EU Support for improving business environment

The overall objective of the project is to improve the regulatory and administrative environment for doing business in the Republic of Serbia.

Improving the efficiency of the implementation of administrative procedures

The project supports the implementation of system reforms of the Government of the Republic of Serbia, whose common goal is to create a more favorable, transparent and efficient business environment. Accordingly, within the project, expert support was provided for the simplification of administrative procedures and the establishment of a single register of administrative procedures and other business conditions.

The most important activities implemented by the project in this area include:

- Support to the implementation of the Government of Serbia program for simplifying administrative procedures and regulations "ePapir" for the period 2019-2021
- Control the inventory and analysis of 2500 administrative procedures related to the economy and implemented at the republic level, which are listed under the ePapir program
- Drafting a Law that will regulate the establishment of a single register of administrative procedures and other business conditions
- Implementation of training for civil servants on the application of the methodology for simplifying administrative procedures
- Simplification of 777 administrative procedures under the jurisdiction of 49 institutions. So far, 320 procedures have been processed, of which the recommendations for the simplification of 16 administrative procedures have been fully harmonized with the relevant institutions, and according to the “turnkey” principle, amendments were made to the relevant regulations necessary for the implementation of the agreed recommendations. Simplification of these 16 administrative procedures, on an annual basis, would provide savings of 1,032,268.89 euros. Simplified procedures are under the jurisdiction of the following institutions: CROSO (Central Registry of Compulsory Social Insurance), PIO (Pension and Disability Insurance Fund), Tax Administration, National Employment Service, ATS (Accreditation Body of Serbia), Ministry of Labor, Employment, and social issues
- In cooperation with the Ministry of Economy, a working version of the Electronic Records of Business Licenses has been prepared, which includes 1301 administrative procedures. A working version of the Electronic Business Registers Register is available at: https://www.preduzetnistvo.gov.rs/elektronska-evidencija-poslovnih-licenci-2/
- The project is working on the preparation of the Guidelines on How to Start and Run Business Legally for several activities, including: trade, craft-cosmetic services, other service activities.
Stimulating regulatory framework for businesses

In order to support ongoing reforms and improve the business environment in cooperation with competent institutions, the project team is working on:

- Drafting a proposal for a sustainable and more favourable tax regime, based on a Study of Tax Burdens for Businesses including total tax compliance costs for businesses operating in Serbia.
- Improving the legal framework for the implementation of a unified procedure for issuing building permits, and implementing the legal framework for inspection supervision. In cooperation with the Ministry of Transport and Infrastructure Construction, a team of experts engaged on the project prepared a Draft Law on Amendments to the Planning and Construction Act, as well as a set of secondary legislation that introduced new ones that improved the implementation of the integrated procedure for issuing construction permits. In cooperation with the Ministry of State Administration and Local Self-Government and the Coordination Commission for Inspection Supervision, Guidelines on rights and obligations of business entities have been prepared in the process of inspection supervision and training for inspectors on the new legal framework for performing inspection supervision.
- Preparing Study on the status of entrepreneurs and freelancers in terms of labour and tax implication for self-employment mode of business.
- Support the implementation of regulatory reforms at the sub national level and improve conditions for SME participation in public procurements.

Improved regulatory and public policy adoption process

One of the objectives of the project is to improve the consultative process by increasing the participation of enterprises in the adoption of relevant regulations and public policies. For this purpose, the project implements the following activities:

- Supports the promotion of the E-paper portal, established to collect citizens' and industry's initiatives to reduce administrative burden: [www.epapir.rsjp.gov.rs](http://www.epapir.rsjp.gov.rs).
- Supports the establishment of a mechanism for improving quality and extending the scope of the analysis of the effects of regulations, through the introduction of an impact test on small and medium enterprises and entrepreneurs (MESP test). The MESP test should help the state administration authorities to identify the key effects that the solutions proposed in the relevant regulations have on the MESP sector, and formulate the most optimal solutions that will stimulate the business environment while creating the conditions for removing market barriers.

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