

CONSUMER PROTECTION

1.25

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Prescribing a legal obligation for out-of-court dispute resolution bodies to establish, for the purpose of transparency, websites on which they will publish periodic reports.	2024			√
Legal introduction of court proceedings for the collective exercise of consumer rights, with the power of the court to order compensation for material and non-material damage caused by the violation of consumer protection regulations.	2024			√
Adoption of a legal provision prohibiting non-transparent placing of dual quality goods on the market.	2024		√	
Harmonization of legal provisions with the provisions of other laws regulating the issue of rights and obligations of consumers	2024			√

CURRENT SITUATION

The Ministry of Internal and Foreign Trade conducted a public hearing on the Draft Law on Consumer Protection in the period from 4 August to 3 September 2025. With this, the Government of the Republic of Serbia continued the activities started in 2023 and aimed at adopting a new law on consumer protection, which will replace the 2021 Law. The new law will take over a number of provisions from three EU directives adopted in 2019: Directive 2019/770 on certain aspects concerning contracts for the supply of digital content and digital services; Directive 2019/771 on certain aspects concerning contracts for the sale of goods; and the so-called "Omnibus" Directive 2019/2161 in better enforcement and modernisation of Union consumer protection rules. The draft law does not contain the provisions of Directive 2024/2853, of 23 October 2024, on liability for defective products.

Like the 2021 Law, the Draft of the new Law refers to Article 78 of the Constitution in the explanation. The Stabilisation and Association Agreement stipulates that the Contracting Parties shall encourage and ensure a policy of active consumer protection in accordance with Community law and the harmonization of consumer protection legislation in Serbia with the protection in force in the Community of the European Union.

The 2021 Law has significantly improved the mechanism of out-of-court settlement of consumer disputes, by introducing the obligation and regulating the procedure before bodies for the out-of-court settlement of consumer disputes. Proceedings before the body can be initiated by the

consumer if he has previously made a complaint or complaint to the trader, and the trader is obliged to participate in the procedure. According to the new draft law, the penalty for traders who refuse to participate in mediation or fail to publish a notice that the buyer has the right to an out-of-court settlement of the dispute has been increased from 50,000 to 200,000 dinars (which is approximately 1,700 euros). Although this method of dispute resolution existed in the period before 2021, traders in practice avoided participating in the agreement, but only rejected complaints about goods and referred dissatisfied customers to court, and consumers often gave up on the court.

The 2021 Law also introduced the so-called "Do Not Call" register of phone numbers of consumers who do not want to be called by traders who offer goods/services by phone, which is kept by the regulatory body in charge of electronic communications, which should prevent or reduce intrusive business practices that exist through multiple telephone addresses to consumers. In this regard, on December 28, 2023, the Ministry of Internal and Foreign Trade adopted the Rulebook on the Register of Consumers Who Do Not Want to Receive Connective Devices and/or Messages as part of Telephone Sales, and starting from January 5, 2024, consumers are enabled to register in the so-called "Do Not Call" Register. From the establishment of full functionality of the so-called "Do Not Call" Register until October 2025, a total of 45150 consumers were registered in the "Do Not Call" Register.

The Law from 2021 has also improved and more precisely defined the complaint procedure (after two years from the purchase, the complaint is declared to the guarantor, and

the obligation of the trader to receive the complaint has been determined, which solves the current problems in practice related to the refusal to accept the complaint by the trader), the obligation to make calculations and specifications of the sale price of the service (for a value of more than 5,000 dinars, which is approximately 42 euros), and the contents of the invoice issued for services of general economic interest. The 2025 Draft Law left these provisions unchanged. In addition, the 2021 law specified that the prohibition of unfair business practices covers all stages of legal transactions, which opened up space for a more comprehensive implementation of inspections.

The 2021 law introduced the possibility of issuing misdemeanor orders to a trader. The law prescribes a fixed fine in the amount of 50,000 dinars for a legal entity and 30,000 dinars for an entrepreneur for certain violations. According to the new draft law, these amounts have been increased to 200,000 dinars for a legal entity (which is approximately 1,700 euros) and 100,000 dinars for an entrepreneur. Longer limitation periods are also prescribed, so misdemeanor proceedings cannot be initiated or conducted if two years have elapsed from the date when the misdemeanor was committed (previously, the one-year limitation period established by the Law on Misdemeanors was applied).

The draft law from 2025 brings a number of important novelties, mainly related to the delivery of digital content or digital services, or to the provision of the so-called online marketplace. The definition of "goods" has now been amended to include a bodily thing that has or is linked to digital content or a digital service in such a way that the goods would not be able to function without that digital content or digital service. The new law will regulate in detail the subjective and objective requirements that must be met in order for goods to be considered a conformity contract. Subjective requirements are satisfied when the goods are in conformity with what the trader and the consumer have contracted, and objective requirements are satisfied when the goods are suitable for the purposes for which goods of the same type would normally be used. Other important novelties from the Draft Law are presented in the second part of this text, in the sections "Positive Developments" and "Remaining issues".

POSITIVE DEVELOPMENTS

Among the improvements in the content and implementation of regulations in the field of consumer protection,

improvements due to legal changes adopted in 2021 and improvements contained in the draft of the new law can be distinguished.

The 2021 legal improvement of the out-of-court dispute resolution mechanism seems to have encouraged consumers to try to exercise their rights more often than in the previous period. According to information from the Ministry of Internal and Foreign Trade, during 2025 as of September, consumers submitted 2,568 proposals for proceedings before out-of-court dispute resolution bodies, while in 2024 4,094 proposals were submitted. The number of mediators registered on the List of Bodies for Out-of-Court Settlement of Consumer Disputes at the Ministry of Internal and Foreign Trade increased from 2021 to October 2025 from 25 to 72.

One of the important novelties from the 2021 Law is the introduction of the "Do Not Call" register, as a database of consumers who have declared that they do not want to receive calls or messages over the phone for promotional purposes as part of the promotion or sale of certain goods or services. The "Do Not Call" register began operating on January 5, 2024. Verification of telephone numbers entered in the Register is enabled on the website of the Regulatory Authority for Electronic Communications and Postal Services (RATEL). A consumer who does not want to be invited by traders, i.e. agencies that do promotion or research, can contact his electronic communications operator with whom he has concluded a contract and ask him to be included in the Register. It is the obligation of traders, i.e. promoters, to check in the Registry whether a certain phone number is on the list of phones that should not be called. In addition, consumers are enabled to register in the "Do Not Call" Register electronically, using electronic solutions provided by operators of electronic communications services, which significantly facilitates the procedure of registration in the "Do Not Call" Register.

The involvement of the consumer protection association through educating consumers about their rights, organizing round tables where significant topics from this field were discussed, testing consumer products and notifying consumers about observed irregularities, etc. is also noticeable.

Improvements after the adoption of the Law in 2021 are also visible at the level of local self-government units and competent state institutions (including primarily ministries,

inspections and courts), where various forms of education on the topic of consumer protection have been organized, such as trainings for employees, conferences and round tables, all with the aim of raising the level of their expertise and implementing EU standards, as well as the Government's efforts to improve the framework for the development of e-commerce.

The draft law introduces a number of changes that strengthen the position of consumers and the protection of their rights. The draft introduces new forms of commercial practice that are considered misleading regardless of the circumstances of the individual case. Such forms of commercial practices include, but are not limited to: displaying search results in response to a consumer's online search without clearly indicating paid advertising or special payment for the purpose of achieving a higher ranking of products in those results; fake reviews, due to the trader's failure to take reasonable and proportionate measures to verify that the reviews originate from consumers who have actually used or purchased their products; and the resale of tickets purchased by the merchant using automated means to circumvent the rules relating to the purchase of tickets.

When selling goods with digital elements, according to the Draft Law, the trader is obliged to inform the consumer about the updates and provide the updates that the consumer himself then installs. The Draft Law also provides better protection for consumers who use social media. Namely, the draft extends the application of the legal provisions on contracts for sale to contracts for the supply of digital content or digital services, when the consumer provides or undertakes to provide personal data to the trader. In this way, the Draft Law treats personal data as a form of compensation.

The draft law from 2025 adopted a provision from the "Omnibus" Directive (2018/2161), which prohibits non-transparent marketing of dual quality goods. According to the provision of the Draft, placing goods on the market of the Republic of Serbia with the claim that they are identical to goods placed on the market in the EU Member States, even though the goods differ significantly in composition or characteristics, unless justified by legitimate and objective criteria, constitutes a misleading business practice. The previous draft, from 2024, did not contain such a provision, at the time with the explanation that it was non-transferable.

The draft law brings a significant improvement from the perspective of traders, through the provision according to which the notification to the consumer before concluding a distance contract must contain only a minimum of information if the means of distance communication has limited space or time of display. The minimum information shall include the following: the essential characteristics of the goods or services; merchant identities; the total price; the duration of the contract; the existence of a right of withdrawal from the contract; and, if the contract is for an indefinite period of time, the conditions for termination of the contract. Also, the Draft improves the position of traders as it provides the extension of the deadline for returning money to the consumer from three to five days. The three-day deadline was often not achievable due to reasons on the bank's side.

REMAINING ISSUES

It is difficult to assess the effectiveness of out-of-court settlement of consumer disputes, due to the lack of transparency of the work of its bodies. The law obliges these bodies to publish on their websites reports with statistics on procedures and with an overview of the significant problems observed, but such a legal obligation exists only if the bodies have a website. In practice, bodies for out-of-court settlement of consumer disputes do not have websites, so there is a lack of information about the work of such bodies. According to Directive 2013/11/EU on alternative dispute resolution for consumer disputes, from which the Law partially took over the provisions on out-of-court dispute resolution, bodies are obliged to make their reports publicly available. During the public debate in 2025, the Ministry rejected the proposal to introduce an obligation for bodies for out-of-court settlement of consumer disputes, explaining that only the Ministry has precise and relevant data through the existing platform to measure the efficiency of the work of these bodies.

In addition, it should be pointed out that in practice it has turned out that mediators do not have sufficient knowledge and expertise for out-of-court resolution of consumer disputes, especially disputes that have services of general economic interest as their subject, and it is necessary to continuously organize trainings for mediators with the aim of acquiring additional knowledge and skills for the legal resolution of out-of-court consumer disputes.

The 2021 Law does not provide the possibility of court proceedings for the collective exercise of consumer rights. Instead, citizens have at their disposal the possibility of col-

lective settlement of consumer disputes in administrative proceedings before the Ministry of Trade. The Law does not transpose the provisions of Directive 2020/1828 on representative actions for the protection of the collective interests of consumers. Consumer protection associations believe that the current legal framework prevents consumers from effectively exercising their rights. Compensation for damages is not among the measures that the Ministry may impose in order to protect the collective interest of consumers. In addition, the Ministry, unlike the court, is not subject to the constitutional obligation of independence and impartiality when deciding on the rights and obligations of persons. The draft of the new law does not bring any changes in relation to the existing regime of collective management of consumer rights.

The provisions of the Draft Law on the elimination of inconsistencies, especially on the trader's obligations after the

expiry of the period in which the consumer has the right to choose between the replacement of goods, price reduction and termination of the contract, should be made clearer, in order to avoid the problems in practice that traders faced during the period of application of previous laws on consumer protection.

Finally, the provisions of the Draft Law regarding the issue of prohibition of direct advertising contain, as well as the existing Law, certain solutions that are regulated in a different way by the Law on Data Protection, which is the umbrella law that regulates this matter, and it is necessary to harmonize the Draft Law with the legal solutions from the Law on Personal Data Protection, in order to avoid the possibility of a different and inconsistent interpretation of consumer rights and obligations in practice. As well as the rights and obligations of traders regarding the prohibition of direct advertising.

FIC RECOMMENDATIONS

- Prescribing a legal obligation for out-of-court dispute resolution bodies to set up websites on which they will publish periodic reports for the sake of transparency.
- Legal introduction of court proceedings for the collective management of consumer rights, with the power of the court to order compensation for material and non-material damage caused by the violation of consumer protection regulations.
- Harmonization of legal provisions with the provisions of other laws that regulate the issue of consumer rights and obligations.