

Avoid the Non-Compliance List: Key Changes of Serbia's New Ultimate Beneficial Owners Act

2025



Understanding the Change

Serbia has taken a decisive step toward strengthening corporate transparency and aligning with international standards in the fight against money laundering and terrorist financing. The recently adopted Central Records of **Ultimate Beneficial Owners Act** (“UBO Act”) has taken effect on 1 October 2025, introducing a range of new obligations for companies and other registered entities.

Entities already operating in Serbia must ensure full compliance by November 30, 2025, or risk being listed on the newly established public list of non-compliant entities, a designation no business wants to have.

Key Changes Under the New UBO Act

1. Broader Disclosure of Beneficial Owners

The Act now requires registration of all individuals who meet the legal criteria for beneficial ownership. This is a significant shift from the previous Act, which was less explicit. In practice, this means that companies may need to disclose multiple individuals who either **hold direct or indirect ownership or exert significant influence over decision-making**.

2. Mandatory Upload of Supporting Documentation

Entities must now upload documents proving the identity and status of beneficial owners directly to the Central Records maintained by the Serbian Business Registers Agency (SBRA). Previously, such documentation was only kept internally and typically provided to banks during account opening. This change increases transparency but also raises the importance of precise and accurate recordkeeping.

3. Extended Registration Deadlines

The deadline for initial UBO registration has been extended from 15 to 30 days. This allows more time to gather documentation, but this should not be mistaken for an excuse for delay, especially given the upcoming verification and compliance requirements.

4. Annual Verification Obligation

All registered entities will now be required to verify their UBO data every 12 months from the date of the last registration. This creates an ongoing compliance cycle and necessitates regular internal reviews.

5. New Duties for Regulated Entities

Financial institutions, accountants, tax advisors, real estate brokers, and other regulated entities must now cross-check UBO data in the Central Records against their own Know Your Customer (KYC) findings. If discrepancies are found, the regulated entity must:

- Notify the client
- Record the discrepancy in the Central Records
- Upload supporting documentation

If the discrepancy is not resolved within 30 days, the supervisory authority must be notified and will act within three days. This could trigger inspections and sanctions.

6. Public List of Non-Compliant Entities

Perhaps the most reputationally damaging change is the introduction of a publicly available non-compliance list. Entities that fail to register their UBO data or upload supporting documentation within 60 days will be publicly named and flagged as “high-risk” under Serbia’s AML framework. This can have immediate practical consequences, including increased scrutiny from banks and business partners.

7. Expanded Scope of Registered Entities and New Grounds for Registration

The UBO Act now extends the registration obligation, to also include trust and trust-like arrangements managed from Serbia or otherwise falling under Serbian jurisdiction. This significantly broadens the range of entities subject to the Act and, for the first time, incorporates into domestic law business structures previously unregulated. In addition to incorporation and changes in ownership, registration is now also triggered by the management of a trust from Serbia or by trust-related activities carried out by trustees within the country.



Sanctions for Non-Compliance

The UBO Act significantly increases penalties for breaches. Fines for companies range from RSD 500,000 to RSD 2 million for failing to:

- Register beneficial ownership data and upload the required documentation within 30 days of the change
- Confirm the accuracy of UBO data within the prescribed annual deadline
- Maintain documentation used to determine beneficial ownership

These amounts, combined with the risk of public listing, create a powerful incentive to comply promptly and accurately.

Bylaws published – Full Compliance Can Begin

The Ministry of Economy has published two rulebooks that provide detailed guidance for the implementation of the new Act in the Official Gazette of the Republic of Serbia No. 83/2025. With these bylaws published, all requirements are now in place for companies to achieve full compliance with the new UBO Act.

Final Thoughts

The new UBO Act sends a clear message: corporate transparency is no longer optional. With the introduction of a public non-compliance list, the reputational risk is as significant as the financial penalties. Businesses should act early, gather the necessary documents, and put systems in place for ongoing compliance. Those who fail to do so risk not just fines, but the public label of being high-risk under Serbia's anti-money laundering regime.

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Our team of extraordinarily well-trained and experienced individuals and their in-depth knowledge of the regional market builds our unique position to best address our clients' most pressing needs. Below is our dedicated team which includes:

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