

# LEGAL FRAMEWORK

During 2021, significant legislation changes occurred, while the factor that influences the social and legal trends remains pandemic COVID-19 disease caused by virus SARS-CoV-2, which continues to effect legal, social and economic life of all citizens. In accordance with efforts to mitigate economic difficulties that Republic of Serbia is facing, the National Assembly of the Republic of Serbia has passed several important laws aimed to increase liquidity of business entities.

One of the most significant changes in legal system represents the introduction of remote identification as a way of verifying identity when registering a user of a qualified electronic certificate for electronic signature, which has not been possible until now, given that the identification of the user was possible solely with the physical presence of the user. Also, the new Law on Consumer Protection provides new innovation with the aim of improving consumer protection and position in relation to previous solutions.

As the most important novelties introduced into the legal system of the Republic of Serbia, we may point out the following:

- **Law on Consumer Protection** - The National Assembly of the Republic of Serbia passed a new Law on Consumer Protection on September 11, 2021. One of the most significant innovations is improvement of the mechanism of out-of-court settlement of consumer disputes before out-of-court bodies registered in the List of bodies for out-of-court settlement of consumer disputes, licensed by the Ministry of Trade, Tourism and Telecommunications. A significant change relates to the shifting burden of proving of the non-conformity of the goods that occurs within two years from the date of transfer of risk to the consumer, which now falls on the seller.
- **Law on Amendments to the Law on Money Laundering and Financing of Terrorism** – Amendments to the Law on Prevention of Money Laundering and Financing of Terrorism entered into force on December 29, 2020 in order to harmonize provisions of this Law with the provisions of the Law on Digital Assets. The most important innovations are: the change of definitions and introduction of new terms, special provisions related to transactions with digital assets, exemptions from the obligation to collect data when issuing electronic money, establishing and verifying the identity of a natural person through a qualified electronic certificate, specified video identification procedure.
- **Law on Amendments to the Law on Electronic Document, Electronic Identification and Trust Services in Electronic Business** – entered into force on June 1, 2021. The new solutions introduced by this Law concern the introduction of remote identification in process of registration of users of qualified trusted services, as well as the possibility of using the registered electronic identification scheme from the European Union in the Republic of Serbia. The provisions of the Law that apply to the work of public authorities and the provisions on the compliance assessment of means for generating of a qualified electronic signature, i.e. seal, have also been amended.
- **Law on Establishment of Financial Support to Legal Entities for Maintaining Liquidity and Working Capital in difficult economic conditions due to COVID-19 pandemic caused by SARS-COV-2 virus** – This Law entered into force on July 29, 2021. Purpose of this Law is the preservation of the stability of the financial and economic system of the Republic of Serbia in conditions of potential risks due to the danger of spreading the infectious disease COVID-19. This Law regulates the allocation of credit funds to business entities that submitted loan applications to the Development Fund of the Republic of Serbia by December 10, 2020 in accordance with the Decree on Program of Financial Support to Business Entities for Maintaining Liquidity and Working Capital in Aggravated Economic Conditions due to the COVID-19 Pandemic.
- **Law on determining a second guarantee as a measure of additional support to the economy due to the prolonged negative impact of the COVID-19 pandemic caused by the SARS-CoV-2 virus** – entered into force on April 30, 2021. This Law regulates the conditions, procedure, amount and manner of funds for issuing guarantees of the Republic of Serbia in connection with the guarantee scheme defined by this Law. This Law determinates criteria, conditions and the manner of approving loans by the banks, reporting, as well as other issues of importance in connection with the guarantee scheme as a measure of support to the economy, in order to increase the liquidity of business entities.