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Date: 12/5/2014

GAIN Report Number: RB1412

Serbia

Post: Belgrade

Serbia Adopts Important Agriculture Laws

Report Categories:

Agricultural Situation

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Report Highlights:

On November 25, 2014, as part of Serbia's EU Accession process and its Strategy for Agriculture and Rural Development, the Serbian Parliament adopted two new agriculture laws: the Law on Pre-Harvest Financing of Agricultural Production and the Law on the Protection and Sustainable Use of the Fishery Fund. The Law on the Pre-Harvest Financing of the agricultural production will facilitate farmers' access to financing, especially at the time of field crop planting. Adoption of the law creates the possibility for establishing pre-harvest funding and it also offers the use of future crops as a form of collateral in securing a loan. The Law on the Protection and Sustainable Use of the Fishery Fund was needed to regulate sustainable management of natural resources, especially the part that involves the use of fish as a renewable natural resource. It regulates the catch, protection, and trade in fish and other animals that live in the water.

General Information:

On November 25, 2014, as part of Serbia's EU Accession and its Strategy for Agriculture and Rural Development, the Serbian Parliament adopted the Law on Pre-Harvest Financing of Agricultural Production to facilitate farmers' access to financing, especially at the time of field crop planting. The law which was published in "Official Gazette" No. 128/14 on November 26 and becomes effective June 1, 2015, arose from the need to increase the volume of primary agricultural production by improving existing financing. The new law will create the possibility for establishing pre-harvest funding. It also offers the use of future production (crops, fruits, vegetables, etc.), as a form of collateral to secure a loan. The law also envisages that the contract relating to the financing of production be entered into a registry, thus making it possible to check whether a parcel of farmland is encumbered with a loan. The registry of financing contracts will be run by the Agency for Agricultural Registries and its establishment will be financed by the European Bank for Reconstruction and Development (EBRD), who together with the UN's Food and Agriculture Organization (FAO) helped draft the new law. The EBRD and the FAO will help Serbia's Agriculture Ministry train stakeholders and potential users of the new system. The Serbian legislation was inspired by Brazil's *Cédula de Produto Rural* (Certificates of Agricultural Products or "CPRs") legislation.

Serbia Parliament at the same session on November 25 adopted Law on the Protection and Sustainable Use of the Fishery Fund. On November 26, the law was published in the "Official Gazette" No. 128/14 and it will go into effect beginning December, 2014. The law regulates the catch, protection and trade in fish and the fishery fund that defines this sector as a renewable natural resource. The law sets out a system for issuing special permits for recreational fishing within the boundaries of protected areas and improves the management of fishery resources including the protection and sustainable use of fish stocks. The Serbian Parliament also adopted a Protocol on flood protection as part of the Agreement on the Sava River basin, which calls for establishing an international regime of navigation, sustainable water management, and protection against harmful effects to the waterway and aquatic eco-systems.