

FOOD AND AGRICULTURE

1.12

Agriculture and the food industry are essential for local and national economic development, necessitating accelerated efforts to improve institutions, legislation, and the business environment in this sector.

The recent pandemic crisis, increasingly frequent epizootic situations, ongoing economic and political developments in Europe, and global climate change significantly impact the functioning of various industries, particularly regarding the availability of raw materials and rising market prices. In these conditions, agriculture and food production, as well as local food safety systems, must operate more quickly and efficiently.

Despite all the challenges, the local food safety system has not made significant progress, as official controls continue at the same pace. The physical exchange of documentation with relevant authorities hampers the efficient functioning of the food sector. Introducing a transparent and comprehensive risk analysis system would improve the flow of goods. Reorganizing existing resources and focusing on high-risk products would enhance control over actual risks, which is crucial.

The alignment of regulations with EU standards is progressing more slowly than expected, while conflicts of authority between different ministries are emerging. Although some regulations have been harmonized, national laws still restrict the application of EU practices, posing a significant barrier to free trade and innovation. Therefore, modernizing outdated regulations and eliminating restrictions on free trade, while simultaneously protecting local products, have become key priorities. Additional administrative barriers and methodological rules complicate the transposition of EU regulations. The initiation of a new Food Safety Law represents a positive signal for improving the integration of the food chain in Serbia and aligning domestic legislation with relevant European Union regulations.

The report on the work of the Expert Council for Risk Assessment, as well as the Council's activities since its establishment in 2017, remain unknown to the public.

There is significant room for improvement in the regulatory framework to ensure high standards in food quality control and to apply a uniform approach to the oversight of all entities, including importers and local producers. Simplifying testing procedures, enhancing transparency, and ensuring predictability in the retention of goods are essential. Improving the capacity of control bodies and adopting a risk-based approach are crucial for strengthening the food safety management system. While positive effects from the Law on Official Controls are anticipated, the actual impact of these changes will only be visible after the law is published and implemented.

The electronic exchange of data between government institutions and the economy remains a critical need for efficient functioning.

Regenerative agriculture is becoming increasingly significant, although its application is not yet widespread. It is encouraging to see a growing awareness among farmers about its importance, as well as the existence of companies implementing these practices. In the EU, there is a growing emphasis on using raw materials from regenerative sources, which is becoming crucial for producers wishing to export to the EU. Government support and subsidies for equipment and farmer education are essential for integrating regenerative practices into national strategic and program documents and laws regulating agriculture and rural development. Through the Working Group established at the end of 2024, efforts to intensify the development of public policies and regulations in this area are expected during 2026, alongside the necessity of adopting a new Strategy for Agriculture and Rural Development to facilitate the implementation of necessary reforms and alignment with modern standards.

1. FOOD SAFETY LAW

1.14

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Align the Food Safety Law and all related subordinate regulations with EU regulation (178/2002/EC and accompanying subordinate acts).	2017		√	
Establish a transparent and comprehensive risk analysis system by all inspection services, including the establishment of a functional IT system and digitization of supervision.	2015			√
Establish uniform rules in inspection procedures regarding costs, deadlines, fieldwork mechanisms, sampling methods, and the determination of the type and number of analyses during official controls.	2014			√
Standardize criteria for laboratories during control analyses, with a clearly defined responsibility of laboratories in interpreting regulations.	2020			√
Establish a national food safety agency following the example of EU member states and neighbouring countries and create conditions for the National Reference Laboratory to perform all tasks prescribed by law in order to strengthen the capacity of the food safety system.	2018			√
Simplify the procedure for placing new food on the market from the list in Annex 1, while maintaining the approval process for new food not listed in Annex 1, following the EU model.	2020			√
Enable electronic data exchange between government institutions and the private sector.	2020			√

CURRENT SITUATION

The Food Safety Law (hereinafter referred to as the Law), adopted in 2009, with amendments in 2019, has still not been fully implemented. Additionally, not all the planned subordinate regulations have been adopted, which were supposed to be enacted by 2011. Due to the lack of these prescribed acts, regulations that do not comply with the requirements of modern food safety systems are still in effect.

The amendments to the Law reorganized the inspection oversight responsibilities between two ministries, and the Expert Council for Risk Assessment was established in April 2017, but the institutional framework has not been effectively established. The National Reference Laboratory was opened in 2015, and its jurisdiction was defined by the amendments in 2019, introducing the concept of the Reference Laboratory. Ministries select reference laboratories through a competition, and the list is published in the "Official Gazette of the Republic of Serbia." However, the Food Safety Law does not specify when laboratory tests can be conducted in selected laboratories and when in

the Directorate for National Reference Laboratories. A working group for milk was formed in 2015 within the Ministry of Agriculture, but by mid-2025, full alignment of the legal regulations on milk safety has not been achieved. The maximum allowable content of aflatoxin M1 in raw milk has been increased to 0.25 µg/kg to support domestic producers. From December 1, it is expected to align with the European standard of 0.05 µg/kg, but it remains uncertain whether the current limit of 0.25 µg/kg will be extended, as has been the practice in previous years. This measure allows for the import of milk from EU countries and the region in cases where the aflatoxin content exceeds the EU limit of 0.05 µg/kg. For food safety and the reduction of aflatoxin content in milk, measures need to be taken to reduce aflatoxins in animal feed.

The Ministry of Agriculture began drafting a new Food Safety Law in August, which announced alignment with the amendments to Regulation (EC) 178/2002 concerning risk communication objectives, as well as the separation of animal feed into a special regulation. Additionally, the new law aims to specify responsibilities in the control of public

food establishments and to enable the adoption of subordinate regulations related to food safety.

The regulation on maximum concentrations of contaminants in food is annually aligned with the applicable EU food regulations under the jurisdiction of the Ministry of Agriculture. Since last year, food categories under the jurisdiction of the Ministry of Health, such as food for infants and young children, have also been included. The regulation also encompasses provisions of EU Regulation 2017/2158 on the reduction of acrylamide in certain types of food.

POSITIVE DEVELOPMENTS

The initiation of the drafting of a new Food Safety Law is a positive signal indicating the improvement of food chain integration in Serbia and the alignment of domestic legislation with relevant EU regulations.

REMAINING ISSUES

The Food Safety Law and some subordinate regulations are not aligned with EU regulations:

- a. Current provisions of the Law limit full compliance, such as the mismatch of food categorization with EU legal categories, for example, food with modified nutritional composition.
- b. The regulation on maximum concentrations of contaminants in food primarily relies on Regulation EC 2023/915, but food for infants and young children has not yet been fully aligned with it. Some provisions from the regulation on dietary products, which are not part of EU regulations, remain in force. Additionally, regulations on the quality of coffee products and fruit juices contain requirements that are not prescribed at the EU level. Besides these misalignments, other outdated quality regulations and similar provisions put domestic entities at a disadvantage compared to foreign competitors, especially regarding the placement of products in EU and regional markets.
- c. Different interpretations by inspections are possible, which can cause inconsistencies in the application of the law.
- d. National legislation adopts amendments and supple-

ments to regulations on the use of food additives significantly slower than the needs of the food industry, with the last amendments dating back to 2018.

The lack of a comprehensive risk assessment system by inspection services has not led to progress and coordination in the application of methods for risk analysis and assessment:

- a. The activities carried out by the Expert Council for Risk Assessment have not been known to the public after 7 years, nor have they sufficiently contributed to risk assessment.
- b. Risk analysis would allow for the classification of food business entities as low-risk or high-risk, which would expedite the customs clearance process and the release of low-risk goods into circulation. Importers assessed as low-risk could achieve savings in money and time through faster document reception and a reduced number of sampling during import.
- c. Risk analysis would reduce the burden on inspection services and relieve their limited resources, as resources would be directed towards testing high-risk products.
- d. The publication of the Regulation on special elements of risk assessment for sanitary and agricultural inspections in 2018 created a framework for initiating the risk assessment process, but inconsistencies in application between different inspections still exist.

Business related to the procurement of raw materials for food production and its market placement faces unpredictable conditions:

- a. The absence of uniform rules in the procedures of inspection services leads to different costs, deadlines, fieldwork mechanisms, sampling, and determining the number of analyses in laboratory processes.
- b. Laboratories apply different criteria during control analyses, and the responsibility of laboratories in interpreting regulations is not clearly defined.

The procedure for placing new food on the market is unclear and purposeless:

- a. Although the Regulation on new food has adopted a

list of food that can be freely placed on the EU market, an additional procedure is repeated for all food business entities, which includes repeating the procedure for the same ingredient of new food each time it is used in different products.

there is already a relevant scientific opinion from EFSA that has approved that food in the EU. It is not known whether the Expert Council has issued an opinion contrary to EFSA's for the same food.

- b. The Ministry approves new food based on the opinion of the Expert Council for Risk Assessment, even though

The exchange of documentation with competent authorities is still mostly done physically, which complicates the work of companies and slows down the flow of goods.

FIC RECOMMENDATIONS

- Align the Food Safety Law and all related subordinate regulations with EU regulation (178/2002/EC and accompanying subordinate acts).
- Establish a transparent and comprehensive risk analysis system by all inspection services, including the establishment of a functional IT system and digitization of supervision.
- Establish uniform rules in inspection procedures regarding costs, deadlines, fieldwork mechanisms, sampling methods, and the determination of the type and number of analyses during official controls.
- Standardize criteria for laboratories during control analyses, with a clearly defined responsibility of laboratories in interpreting regulations.
- Establish a national food safety agency following the example of EU member states and neighbouring countries and create conditions for the National Reference Laboratory to perform all tasks prescribed by law to strengthen the capacity of the food safety system.
- Simplify the procedure for placing new food on the market from the list in Annex 1, while maintaining the approval process for new food not listed in Annex 1, following the EU model.
- Enable electronic data exchange between Government institutions and the private sector.

2. FOOD AND FOOD CONTACT MATERIAL INSPECTIONS

1.20

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Adopt a new Law on Sanitary Supervision and executive regulations on the work of sanitary and phytosanitary inspections that are aligned with the Law on Inspection Supervision and EU regulations, as well as a Law on Official Controls based on Regulation (EU) 2017/625 and executive regulations on the implementation of official controls. This would ensure consistent implementation of unified rules in inspection procedures and a unified approach to comprehensive risk analysis.	2017		√	
Amend the decisions of the competent inspections to allow the use of raw materials in production without the right to release the finished product into free circulation until the decision on the release of raw materials into circulation is obtained.	2017			√
To overcome delays in issuing decisions on veterinary-sanitary conditions for import or transit shipments, it is suggested that the Ministry of Agriculture adopt a bylaw that prescribes the list of necessary documentation and deadlines for submitting requests and issuing decisions. This will enable greater transparency in the process, more efficient procurement of goods, and predictability in business.	2024			√
Clearly define the time required for import procedures for all types of food.	2018			√
Enable electronic data exchange between state institutions and the economy.	2020			√

CURRENT SITUATION

Amendments to the Food Safety Law from 2019 reorganized the division of inspection oversight responsibilities between the relevant inspections of the Ministry of Agriculture (phytosanitary, agricultural, and veterinary) and the Ministry of Health (sanitary). Additionally, the Ministry of Health prescribes health and safety requirements for food contact materials (FCM), and the sanitary inspection is responsible for controlling the application of legal regulations that encompass materials in contact with food, including packaging.

With the entry into force of the Regulation on Food with Modified Nutritional Composition, food that was previously under the jurisdiction of the Ministry of Agriculture inspections and contains added vitamins and minerals has, since August, come under the control of the sanitary inspection of the Ministry of Health. The work of inspection services is also regulated by the Inspection Supervision Law, which has been in effect since April 2016. Some inspections are developing models for the application of the Inspection Supervision Law, but full alignment of sectoral regulations with this Law has not yet been completed.

Since 2016, the Ministry of Health has been in the process of drafting a new Sanitary Supervision Law, which would more thoroughly regulate the tasks of sanitary supervision.

A new Law on Official Controls is being prepared, which will more precisely regulate control in the areas of food, animal health, plant protection, and other sectors of agriculture and the food industry, clearly defining the responsibilities of authorities, control procedures, obligations of entities, and data processing methods, with a complete alignment with European Union rules announced.

POSITIVE DEVELOPMENTS

The order to take measures to prevent the introduction of infectious diseases and the strict measures implemented by the veterinary inspection have proven effective in preventing the spread of epizootic diseases in the Republic of Serbia.

Although positive effects are expected from the Law on Official Controls, the impact of these changes will be visible after the law is published and implemented.

REMAINING ISSUES

Although announced several years ago, the Sanitary Supervision Law and executive regulations regarding the work of sanitary and phytosanitary inspections, which would be aligned with the Inspection Supervision Law and EU regulations, have still not been adopted. There is a lack of executive regulations such as the Regulation on the Implementation of Official Control, the system of approval and certification, cooperation with customs authorities and competent authorities of EU member states and third countries, inspection, sampling, determination of deadlines for the implementation of official control, as well as reporting on conducted inspections. Additionally, there is a lack of a Regulation on Sampling and Testing Methods for Food in the process of official control and other regulations. This situation creates inconsistencies in the actions of inspection services and varies in the application of the risk assessment system. As a result, risk analysis is not applied in the actions of the sanitary inspection, where all shipments are sampled and sent for laboratory analysis, including general use items and materials in contact with food, including packaging. This leads to unnecessary high material costs for business entities where no irregularities have been detected, as well as delays in deliveries and unpredictability in business and planning.

The relevant inspections do not allow the use of raw materials in production before obtaining the Decision on Release for Free Circulation, which results in a loss of time and money.

In early May, the Ministry of Agriculture issued a statement regarding enhanced control over the issuance of decisions related to veterinary and sanitary conditions for the import or transit of shipments of animal-derived food, which resulted in the revocation of existing decisions for companies, even in cases where the country of origin was not affected by an epizootic disease. Although the procedure was reestablished at the end of June, the previous measures caused business disruptions due to the inability to import raw materials and finished products, especially processed dairy products that were not available on the domestic market. These changes have affected the transparency and predictability of the business environment, as decisions were made without considering all market operating conditions.

The time required for import procedures for food is not clearly defined.

The exchange of documentation with competent authorities is still largely conducted physically, which complicates the work of companies and significantly slows down the flow of goods.

FIC RECOMMENDATIONS

- Adopt a new Law on Sanitary Supervision and executive regulations on the work of sanitary and phytosanitary inspections that are aligned with the Law on Inspection Supervision and EU regulations, as well as a Law on Official Controls based on Regulation (EU) 2017/625 and executive regulations on the implementation of official controls. This would ensure consistent implementation of unified rules in inspection procedures and a unified approach to comprehensive risk analysis.
- Amend the decisions of the competent inspections to allow the use of raw materials in production without the right to release the finished product into free circulation until the decision on the release of raw materials into circulation is obtained.
- To overcome delays in issuing decisions on veterinary-sanitary conditions for import or transit shipments, it is suggested that the Ministry of Agriculture adopt a bylaw that prescribes the list of necessary documentation and deadlines for submitting requests and issuing decisions. This will enable greater transparency in the process, more efficient procurement of goods, and predictability in business.
- Clearly define the time required for import procedures for all types of food.
- Enable electronic data exchange between state institutions and the economy.

3. QUALITY AND LABELLING OF FOOD PRODUCTS 1.00

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Identify the competent institution for interpreting regulations in the field of food safety and ensure that the official positions of the Ministry are mandatory for all participants in the chain. Additionally, establish a competent Ministry for the area of food labelling to ensure consistent interpretation and implementation of regulations, guides, and instructions issued by the relevant ministry.	2016			√
Adopt a regulation that will regulate the conditions and methods of production and placing on the market of food for which quality conditions are not prescribed.	2022			√
Adopt executive regulations derived from the Food Safety Law and align them with EU regulations.	2017			√
Amend Article 34 of the Trade Law to clearly define that the provisions of that article do not apply to products subject to the provisions of the Food Safety Law and subordinate regulations governing the labelling and marking of food.	2020			√

CURRENT SITUATION

Since June 2018, the Regulation on the Declaration, Labeling, and Advertising of Food has been in effect, largely aligned with relevant EU regulations, including the alignment of provisions related to the declaration of the country of origin of products and main ingredients, effective from January 1, 2023. In early 2022, provisions were added that prescribe the appearance of the “Originating from Serbia” label for meat and meat products, supporting consumer awareness of local products.

As of August 1, of this year, certain categories of products containing palm or other vegetable oils along with dairy components are required to have additional labelling on the front of the packaging, along with separation at the point of sale from dairy products, to ensure transparency for consumers regarding products that are not 100% dairy. Despite the short adjustment period and challenges in implementation, the Ministry of Agriculture has quickly responded to the industry’s need for clear guidelines by enacting amendments and supplements to the regulation for more effective application.

Several regulations governing the quality of certain food categories are not fully aligned with the EU, are outdated, or there are no EU regulations defining the quality of these

categories. Misaligned vertical legislation places food business entities at a disadvantage compared to producers in the region and the European Union. Due to outdated regulations, it is often difficult to find suitable raw materials, resulting in higher prices. Some raw materials cannot even be used or placed on the market because there are no appropriate categories in the regulations. Similar problems arise with finished products that do not fit into existing categories.

The Trade Law, adopted in mid-2019 by the Ministry of Internal and Foreign Trade, mandates the labelling of the country of production on the declaration of goods in retail trade. However, it is still unclear whether this obligation applies to food labelling, given the existing food safety regulations (*lex specialis*). According to Article 26 of the Regulation on Declaration, the mandatory indication of the country of origin applies only to certain types of food, while in other cases, it is not mandatory. If the country of origin is voluntarily indicated, entities are required to provide information about the country of origin of the main ingredient. The responsibilities for harmonizing regulations from Chapter XII are unclear, as different ministries have different approaches to the same area.

POSITIVE DEVELOPMENTS

In recent years, certain amendments and supplements to

regulations have been made in accordance with the needs of food business entities, aimed at improving restrictive provisions. However, despite these individual changes, a systematic solution has not been achieved, indicating that significant improvements in this area have not been observed.

REMAINING ISSUES

The current legal framework does not clearly define the authority for interpreting food safety regulations, and practice has shown that laboratories often interpret these regulations. Although determining illegality is exclusively the responsibility of inspectors (Article 37 of the Inspection Supervision Law), inspectors often rely on laboratory conclusions, while the official position of the competent Ministry is not a binding act for inspection services. This situation is particularly pronounced in the interpretation of food labelling regulations, where different approaches still exist despite the existence of a Guide. This creates difficulties for economic entities and complicates their long-term planning. Additionally, a subordinate act that would more closely regulate the conditions for the production and marketing of food for which quality standards have not been defined, as provided for in Article 55 of the Law, has not yet been adopted.

The misalignment of product quality regulations with EU legislation is expressed through several aspects:

- a. Most national regulations that prescribe the quality of certain food categories date back to the 1980s and 1990s, and newer regulations, such as those on the quality of fruit and vegetable products or coffee regulations, are not fully aligned with EU legislation. The lat-

est amendments to these regulations have not brought progress in harmonization, which can complicate business operations, especially for products that cannot be classified into any of the categories of the newly adopted regulations, and particularly for related products where there remains room for different interpretations. Continuous amendments and supplements to regulations can overcome these situations, but these are solutions that require a longer time and do not contribute to efficiency.

- b. The Regulation on Fruit Juices, although aligned with European regulations, contains additional requirements that are voluntary in the EU, placing domestic producers at a disadvantage compared to foreign entities.
- c. The Regulation on Food Additives and Dietary Products prescribes a process for registering products in the Ministry's database, which requires confirmations from multiple institutions, contrary to the faster notification processes in EU countries.

The misalignment of the requirements of the Trade Law, which mandates the indication of the country of origin, and the Regulation on Declaration, which prescribes the obligation to indicate the country of origin of the main ingredient when voluntarily indicating the country of origin on the product declaration, creates a framework for additional problems in practice. This situation leads to inconsistencies in the interpretation of regulations, conflicts of authority, and legal unpredictability, complicating business operations and foreign trade exchange. As a result, companies face increased costs and the need to adjust declarations, creating unfair competition in the market.

FIC RECOMMENDATIONS

- Identify the competent institution for interpreting regulations in the field of food safety and ensure that the official positions of the Ministry are mandatory for all participants in the chain. Additionally, establish a competent Ministry for the area of food labelling to ensure consistent interpretation and implementation of regulations, guides, and instructions issued by the relevant Ministry.
- Adopt a regulation that will regulate the conditions and methods of production and placing on the market of food for which quality conditions are not prescribed.
- Adopt executive regulations derived from the Food Safety Law and align them with EU regulations.

- Amend Article 34 of the Trade Law to retain the general rule on declaring the country of origin, except for goods regulated by specific sectoral regulations on declaration and labelling, namely the Food Safety Law and subordinate acts regulating the declaration and labelling of food. This amendment would allow for the avoidance of overlapping authorities and misalignments between different regulations, as well as eliminate the possibility of different interpretations by state authorities.

4. REGENERATIVE AGRICULTURE: BENEFITS AND IMPLEMENTATION CHALLENGES

1.25

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Within national strategic and programmatic documents and laws governing agriculture and rural development, it is necessary to recognize and incorporate regenerative agricultural practices. These documents include the Strategy for Agriculture and Rural Development, National Agricultural Program, National Rural Development Program, Law on Agriculture and Rural Development, and Law on Incentives in Agriculture and Rural Development.	2024		√	
Provide financial support through subsidies and other available tools to support the transition of agricultural producers from conventional to regenerative agricultural practices. These support measures would include subsidies within rural development support programs, as well as direct payments.	2024			√
Consider the possibility of additional subsidies for producers implementing regenerative agricultural practices within direct payments in primary crop production, following a similar principle to the subsidies provided for organic farming compared to conventional production.	2024			√
Invest in farmer education programs and capacity building focused on sustainable agricultural practices, providing farmers with the knowledge and skills necessary to adopt environmentally friendly methods.	2024			√

CURRENT SITUATION

With the increasing global population, the demand for food is also growing. At the same time, food producers are facing increasing pressure to adopt more sustainable business strategies and practices, given the significant role of agriculture and the food industry in combating climate change. The main challenge for the food industry is how to ensure an adequate food supply for the grow-

ing population while dealing with the threats of climate change and general soil degradation caused by intensive farming practices. This problem is also present in Serbia, where research shows that humus content is declining at a faster rate than in the mid-20th century.

Agriculture is one of the main pillars of economic activity and growth in the Republic of Serbia. In 2025, the Serbian Government's budget allocated 150 billion dinars

for agriculture, which is 7.5 percent of the total state budget for that year. Agricultural land makes up almost half of the country's territory, and agriculture contributes nearly 6 percent of Serbia's GDP. According to the Agricultural Census of 2023, the total number of agricultural households was 508,325, and the agricultural workforce numbered 1,157,319 people. According to the data from the Statistical Office of the Republic of Serbia, the agricultural-food sector accounted for nearly 20 percent of the total export of goods from Serbia in 2024. The total export value amounted to 5.14 billion euros, representing a growth of 9.5 percent compared to 2023. At the same time, a surplus in the trade of agricultural and food products of 1.26 billion euros was achieved. Legislation in Serbia shows a tendency to harmonize with EU regulations, especially in the field of agriculture, which is recognized as a sector with significant impacts and risks related to ESG (Environmental, Social, Governance) factors worldwide. Serbia has a unique opportunity to develop and implement detailed ESG regulations in the agricultural sector, which will affect large enterprises and small agricultural producers, enabling economic growth and the development of sustainable business practices.

Regenerative agriculture is a system of principles and practices aimed at restoring natural resources, such as soil, water, and biodiversity. The application of regenerative agricultural practices is an effective way to reduce carbon dioxide emissions into the atmosphere by sequestering it in the soil.

- Within the Serbian food supply chain, agricultural production is responsible for 66 percent of total emissions, while the processing industry accounts for 24 percent of emissions. Proposed measures to reduce the carbon footprint in agricultural production include two key steps: Increasing the capacity of land to retain carbon through the adoption of regenerative agricultural practices. Increasing carbon content in the soil is mainly achieved through the implementation of regenerative agricultural practices, as mentioned in section 6.4.3 "CO₂ Emissions in Serbian Agriculture." When these practices are successfully applied, they act as the main compensation for emissions arising from field work and natural processes. The implementation of regenerative agricultural practices is best combined with targeted measures to reduce CO₂ emissions, contributing to achieving a cumulative positive effect.

- Reducing greenhouse gas emissions from all sources, both natural and human.

POSITIVE DEVELOPMENTS

At the Ministry of Agriculture, Forestry, and Water Management, a Working Group for Regenerative Agriculture was formed at the end of 2024. The tasks of the Working Group are to form a regulatory framework to enable the application of regenerative agricultural practices in accordance with ecological standards, through cooperation with institutions, universities, industry, and producers. According to the planned activities of the Working Group, it is expected that by the end of 2025 and during 2026, work on drafting public policy documents and regulations that will regulate this area will intensify.

REMAINING ISSUES

Serbia still does not have a new Strategy for Agriculture and Rural Development, as the main document for the development of Serbian agriculture, given that the previous one covered the period from 2014 to 2024. It is known that work on the strategy began during the previous year, but the draft was rejected by the Agricultural Committee, and the adoption date is unknown.

Serbian legislation in the field of agriculture shows a tendency to harmonize with EU regulations. However, certain deficiencies and inconsistencies have been observed regarding general ESG regulations. To achieve full harmonization with EU regulations, it is not necessary to change the entire regulatory framework but to adapt existing regulations. The identified deficiencies include:

- Failure to recognize regenerative agricultural practices in strategic planning documents and laws, despite their crucial role in sustainable land management and reducing negative environmental impacts.
- Absence of systemic and financial support for the transition to regenerative land management systems. Farmers need support in the form of training, technological solutions, and financial incentives to adopt sustainable practices and reduce their environmental impact.
- The lack of financial incentives for farmers who already apply regenerative agricultural practices in their production.
- Limited awareness among farmers about the existing systems and opportunities for financial support.

FIC RECOMMENDATIONS

- Within future national strategic and programmatic documents and laws governing agriculture and rural development, it is necessary to recognize and incorporate regenerative agricultural practices. These documents include the Strategy for Agriculture and Rural Development, National Agricultural Program, National Rural Development Program, Law on Agriculture and Rural Development, and Law on Incentives in Agriculture and Rural Development.
- Provide financial support through subsidies and other available tools to support the transition of agricultural producers from conventional to regenerative agricultural practices. These support measures would include subsidies within rural development support programs, as well as direct payments.
- Consider the possibility of additional subsidies for producers implementing regenerative agricultural practices within direct payments in primary crop production, following a similar principle to the subsidies provided for organic farming compared to conventional production.
- Invest in farmer education programs and capacity building focused on sustainable agricultural practices, providing farmers with the knowledge and skills necessary to adopt environmentally friendly methods.

5. SYNERGY OF SCIENCE AND BUSINESS FOR THE WELL-BEING OF CUSTOMERS AND A HEALTHIER DIET

1.00

(ZERO RESIDUE CONCEPT: FRUIT AND VEGETABLES WITHOUT PESTICIDE RESIDUE)

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Development and implementation of a national regulatory framework: It is proposed to adopt comprehensive regulations that will define standards and procedures for the production and certification of pesticide residue-free products. This will provide clear guidelines for producers and increase consumer trust.	2024			√
Financial support and subsidies: Financial assistance should be provided through subsidies and other tools to help producers transition to the Zero Residue concept. This includes subsidies for acquiring new technologies, training, and educating farmers.	2024			√
Raising consumer awareness: Campaigns to inform and educate consumers about the benefits of pesticide residue-free products are essential. This will increase demand for these products and encourage producers to adopt this concept.	2024			√

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Support for small producers: Special support programs for small agricultural producers, including access to technology and training.	2024			√
Continuous quality improvement: Establishing a system for ongoing monitoring and quality improvement through collaboration with scientific institutions such as the Faculty of Agriculture at the University of Belgrade. This will ensure that products remain compliant with high standards and that issues are addressed promptly.	2024			√

CURRENT SITUATION

In the modern world, health standards and food safety are key for consumers. The “Zero Residue” or “Pesticide Residue-Free” concept represents one of the latest trends in agriculture, the goal of which is to eliminate pesticide residue on fruit and vegetables offered on the market. Not only does this approach secure healthier products for customers, but it also contributes significantly to sustainable development of agriculture and preservation of the environment.

Agriculture plays a crucial role in the economy of the Republic of Serbia. With almost 50% of the country’s territory engaged in agricultural production, this sector contributes approximately 7% of the country’s GDP and employs a large number of people. However, traditional agricultural practices often include pesticides in order to protect crops from pests and diseases. While pesticides help increase yield, their misuse can negatively impact the environment and human health.

The strategy for sustainability and food safety recognizes the importance of reducing pesticide residue in products. In cooperation with the Faculty of Agriculture at the University of Belgrade, a new food safety management concept was developed in 2022. With the aim of producing fruits and vegetables free from pesticide residues through good agricultural practices, standards in the food supply chain are significantly raised, and this benefits primary producers, and particularly consumers and society, as well as companies that implement and promote a responsible approach to food safety. In the summer of 2022, the first “Zero Residue” crops were produced in Serbia, and they included cantaloupes and watermelons marked with the official guarantee stamp. Compared to the initial year, this concept has been further improved and expanded to include new fruit and vegetable crops, such as raspberries, blackberries,

blueberries, cherries, packaged salad, tomatoes, and leafy greens, with a tendency to broaden the product range in the coming years.

This innovative approach includes the application of advanced technologies in production, strict control of good agricultural practices and laboratory analyses that prove the absence of pesticides in products.

This type of innovation is exactly how synergy between science and business is achieved. Through this kind of cooperation, retailers make sure that the products offered at the retail chain comply with the highest quality and safety standards. Moreover, the Faculty of Agriculture of University of Belgrade, as Serbia’s leading scientific institution in food production, plays a key role in validating good agricultural practices among primary producers and conducting laboratory analyses. This process involves strict control of every step during the production, from planting to harvesting and distribution.

The partnership between retailers and local producers is one of the key elements of the success of this concept. Expanding the concept to include new fruit and vegetable crops ensures that consumers have access to a wider selection of healthier and safer products. From the beginning of the project in 2022 to the end of 2024, the number of products bearing the “Pesticide Residue Free” label increased to 17, and the number of suppliers grew from 1 to 5. Additionally, the market volume of these products rose by 171%. These results clearly demonstrate the success of the concept and the market’s readiness to embrace and support such initiatives.

Retailers will continue to work on expanding this concept, aiming to include even more types of fruit and vegetables. Analyses are already underway to extend it to new varieties of apples and vegetable crops. This process not only con-

tributes to a healthier diet but also sets new standards in agricultural production in Serbia, promoting sustainability and responsible resource use.

POSITIVE DEVELOPMENTS

There are currently no improvements in this area.

REMAINING ISSUES

Although the concept “Pesticide Residue Free” is a step forward toward healthier and safer food, there are several challenges in Serbia:

- Lack of clear regulations: Currently, there is no comprehensive legal framework governing pesticide residue-free products at the national level. This complicates the standardization and certification of these products.
- Financial challenges for producers: Transition to pesticide residue-free production requires additional financial investments in new technologies and training, which poses a significant challenge for many agricultural producers.
- Insufficient consumer awareness: Many consumers are not adequately informed about this innovative production concept, affecting demand.
- Lack of support for small producers: Small agricultural producers often lack access to the resources needed to transition to pesticide residue-free production, which can reduce their competitiveness.
- Maintaining quality: Continuously upholding high production standards and quality control requires ongoing investments and supervision, which can be challenging for producers.

FIC RECOMMENDATIONS

- Development and implementation of a national regulatory framework: It is proposed to adopt comprehensive regulations that will define standards and procedures for the production and certification of pesticide residue-free products. This will provide clear guidelines for producers and increase consumer trust.
- Financial support and subsidies: Financial assistance should be provided through subsidies and other tools to help producers transition to the Zero Residue concept. This includes subsidies for acquiring new technologies, training, and educating farmers.
- Raising consumer awareness: Campaigns to inform and educate consumers about the benefits of pesticide residue-free products are essential. This will increase demand for these products and encourage producers to adopt this concept.
- Support for small producers: Special support programs for small agricultural producers, including access to technology and training.
- Continuous quality improvement: Establishing a system for ongoing monitoring and quality improvement through collaboration with scientific institutions such as the Faculty of Agriculture at the University of Belgrade. This will ensure that products remain compliant with high standards and that issues are addressed promptly.