

LAW ON THE CENTRAL REGISTER OF BENEFICIAL OWNERS

1.67

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
The procedure for electronic registration should be further developed, and the indirect registration of the establishment of the Registered entities should be facilitated.	2022		√	
The foreign public joint stock companies listed on the reputable stock exchange should be excluded.	2022		√	
The sanctions prescribed by the Law should be reduced.	2019			√

CURRENT SITUATION

A new Law on the Central Register of Beneficial Owners (Off. Gazette of the RS, no. 19/2025) (hereinafter: the **Law**) was adopted and entered into force on 14 March 2025, and shall apply as of 1 October 2025.

The Central Register of Beneficial Owners was established within the Serbian Business Registers Agency ("SBRA") on 31 December 2018, as a public, unified, central electronic database on natural persons who are beneficial owners of a Registered Entity. The primary reason for enacting the new Law was to implement the measures provided under the Action Plan for the Implementation of the National Anti-Money Laundering and Counter-Terrorism Financing Strategy for the period 2020–2024, as well as to harmonize domestic legislation with the provisions of Directive (EU) 2018/843 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and amending Directives 2009/138/EC and 2013/36/EU.

The new Law on the Central Register of Beneficial Owners introduces 3 phases of application:

Until the beginning of application of its core provisions, i.e., 1 October 2025, the old Law on the Central Register of Beneficial Owners shall remain in force. However, Article 12(4) and Article 19(3) of the new Law shall apply from the date of entry into force. These provisions relate to the trustee of a trust, as this legal concept was not previously regulated. Additionally, Article 6(7) shall apply from the date of Serbia's accession to the EU as it concerns the obligation of the SBRA to connect the Central Register of Beneficial Owners with the EU Central Platform. Finally, the Law sets a 60-day deadline for existing registered entities to align with its provisions, i.e., from 1 Oct to 30 Nov 2025.

Entities **required to register beneficial ownership data:**

All business companies, Companies in liquidation; Cooperatives; Branches of foreign business companies; Business associations; Associations and federations of associations; Foundations and endowments; Institutions; Foreign representative offices of business companies, associations, foundations, and endowments.

Entities **not required to register beneficial ownership data:** Entrepreneurs; Public joint-stock companies; Companies in bankruptcy; Companies under compulsory liquidation; Companies and institutions in which the Republic of Serbia, an autonomous province, or a local self-government unit is the sole member or founder; Political parties; Trade unions; Sports organizations and associations; Churches and religious communities.

New obligations for business companies:

1. Identification and registration of beneficial owners – Companies must identify the natural person who meets the criteria.
2. Uploading supporting documents – When registering in the Central Register, companies are now required to upload the documents on which the beneficial ownership is based. In the case of electronic incorporation, registration and document upload are carried out simultaneously through the electronic procedure.
3. Annual verification and confirmation – Every company must, at least once a year, verify the accuracy and currency of the registered data and confirm such accuracy via the SBRA portal within 30 days from the date of verification.
4. "Note on identified inconsistency" – If an obliged entity under the Law on the Prevention of Money Laundering finds that the data it has collected differ from those in the Register, it must immediately enter a note into the

Register and upload the relevant documents. The company has 30 days to reconcile the data. If it fails to do so, the competent authority (National Bank of Serbia, Administration for the Prevention of Money Laundering) shall carry out supervision.

5. Public disclosure of non-compliant entities – The SBRA will maintain and publish a list of entities that have failed to register within the prescribed deadline and a list of entities with unresolved discrepancies.

Sanctions: Failure to timely register beneficial owners, or deliberate concealment or falsification of data, triggers three types of consequences under the Law: misdemeanor fines, protective measures, and criminal liability. Companies may be fined between RSD 500,000 and 2,000,000, while directors or responsible persons (including trustees) face fines from RSD 50,000 to 150,000. In addition, a ban on certain activities may be imposed for 6 months to 3 years. If someone intentionally fails to register, falsifies, or deletes true data to conceal the beneficial owner, they may face criminal liability, with imprisonment from 6 months to 5 years, subject to assessment by the prosecution and court.

POSITIVE DEVELOPMENTS

The new Law introduces improvements that significantly enhance the transparency of corporate ownership structures and strengthen the integrity of the business environment in the Republic of Serbia. The mandatory docu-

mentation of beneficial ownership data, the regular annual verification of their accuracy, as well as the mechanisms for identifying discrepancies with data collected in accordance with anti-money laundering regulations, represent important steps toward preventing the misuse of legal entities for illicit purposes. These measures further enhance legal certainty, facilitate the work of supervisory authorities, and contribute to aligning domestic practices with international standards. The public disclosure of information on non-compliant entities increases the accountability of companies and fosters greater trust among investors and business partners.

REMAINING ISSUES

In practice, certain technical shortcomings have been identified that hinder the updating of data in the Central Register. When personal information of a beneficial owner changes—such as a change of surname or passport number - the system does not allow for a straightforward update of the specific data. Instead, it requires the complete deletion of the individual from the register, followed by a new registration with the updated information. This procedure significantly slows down the process. Additionally, the electronic system currently does not support the registration of beneficial owners based on different grounds for the same legal entity. Instead, it requires all beneficial owners to be registered on the same basis. Most of the identified issues are of a technical nature, and resolving them would be essential for improving the system's functionality, increasing the efficiency of the procedure.

FIC RECOMMENDATIONS

- The procedure for electronic registration should be further developed, and the registration of the establishment of the Registered entities should be facilitated.