



South East Legal Alliance – SELA Regional News Q1 2022

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

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

SELA lawyer spotlight

Featuring Milica Pešterić

Fashion designer



[See her fashion design tips >>>](#)

MAIN TAKEAWAYS

Albania

- New Law on Real Estate Intermediators
- Treaty on Judicial Cooperation for Civil and Commercial matters between Albania and Kosovo
- New legal initiative on the establishment of a Science and Technology Park
- Draft law on the completion of the privatization process regarding the former agricultural enterprises

Bosnia & Herzegovina

- Law on fiscalization: No economic activity has been exempted from fiscalization in Republic of Srpska
- Law on Social Entrepreneurship
- Proposal of the Law on Amendments to the Law on VAT in Bosnia and Herzegovina

Bulgaria

- Private municipal and state property can now be acquired by statute of limitations
- Constitutional Court defined environmental protection and wildlife conservation as a supreme constitutional value

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Croatia

- Amendments to the Bankruptcy Act
- Proposal of the Public Procurement Act
- Draft Act on the Introduction of the Euro as the Official Currency in the Republic of Croatia

Montenegro

- Amendments to the Law on Bankruptcy

North Macedonia

- Increasing of the minimal wage

Serbia

- Rulebook on Manner of keeping the Register of Prosumers Connected to a Transmission, Distribution i.e. Closed Distribution System and Methodology for Estimation of Produced Electricity in Prosumer's Production Facility

Slovenia

- New Prevention of Money Laundering and Terrorist Financing Act
- Amendments to the Employment Relationships Act and Health Care and Health Insurance Act
- Amendments to Value Added Tax Act



Albania

New Law on Real Estate Intermediators

On 27/01/2022, the Albanian Parliament approved law no. 9/2022 “On the profession of Real Estate Intermediators”.

The aim of the new legal act is to institutionalize the profession of real estate agents and brokers, and ensure the lawfulness of intermediation activity undertaken by Real Estate Intermediators during the transfer of the title over immovable properties, or of the real rights over such properties.

MAIN PROVISIONS OF THE LAW

The new law on Real Estate Intermediators sets forth qualifying requirements to be fulfilled by any applicant that intends to exercise the profession.

The main qualifying criteria for applicants include:

- have full legal capacity to act and understand;
- possess a university diploma and a clean criminal record certificate;
- have a clear criminal certificate;
- not be under investigation or trial for criminal offenses in the field of money laundering, financing of terrorism or weapons of mass destruction;
- not have been punished with an administrative fine or administrative measure that impose prohibition of a certain behavior, or engage in a profession or business, for violation of the legislation in force for the prevention of money laundering;

- to have completed the mandatory training program.

Foreign citizens must also attest the knowledge of the Albanian language.

The certification procedure is completed within 60 calendar days. Upon being certified as Real Estate Intermediators these professionals also register with the business registry. Once certified, the intermediators may exercise the profession independently or in collaboration with local real estate intermediation offices.

WHO THE LAW APPLIES TO

The Real Estate Intermediator profession can be exercised by Albanian or foreign nationals that fulfill the required criteria and are granted with the Real Estate Intermediator Certificate by the Albanian Ministry of Justice.

A person holding a similar certificate issued by an EU member state are also entitled to exercise the profession in Albania, subject to entering into an agreement with a local real estate intermediation office. Following to the collaboration with local real estate intermediation office for at least 6 months, an application for independent exercise for the profession may be filed with the Minister of Justice.

The profession can be exercised in person, as well as online by use of electronic devices and tools, as long as the identification requirements are met.

HOW IT AFFECTS YOUR BUSINESS

If you are a real estate intermediary, you may



continue doing business in Albania lawfully, only by complying with the requirements of the new law.

Real estate intermediators operating in Albania for at least during the 12 months preceding the entry into force of the new act, shall be deemed to meet the qualification criteria and be automatically certified, but shall be required to register in the appropriate registry.

If you are a person or a business intending to buy or sell real estate in Albanian, you should engage only certified real estate intermediators, to assist you in the real estate transaction.

Treaty on Judicial Cooperation for Civil and Commercial matters between Albania and Kosovo

On 17/03/2022, the Albanian Parliament approved law no. 27/2022 for the ratification of the treaty between the Republic of Albania and the Republic of Kosovo on Judicial Cooperation for Civil and Commercial matters.

MAIN PROVISIONS OF THE LAW

The Treaty applies to judicial proceedings related to matters on civil status, family matters, employment matters, property matters, inheritance and other civil or commercial matters between individuals and/or entities, except for matters specifically excluded by the Treaty.

The Treaty shall not apply for decision issued

by the competent courts of the contracting parties, in relation to

- matters related to liquidation or bankruptcy of commercial companies
- matters of social security
- matters related to the payment of customs duties, taxes and well as for administrative sanctions applied in relation to such matters.

The mutual cooperation under the Treaty includes the provisions of judicial assistance in the conduct of the relevant proceedings, such as serving notifications, obtaining evidence, hearing witnesses, obtaining expert opinions and assessments, etc., exchange of information regarding the relevant legislation of the contracting parties, as well as provisions for the mutual recognition of court decisions and arbitration awards.

Other relevant provisions related to the avoidance of needs for additional formalities and legalisations for the relevant exchanged documentation. Further, the Treaty, official documents of one of the contracting parties shall have the same power of evidence in front of the bodies of the other contracting party.

WHO THE LAW APPLIES TO

The Treaty shall apply to any individual or entity being involved in the civil and commercial matters forming its scope (as listed above), in front of the competent courts of either contracting parties.

HOW IT AFFECTS YOUR BUSINESS

Under the Treaty, any individual or entity being involved in the civil and commercial matters in front of the courts contracting parties (either Albanian or Kosovo), will be



facilitated in serving notifications, obtaining evidence, hearing witnesses, obtaining expert opinions and assessments, etc., in the territory of the other contracting party (either Albanian or Kosovo).

Further, any individual or entity having obtained a final court decision or arbitration award in one of the contracting parties (either Albanian or Kosovo), will be facilitated in enforcing such decisions in the territory of the other contracting party (either Albanian or Kosovo), based on specified procedural requirements and has clear and limited grounds for the refusal of the recognition of the court decision or arbitration award.

New legal initiative regarding the establishment organization and operation of the Science and Technology Park

MAIN PROVISIONS OF THE LAW

The Albanian Parliament is assessing a new legislation for the establishment and operation of an Albanian Science and Technology Park, as an area with defined boundaries where research and development structures are integrated and that will include entities that use advanced technology in the development of products or services, or which invest in turning technological inventions into final products, benefiting from the Park research structures.

Activities to be conducted at the Park shall encompass i) research and development activities, toward gaining new technological or scientific knowledge, which enable the development of products or services; ii) create new methods of producing products or

services or use advanced technology in the production of software, data processing, or similar activities; iii) improve products and services in a way that brings about a substantial change, compared to existing products; iv) focus on training and capacity building of professionals, in order to engage them in the production of innovative products and services.

The draft law still under discussion, envisages for developers of the Park to be entitled to use the state land or other immovable property intended for the Park, for a minimum 20 (twenty) years, granted with emphyteusis or with long-term lease, with the right of renewal, and also the right of the developers to sublease to users.

WHO THE LAW APPLIES TO

Legal entities (developers) that will use innovation in production, using advanced technology in the development of products or services, or that invest in turning technological inventions into final products, taking advantage of the Park's research structures. Whilst, the serial production of potential products and services shall not be permitted to be conducted at the Park.

Fiscal facilities are expected to be granted to developers and users of the Park, such as: the Park will be considered as a customs free zone; the supply of Albanian goods, destined to be placed in the Park, shall be considered as export supply with 0 (zero) VAT; the profit tax rate for the income generated by activities conducted at the Park shall also be 0 (zero), for a period of 15 (fifteen) consecutive years; the developer and users' staff working on research and development in the Park shall be exempt from the payroll tax, for a period of 15 (fifteen) years; goods, equipment, and services used between users within the Park shall also be exempt from VAT. Moreover, developers and users of the Park shall be exempt from the tax on infrastructure, as well as exempt from the tax on immovable



properties for a 10 (ten) year period for the developments at the Park; etc.

HOW IT AFFECTS YOUR BUSINESS

This new legislation is expected to promote the development of high technology and innovation industries; promote research and development for new products and services, as well as improving existing ones; create more qualified jobs for professionals in the fields of science and technology; create technological infrastructure in order to accelerate the development of innovation in products or production methods; facilitate innovative entrepreneurship; create direct links between the knowledge base, e.g. research institutes and / or universities and businesses; support small and medium enterprises; attract foreign and domestic investments; facilitate activities that generate products with high added value; develop research and innovation as well as production in the technology sector; create expertise with high skills.

Draft law on the completion of the privatization process regarding the former agricultural enterprises

MAIN PROVISIONS OF THE LAW

Enter text Determines the procedures and the state body responsible for the completion of the process of privatization of facilities of former agricultural enterprises, for which this process has not been completed, as well as the transfer, treatment and their final registration.

WHO THE LAW APPLIES TO

This law provisions shall apply to:

- Objects of former agricultural enterprises for which the process of evaluation, liquidation and supply with a contract of sale has been completed but not notarized before the Public Notary;
- Objects for which the process of evaluation and contracting has been completed, but with partial or unpaid liquidations of the contract value and it has not been signed before the Public Notary;
- Objects for which the evaluation process by the enterprise has been completed, and full liquidation has been performed, but it has not been provided with a contract of sale by the former Competent State Agency;
- Objects for which the evaluation process by the enterprise has been completed, and partial liquidation has been performed, but it has not been provided with a contract of sale by the former State Competent Agency;
- Objects for which the former Directorate of Abandoned Enterprises has drafted a hand-over document, delivered to private persons and for which an assessment has been made according to the acts in force for privatization.

HOW IT AFFECTS YOUR BUSINESS

This new law is expected to establish the necessary legal basis required for the completion of the privatization process for those objects of former agricultural enterprises, for which this process has not been completed. The process will enable the transfer of ownership of state property of former agricultural enterprises, to entities.



Bosnia & Herzegovina

Law on fiscalization: No economic activity has been exempted from fiscalization in Republic of Srpska

MAIN PROVISIONS OF THE LAW

The Law on Fiscalization, in the technical sense changes the complete system of the current fiscalization in Srpska, which has been going on since 2008. The new law, unlike the previous one, does not exempt any economic activity from fiscalization in the Republic of Srpska.

The new system will not hinder the business of economic entities, and the fiscal account from the new system will contain a QR code, by scanning which each consumer will be able to check through the application whether the turnover for which he spent money is recorded in the Republic of Srpska system. The goal of this system is to record, ie register and monitor the complete turnover of goods and services in Srpska and to suppress the gray zone in the registration of turnover and services. The approval of each device of the taxpayer will be automated through the system of the Tax Administration, and these new devices submit data to the Tax Administration in real time.

WHO THE LAW APPLIES TO

Law applies to all taxpayers in the Republic of Srpska.

HOW IT AFFECTS YOUR BUSINESS

The RS government is left with the possibility to subsequently determine the exemption by a decree, so that all those who practice law have the hope that they will be released from the cash registers later.

Law on Social Entrepreneurship

MAIN PROVISIONS OF THE LAW

The new law regulates the keeping of the register of social enterprises, tasks and manner of work of the Council for the Development of Social Entrepreneurship, supervision and other issues of importance for social entrepreneurship.

The goal of this law is to use the potential of social entrepreneurship for the sake of sustainable economic and social growth and development of the Republic of Srpska.

WHO THE LAW APPLIES TO

The law applies to all social enterprises, organized in the form of a company, foundation, association, cooperative, institution, which performs activities, and from which the narrower or wider social community realizes special benefits.



HOW IT AFFECTS YOUR BUSINESS

The law explains in more detail certain institutes that were not previously defined by regulations.

Proposal of the Law on Amendments to the Law on VAT in Bosnia and Herzegovina

MAIN PROVISIONS OF THE LAW

The adopted Bill on Amendments to the Law on VAT implies that at a reduced VAT rate of 5 %, the turnover of goods and services and the import of goods are taxed, namely medicines, flour, bread obtained from all types of flour, milk and dairy products, edible oils, edible fats of animal and vegetable origin, salt, sugar and homogenized baby food.

The same change implies that a 22 % increase in VAT is levied on high-quality wines and alcoholic beverages, high-quality cigars and cigarillos, luxury perfumes, fur clothing and footwear, jewelry and related products, watches, high-end electrical or optical appliances, luxury vehicles, works of art, weapons.

WHO THE LAW APPLIES TO

To all taxpayers who independently perform economic activity.

HOW IT AFFECTS YOUR BUSINESS

These changes were proposed, with the aim of improving the economic situation of socially endangered categories of the population, especially in the conditions of rising prices due to global inflation and market disturbances.



Bulgaria

Private municipal and state property can now be acquired by statute of limitations

MAIN PROVISIONS OF THE LAW

The Constitutional Court (CC) accepted in its decision of 24.02.2022 that the moratorium on the acquisition of private state or municipal property by statute of limitations is unconstitutional.

The moratorium was first introduced in 2006 to prevent the acquisition by statute of limitations of private state and municipal property for which the limitation period had begun in 1996. The measure was initially introduced for a period of 7 months, with the legislator's idea being to take the necessary actions to identify municipal and state property and to register it properly within this period. However, due to the apparent dysfunctionality of the administration, the moratorium has been consistently extended for more than 15 years, with the latest amendment extending it till the end of 2022.

WHO THE LAW APPLIES TO

Persons who owned private municipal or private state property.

HOW IT AFFECTS YOUR BUSINESS

The statute of limitations on private state and municipal property suspended on 01.06.2006, will continue to run from the entry into force of the CC decision and, after a total of 10 years have passed, persons who had owned such property will be able to claim its acquisition by statute of limitations.

Constitutional Court defined environmental protection and wildlife conservation as a supreme constitutional value

MAIN PROVISIONS OF THE LAW

The judges unanimously confirmed that the orders for the designation of protected areas are final and not subject to appeal.

By its Decision No. 14 of 12.10.2021, the Constitutional Court (CC) ruled that orders of the Ministry of Environment and Water for designation of protected areas under the Biological Diversity Act (BDA) may not be appealed. It should be noted that the issuance of an order under Art. 12, Para. 7 of BDA concludes the procedure for setting the boundaries of protected areas as part of the European ecological network NATURA 2000, as well as for prohibiting or restricting activities which are incompatible with the nature conservation objectives of the respective protected area.

The proceedings before the CC have been initiated at the request of a three-member panel of the Supreme Administrative Court to establish the unconstitutionality of the quoted provision of the BDA as contrary to the



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Constitution, which guarantee the protection and inviolability of private property.

However, the CC bases its decision on the view that “biodiversity is a supreme value for both present and future generations...” and that “the BDA plays a crucial role in establishing a national system of safeguards and incentives to prevent negative impacts on the environment from human activities, which is a high priority in the context of extreme pressure on the environment”.

Owners of real estate property which may be included in protected areas.

HOW IT AFFECTS YOUR BUSINESS

Property rights may be affected if the property is included in the protected area under the Biological Diversity Act.

WHO THE LAW APPLIES TO



Croatia

Amendments to the Bankruptcy Act

MAIN PROVISIONS OF THE LAW

Adopted in March 2022, the amended Bankruptcy Act aims to ensure better implementation of pre-bankruptcy proceedings by creating an effective early warning system on imminent insolvency of the debtors.

Making efforts to further ensure the continuity of legal entities experiencing difficulties in business, the amendments are set at establishment of a pro-active legal framework that will enable debtors to resolve their financial problems and debts faster.

According to the new model on approval of restructuring plans in pre-bankruptcy proceedings, the debtor is now allowed to file a proposal of the restructuring plan together with the motion for opening of pre-bankruptcy proceedings. The courts are no longer bound by creditor's decision to accept the plan but are rather granted autonomy to independently decide whether the plan should be accepted or not. The bankruptcy recipients (trustees) are tasked with the obligation to assist the debtor with the preparation of a robust restructuring plan, which should facilitate the continuation of debtor's business.

The conditions for the appointment of bankruptcy recipients and the assignment of cases to bankruptcy recipients are redefined, all with the aim of ensuring better and more efficient implementation of bankruptcy and pre-bankruptcy proceedings.

Additional amendments geared towards greater protection of employee rights in bankruptcy proceedings have been implemented, particularly with respect to the payment of health insurance and pension contributions.

Finally, the new system ensures additional rights for creditors with right on separate settlement (such as mortgagees) within bankruptcy proceedings, by allowing higher level of autonomy on the preferred methods of asset liquidation.

WHO THE LAW APPLIES TO

All over-indebted, insolvent or imminently insolvent legal entities with registered seat in Republic of Croatia.

HOW IT AFFECTS YOUR BUSINESS

The amendments are aimed towards supporting and facilitating the debt restructuring system within bankruptcy and pre-bankruptcy proceedings as opposed to simple liquidation of debtor's assets, which in turn affects the perceived amount and modality of settling any claims against such entities.

Proposal of the Public Procurement Act



MAIN PROVISIONS OF THE LAW

Aimed at eliminating general issues in appellate proceedings within the public procurement system and further harmonization with the EU law, the proposed amendments to the Procurement Act have introduced a compulsory electronic filing system for appeals.

The adjustments to the appellate proceedings represent an effort to prevent delays by the appellant within the public procurement system, which issue has been previously noticed in practice. In cases where the appeal is deemed as untimely or inadmissible, the contracting authority is now granted the right to continue the public procurement until the decision-making stage on selection of the economic operator or cancellation of public procurement.

The newly incorporated appellate system envisages immediate dismissal of appeals that do not contain adequate grounds for appeal, without the obligation to invite the appellant to amend such appeal. Thus, the proposed amendments should result with generally shorter and more efficient public procurement.

An important change is also proposed in the method for calculation of appellate fees. In particular, the fee would be calculated within the specific ranges of the maximum and minimum amounts payable for initiating appellate proceedings and should be determined in the amount of 0.5% of the estimated value of the subject of procurement. In case of an appeal against the decision on selection or cancellation for all lots of the procurement subject, the appellate fee would be paid according to the total estimated value of all lots thereof.

The public discussion on the proposed amendments is set to last until 23 April 2022.

WHO THE LAW APPLIES TO

Any legal entity intending to participate in public procurement as an economic operator.

HOW IT AFFECTS YOUR BUSINESS

The proposed amendments to the appellate proceedings are set to shorten the duration of the public procurement by eliminating the previously noticed and potentially abusive practices, while simultaneously ensuring harmonization with the ever-developing EU law.

Draft Act on the Introduction of the Euro as the Official Currency in the Republic of Croatia

MAIN PROVISIONS OF THE LAW

The draft act is the principal of the anticipated series of legislation governing the introduction of euro as the official currency in the Republic of Croatia. The main objectives of the draft act are to facilitate the euro changeover and to address the issues relating to the introduction of the euro that are not contained in the relevant European Union legislation.

The provisions of the draft act aim to direct the entire process so that the changeover from kuna to the euro is carried out within the given framework while minimizing uncertainties.

The draft act prescribes, *inter alia*, the rules on the cash exchange, conversion of prices



and other monetary values, determining the duration of the transitional period at 14 days from the date of the introduction of the euro during which dual circulation of the kuna and the euro will be possible, and laying down the obligation of dual display of both kuna and euro values, details on the exemptions for dual circulation (for example, non-cash payment transactions, automated payment devices, ATMs with the option to deposit money, public transport Service providers) as well as the principle of continuity of legal instruments and rules on the conversion of deposits, loans and securities.

The draft act also provides for conversion of prices and other monetary values free of charge for everyone, except for conversion for amounts of cash above a certain limit.

The first draft of the act was adopted by the Croatian Parliament on 11 March 2022. The final draft act is yet to be proposed, after considering suggestions made by the European Central Bank in the Opinion (CON/2022/15). The Ministry of Finance of the Republic of Croatia expects the draft law to be adopted in the first half of 2022.

WHO THE LAW APPLIES TO

Any person performing any type of monetary transaction in Croatia.

HOW IT AFFECTS YOUR BUSINESS

The draft act regulates various issues related to an affecting numerous day-to-day business operations including conversion of prices from kuna to euro, duration of the dual circulation and dual display period as well as the pivotal entrepreneurial issues such as conversion of share capital, debt securities and other securities, deposits and loans from kuna to euro.

Due to the principle of continuity of legal instruments, the euro introduction procedure shall not affect the validity of existing legal instruments in which reference is made to the kuna.



Montenegro

Amendments to the Law on Bankruptcy

in a procedural manner as they refer mainly to the rules of procedure.

MAIN PROVISIONS OF THE LAW

Amendments to the Bankruptcy Law introduce order in bankruptcy proceedings through mandatory licensing of all bankruptcy trustees, the introduction of rules for selection of bankruptcy trustees, and also envisage establishing a register of the bankruptcy estate.

WHO THE LAW APPLIES TO

This law mainly applies to the bankruptcy trustees as it envisages a new set of rules concerning the procedure for election and appointment, however, it is also relevant for business sector and entities that go through bankruptcy proceedings.

HOW IT AFFECTS YOUR BUSINESS

In case of bankruptcy of the company, new amendments affect the bankruptcy process



North Macedonia

Increasing of the minimal wage

In February 2022 Macedonian Assembly adopted amendments to the Minimal Wage Law that entered into force on March 4th, 2022.

The amendments envisage:

- Increasing of the minimal wage to net MKD 18.000 (ca EUR 300),
- Financial aid from the state for covering of the additional social contributions that arise from complying with the new minimal wage.

The gross amount of the new minimal wage is MKD 26.422 (ca. EUR 430).

The amount of the financial aid is up to MKD 1.197 (ca. EUR 20) and is valid for the period from March to December, 2022.

WHO THE LAW APPLIES TO

The minimal wage is guaranteed for all employees, except for self-employed persons.

HOW IT AFFECTS YOUR BUSINESS



Serbia

Rulebook on Manner of keeping the Register of Prosumers Connected to a Transmission, Distribution i.e. Closed Distribution System and Methodology for Estimation of Produced Electricity in Prosumer's Production Facility

MAIN PROVISIONS OF THE LAW

The Rulebook prescribes the manner of keeping the register of prosumers connected to the transmission, distribution and closed distribution system, as well as the methodology for estimating the electricity produced in the prosumer's - producer's facility.

WHO THE LAW APPLIES TO

By issuance of this regulation, the legal framework for prosumers has been completed. The Rulebook mainly applies to the competent operators of the system to which the facility of the prosumer is connected as it envisages that it is their obligation to enter data in the register of, in accordance with the law governing renewable energy sources.

HOW IT AFFECTS YOUR BUSINESS

Entry into the register of prosumers shall be performed by the competent system operator immediately, and no later than within five days from the day of connection of the prosumer's - producer's facility to the electricity system.

The Ministry of Mining and Energy determines the average effective operating time by type of power plant based on data on annual production of eligible producers whose status lasted at least during the entire calendar year, submitted by the authorized contracting party and guaranteed supplier, for the year in which the assessment is performed.



Slovenia

New Prevention of Money Laundering and Terrorist Financing Act

MAIN PROVISIONS OF THE LAW

The Prevention of Money Laundering and Terrorist Financing Act (ZPPDFT-2) entered into force on April 05, 2022, replacing the old one adopted in 2016. The new Act incorporates into Slovenia's legislation three European directives, it brings the harmonization of the category of obliged persons that are providing services related to virtual currencies and at the same time amended rules regarding data obtained for the register of virtual currency service providers.

The Act introduces a new, unregulated customer due diligence without personal presence in case of a low risk for money laundering or terrorist financing (i.e. non-face-to-face, which applies as an exception to the principle of performing due diligence in person).

Novelties have also been introduced regarding identification. The Act loosens the requirements related to video-electronic identification and expands the possibilities of using this method for verifying the identity. At the same time, the possibility is introduced to allow, under certain conditions, also other secure remote-controlled or electronic identification procedures.

The new Act shortens the deadline for submitting data, information and documentation to the Office for Money Laundering Prevention upon request to the obliged persons to submit data on suspicious transactions, persons, property or assets

(from the previous 15 days) to only 5 working days.

WHO THE LAW APPLIES TO

The Act applies to all entities (state and private) responsible for taking actions in order to detect and prevent money laundering and financing of terrorism.

HOW IT AFFECTS YOUR BUSINESS

Obliged persons, providing services related to virtual currencies, will be more closely monitored. Due to the increased use of virtual currencies over the last years, special attention is now paid to this area.

Amendments to the Employment Relationships Act and Health Care and Health Insurance Act

MAIN PROVISIONS OF THE LAW

A significant change is the shortening of the period of compensation for absence from work due to sickness at the expense of the employer. From the current 30 working days, the amendment to the Employment Relationships Act shortens this period to 20 working days for individual absence from work, while also shortening the total period in

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the calendar year when absence from work is covered by the employer, from the current 120 to 80 days.

Meanwhile, the Amendment to the Health Care and Health Insurance Act introduces a provision according to which in cases of temporary inability to work due to an illness or injury not related to work, compensation for lost salary is covered by compulsory health insurance (ZZZS) from the 21st day of absence.

There was no change in cases where the employee is unable to work due to a professional illness or injury at work.

WHO THE LAW APPLIES TO

Both Acts apply to all employers as well as to sole proprietors who bear the burden of the cost of sick leave themselves.

HOW IT AFFECTS YOUR BUSINESS

Employers will now be able to reduce cost when it comes to longer sick leaves of their employees.

Amendments to Value Added Tax Act

Amendment to the Value Added Tax Act, that entered into force January 22, 2022 transposes into Slovenian law four European

directives applicable to the provision of services at a distance and distance selling of goods.

Companies will now be able to claim a VAT deduction on the purchase of motor vehicles (cars, motorcycles ...) without CO2 emissions, if these vehicles are used within the company's activities and their value does not exceed EUR 80,000. In addition, a VAT deduction will also be possible for the purchase of fuels, lubricants, spare parts and services for these vehicles.

The most important change for customers is an abolishment of the obligation to deliver the invoice in paper form. Merchants and other invoice issuers will now only be obliged to issue printed invoices at the request of customers.

The obligation to submit additional documentation for taxpayers who submit a VAT return for the first time, as well as the threshold for compulsory entry of farmers into the VAT system, will both be abolished, which will simplify the procedures.

WHO THE LAW APPLIES TO

Some amendments apply to entities while others affect natural persons.

HOW IT AFFECTS YOUR BUSINESS

Amendments reduce administrative burdens in some areas, improve the status of farmers and contribute to green mobility with VAT reductions.



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SELA lawyer spotlight

FEATURING MILICA PEŠTERIĆ



[Milica Pešterić](#) is a senior associate at Bojović Drašković Popović & Partners. Her main focus is on energy, contract law as well as overall commercial law.

Milica is a member of [Canadian-Serbian Business Association – CANSEE](#), and a [Serbian Energy Law Association](#).

Milica earned her LL.M. from the Queens' College, Cambridge University.

*Milica is ranked as a “**Rising Star**” in Commercial, Corporate and M&A within The Legal 500 EMEA report.*

Apart from being a lawyer, Milica also finds time to be a fashion designer with the main focus on the women wear. Her garments have already been presented in local and regional fashion week events.

Take a look at her fashion design tips >>>



5 fashion design tips:

1. Be creative - creativity in fashion design is a must. It is thinking as well as producing process, because if you have ideas but don't act on them you are imaginative but not creative. On the other hand, there is a common assumption that law is rigid, however several famous creatives started out in the law (e.g. Comedian John Cleese (Monty Python) went to Cambridge Law School). Despite their impressive legal backgrounds, these artists have forged lives centered on creativity. The legal practice can be improved simply by thinking outside the box and doing things differently than they've ever been done before.

2. Think about sustainability - create clothing that is designed, manufactured, distributed, and used in ways that are environmentally friendly, in addition to ethically oriented fashion, prevalent in the conscious consumerism world i.e. clothing made in ways that value social welfare and worker rights. Since environmentalism goes hand in hand with socially equitable practices, ethical and sustainable fashion are intricately tied together. Same values apply in other spheres of personal and professional life.

3. Achieve unique look - assist the customers in visualizing their unique look and achieving the style that is authentic solely to them. Having a customer in focus in terms of fashion style is the same as having the focus on client's specific needs in legal counselling and consulting.

4. Design on made-to-measure basis - each garment is created for a specific client, made to order for an individual customer, and is usually made from high-quality, expensive fabric, sewn with extreme attention to detail and finish, often using time-consuming, hand-executed techniques. Similarly, as in legal services where I tend to provide tailored and business-oriented legal support recognizing the need for commercially-driven, client-focused, comprehensive legal advice across the full range of issues that our clients face.

5. Learn! - never stop acquiring new knowledge and skills whether you are in the process of developing a fashion collection through mood board or providing legal advice to the client.



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