

## South East Legal Alliance — SELA Regional News Q2 2021

The SELA regional newsletter features an overview of the most important regional legislative developments recently announced in the jurisdictions of SELA coverage.

Many of the changes recently implemented impact the regions ability to attract foreign investments and related to tax, customs and other investment incentives, illustrating just how strategically important the governing bodies of the region see foreign investment.

#### **SELA lawyer spotlight**

Featuring Emilija Apostolska Temov
The hiker



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MAIN CHANGES

#### **Albania**

- New Law on the Registration of NFPs
- New Law on "Foreigners" approved
- Amendment to Law on late payments
- Term extensions for UBO declaration

#### Bosnia & Herzegovina

- Law on Income Tax
- Law on Contributions
- Law on Accounting and Auditing of the Federation of Bosnia and Herzegovina

### Bulgaria

- New Industrial Parks Act
- Amendments to the Spatial Development Act
- Amendments to the Measures Against Money Laundering Act



#### Croatia

- Amendments announced to the Civil Obligations Act
- Amendments announced to the Electronic Media Act
- Amendments to the Labor Act to be passed in 2022

#### Montenegro

No notable legislative developments

#### North Macedonia

- Law on amendments to the Trade Law
- Law on Amendments to the Law on Electronic Communications
- New Law on Lobbying
- Law on Amendments to the Law on Energy Efficiency
- Law on Amendments to the Customs Law
- The Law on Amendments to the Law on Employment and Work of Foreigners in parliamentary procedure

#### Serbia

- Serbian Government adopted a set of laws in energy section
- The Law on Amendments to the Law on Planning and Construction
- The Law on Gender Equality and the Law on Amendments to the Law on Prohibition of Discrimination

#### Slovenia

- Amended Housing Act (SZ-1E) and the repeal of Commercial Buildings and Commercial Premises Act
- New regulation on packaging and packaging waste
- Legislative amendments in the field of employment of foreigners in Slovenia



#### **Albania**

## New Law on the Registration of NFPs

## MAIN PROVISIONS OF THE I AW

On 24.06.2021, the Albanian Parliament approved a new law (no. 80/2021) "On the registration of non-for-profit organizations (NFPs)". The new law establishes an electronic register for NFPs, which substantially replicates the registration and publication procedures applied for commercial register, with the main difference that the registration procedures for NFPs shall continue to be managed by the court system instead of the National Business Centre. The new law provides for a transitory period of 3 months, during which the secondary legislation shall be approved and the new NFP electronic register shall be established.

#### WHO THE LAW APPLIES TO

The new law applies to all NFPs governed under Albanian law including foundations, associations, centers as well s branches of foreign non-for-profit organizations operating in Albania.

## HOW IT AFFECTS YOUR BUSINESS

The new registry law aims to streamline and simplify the registration procedures for NFPs in Albania, providing for clear deadlines and required documentation, thus reducing the procedural costs for NFPs in complying the required filings.

## New Law on "Foreigners" approved

## MAIN PROVISIONS OF THE LAW

On 24.06.2021, the Albanian Parliament approved a new law (no. 79/2021) "On foreigners", providing for the terms, conditions procedures applicable for the issuance of labor permits and residence permits for foreign nationals. The new law further approximates the local immigration legislation to the EU *acquis*, including, approximation to the requirements of directives 2011/98, 2016/801, 2014/36, 2014/66, 2009/50, 2003/109 etc.

#### WHO THE LAW APPLIES TO

The new law applies to all foreign nationals working or residing in Albania for employment or other purposes.

## HOW IT AFFECTS YOUR BUSINESS

Work permits and/or residence permits issued in accordance with the pervious law (no. 108/2013) will continue to remain valid and foreign nationals holding Foreign nationals holding valid permits issued under the previously law are not required to apply for changes in their permits, until the relevant expiration date, provided that the conditions on the basis of which their work or residence permit was originally issue, do not change.



## Amendment to Law on late payments

## MAIN PROVISIONS OF THE LAW

On 20.05.2021, the Albanian Parliament approved (with law no. 64/2021) an amendment to law no. 48/2014 "On the late payments for contractual and commercial obligations" (the "Late Payments Law"). Under the Late Payments Law, the pubic authorities operating in the healthcare sector enjoyed a beneficial treatment regarding late payments in their contractual and commercial obligations. More specifically, in absence of specific contractual provisions, healthcare sector authorities enjoyed a 1 year period as compared to the general 30 days period applicable to all other private or public operations. With this amendment, the above beneficial treatment for healthcare sector authorities has been removed.

#### WHO THE LAW APPLIES TO

The law applies to all businesses providing goods or services to the Albanian healthcare sector authorities.

## HOW IT AFFECTS YOUR BUSINESS

Following to the approval of the above amendment, in absence of specific contractual provisions on payment terms, businesses offering goods or services to the Albanian healthcare sector authorities will be able to claim late payment interests following to the expiry of the general 30 days period.

## Term extensions for UBO declaration

## MAIN PROVISIONS OF THE LAW

On 04.05.2021, the Albanian Parliament approved law no. 55/2021, which approved the normative act of the Government, no. 12, date 25.03.2021 providing for certain term extension regarding the requirements of the declaration of ultimate beneficial owners by reporting entities in Albania, in accordance with law no. 112/202 "On the register of beneficial owners". More specifically, based on normative act no. 12, the deadline to report changes in the UBO registry by entities that had already complied with the obligation of initial reporting was extended from 30 days to 90 days. Moreover, with DCM no. 273, dated 12.05.2021, the Government also extended the period of validity for supporting documentation regarding UBO filings, form 30 days prior to the filing, to 90 days prior to the filing.

#### WHO THE LAW APPLIES TO

The new law applies to all entities that have the obligation to declare their ultimate beneficial owners, in accordance with law no. 112/202 "On the register of beneficial owners".

## HOW IT AFFECTS YOUR BUSINESS

Based on the above legal acts, reporting entities in Albania have more time to declare changes of their ultimate beneficial owners as well as to prepare the relevant supporting documentation. This is especially useful for entities with foreign beneficial owners, who need to obtain supporting documentation from foreign public authorities.



#### **Bosnia & Herzegovina**

#### Law on Income Tax

## MAIN PROVISIONS OF THE LAW

The latest amendments to the Law on Income Tax from 1 July 2021 made changes to the amount of the deduction in relation to the tax base.

Personal income tax is calculated and paid on income from personal income, selfemployment, copyright, rights related to copyright and industrial property rights, capital, capital gains, from foreign sources and other income.

Income tax is paid at the rate of 10%, except for the income of a small entrepreneur and income from foreign sources, which are paid in accordance with the special provisions of this law.

The annual tax of a small entrepreneur is calculated at the rate of 2% on the total realized income of the small entrepreneur. The annual tax of a small entrepreneur cannot be less than 600 BAM (approx. 306 EUR).

With the latest changes, the amount of the deduction calculated on the tax base has been increased from 6,000 BAM (approx. 3067 EUR) to 8,400 BAM (approx. 4294 EUR) per year for the basic personal deduction and from 900 BAM (460 EUR) to 1,800 BAM (920 EUR) for the support of close family members for each dependent member.

#### WHO THE LAW APPLIES TO

The law applies to natural persons who earn income.

## HOW IT AFFECTS YOUR BUSINESS

Based on the increase in income that is nontaxable, an additional increase in salaries was enabled.

#### Law on Contributions

## MAIN PROVISIONS OF THE LAW

With the new amendment of 25 May 2021, the Law on Contributions was expanded with a new article which regulates that the contribution base for persons who are taxpayers cannot be lower than the minimum gross salary in the Republic of Srpska, determined in accordance with regulations governing labor and which is valid in the month for which the contributions are calculated.

In addition, the new articles regulate also a situation when a person is employed part-time by several legal or natural persons and the sum of personal income does not exceed the minimum gross salary, calculation and payment of contributions are made by payers in proportion to calculated minimum income up to the lowest salary in the Republic of Srpska in accordance with the regulations determining the labor, which is valid in the month for which the benefits are calculated.

In the Federation of Bosnia and Herzegovina, the Law on Contributions has also been changed, but in the form of minor changes.

The amendments extended the deadline for the application of the preferential base for the calculation of contributions, for employees in the coal mines, textile, leather and footwear industries and low-



accumulation activities of traditional guild trades. The deadline is extended to 31 December 2022.

#### WHO THE LAW APPLIES TO

The law applies to business sector.

## HOW IT AFFECTS YOUR BUSINESS

The new changes are intended to suppress the gray economy and improve the position of workers, and thus business in the Republic of Srpska. The goal is for the payment base to be the lowest salary in the Republic of Srpska.

### Law on Accounting and Auditing of the Federation of Bosnia and Herzegovina

## MAIN PROVISIONS OF THE LAW

The new Law on Accounting and Auditing of the Federation of Bosnia and Herzegovina was published on 24 February 2021.

Legal entities are classified into several categories: micro, small, medium and large, depending on the amount of total income, average value of business assets and average number of employees during the business year, determined on the day of preparation of financial statements in the business year.

Newly established legal entities are classified on the basis of indicators for the current year.

#### WHO THE LAW APPLIES TO

The law applies to business sector.

## HOW IT AFFECTS YOUR BUSINESS

The new law seeks to improve accounting and auditing. This is one of the goals of the economic policy of the Federation of Bosnia and Herzegovina. In this way, the intention is to attract potential investors and develop the economy. The new system follows the current practice that should respond to modern economic trends and needs.



#### **Bulgaria**

#### New Industrial Parks Act

## MAIN PROVISIONS OF THE LAW

The Law on Industrial Parks ("LIP") was promulgated on March 12, 2021 and aimed at stimulating investments in the sector. It created a unified regulation of industrial parks as specific designated areas for production activities. Rules have been introduced on the creation, construction, operation, and development of industrial parks, as well as on the state policy in this area.

The main goal of the law is to encourage investment by creating the necessary legal framework for the existence of specialized industrial parks. This main goal should be achieved by easing the structural, technical and organizational conditions for the construction and operation of such parks.

#### WHO THE LAW APPLIES TO

The LIP applies to the owners of industrial parks which can be the state, the municipality, or private legal entities as well as to all industrial park operators, the latter being public enterprise or concessionaire - when the owner is the state and / or municipality or private entities – in case the owner of the industrial park is a commercial entity.

## HOW IT AFFECTS YOUR BUSINESS

The law provides specific benefits for industrial park owners and investors, such as:

- support through national programs and through the European Structural and Investment Funds;
- simplified regime of administrative services related to the creation and development of industrial parks;
- preferential amounts of local fees for technical and administrative services in connection with the development of parks, and exemption of owners and investors from local fees.

## Amendments to the Spatial Development Act

## MAIN PROVISIONS OF THE LAW

The amendments to the Spatial Development Act (SDA) were promulgated in the State Gazette 16/23.02.2021, some of which have aroused lively debate among the professional community. The most significant changes intend to ease the administration burden from the business by standardizing the documents required upon the provision of administrative services and by approving sample documents for all such services. A new Unified Spatial Development Public Register is to be developed and maintained on the website of the Ministry of Regional Development and Public Works.

The amendments to the CITA include extended deadlines for declaring and paying the due tax and changes regarding advance contributions.



#### WHO THE LAW APPLIES TO

The amended regulations apply to both individuals and companies.

## HOW IT AFFECTS YOUR BUSINESS

A new simplified procedure has been introduced with respect to the change of the assigned use of buildings or of individual sites in the building where construction and installation works are carried out.

The range of construction works for which approval of investment projects is not required and those for which the issuance of a construction permit is not required has been expanded. In addition, the adopted amendments have increased and strengthened demands and requirements towards consultants – the criteria for obtaining a certificate for performing conformity assessment of development-project designs and/or exercising construction supervision have been tightened.

# Amendments to the Measures against Money Laundering Act

## MAIN PROVISIONS OF THE LAW

Further amendments to the Measures Against Money Laundering Act (MAMLA) were promulgated in State Gazette on March 12, 2021, adding to the series of legislative initiatives aimed at combating money laundering. The latest legislative changes are in pursuance of the main European Commission recommendation to Bulgarian authorities to focus their resources on controlling entities and activities where the risk of money laundering is higher.

#### WHO THE LAW APPLIES TO

All wholesalers (regardless of whether they are manufacturers and whom they sell to) are actually excluded from the scope of the act. A number of other categories which have been previously obliged entities are now excluded from the scope of the law, namely: reinsurers, contracting authorities, concessionaires, trade unions, professional organizations, professional sports clubs with the exception of football clubs, regulated markets, the National Revenue Agency authorities, the customs authorities, etc.

## HOW IT AFFECTS YOUR BUSINESS

All obliged persons will be now more closely monitored, especially given the significantly narrowed scope of the MAMLA. The primary focus of attention should be on the financial sector in its various aspects – money transfers, loan services, electronic money, virtual currencies, as well as legal and tax consultants, notaries, accountants, real estate brokers, intermediaries in transactions with expensive works of art.



#### Croatia

## Amendments announced to the Civil Obligations Act

## MAIN PROVISIONS OF THE LAW

Guided by the obligation to transpose Directive (EU) 2019/771 of the Parliament and the Council from 20 May 2019 on certain aspects concerning contracts for the sale of goods, Croatian Parliament has initiated the legislative procedure of amending one of the core pieces of legislation in the country, relevant for virtually all of the civil legal transactions.

In order to harmonize Croatian Civil Obligations Act with the said Directive, proposed amendments include new definitions of terms such as consumer and consumer contract, manufacturer, digital content and services, compatibility, functionality, interoperability etc. Furthermore, the concept of manufacturer's liability for material defaults of the goods sold is additionally clarified and broadened as to encopass other types of contacts as well. One of the most notable novelties is to provide that lack of conformity that have appeared within one year from the moment of risk transfer, should be considered as existing in the moment of risk transfer, unless the manufacturer proves opposite. This amendment prolongs the previous period of 6 months during which this defaults could be objected against the manufacturer.

Therefore, the amendments proposed should be mainly focused on the matters of consumer contracts with digital elements, precisely those concluded for provision of digital services and/or digital content, regulation of lack of conformity occuring in connection to such contracts, obligation of the supplier to provide update services and transposition of "hyerarchy of rights" introduced by the Directive.

Lastly, proposed novelties should introduce a new term of a "commercial guarantee" which is aimed to adequately transpose Directive's linguistic definitions of the matter.

#### WHO THE LAW APPLIES TO

Any and all natural and legal persons engaging in contractual or non-contractual legal transactions.

## HOW IT AFFECTS YOUR BUSINESS

With such amendments to the act as broadly applicable as the Civil Obligations Act, it is inevitable that all of the legal transactions in a contractual form, which will have any relation to the digital engines and services or products provided thereunder, shall be affected by these novelties. Fostering harmonization of this matter in line with the achievements reached in the consumer law, it is clear that these amendments will aim to further protect the consumers on the market, while establishing further controlling points for the suppliers' side of the trade.



## Amendments announced to the Electronic Media Act

## MAIN PROVISIONS OF THE LAW

Novelties to the Electronic Media Act, which is to undergo the second reading procedure in the upcoming weeks, are proposed by the Croatian government in order to finalize harmonization of the Croatian law with respect to the Directive of the EU no. 2018/1808.

The amended Act is envisaged to stipulate obligation for electronic media providers to publish all of their sources of finance, which novelty is seen as having a long-term importance for confidence and trust in media. New Electronic Media Act shall also introduce provisions by which the media will be under obligation to transparently showcase their ownership structures. Therefore, the service providers would be under obligation to transparently publish on their websites both information on their ownership structure and on the amounts and sources of their financing.

Media outlet that has 45 per cent of overall ratings is considered dominant services on the market, in which case pluralism and diversity of electronic media has been distorted, triggering certain prohibitions to the dominant outlet related to expansion of its business.

#### WHO THE LAW APPLIES TO

Legal and natural persons performing business activities of provision of audio and audio-visual media services, electronic publication services conducted via electronic communication networks as well as platforms for exchange of video records.

## HOW IT AFFECTS YOUR BUSINESS

Proposed amendments to the Act shall ensure clear legislative framework and ease utilization of copyright works and items and materials of related rights in digital and Internet environment.

## Amendments to the Labor Act to be passed in 2022

## MAIN PROVISIONS OF THE LAW

With the amendments to be passed only in 2022, the government aims to discourage further establishment of employment on the basis of a fixed-term agreement. At the same time, the proposed novelties could also lead to the easier procedure of employment termination and reduction of severance payments and notice periods.

Re-packaged after experienced problem with regulation of COVID-19-related "work from home" concept, the reform of the Labor Act is aimed to create clear and modern legislative framework which shall "promote just work conditions, encourage transfer to employments to the indefinite period, while simultaneously fostering utilization of the innovative forms of work, enabling better work-life balance." The latter should, as the competent Ministry has been communicating, improve and foster revitalization of the country's demographics, a matter increasingly burdening the government.

The novelties, which should go into the parliamentary procedure by the end of 2021, will also tackle the matters of the definition of "wage", non-taxable benefits, and currently existing mandatory retirement at the age of 65.



#### WHO THE LAW APPLIES TO

Employers primarily from the private sector, employees, trade unions.

## HOW IT AFFECTS YOUR BUSINESS

Modernization of the labor market legislation, as seen by the government, should have a direct impact on increase of the employment rate and labor force participation rate, as well as decrease of the society's segmentation on the labor market between those employed temporarily and the permanently employed employees, finally tackling and reversing the issue of outflow of workers to other countries.



### Montenegro

Apart from technical amendments to the current Montenegrin legislation there were no significant novelties in the second quarter of 2021.



#### **North Macedonia**

## Law on amendments to the Trade Law

## MAIN PROVISIONS OF THE LAW

In the Official Gazette of RNM no. 77/21 the Law on Amendments to the Trade Law was published and this legal solution entered into force on April 6, 2021. The amendments represent the integration of the provisions that were previously prescribed by the Decree on the application of the Trade Law during a state of emergency.

#### WHO THE LAW APPLIES TO

The amendments are requirements prescribed now in a new Article 30-a of the Trade Law that retailers must comply with during the pandemic as follows:

- the retailer shall post a notification informing the consumers that any violation of order and discipline in front of the entrance and inside the facility where the retail is conducted will be reported to the competent authorities;
- shall provide a janitor or an employee in the capacity of a janitor from the ranks of the employees when the number of consumers in the facility reaches the number of persons equal to the maximum number of persons who can shop at the same time (one person on an area of every 10 square meters);
- to place appropriate signs that mark the direction of

movement and observe the minimum required distance when waiting in line of persons in front of and in the building (signs are placed at a distance of two meters, in front of each cash register and in front of the building) and

 to provide protective equipment (masks) for the employees in the facility

In the facilities of the trader at the same time a maximum of one person per area of 10 square meters can shop. Only one person can shop in the merchant's premises which are less than 10 square meters. If the abovementioned provisions of Article 30-a of the Trade Law are not complied with, the State Market Inspectorate may impose a fine of 500 to 1,000 Euros in MKD equivalent on MKD for micro and small traders and a fine of 1,000 to 2,000 EUR. Euros in denar counter value for medium and large traders.

Employees are obliged to wear protective equipment (masks) in the facilities where retail is performed, for the duration of working hours. If the employees do not comply with this provision, the state market inspectorate can impose a fine in the amount of 50 euros in denar counter value.

#### Law on Amendments to the Law on Electronic Communications

## MAIN PROVISIONS OF THE LAW

The purpose of the Law on Amendments to the Law on Electronic Communications is to limit, prohibit and / or impose specific



requirements and conditions based on risk assessment regarding the supply, use and operation of equipment for electronic communications networks in order to provide a "clean electronic communications networks".

#### WHO THE LAW APPLIES TO

The proposed amendments to the Law on Electronic Communications assess the risk profile of suppliers and manufacturers of equipment for electronic communications networks. The Agency for Electronic Communications, in cooperation with the National Center for Computer Incident Response, will assess the risk profile with all relevant suppliers and manufacturers of network equipment nationwide.

## HOW IT AFFECTS YOUR BUSINESS

Obligations are imposed on operators in order to have established procedures and should take measures and appropriate control in order to effectively manage potential risks, such as specific requirements for suppliers and manufacturers according to their risk profile, through appropriate authentication, authorization, registration of records and verification in order to have a clear record of access to data and configuration changes of network elements.

Secure management, operation and monitoring of electronic communications networks is ensured, as well as control when the competencies for maintenance of network equipment are transferred to another person. Consider the overall risk to the supplier and manufacturer from a third country, in particular of its management model, the absence of security cooperation agreements or similar arrangements, such as data protection decisions, or whether this country is a party to multilateral, international or bilateral agreements on cybersecurity, the fight against cybercrime or data protection.

#### New Law on Lobbying

## MAIN PROVISIONS OF THE LAW

The new Law on Lobbying will prevent illegitimate influence on public policies. Only one lobbyist has been registered in our country since 2008, when the Law on Lobbying came into force until today, which shows that the regulation in practice does not achieve the set goals.

#### WHO THE LAW APPLIES TO

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## Law on Amendments to the Law on Energy Efficiency

## MAIN PROVISIONS OF THE LAW

The amendments to the law were adopted due to the need to extend the deadlines of Article 58 of the Law on Energy Efficiency in order to avoid a legal vacuum when authorized energy controllers and licensed legal entities to perform energy controls do not have an authorization or license as a recognized legal act in the legal trade for performing energy controls in the buildings.

It is proposed that the deadline for the issued authorizations for performing energy control and the issued licenses for performing energy control be extended until September 30, 2022, having in mind that after the



adoption of these bylaws, it is necessary to follow a series of activities, i.e. persons already are authorized to attend training and to obtain authorization to perform energy control under the new law.

#### WHO THE LAW APPLIES TO

This Law applies to all authorized energy controllers and licensed legal entities to perform energy controls.

## HOW IT AFFECTS YOUR BUSINESS

After the adoption of the Program for training and improvement of energy controllers of buildings, the Law on Energy Efficiency in the part of buildings will start functioning fully, in accordance with the requirements of the Directive on Energy Performance of Buildings.

## Law on Amendments to the Customs Law

## MAIN PROVISIONS OF THE LAW

The Law on Amendments of the Customs Law was published on May 19, 2021. With the adoption of the new Law on Misdemeanors there was a need to amend the misdemeanor provisions of the Customs Law, mainly in the direction of:

- implementation of the new legal principle of proportionality,
- prescribing the fines in the range instead of their current fixed amount, by determining

several qualified forms of each of these offenses,

- systematization of customs offenses in 2 basic groups: serious offenses, which have fiscal implications, ie are related to avoiding customs control and supervision and / or avoiding the payment of prescribed import duties, and minor offenses related to missing deadlines or nonfulfillment of obligations that are generally without fiscal implications,
- clear demarcation of the misdemeanors that fall under the jurisdiction of the basic courts, from those that remain within the competence of the Commission for deciding on misdemeanors at the Customs Administration,
- prescribing a new settlement procedure by issuing only misdemeanor payment orders (no longer issuing mandatory payment orders).

#### WHO THE LAW APPLIES TO

All legal entities that use customs services.



### The Law on Amendments to the Law on Employment and Work of Foreigners in parliamentary procedure

## MAIN PROVISIONS OF THE LAW

The Law on Amendments to the Law on Employment and Work of Foreigners is in parliamentary procedure. This is the first amendment to the Law on Employment and Work of Foreigners ("Official Gazette of RSM" no. 217/15) which will:

- increase mobility of foreign workers who have already established employment in RN Macedonia from one legal entity to another legal entity for the same or higher job position for the same employer;
- define the responsibility of the employer who failed to establish the employment relationship or terminated the employment relationship with the foreigner before the expiration of the validity of the work permit is specified;

- enlarge the scope of shortterm services that are realized
  in a period of up to 60 days,
  and for which a work permit is
  not required with services for
  servicing and maintenance of
  machines, equipment and
  services for on-the-job training
  as well as for services that are
  not able to secure themselves
  from the existing workforce in
  the country;
- determine the procedure for registration at the beginning and the end of the work of a foreigner is further specified.

#### WHO THE LAW APPLIES TO

All employers and foreign employees in the RNM.

## HOW IT AFFECTS YOUR BUSINESS

These amendments will facilitate the employment process of foreigners in the RNM and the overall administration for employers which can accelerate business operations.



#### Serbia

# Serbian Government adopted a set of laws in energy section

## MAIN PROVISIONS OF THE LAW

The National Assembly of the Republic of Serbia has adopted two new laws – the Law on renewable energy sources and the Law on energy efficiency and rational use of energy, as well as amendments to two laws – the Law on energy and the Law on mining and geological research.

The Law on renewable energy sources, adopted by the Serbian government at the end of March, is seen as the enabler of large investments in the construction of solar power plants and wind farms, which will accelerate the decarbonization of Serbia's energy sector and increase the share of renewable sources in energy consumption. The adoption and implementation of the law will ensure the protection of the environment, the fight against climate change, the reduction of costs for citizens, the energy transition, as well as the simplification and acceleration of procedures, the Ministry of Mining and Energy said.

The biggest novelty of the Law on energy efficiency and rational use of energy is the roll-out of the subsidies for citizens to replace windows and doors, install wall and roof insulation, as well as to replace heating systems (stoves and boilers) with devices that are more efficient and use less polluting fuels.

The ministry and the local municipalities will secure subsidies to cover 50% of the investment while the rest will have to be provided by citizens. In order to expand the practice of providing energy services, a new type of contract is being introduced - the

contract on efficient energy supply. The law also introduces regulations for eco-design including energy labels for household appliances.

Amendments to the Law on energy will create a legal basis for the adoption of the national energy and climate plan (NECP) and further regulate and expand the competencies of the Energy Agency of the Republic of Serbia, according to the ministry. The law enables heat consumers to get the status of energy vulnerable consumers, which secures subsidies for paying the bills, similar to the consumers of electricity and gas.

The changes to the Law on mining and geological research will create conditions for a more efficient and sustainable management of mineral and other geological resources, as well as for increasing investments in geological research and mining, the ministry said. The amendments to the law expand the competencies of the geological institute of Serbia, and enable the establishment of a chamber of mining and geological engineers of Serbia. The law also creates a legal basis for digitalization and the introduction of e-mining, which simplifies the procedure for issuing approvals and shortens it from the current 150 days, to an average of 15 to 20 days

#### WHO THE LAW APPLIES TO

Together, the set of laws provide a consistent legal framework for all subjects in energy section.

However, the most important novelties concerning the new system of incentive measures, are primarily relevant for the domestic and foreign producers of electrical energy from renewables as potential investors.



## HOW IT AFFECTS YOUR BUSINESS

The renewable energy sources law introduces auctions for the award of premiums, creates conditions for the development of the renewable energy market, and allows citizens and companies to produce electricity for their own consumption and become prosumers. The set of laws, together with respective bylaws, which will be issued during summer, will provide such legal framework and make it easier for the investors to decide whether they will enter the market.

The energy efficiency and rational use of energy law also introduces regulations for eco-design including energy labels for household appliances.

The administrative part of the ministry's activities will be digitized in order to introduce e-energy, which will simplify procedures and speed up the issuance of permits and approvals. The latest amendments will enable the harmonization of domestic regulations with the regulations of the European Union, as well as the elimination of deficiencies that have been noticed in the application of the existing law on energy.

The law on mining and geological research also creates a legal basis for digitalization and the introduction of e-mining, which simplifies the procedure for issuing approvals and shortens it from the current 150 days, to an average of 15 to 20 days.

# The Law on Amendments to the Law on Planning and Construction

## MAIN PROVISIONS OF THE LAW

On May 24th 2021, Assembly of the Republic of Serbia adopted Amendments to the Law on Planning and Construction (hereinafter: the "Amended Law"). The goal of the adopted changes is to reduce the number of buildings for which a construction permit has been issued, but which lack use permit, as well as to "unlock" certain locations that are suitable for the development of construction projects, but whose urbanistic purpose has not yet been regulated by the relevant urban planning documents

#### WHO THE LAW APPLIES TO

Introduction of a new deadline for issuing use permits, which aims to enable the competent authorities to act on applications for the use of use permits as soon as possible

## HOW IT AFFECTS YOUR BUSINESS

Amended Law defines new deadlines for obtaining a use permit for buildings for which decisions on building permits, i.e. approvals on building construction have been issued in accordance with previously applicable laws on construction of buildings (regulations that were in force before September 11, 2009). The new deadline for issuing the mentioned permits is four years from the day the Amended Law comes into force, i.e. May 25th, 2025.



The Law on Gender Equality and the Law on Amendments to the Law on Prohibition of Discrimination

## MAIN PROVISIONS OF THE LAW

On 20 April 2021, The National Assembly of the Republic of Serbia adopted the Law on Gender Equality and the Law on Amendments to the Law on Prohibition of Discrimination. These laws were adopted in order to harmonize the legislation of the Republic of Serbia with the relevant regulations of the European Union, ratified international agreements, generally accepted standards and provisions of relevant EU directives, and contain provisions that relate, inter alia, to the work environment.

The Law on Gender Equality draws the most attention as it prescribes the types of measures for achieving and promoting gender equality, which can be divided into general and special. In this regard, certain obligations of employers have been determined.

#### WHO THE LAW APPLIES TO

This law on Gender Equality defines that employers, who have more than 50 employees and employed persons are obliged to determine and implement special measures depending on the goals that need to be achieved by determining and implementing them.

Amendments to the Law on Prohibition of Discrimination introduced the definition of an employer designated as a domestic or foreign legal and natural person in the public and private sector, who employs one or more persons, or a person in a state body, autonomous province or unit local self-government performs the rights and duties of the employer on behalf of the Republic of Serbia, the autonomous province, i.e. the unit of local self-government.

## HOW IT AFFECTS YOUR BUSINESS

In accordance to the provisions of these Laws, special measures are determined and implemented within annual plans or work programs, i.e. in accordance with these and other laws, they are prepared and adopted by employers, which, in addition to the elements prescribed by law, must contain a part related to promoting gender equality.

Of particular interest is the provision stipulating that the employer is obliged to return the employee to the same or other equivalent jobs upon return from leave due to pregnancy, maternity leave, leave for child care, leave for special child care, adoption, foster care, guardianship.

It is also forbidden to transfer these employees or send them to work for another employer, if it is more unfavorable for the employee, unless it is done in accordance with the findings of the competent health authority or other competent authority or due to organizational changes in the employer, which were made in accordance with the law.



#### Slovenia

#### Amended Housing Act (SZ-1E) and the repeal of Commercial Buildings and Commercial Premises Act

#### MAIN PROVISIONS OF THE I AW

The amendment to the Housing Act (SZ-1E), which entered into force on 19 June 2021, brings novelties in the field of housing management, rental relations (especially increasing the fund of rental housing with an emphasis on youth and young families, public rental housing and harmonization of nonprofit rent) and housing policy.

In the area of leases, the general notice period is reduced from 90 days to 60 days. This enables greater flexibility of the lease relationship and relieves the lessor if the tenant does not fulfill legal or contractual obligations. The eviction deadline set by the court in court proceedings is also reduced from 60 days to 30 days. The amendment also defines a new reason for termination, namely the termination of the lease contract in the event of non-payment of rent or costs.

The amendment also stipulates the repeal of the Commercial Buildings and Commercial Premises Act ("ZPSPP") in its entirety. The Act ceased to apply on 19 June. For all commercial lease agreements concluded until 19 June 2021, the ZPSPP continues to apply, while for commercial lease agreements concluded after 19 June 2021, the Obligations Code (OZ) or the provisions of the lease agreement itself apply.

#### WHO THE LAW APPLIES TO

This law applies to all housing relationships as well as commercial leases.

## HOW IT AFFECTS YOUR BUSINESS

The most important FOR THE BUSINESS is the repeal of the Commercial Buildings and Commercial Premises Act. This brings simplifications to the area of commercial leases, as the SAID ACT has been rather outdated and rigid. The essential changes are that CERTAIN cogent provisions of the ACT have LAPSED, namely regarding the minimum period of notice (e.g. 1 year for a contract concluded for an indefinite period); regarding the termination of the lease in court; regarding the possibility of withdrawal or termination of the lease agreement; that a fixed-term contract may be renewed as an indefinite contract: etc.

# New regulation on packaging and packaging waste

## MAIN PROVISIONS OF THE LAW

On 24 May 2021, a new regulation in the field of packaging and packaging waste entered into force. The new regulation introduces some novelties or stricter requirements that have been in force so far. The regulation thus eliminates the quantitative threshold of 15 t / year, below which legal persons or sole proprietors were not obliged to ensure the management of packaging waste in accordance with the requirements of the extended producer



responsibility. The deadline for producers to adapt to the new requirements is 30 days from the entry into force of the regulation. In certain cases, when traders make commitments, the deadline is three months. The requirements for the labeling of packaging materials are being tightened. Traceability in demonstrating compliance with the essential requirements that packaging must meet needs to become more transparent.

#### WHO THE LAW APPLIES TO

The regulation determines the obligations of producers who place packaging on the market of the Republic of Slovenia for the first time. According to this regulation, a manufacturer is a packer, acquirer of packaged goods, manufacturer or acquirer of service packaging or a foreign company that places packaging on the market in the Republic of Slovenia.

## HOW IT AFFECTS YOUR BUSINESS

In accordance with the definition of the regulation, producers must make sure that they manage packaging waste in accordance with the provisions of the regulation, as well as register and regularly report to the Environmental Agency of the Republic of Slovenia.

### Legislative amendments in the field of employment of foreigners in Slovenia

## MAIN PROVISIONS OF THE LAW

On May 26, the novelties brought by the amended Foreigners Act and the Employment, Self-employment and Work of Foreigners Act entered into force.

The main solutions set out, inter alia, the conditions for the entry and residence of third-country nationals for the purposes of research, study, traineeships, student exchange programs or educational projects. The amendment also regulates new types of uniform residence and work permits and temporary residence permits.

#### WHO THE LAW APPLIES TO

The law is relevant for Employers in relation to the employment of foreigners.

## HOW IT AFFECTS YOUR BUSINESS

The Employers and Employees should consider the new provisions and get acquainted with the amended law.



#### **SELA** lawyer spotlight

#### FEATURING EMILIJA APOSTOLSKA TEMOV



Emilija is a founding partner of Apostolska Aleksandrovski & Partners.

She has broad expertise in advising businesses and organizations on legal issues related to doing business in North Macedonia.

When she's not advising multinational and domestic companies on corporate matters, Emilija just loves to get away from concrete and escape into the nature.

The views from the mountain peaks that leave you speechless and humble, and the feeling of personal satisfaction when achieving the set goal, while feeling physically exhausted, is what she likes the most about it.

Nowadays, she is trying to transmit this passion to her children. Using the same tested methods her mother used to inspire her to go hiking, by packing delicious sandwiches and chocolate for the trip.

Read her 8 tips on how to motivate yourself to start hiking and enjoy it the most.





#### 8 hiking tips

- Start immediately, no excuses
- Set your goals in line with your capabilities. By this you will not get disappointed and you will always "win"
- During summer, choose tracks that are mostly covered by trees and start early, and in winter do the opposite
- Make your own pace, hiking is not a race and no one is chasing you (except maybe a bear or a wolf ©)
- Open your eyes and ears once you are surrounded by nature
- Try going alone, but also go with a larger group. It is a good way to meet with people and learn new hiking destinations.
- Once you are on the top, lift your arms high towards the sky and take a deep breath.
- You can also try to shout at the top of your voice (of course with prior warning for the people around you).



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