National Convention
on the European Union

Book of Recommendations 2025

National Convention on the European Union

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Dear Members, Colleagues, and Partners of the National Convention on the European Union,

We are pleased to present the 2025 Edition of the National Convention on the European Union (NCEU) Book of Recommendations, published continuously since 2014 as an annual summary of Serbia's European integration process.

This year, following a decision of the NCEU Program Council, the annual publication has been released in a revised format, designed to more clearly highlight the current challenges facing Serbia's European integration process, while providing targeted proposals for unlocking progress over the coming year. ***The Book of Recommendations this year is aligned with the timing of the European Commission's (EC) 2025 Progress Report and is also linked to the measures outlined in Serbia's Reform Agenda, adopted by the Government of the Republic of Serbia in October 2024.*** *Our aim is to monitor effectively Serbia's progress, assess the impact of governmental measures and activities, and acknowledge the contribution of civil society, which has remained one of the most committed actors in Serbia's EU path since the beginning of accession negotiations.*

The year 2025 confirms that the European integration process of the Western Balkans is at a stage offering both significant opportunities and clear challenges. The European Union has continued implementing the Growth Plan for the Western Balkans and other support instruments, which, in addition to financial benefits amounting to several billion euros, enable candidate countries to progressively integrate into the key economic and institutional structures of the Union. These initiatives send a clear message to Serbia and all countries in the region that the European perspective is tangible and that serious commitment to reforms is expected.

At the same time, the EC 2025 report indicates that Serbia still needs to intensify efforts in ensuring institutional independence and accountability, media pluralism, and alignment of its foreign policy with the EU. *Without concrete steps in these areas, the accession process remains slow and vulnerable to stagnation. The regional context demonstrates that competition among candidate countries is more intense than ever, while geopolitical challenges and crises in the immediate neighbourhood make the full integration of the Western Balkans into Europe a strategic imperative for the Union's security and stability.*

Nevertheless, despite clear signals from Brussels and concrete support instruments, the situation in Belgrade continues to reflect a significant level of indecision. Political will to implement key reforms remains fragmented, and the pace of change in the areas of rule of law, judicial independence, and media freedom remains slow. Authorities appear uncertain in defining the strategic direction of the country, often balancing internal political interests with external pressures, sending mixed signals both domestically and to European partners. Such ambivalence undermines Serbia's credibility in the accession process and widens the gap between formal aspirations and the actual capacity to implement the reforms required by the EU. While the region progresses rapidly in certain areas, the authorities' indecision risks leaving Serbia "in limbo," with every new EU support package and initiative encountering obstacles that are not technical but deeply political in nature.

Within this framework of relations with the European Union, Serbia is also facing a profound socio-political crisis, manifested in a series of mass protests over the past ***year following the collapse of the station canopy in Novi Sad on 1 November 2024. Since that date, the social and political landscape in Serbia has fundamentally changed.*** *Citizens reacted strongly to the lack of accountability, the potential links of this incident to high-level political corruption, the inefficiency of public institutions, and the perception that individual voices have little impact on political decisions. These protests, often accompanied by tensions and repressive responses by authorities, clearly reflect deep societal polarization and declining trust in the political system.*

In this context, the European perspective, although formally open and supported by new initiatives from Brussels, faces serious challenges: without internal social cohesion and consensus on the strategic direction of the country, the potential benefits of EU integration remain at risk, and reforms are increasingly difficult to implement, particularly as thousands of citizens have been calling for early elections for months. *Under such conditions, any institutional reform process is almost impossible without active EU participation, as civil society organizations, including NCEU, suspended communication with political decision-makers at the beginning of 2025 due to eroded trust and lack of inclusivity in decision-making processes.*

The overview of priority steps per negotiating chapter, prepared for this year's Book of Recommendations by NCEU working groups, highlights a clear pattern of reform stagnation and recurring institutional weaknesses limiting Serbia's progress in European integration. *Although the reform framework has been partially established, implementation remains fragmented, administrative, and often without visible impact. Progress is mostly achieved in technical areas, while systemic and structural changes are lacking. Across all chapters and clusters, similar patterns emerge:*

1. ***Insufficient administrative capacity and high staff turnover;***
2. ***Weak coordination between institutions and sectors;***
3. ***Limited transparency and public accountability;***
4. ***Absence of adequate evaluation of reform outcomes.***

Cluster 1 – Fundamentals

This cluster remains the epicenter of reforms and the main indicator of Serbia's readiness to advance in the accession process. NCEU recommendations almost fully correspond with EC findings: insufficient judicial independence, lack of results in combating high-level corruption, media pressure, and limited protection for human rights defenders. A horizontal challenge is weak institutional integrity, as legal frameworks exist but their application depends on political will and internal system oversight. In the area of fundamental rights and security, NCEU emphasizes the need to improve police oversight practices, civil control mechanisms, and prevention of abuse of power.

Cluster 2 – Internal Market

The free movement of goods, services, capital, and labour shows limited progress. NCEU identifies key issues in fragmented regulatory bodies, unaligned digital databases, and insufficient functioning of contact points. The EC confirms that implementation and coordination obstacles hinder the creation

of a unified economic space within Serbia, reducing its readiness to join the EU internal market. The typical pattern in this cluster is technical alignment without institutional sustainability.

Cluster 3 – Competitiveness and Inclusive Growth

Both the EC and NCEU agree that Serbia has made partial progress in fiscal reforms and strengthening the regulatory framework, but public procurement, market competition, and state aid control remain high-risk areas. NCEU specifically highlights a lack of transparency in contracts and investment projects, particularly in the context of EXPO 2027 and bilateral agreements. The EC describes the same phenomenon as "structural opacity" in public finances. In employment, innovation, and the digital economy, progress exists but is uneven; Serbia has strategies, but lacks institutional mechanisms for implementation and monitoring results.

Cluster 4 – Green Agenda and Sustainable Connectivity

The green transition and energy sector represent areas of greatest strategic potential, but also increasing risk of credibility loss. Both documents note serious deficiencies in implementing environmental reforms, particularly regarding emissions control, nature protection, and permit transparency. The energy sector remains largely centralized, with no market competition and no clear mechanisms for implementing the Third Energy Package. A key challenge is the absence of systemic integration of environmental, energy, and fiscal policies, hindering long-term planning for the green transition.

Cluster 5 – Resources, Agriculture, and Cohesion

NCEU clearly highlights underutilization of EU funds and weak institutional capacity of the Agricultural Payments Administration and rural development sector. The EC notes similar weaknesses, adding that IPARD fund control mechanisms are uneven and administration is overburdened. Both documents recognize the need for a new Agricultural Strategy and staff stabilization in the fund management system.

Cluster 6 – External Relations

Progress in this cluster primarily depends on political will. The EC assesses that Serbia has not advanced in aligning with the EU's Common Foreign and Security Policy and that relations with Kosovo continue in a climate of limited trust. NCEU emphasizes the need for a progressive alignment plan with the EU's foreign policy and greater transparency in the work of the Council for Coordination of European Integration.

This year's NCEU Book of Recommendations, with priority steps achievable within one year, represents the outcome of collective work by its working groups and serves as an internal mechanism of public oversight of the accession process. Its significance extends beyond a purely consultative framework: it forms the basis for strategic mapping of reform deficits, following the adoption of Serbia's Reform Agenda, in which civil society and other non-state actors had no influence.

The recommendations are directed at concrete institutional interventions. Due to their continuous nature, the NCEU Book of Recommendations can also be regarded as a barometer of actual political

will in Serbia, showing where the reform process stands and where, behind technical terms, deep political resistance exists. This year's EC report confirms the relevance and accuracy of NCEU's recommendations. While the EC provides a macro-level assessment of progress and links reforms to the broader values framework, NCEU identifies specific micro-level obstacles to implementation, from institutional delays to legal misalignments and political interference. The review of priority recommendations is clearly linked to the content of Serbia's Reform Agenda, particularly in the areas of anti-corruption, judicial reform, energy transition, and public finance management.

Comparing NCEU findings, the EC report, and the implementation of Serbia's Reform Agenda, a consistent diagnosis emerges: ***institutional weakness and lack of systemic accountability for reform processes. Serbia has plans, strategies, and laws but lacks consistent mechanisms for implementation, monitoring, and evaluation****.*

This publication, based on NCEU's role in the European integration process, aims to address this gap by ensuring transparent monitoring of reform performance grounded in verifiable data and inclusive, transparent processes among institutions, the expert community, and citizens. This complementarity makes the NCEU Book of Recommendations a credible domestic mirror of the European evaluation.

With the hope that the next edition will present a significantly more positive picture of Serbia, I wish to express my gratitude to all members of the National Convention who participated in preparing the 2025 Book of Recommendations. Additional thanks go to the working group coordinators who systematized contributions and proposals according to this year's methodology, as well as to Nina Lopandić for her work on the technical preparation of the text.

In Belgrade, 4th November 2025

Bojana Selaković
Coordinator of the National Convention on the European Union

WORKING GROUP FOR CHAPTER 1
FREE MOVEMENT OF GOODS

Objectives

The objective of Negotiating Chapter 1 is the removal of technical barriers to trade and the alignment of national legislation with the EU acquis. This is achieved through the strengthening of the Quality Infrastructure (accreditation, metrology, standardisation, conformity assessment, and market surveillance), ensuring the free circulation of domestic products within the EU Single Market, while simultaneously protecting consumers and the public interest.

State of Play

The Republic of Serbia has made progress under this chapter by establishing a developed quality infrastructure system under the supervision of the Ministry of Economy and key institutions, including the Accreditation Body of Serbia (ATS), the Directorate for Measures and Precious Metals (DMDM), the Institute for Standardisation of Serbia (ISS), and market inspection authorities. On 3 October 2024, the Government of the Republic of Serbia adopted the Strategic Plan for the Alignment of Legislation with the EU Acquis under Chapter 1, together with accompanying annexes serving as benchmarks for opening of negotiations; the documents have been submitted to the European Commission. The drafting of a new Quality Infrastructure Development Strategy for the period 2025-2030, along with corresponding action plans, is in its final stage. Although Serbia has largely aligned its national legislation with the EU legislation, further efforts are needed to achieve full harmonisation of regulations (the Law on Accreditation is currently being drafted), as well as to strengthen institutional and administrative capacities and enhance coordination among all competent authorities. The European Commission has supported the initiation of negotiations with Serbia on the Agreement on Conformity Assessment and Acceptance of Industrial Products (ACAA) for selected industrial sectors, and technical meetings have already been held.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 1 requires a series of reforms and structural steps. However, the priority and time-sensitive measures that would enable progress include:

1. Intensify efforts to achieve full alignment of sectoral technical regulations, as well as regulations within the quality infrastructure (NCEU recommendation from 2016);
2. Further strengthen the administrative and financial capacities of institutions directly involved in Chapter 1, with adequate professional and sectoral support from all relevant stakeholders – ministries, the Government, ATS, DMDM, ISS, market inspection authorities, and others (NCEU recommendation from 2018);
3. Ensure that the Ministry of Economy's portal "Tehnis/Proizvod Info" becomes fully operational by engaging a dedicated number of experts to provide direct support to economic operators regarding technical regulations (NCEU recommendation from 2020).

Role of the Reform Agenda

This area is not directly included in the Reform Agenda, and therefore there are no measures specifically addressing it.

Reform Agenda Measure (indirect Impact on Chapter 1)	Status	Urgent for Chapter 1 (indirect Impact on Chapter 1)
6.2.1. Enhancement of investment and development opportunities for entrepreneurs and the private sector	Ongoing, deadline: 2027	Initiate a rapid review of regulations that impede the registration of new products and certification, defining clear timelines and competent authorities. Ensure training and technical support for SMEs and manufacturers in the implementation of new standards and certification procedures.
7.2.1. Development of Secure and Sustainable Digital Infrastructure	Deadline: Law by December 2025, implementation by 2027	Implement interoperable digital platforms for data exchange between the Ministry of Economy, Market Inspectorate, and other regulatory bodies. Modernise IT systems for issuing technical and conformity certificates, enabling electronic monitoring of all products placed on the market. Ensure cybersecurity of digital systems for quality control and standardisation. Urgently establish a unified database for certificates and technical authorisations, accessible to all relevant authorities.
7.2.2. Further Digitalisation of Public Services and Administrative Procedures for Businesses and Citizens	Ongoing, 2024–2027	Digitalise the process of issuing CE markings and technical certificates, including electronic verification and archiving of documents. Develop a user-friendly online portal for product registration and market surveillance, ensuring transparency for both manufacturers and competent institutions. Ensure integration of digitalised processes with existing national and EU databases (e.g., RAPEX, ICSMS).
7.2.5. Introduction of the Intelligent Transport System (ITS) and the Electronic Freight Transport System	Implementation of ITS framework and standards for road and rail transport by December 2026	Publish all ITS standards via the Institute for Standardization of Serbia (ISS)
7.1.7. Implementation of the Eco-design Directive and Energy Labelling Regulations	Ongoing, deadline: 2026	Implement eco-design regulations for local solid-fuel heaters and boilers through the establishment of an efficient market surveillance infrastructure
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Align the monitoring system with EU standards; include civil society organisations as equal stakeholders
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Develop IT systems for internal control; introduce mandatory audits for projects in this area

Conclusion

Further strengthening of institutional, administrative, and financial capacities of institutions in the field of quality infrastructure is essential. Particular attention should be given to market inspection, given the reduction in the number of inspectors due to retirement, which significantly affects the quality and efficiency of the quality infrastructure system.

WORKING GROUP FOR CHAPTER 2
FREEDOM OF MOVEMENT FOR WORKERS

Objectives

Chapter 2 regulates one of the fundamental freedoms guaranteed by European Union law (Article 45 of the Treaty on the Functioning of the European Union), which grants every EU citizen the right to move, reside, and work freely in other Member States without discrimination based on nationality. The EU acquis includes instruments for the coordination of various national social security systems, and the area of freedom of movement for workers is also linked to all segments of social protection, such as health insurance, pension insurance, unemployment insurance, and family benefit entitlements.

State of Play

From February 2024 to February 2025, a total of 41,319 single permits for temporary residence and work of foreigners were issued in Serbia.

How to Unblock the Process? / Priority Steps to Unblock the Process

Negotiation Chapter 2 is part of Cluster 2 – Internal Market. This chapter has not yet been opened and no opening benchmarks have been defined. The following steps are necessary:

1. Conclude agreements on the coordination of social security systems with the remaining EU Member States;
2. Ensure progress in Serbia's preparations for joining the European Employment Services network (EURES);
3. Begin preparations for joining the European Labour Authority.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 2
8.1.1. Improve labour market conditions including through ensuring adequate financial and institutional resources and capacities for activation in employment and social policies	- Implementation of the Youth Guarantee (2025-2027); - Preparations for joining the EURES network (2025-2027); - Preparations for joining the European Labour Authority.	Monitoring the implementation of the Youth Guarantee and the coverage of active labour market policy measures On June 3, 2025, a ceremonial opening was held in Belgrade for the EU Twinning project titled "Support to the Improvement of Working Conditions and Preparation of the Republic of Serbia for Participation in the EURES Network", implemented in cooperation with EU Member States – Greece, France, Sweden, and Slovenia. The project is expected to last two years. Within this project, national legislation will be aligned with the EU acquis, and conditions will be created for Serbia's future participation in the EURES network and accession to the European Labour Authority.

Conclusion

The current situation shows an increase in the number of work permits issued to foreigners in Serbia. Still, progress in the field of social security and integration into European systems has either not yet begun or is in its early stages. Key steps for further progress include the conclusion of bilateral agreements with EU Member States and preparations for accession to European institutions such as EURES and the European Labour Authority, which are essential for exercising the right to free movement and full integration into the EU single market.

WORKING GROUP FOR CHAPTER 3
RIGHT OF ESTABLISHMENT AND FREEDOM TO PROVIDE SERVICES

Objectives

The objective of Negotiating Chapter 3 is to achieve full alignment of national legislation with European Union standards in the area of freedom to provide services and recognition of professional qualifications, to improve the legal and institutional framework in the postal services sector, to enhance transparency and efficiency of regulated professions (including craft professions), and to strengthen the capacities of relevant institutions for implementation and supervision of legislation. This will contribute to greater freedom of service provision, facilitate the mobility of professionals, and ensure a more competitive and higher-quality services market for citizens and businesses.

State of Play

Negotiations under Chapter 3 have not yet been opened, although the Strategy with an Action Plan for meeting the benchmarks was adopted in 2019. Serbia has achieved moderate progress in the area of the right of establishment and freedom to provide services, particularly in the services and postal services sectors. At the end of 2024, the Law on Services was adopted, transposing Directive 2006/123/EC, while on 6 March 2025, the new Law on Postal Services was enacted. The preparation of a new Postal Services Development Programme for the period 2026–2030 is underway under the PLAC IV Project. In the area of recognition of professional qualifications, partial alignment with EU standards has been achieved, as a significant portion of sectoral legislation still requires harmonisation, and the list of regulated professions has not yet been adopted.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 3 requires a series of reforms and structural steps. However, the priority and time-sensitive measures that would enable the continuation of the process are:

1. Prepare for the establishment of the Single Electronic Contact Point (SECP) within the competent ministry, including early-stage analysis of potential problems and challenges in system development (NCEU recommendation from 2018);
2. Adopt an updated Action Plan for full alignment of sectoral legislation with the relevant EU directives on the mutual recognition of professional qualifications – Directive 2005/36/EC and Directive 2013/55/EC (NCEU recommendation from 2024);
3. Accelerate the completion and adoption of the Register of Regulated Professions, in accordance with the requirements of the Law on Regulated Professions and Recognition of Professional Qualifications (NCEU recommendation from 2021);

Role of the Reform Agenda

This area is not directly included in the Reform Agenda, and therefore there are no measures specifically addressing it.

Reform Agenda Measure (indirect Impact on Chapter 3)	Status	Urgent for Chapter 3 (indirect Impact on Chapter 3)
6.2.1. Enhancement of investment and development opportunities for entrepreneurs and the private sector	Ongoing, deadline: 2027	Improve the regulatory framework for service provision and facilitate market access for domestic and foreign investors, including simplification of company registration procedures and recognition of professional qualifications, in order to increase private sector competitiveness and encourage new investments.
7.2.2. Further Digitalisation of Public Services and Administrative Procedures for Businesses and Citizens	Ongoing, 2024–2027	Establish the Single Electronic Contact Point (SECP) to fulfil obligations under the Services Directive. Enable online applications and electronic communication with all relevant regulatory authorities through the SECP, including procedures for cross-border service provision and recognition of professional qualifications. Integrate the SECP with national and EU databases to facilitate information exchange on professional qualifications and regulatory requirements, supporting alignment with EU standards.
7.2.3. Strengthening Adult Education, Training, and Relevant up-skilling Opportunities of Digital Skills and Literacy	Ongoing, deadline: June 2026	Organise training for entrepreneurs and professionals on digital business tools and cross-border service provision. Include digital skills courses in professional qualification recognition programmes to facilitate alignment with EU standards. Promote e-learning programmes for citizens and service sector employees, focusing on the use of e-portals and digital procedures.
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Align the monitoring system with EU standards; include civil society organisations as equal stakeholders
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Develop IT systems for internal control; introduce mandatory audits for projects in this area

Conclusion

Due to the significant delay in the consultation process and the approval of the negotiation position by the European Commission, which has lasted nearly six years, there has been a noticeable decline in the intensity of work and commitment of individuals involved in the work of the negotiating group.

WORKING GROUP FOR CHAPTER 4
FREE MOVEMENT OF CAPITAL

Objectives

The freedom of movement of capital entails full alignment of the national system with the EU acquis in this area. This includes the removal of all restrictions on capital transfers and payments, enabling the free movement of investments, real estate, and financial instruments, as well as the establishment of effective mechanisms to prevent money laundering and the misuse of financial flows. Another goal is the strengthening of institutions responsible for financial supervision and ensuring the transparency and stability of the financial system, with the ultimate aim of integration into the single European financial market.

State of Play

This negotiation chapter was opened on December 10, 2019, with three benchmarks set for its provisional closure: in the areas of capital movement and payments, the payment system, and the prevention of money laundering and terrorist financing.

According to the European Commission's 2024 Serbia Progress Report, an institutional framework has been established in the area of capital movement and payments, while the legal framework is partially aligned with the EU acquis. However, certain restrictions still need to be gradually lifted, and there remains a significant administrative burden for entities engaged in foreign exchange operations. EU citizens are still not granted equal treatment in terms of acquiring real estate and agricultural land, which is not in line with Serbia's obligations under the Stabilisation and Association Agreement (SAA).

Some progress has been made in the area of payment systems, notably through the amendments to the Law on Payment Services in July 2024 to align with the EU's Payment Services Directive 2 (PSD2), along with the adoption of relevant by-laws. Since May 2025, Serbia has been an official member of the Single Euro Payments Area (SEPA), having aligned its relevant regulations with EU standards in this field. The start of practical implementation is expected in May 2026.

The Law on Interbank Fees has not yet been aligned with EU standards and Serbia's SAA obligations. In the area of combating money laundering and terrorist financing, the legal and institutional frameworks have been established and partially aligned. Amendments to the law in October 2023 included the Central Securities Depository and Clearing House as obliged entities. In December 2023, MONEYVAL confirmed that Serbia had largely aligned with all 40 recommendations. However, the capacity of the Administration for the Prevention of Money Laundering remains limited, currently employing 30 out of the planned 42 staff members.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 4 requires a series of reforms and structural steps, but the priority and time-sensitive measures that would enable progress include:

1. Continue work on liberalising the Law on Foreign Exchange Operations and remove restrictions on payments for the online sale of goods and services – Benchmark 1 for provisional closure (NCEU recommendation from 2020);
2. Enable domestic foreign currency payments in all cases, in line with capital movement liberalisation – Benchmark 2 for provisional closure (NCEU recommendation from 2020);
3. Improve cooperation among bodies involved in anti-money laundering efforts and strengthen the administrative capacity of the Administration for the Prevention of Money Laundering and improve the reporting system on progress in implementing GRECO recommendations related to anti-money laundering – Benchmark 3 for provisional closure (NCEU recommendation from 2020);

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 4
6.1.1. Improvement of public investment management and sustainable and efficient management of business entities owned by the Republic of Serbia	Deadline: 2027; review: December 2026; lifting derogations from the public procurement legislation by June 2027	Fiscal risk analysis and its impact on capital flows; transparent debt and liability management
6.1. (additional provisions on public procurement and intergovernmental agreements)	Contract disclosures from December 2024; lifting derogations from the public procurement legislation by June 2027	Assessment of fiscal impact of credit and investment arrangements on capital flows; transparent financial clauses
7.2.2. Further digitalisation of public services and administrative procedures for businesses and citizens	2024-2027	Open data sets on capital flows, investment contracts, and public debt
Chapters 6 and 7 (statistical reforms)	2025-2027	Full harmonisation of capital flow and FDI statistics with ESA 2010 and ECB standards
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Reports on capital movement liberalisation and restrictions for foreign investors
Chapter 15 – Control and Audit (AFCOS/OLAF)	Government regulation on IRR; internal control system	Strengthening AFCOS cooperation with OLAF in monitoring abuses in capital transfers and cross-border transactions

Conclusion

It is essential to meet the benchmarks for the provisional closure of this chapter, as the negotiation process cannot move forward without their fulfilment. Although full liberalisation of capital movement and alignment of control and supervisory mechanisms are implemented most intensively at the time of accession, Serbia must already begin to establish and implement EU standards. This includes reliable systems for monitoring capital flows, statistics harmonised with European standards, and effective control mechanisms. At the same time, it is necessary to strengthen the integrity of the financial system through coordinated institutional cooperation in combating money laundering and terrorist financing. This ensures the stability of the financial market and builds trust among all stakeholders in the EU accession process.

WORKING GROUP FOR CHAPTER 5
PUBLIC PROCUREMENT

Objectives

The objective of Chapter 5 is to align with EU rules in order to ensure that public procurement of goods, services, and works in Serbia is transparent and open to all economic operators, based on equal treatment and the prohibition of discrimination. Improving the public procurement system in the context of EU accession – if the potential of the accession process is used effectively – would enable Serbia to achieve public spending savings through open competition among bidders, promote economic growth, develop business entities operating in the open market of Serbia and the EU, use standard procedures, learn from the experiences of EU Member States and other candidate countries, and strengthen mechanisms for preventing corruption and other irregularities in public procurement and public-private partnerships.

State of Play

Within the Negotiating Position for Chapter 5, Serbia has accepted the EU acquis and committed to its full implementation before accession. The Public Procurement Development Program in the Republic of Serbia for the period 2024-2028[1] is currently in force, along with the Action Plan for 2025[2].

In its 2024 Serbia Progress Report[3], the European Commission noted that Serbia is moderately prepared in the field of public procurement and that limited progress was made through amendments to the Public Procurement Law (PPL) to further align with the EU acquis, as well as improvements to the Public Procurement Portal. **The overall assessment has not changed** since the chapter was opened and the Commission's 2015 Report.

The 2024 Report notes that Serbia tends to circumvent public procurement legislation through intergovernmental agreements and special laws. Two examples were explicitly cited: the Regulation on Selecting a Strategic Partner for Solar Power Plants, and the Law on Special Procedures for the Implementation of the International Specialized Exhibition EXPO BELGRADE 2027. The adoption of the EXPO Law and its accompanying regulations followed shortly after the repeal of the Linear Infrastructure Law, which also excluded the application of the PPL, and whose repeal had been one of the main recommendations in the 2022 Progress Report.

According to the Public Procurement Office's 2024 report, the total value of concluded public procurement contracts increased (to RSD 1,048 billion), while the number of contracts decreased compared to the previous year. The share of public procurement in GDP remained roughly the same (10.87%). Regarding competition, the average number of bids in 2024 was 2.5 (compared to

[1] See: Public Procurement Development Program 2024–2028 (Final version)
[2] See: Public Procurement Development Program – official web page
[3] Source: *European Commission Annual Report on Serbia's Progress for 2024*; available at: https://enlargement.ec.europa.eu/document/download/3c8c2d7f-bff7-44eb-b868-414730cc5902_en?filename=Serbia%20Report%202024.pdf

2.4 in both 2023 and 2022). The percentage of procedures with only one bid remained similar (50.75%), while the share of cancelled procedures slightly decreased (to 9.71%). The registered value of procurements exempted from the PPL was RSD 667 billion, slightly lower than the previous year, when such procurements were almost equal in value to those conducted under the Law. However, this figure does not include procurements for EXPO 2027, as they are conducted under a special law, not as exemptions provided for by the PPL. According to data from the special section of the Public Procurement Portal related to the "EXPO Company," contracts exceeding RSD 34 billion were concluded in 2024. The statistics do not include costs of other procurements conducted under "special laws", such as the "Morava Corridor" project. As a positive development, the increasing use of contract award criteria not based solely on the lowest price can be noted (increase from 4.46% to 9.78%, compared to 2023), as well as the wider use of green criteria, resulting from amendments to the Law.

There have been no recorded activities related to amendments to the Law on Public-Private Partnerships and Concessions.

The past year was marked by the tragedy at the Novi Sad railway station on November 1, 2024, followed by mass protests. The reconstruction was contracted with a consortium of two Chinese companies, and the application of the PPL was avoided by categorizing the deal under an intergovernmental agreement. In practice, domestic companies carried out the work, but the subcontracting process remains unknown, and the cost of work greatly exceeded the original project estimate. The government initially claimed the documentation was confidential but later released it gradually. According to the responsible ministry, there was no oversight of whether the contractor adhered to the obligation to select subcontractors through a "transparent and non-discriminatory process", and investigative data indicate possible influence by government officials in their selection. The prosecution's investigation showed that annexes included work already covered by the initial contract, which led to unjustified payments totalling around $115 million. None of this resulted in a change in practice – the Government continues to sign contracts outside the LPP, and infrastructure project contracts already concluded have not been published. These problems remain unresolved, despite being recognized in the Reform Agenda, mainly due to vague wording and overly long deadlines in the document.

Priority Measures

1. Amend the legal framework for public-private partnerships to align with EU rules and address issues identified in practice and proactively detect irregularities in public procurement and public-private partnerships and eliminate the harmful consequences of poorly planned, conducted, or executed procurements.
2. Amend Article 228 of the Criminal Code to cover all serious violations of procurement and PPP rules.
3. Continue performance audits by the State Audit Institution in public procurement, follow up on previously published audits; strengthen internal audit systems and publish data on their effects in public procurement.

Role of the Reform Agenda

Reform Agenda Measure (relevant for Chapter 5)	Status	Urgent for Chapter 5
6.2.1. Enhanced investment and development opportunities for entrepreneurs and private sector	Deadline: June 2025 Status: Unfulfilled	Increase transparency of projects contracted under international agreements by publishing information on specific projects on the website of the competent ministry (for all completed, ongoing, and new procurements under international agreements). As of December 2024, all contracts concluded under international agreements will be published, including information on project name, key procurement details, contracting authority, main contractor, and the applied procurement procedure.

Conclusion

Over the past year, the gap between declared commitment to EU integration and the practical actions of state authorities has widened further – especially in large infrastructure works. Neither the anti-corruption protests following the collapse of the canopy at the renovated Novi Sad railway station, nor the obligations undertaken through the Reform Agenda, were sufficient to prompt the Government to publish contracts and annexes concluded outside the Public Procurement Law framework. The application of special laws excluding the PPL has continued, while the Constitutional Court has yet to examine the constitutionality of provisions in the special law on the EXPO 2027 project.

On the other hand, there are some positive effects of recent amendments to the Public Procurement Law in practice – such as green procurements and information on contract execution, including those below threshold values.

Criminal prosecution of procurement-related abuses remains insufficiently effective, both in scope (number of cases) and in the ability to prosecute all typical forms of abuse. A new consultation process was launched in autumn 2025. There has been no significant progress in terms of oversight and control coverage. The draft Action Plan for the Anti-Corruption Strategy includes public procurement as one of the key areas, but fails to provide solutions for all identified problems.

WORKING GROUP FOR CHAPTER 8
COMPETITION

Objectives

The objective of Negotiating Chapter 8 is to ensure full alignment of the national legislative and institutional framework with the rules and practices of the European Union in the areas of competition protection, state aid control, and market liberalisation. This aims to: guarantee free and fair market competition, prevent market distortions caused by abuse of dominant position and anti-competitive agreements, establish a transparent and efficient system of state aid monitoring and control, and enable the opening and equal functioning of markets in line with the rules of the EU internal market.

State of Play

Within the framework of Negotiating Chapter 8, the European Commission has established eight opening benchmarks in the area of state aid. In the area of competition protection, the Republic of Serbia has achieved a significant level of legislative alignment with Articles 101 and 102 of the Treaty on the Functioning of the European Union (TFEU), the Stabilisation and Association Agreement (SAA), and the relevant EU acquis. However, full alignment with the European Commission's guidelines and communications remains to be completed, including the adoption of three block exemption regulations and amendments to the interchange fee regulation. The Commission for Protection of Competition operates as an operationally independent authority and has recorded an increase in imposed fines. Nevertheless, it is necessary to further improve transparency, ensure systematic publication of decisions, and strengthen outreach and advocacy activities. Judicial authorities continue to lack sufficient capacity to handle complex competition cases effectively. In the area of state aid, the primary legislation is largely aligned with the EU acquis. However, secondary legislation and existing state aid schemes (particularly fiscal schemes) remain non-harmonised, while notification and standstill obligations are not consistently implemented. The Commission for State Aid Control needs to further strengthen its administrative and technical capacities and ensure transparent enforcement of the rules, whereas the Government of the Republic of Serbia has not yet adopted the Action Plan or the Regional Aid Map. The electronic platform for monitoring state aid cumulation has not been fully established, and the awareness of aid providers remains low. Regarding market liberalisation, further alignment of regulations on the financing of services of general economic interest and stronger enforcement of competition rules in public undertakings is required, although there is currently no evidence of commercial monopolies within the meaning of Article 37 TFEU.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 8 requires the implementation of a series of reform and structural measures to fulfil all opening benchmarks. However, the following activities are identified as priority and time-critical for advancing the process:

1. Adopt an Action Plan for the alignment of state aid schemes, with a clearly defined timeframe for harmonisation and designated competent institutions responsible for its implementation (NCEU recommendation from 2023);
2. Intensify cooperation between the Government of the Republic of Serbia and competent institutions in preparing the Action Plan for the alignment of fiscal state aid schemes, defining deadlines, addressing issues of acquired rights and possible transitional periods, based on preparatory activities carried out by the Commission for State Aid Control (NCEU recommendation from 2024);
3. Ensure conditions for the active participation of the Commission for Protection of Competition (CPC) representatives in the work of inter-ministerial working groups and bodies responsible for drafting legislation and other regulations relevant to competition protection, particularly concerning public enterprises. Amend the Government Rules of Procedure, Article 46, to introduce mandatory consultation of proposers of acts affecting the application of the Competition Protection Act with the CPC before submission to the Government for consideration (NCEU recommendation from 2018);

Role of the Reform Agenda

This area is not directly included in the Reform Agenda, and therefore there are no measures specifically addressing it.

Reform Agenda Measure (indirect Impact on Chapter 8)	Status	Urgent for Chapter 8 (indirect Impact on Chapter 8)
6.2.1. Enhancement of investment and development opportunities for entrepreneurs and the private sector – State Aid	Ongoing, deadline: 2027	1. Finalise the submission of the comprehensive state aid inventory in line with the European Commission's comments (by December 2024); 2. Adopt an Action Plan with a clearly defined timeframe for the alignment of state aid schemes, based on the inventory and approved by the European Commission (by June 2025); 3. Align all remaining state aid schemes under the Stabilisation and Association Agreement (SAA) with the EU acquis (by December 2027).
7.2.2. Further Digitalisation of Public Services and Administrative Procedures for Businesses and Citizens	Ongoing, 2024–2027	Upgrade the electronic state aid registry and *de minimis* aid register to ensure full transparency and compliance with EU practices
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Align the state aid monitoring system with EU standards; include civil society organisations as equal stakeholders in the reporting and evaluation process
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Strengthen the capacities of the Commission for State Aid Control (CSAC) and introduce mandatory project audits to ensure effective control and prevent irregularities

Conclusion

The Republic of Serbia has achieved some progress in implementing competition policy, particularly through strengthening the operational capacities of competent institutions and submitting the final state aid inventory. However, the opening benchmarks in the area of state aid have not yet been fully met.

WORKING GROUP FOR CHAPTER 9
FINANCIAL SERVICES

Objectives

The objective of Chapter 9 is to align with the EU acquis in order to ensure financial stability and the protection of consumers, investors, and policyholders. This involves establishing rules in the areas of banking, insurance, pension funds, capital markets, and supervision of financial institutions, as well as applying the principles of the single passport and home country control. Such alignment enables the free provision of financial services across the EU, accompanied by clear and comprehensive information for investors.

State of Play

This negotiating chapter was opened on 27 June 2019, with five benchmarks set for its provisional closure, covering: banking and financial conglomerates; insurance and occupational pensions; financial market infrastructure; securities markets and investment services; and the stability and independence of regulatory and supervisory institutions. According to the European Commission's 2024 Serbia Progress Report, Serbia has established the institutional and legal framework for financial services, but alignment with the EU acquis remains partial and uneven across sectors. In the banking and financial conglomerates segment, further alignment with the CRR/CRD and BRRD frameworks is necessary, particularly regarding the establishment of the bank resolution fund. The insurance and pension fund sector remains underdeveloped, while preparations are underway for alignment with Solvency II and the directives on the supervision of institutions for occupational retirement provision. The financial market infrastructure is only partially aligned and requires additional strengthening, especially concerning OTC derivatives and financial collateral, as well as continued implementation of the Capital Market Development Strategy 2021-2026. The securities market is moderately aligned, with a high degree of compliance with MiFID II and relevant regulations, but with a low level of compliance with MiFIR. The framework for investment funds is not yet fully aligned with AIFMD and UCITS V. In the area of sustainable and digital finance, the framework is only partially established, with no national strategy for sustainable finance, while the National Bank of Serbia and the Securities Commission oversee activities related to virtual currencies and digital tokens.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 9 requires a series of reforms and structural steps, but the priority and time-sensitive measures necessary to advance the process include:

1. Enhancing the regulatory framework to stimulate the development of the non-banking segment of the financial services market (NCEU recommendation from 2020);
2. Taking measures to further improve the functioning of institutions and the capital market infrastructure (NCEU recommendation from 2018);
3. Strengthening the capital market, particularly for micro and small enterprises, to facilitate their access to capital markets and financing (NCEU recommendation from 2020);

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 9
6.1.1. Improvement of public investment management and sustainable and efficient management of business entities owned by the Republic of Serbia	Deadline: 2027; review: December 2026; lifting derogations from the public procurement legislation by June 2027	Fiscal risk analysis and its impact on capital flows; transparent debt and liability management
6.1. (additional provisions on public procurement and intergovernmental agreements)	Contract disclosures from December 2024; lifting derogations from the public procurement legislation by June 2027	Standardisation of financial clauses in contracts (guarantees, currency protection) in line with EU practice
7.2.2. Further digitalisation of public services and administrative procedures for businesses and citizens	2024-2027	Full implementation of PSD2 (open banking), e-licensing of banks and insurers, and open financial data.
Chapters 6 and 7 (statistical reforms)	2025-2027	Development of financial stability statistics, alignment with ECB/ESA standards, and implementation of a financial access survey.
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Indicator framework for full alignment with CRR/CRD, Solvency II, and MiFID II; quarterly reports on financial sector reforms
Chapter 15 – Control and Audit (AFCOS/OLAF)	Government regulation on IRR; internal control system	Strengthening capacities to combat money laundering and terrorist financing (AML/CFT) in line with 5AMLD/6AMLD; implementation of digital systems for monitoring suspicious transactions and cooperation with FIU.net

Conclusion

It is necessary to intensify efforts to meet the benchmarks for the provisional closure of this chapter. Full harmonisation of financial legislation with the EU acquis, along with its consistent implementation, will establish the conditions for a stable and reliable financial system. Such a system enhances the position of all market participants and users of financial services through greater transparency and a more diverse range of products – including loans, insurance, and payment services. Particular importance is attached to consumer protection, which requires clear information on the rights, obligations, and characteristics of financial services, thereby strengthening the trust of citizens and businesses in the financial sector.

WORKING GROUP FOR CHAPTER 10
DIGITAL TRANSFORMATION AND MEDIA

Objectives

The objective of Chapter 10 is the successful development of digital transformation in society, the economy, and organizations, as well as ensuring the functionality and freedom of the media in accordance with European Union standards. Digital transformation represents a key prerequisite for the modernization and democratization of Serbia, as well as for its successful accession to the EU.

State of Play

In recent years, Serbia has recorded an accelerated process of digital transformation across all sectors of the economy and society. The production and export of digital services amounted to €4.13 billion in 2024, with an additional 16% growth recorded in the first half of 2025. The IT sector employs around 110,000 highly educated professionals, representing a significant development potential for the country. Digital transformation has become a leading business trend contributing to improved quality of products and services. The eGovernment portal currently has around 2.5 million registered users and offers more than 150 electronic services. Based on achieved IT results, Serbia has moved into the category of medium-developed IT countries, with an average annual growth rate of around 10%. The rollout of ultra-fast broadband communication infrastructure in rural areas continues, as well as support for the digitalization of the education system. A special contribution comes from expert personnel in leading development companies, along with continuous investment in the latest equipment and software for education, eGovernment, and the State Data Center. However, Serbia still lags behind the EU average in terms of overall investment in information technologies. During the public discussion on the Reform Agenda, the NCEU Working Group for Chapter 10 supported all activities under the sub-area "7.2 Digitalization", with particular interest in: improving digital identification, the electronic ID card, the qualified electronic signature, two-factor authentication, the digital wallet, and the "digital corner". A special task ahead for Serbia is the notification of the domestic eID (electronic identification) scheme to the European Commission. Nevertheless, the current social and institutional crisis is slowing down progress in digital transformation and the development of the media sector.

How to Unblock the Process? / Priority Steps to Unblock the Process

Priority and time-sensitive measures that would enable the continuation of the process include:

1. Adoption of key laws by the end of 2025: Law on Information Security (in line with the NIS 2 Directive), Law on Artificial Intelligence, Law on Broadband Infrastructure and Law on Electronic Documents, Electronic Identification and Trust Services;
2. Ensure functional and financial independence of the regulatory bodies REM and RATEL, in accordance with the current legislative framework;
3. Focus on implementing existing media laws and ensuring effective regulatory oversight.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 10
Electronic ID card with a chip	Enables a qualified electronic signature and access to the eGovernment portal	Promotion and wider use of the eID card in everyday services
7.2.1. Development of a secure and sustainable digital infrastructure, including rural broadband and 5G roll-out	Preparation and adoption of the Law on Broadband Infrastructure by the end of 2025; system development by June 2027	Implementation of the "one-stop shop" principle through a unified information system and application of relevant legislation
7.2.2. Digital identity and trust services compliant with the EU Digital Identity Regulation and eIDAS Regulation (Digital Wallet)	Under development until the end of 2025; alignment with EU eID regulations (eIDAS 2.0)	Implementation planned for 2026 – for ID cards, driver's licenses, health cards, etc.
7.2.3. Digital Corner and Lifelong Learning	In development during 2025-2027; establishment of digital corners in more than 50 municipalities by June 2026	Adult education for the use of new digital services and improvement of digital skills

Conclusion

It is essential that the Government of the Republic of Serbia and the competent authorities – the Ministry of Information and Telecommunications, the Ministry for European Integration, and the Office for IT and eGovernment – implement the planned activities from the Reform Agenda, as this will fulfil key conditions for: Serbia's accession to the European Union, accelerated modernization and digital development of society as a whole. Failure to implement the proposed measures may lead to technological and economic stagnation, as well as reduced cooperation with EU Member States.

The Working Group for Chapter 10 continues to monitor and actively participate in the implementation of obligations under this chapter and in the activities of the Reform Agenda, particularly within subarea "7.2 Digitalization".

WORKING GROUP FOR CHAPTER 11
AGRICULTURE AND RURAL DEVELOPMENT

Objectives

Chapter 11 covers the European Union's Common Agricultural Policy (CAP), which aims to ensure stable market supply of agricultural products at affordable prices, as well as adequate income for agricultural producers. The EU agricultural policy is based on two pillars: the first encompasses direct payments and market interventions, while the second relates to rural development policy. The new Common Agricultural Policy of the EU for the period 2023-2027 defines the following three general objectives:

- Promoting a smart, competitive, resilient, and diversified agricultural sector to ensure long-term food security;
- Promoting environmental sustainability, including biodiversity conservation;
- Improving the quality of life in rural areas.

State of Play

The Government of the Republic of Serbia should prioritize the adoption of the Agriculture and Rural Development Strategy of the Republic of Serbia for the period 2025-2032, as the main long-term strategic document setting goals, priorities, and a framework for policy and institutional reforms in this sector. The Ministry of Agriculture, Forestry, and Water Management should actively engage in updating and accelerating the implementation of the Action Plan for Alignment with EU acquis in the field of agriculture and rural development. It is necessary to further strengthen human resources within the IPARD structures and increase the efficiency of processing IPARD applications and payment requests. Additionally, the Republic of Serbia needs to align national support measures for agriculture and rural development with EU acquis.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 11 requires a series of reforms and structural steps, but the priority and time-sensitive measures that would enable progress include:

1. Drafting and adopting the Agriculture and Rural Development Strategy of the Republic of Serbia for the period 2025-2032, which should be aligned with the general and specific objectives of the EU Common Agricultural Policy for 2023-2027;
2. Updating and accelerating the implementation of the Action Plan for alignment with EU acquis in agriculture and rural development;
3. Ensuring efficient use of IPARD funds to avoid partial loss of available resources;

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 11
Chapter 4 – The measure: At least 10 projects financed from the national budget, not exceeding EUR 299,999 per project, contracted under public calls aimed to improve rural public infrastructure in the areas of water supply and road infrastructure facilities	Ongoing, deadlines: December 2025, 2026, 2027	Publish the complete list and regularly update project lists
6.2.1. Enhanced investment and development opportunities for entrepreneurs and private sector	Ongoing Action plan with a clear timeline for aligning state aid schemes with EU acquis, based on the final inventory and approved by the European Commission – June 2025 All remaining state aid schemes under the Stabilization and Association Agreement (SAA) aligned with EU acquis – December 2027	Publish the complete list and regularly update project lists
6.2.2. Further Development of the science and innovation ecosystem for a knowledge-based economy	Ongoing Increased number of funded researchers / innovative companies in the National Innovation System (supported by programs of the Science Fund and the Innovation Fund) – June 2025	Publish the complete list of funded researchers / innovative companies in the National Innovation System and update it regularly
6.3.1. Enhance the competitiveness of the agricultural sector	Ongoing - Adoption of the Land Consolidation Law (June 2026); - Adoption and entry into force of all implementing legal acts (June 2027); - Professional supervision in the land consolidation process (December 2026); - Pilot implementation of land consolidation (December 2027).	Accelerate the establishment of the regulatory framework for land consolidation implementation
7.2.2. Further digitalisation of public services and administrative procedures for businesses and citizens	Ongoing, 2025-2027	Alignment with EU digital identity regulations and eIDAS Regulation; amendment/adoption of the new Law on Electronic Documents, Electronic Identification, and Trust Services in electronic transactions
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee until 2025	Align the monitoring system with the EU; include civil society organisations as equal stakeholders; use IPA III evaluations
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Define IT system, connect with e-Space and GSB; introduce mandatory project audits

Conclusion

The key benefits of reforms and alignment of the Republic of Serbia with EU acquis under Chapter 11 include: Access to EU funds for agriculture and rural development; Increased agricultural competitiveness; Establishment of sustainable and environmentally friendly agriculture; Support for rural development and diversification of the rural economy; Improvement of food safety and consumer protection; Strengthening of institutions and administrative capacities; Provision of a stable and predictable environment for production; Social and economic benefits for rural communities. Without the capacity building of state institutions and independent bodies responsible for complex planning, implementation, and monitoring activities, and without financial support for agriculture and rural development, efficient integration of Serbia into the EU single market will not be achievable. In such a case, there is a serious risk of unsuccessful use of EU funds, further decline in Serbian agricultural competitiveness, widening regional disparities, and missed key development opportunities for agriculture and rural areas.

WORKING GROUP FOR CHAPTER 12
FOOD SAFETY, VETERINARY AND PHYTOSANITARY POLICY

Objectives

Chapter 12 covers measures to ensure a high level of protection of public health, animal health, animal welfare, and plant health throughout the entire "farm-to-fork" chain, which includes food production, processing, and distribution. The regulations under this chapter are numerous, and the Republic of Serbia must adopt them and ensure their full implementation, including establishing adequate inspection and supervision by competent authorities, as well as ensuring expertise and responsibility of all food business operators.

State of Play

The Ministry of Agriculture, Forestry and Water Management, together with the Ministry of Health, within their respective competences, have prepared draft proposals for most of the 16 laws that need to be adopted or aligned with EU acquis. Some of the draft laws have already undergone consultation with the European Commission. However, in the previous period, only a small number of laws have entered parliamentary procedure, and the only law adopted so far is the Law on Amendments to the Law on the Recognition of Plant Varieties.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 12 requires a series of reforms and structural measures, but the priority and time-sensitive steps to enable progress include:

1. Accelerate the alignment of Serbian legislation with EU acquis under Chapter 12 and ensure its full implementation;
2. Adopt a national strategy, including an Action Plan with concrete deadlines, which will serve as the basis for transposition, implementation, and application of EU acquis under Chapter 12;
3. Enhance administrative capacities of competent authorities by hiring new staff, providing training, and implementing employee retention policies – primarily within the Veterinary Directorate of the Ministry of Agriculture, Forestry, and Water Management.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 12
6.2.1. Enhanced investment and development opportunities for entrepreneurs and private sector	Ongoing Action plan with a clear timeline for aligning state aid schemes with EU acquis, based on the final inventory and approved by the European Commission – June 2025 All remaining state aid schemes under the Stabilization and Association Agreement (SAA)	Publish the complete list and regularly update project lists

	aligned with EU acquis – December 2027	
6.2.2. Further Development of the science and innovation ecosystem for a knowledge-based economy	Ongoing Increased number of funded researchers / innovative companies in the National Innovation System (supported by programs of the Science Fund and the Innovation Fund) – June 2025	Publish the complete list of funded researchers / innovative companies in the National Innovation System and update it regularly
6.3.1. Enhance the competitiveness of the agricultural sector	Ongoing, deadline: June 2027	Accelerate establishment of the regulatory framework for food safety, veterinary, and phytosanitary policy aligned with EU acquis
Chapter 12 – Investments under Western Balkans Investment Framework (WBIF) Smart Specialization Strategy in the Republic of Serbia – Food for Future	Adopted Smart Specialization Strategy 2020-2027 and corresponding Action Plan 2023-2025	Ensure public access to information on the construction and equipping of the BIO4 campus
7.2.2. Further digitalisation of public services and administrative procedures for businesses and citizens	Ongoing, 2025-2027	Alignment with EU digital identity regulations and eIDAS Regulation; amendment/adoption of the new Law on Electronic Documents, Electronic Identification, and Trust Services in electronic transactions
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee until 2025	Align the monitoring system with the EU; include civil society organisations as equal stakeholders; use IPA III evaluations
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Define IT system, connect with e-Space and GSB; introduce mandatory project audits

Conclusion

Aligning the legislative framework with EU acquis in the field of food safety, veterinary, and phytosanitary policy will contribute to establishing an equivalent system that enables the Republic of Serbia to ensure high consumer safety standards and public health protection. Additionally, it will facilitate market access for agricultural and food products to the EU single market, enhancing sector competitiveness and enabling exports. Particular importance is given to: institutional strengthening and capacity building of competent authorities and institutions for veterinary and phytosanitary policy; alignment with international standards; improved crisis management and disease control; protection of agriculture and biodiversity as well as increased consumer confidence. Failure to implement these measures carries a serious risk of technical trade barriers, as well as potential obstacles to the accession of the Republic of Serbia to the World Trade Organization.

WORKING GROUP FOR CHAPTER 13
FISHERIES

Objectives

Chapter 13 covers the fisheries and aquaculture sectors, addressing the exploitation and management of fishery resources, regulation of the fish market, structural policy issues, control and monitoring, as well as international cooperation in fisheries.

State of Play

Although the Republic of Serbia is landlocked, negotiations in this chapter focus on meeting requirements related to control of illegal, unreported, and unregulated fishing, thereby creating conditions for placing fishery products on the EU market while protecting national water resources. Chapter 13 is open with one closing benchmark, which requires Serbia to submit to the European Commission an Action Plan enabling full compliance with EU acquis by the date of accession.

How to Unblock the Process? / Priority Steps to Unblock the Process

To advance the process, the following priority steps are necessary:

1. Submit to the European Commission an Action Plan ensuring full alignment with EU acquis by accession, particularly regarding market organization, aquaculture, data collection, and control measures against illegal, unreported, and unregulated fishing;
2. Administrative strengthening of the Agricultural Policy Sector and the Veterinary Directorate of the Ministry of Agriculture, Forestry and Water Management, as well as the Ministry of Environmental Protection, which are responsible for systemic governance of the fisheries sector;
3. Continuous public consultations with stakeholders in the fisheries and environmental protection sectors to develop an adequate strategic and legislative framework for fisheries.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 13
6.2.1. Enhanced investment and development opportunities for entrepreneurs and private sector	Ongoing Action plan with a clear timeline for aligning state aid schemes with EU acquis, based on the final inventory and approved by the European Commission – June 2025 All remaining state aid schemes under the Stabilization and Association Agreement (SAA) aligned with EU acquis – December 2027	Publish the complete list and regularly update project lists
6.2.2. Further Development of the science and	Ongoing	Publish the complete list of funded researchers / innovative companies in the

innovation ecosystem for a knowledge-based economy	Increased number of funded researchers / innovative companies in the National Innovation System (supported by programs of the Science Fund and the Innovation Fund) – June 2025	National Innovation System and update it regularly
7.2.2. Further digitalisation of public services and administrative procedures for businesses and citizens	Ongoing, 2025-2027	Alignment with EU digital identity regulations and eIDAS Regulation; amendment/adoption of the new Law on Electronic Documents, Electronic Identification, and Trust Services in electronic transactions
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee until 2025	Align the monitoring system with the EU; include civil society organisations as equal stakeholders; use IPA III evaluations
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Define IT system, connect with e-Space and GSB; introduce mandatory project audits

Conclusion

For Chapter 13, there are two main groups of challenges: slow implementation of policy and legislative activities, and development of administrative capacities. Key benefits of successful negotiations under Chapter 13 include: modernization and institutional strengthening of Serbia; sustainability and protection of water resources; access to funding and investment as a future EU member through the European Maritime, Fisheries and Aquaculture Fund (EMFAF); improved market access and competitiveness; integration into regional governance and cooperation in fisheries; contribution to social and regional development; as well as increased international credibility and reputation.

WORKING GROUP FOR CHAPTER 14
TRANSPORT POLICY

Objectives

The European Union has common rules covering technical and safety standards, security, social standards, state aid, and market liberalization in the areas of road transport, railways, inland waterways, combined, air, and maritime transport.

State of Play

General Transport: Serbia still lacks a comprehensive strategic framework in the transport sector and is behind in updating it. When it comes to regulatory alignment and the green transition, clearer reform measures and their consistent implementation are necessary in the areas of legal and technical harmonization with the EU, safety, and digitalization. Although there are initiatives, the pace of reforms remains insufficient.

Road Transport: Major challenges include the absence of a ban on freight traffic from Friday evening to Monday morning and the lack of a truck overtaking ban on highways. Nevertheless, Serbia has achieved a good level of alignment with the EU acquis in this area.

Rail Transport: Serbia still faces significant challenges in the full implementation of regulatory rules, competition, and safety standards. Particularly concerning are the planning and execution of railway infrastructure projects, which have led to tragic consequences. Intermodal integration remains low.

Maritime Transport: Serbia has achieved a high level of alignment with the EU acquis.

Inland Waterway Transport: In this area as well, Serbia has achieved a high level of alignment with the EU acquis.

Air Transport: Serbia has achieved a good level of alignment with the EU acquis.

Combined Transport: The institutional framework has been established, but further strengthening of administrative capacities is needed.

Passenger Rights: No progress has been achieved. Of particular concern is the lack of a mechanism to compensate passengers in case of delays in domestic transport.

How to Unblock the Process? / Priority Steps to Unblock the Process

To advance the process, the following priority steps are necessary:

1. **Ensuring more efficient cross-border freight traffic**, including:
   a) introducing a ban on freight vehicle movement from Friday at 6:00 p.m. to Monday at 6:00 a.m.;
   b) implementing a vehicle weight measurement system and determining tolls based on vehicle overloading;

2. **Developing a national transport strategy**;
3. **Establishing consumer protection mechanisms** in domestic and international passenger transport for cases of delays.

Link to the Reform Agenda and Conclusion

The Reform Agenda foresees the development of a transport digitalization strategy. However, drafting such a specific strategy is not possible without a comprehensive and democratically adopted national transport strategy, whose adoption has been pending since 2021. A similar situation exists with the transport safety strategy.

The Green Agenda in transport cannot be implemented without a realistic assessment of energy needs and ways to secure the energy required to replace fossil fuels (whether oil, petrol, gas, or electricity generated from fossil sources).

Unrealistic and impractical plans for the rapid electrification of transport, as well as the transition to biofuels or hydrogen, indicate that Serbia has not yet conducted serious energy balance assessments, nor developed dynamic planning to align energy needs with environmental capacities and existing energy network limitations (electric power, gas, and oil infrastructure). These plans must be based on environmental, economic, and social feasibility analyses.

WORKING GROUP FOR CHAPTER 15
ENERGY

Objectives

Chapter 15 covers alignment with the EU acquis in the field of energy, including security of supply, the establishment of a competitive and non-discriminatory internal market for gas and electricity, diversification of energy sources and supply routes, improvement of energy efficiency, and an increase in the share of renewable energy sources (RES). One of the objectives is also the adoption and implementation of the Integrated National Energy and Climate Plan (INECP), in line with the EU Regulation on the Governance of the Energy Union.

According to the new enlargement methodology, Negotiation Chapter 15 is part of Cluster 4 – Green Agenda and Sustainable Connectivity. The chapter was opened on December 14, 2021.

State of Play

According to the European Commission's 2024 Serbia Progress Report, the Republic of Serbia is **moderately prepared** (score 3) for EU membership in the field of energy (Chapter 15). Serbia's progress in implementing reforms compared to last year's recommendations was rated as **limited** (score 2).

The Third Energy Package for gas and electricity has been transposed, but the full unbundling and certification of all transmission system operators are still pending. The Integrated National Energy and Climate Plan (INECP) was adopted in July 2024 and envisions a 40.3% reduction in greenhouse gas emissions by 2030 compared to 1990, along with the planned construction of 3.5 GW of new solar and wind power plants.

In November 2024, the Energy Development Strategy until 2040, with projections up to 2050, was adopted. The main goals of the Strategy are energy security, decarbonization, environmental protection, enhancement of energy efficiency, and the creation of a competitive energy market. The Strategy foresees a reduction in coal use, an increase in RES capacity to 3.5 GW by 2030, and the digitalization of energy processes. A Program for the Implementation of the Strategy is currently being developed – a key document intended to operationalize and enable the Strategy's implementation.

Amendments to the Energy Law, adopted in December 2024, abolished the moratorium on the construction of nuclear power plants and envisaged the drafting of a National Nuclear Energy Development Program. They also introduced dynamic electricity pricing contracts and the status of "active customer", allowing consumers to produce and trade energy. New rules were established for issuing permits and licenses, including the obligation to ensure compliance of projects with the Energy Development Strategy and INECP. The adoption of a Hydrogen Development Strategy and the repeal of the old Law on the Prohibition of Nuclear Power Plants are also planned.

The Ministry of Mining and Energy launched a public consultation on the Draft Just Transition Action Plan in May 2025. However, civil society organizations have warned that the Action Plan delays substantial energy transition until 2030 and limits measures mostly to preparatory activities.

They also pointed out the lack of concrete measures for worker retraining and local economic diversification, as well as the minimal public participation in drafting the document.

Due to the Russian invasion of Ukraine, the United States imposed sanctions on Russian energy companies in January 2025. NIS (Serbian Oil Industry) received several temporary exemptions, which allowed continued oil deliveries through the Croatian JANAF pipeline. These sanctions further highlight the need for supply diversification and the construction of new interconnections, especially given Serbia's high dependence on Russian gas imports. The long-term gas supply contract depends on the overall situation with NIS, which further limits the manoeuvring space of the Government of the Republic of Serbia.

How to Unblock the Process? / Priority Steps to Unblock the Process

In line with the current situation, three priority and urgent measures are necessary to unlock Serbia's EU integration process under Chapter 15:

1. **Intensify and Make Transparent the Work of the Interministerial Working Group for CBAM and CO_2 Emission Pricing**
   Serbia has established the legal and technical framework for monitoring, reporting, verification, and accreditation (MRVA) of greenhouse gas emissions; the first emission permits are being issued, and verifiers are in the process of accreditation. The next step is to make the CBAM Working Group (Carbon Border Adjustment Mechanism) public and genuinely interministerial.

2. **Operationalize the Third Energy Package and Integrate the Electricity Market with the EU**
   Serbia has formally transposed the EU Third Energy Package and adopted a complete set of secondary legislation aligned with EU network codes on balancing, transmission system operation, capacity allocation, congestion management, and risk preparedness. However, these rules have not yet been effectively implemented in practice. The priority must now be operationalization – moving from formal alignment to functional integration with the EU internal energy market. so that Serbia can join the EU's day-ahead and intraday markets, strengthen energy integration, and avoid future CBAM-related carbon tariffs.

3. **Establish Strategically Predictable Energy Policies and Launch a New Investment Cycle in Line with Emerging Requirements and Challenges**
   Serbia needs to develop a coherent energy strategy that integrates security of supply, decarbonization, and economic development. Although recent amendments to the Energy Law lifted the moratorium on nuclear energy and envisaged the preparation of a national nuclear energy development program, Serbia currently lacks the technical and institutional capacity for such an undertaking, raising safety concerns.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 15
7.1.1. Implementation of the Third Energy Package for gas and transposition and implementation of the electricity integration package	The Third Energy Package has been formally transposed, and during 2024-2025, secondary legislation was adopted regulating balancing, transmission system operation, capacity allocation, congestion management, crisis response, and risk preparedness. However, secondary legislation for the Electricity Market Integration Package (15-minute settlement intervals, balancing rules, storage and aggregation) has not yet been adopted. Due to the lack of readiness for coordinated capacity calculation and unresolved disputes with neighbouring countries, Serbia is not yet able to join the EU's day-ahead and intraday electricity markets. Transportgas Srbija has been certified as an independent operator, but the unbundling and certification of other operators are still incomplete. On June 5, 2025, the Government adopted the Preventive and Emergency Gas Supply Security Plan.	Adopt the remaining bylaws for electricity market integration, introduce 15-minute intervals, advanced balancing and redispatch mechanisms, and define the status of storage operators and aggregators. Develop a joint methodology for transmission capacity calculation and allocation with neighbouring operators, along with agreements on congestion revenue sharing. Complete the unbundling and certification of all system and distribution operators. Adopt and implement Transmission System Operating Rules (in line with network codes), complete metering equipment installation, and open the Horgoš entry point. Ensure non-discriminatory third-party access to storage facilities and interconnectors.
7.1.2. Gradual tariff adjustments to cost recovery levels accompanied with measures to address energy poverty if and when needed	Tariff reforms exist but are not adequately accompanied by programs to reduce energy poverty. There is no national program for this purpose. The Regulation on Energy-Vulnerable Customers provides discounts on energy bills for households granted this status, but the measures addressing the root causes of poverty are underdeveloped. Calls for grants from the Ministry of Mining and Energy include additional subsidies for socially vulnerable households, but funding allocation remains limited.	Develop a national assistance program for vulnerable households and coordinate local and national measures. Adjust tariffs while protecting socially vulnerable groups. Revise the Ministry's grant schemes to better target energy-poor households. Current measures have produced limited results and low coverage of energy-poor families.
7.1.3. Implementation of the Just Transition Action Plan	The Action Plan has been adopted, but it lacks concrete plans for coal-mining regions; its focus is mainly on employees in thermal power plants. The involvement of local communities in drafting the document was limited, jeopardizing the transparency of the entire process.	Establish the Just Transition Fund of the Republic of Serbia by the end of 2025, to support projects in local communities dependent on coal. This would accelerate the just transition process in Serbia.
7.1.4. Ensuring Transparent and Competitive Procedures	About 1.36 GW of capacity has been awarded through auctions. However, permitting and grid-connection procedures remain slow. Installed solar	Simplify procedures through a one-stop-shop system and digitalization, eliminate parallel approvals, and set ambitious deadlines. Empower EMS and EPS to

for the Development of Renewable Energy	and wind capacities amount to around 908 MW, with an increase of about 300 MW in the past year. At this pace, the target of 1.5 GW by the end of 2026 will be difficult to reach.	issue grid connection conditions in a timely and transparent manner. Establish a working group to amend the legal framework for the transposition and implementation of EU Regulation 2023/1804, enabling the integration of biofuels, hydrogen, and electromobility.
7.1.5. Implementation of the Renewable Energy Directive (Permitting, Guarantees of Origin, Prosumers)	The Law on the Use of Renewable Energy Sources (2021) and its amendments (2023/2024) introduced prosumers, the Guarantee of Origin system, and balancing responsibility. JSC EMS became a member of AIB in 2025 and now issues EECS Guarantees of Origin under the new domain protocol. However, the use of guarantees of origin in trade and exports remains slow, and the framework for energy communities is still missing. The announced phase-out of net metering by 2026 and the introduction of dynamic tariffs (under the 2024 amendments to the Energy Law) create uncertainty for prosumers, while the installed capacity remains modest – around 106 MW.	Operationalize the registry and trading system for Guarantees of Origin, enable exports and recognition in the EU. Adopt bylaws for energy communities and incentive schemes for prosumers. Ensure stable financial and regulatory conditions (affordable loans, guaranteed purchase) and avoid abrupt withdrawal of incentives such as net metering. Align rules with the EU RED II Directive, improve digital tools for dynamic pricing, and facilitate grid access.
7.1.6. Implementation of MRVA	The MRVA system is largely prepared, but the CBAM working group is not transparent. It is necessary to intensify efforts to analyse options and introduce a domestic emission pricing system.	Continue implementing the MRVA system. Make the work of the CBAM working group publicly accessible. Analyse policy options and develop a national emission pricing mechanism complementary to the EU ETS. Prepare the industry for the CBAM mechanism.
7.1.7. Implementation of the Energy Efficiency Directive, the Energy Performance of Buildings Directive, Eco-design, and Energy Labelling Legislation	The Law on Energy Efficiency and Rational Use of Energy (2021) and the Law on the Energy Performance of Buildings have been adopted, but implementation is slow and fragmented. The EU emphasizes the need to adopt regulations on building energy performance and to align energy efficiency and RES legislation. The energy-vulnerable customer program and Energy Efficiency Fund subsidies exist but reach a limited number of beneficiaries.	Adopt and implement bylaws on minimum energy performance standards for buildings. Establish independent control of energy certificates and building inspections. Centralize support programs through the Energy Efficiency Fund, launch a network of energy managers for systematic audits, and introduce consumption-based billing (target ≥ 40% by 2026). Strengthen programs of the Ministry of Mining and Energy and the Ministry of Environmental Protection for building renovation and heating system replacement in line with the Air Quality Program.

Conclusion

Despite certain positive steps – such as the adoption of the Integrated National Energy and Climate Plan (INECP) in 2024, the Energy Development Strategy until 2040, and the formal transposition

of the Third Energy Package – Serbia remains only moderately prepared in the field of energy. Progress is limited due to slow transposition and implementation of legal obligations.

The reform measures under Chapter 15 must be viewed as a single, coherent package. The adoption of the INECP and the Energy Development Strategy makes sense only if markets are opened simultaneously, the unbundling of operators is completed, and an emission pricing system aligned with the EU ETS is established. Otherwise, the gap between plans and actual practice could undermine Serbia's convergence with the EU.

New nuclear and gas options could crowd out renewable energy, while a slower transition could lead to penalties through the CBAM mechanism and missed investment opportunities. Delaying reforms for too long would mean that Serbia remains dependent on Russian energy sources, with limited access to the European electricity market, while households and businesses would bear increasing costs due to inefficiency and underdeveloped renewable capacities.

Only through integrated and timely implementation of key measures – from transparent work of the CBAM working group, through operational coupling of Serbia's electricity market with the EU, to a clear long-term vision of the energy mix that prioritizes renewables and energy efficiency – Serbia can avoid these risks, achieve full convergence with the EU, and ensure a sustainable future for its energy system.

WORKING GROUP FOR CHAPTER 16
TAXATION

Objectives

Chapter 16 covers the obligation to align tax legislation with the European Union acquis. This obligation mainly concerns indirect taxes (value-added tax and excise duties), and to a lesser extent direct taxes (corporate income tax and taxes on capital income). The goal is to prevent the adoption of national rules that could disrupt the functioning of the EU internal market, to eliminate distortions in cross-border economic activities between companies in the EU, and to prevent tax evasion.

State of Play

In late May 2021, the Excise Law was amended, which was a condition for opening Chapter 16 within the EU accession negotiations. However, more than four years later, the negotiating position for this chapter has not been formally adopted or accepted by the European Commission. The administrative capacities and the establishment of adequate IT systems within the Tax Administration remain at a low level, and there is an urgent need to accelerate the harmonization of domestic tax regulations with the EU acquis.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 16 requires accelerated implementation of the Tax Administration Transformation Program, but the priority and time-critical measures that would enable progress are:

1. Strengthening the administrative capacity of the Tax Administration – prevent staff outflow, increase the number of employees, and enhance administrative capacities, bearing in mind that the current age structure is unfavourable and insufficient for efficient operations;
2. Establishing and effectively implementing an integrated information system to support the new business model of the Tax Administration;
3. Obtaining a positive assessment from the European Commission that the Republic of Serbia is ready to open negotiations in this chapter, as well as within the broader Cluster 3 framework.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 16
6.2.1. Enhanced investment and development opportunities for entrepreneurs and private sector	Ongoing, with a deadline set for December 2027 Final step: Enable electronic payment of all public revenues (tax and non-tax).	/

Conclusion

Although a fully harmonized legislative and institutional framework for Chapter 16 will be implemented only after Serbia's accession to the EU, it is clear that there is a continuing need for further alignment of the national tax system with EU legislation. In addition to harmonizing tax regulations, it is essential to strengthen the administrative capacity of the Tax Administration and accelerate activities aimed at establishing an adequate information system. Without progress in these areas, the Republic of Serbia risks an increase in the size of the informal economy, a rise in tax evasion, and consequently a loss of public revenue. Furthermore, Serbia would miss opportunities to create a competitive business environment and to attract investments in productive, high-value-added activities that contribute to gross domestic product (GDP) growth.

WORKING GROUP FOR CHAPTER 17
ECONOMIC AND MONETARY POLICY

Objectives

Chapter 17 covers economic and monetary policy and constitutes the foundation for the economic and institutional reforms necessary for the Republic of Serbia to ensure and maintain macroeconomic stability, enhance competitiveness, and meet the conditions for future membership in the Economic and Monetary Union (the Maastricht criteria).

State of Play

The legal framework of the National Bank of Serbia (NBS) is largely aligned with that of the European System of Central Banks (ESCB), but its de facto independence remains undermined by both direct and informal political influence. Within the public administration, informal decision-making shortcuts – particularly concerning investment decisions and key instruments of fiscal and industrial policy – have led to extensive politicisation and strong centralisation of economic policy, thereby weakening and marginalising institutional capacities. The state's fiscal space is being consumed by allegedly infrastructural projects that do not undergo basic tests of economic and social cost-effectiveness, while simultaneously circumventing laws governing public investment planning, management, and public procurement. The growth model based on public investment and inflows of foreign direct investment (FDI) – primarily directed towards construction and mining (mainly from China) and often disregarding environmental and labour standards – has reached its limits. Following a record inflow of FDI in 2024, its halving in 2025 indicates that such investments were driven by public investment spending, which is now declining due to the institutional paralysis. Domestic private investment, in a weak legal and institutional environment, remains significantly below the European Union average.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 17 requires a series of reforms and structural measures. However, the priority and time-critical actions that would enable the continuation of the process are as follows:

1. Initiate the preparation of a Development Plan and an Investment Plan in line with the existing legislative framework, ensuring the proactive involvement of all relevant stakeholders;
2. Align the competences, capacities, and programmes of institutions providing support to the development of the small and medium-sized enterprise (SME) sector with the practices of OECD member states, focusing on strengthening coordination mechanisms and establishing systematic evaluation of programme impacts. This would significantly improve the position of the SME sector in the Republic of Serbia;
3. Given the political context, the prevailing lack of transparency, and the frequent irregularities in the planning and implementation of public investments – particularly those related to EXPO 2027 and/or bilateral agreements – it is necessary to substantially enhance transparency and to establish a publicly accessible platform for monitoring all public

investments. This platform should ensure publication of all investment plans and contracts, monitoring of associated public procurement procedures, and regular reporting on project implementation progress. Additional efforts are needed to strengthen institutional capacities and to ensure the active participation of civil society organisations and independent experts, with the aim of reinforcing integrity, accountability, and public trust in the management of public funds. Considering that deadlines for improving public investment management and transparency of intergovernmental agreements are currently set for the 2026-2027 period, these measures should be launched without delay, in order to ensure timely preparation and the establishment of a functional system.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 17
6.1.1. Improvement of public investment management and sustainable and efficient management of business entities owned by the Republic of Serbia – Public Investment Management	Ongoing, deadline: December 2026 – December 2027	By the end of 2026, adopt a Policy Paper and an Action Plan for improving public investment management, and by the end of 2027, establish a legal framework introducing a unified, comprehensive and transparent mechanism for the prioritisation of all public investments, in line with consultations with the European Commission.
6.1.1. Improvement of public investment management and sustainable and efficient management of business entities owned by the Republic of Serbia – Management of State-Owned Enterprises	Ongoing, deadline: December 2026 – December 2027	By the end of 2026, ensure full implementation of the Law on Public Enterprises, including equal criteria for appointments, the effective functioning of internal audit units, and the publication of legally required information. By the end of 2027, annual objectives should be defined and periodically evaluated against the level of achievement.
6.2.1. Enhancing Investment and Development Opportunities for Entrepreneurs and the Private Sector – Transparency of Intergovernmental Agreements	Deadline: June 2025 Contracts not published within the prescribed timeframe	As of December 2024, all contracts concluded under intergovernmental agreements should be published, and this practice should continue for all new contracts. By June 2027, all laws and secondary legislation allowing derogations from the Law on Public Procurement should be repealed.

Conclusion

Ensuring the de facto independence of monetary policy and supervision, as well as institutional autonomy in the implementation of public investments and economic policies, constitutes a key precondition for safeguarding macroeconomic stability and enhancing the competitiveness of the Serbian economy. Without these reforms, Serbia risks the emergence of macroeconomic imbalances and the erosion of its capacity to improve productivity and competitiveness, which would further slow progress towards fulfilling the Maastricht criteria and achieving full membership in the European Union.

WORKING GROUP FOR CHAPTER 19
SOCIAL POLICY AND EMPLOYMENT

Objectives

Chapter 19 enables the implementation of the EU acquis in the following areas: labour legislation, occupational health and safety, social dialogue, employment policy, social inclusion and social protection, prohibition of discrimination in employment and social policy, and gender equality in these domains. It also involves preparing the Republic of Serbia for access to the European Social Fund.

State of Play

Significant delays have been recorded in the implementation of the Action Plan – it is not revised, and new deadlines are instead defined through the National Programme for the Adoption of the EU Acquis (NPAA, August 2025). Delays are particularly evident in amendments to labour legislation, adoption of the strategy and law on social protection, and adoption of the Law on Strikes. On the other hand, the Law on Occupational Health and Safety is largely aligned with the EU acquis, although further adjustments with relevant EU directives are needed. The Social Card Law continues to be applied, although the A11 Initiative submitted a constitutional review request to the Constitutional Court of Serbia in April 2022 – the court has not yet issued a ruling. Additionally, the labour-law status of freelancers remains unresolved, and no measures exist to increase coverage and adequacy of social assistance.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 19 is part of Cluster 3 – Competitiveness and Inclusive Growth. Although it has not yet been formally opened, the criterion for opening (adoption of the Action Plan) has been met. The Government of the Republic of Serbia adopted the negotiating position in May 2021. The following actions are required:

1. Adopt a new Labour Law aligned with the EU acquis, adopt the Law on Strikes, and further improve the Law on Occupational Health and Safety;
2. Implement the Youth Guarantee Plan for 2025-2027 and prepare a plan for 2027-2029;
3. Adopt the Law on Social Protection and approve the Social Protection Strategy;

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 19
7.2.3. Strengthening adult education, training and relevant up-skilling opportunities of digital skills and literacy	Deadline: June 2026	Introduce project monitoring practice (establish digital hubs as adult education centres for digital skills) in more than 50 municipalities by June 2026
8.1.1. Improving labour market conditions	1) Adoption of the Work Practice Law (by December 2027);	1) Consultations with relevant stakeholders, including CSOs, on the Work Practice Law;

	2) Implementation of the Youth Guarantee (2025-2027)	2) Monitor implementation of the Youth Guarantee and coverage of active employment measures.
8.1.2. Implement training and skill development programs in critical sectors	Ongoing, deadline: June 2027	Consultations on program implementation in 8 higher education institutions; monitor Action Plan implementation for the Education Development Strategy until 2030
8.2.1. Improving the quality of teaching and learning, equity and accessibility at all levels of education	Ongoing, deadline: June 2026 / December 2027	Monitor indicators for pre-school, primary, and secondary education
8.2.2. Reduce the skills mismatch on the labour market and facilitate school-to-work transitions	Deadline: June 2026 / December 2027	Monitor transition from primary to secondary education, secondary school completion rates, adult non-formal education, participation in dual education, and improvement of the qualifications framework; align monitoring with EU standards, involve civil society as an equal actor, use IPA III evaluations

Conclusion

The current situation shows a significant stagnation in the implementation of the Action Plan, slowing progress in this chapter. The absence of up-to-date legislation, missed deadlines and a lack of concrete measures to increase social assistance coverage are challenges that must be addressed. To continue the process, it is essential to adopt a new Labour Law in line with the EU acquis; enact the Law and Strategy on Social Protection; and effectively implement youth programs and socio-economic policies. Key priorities also include strengthening inspection control, enhancing social dialogue and regulating the status of freelancers. These steps are crucial for opening and effectively implementing Chapter 19 negotiations, thereby improving competitiveness and social cohesion in the Republic of Serbia.

WORKING GROUP FOR CHAPTER 20
ENTERPRISE AND INDUSTRIAL POLICY

Objectives

Chapter 20 covers the alignment of national policies with the European Union (EU) acquis in the areas of entrepreneurship, industrial policy, digital transformation and innovation, with the aim of strengthening the competitiveness of the economy and creating a stable business environment. In this area, the EU promotes a policy based on the principles of sustainable industrial transition, the development of the green and digital economy, and the empowerment of small and medium-sized enterprises (SMEs) through improved access to finance, innovation, and new markets.

State of Play

Chapter 20 was opened in December 2017. Since then, Serbia has made progress in strengthening the institutional framework and implementing the Industrial Policy Strategy of the Republic of Serbia 2021-2030 and the Strategy for the Support of Small and Medium-sized Enterprises Development 2023-2030. According to the European Commission 2024 Serbia Report, Serbia is assessed as moderately prepared in the field of industrial policy, with a recommendation to continue reforms related to the removal of administrative barriers, the digitalisation of business processes, and the establishment of effective mechanisms for fostering innovation and the circular economy.

Within the framework of EU entrepreneurship and innovation programmes (COSME and the new Single Market Programme – SMP), Serbia actively benefits from support instruments provided by the European Bank for Reconstruction and Development (EBRD) and the European Investment Fund (EIF), aimed at improving access to finance for SMEs. During 2024, joint EBRD–EIF programmes provided new credit lines and guarantee schemes supporting the digitalisation of SME operations, as well as the development of green technologies and energy efficiency in industry. In addition, under the IPA III and IPARD II programmes, further support lines are envisaged for the digitalisation of production processes, the introduction of innovations in agri-industrial value chains, and the promotion of women's and youth entrepreneurship.

How to Unblock the Process? / Priority Steps to Unblock the Process

In order to accelerate alignment with European Union policies and strengthen the competitiveness of the domestic economy, it is necessary to implement a set of reform and structural measures aimed at fostering innovation, digitalisation and sustainable growth of the small and medium-sized enterprise (SME) sector. The following priority steps are crucial for advancing the process under Chapter 20 and for ensuring more effective implementation of industrial policy:

1. Strengthen coordination between the Ministry of Economy, the Ministry of Finance, and the Ministry of Science, Technological Development and Innovation to establish an integrated platform for industrial development and innovation;

2. Implement the action plans of the Industrial Policy Strategy of the Republic of Serbia 2021-2030 and the SME Development Strategy 2023-2030, with clearly defined success indicators;
3. Accelerate the digital transformation of SMEs, particularly in the manufacturing and agri-food sectors, through the application of tax incentives and the development of public-private partnerships;

Role of the Reform Agenda

The Reform Agenda under Chapter 20 aims to strengthen the competitiveness and resilience of the Serbian economy through the establishment of stable and predictable policies for the SME sector, enhancement of institutional support mechanisms (such as the Development Agency of Serbia, the Innovation Fund and the Science Fund), and better integration of the Serbian economy into European industrial and production value chains. During 2024, the priority focused on aligning the national industrial policy with the new European Union guidelines for sustainable competitiveness, as well as for the green and digital transition of industry, which constitute the core pillars of the European Industrial Strategy 2030.

Conclusion

Progress under Chapter 20 depends on Serbia's capacity to integrate industrial policy, innovation and education within a unified development framework. Although the adopted strategic documents are largely aligned with the European Union guidelines, implementation of reforms remains delayed. Further efforts are needed to strengthen institutional capacities, increase the predictability of the regulatory framework, and provide systemic support to innovative SMEs, which represent the key drivers of industrial transformation.

WORKING GROUP FOR CHAPTER 21
TRANS-EUROPEAN NETWORKS

Objectives

The European Union promotes Trans-European Networks (TENs) in the fields of transport, telecommunications, and energy to strengthen the internal market and contribute to economic growth and employment.

State of Play

Transport Networks: Serbia's legislative framework is partially aligned with EU acquis.

Roads: For works on the Niš–Merdare motorway, only approximately 10% of approved EU grants have been utilized to date.

Railway Infrastructure: Modernisation of the Niš–Dimitrovgrad railway began at the end of 2023, while construction of the Niš railway bypass commenced in mid-2024, unlocking a long-delayed project. The Belgrade–Budapest high-speed railway has recently been put into operation.

Trans-European Energy Networks: Serbia's administrative capacities for alignment with the EU acquis in this area remain insufficient.

Gas Infrastructure: Serbia needs to accelerate the permitting procedure for the gas interconnector between Serbia and Bulgaria.

Trans-Balkan Electricity Transmission Corridor: The procurement process for Section III (Obrenovac–Bajina Bašta) is ongoing. Preparations must continue for Section IV, linking Serbia, Bosnia and Herzegovina, and Montenegro.

Serbia is part of the newly established Western Balkans–Eastern Mediterranean transport corridor, as defined by the revised TEN-T Regulation (Trans-European Transport Network).

The revised TEN-E Regulation (Trans-European Energy Network), aligning TEN-E objectives with the climate neutrality agenda, was expected to be transposed into national legislation by the end of 2024.

How to Unblock the Process? / Priority Steps to Unblock the Process

To advance the process, the following priority steps are necessary:

1. Complete all technical documentation (feasibility studies – FS, environmental and social impact assessments – ESIA, tender documentation) for the Niš–Merdare motorway, as well as for the railway sections along Corridor X (the European Commission particularly emphasises the importance of FS and ESIA documents);
2. Accelerate the transposition of the revised TEN-E Regulation and strengthen the capacities of the Republic's Energy Networks Commission;

3. Enhance Serbia's capacities for project management and EU fund absorption, as well as the synchronisation of national and EU financing, so that potential delays in national financing do not block EU-funded components.

Link to the Reform Agenda and Conclusion

Implementation of Chapter 21 is crucial for achieving the objectives of the green transition. Moreover, this chapter holds strategic importance for long-term sustainable planning and societal functioning in Serbia over the coming decades.

A lack of transparency in decision-making may seriously undermine the rule of law. EU support for priority projects, without addressing contentious rule-of-law issues, raises significant public doubts regarding the justification and benefits of these projects for citizens. Ignoring the cumulative negative impacts of projects is particularly problematic, such as the scale and methods of quarrying for motorway, railway, and other infrastructure construction.

WORKING GROUP FOR CHAPTER 22
REGIONAL POLICY AND COORDINATION OF STRUCTURAL INSTRUMENTS

Objectives

Chapter 22 covers the European Union's regional policy and the coordination of structural instruments, aiming at balanced regional development and the reduction of regional disparities, the efficient use of EU structural and cohesion funds, as well as transparent planning and implementation of investments at both national and local levels.

State of Play

The Law on the System for Managing Cohesion Policy Funds has been adopted; however, key strategic documents, such as the Serbia Development Plan and the Regional Development Strategy, have not yet been enacted. The negotiating position for Chapter 22 has never been formally adopted. Administrative capacities remain weak, particularly at the local level, and insufficient involvement of civil society, academia, and the private sector in the preparation and monitoring of reforms further undermines the overall process.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 12 requires a series of reforms and structural measures, but the priority and time-sensitive steps to enable progress are:

1. Adoption of the Serbia Development Plan and the Regional Development Strategy as the primary strategic framework for reducing regional disparities and leveraging the potential of EU cohesion policies;
2. Formalization of the negotiating position for Chapter 22, which would serve as a key "unlocker" for opening negotiations and send a clear signal of political commitment;
3. Establishment of a policy for staff retention and stable administrative capacities at national and local levels. Without this, Serbia will be unable to effectively absorb funds from either the IPA III programme or future EU funds.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 22
6.1.1. Improvement of public investment management and sustainable and efficient management of business entities owned by the Republic of Serbia	Deadline: 2027; review: December 2026; lifting derogations from the public procurement legislation by June 2027	Publish a complete and regularly updated project list, link it to operational programmes, and implement the removal of public procurement exemptions
6.2.1. Enhanced investment and development opportunities for entrepreneurs and private sector	Ongoing, deadline: 2027	Same as above, including local government units and the private sector

6.2.2. Further Development of the science and innovation ecosystem for a knowledge-based economy	Ongoing, 2025–2027	Integrate the Smart Specialisation Strategy (S4) into operational programmes
7.2.2. Further digitalisation of public services and administrative procedures for businesses and citizens	Ongoing, 2024–2027	Align with the EU Open Data Directive; establish a meta-register
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Align the monitoring system with EU standards; include civil society organisations as equal stakeholders; use evaluations within IPA III
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Define an IT system; link it with e-Space and GSB; introduce mandatory project audits

Conclusion

Although the legal and institutional framework relating to Chapter 22 will reach its full effect only upon EU accession and access to cohesion funds, the convergence process must begin significantly earlier. This entails the adoption and effective implementation of strategies and operational programmes, strengthening administrative capacities, and establishing functional monitoring systems. Without these steps, Serbia risks serious absorption shocks, loss of EU funds, further deepening of regional disparities, a decline in credibility in the eyes of the European Union and missed development opportunities that would directly affect citizens' quality of life.

WORKING GROUP FOR CHAPTER 23
JUDICIARY AND FUNDAMENTAL RIGHTS

Objectives

The objective of Chapter 23 is to establish an independent, efficient and accountable judiciary, ensure a determined fight against corruption, and fully respect fundamental rights and the rights of EU citizens. Reforms in this area should secure the elimination of political and other undue influences on the judiciary, strengthen institutional capacities, and guarantee freedoms and equality for all citizens. Progress in this chapter constitutes the foundation for the entire EU accession process and the reinforcement of the rule of law in the Republic of Serbia.

JUDICIARY

State of Play

Despite constitutional and legislative reforms, the state of the judiciary remains concerning, particularly regarding pressures from the executive and legislative branches, as well as from hierarchically senior judicial office holders. Mechanisms for strengthening the integrity and accountability of judges and prosecutors remain underdeveloped and are often not applied in practice. Processes for the appointment and promotion of judges and prosecutors remain non-transparent and susceptible to undue influence, while key institutions (judicial councils) do not fully exercise their constitutional role in safeguarding judicial independence. Transparency of the judiciary's work, as well as access to information of public interest, remains limited. Judicial councils should conduct elections for new members in accordance with the new laws, ensuring fair conditions and equal opportunities for all candidates. However, the functioning of the High Judicial Council is currently severely compromised, as certain members systematically prevent the achievement of a quorum, thereby blocking the adoption of key decisions, including the appointment of Supreme Court judges. Such practices paralyse the system of promotion and filling of judicial vacancies and pose a long-term risk to the functionality and credibility of the Council, even after new members are elected.

How to Unblock the Process / Priority Steps to Unblock the Process

1. **Ensure the effective functioning and application of mechanisms protecting the judiciary from undue influence**
   It is necessary to secure the effective operation of mechanisms protecting the judiciary from undue influence, established within the High Judicial Council (HJC) and the High Prosecutorial Council (HPC). These mechanisms should be further strengthened through the adoption, amendment, and consistent implementation of relevant general legal acts issued by the Government of the Republic of Serbia, the National Assembly, the Regulatory Authority

for Electronic Media (REM), and other competent institutions (NCEU recommendation from 2021, reiterated multiple times, including in the 2024 report).

2. **Ensure the integrity and transparency of the election of HJC and HPC members from the ranks of judges and prosecutors**
   Ahead of the first elections for the High Judicial Council and the High Prosecutorial Council, conducted in line with the new constitutional and legislative provisions, it is crucial to guarantee a high level of integrity and public trust in the electoral process. The elections must be transparent, providing equal access to all candidates and effective mechanisms to prevent undue influence and abuse. To enable genuine participation of professionals and result in the selection of competent and independent members, it is necessary to ensure broad awareness within the judicial and prosecutorial community regarding the candidates, as well as adherence to the principles of accountability of future members in implementing reforms related to appointments, promotions, and disciplinary responsibility.

Role of the Reform Agenda

Reform Agenda Measure (relevant for Chapter 23)	Status	Urgent for Chapter 23
9.6.1. Reform of justice system – Increase the number of appointed judges and public prosecutors by 10%	Deadline: December 2025 Status: unfulfilled	Decisive political and institutional will is required to ensure consistent implementation of the existing legal framework and to create an environment in which judicial councils operate at full capacity, free from fear and external influence, particularly political

Conclusion

Despite constitutional and legislative reforms and formal alignment with European standards, practice indicates a serious stalemate in establishing a genuinely independent and functional judiciary. Mechanisms for protection against undue influence remain unimplemented in practice, while political and institutional pressures continue through obstruction, inaction, and lack of accountability within judicial bodies. The functioning of judicial councils is severely constrained in practice, directly affecting court operations and undermining trust in reforms. The upcoming elections for members of the High Prosecutorial Council (HPC) and the High Judicial Council (HJC) represent a critical juncture for safeguarding the rule of law in Serbia. If a fair, transparent, and open electoral process with genuine participation of the professional community is not ensured, there is a serious risk of further erosion of judicial independence and discrediting of the overall judicial reform.

FIGHT AGAINST CORRUPTION

State of Play

The Government of the Republic of Serbia adopted the National Anti-Corruption Strategy for the period 2024-2028, as well as the accompanying, modest Action Plan for 2024-2025, whose

implementation has been significantly delayed. A public consultation on the Action Plan for 2026-2028 has been opened. While the preparation process started with an analysis of existing problems, appropriate solutions were not proposed for most of them. Suggestions from civil society organisations have largely been rejected by the competent authorities, which also did not offer alternative proposals. Following the collapse of the canopy at the railway station in Novi Sad on 1 November 2024, surveys indicate that the public increasingly recognises corruption as one of the most serious societal problems in Serbia. The government's response to mass protests included announcements of the "toughest fight against corruption" by certain unauthorised officials, followed from February 2025 by a series of arrests and criminal proceedings. However, in most cases, the proceedings were not related to corruption but concerned economic crime. At the same time, initial steps in corruption investigations concerning contracts for the reconstruction of railway infrastructure were interpreted by the political leadership as a "state coup", further undermining trust in the independence and autonomy of the prosecution. Oversight of the implementation of anti-corruption regulations, conducted by the Anti-Corruption Agency, has shown no visible progress, and proactive measures have not advanced. Recommendations from international bodies, particularly GRECO and ODIHR, have not been used as a basis for numerous reforms. As a result, no laws or practices have been amended during this period. The government proposed, and subsequently withdrew in March 2025, amendments to the Law on Free Access to Information of Public Importance, which had previously faced criticism from civil society organisations, media, and experts.

How to Unblock the Process / Priority Steps to Unblock the Process

1. **Supplement the National Anti-Corruption Strategy and Action Plan** to address key challenges, including the limited number of high-level corruption cases investigated and the non-transparent awarding of the most valuable public contracts. Special priority should be given to implementing GRECO Fifth Round recommendations (regarding the Law on the Prevention of Corruption, the Law on Lobbying, and other relevant regulations), as well as ODIHR recommendations to improve electoral conditions, particularly in preventing the misuse of public resources. Amendments to the legal and institutional framework should be initiated, while the National Assembly should actively monitor the implementation of the National Strategy and review its progress reports.
2. **Increase the number of prosecutors specialized in combating corruption, provide them with the necessary resources, and, through legislative amendments, enable more effective criminal prosecution in cases of high-level corruption**. Although the state has declared its commitment to fighting corruption, systemic specialisation and clear normative procedures for high-level corruption cases are still lacking. The existing legal framework does not allow for the effective application of special investigative measures, nor does it guarantee the obligation of public prosecutors to act on well-substantiated allegations of corruption reported in the media. It is necessary to introduce a requirement for public prosecutors to publish reasoned decisions on non-prosecution in cases of suspected high-level corruption and to clearly differentiate corruption from other criminal offences handled by their anti-corruption units. It is also essential that prosecutors initiate proceedings in situations where the political leadership or the police hinder the commencement or conduct of corruption investigations.

3. **The Government of the Republic of Serbia should relaunch amendments to the Law on Free Access to Information of Public Importance and the Data Secrecy Act through an inclusive and transparent process involving civil society**. The oversight role of the Commissioner for Information of Public Importance should be strengthened, and mechanisms controlling the classification of data by confidentiality level improved. The withdrawal of the disputed draft law provides an opportunity for a new participatory process that should resolve longstanding issues: non-enforcement of the Commissioner's decisions, lack of oversight over top state authorities, and limited proactive transparency of public bodies. It is particularly important to establish a system of effective oversight over the classification of information, reducing the risk of misuse and enabling meaningful public scrutiny of institutional operations.

Role of the Reform Agenda

Reform Agenda Measure (relevant for Chapter 23)	Status	Urgent for Chapter 23
9.5.1. Improved fight against and prevention of corruption – Improve the rack record of effective and efficient investigations, prosecutions, final judgements, seizure, and final confiscations in corruption, including high-level corruption cases	Deadline: June 2026 Status: unfulfilled	Continuous efforts are required to strengthen the independence and capacity of judicial bodies and public prosecution, improve transparency, and ensure a legal framework capable of effectively addressing the complexity and specificity of high-level corruption cases

Conclusion

The fight against corruption in Serbia continues to yield insufficient results, and longstanding problems are deepening. There is a lack of genuine political will to implement the necessary reforms to the extent required, as well as insufficient institutional commitment proportional to the seriousness of the problem and citizens' expectations. Although Serbia formally accepts recommendations from international bodies, these are insufficiently reflected in planning documents. Planned measures are inadequate to bring about substantial change, and the objectives are unambitious and imprecisely defined. Ignoring the majority of GRECO (from the Fifth Evaluation Round) and ODIHR recommendations (regarding electoral conditions) further undermines the credibility of the reform process and the implementation of the Reform Agenda. Planning documents do not provide for the active role of the National Assembly, although it has responsibilities both in implementing necessary measures and in monitoring the work of other bodies. Key laws require improvement, including the Law on the Prevention of Corruption, Law on Financing Political Activities, Law on Lobbying, Law on Free Access to Information of Public Importance, as well as provisions concerning criminal prosecution of corruption and whistleblower protection. Without a legal obligation for public prosecutors to investigate all well-substantiated allegations of high-level corruption and to provide reasoned explanations for decisions not to prosecute, there remains room for political influence and impunity. The High Prosecutorial Council must respond and protect the autonomy of the prosecution in cases where it is threatened, including during announcements of anti-corruption campaigns, selective actions, or obstruction of

investigations. The Anti-Corruption Agency must demonstrate proactive oversight in investigating violations of the law by public officials and political actors, as well as assessing the risk of corruption in legislation. The Agency must also act promptly and comprehensively on complaints, both under normal circumstances and during electoral campaigns.

FUNDAMENTAL RIGHTS

State of Play

Despite constitutional guarantees and international obligations, the enjoyment of fundamental rights in the Republic of Serbia shows continuous and systemic regression, particularly in the areas of freedom of expression and assembly, children's rights, the right to a healthy environment, and the right to privacy. Activists, journalists, and civil society organisations are exposed to intimidation campaigns, smear campaigns, SLAPP lawsuits, unlawful surveillance, and attacks that remain unpunished, with an absence of institutional protection. The right to peaceful assembly is further undermined by selective police action, stigmatization of participants, and the lack of effective legal remedies. From November 2024 to September 2025, over 900 citizens were detained, including individuals accused of serious criminal offences. In March 2025, an incident occured in which citizens participating in a protest were subjected to the use of a sound device causing physical harm. Although domestic authorities denied the event, several international bodies later confirmed the need for a thorough and independent investigation and for holding the perpetrators accountable. Children are particularly vulnerable due to failures in the protection system within social institutions and the disregard for their rights to express opinions and assemble. Despite existing strategies and obligations under the Istanbul Convention, the institutional response to gender-based violence in Serbia remains inadequate. Cases of sexual and digital violence are often ignored; specialized women's organizations lack systemic support; and the number of femicides is alarmingly increasing, including cases in which perpetrators had prior convictions for violence. In the field of environmental protection, the institutional response to environmental crimes is insufficient, and environmental activists face pressures and threats. At the same time, the process of amending key criminal laws is carried out non-transparently, without public consultation, and includes harmful provisions that may further undermine fundamental rights.

How to Unblock the Process / Priority Steps to Unblock the Process

1. **Ensure full respect for the right to peaceful assembly in accordance with international standards**
   The state must guarantee equal protection of all assemblies, without discrimination based on the formal status of the gathering, political expression, or age of participants. In line with international obligations, unnotified assemblies are not illegal, and authorities are obliged to enable their peaceful conduct. The police must ensure the safety of all assemblies, including unnotified ones, with actions that are proportional, non-selective, and risk-based, prohibiting excessive or indiscriminate use of force. Public prosecutors and courts must act independently and impartially, free from political pressure, and any proceedings against protest participants

must be based solely on facts and law. Children and minors have the same right to peaceful assembly as adults, with additional protective measures. Furthermore, the right to work must not be undermined due to the exercise of freedom of expression through participation in protests, including prohibition of pressure, threats, or retaliation by employers or public institutions.

2. **Ensure and strengthen the institutional framework for the protection of human rights defenders**
   It is essential to conduct independent and effective investigations in cases of spyware use and attacks on activists that remain unpunished, and to halt unfounded proceedings against civil society organisations. Serbia should implement Council of Europe recommendations and other international standards to combat SLAPP lawsuits, including provisions for early dismissal of manifestly unfounded cases and mechanisms to prevent abuse of the judiciary.
3. **Halt the current process of amending criminal laws and initiate an inclusive, transparent reform, that involves the judiciary, professional bodies, and civil society** to ensure that amendments do not undermine guaranteed rights but rather enhance them in accordance with the Constitution and international standards. The legislative reform process must be based on a broader societal consensus, which is currently unattainable due to the political crisis. It is particularly important that amendments preserve and consolidate newly achieved rights, especially in the areas of women's rights, gender-based violence, children's rights, and freedoms of expression, assembly, and association.

Role of the Reform Agenda

Reform Agenda Measure (relevant for Chapter 23)	Status	Urgent for Chapter 23
9.2.1. Enhance fundamental rights protection of vulnerable individuals and persons belonging to national minorities – Step 1	Deadline: December 2025 Status: unfulfilled	As indicated in the Reform Agenda, it is necessary to prepare and adopt regulations envisaged "following the adoption of action plans on gender-based violence, deinstitutionalisation, and the exercise of national minority rights". Special focus must be placed on transparent and inclusive consultations, where the priority is not merely meeting deadlines, but ensuring conditions for meaningful public debate and the creation of societal consensus (also applicable to amendments to criminal legislation).

Conclusion

Fundamental rights in Serbia are increasingly at risk due to selective police action, political instrumentalization of the judiciary, and inadequate responses to violence and repression against human rights defenders. Of particular concern is the inappropriate state response to protests, including mass detentions, initiation of criminal charges for serious offences, and stigmatization of participants, including minors. At the same time, the process of amending key criminal laws is proceeding without public consultation or the participation of professional and wider civil society,

resulting in provisions that may further weaken the protection of human rights, especially the rights of women, children, and minority groups. It is urgently necessary to halt this process and establish an inclusive reform mechanism with clearly defined objectives, deadlines, and impact assessments. Furthermore, institutional safeguards must also be established to protect human rights defenders, including effective mechanisms against SLAPP lawsuits, unlawful surveillance, and impunity for attacks. All these measures are a prerequisite for restoring citizens' trust in legal security and the rule of law in Serbia.

WORKING GROUP FOR CHAPTER 24
JUSTICE, FREEDOM AND SECURITY

Objectives

Chapter 24 focuses on ensuring the security, rights and freedoms of citizens of Serbia and the European Union, while promoting international cooperation in addressing common challenges. It covers ten areas: migration, asylum, external border control and the Schengen acquis, visa policy, judicial cooperation (in commercial, civil and criminal matters), police cooperation and the fight against organised crime, cooperation in combating terrorism, cooperation in the field of drugs, customs cooperation, and the protection of the euro against counterfeiting.

State of Play

The Action Plan for Chapter 24 includes 42 interim benchmarks and more than 300 activities, of which only about half have been implemented. In addition, certain measures have been singled out within the Reform Agenda. In the European Commission's 2024 Report, Serbia's level of preparedness in this chapter was assessed as being between "some level of preparation" and "moderate level of preparation" (2.5 out of 5), with "some progress achieved" (score 3 out of 5). However, the ratings for the fight against organised crime are lower (2 out of 5).[4]

Selective, inappropriate and unlawful conduct by the police during the eleven months of civic protests and student blockades across Serbia indicates a lack of operational autonomy. The appointment of the Police Director at the end of April, after more than three years of vacancy, has not contributed to improving the situation. Statements by high-ranking officials, amendments to the internal organisation act of the Ministry of Interior (MoI) – which still remains unpublished – as well as recent dismissals of senior police officials, all point to strong political control over the work of the police. The observed coordination between the police and informal, private security structures during intensified repression against protesters, among whom professional journalists identified members of criminal and hooligan groups, is also a matter of serious concern.

The relationship between the police and the prosecution has not improved in practice; obstructions remain evident in politically sensitive cases.[5] Security services continue to participate in criminal investigations. Alongside the drafting of the Law on the Suppression and Prevention of Human Trafficking and the Protection of Victims, the performance of the MoI in this area has stagnated, particularly regarding labour exploitation of migrants, with fewer criminal charges filed and perpetrators identified.[6] In the area of drug policy, there is a declining level of support for health, socio-economic and other essential programmes, while prevention and recovery programmes

[4] European Commission, *Republic of Serbia – 2024 Report*, 30 October 2024.
[5] This is also evident from the example of the police's withdrawal from the task force, belatedly established by the Office of the Public Prosecutor for Organised Crime, to investigate financial flows related to the collapse of the railway station canopy in Novi Sad.
[6] For more details, see Chapter 24 in: Jelena Pejić Nikić (ed.), *PrEUgovor Alarm: Report on Serbia's Progress in Cluster 1*, Coalition prEUgovor, Belgrade, May 2025.

remain scarce and ineffective. The proposed amendments to the Criminal Code failed to seize the opportunity to decriminalise the use and possession of drugs for personal consumption.

The occupancy of asylum and reception centres has remained stable; however, smuggling networks remain active and increasingly violent, with reports of abductions, extortion and large-scale smuggling uncovered both in Serbia and within Europol-led operations. Most migrants continue to avoid the asylum system, while violent pushbacks at the northern borders, often involving the use of force, represent a serious cause for concern. Civil society organisations therefore emphasise the need to establish an independent border monitoring mechanism.[7] Some progress has been achieved in aligning the visa regime with that of the EU, but discrepancies between the National Programme for the Adoption of the EU Acquis (NPAA) and the Schengen Action Plan continue to create strategic uncertainty. Moreover, with the adoption of the EU Pact on Migration and Asylum, Serbia will have to revise the measures and activities foreseen in the Action Plan for Chapter 24. Key aspects of migration management, asylum and visa policy are not covered by the Reform Agenda. The liberalisation of the labour market and the increasing number of foreign workers underline the need to strengthen oversight and protection mechanisms, particularly in the field of labour rights and the prevention of exploitation.

Priority Steps to Unblock the Process

While none of the formally envisaged measures should be neglected, the following three key issues have been identified as preconditions for the meaningful implementation of all other reform activities under Chapter 24 in the current context:

1. **Politicisation and Criminalisation of the Police**
   Representatives of the executive authorities should refrain from exerting political pressure (both behind-the-scenes and public) on the operational work of the police. The Ministry of Interior (MoI) should publish the organisational act on job positions and refrain from frequent amendments aimed at promoting party-loyal staff within the police. A new law should establish stricter and more transparent conditions for recruitment, particularly with regard to appointments to managerial positions. The practice of concealing the identity of police officers – among other things, through excessive and unjustified use of face coverings – must be discontinued. The police must prevent and sanction the use of force by unauthorised individuals.
2. **Lack of Accountability for Violations of the Law within the Police**
   Competent bodies and institutions (the Internal Control Sector of the MoI, the Ombudsman, and the Prosecutor's Offices) should effectively and without delay investigate all allegations of police torture, excessive use of force, biased conduct, use of prohibited means of coercion against protesters, leaks of confidential information, and other irregularities and unlawful actions by the police. They must establish the facts and determine responsibility within the police and the Ministry of Interior.

[7] *Ibid.*

3. **Obstructions of Prosecutorial Investigations Due to Insufficient Cooperation between Prosecutors and the Police**

   Police officers participating in criminal investigations should operate under the direct supervision of the competent public prosecutor and be accountable to them for their actions. The prosecutor's assessment of their performance should constitute the key criterion for their career advancement within the service.

Role of the Reform Agenda

Reform Agenda Measure	Deadline	Status[8]
9.3.1.(1) Adopt a new Law on Combating and Preventing Human Trafficking, Law on Weapons and Ammunition, and amend the Criminal Code in the area of weapons trafficking	June 2025	**Not fulfilled.** The Draft Law on the Suppression and Prevention of Human Trafficking has been prepared, and the public consultation was completed in the first half of June; however, the Government has not yet adopted the proposal or submitted it to the National Assembly. Civil society organisations expressed criticism regarding both the drafting process[9] and the content of the draft law[10]. The public has not been informed about the preparation of a new Law on Weapons and Ammunition since the public consultation on the previous draft was suspended at the end of 2022. Amendments to the Criminal Code[11], including provisions on the production, possession and smuggling of weapons, were subject to public consultation until the end of September 2025. Due to a non-transparent drafting process, short consultation period, unfavourable political climate and numerous controversial provisions (beyond this specific area), the National Convention on the European Union (NCEU) requested the suspension of the public consultation.[12]
9.3.1.(2) Adopt a new strategic document and accompanying the Action Plan for the period 2025-2030 for the control of Arms and Light Weapons (SALW)	June 2025	**Not fulfilled.** The Programme for the Control of Small Arms, Light Weapons, Ammunition and Explosive Materials in the Republic of Serbia for the period 2025-2030, accompanied by the Action Plan for 2025-2027, underwent public consultation in May and a public hearing in September, both largely unnoticed.[13] Its adoption by the Government is pending.
9.3.1.(3) Adopt an operational plan for financial investigations	December 2025	**Ongoing.** The Ministry of Justice initiated the drafting of the operational plan at the end of August 2025.
9.3.1.(4) Continuously implement the SALW Action Plan and the National Programme on	June 2026	/

[8] Status as of 30 September 2025.
[9] Jelena Pejić Nikić (ed.), *PrEUgovor Alarm: Report on Serbia's Progress in Cluster 1*, Coalition prEUgovor, Belgrade, May 2025, pp. 136-138.
[10] Ministry of Interior, *Report on the Public Consultation on the Draft Law on the Suppression and Prevention of Human Trafficking* (undated).
[11] Ministry of Justice, *Draft Law on Amendments to the Criminal Code*, E-Consultations, 9 September 2025.
[12] National Convention on the European Union, *Statement of the National Convention on the European Union Regarding the Ongoing "Public Consultation" on Amendments to the Criminal Legislation*, 23 September 2025.
[13] Documents available on the E-Consultations website, last accessed on 24 September 2025.

Combating Human Trafficking in the Republic of Serbia for 2024-2029 with five specific objectives		
9.3.1.(5) Continuously implement the SALW Action Plan and the National Programme on Combating Human Trafficking in the Republic of Serbia for 2024-2029 with five specific objectives (same measure, different deadline)	June 2027	/
9.3.1.(6) Adopt the Law on Internal Affairs with enhanced provisions on the operational independence of the police and on the prevention of torture	June 2025	**Not fulfilled.** According to information available to the NCEU, the drafting of the Law on Internal Affairs is in its final phase. At the end of August 2025, the NCEU Working Group for Chapter 24 declined to participate in consultations on a draft that has not yet been made public, as long as the police continue to act contrary to the current Law on Police and to the objectives of the planned amendments required by the Reform Agenda.[14]
9.4.1.(1) Adopt new strategic document and accompanying action plan that covers counter terrorism and all forms of radicalization and violent extremism, including the issue of foreign fighters	June 2025	**Not fulfilled.** The Programme for the Prevention and Suppression of Terrorism and all Forms of Radicalisation and Violent Extremism in the Republic of Serbia for the period 2025-2030, with the accompanying Action Plan for 2025-2027, underwent public consultation and a public hearing in the first half of 2025, both largely unnoticed.[15] Its adoption by the Government is pending.
9.4.1.(2) Adopt documents with specific objectives in the area of counter terrorism and violent extremism	December 2026	/
9.4.2. Alignment with EU visa regime with at least three countries whose nationals need visa to enter the EU	December 2024	**Fulfilled.** Visas were introduced on time for four countries – Oman, Mongolia, Qatar and Kuwait.[16]

Conclusion

The implementation of obligations under Chapter 24 remains slow and selective. Political control and the police's links with criminal groups, the lack of accountability within the police, as well as the weak cooperation between the police and the prosecution, seriously undermine the rule of law and the credibility of reforms. Although processes for adopting new laws and strategies have been initiated, delays, lack of transparency and the authorities' refusal to abandon repressive practices call into question their very purpose. Without addressing the key problems that have been brought to light by the large-scale civic protests, further progress in this chapter remains uncertain.

[14] National Convention on the European Union, *Dialogue on new law impossible amid ongoing police violations*, 8 September 2025.
[15] Documents available on the E-Consultations website, last accessed on 24 September 2025.
[16] See infographic: prEUgovor, *Alignment of Serbia with the European Union's Visa Policy*, 4 March 2025.

WORKING GROUP FOR CHAPTER 27
ENVIRONMENT

Objectives

The objectives of Chapter 27 are the preservation of natural resources, pollution reduction, sustainable development, and the alignment of human activities with ecological principles, in order to ensure long-term environmental balance, improved quality of life, and better public health. Chapter 27 is one of the most demanding and costly chapters, covering ten sub-sectors: horizontal legislation, water quality, air quality, waste management, nature protection, industrial pollution control and risk management, chemicals, noise, civil protection, and climate change.

Serbia is seeking transitional periods for more than ten directives, with the longest periods in the areas of waste management and wastewater (up to 2044) due to the need to construct municipal infrastructure, estimated at approximately EUR 7.5 billion. In the field of industrial pollution, the industrial sector must make significant investments. During negotiations, Serbia requested transitional periods for 68 industrial installations regarding the implementation of the Industrial Emissions Directive. An action plan for meeting the closing benchmarks of Chapter 27 has been prepared.

Within the 2024 Reform Agenda, there is a so-called “green pillar” focusing on the green and digital transition. However, environmental protection is not explicitly mentioned, being limited solely to the green energy transition. The way certain priority reforms are determined remains unclear, as Serbia has not yet adopted a Development Plan nor a plan to achieve the Sustainable Development Goals under the 2030 Agenda. Furthermore, the Environmental Protection Strategy has not yet been enacted.

State of Play

Horizontal Legislation

In this area, there is a growing trend of adapting regulations and conditions for nature protection, as well as “revisions” of planning and other documents to the detriment of nature and environmental protection, to accommodate investors’ demands and create space for the implementation of specific projects. The new Regulation on the list of projects requiring mandatory Environmental Impact Assessment has not yet been adopted (deadline was in June 2025). The new laws on Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA), adopted in November 2024, have significantly reduced public participation as a party in the procedure. There are serious inconsistencies and contradictions between horizontal environmental legislation and related laws and regulations, such as the Law on Planning and Construction and expropriation regulations (for example, the Government has the authority to determine public interest at its discretion and enable compulsory legal transfer of real estate, even for mineral extraction projects, which is contrary to the Constitution of the Republic of Serbia). In the SEA procedure, it is still not possible to appeal a decision granting approval of the SEA report. The Law on Integrated Pollution Prevention and Control (IPPC) permits is applied inadequately –

obtaining permits is continuously postponed without sanctioning installations operating without basic permits (e.g., water and operational permits). Investments in environmental protection are smaller than those in EXPO 2027, whose total value, together with the National Stadium, amounts to approximately 0.4% of GDP.

Current Issues in Other Sub-Sectors

In Serbia, 12,700 people die prematurely each year due to long-term exposure to polluted air. Serbia lacks a regular system for hazardous waste collection. Historical pollution and unmanaged landfills remain unresolved. Every year, fires break out at numerous landfills, many of which are unsanitary dumpsites. Uncontrolled logging and the destruction of national parks and other protected areas are also a problem.

Operators dispose of and manage mining waste without a waste management permit, and there is no reliable data on the quantities of mining waste generated. A significant portion of the public does not support the idea of Serbia becoming a long-term and stable source of mineral raw materials for the EU's green transition (e.g., the Jadar project), due to potentially irreversible environmental damage caused by lithium mining. Environmental accidents are not systematically investigated, causes are not identified, and environmental crimes are rarely sanctioned. Decision-makers and investors frequently use terms such as "state-of-the-art," "new," or "completely safe" technologies, without providing concrete information on the technologies they plan to use or the evidence supporting their safety.

Climate Change

Among all European countries, Serbia is one of the most vulnerable to the impacts of climate change. Very little has been done to reduce vulnerability and strengthen adaptation capacity. Between 2000 and 2020, Serbia suffered damages of at least EUR 6.8 billion due to extreme weather events. The national adaptation programme allocates only EUR 7.3 million of budgetary funds up to 2026, which is far below the required level. Serbia and the European Union have recently signed a Financing Agreement for the Multiannual Operational Programme for Environment and Energy, with a total value of EUR 325.2 million, of which EUR 240 million are EU IPA grant funds, and the remainder is provided by Serbia. Funds under this programme are intended for waste management, environmental protection, and the transition to renewable energy sources, and are planned to be implemented by 2032.

How to Unblock the Process? / Priority Steps to Unblock the Process

1. Conduct a review of questionable permits and nature protection condition decisions issued by the Institute for Nature Conservation of Serbia for various projects (such as the Jadar project, small hydropower plants, and others), in light of allegations that some decisions are falsified, with content not supported by the staff who worked on the proposals, and establish accountability for those involved in the preparation or signing of such acts;
2. Ensure transparent decision-making on environmental protection financing at local, provincial, and national levels, with citizen participation in the process (particularly young

people); guarantee that funds collected from environmental fees are used for their intended purposes;

3. Ensure consistent application of the “polluter pays” and “user pays” principles, and introduce stricter sanctions for criminal offences in this area;

Conclusion

Despite formal reforms and legislative alignment with the EU acquis, serious problems persist in the practical implementation of regulations, and in some areas, there is even systemic degradation of environmental protection. Institutions are not being strengthened; on the contrary, they are being weakened, which further deepens citizens’ distrust in their work. Moreover, there is public scepticism regarding the true intentions of both domestic decision-makers and investors from the European Union.

WORKING GROUP FOR CHAPTER 28
CONSUMER AND HEALTH PROTECTION

Objectives

The objective of Negotiating Chapter 28 is to ensure a high level of consumer and public health protection, in line with European Union standards, through harmonisation of legislation, strengthening of supervisory mechanisms, and capacity building of relevant institutions for the implementation of regulations. This includes the protection of consumer rights, product and service safety, proper information and market transparency, as well as preventing and controlling risks to public health. In this way, the preconditions are created for a higher level of consumer confidence and for the effective integration of the Republic of Serbia into the EU single market.

State of Play

Under Chapter 28, the legislation of the Republic of Serbia is largely aligned with the EU acquis; however, further updates and harmonisation are required. In the field of consumer protection, a draft Law on Consumer Protection has been presented to the public, representing progress in legal harmonisation with Directive (EU) 2019/2161, Directive (EU) 2019/770, and Directive (EU) 2019/771. Nevertheless, the draft does not foresee substantive changes to the institutional framework for consumer rights protection. In the area of enforcement and redress, the number of Alternative Dispute Resolution (ADR) bodies has increased to 65, with a corresponding rise – from 1,786 in 2023 to over 2,424 in 2024. The National Bank of Serbia (NBS) resolved 743 complaints from users of financial services concerning banks and 412 complaints concerning insurance companies. Regarding product safety, further strengthening of sanitary inspection capacities is necessary, while the Law on General Product Safety is only partially aligned with the EU acquis. In the area of public health, the key priorities include sustainability of the Health Insurance Fund, implementation of the National Human Resources Plan, improvement of the e-health system, introduction of stricter controls on tobacco and antibiotics, as well as modernisation of capacities for the prevention of and response to serious cross-border health threats. Serbia has partially aligned legislation on medicinal products, veterinary medicines, and medical devices, while community-based mental health services remain underdeveloped. Progress is still limited in the areas of prevention and treatment of malignant diseases, nutrition and physical activity, prevention of psychoactive substance abuse, and ensuring equal access to healthcare.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 28 requires the implementation of a series of reform and structural measures to meet all opening benchmarks. However, the following priority and time-critical measures would enable the continuation of the negotiation process:

1. Adoption of the new Law on Consumer Protection (LCP) represents progress in the legal harmonisation with Directive (EU) 2019/2161, Directive (EU) 2019/770, and Directive (EU) 2019/771. However, **substantial changes to the institutional mechanism for consumer rights protection are needed**, by reconsidering the role of a Consumer

Ombudsman, concentration of supervision over unfair commercial practices within the Commission for the Protection of Competition, and introduction of specific administrative measures for severe violations of business practices (NCEU recommendation from 2021);

2. **Integrated Health Information System (IHIS)** – ensure the full functionality of the system, including a unified electronic health record, clearly defined responsibilities of all stakeholders, and access to depersonalised data for research and public information purposes, using the 2022 Programme for the Digitalisation of the Health System as the planning framework (NCEU recommendation from 2017);
3. **COVID-19 report** – the Institute of Public Health of Serbia should prepare and publish a thematic report on the COVID-19 pandemic, including results of epidemiological surveillance and assessments of the effects of implemented measures, to provide a basis for public debate and evidence-based health policy formulation (NCEU recommendation from 2021);

Role of the Reform Agenda

This area is not directly included in the Reform Agenda, and therefore there are no measures specifically addressing it.

Reform Agenda Measure (indirect Impact on Chapter 28)	Status	Urgent for Chapter 28 (indirect Impact on Chapter 28)
6.2.1. Enhancement of investment and development opportunities for entrepreneurs and the private sector	Ongoing, deadline: 2027	1. Rapid amendment of the Law on Consumer Protection to promptly remove regulatory barriers for investors and businesses, including clearly defined guidelines on product liability and consumer protection. 2. Introduction of collective actions – implement a collective action mechanism to reduce legal risks for entrepreneurs, with clearly defined procedures and limitations. 3. Strengthening institutional support – develop the capacities of consumer organisations and Alternative Dispute Resolution (ADR) institutions to provide a predictable framework for resolving complaints and disputes. 4. Financial support and training – launch short-term financial support and training programmes for entrepreneurs on consumer and public health protection obligations, aiming to reduce the risk of sanctions and increase competitiveness.
7.2.2. Further Digitalisation of Public Services and Administrative Procedures for Businesses and Citizens	Ongoing, 2024–2027	Improve consumer protection registers (NEPRO, e-Inspector), align information systems with EU standards, join the RAPEX and Consumer Protection Cooperation (CPC) Network, and enhance the Integrated Electronic Health Information System (IHIS)
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Develop procedures for monitoring, reporting, and evaluation; strengthen human resources; include civil society organisations as equal

		stakeholders in the reporting and evaluation process
Chapter 15 – Control and Audit	Government Regulation on IRR; internal control system	Strengthen institutional capacities and introduce mandatory project audits to ensure effective control and prevent irregularities

Conclusion

On 3 February 2022, the Government of the Republic of Serbia adopted the negotiating position for Chapter 28 and submitted it to the European Commission, which accepted the document and forwarded it to EU Member States for consideration. The approval process has been proceeding slowly; therefore, it is necessary to intensify activities and accelerate the procedure to enable the continuation of the negotiation process under Chapter 28.

WORKING GROUP FOR CHAPTER 29
CUSTOMS UNION

Objectives

Chapter 29 covers the regulations relating to the Customs Union, which falls under the exclusive competence of the European Union. This means that, upon EU accession, a candidate country fully adopts and applies the Union's legislation and regulations in their original form. In this area, the transfer of sovereignty from the Member State to the EU is complete.

State of Play

The customs legislation of the Republic of Serbia is largely aligned with the European Union acquis. In the last two annual European Commission progress reports on Serbia (for 2022 and 2023), the alignment of Serbian legislation in this area was generally positively assessed, although the 2023 assessment was somewhat more reserved. The overall conclusion remains that "Serbia is at a good level of preparedness" in the field of the Customs Union. However, annual progress in 2023 was evaluated as weaker, noting that "limited progress" had been made regarding the adoption of secondary legislation under the Customs Law and the Law on the Customs Administration.

Following the expiration of the implementation period of the Action Plan of the Integrated Border Management Strategy of the Republic of Serbia for 2022-2024, the preparation of a new Action Plan for 2025-2027 has commenced. During 2024 and 2025, Serbia began the development and implementation of the Integrated Tariff Management System (ITMS), along with a data warehouse solution and automated decision-making systems for import and export operations. A new IT strategy for the Customs Administration and its implementation plan for the forthcoming period is currently under preparation, which will take into account human and budgetary resources.

The Ministry of Finance has prepared a Business Plan for improving the organisation and operations of the Customs Administration for 2025-2029, together with an Action Plan for its implementation.

How to Unblock the Process? / Priority Steps to Unblock the Process

In its latest 2024 Progress Report on Serbia, the European Commission noted that no progress had been made regarding the recommendations from the previous year (2023), which therefore remain in effect. In this context, Serbia should particularly:

1. Further improve the customs clearance system by integrating risk management (NCEU recommendation from 2024);
2. Continue the development of the national customs IT system to enable its integration with European Union systems (NCEU recommendation from 2024);
3. Continue aligning its customs legislation, procedures, and administrative capacities with the EU acquis, especially in areas such as:
   - Risk management in customs procedures (Risk Management System);

- Customs classification and valuation of goods (Customs Classification and Valuation);
- Authorised Economic Operator programme (AEO);
- Customs cooperation and data exchange with EU authorities;
- Fraud prevention and protection of the financial interests of the EU (Anti-fraud measures).

The development of the ITMS system and digital tools represents a key support for implementing these reforms. During 2024-2025, Serbia initiated the development and implementation of the Integrated Tariff Management System (ITMS), together with a data warehouse solution and automated decision-making systems for import and export operations. These systems are essential for interoperability with the information systems of EU customs authorities (TARIC, EBTI, REX, NCTS).

Role of the Reform Agenda

This area is not directly included in the Reform Agenda, and therefore there are no measures specifically addressing it.

Reform Agenda Measure (indirect impact on Chapter 29)	Status	Urgent for Chapter 29 (indirect impact on Chapter 29)
7.2.1. Development of a secure and sustainable digital infrastructure, including rural broadband and 5G roll-out	Deadline: December 2025	Align Serbia with the Gigabit Infrastructure Act through the adoption of the Law on Broadband Infrastructure by the National Parliament
7.2.2.(1) Digital identity and trust services compliant with the EU Digital Identity Regulation and eIDAS Regulation	Deadline: December 2025	Inclusion of Serbia in the EU Third Countries trusted list for the validation of electronic signatures as advanced electronic in the EU as a first step towards pursuing mutual recognition of qualified trust services
7.2.4.(1) Improving the legal framework for cybersecurity (introducing requirements of NIS2 Directive and strengthening relevant institutions)	Deadline: December 2025	Adoption of the Law on Information Security by the Parliament fully aligned with the NIS2 Directive; Establishment of the Office for Information Security
7.2.4.(2) Setting up the legal framework for Artificial Intelligence	Deadline: December 2025	Adoption of the Law on Artificial Intelligence, based on a high-risk approach, and with the necessary enforcement structures in place
7.2.5. Deployment of the Intelligent Transport System and e-freight	Deadline: December 2026	Ratification of the Convention on the Contract for the International Carriage of Goods by Road (eCMR), necessary for eFTI implementation
9.3.1. Tackling of organized and serious crime	2024-2027	Serbia should enhance its regulatory framework. By amending the Law on suppression and prevention of Trafficking in Human Beings, following adoption and implementation of the Programme and Action Plan for Combating Trafficking in Human Beings, a comprehensive system in this area will be established together with all competent authorities

Conclusion

Although Serbia's customs system under Chapter 29 is largely aligned with the European Union framework, further improvements are necessary through the development of the customs IT system and the integration of risk management into customs procedures. During 2025, Serbia achieved technical progress in the digitalisation and modernisation of the customs system. Nevertheless, negotiating progress under Chapter 29 remains limited, primarily due to political factors and the overall pace of the EU accession process.

Measures from the Reform Agenda relating to the strengthening of digital infrastructure, information security, AI legislation, and other activities within the digital transition (Chapter 2 of the Reform Agenda) will indirectly affect the functionality and operational efficiency of the customs system and thus hold strategic significance for Chapter 29.

WORKING GROUP FOR CHAPTER 30
EXTERNAL RELATIONS

Objectives

Chapter 30 concerns the alignment with the EU's Common Commercial Policy, international trade (including membership in the World Trade Organization and the observance of the rights and obligations stemming from that membership), EU trade agreements with third countries, as well as the Union's development and humanitarian aid to developing and least developed countries.

State of Play

A key element of Chapter 30 - Serbia's accession to the World Trade Organization (WTO) – has been effectively blocked for several years due to the contentious Law on Genetically Modified Organisms (GMOs), which imposes a total ban on the trade of GMO products. This has stalled the multilateral aspect of Serbia's WTO accession process, while bilateral negotiations with the Russian Federation, Brazil, the United States, and Ukraine are conducted in parallel. Administrative capacities within the competent ministry remain limited, with a noticeable outflow of qualified staff. Although a draft Law on International Development Cooperation and Humanitarian Aid Abroad has existed since 2018, it has not yet been adopted.

How to Unblock the Process? / Priority Steps to Unblock the Process

The measures required under Chapter 30 include:

1. Adoption of a new Law on GMOs, which would enable the launch of Serbia's WTO accession process;
2. Enhancement of contacts and cooperation with countries engaged in bilateral negotiations, to facilitate their timely conclusion;
3. Adoption of the Law on International Development Cooperation and Humanitarian Aid Abroad, alongside the establishment of the relevant institutional mechanisms for its implementation.

Conclusion

For Serbia to successfully align with the EU's external trade system, it is essential to accede to the WTO as soon as possible, thereby gaining practical experience within that organisation prior to EU membership. The Law on GMOs remains the principal obstacle that must be overcome. It is necessary to inform the public that amending this law does not necessarily endanger food safety, as other mechanisms exist to protect citizens' interests.

By remaining outside the WTO, Serbia misses the opportunity to establish a predictable and rules-based trade regime with all WTO member states, which would facilitate the development of trade relations (notwithstanding the current blockage by the United States). In any case, WTO accession represents an important preparatory step for Serbia's future functioning within the European Union.

WORKING GROUP FOR CHAPTER 31
FOREIGN, SECURITY AND DEFENCE POLICY

Objectives

Chapter 31 is often classified as a political chapter, as it does not contain a significant amount of the European Union's legal acts (*acquis communautaire*), but primarily covers the Council's foreign policy decisions, political declarations, activities, and agreements (the so-called *acquis politique*). This is also one of the chapters that is entirely based on the EU's political membership criterion. The chapter focuses on aligning the domestic institutions responsible for foreign, security, and defence policy with the EU framework, enabling them to operate effectively and act proactively within the EU system. It also includes the progressive alignment of the Republic of Serbia's foreign policy actions with the EU's Common Foreign and Security Policy (CFSP), which entails joining EU foreign policy declarations and implementing measures towards third countries that stem from those declarations.

State of Play

This chapter is *de facto* blocked, as Serbia has still not received the Screening Report held in 2014. Since the escalation of the war in Ukraine, the issues covered under this chapter have become the key benchmark for value alignment with the EU's foreign policy approach, as well as a measure of trust among the EU Member States.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 31 requires a series of reforms and structural measures, but the priority and time-sensitive actions necessary to enable progress include:

1. Serbia should adopt a Plan for Progressive Alignment with EU Foreign Policy Declarations and Restrictive Measures, as well as establish coordination with the EU in key international fora, to enable the opening of Cluster 6 in due course. The plan should be agreed in advance with EU institutions and the most interested Member States;
2. Following adoption, Serbia needs to demonstrate tangible implementation results, sending clear signals of consistent adherence to the plan;
3. Serbia should continue contributing to the Common Security and Defence Policy (CSDP) through participation in military missions and operations;

Conclusion

Without full, or at least progressive alignment with the Common Foreign and Security Policy of the EU in the coming period, Serbia potentially contributes to further strengthening of mistrust and thus diminishing support within the Union for membership aspirations, which is often highlighted as the most important political goal.

WORKING GROUP FOR CHAPTER 32
FINANCIAL CONTROL

Objectives

The objective of Chapter 32 is to ensure transparent and accountable public financial management in the Republic of Serbia, through the establishment of effective and efficient public institutions with systems of internal and external control aimed at detecting and correcting irregularities, fraud, and corruption, in line with international standards and EU rules. It also requires the establishment of international cooperation and the implementation of measures to prevent money laundering and protect the euro against counterfeiting.

State of Play

The legal and institutional framework for achieving the objectives of this chapter has largely been established; however, the adopted regulations and rules are still not sufficiently implemented in practice. Weaknesses remain in performance management, lines of accountability between independent bodies and other institutions, and in the practical application of reporting systems for irregularities. The Budget Inspection is operational but lacks sufficient resources and clear integration within the national inspection system.

Internal audit is aligned with international standards, but the limited number of auditors and incompletely established internal audit units reduce its effectiveness, despite recent legislative amendments. In 2021, the Government of the Republic of Serbia adopted the Public Financial Management Reform Programme (PFMRP) for 2021-2025, while the forthcoming document for the next five-year period should include more concrete timelines and a clearer division of responsibilities for meeting obligations. It is necessary to establish a coordinated monitoring and reporting system based on the principles of managerial accountability, which also plays an instrumental role in developing the Public Internal Financial Control (PIFC) system in the public sector.

Regarding external audit, the State Audit Institution (SAI) has maintained its independence, improved the quality of audit findings, and enhanced the overall impact of its work through strengthened follow-up on the implementation of its recommendations. SAI reports are discussed by the Committee on Finance of the National Assembly, yet public fund beneficiaries still implement the recommendations only partially. The National Assembly has not examined some reports of the Fiscal Council, which highlight systemic weaknesses in public finance planning.

In the area of protection of the EU's financial interests, Serbia has adopted a new strategic plan and maintained good cooperation with the European Commission. However, the staffing deficit within AFCOS (the Department of the Ministry of Finance for the Coordination of the Fight Against Irregularities and Fraud in the Management of EU Funds) hampers its efficiency. In 2024, based on submitted notifications, AFCOS conducted five administrative verification procedures, two of which concluded that no irregularities had occurred.

Despite a high degree of alignment with the EU acquis, particularly in relation to the protection of the euro against counterfeiting, further capacity strengthening and improved implementation remain necessary. Some progress has been achieved, but the system continues to suffer from structural weaknesses that delay the achievement of full functionality.

Priority Measures

1. **Accelerate the introduction and development of internal audit and intensify training for responsible officials across all public fund beneficiaries**
   The Central Harmonisation Unit (CHU) should review the existing system for organising internal auditor training and delegate operational training activities to individuals who already hold professional certifications as internal auditors in the public sector, particularly regarding the practical components of the training programme.
2. **Improve the process of control and sanctioning of irregularities in the operations of public fund beneficiaries**
   The Government of the Republic of Serbia should consistently implement the recommendations of the State Audit Institution (SAI) and the Fiscal Council, especially those identifying systemic risks that affect the overall public finance framework. The scope and coverage of the Budget Inspection's work should also be expanded.
3. **Ensure systematic consideration of audit and fiscal oversight reports by all relevant assemblies**
   The National Assembly of the Republic of Serbia, as well as the assemblies of the Autonomous Province of Vojvodina and local self-government units, should systematically review all State Audit Institution reports and Fiscal Council analyses.

Role of the Reform Agenda

Reform Agenda Measure (relevant to Chapter 32)	Status	Urgent for Chapter 32
6.1.1. Improvement of public investment management and sustainable and efficient management of business entities owned by the Republic of Serbia	Deadline: December 2026 Status: Unfulfilled	Establish an independent internal audit function in accordance with the Budget System Law in 100% of state-owned enterprises that are legally required to establish an audit committee under the Law on the Management of Business Entities Owned by the Republic of Serbia.

Conclusion

Although the system for public financial management (PFM) in Serbia has been largely established, it still requires further improvement. The adoption of planning documents and regulations, as well as the assessment of their implementation, must be conducted with greater public participation. The absence of public involvement in the planning of key public expenditures and the central government budget, combined with numerous irregularities in the management of public funds, highlights the need for more effective mechanisms for safeguarding public resources and maximising transparency. Programme budgeting should continue to be developed in order to enable effective performance management and improve transparency of the budgeting process.

Full comparability of information on planned and implemented programmes must be ensured, and programme results should be thoroughly reviewed. Despite the formal establishment of numerous internal audit units, their operational capacity remains insufficient. As of 31 December 2024, nine ministries still lacked a single internal auditor, even though this requirement has existed for over a decade. Internal audit recommendations should be implemented promptly, while the quality assurance system for internal audit should be further strengthened, and transparency towards the public increased. The public still has limited access to information on the status of misdemeanour and criminal charges, as well as on the actions taken by competent authorities (e.g., the Public Prosecutor's Office) in response to the State Audit Institution (SAI) reports. The SAI should publish on its website the criteria used to prepare its annual audit plan and enhance cooperation with civil society and citizens to promote channels for reporting irregularities. The Parliamentary Committee on Finance should monitor the implementation of SAI recommendations quarterly, for example, by organising public hearings on the most significant strategic issues raised in SAI reports. The National Assembly should also review all analyses and reports submitted by the Fiscal Council.

WORKING GROUP FOR CHAPTER 33
FINANCIAL AND BUDGETARY PROVISIONS

Objectives

Chapter 33 governs the rules concerning contributions to and participation in the EU budget, which requires Serbia to establish a system for own resources (customs duties, a portion of VAT, GNI-based contributions), reliable accounting records, and capacities for calculation, collection, and reporting, thereby ensuring fiscal convergence with the EU.

State of Play

Serbia has prepared its negotiating position and established a dedicated own resources unit within the Ministry of Finance, with coordination links to the Tax Administration and the Customs Administration. However, progress remains insufficient. Administrative capacities are limited, the information and accounting system for A and B accounts has not yet been implemented, and reporting on fraud and irregularities continues to be carried out manually, without using the OWNRES platform. Inter-institutional coordination is weak and insufficiently delineated.

How to Unblock the Process? / Priority Steps to Unblock the Process

Chapter 33 requires a series of reforms and structural measures, but the priority and time-critical actions that would allow the process to move forward are:

1. Adopt and implement the Action Plan for own resources, with clearly defined procedures for the calculation, collection, and control of own resources;
2. Establish an information and accounting system by developing and implementing software for A and B accounts, linking it with tax and customs systems, and transitioning to electronic reporting (OWNRES);
3. Strengthen administrative capacities and coordination by increasing staffing levels, providing regular training, and clarifying the division of responsibilities between the Ministry of Finance, the Tax Administration, and the Customs Administration.

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent for Chapter 33
6.1.1. Improvement of public investment management and sustainable and efficient management of business entities owned by the Republic of Serbia	Deadline: 2027; review: December 2026; lifting derogations from the public procurement legislation by June 2027	Publish a complete and regularly updated project list, link it to operational programmes and implement the removal of public procurement exemptions
6.1. (Additional provisions on public procurement and intergovernmental agreements)	Contract disclosures from December 2024; lifting derogations from the public procurement legislation by June 2027	Publish complete intergovernmental agreements and public procurements for credible budget monitoring

7.2.2. Further digitalisation of public services and administrative procedures for businesses and citizens	2024-2027	Develop an IT system for A and B accounts and electronic reporting (OWNRES)
Chapters 6 and 7 (parts related to statistical reforms)	2025-2027	Ensure accurate data on GNI, VAT, and customs duties
Chapter 14 – Monitoring, Reporting, Evaluation	Quarterly and semi-annual reports; monitoring committee by 2025	Align reporting with EU procedures; include civil society organisations as equal stakeholders
Chapter 15 – Control and Audit (AFCOS/OLAF)	Government Regulation on IRR; internal control system	Strengthen AFCOS and cooperation with OLAF; introduce mandatory audits

Conclusion

Although financial contributions to the EU budget only begin upon accession, Serbia must already implement the Action Plan, establish reliable systems, accurate statistics, and control mechanisms. Failure to do so carries the risk of fiscal shocks, loss of trust, and failure to achieve fiscal convergence during the accession process.

WORKING GROUP FOR CHAPTER 35
OTHER ISSUES – NORMALISATION OF RELATIONS BETWEEN SERBIA AND KOSOVO*

Objectives

Chapter 35 covers issues that cannot be classified under any other negotiating chapter, as well as those that may arise after the provisional closure of certain chapters, in order to avoid the need for their re-opening. Therefore, this chapter does not have pre-defined European Union acquis. Currently, Chapter 35 contains only one item – the normalisation of relations between Serbia and Kosovo. This links the dialogue between Belgrade and Pristina, conducted under the auspices of the EU High Representative, with Serbia's accession negotiation process. Essentially, this item serves as a mechanism for monitoring the implementation of agreements reached in the dialogue, while the EU negotiating framework foresees that a lack of progress and continuous engagement by Serbia in fulfilling its obligations under Chapter 35 could lead to a standstill in negotiations in other chapters.

State of Play

Chapter 35 was among the first chapters opened at the Second Intergovernmental Conference between Serbia and the European Union, held in December 2015. Within the EU Common Negotiating Position for this chapter, interim benchmarks were established, grouped into three areas: 1) implementation of the First Agreement of April 2013, as well as the May Plan for the implementation of the Energy and Telecommunications Agreement; 2) work on implementing agreements concluded under the Technical Dialogue from March 2011 to February 2012; 3) achievement of further agreements and progress in the process of normalising relations. Although the Common Negotiating Position foresaw that the EU High Representative for Foreign Affairs and Security Policy would report to the Council of the EU "at least twice a year" on the progress in fulfilling the first set of interim benchmarks under Chapter 35, this practice has never been consistently applied. Instead, reporting takes place through general overviews regarding the implementation of obligations arising from the Dialogue.

At the beginning of 2023, an Agreement on the path towards normalisation of relations between Kosovo and Serbia was reached, together with an Implementation Plan annex. The obligations arising from the Agreement and its Implementation Plan were incorporated into Chapter 35 in April 2024, thereby becoming an integral part of Serbia's accession negotiations. However, the adoption of these documents has not led to concrete progress in the normalisation of relations, as the parties have not agreed on the sequencing of steps in their implementation.

How to Unblock the Process? / Priority Steps to Unblock the Process

The inability to form a government in Kosovo following the February elections, coupled with the ongoing socio-political crisis in Serbia, directly affects the quality of the Dialogue, which has been in a prolonged crisis and stalemate. Under such circumstances, it is necessary to:

1. Prepare contingency measures to maintain peace and stability, while ensuring the survival of the Serbian community as a key guarantor of multi-ethnicity in Kosovo;
2. Make the normalisation Dialogue process predictable and ensure that the implementation of obligations is measurable. This requires a revision of the interim benchmarks and the preparation of an action plan for Chapter 35 as well as encourage negotiators to avoid verbal provocations and hate speech against the other party, in order to foster a more constructive atmosphere for progress in the Dialogue
3. Involve a broader spectrum of socio-political actors in the Dialogue process, to achieve societal consensus on the need for normalisation and reconciliation between the Serbian and Albanian communities and focus on the immediate needs of citizens, as the primary beneficiaries of the agreements resulting from the Dialogue process;

Role of the Reform Agenda

Although the normalisation Dialogue is not formally covered by the Reform Agenda, Serbia (and Kosovo) is expected to engage constructively, with measurable progress and tangible results, in the process of normalising relations with Kosovo. The objective is the full implementation of all obligations arising from the Agreement on the Path to Normalisation of Relations and its annexed Implementation Plan, as well as the consistent implementation of all previous agreements reached under the Dialogue.

Conclusion

Serbia's European integration process is directly linked to the achievement of concrete results in the normalisation of relations with Pristina. Therefore, it is necessary to identify effective ways to overcome the current stalemates in the Dialogue, implement the obligations undertaken and address the accumulated problems faced daily by the Serbian community in Kosovo.

MULTISECTORAL WORKING GROUP FOR FREEDOM OF EXPRESSION AND MEDIA

CHAPTER 5 – PUBLIC PROCUREMENT

Objectives

To ensure transparency and efficiency in the public procurement system, prevent abuse and corruption, and guarantee that public funds are used in accordance with the principle of public interest, including in the field of public information.

State of Play

Amendments to the Law on Public Information and Media in 2025 introduced a provision stipulating that public procurement of media services must be conducted in a transparent and non-discriminatory manner. This amendment was formally introduced in response to the European Commission's request, but without substantively addressing the recommendations. The article does not define the types of media services, the conditions, control mechanisms, or the connection with the Public Procurement Law, which leaves room for abuse and favouritism towards certain media outlets. Consequently, the legislator has not fulfilled the obligation to regulate this area clearly and precisely in accordance with European Union standards.

Priority Measure

1. Amend the Law on Public Information and Media to clearly define the services that may be subject to public procurement, as well as the conditions under which such procurement can be conducted. The application of this law should be linked to the Public Procurement Law to ensure proper implementation of the entire procedure and the establishment of an adequate control mechanism (new recommendation).

Conclusion

Since the identified problems related to the new Public Procurement Law in previous reporting periods have not been resolved, and no normative measures have been taken in this area, the recommendation on the necessity to supplement the law remains valid.

CHAPTER 8 – COMPETITION POLICY

Objectives

To monitor the concentration of media ownership and competition in the media sector, as well as the control and/or financing of media through the state aid system.

State of Play

The system for granting state aid to the media is non-transparent, lacking clear criteria and oversight. The Commission for the Protection of Competition and the State Aid Commission have limited capacities and lack institutional independence, while funds are allocated in a manner that favours media outlets close to the authorities.

Priority Measures

1. Define specific rules for the allocation of state aid in the media sector, including the obligations of recipients, reporting requirements, and the control of aid allocation (the recommendation has not been fulfilled since 2017/2018).
2. Introduce sanctions for abuse and violations of state aid rules (the recommendation has not been fulfilled since 2017/2018).
3. Strengthen the capacities and independence of the Commission for the Protection of Competition and the State Aid Commission (the recommendation has not been fulfilled since 2017/2018).

Conclusion

During the reporting period, no changes occurred in the area of competition policy in the media. None of the previous recommendations have been implemented; therefore, all recommendations concerning amendments to the regulation on the allocation of state aid, recipients' obligations, sanctions for violations, as well as the competences of the State Aid Commission, remain valid.

CHAPTER 10 – DIGITAL TRANSFORMATION AND MEDIA

Objectives

To align the legal and institutional framework in the media sector with European Union standards, ensure the independence of regulatory bodies, improve the quality of public service media, and promote digital pluralism.

State of Play

Political influence over the public service broadcaster and the Regulatory Authority for Electronic Media (REM) remains dominant, while independent media operate under challenging conditions. The Media Strategy 2020-2025 is implemented selectively, and institutional passivity has led to stagnation in the implementation of key measures.

Priority Measures

1. Conduct elections for members of the Council of the Regulatory Authority for Electronic Media in accordance with the provisions of the Law on Electronic Media (new recommendation).

2. Ensure the legality and independence of the Regulatory Authority for Electronic Media, including regular public consultations on its work (the recommendation has not been fulfilled since 2016/17).
3. Reduce political influence on public service media, ensure the enforcement of legislation, and improve the legal framework to enhance independence through the introduction of adequate fees and improvement of public service quality (combined recommendation has not been fulfilled since 2019).

Conclusion

The process for electing members of the Council of the Regulatory Authority for Electronic Media was marked by numerous procedural and substantive shortcomings – illegal and illegitimate proposers and candidates were supported by the competent parliamentary committee without substantive debate on the submitted candidates.

CHAPTER 23 – JUDICIARY AND FUNDAMENTAL RIGHTS

Objectives

To ensure the protection of fundamental rights and freedoms, including freedom of expression, the safety of journalists, and the public's right to information, in line with European Union standards and the European Convention on Human Rights.

State of Play

Attacks against journalists remain unpunished or are prosecuted selectively. There is no systemic protection of sources, and public officials publicly target journalists. Existing legislative amendments often deviate from the recommendations of the Media Strategy, whose renewal is necessary. The accompanying Action Plans have not been adopted since 2022.

Priority Measures

1. Resolve and clarify all cases of attacks on journalists and threats to their safety as a matter of priority; initiate and complete proceedings against perpetrators within a reasonable timeframe, ensuring that competent authorities, particularly the police, act in accordance with the law, cease attacks on journalists, and enable them to work freely (the recommendation has not been fulfilled since 2017/2018).
2. Adopt a new Media Strategy and accompanying Action Plan and ensure full implementation of these instruments (new recommendation).
3. Ensure the enforcement of legal provisions to improve procedures; amend subordinate legislation and regulations to prevent identified abuses during procedures and establish accountability for irregularities in the implementation of procedures (new recommendation).

Link to the Reform Agenda

Partially covered by reform 9.2.2.

Conclusion

Legislative activities in the field of freedom of expression continue to be carried out through problematic and non-transparent processes, with deadlines not respected and without proactive public information. Despite the work of government bodies and the re-initiation of legislative amendments, journalist safety has not improved during the reporting period, and serious and worrying threats and insults directed at journalists persist, often from the highest state officials. No progress has been made in the area of media financial sustainability. The existing project co-financing system remains non-transparent, without a legal obligation to announce calls for proposals, clearly defined criteria for the allocation of funds, or consideration of decisions of the Press Council and the Regulatory Authority for Electronic Media (REM) in decision-making. Such practices favour pro-government media and jeopardise the survival of independent media. Consequently, it can be concluded that previous recommendations have not been implemented and therefore remain valid.

CHAPTER 28 – CONSUMER AND HEALTH PROTECTION

Objectives

The objective of monitoring this chapter relates to the analysis of media control through the financing system of media content.

State of Play

Rules governing advertising by state authorities and political parties are not clearly defined. On online platforms, there is a practice of non-transparent political advertising, which prevents citizens from accessing financial data or the sources of content. The state lacks adequate technical and regulatory mechanisms to monitor the digital advertising market, creating space for the spread of disinformation and manipulation, particularly during pre-election campaign periods.

Priority Measures

1. Ensure full transparency of data on advertising by state authorities, public enterprises, and other public entities (the recommendation has not been fulfilled since 2017/2018).
2. Introduce clear rules governing political advertising to prevent office-holder campaigns and misuse by political parties in power (the recommendation has not been fulfilled since 2021).
3. Improve legislation to ensure transparency of political advertising and spending by political parties on online platforms during election campaigns (the recommendation has not been fulfilled since 2021).

Conclusion

During the reporting period, no changes occurred in this area. Normative measures that would contribute to establishing a clear legal framework regulating political and state advertising were absent. None of the previous recommendations were implemented during the reporting period and all remain valid.

CHAPTER 32 – FINANCIAL CONTROL

Objectives

To ensure that institutions managing public funds operate transparently, responsibly, and are subject to independent financial control. In the media sector, this particularly implies that the Regulatory Authority for Electronic Media (REM) establishes a clear system of oversight and accountability to the public.

State of Play

During the reporting period, no progress was recorded regarding oversight by the State Audit Institution over the expenditure of budgetary funds allocated for political party financing and project co-financing of media.

Priority Measures

1. Clearly define and specify sanctions for irregularities identified during audits of operations (the recommendation has not been fulfilled since 2017/2018).
2. The State Audit Institution should conduct an audit of the efficiency of REM's operations for at least the two previous years (the recommendation has not been fulfilled since 2017/2018).
3. Monitor the work of the audit firm conducting the annual audit of REM's operations (the recommendation has not been fulfilled since 2017/2018).

Conclusion

The situation regarding oversight of the expenditure of public funds for political party financing and media co-financing competitions also remained unchanged during the reporting period. None of the recommendations in this area have been implemented, and all remain valid. Without clear rules and oversight, citizens remain exposed to manipulation and misinformation, directly jeopardising their right to accurate and objective information.

MULTISECTORAL WORKING GROUP FOR THE ECONOMIC REFORM PROGRAMME (ERP)

Objectives

The Economic Reform Programme (ERP) is a strategic public policy document prepared by EU candidate countries and submitted to the European Commission to ensure alignment with EU policies. In view of the revisions to the ERP Guidelines by the European Commission, as well as the drafting process itself, the objectives of the ERP have been updated. The document is now based on a medium-term macroeconomic framework and builds on the Fiscal Strategy.

State of Play

In line with European Commission guidelines, the ERP has been designed in a more concise format since 2024, as strategic reform priorities have been relocated and coordinated within the Reform Agenda, adopted under the Western Balkans Growth Plan and endorsed by the Government of the Republic of Serbia in early October 2024. Due to changes in the content and structure of the document, questions arise regarding its continued relevance for strategic reforms in the EU accession process.

Considering the ongoing ERP preparation process, drafting of the document for the next three-year period began in mid-2025, with the aim of presenting the draft to the public in November and December, in line with the adoption of the new Fiscal Strategy. The ERP adopted for the period 2026–2028 is then submitted to the European Commission for alignment under the European Semester Light for the Western Balkans and Turkey in January.

How to Improve the Process

1. The structure of the ERP could be significantly improved by supplementing the chapter on fiscal risks with information on existing plans and mitigation measures in the event of the materialisation of macroeconomic and fiscal risks.
2. The ERP drafting process should be made more inclusive and transparent through the active involvement of civil society representatives (business associations, professional bodies, the academic community, and citizen associations) in the preparation of the document, in addition to the existing public consultation mechanism.

Conclusion

Although the structure of the ERP has been modified and strategic reforms relocated to the Reform Agenda, the ERP, together with the Fiscal Strategy, remains a key medium-term macroeconomic public policy document for the Republic of Serbia.

MULTISECTORAL WORKING GROUP FOR POLITICAL CRITERIA[17]

RELATIONS BETWEEN SERBIA AND THE EUROPEAN UNION[18]

Objectives

It is necessary to establish a credible and predictable relationship between Serbia and the European Union through the priority implementation of reforms in the areas of the rule of law, electoral legislation and media freedom, in order to unblock the accession negotiation process. At the same time, Serbia should seize the favourable geopolitical momentum for EU enlargement and, through the consistent implementation of the Reform Agenda, reaffirm its strategic commitment to EU membership, accelerate integration and make full use of the available financial resources.

State of Play

For the fourth consecutive year, no cluster has been opened, while the opening of Cluster 3 continues to be postponed due to the concerns of several Member States regarding the state of the rule of law and the functioning of democratic institutions in Serbia. At the same time, the implementation of key measures under the Reform Agenda, particularly in the areas of the electoral process and media freedom, is delayed, while additional concerns arise from the use of police force against demonstrators and the anti-EU rhetoric of certain high-ranking officials. In this context, the continuation of the accession negotiations appears unattainable, while neighbouring countries, such as Albania and Montenegro, are making notably dynamic progress.

How to Unblock the Process? / Priority Steps to Unblock the Process

1. Fulfil the requirements of the National Convention on the EU for the continuation of political cooperation, thereby ending the moratorium and establishing a permanent, measurable and transparent mechanism for joint action between the state and civil society in the EU accession process.
2. Implement without delay the measures under the Reform Agenda, primarily in the area of *Fundamental Rights and the Rule of Law*, ensuring a high level of transparency and the active involvement of civil society at all stages of implementation.
3. Put an end to the practice of anti-EU rhetoric and public accusations directed at EU Member States concerning Serbia's internal political crises, protests or alleged interference in domestic affairs; ensure responsible, accurate and constructive communication on the EU and the accession process.

[17] Edited by: Srđan Majstorović, Centre for European Policy
[18] Author: Marko Todorović, Centre for European Policy

Role of the Reform Agenda

Reform Agenda Measure	Status	Urgent Actions to Restore Relations with the EU
9.1.1. Prepare a Roadmap/Plan and address recommendations of OSCE/ODIHR and Council of Europe bodies on the electoral framework	Deadline for revision of the electoral register and election of a new REM Council: December 2024	Conduct a thorough revision of the voter register in line with ODIHR recommendations. Re-elect the REM Council in accordance with the Law on Electronic Media, through a transparent and inclusive procedure.
9.2.2. Enhance freedom of expression, by amending the laws on electronic media and on public information and media to align with the EU acquis and European standards and by adopting the law on public service media and ensure implementation	Deadline for full implementation of the media legislation: December 2025. Status: the set of laws was adopted only in June 2025, significantly exceeding the December 2024 deadline.	Ensure consistent application of the media legislation, in particular: adopt and publish all decisions on external complaints submitted to REM during 2025, including full reasoning. Align public co-financing of media content with Article 24 of the Law on Public Information and Media.

Conclusion

Overall improvement in the relations between Serbia and the European Union is a complex process requiring commitment across all areas covered by the accession negotiations. At this stage, however, it is crucial that Serbia ensures the effective functioning of democratic institutions, judicial independence, and consistent application of the principles of the rule of law. Decisive steps in this direction, combined with the cessation of anti-EU rhetoric, could create the initial conditions for restoring trust and resuming negotiations. Otherwise, continued stagnation or further deterioration of relations is likely, along with an increased risk of losing pre-allocated financial assistance under the EU Growth Plan for the Western Balkans.

ELECTIONS AND FUNCTIONING OF PARLIAMENT[19]

Objectives

The political criteria for membership in the European Union require the stability of institutions guaranteeing democracy, the rule of law, respect for human rights, and the protection of minorities. Periodic elections represent a fundamental institution of a democratic system, while the standards for democratic elections include universal suffrage, a free and fair electoral campaign, and equal access to the media. A functional parliament, as an independent legislative branch, is also a key precondition for stable democratic institutions.

[19] Author: Aleksandar Ivković, Centre for Contemporary Politics

State of Play

Electoral conditions in Serbia remain a highly contentious political issue. The elections held in 2023 and 2024 were marked by extensive criticism from observers on multiple grounds. In 2024, the ruling majority made a political commitment to implement ODIHR recommendations, leading to the establishment of a Working Group within the National Assembly. However, as of September 2025, the Working Group has not reached agreement on any legislative proposal, with most representatives of the opposition and civil society having withdrawn from its work.

Throughout 2024, the National Assembly convened for only 27 sitting days, while by the end of September 2025, it had met for merely 14 days. This trend of restricting parliamentary activity through the political will of the ruling majority continues. At the end of 2024, the Speaker of the National Assembly refused to place on the agenda a motion of no confidence in the Government submitted by the opposition. Two plenary sessions, held in November 2024 and March 2025, were marked by physical altercations between ruling and opposition MPs.

How to Unblock the Process? / Priority Steps to Unblock the Process

1. Accept the recommendations and proposals of credible civil society organisations and professional associations regarding the implementation of all ODIHR recommendations, demonstrating genuine political will and acting in good faith.
2. Hold parliamentary sittings more frequently, in line with the constitutional and legal role of the National Assembly.
3. End the practice of rejecting opposition initiatives, including the refusal to place their proposals on the agenda. Physical violence among MPs must also be clearly sanctioned and prevented in the future.

Role of the Reform Agenda

Reform Agenda Measures	Status	Urgent Actions for Elections and Parliamentary Functioning
9.1.1.(1) Compose a Working Group in accordance with the ODIHR recommendation	Deadline: December 2024 Status: The Working Group was established but ceased to function in January 2025	Representatives of the ruling coalition must create the conditions for resuming the dialogue on electoral conditions and rebuild the damaged trust
9.1.1.(2) Complete a meaningful audit of voter register in accordance with ODIHR recommendations	Deadline: December 2024 Status: not implemented	The process should urgently resume, ensuring that the recommendations of experts and civil society organisations are considered in good faith
9.1.1.(3) Re-elect the REM Council	Deadline: December 2024 Status: not implemented	The process must continue with full consideration of candidates proposed by representative associations
9.1.1.(4) Revised and adopted relevant legislation to address ODIHR and Council of Europe key recommendations	Deadline: December 2025	It is necessary to define the meaning of “key recommendations”, as such a categorisation does not exist in the ODIHR report.
9.1.1.(5) Improve capacities of Republic Electoral Commission and granting it its own secretariat	Deadline: December 2025	/

Conclusion

Without significant improvement of electoral conditions, there is a serious risk that the next elections will lead to a renewed political crisis, further destabilising the country under the current circumstances. At present, there is no clear political will within the ruling coalition to address the key contentious issues. Over the past two years, the National Assembly has been systematically marginalised through political decisions of the majority, which is unacceptable for a country aspiring to meet the political criteria for membership in the European Union.

CIVIL SOCIETY[20]

State of Play

The crisis in Serbia has persisted since 1 November 2024, when the canopy of the reconstructed railway station in Novi Sad collapsed, resulting in the deaths of 16 individuals. Citizens identified corruption as a primary cause of the tragedy and initiated protest traffic blockades—initially lasting 15, and later 16 minutes, in memory of the victims. During one commemorative gathering, students and professors from the Faculty of Dramatic Arts (FDU) were physically attacked, allegedly by dissatisfied passers-by. It later emerged that among the attackers were officials and members of the Serbian Progressive Party (SNS), which sparked widespread unrest at universities and triggered the beginning of student blockades and protests. Since the onset of the protests, students, professors, journalists, activists, civil society organisations, and citizens have been subjected to various forms of repression. The authorities have employed a wide range of measures to suppress protests and blockades. Targeting campaigns orchestrated by senior state officials have escalated into open violence and physical attacks against protest participants.[21] Summons for informational interviews, arrests and detentions, illegal surveillance, and allegations against young people for the criminal offence of "preparing acts against the constitutional order and security of Serbia in connection with the crime of incitement to violent change of the constitutional order in complicity" indicate a coordinated abuse of institutions aimed at suppressing civic dissent. The summer of 2025 was particularly tense due to organised attacks by SNS supporters on peaceful citizens, culminating in dozens of recorded incidents of police brutality against peaceful demonstrators nationwide.

In this context, civil society organisations have provided various forms of support to students and citizens, primarily legal assistance and aid in cases of arrest or detention. This support has been particularly important, given that more than 850 cases of detention or arrest were recorded since

[20] Author: Alma Mustajbašić, Civic Initiatives

[21] The most extreme examples of violence recorded include cases in which two female students were seriously injured by being hit with a car, as well as the brutal assault of another female student by attackers who emerged from the premises of the SNS. The Head of State issued a pardon for four attackers who beat a student with batons, as well as for the woman who ran over another student with a car during a blockade. At a protest in March 2025, several people were injured following a disturbing sound on the street that caused a stampede. The authorities denied the use of a sound cannon, but the European Court of Human Rights issued an interim measure prohibiting Serbia from using sound devices to control citizens.

November 2024. The long-standing efforts of civil society in Serbia to enhance democratic governance, along with open support for student protests, have intensified governmental targeting campaigns against organisations and their activists. In early 2025, a group of human rights organisations decided to suspend cooperation with Serbia's legislative and executive authorities.[22] The reasons cited for this decision included continuous pressures, attacks, and threatening campaigns against civil society organisations, human rights defenders, activists, journalists, and citizens; surveillance of activists; fabricated criminal and other legal proceedings; arrests and expulsion of foreign activists; absence of the rule of law; and the simulation of democratic processes. Under these circumstances, the civil sector and its activists have been directly targeted by the authorities.

In February 2025, officers from the Criminal Police Directorate raided the offices of five civil society organisations.[23] The closure of USAID operations in Serbia was used by authorities as a pretext to launch a campaign against organisations funded by this international agency. The police raids marked the culmination of a targeting campaign which had been ongoing in pro-government media since the beginning of the protests. Civil society organisations were accused of allegedly financing a so-called "coloured revolution" and attempting to overthrow the government in collaboration with foreign actors. Simultaneously, certain GONGO organisations[24] actively cooperate with the regime in targeting legitimate civil society organisations. Through their participation in various processes, such as the election of the new REM Council, they simulate dialogue with the authorities and thereby directly undermine the legality of these processes.

Conclusion

Regime repression against political dissent in Serbia has effectively eliminated any possibility of improving conditions for civil society. At the same time, the *Law on the Special Register of Foreign Influence Agents*, commonly known as the "foreign agents law", remains under parliamentary consideration. Its adoption would represent a serious and permanent threat to the existence of the civil sector, potentially severely limiting or entirely preventing its activities.

[22] Civic Initiatives, *Decision to Suspend Cooperation with the Legislative and Executive Authorities in Serbia*, 4 February 2025; available at:: https://www.gradjanske.org/odluka-o-obustavi-saradnje-sa-zakonodavnom-i-izvrsnom-vlascu-u-srbiji/.

[23] Civic Initiatives, *Non-Governmental Organisations: The Authorities in Serbia Take the Opportunity to Crack Down on NGOs That Have Been Highlighting Corruption, Law Violations and Human Rights Abuses for Years*, 25 February 2025; available at: https://www.gradjanske.org/nevladine-organizacije-vlast-u-srbiji-koristi-priliku-da-se-obracuna-sa-nevladinim-organizacijama-koje-godinama-unazad-ukazuju-na-korupciju-krsenje-zakona-i-krsenje-ljudskih-prava/.

[24] The Centre for Social Stability, whose website lists Nemanja Starović, the current Minister for European Integration, as one of the authors, published a series of films broadcast on pro-government media, directly targeting NGOs, media outlets, and individuals employed therein.

DEMOCRATIC CIVIL CONTROL OF THE SECURITY SECTOR[25]

Objectives

The objective of democratic civil oversight of the security sector is to ensure the lawful, accountable, and transparent functioning of the armed forces, police, and security services. Oversight conducted by democratic institutions and the public is intended to prevent abuses, safeguard human rights, and serve as an indicator of the degree of democratisation of society. It also constitutes a key element in fulfilling the political criteria for Serbia's accession to the European Union. Parliamentary committees, notably the Defence and Internal Affairs Committee and the Security Services Oversight Committee, play a significant role in this process.

State of Play

During the reporting period, the National Assembly of the Republic of Serbia failed to establish effective oversight over the security sector. Although the relevant parliamentary committees held several sessions, their discussions did not clarify the security incidents that raised public concern. Certain incidents, including the arrest of activists, police torture, and the alleged use of acoustic weapons during the protests on 15 March 2025, were not thoroughly investigated due to obstruction by members of the ruling majority. Committee conclusions were frequently used to refute opposition claims and downplay the seriousness of the incidents, while executive authorities provided contradictory information. Parliamentary oversight mechanisms, such as posing questions to the Government, were used extremely rarely. Attempts by opposition MPs to initiate additional sessions and raise critical questions were met with no political will from the ruling majority.[26]

How to Unblock the Process? / Priority Steps to Unblock the Process

1. The Defence and Internal Affairs Committee and the Security Services Oversight Committee should hold regular sessions and fully exercise their powers – to request extraordinary reports, monitor the legality of special investigative measures, and establish the facts of observed irregularities in order to strengthen oversight of the security sector. The chairs of these committees should be drawn from the opposition, while committee members must possess security clearance certificates and use them to monitor the work of security services and conduct thorough analysis of their reports.
2. Members of Parliament should regularly pose questions to Government officials regarding the security sector to clarify controversies and security incidents that concern the public.

[25] Author: Miloš Jovanović, Belgrade Centre for Security Policy
[26] Jelena Pejić Nikić (ed.), *PrEUgovor Alarm: Serbia's Progress Report in Cluster 1*, PrEUgovor Coalition, Belgrade, May 2025, pp. 30-32.

Conclusion

Without effective parliamentary oversight, the security sector remains exposed to political instrumentalisation and inadequate control. This directly undermines public trust in institutions and impedes the timely clarification of key security incidents. Strengthening the role of the relevant committees and consistent use of parliamentary mechanisms are therefore not only procedural requirements but also essential prerequisites for the transparent, lawful, and democratic functioning of security institutions.

PUBLIC ADMINISTRATION REFORM[27]

Objectives

Public Administration Reform (PAR) constitutes one of the key preconditions for Serbia's accession to the European Union. Its primary objectives include strengthening administrative capacities, delivering more efficient public services, and improving public policy governance. The reform encompasses the modernisation of the civil service system, digitalisation, enhancement of public finance management, and reinforcement of oversight and transparency in public administration.

State of Play

During 2025, the Ministry of Public Administration and Local Self-Government (MPALSG) conducted extensive consultations to develop a new Action Plan for the Public Administration Reform Strategy.[28] The European Commission assessed that a mid-term review of the previous Action Plan revealed uneven progress, with measures related to service delivery being the most effective.[29] The Commission also highlighted that established PAR coordination mechanisms have limited impact. The involvement of civil society organisations (CSOs) in PAR coordination and monitoring structures remains confined to the Interministerial Project Group, while the PAR Council does not include them. Meetings of both structures are held irregularly.[30] No progress was made in consolidating service delivery systems, which continues to be hindered by fragmented competences and weak inter-institutional coordination.[31] On the other hand, digital administration has shown visible progress, as confirmed by reports from the European Commission and SIGMA.[32] There has been no progress in the transparency of the civil service system, and the operational launch date of the new Central Personnel Records Information System remains

[27] Author: Milica Škorić, Centre for European Policy
[28] See: https://mduls.gov.rs/saopstenja/prvi-sastanak-posebne-radne-grupe-nastavak-reforme-javne-uprave/
[29] European Commission, *Serbia 2024 Report*, p. 25; available at: https://tinyurl.com/355bn37j.
[30] WeBER National PAR Monitor Serbia: *Public Administration Reform Strategy*; available at: https://tinyurl.com/fur2re3s.
[31] WeBER National PAR Monitor Serbia: *Service Delivery and Digitalisation*; available at: https://tinyurl.com/fur2re3s.
[32] SIGMA, *Serbia 2024 Report*; available at: https://tinyurl.com/3k5e6ekh.

unknown.[33] The issue of temporary employment remains unresolved: workforce planning has not been implemented since 2012, being replaced by *ad hoc* decisions of a special commission, which allows widespread use of temporary contracts and undermines meritocracy principles. Key issues concerning the selection of civil servants and their protection from political influence remain unresolved. Excessive use of acting appointments seriously undermines professionalism and the integrity of the entire system.

Priority Steps for the Next Period

1. The MPALSG should initiate the introduction of legal provisions for the involvement of end-users in the (re)design of public services, as there is currently no standardised or systematic practice for collecting feedback, reporting, and monitoring service quality.
2. In addition to the legal framework, the MPALSG should develop guidelines for further standardisation of service delivery and the harmonisation of work across different administrative bodies.
3. The Government should cease delaying the implementation of Article 63 of the Law on Civil Servants[34]. Information on vacant temporary positions should be publicly advertised through official competitions.

Conclusion

Progress in public administration reform during the reporting period has remained uneven. While digital administration establishes a solid foundation for further development, the lack of strategic human resource planning, widespread temporary employment, and excessive use of acting appointments continue to undermine the professionalism and integrity of the civil service system. At the same time, formally established PAR coordination mechanisms do not have sufficient practical impact. This indicates that sustainable progress in reform requires strengthening institutional accountability and ensuring more effective coordination.

[33] WeBER National PAR Monitor on civil service and human resource management will be made available in due course.
[34] *Law on Civil Servants, Official Gazette of RS*, No. 13/2025; available at: https://tinyurl.com/d6pybnuj.

MULTISECTORAL WORKING GROUP FOR SUSTAINABLE DEVELOPMENT

Introduction

The Republic of Serbia, by adopting the United Nations Resolution "Transforming our world: the 2030 Agenda for Sustainable Development" in 2015, committed to implementing a range of measures and activities to contribute to the achievement of the Sustainable Development Goals (SDGs) and to mobilise all available resources by 2030 to ensure an improved quality of life for its citizens across all three dimensions of sustainable development: social inclusion, environmental protection, and economic growth.

The 2024 Progress Report on the achievement of the Sustainable Development Goals[35] refers to the status of available indicators, a total of 149 indicators for the Republic of Serbia, representing an increase of 13 indicators compared to the 2023 Report. Progress is measured over a short-term period (2018-2023), using Eurostat methodology.

A summary of categories of progress by area is as follows:

Goals achieved according to globally defined values	SDG 3, SDG 5, SDG 6, SDG 7, SDG 8, SDG 11, SDG 12, SDG 17
Areas of progress in achieving the Sustainable Development Goals	SDG 1, SDG 2, SDG 4, SDG 5, SDG 6, SDG 7, SDG 8, SDG 9, SDG 10, SDG 12, SDG 15, SDG 16, SDG 17
Areas of stagnation in achieving the Sustainable Development Goals	SDG 2, SDG 3, SDG 4, SDG 6, SDG 16
Areas moving away from the Sustainable Development Goals	SDG 1, SDG 2, SDG 5, SDG 8, SDG 9, SDG 10, SDG 11, SDG 12, SDG 15, SDG 16, SDG 17
Areas of inconsistent trends	SDG 3, SDG 4, SDG 6, SDG 8, SDG 9, SDG 17

Reform Agenda of the Republic of Serbia and Agenda 2030

The processes of European integration and sustainable development must be considered as integrated. Consequently, the adoption of planning and public policy documents must be in line with Agenda 2030 and the EU accession policy. One of the key, yet still unfulfilled, recommendations of the Intersectoral Working Group on Sustainable Development (since 2021) concerns the adoption of the Serbia Development Plan, which constitutes the most important national planning document. The absence of this overarching development document has proven

[35] *Report on Progress in Achieving the Sustainable Development Goals (SDGs) by 2030 in the Republic of Serbia*, available at: https://sdg.indikatori.rs/media/uybny4t1/sdg_godisnji_izvestaj_srbija_2024_cir.pdf

particularly significant in the drafting and adoption of Serbia's Reform Agenda[36], which was adopted in October 2024. As a strategic overarching document, the Serbia Development Plan should integrate priority reforms to accelerate the EU accession process and achieve the Sustainable Development Goals defined in Agenda 2030. As part of the EU Growth Plan for the Western Balkans, Serbia's Reform Agenda was adopted with the aim of accelerating reforms and bringing the country closer to the European Union. However, due to the absence of the Development Plan as an overarching document, the priority reforms in the Reform Agenda could not be fully aligned with the country's strategic development priorities.

European Integration Process and Agenda 2030

The European integration process of the Republic of Serbia is closely linked to the implementation of Agenda 2030, as fulfilling obligations under the accession negotiations directly contributes to the achievement of the Sustainable Development Goals (SDGs). Accession negotiations are organised into clusters, each of which contributes to specific SDGs through the adoption and implementation of relevant public policies. At the same time, to determine the extent to which national planning documents contribute to the achievement of the SDGs, it is necessary to conduct a mapping of the planning framework. The Republic Secretariat for Public Policy carries out the process of mapping the national planning framework and, in December 2024, published the sixth Report[37], providing a comprehensive overview of current national planning documents in relation to all 17 SDGs, grouped by clusters and negotiating chapters within the European integration process.

Cluster – Fundamentals covers democratic institutions, the rule of law, public administration reform, public procurement, financial control, and statistics. It primarily contributes to **SDG 16** (Peace, Justice, and Strong Institutions) through policies on gender equality, anti-discrimination, civil society engagement, social inclusion of marginalised groups, deinstitutionalisation, justice, and the fight against corruption and organised crime. Most key documents for this area have been adopted. During 2024, the National Anti-Corruption Strategy was adopted, while the area of public security and the fight against organised crime requires further optimisation.

Cluster – Internal Market covers the free movement of people, goods, services, and capital, as well as competition policy, intellectual property, company law, financial services, and consumer and health protection. It primarily contributes to **SDG 3** (Good Health and Well-being) through health, environmental protection, and human rights policies. The Public Health Strategy for 2018–2026 is a key document, but the adoption of an overarching strategy for health prevention and

[36] *Instrument for Pre-Accession Reform and Growth for the Western Balkans – Reform Agenda of the Republic of Serbia 2024–2027*, available at: https://www.mei.gov.rs/upload/documents/nacionalna_dokumenta/reformska_agenda_rs_2024_2027.pdf
[37] *Serbia and the 2030 Agenda – Mapping of the National Planning Framework in Relation to the Sustainable Development Goals*, available at: https://rsjp.gov.rs/wp-content/uploads/Srbija-i-Agenda-2030.-februar-2025-latinica.pdf

protection, particularly regarding communicable and non-communicable diseases, remains necessary.

Cluster – Competitiveness and Inclusive Growth covers digital transformation, science, entrepreneurship, industry, social policy, employment, education, culture, customs union, economic policy, and taxation. It contributes to the following SDGs: **SDG 1** (No Poverty), **SDG 4** (Quality Education), **SDG 5** (Gender Equality), **SDG 8** (Decent Work and Economic Growth), **SDG 9** (Industry, Innovation, and Infrastructure), and **SDG 10** (Reduced Inequalities). The planning framework includes: the Employment Strategy 2021-2026, the Roma Inclusion Strategy 2022-2030, the Strategy for Persons with Disabilities 2020-2024, and the Deinstitutionalisation Strategy 2022-2026. The area of poverty requires a single strategic document, while gender equality is adequately covered by the Gender Equality Strategy 2021-2030. Education is optimised through the Education Development Strategy until 2030, while economic growth is supported by the Economic Reform Programme 2023-2025, the Scientific and Technological Development Strategy 2021-2025, the Smart Specialisation Strategy 2020-2027, and the Industrial Policy Strategy 2021-2030. In the field of transport, an overarching strategic document is needed to ensure alignment with EU policies.

Cluster – Green Agenda and Sustainable Connectivity covers transport, energy, trans-European networks, environmental protection, and climate change, contributing to the following SDGs: **SDG 6** (Clean Water and Sanitation), **SDG 7** (Affordable and Clean Energy), **SDG 11** (Sustainable Cities and Communities), **SDG 12** (Responsible Consumption and Production), **SDG 13** (Climate Action), and **SDG 15** (Life on Land). Key documents include: the Low-Carbon Development Strategy 2023-2030, the Climate Change Adaptation Programme 2023-2030, the Energy Development Strategy until 2040, the Integrated National Energy and Climate Plan until 2030, and the Air Protection Programme 2022-2030. The adoption of an overarching environmental protection document and a Western Balkans Green Agenda remains necessary.

Cluster – Resources, Agriculture, and Cohesion focuses on agriculture, rural development, food security, veterinary and phytosanitary policy, fisheries, and regional policy, contributing to **SDG 2** (Zero Hunger). As the Agriculture and Rural Development Strategy expired in 2024, a new strategy needs to be developed.

Cluster – External Relations supports **SDG 17** (Partnerships for the Goals) through resource mobilisation and strengthening cooperation between the public, private, and civil society sectors. Planning documents define medium-term fiscal and economic development policy frameworks. It is necessary to develop a document on development and humanitarian assistance.

Recommendations

1. **Cluster – Fundamentals**
   As the Strategy for Combating Organised Crime has no defined period of validity and lacks an action plan for its implementation, it is necessary to further optimise the area of public security and the fight against organised crime.
2. **Cluster – Internal Market**
   Adopt an overarching strategy for health prevention and protection and optimise the planning framework for the control and prevention of communicable and non-communicable diseases.
3. **Cluster – Competitiveness and Inclusive Growth**
   SDG 1 (No Poverty): There is no single public policy document addressing poverty, thus it is necessary to develop an overarching planning document in the area of social protection; SDG 9 (Industry, Innovation, and Infrastructure): The planning framework is incomplete, so it is necessary to strengthen it by adopting an overarching strategic document in the field of transport.
4. **Cluster – Green Agenda and Sustainable Connectivity**
   To optimise the planning framework relevant to this cluster and achieve the corresponding SDGs, it is necessary to adopt an overarching planning document in the field of environmental protection, covering all areas under the Western Balkans Green Agenda; SDG 11 (Sustainable Cities and Communities): To enable systematic development of cities and settlements, planning documents in the field of cultural development need to be adopted in the coming period.
5. **Cluster – Resources, Agriculture, and Cohesion**
   As the Agriculture and Rural Development Strategy expired in 2024, it is necessary to develop and adopt a new overarching planning document in the field of agriculture.
6. **Cluster – External Relations**
   It is necessary to develop a planning document on development and humanitarian assistance provided by the Republic of Serbia to developing and least-developed countries.

MULTISECTORAL WORKING GROUP FOR REGIONAL COOPERATION

Objectives

The Multisectoral Working Group for Regional Cooperation monitors regional cooperation, with particular emphasis on the Berlin Process, as well as other regional initiatives. The Berlin Process is a diplomatic initiative launched in 2014 by the then German Chancellor, aimed at bringing the Western Balkan countries closer to the European Union.

State of Play

The Twelfth Summit of Presidents of States and Governments, following a series of ministerial and expert-level meetings, including youth representatives and civil society organisations, was held on 22 October 2025 in London.[38] Meetings of Foreign Ministers were held on 9 October 2025[39], during which the Joint Declaration on Good Neighbourly Relations was adopted[40]. Additionally, meetings of Interior Ministers took place on 15 October 2025, resulting in the adoption of the Chair's Declaration[41]; meetings of Agriculture Ministers were held on 1 October 2025, alongside a Youth Forum and a Gender Equality Forum, as well as other thematic forums. The Civil Society Forum was held in Podgorica on 22-23 September 2025 and, as a broad consultative process, brought together over 70 representatives of civil society organisations. The forum aimed to identify key priorities across six thematic areas: the regional common market and growth; gender equality and diversity; reconciliation and dealing with the past; environment, energy, and decarbonisation; security; and good governance. The recommendations identified during the Forum are presented in the attached document.[42] The rapporteurs used these inputs to develop the recommendations contained in this document. In the European Commission's 2024 Progress Report on Serbia, it was noted that Serbia remained committed to developing good bilateral relations in the region, while also highlighting weaknesses in relations with certain countries.[43]

How to Unblock the Process? / Priority Steps to Unblock the Process

The Republic of Serbia actively participates in the Berlin Process, as well as in other regional initiatives, including the South-East European Cooperation Process (SEECP), the Central

[38] Chair's Conclusions, 22 October 2025, available at: https://www.gov.uk/government/news/western-balkans-summit-on-the-berlin-process-22-october-2025-chairs-conclusions
[39] See: https://www.berlinprocess.de/uploads/documents/fmm-chairs-conclusions-final_1760627027.pdf
[40] See: https://www.berlinprocess.de/uploads/documents/hillsborough-castle-declaration-on-good-neighbourly-relations-9th-october-2025-final_1760626527.pdf
[41] See: https://www.berlinprocess.de/uploads/documents/chairs-declaration-of-the-western-balkans-summit-interior-ministers-meeting_1760950769.pdf
[42] See: https://www.berlinprocess.de/uploads/documents/civil-society-and-think-tank-forum-2025-policy-recommendations_1759765370.pdf
[43] *European Commission (2024), Serbia 2024 Report*, available at: https://www.mei.gov.rs/upload/documents/eu_dokumenta/2024/izvestaj_24.pdf

European Initiative (CEI), the Adriatic-Ionian Initiative, the EU Strategy for the Danube Region, and others. The priority steps to improve the process are:

1. Further develop the Regional Common Market in cooperation with CEFTA and the Regional Cooperation Council (RCC), including support for the establishment of regional guidelines and procedures for the monitoring of foreign direct investment, as initiated by the RCC, to ensure greater investment transparency;
2. Accelerate reforms under the Western Balkans Green Agenda, through joint projects of the Western Balkans countries in cooperation with the RCC and through the Berlin Process and other regional initiatives, promote the continuation of reforms in the areas of democratization, rule of law, anti-corruption, migration policy, and other public policies
3. Support domestic companies, civil society organisations, research centres, cities, and municipalities to participate in regional programmes aimed at strengthening cooperation in the areas of innovation, human capital development, women's economic empowerment, improving the position of vulnerable groups through employment policies, youth empowerment, and the Digital Agenda;

Conclusion

Serbia is expected to actively support the progress of Western Balkan candidate countries in the EU accession process and to intensify efforts to resolve outstanding issues.

COORDINATORS OF THE WORKING GROUPS AND MULTISECTORAL WORKING GROUPS

Working Groups for Chapters 1, 3 and 8

- Coordinator: EUROPEAN POLICY CENTER (CEP), Dušan Protić

Working Group for Chapters 2 and 19

- Coordinator: CENTER FOR DEMOCRACY FOUNDATION (FCD), Nataša Vučković

Working Group for Chapters 4 and 9

- Coordinator: EUROPEAN POLICY CENTER (CEP), Vida Uzelac

Working Group for Chapter 5

- Coordinator: TRANSPARENCY SERBIA, Nemanja Nenadić

Working Group for Chapter 10

- Coordinator: SERBIAN SOCIETY FOR INFORMATICS (DIS), Nikola Marković

Working Group for Chapters 11, 12 and 13

- Coordinators: EUROPEAN MOVEMENT IN SERBIA (EMinS), Dejan Krnjaić and NETWORK FOR RURAL DEVELOPMENT OF SERBIA, Dragan Roganović

Working Group for Chapters 14 and 21

- Coordinator: CENTER FOR ECOLOGY AND SUSTAINABLE DEVELOPMENT (CEKOR, Zvezdan Kalmar

Working Group for Chapter 15

- Coordinator: FOUNDATION BFPE FOR A RESPONSIBLE SOCIETY (BFPE), Damir Dizdarević

Working Group for Chapter 16

- Coordinator: NATIONAL ALLIANCE FOR LOCAL ECONOMIC DEVELOPMENT (NALED), Jelena Rančić

Working Group for Chapter 17

- Coordinator: CENTER FOR ADVANCED ECONOMIC STUDIES (CEVES), Lazar Ivanović

Working Groups for Chapters 20

- Coordinator: INSTITUTE FOR TERITORIAL ECONOMIC DEVELOPMENT (InTER), Vesela Vlašković

Working Groups for Chapters 22 and 33

- Coordinator: EUROPEAN MOVEMENT IN SERBIA (EMinS), Dragana Đurica

Working Group for Chapter 23

- Coordinator: LAWYERS COMMITTEE FOR HUMAN RIGHTS (YUCOM), Jovana Spremo

Working Group for Chapter 24

- Coordinator: BELGRADE CENTER FOR SECURITY POLICY (BCBP), Jelena Pejić Nikić

Working Group for Chapter 27

- Coordinator: CENTER FOR ECOLOGY AND SUSTAINABLE DEVELOPMENT (CEKOR), Nataša Đereg

Working Group for Chapter 28

- Coordinator: EUROPEAN POLICY CENTER (CEP), Nebojša Lazarević

Working Group for Chapter 29

- Coordinator: Duško Lopandić, EUROPEAN MOVEMENT IN SERBIA (EMinS)

Working Groups for Chapters 30 and 31

- Coordinator: INTERNATIONAL AND SECURITY AFFAIRS CENTRE (ISAC FUND), Igor Novaković

Working Group for Chapter 32

- Coordinator: TRANSPARENCY SERBIA, Zlata Đorđević

Working Group for Chapter 35

- Coordinator: INSTITUTE FOR TERITORIAL ECONOMIC DEVELOPMENT (InTER), Dragiša Mijačić

Multisectoral Working Group for Freedom of Expression and Media

- Coordinator: CIVIC INITIATIVES, Maja Stojanović

Multisectoral Working Group for Economic Reforms Programme (ERP)

- Coordinator: NATIONAL ALLIANCE FOR LOCAL ECONOMIC DEVELOPMENT (NALED), Stefana Spasić

Multisectoral Working Group for Political Criteria

- Coordinator: EUROPEAN POLICY CENTER (CEP), Srđan Majstorović

Multisectoral Working Group for Sustainable Development

- Coordinator: CENTER FOR SUSTAINABLE DEVELOPMENT OF SERBIA, Nataša Gligorijević

Multisectoral Working Group for Regional Cooperation

- Coordinator: CENTER FOR DEMOCRACY FOUNDATION (FCD), Nataša Vučković