## Serbia

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The Workshop "SME's in the BSEC Region-Reality and Vision" was held in Istanbul between 16-18 March 2006 by the organization of BSEC PERMIS, Konrad - Adenauer - Stiftung (KAS) and other Turkish administrations (KOSGEB and TOSYOV). The representatives from twelve member states of BSEC participated in the conference. Totally, a total of 3 million SME's of 12 BSEC Member States employed over 21 million workers while 10 million unemployed occurred.

Serbia was operating 73 097 small size companies, 2 121 middle enterprises and about 232 000 entrepreneurs in the beginning of 2005.

#### Start up

Start of implementation of services from the support package for business start-ups (with the assistance of the European Agency for Reconstruction)

Support to the Republic Agency for SME Development to envisage and implement a Pilot program: Support Scheme for Establishing new Companies, consisting of training and credit for establishing new companies. (Fist half of 2005)

Introduction of the system for on-line registration of companies after enactment of the Law on Business Entities' Registration (1st January 2005), to finalize the process of formation of the Agency for Business Entities, to adopt the Electronic Operations Act and change other regulations envisaging delivery of verified documents. Until adoption of the Law, that is, changes to the Law, undertaking of a certain number of procedures related to company registration \_n-line shall be allowed, such as downloading of forms, browsing through the data base, registering company name, etc. (September 2004)

The Agency for Business Registers has been established according to the Law about the Agency (published in "Official Gazette of the RS", no. 55, dated 21st May 2004). The Agency takes over the authority for registering business entities from the Commercial Courts and local self-government bodies according to the new registration system.

The Agency has been founded in order to reach to a strong economy. The Agency provides:

- to access to data base records on registered business entities;
- to reach to financial leasing contracts and pledges.

The new system of registering business entities enables interested par-

ties to commence their business activities much more quickly, and to make updated data available to their potential business partners. The company registration process has been shortened under optimum conditions

This experience was presented as good practice program in the Conference of the European Charter for Small Enterprises in Vienna/Austria, dated 13-14.06.2006. This example can be seen in the World Bank Statement of 2006 as "Serbia's Number One Business Reformer in the World-by-World."

The period for registering business activity of an entrepreneur takes about one day after completion of the documents and there is no deposit for establishing a company.

### Regulation

The following laws have been passed or changed relevant for the SMEs sector in the Republic of Serbia:

- ♦ The Labor Law (15 March 2005)
- ♦ Mediation Law (24 February 2005)
- \$\text{Law on the Protection of the Environment (21 December 2004)}
- ⋄ Fiscal Registers Law (21 December 2004)
- ♦ Law on Electronic Signatures (21 December 2004)
- ♦ Law on the Civil Procedure (15 November 2004)
- ☼ Enforcement Law (15 November 2004)
- Scompany Law (15 November 2004)

The following Laws relevant for the SMEs sector are in the Parliament program:

- Anti-Monopoly Law (Law on the Protection of Competition)
- ♦ Tourism Law

The text of the Draft of Entrepreneurs' Act is under preparation, which decreases procedures between the entrepreneurs and local governmental administrations according to the procedure for registering entrepreneurial shops. The draft will therefore add to create a better legal environment for development of entrepreneurship and to open new entrepreneurial shops.

#### Serbian Chamber of Commerce

The Serbian Chamber of Commerce presented the introduction of information technology for 145 general associations of entrepreneurs. The Chamber is actively involved in their networking and provision of information and data feedback. An Info-desk was established, oriented exclusively towards questions and answers on SMEs' related issues. During the first four months of 2005, 1247 SMEs related questions were met, and databases of new and old machinery and equipment, credit lines and leasing were set up and applications for registration of shops and enterprises were designed.

The Serbian Chamber of Commerce is one of the partner associations of the economy that represents the common interests of enterprises and other economic operators vis-à-vis the government authorities and organizations in the process of development of the economic system. The Chamber also represents economic policy measures and economic

and business conditions. The Serbian Chamber of Commerce has a separate Department of Small Business and Department of Entrepreneurship. The Chamber is the common point to gather and the venue for discussions between the representatives of the economy – aligning of interests and activities of different enterprises, identification of common positions, exchange of experiences and establishment of mutual business links such as the Serbian Chamber of Commerce is a professional institution that provides its members (enterprises, banks, cooperatives etc.) with specific information and offers them technical assistance and consulting services. The Chamber Network of Serbia¹ covers the whole territory of the country and includes the Serbian Chamber of Commerce, the Belgrade Chamber of Commerce and Chambers of Commerce in Leskovac, Nis, Krusevac, Zajecar, Kragujevac, Valjevo, Pozarevac, Pancevo, Sremska Mitrovica, Novi Sad, Zrenjanina, Kikinda, Sombor and Subotica.

The Ministry of Economy, through its Department of SMEs and Department of Private Entrepreneurship, has provided direct dialogue with the representatives of the Association of Entrepreneurs and Serbian Chamber of Commerce and Association of SMEs, concerning the problems that impede the business operations of entrepreneurs and the proposals for measures that could help to overcome such problems.

The dialogue also exists in the ministries and institutions (Ministry of Finance, Tax Administration, Pension and Disablement Insurance Fund for Independent Activities, Ministry of Trade, Tourism and Services and Ministry of Labor, Employment and Social Policy), in order to provide adequate information and to help them identifying opportunities for overcoming the problems encountered by the entrepreneurs, both through the forthcoming amendments of regulations and through their respective activities.

An SMEs Forum has been proposed in order to ensure better representation of interests of SMEs and entrepreneurs through dialogue with the Government' SMEs.

We expect that the October's Conference in Sofia will create Young Business Leaders Forum by the BSEC countries and promote Public-Private-Dialogue through SMEs Forum.

#### Bibliography

http://www.pks.co.yu/pks/servlet/XMLProcesor?i\_sys=pks&i\_xml=a10&i\_xsl=s503&i\_param=