

**October 2021**

***In focus: Law on Consumer Protection***

The Law on Consumer Protection ("Official Gazette of the RS", no. 88/2021) (hereinafter: the "Law") was published on 11 September 2021, entered into force on 19 September 2021 and will be applied as of 19 December 2021, apart from provisions regarding extra-judicial dispute resolution procedure which shall be applied as of 19 March 2022.

The Law was adopted for the purpose of removal of insufficiencies detected in the application of previous Law on Consumer Protection ("Official Gazette of the RS", no. 62/2014, 6/2016- other law and 44/2018 – other law), increase of legal protection of the travelers as per agreement on organizing of travel, as well as for the purpose of harmonization of the consumer law in the Republic of Serbia with the consumer law of the EU.

Some of the novelties introduced through the new Law are:

- advertising via telephone, fax or e-mail without consumer's prior consent is forbidden, meaning that the consumer has the right to contact his telephone operator demanding to be inscribed in the registry of consumers who do not want to receive calls and messages regarding promotions or telephone sale.
- for the provision of services whose value exceeds 5,000 dinars, service provider is obliged to make a service price estimate as well as to obtain consumer's written consent to said estimate prior to providing the services;
- the issue of products reclamation is regulated in more detail by introducing a three day deadline for the consumer to respond to the answer to the submitted reclamation (whereas, in case of the breach of the deadline, it will be regarded as if the consumer opposes the seller's proposition for reclamation resolution), as well as by introducing an obligation under which the seller is obliged, in case he refuses consumer's reclamation, to inform the consumer on the possibility of extra-judicial dispute resolution and of the competent bodies for extra-judicial dispute resolution;
- consumer can initiate judicial or extra-judicial dispute resolution procedure only after receiving the answer to filed complaint or objection, whereas it will be mandatory for each store to publish a notification under which the trader is obliged by the Law to

participate in extra-judicial dispute resolution procedure;

- extra-judicial dispute resolution procedure is regulated in detail. First of all, it is now possible to conduct extra-judicial dispute resolution procedure even for those disputes whose value exceeds 500,000 dinars. The procedure is initiated by submitting the suitable application to the Ministry of Trade, Commerce and Telecommunications which then forwards the application to the bodies competent for extra-judicial dispute resolution procedure. It is important to emphasize that consumer's participation in extra-judicial dispute resolution procedure does not exclude consumer's right to demand damage compensation in judicial procedure and that the obsolescence and preclusion deadlines do not run during the course of extra-judicial dispute resolution, being that the said deadlines start to run following the expiry of the fifteenth day from the day said procedure was terminated;
- regarding the agreement on organizing of travel, many novelties were introduced which, inter alia, refer to: mandatory elements of the agreement on organizing of travel, extension of obligations and liabilities of the travel organizer, possibility of increase/reduction of the agreed price prior to commencement of the travel, termination of the agreement by the

traveler and reimbursement of made payments etc.;

- issuing of misdemeanor warrants is prescribed in case the trader violates the rules stipulated by the Law regarding advertising ban, publishing the notification on mandatory participation in the extra-judicial dispute resolution procedure and participation in the said procedure.

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