

CONEO

Ideas that pay off.

Monthly Newsletter

April, 2025.

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1.

GOVERNMENT GRANTS FOR MICRO AND SMALL ENTERPRISES: APPLICATIONS OPEN UNTIL JUNE 30

Micro and small family-owned businesses and sole proprietors in Serbia can apply for non-refundable state grants covering up to 50% of investments in production and processing until June 30. The government has allocated RSD 400 million for this initiative, with up to RSD 2 million available per project.

This support can provide a valuable boost for business development, especially for those with clear plans and market strategies. However, structural challenges continue to hinder long-term growth.

Although these enterprises represent a significant share of Serbia's economy employing 63% of the workforce and contributing nearly 60% to GDP—only around 24% engage in production and processing, with the majority active in retail and services.

Addressing systemic obstacles and creating a stable, transparent legal environment is key to enabling micro and small businesses to grow and reach their full potential.

2.

SERBIA RECORDS ECONOMIC GROWTH IN Q1 2025, WITH NOTABLE TOURISM AND INDUSTRY GAINS

Preliminary data for the first quarter of 2025 indicate positive GDP growth in Serbia, with several key sectors contributing to the overall increase.

Growth has been recorded in the food industry, agriculture, tourism (measured by the number of foreign arrivals and overnight stays), and the banking sector, particularly in terms of increased lending activity among both individuals and businesses.

Additionally, the Office for Rapid Business Support has started operations successfully, aiming to streamline problem-solving for the private sector.

Foreign direct investments remain stable, with new developments in the automotive industry. Notably, production of hybrid vehicles is set to begin at the Stellantis factory in Kragujevac. This project is expected to boost demand for highly skilled professionals, especially in engineering and related fields, and contribute to Serbia's industrial competitiveness.

3.

DIGITAL ASSETS LAW: UNAUTHORIZED CRYPTO SERVICES ARE ILLEGAL IN SERBIA

The National Bank of Serbia (NBS) has issued a reminder that providing virtual currency services without proper authorization is considered a criminal offense under Serbian law.

Since June 2021, companies offering services related to digital assets—such as cryptocurrencies and tokens—must be licensed by the NBS to operate legally in Serbia.

Key Highlights:

- » Foreign companies cannot offer crypto-related services in Serbia unless they establish a local entity and obtain a license from the NBS.
- » Unlicensed platforms are high-risk and may lead to the loss of all invested funds.
- » The NBS has initiated legal actions against providers falsely advertising crypto services in Serbia.
- » Citizens are advised to use only NBS-licensed providers, as the value of virtual currencies is not guaranteed by any public institution.

Before engaging in cryptocurrency transactions, it is essential to verify the legitimacy of the service provider. The official list of licensed companies is available on the NBS website.

4.

JOB MARKET PREDICTIONS FOR 2025

The labor market in 2025 is set to be one of the most dynamic in recent years. As businesses adapt to changing trends, job seekers and professionals need to stay ahead. Here are the key shifts expected this year:

- » Remote work is declining – More companies are returning to office-based or hybrid models.
- » Cover letters are becoming obsolete – Employers now prioritize portfolios and case studies over traditional applications.
- » Experience outweighs degrees – Practical skills, certifications, and real-world projects matter more than formal education.
- » Networking is more important than ever – Internal promotions and referrals will play a crucial role in hiring.
- » Fewer layoffs, but hiring freezes are possible – Companies may slow recruitment due to economic uncertainties.

With these changes in mind, professionals should focus on skill-building, networking, and adaptability to stay competitive in 2025.



5.

RECORD-HIGH FDI IN 2024 RAISES QUESTIONS ON SUSTAINABILITY

Serbia reached a new record in foreign direct investment (FDI) inflows in 2024, totaling \$5.8 billion, alongside the highest-ever levels of reinvested and repatriated profits.

Key Highlights:

- » FDI inflows: \$5.8 billion, surpassing the 2011 record
- » FDI income: \$4.95 billion (+37.3% vs. 2023)
- » Reinvested profits: \$1.72 billion (all-time high)
- » Repatriated profits: \$3.23 billion, exceeding 2023's \$2.35 billion
- » FDI income reached 6% of GDP

While FDI remains a vital growth driver, the increasing outflow of repatriated profits highlights the importance of policies that encourage reinvestment within Serbia's economy.

6.

CLIMATE RISKS COULD COST COMPANIES UP TO 7% OF ANNUAL PROFIT

A recent World Economic Forum study reveals that companies failing to adapt to physical climate risks could face up to 7% annual profit losses by 2035.

- » Between 2035 and 2045, losses may rise to 8.1–11.1% per year, depending on global emissions trends.
- » Heat is projected to be the biggest driver, responsible for 75% of all future damage.
- » Long-term corporate assets worth \$610 billion could be at risk annually due to weather-related destruction.

But there's a clear upside:

- » Companies investing in decarbonization, adaptation, and resilience could save significantly—up to \$19 for every \$1 invested.



7.

UNEMPLOYMENT BENEFITS IN SERBIA: UPDATED CONDITIONS AND PAYMENT AMOUNTS FOR 2025

As of February 2025, new and increased unemployment benefit rates are in effect in Serbia, adjusted for inflation. Eligible individuals must apply within 30 days of termination of employment to access full benefits.

Key Conditions:

- » Applicants must be registered as unemployed with the National Employment Service (NES).
- » Must have a minimum of 12 months of insurance in the last 18 months.
- » Employment must have ended without the employee's fault or consent.

Benefit Amounts (2025):

- » Minimum gross benefit: RSD 31,503 (net: approx. RSD 20,697)
- » Maximum gross benefit: RSD 73,029 (net: approx. RSD 47,980)

Payment Duration:

- » 3 months: 1–5 years of insurance
- » 6 months: 5–15 years
- » 9 months: 15–25 years
- » 12 months: over 25 years
- » 24 months: if within 2 years of pension eligibility

Applications are submitted electronically via the NES portal using the appropriate form. Benefit recipients must report to NES every 30 days and notify them of any changes affecting their entitlement within five days.

8.

NEW RULEBOOK ON ELECTRONIC DISPATCH NOTES PUBLISHED

The Rulebook on Electronic Dispatch Notes, detailing the implementation of the Law on Electronic Dispatch Notes regulates:

- » System access and use
- » Data input and required fields for processing
- » Handling of paper-form dispatch notes
- » Communication procedures between users and authorities
- » Storage, integrity, and access of electronic records
- » Role and responsibilities of the Central Information Intermediary

This legal framework is crucial for businesses managing the movement of goods and subject to regulatory control, especially in sectors handling excise goods and sensitive logistics. This rulebook is effective from January 1, 2026.



9.

ADVANCE INVOICES: FISCAL RECEIPT VS. E-INVOICE

What's the deadline when payment is made on the last day of the month?

When an advance payment is made (e.g. on January 31), but the transaction occurs later, deadlines depend on the invoice type:

Fiscal Receipt: Must be issued next business day after payment (Saturday or Monday, depending on your business operations).

E-Invoice: No fixed deadline, but best practice is to issue it before the VAT return is submitted.

For the buyer to deduct VAT, issue by the 10th of the following month at the latest.

10.

CAN THE STATE REGULATE PRICES IN A FREE MARKET ECONOMY? A NEW LAW IN THE MAKING

A new law is being prepared in Serbia to address price formation and market fairness, especially in light of concerns over monopolistic practices and unfair pricing in the retail sector.

While pricing in a market economy is shaped by supply and demand, state intervention is justified in cases of cartels, monopolies, or consumer exploitation.

The proposed legislation aims to increase transparency, support fair competition, and protect consumer rights. Global examples show that even developed economies intervene when strategic sectors or jobs are at risk.

This initiative signals a broader effort to ensure greater price accountability and a more balanced market environment in Serbia.



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