26/98-corrigendum, 69/2000-decision of the Federal Constitutional Court, 11/2002 and 72/2002 - decision of the Federal Constitutional Court and Official Gazette of SAM No. 1/2003-Constitutional Charter) legal profession is an independent professional activity of providing legal aid in realizing and protecting of the constitutionally established freedoms and rights and other rights and interests established by the law of local and foreign physical and legal persons.

### **Tourist guides, tourist escort, tourist animator and local tourist guide**

The Law on Tourism (“Official Gazette of RS no. 36/2009 and 88/2010) and the Rulebook on programme and procedures of taking the professional examination for tourist guide and tourist escort (“Official Gazette of RS”, no. 40/2010) are laying down the knowledge and skills, and the programme for professional tourist guide and tourist escort exam.

The services of the tourist guide, local tourist guide and tourist escort may only be provided by persons who have passed the professional exam, and are obliged to have the appropriate identification as well as to bear the sign when performing the services. Article 11 of the Rulebook on programme and procedures of taking the professional examination for tourist guide and tourist escort prescribes that the Ministry in charge for tourism activities at least once a year announce the vacancy, where all interested persons for taking the professional exam for tourist guide and tourist escort may apply.

Article 94 of the Law on Tourism prescribes that the tourist guide and tourist escort shall:

- 1) have the citizenship of the Republic of Serbia
- 2) be fluent in Serbian language
- 3) have permanent residence in the territory of the Republic of Serbia
- 4) have a four year secondary education
- 5) know one foreign language
- 6) have passed the professional tourist guide or tourist escort exam in accordance with this Law.

Same article prescribes that the tourist animator shall have a four year secondary education, be fluent in Serbian language and know one foreign language.

Article 98. of the Law on Tourism prescribes that the services of a local tourist guide may be provided by the person meeting the conditions referred to the tourist guide and tourist escort, who has passed the professional exam to become a local tourist guide.

**36. Is there any differentiation in your legislation between recognition of professional and academic qualifications?**

The Law on Primary School and Law on Secondary school stipulates that the holders of foreign school certificates are entitled to demand their recognition or recognition of equivalence whereby the recognition of foreign school certificate is equalled in the whole with the appropriate domestic school certificate in terms of rights belonging to the holder for continuation of the education and employment rights, while by recognizing of equivalence of the foreign school certificate is equalled with the appropriate domestic school certificate in terms of right for continued education.

During the process of recognition or the recognition of equivalence the education system of the country in which the subject acquired the certificate, the curriculum, the rights given to the holder in the foreign school certificates and other significant factors of importance are taken into consideration. If during the process it lays down that the curriculum acquired abroad is significantly different from the domestic one compared to, the recognition is conditioned by passing certain exams, writing certain papers or knowledge checking.

In the Law on higher education shall only use the term recognition of foreign high school certificate for the procedure by which the holder of such a document establishes the right in terms of continuing the education, or the right of inclusion to the levels of higher education, as well as employment, where the procedure determines the type and level of studies, as well as the professional, academic or scientific title.

During the process of recognition of foreign high school certificates the education system of the country in which the subject acquired the high school certificate, the study programme, the conditions for enrolling to study programme, rights given by that high school institution certificate in the country where it was acquired and other significant factors of importance for recognition of foreign high school certificate, are taken into consideration.

The professional body of independent higher education conducts the evaluation of a foreign study programme, based on the level of acquired knowledge and skills, taking into account the data provided by the Ministry of Education, about foreign higher education institution which runs the study programme. Once made positive evaluation of certain foreign study programme is valid for all future cases when it comes to the same study programme.

### **37. What are your plans for the alignment of your national legislation with the EU Directives on lawyers (Directives 77/249/EEC and 98/5/EC)?**

Legal profession in the Republic of Serbia is regulated by the Law on Attorney at Law ("OJ of FRY", no.. 24/98, 26/98 –corrigendum, 69/2000 - decision of the Federal Constitutional Court, 11/2002 and 72/2002 – decision of the Federal Constitutional Court and "OG of SAM", no. 1/2003 – Constitutional Charter). During the year 2011 a new Attorney at Law Act will be adopted which will partly be in accordance with the above-mentioned directives. This Law will precisely arrange the right upon registration in the register of attorneys at law of the Republic of Serbia and the right to practice legal profession of attorneys at law foreign citizens in provision of legal advices on the right of their home country and international right, as well as the right to pursue other forms of legal assistance. This law shall be in full compliance with the requirements of the Member States of the World Trade Organization, set during in the process of Republic of Serbia's accession to this organization In the following period, until the accession of Serbia into

European Union, the Law on Attorney at Law will be fully harmonized with the mentioned directives on providing services of the attorneys at law.

**38. What are your plans for the alignment of your national legislation with the EU Directive on commercial agents (Directive 86/653/EEC)?**

The Republic of Serbia has not transposed the Directive 86/653/EEC. The above stated legal relation comes under the general regime of Mandate Contract, in accordance with the Law on Contract and Torts, articles 749-770.

Under the Mandate Contract, the Serbian law provides for the possibility of contract binding of the Agent and giving equivalent mandate by the Client to conduct specific activities on the account of the Client. This implies the responsibility of certain persons (that conduct the affairs of others as a profession, i.e. publically offer the service of conducting such affairs) to respond to the Client's offer, Agent's obligations (conducting activities within given instructions, derogation from the mandate only with Client's consent, delegation of mandate and appropriate responsibility, render of accounts, responsibility for the use of Client's money, as well as the rules of joint and several liability of more than one Agent) and the Client (rules on payment in advance, compensation for effort, expenses and damage), as well as the rules regarding revocation, cancellation and termination of the contract in general.

During the year 2011, analysis of the legal framework will be performed, in order to enable necessary regulation changes in order to complete assuming of the Directive on self employed commercial agents.

**39. What are your plans for the alignment of your national legislation with the EU Directives on toxic products 74/556/EEC and 74/557/EEC?**

The Law on Chemicals does not regulate special, i.e. different conditions for foreign citizens compared to the resident citizens referring to the right of performing activities which are defined in Article 2 of Directive 74/557/EEC.

Currently, there are no plans for alignment with the Directives 74/556/EEC and 74/557/EEC. For defining reasonable deadlines and ways of alignment with the provisions of these directives in the period until Serbia accesses EU, prior detailed analysis of domestic legislation framework and requirements of the directives will be necessary during the year 2011, while considering, among other things, provisions of Stabilization and Association Agreement, application of mutual recognition principles and the current status of Serbia as a state which is not a member of EU.

**40. Which bodies oversee regulated professions: professional orders, Ministries (which), other?**

Pursuant to Article 36 of The Rulebook of the Programme and Procedure for Taking Examination to Acquire the Title of a State Auditor and Certified State Auditor, the Council of State Auditing Institution decides on revoking of auditing titles in the cases when state auditor and certified state auditor:

- 1) has been sentenced by a final judgment to an unconditional imprisonment lasting minimum six months, or for a criminal offense of shorter duration rendering him unworthy of conducting audits;
- 2) has been sentenced by a final judgment and deprived of business capacity,
- 3) has assumed assignment or office which are incompatible with the practice of state auditor and certified state auditor.
- 4) does not act in accordance with Constitution and the Law.

The procedure of revoking of auditing titles is regulated by the special act of the Council.

Administrative and professional supervision of legal entities' activities in a specific field is performed by the ministries via their republic, regional, i.e. municipal inspections.

Professional supervision of the activities of individuals is performed by the chambers by issuing, renewing and suspending working permits (licenses), i.e. standing committees, such as ethics committees and the courts of honour.

Professional associations focus on improvement of the status of profession, enhancement of working conditions and professional development.

So far, there are no regulated professions, but the supervision of professional work of health institutions and private practice, related to the Law on Health Care, is performed as the supervision of work legality of health institutions and private practice and inspection supervision, which is performed by the Ministry of Health through health inspectors and inspectors competent for the field of medications and medical products.

Professional supervision implies the procedure of examining the quality of work of health institutions, private practice, health workers and associates.

Issuing, renewing and suspending approvals for individual work (license) to health workers is a procedure conducted by the chamber of competence, for the purpose of determining professional qualifications of health workers for individual work.

Chamber may temporarily suspend the license to a health worker for the reasons defined in the Law on Health Care, for the period of six months up to five years, starting from the date of receipt of the decision on temporary license suspension.

Chamber may permanently suspend the license to a health worker if the health worker was sentenced to prison by means of the final court decision for serious crime against human health.

The Law on Culture (article 79.) includes only supervision of the implementation of this law and regulations adopted based on this law, which is performed by the Ministry of Culture, as well as supervision over the performance of these, legally entrusted, activities of state administration conducted by the Ministry of Culture.

Pursuant to the Law on Securities, Securities Commission performs supervision of operations (among others and) broker- dealer companies, stock exchanges, over the counter market operators, management companies, investment funds, where persons carrying a license for performing activities of broker, investment advisor and portfolio manager may be employed.

In this way, aside from issuing them a license for performing such an activity, Securities Commission also performs supervision of their activities.

Supervision of aeronautical personnel is performed by the Civil Aviation Directorate and the Ministry competent for traffic issues.

While article 172 of the Law on Air Transport („Official Gazette of RS“ , No. 73/10 dated: October 12, 2010) defines that the Directorate issue the license to aeronautical personnel whose work has a direct influence on air traffic safety, articles 184. and 185. of the Law state that the Directorate is authorised to suspend the license, and Article 186. defines the conditions under which the license is no longer in effect.

Pursuant to Article 243 of the Law on Air Transport, the inspection supervision is performed by the ministry competent for traffic issues. (At the moment of writing the answer to this question, the transitional period is running after the new law has entered into force, according to which the Directorate still performs inspection supervision on the basis of the act of the minister responsible for traffic affairs, until the ministry takes over the inspection in accordance with the Law on Air Transport.

Supervision of maritime ranks is performed by the Ministry of Infrastructure.

In accordance with Article 50 of the Law on Attorney at Law, for determining the violation of duties of attorneys at law and legal profession reputation, determining responsibility and stating measures related to this violation, Bar Association of Serbia and its bar associations form disciplinary bodies, in accordance with the statute. Pursuant to Article 57 paragraph 2 of the Law on Attorney at Law, the Ministry of Justice gives consent to the Statute of Bar Association of Serbia, for the part which arranges the way of performing the entrusted public authorizations.

In accordance with the Law on Accounting and Auditing, supervision of the work of authorized auditors is directly performed by the Chamber of Certified Auditors, and indirectly by the Ministry of Finance (in the process of supervision of the auditing firms).

The Ministry of Finance pursuant to the Law shall also carry out supervision over the activities of the Chamber of Certified Auditors.

National Bank of Serbia, pursuant to the Law on Insurance, performs supervision of intermediation activities, i.e. representation in insurance, as well as of work of authorized actuaries.

Pursuant to the Law on Tourism, supervision of the work of tourist guides, local tourist guides and tourist escorts is performed by the Department of Tourist Inspection of the Ministry of Economy and Regional Development.

### **C. Administrative structures**

**41. Please describe the administrative structures and procedures for granting recognition of foreign professional qualifications in your country.**

Pursuant to Article 35 of The Rulebook of the Programme and Procedure for Taking Examination to Acquire the Title of a State Auditor and Certified State Auditor, the validation of professional auditing titles in the competence of the Institutions that were acquired abroad is performed by a special Commission appointed by the Council of the Institution.

Recognition granting procedure for foreign professional qualifications for primary and secondary education is carried out by Ministry of Education, whereas and independent higher education institution is in charge of higher level education.

In 2010 an Inter-sectoral workgroup was formed in order to prepare acts on recognition of qualifications for professional purposes as well as to prepare for the process of national legal framework adjustments with granting recognition of professional qualifications (Directive 2005/36/EC).

According to the Law on Planning and Construction (Article 126.) technical documentation can be made by a foreign person under the condition of reciprocity and other conditions imposed by this Law. The foreign person can prepare technical documentation if the person acquired the right to carry out the work in Republic of Serbia on an international tender and if the person is the member of Chamber of Engineers of the country whose citizen he is. Serbian Chamber of Engineers is in charge of establishing whether the conditions are fulfilled or not.

According to the Rulebook on Conditions, Curriculum and Taking of Professional Exam in the areas of spatial and urban planning, technical documentation preparation and construction, professional exam can be taken by foreign individuals who have been issued license according to the regulations of other countries, under the conditions of reciprocity. Professional exam consisting of general part and special part is taken in front of special Commission formed by the Minister in charge of construction activities.

A part of the professional exam special part consists of checking the knowledge on Laws and other regulations, as well as standards and norms related to technical documentation preparation and construction works, along with the Law and other regulations related to exam-specific areas, knowledge check of Law and other regulations as well as standards and norms related to spatial and urban planning and planning documents preparation, as well as the Laws and other regulations dealing with environmental protection, protection and use of natural and cultural resources and use of construction land.

According to the Law on Securities, article 128, paragraph 4 and 5, the Commission shall issue the license for performing these activities to a person who has obtained the title of broker, investment consultant and/or portfolio manager abroad, after completed nitrification of the appropriate certificate, in case they fulfil other conditions from paragraphs 3 and 4 of this Article. (see answer to the question 35).

The Commission shall perform nostrification of the certificate from paragraph 5 of the present Article in the manner prescribed by its acts and the agreements closed between the Commission and foreign institutions competent for supervision.



Based on Article 183 of the Law on Air Transport (“Official Gazette of RS”, number 73/10) Directorate can recognize the training carried out in a foreign country if it corresponds to the training carried out in Republic of Serbia.

The training carried out in a foreign country that does not exist in Republic of Serbia is recognized only if it was carried out according to international standards.

Directorate can recognize license and authorization issued in a foreign country if they fulfil the conditions for license and authorization issuing in Republic of Serbia.

In the Law on Air Transport there is base for recognition of both professional training of obtaining licenses and authorization of aeronautical personnel carried out in other countries and licenses and authorizations issued by air traffic authorities of other countries.

Recognition of training, licenses and authorizations is regulated in details by the appropriate by-law procedures in which the obligation of air traffic authorities to check the authenticity of performed trainings, issued licenses and registered authorizations is established.

If the training is recognized, the candidate takes the necessary exams after the authenticity of the training is checked.

Aeronautical personnel’s licenses issues in countries standardized by the European Agency for Safety of Air traffic (EASA) are recognized without any additional formalities, whereas for recognition of licenses issues in other countries a candidate needs to pass the necessary exams before the license is issued by the Directorate.

Recognition of authorizations on the maritime ships’ crew training issued in foreign countries is done based on Addition to International Convention on the Standards of Training, Certification and Watchkeeping, Resolution on Training, Certification and Watchkeeping, according to which there is a commitment about bilateral agreements with SCTW Convention countries on mutual recognition of trainings and authorizations on maritime ships’ crew trainings.

According to Article 4 paragraph 3 of the Law on Attorney at Law, a foreign citizen who fulfils conditions for being an attorney at law in his/her country is entitled to be registered in the register of attorneys at law in the Republic of Serbia with reciprocity. Pursuant to Article 14 of this Act, an attorney at law foreign citizen, who is not registered in the register of attorneys at law in the Republic of Serbia can work as an attorney at law in certain cases on the Republic of Serbia territory, under the condition of reciprocity.

In accordance with the Law on Accounting and Auditing, the Chamber of Certified Auditors establishes criteria and performs recognition of professional titles (authorized auditor and authorized internal auditor) acquired abroad. Criteria, conditions and procedures for recognition are set by the Rulebook on terms for recognition of professional titles acquired abroad, made by the Chamber of Certified Auditors, to which Ministry of Finances agreed.

A foreign natural person who, according to the Law of the country whose citizenship he has, fulfils the conditions to perform brokerage or agency activities in insurance, can perform those activities in RS, under the conditions of reciprocity. The condition of reciprocity is applicable till the day of RS accession to the World Trade Organization.

According to the Decision on the Content and Method of Taking the Professional Exam for Insurance Brokerage and or Agency Services and Manner of Proving Eligibility for Obtaining the Relevant Certificates, a foreign citizen fulfilling the conditions for brokerage or

agency activities according to the law of the country of the citizenship, can conduct such activities on Republic of Serbia territory after being registered in the Register of authorizations issued to authorized brokers, or authorized agents in insurance, which the National Bank of Serbia is in charge of.

In order to be listed in this Register and obtain an appropriate evidence of it, the individual should submit a translated and certified copy of Act to the National Bank of Serbia, in which it is stated that the person fulfils all the conditions for performance of listed activities according to the Law of the country whose citizenship that individual holds, as well as the extract of the regulations or another document of that country proving the existence of reciprocity for performance of such activities, as well as working permit (license) issued by the National Employment Service of Republic of Serbia.

Conditions for acquiring the title of certified actuary for foreign persons are determined in points 2, 11 и 12 of the Decision on Conditions for Acquiring the Title of Certified Actuary.

A foreign natural person with a corresponding professional exam (exam taken within the National bank of Serbia, or FIA, FFA, FSA, FCAS, FIAA titles with a passed exam from domestic regulation) and fulfils other required conditions, can get the authorization of the National Bank of Serbia to perform actuary activities, and acquire a title of certified actuary if the person also possesses the working permit (license) issued by the organization in charge of employment in Republic of Serbia – National Employment Service, and if an extraction from the regulations or another document from the country whose citizen the person is, proves the existence of reciprocity in performing the activities of certified actuary (till the day of RS accession to the World Trade Organization).

#### **42. To what extent is it possible to complete administrative procedures electronically?**

Administrative procedures cannot be carried out electronically, except for procedures of recognition of professional titles of licensed auditor and licensed internal auditor) obtained abroad, that according to the Law on Accounting and Auditing is performed by the Chamber of Certified Auditors which can partially be done electronically. Request can be submitted electronically, but the additional documentation has to be sent by mail

Till present, there are no options for completion of administrative procedures electronically in other areas.