
# SERBIA

# REPORT

DELEGATION OF THE EUROPEAN UNION TO SERBIA

# MAIN STEPS TO

# EU ACCESSION

#EUenlargement

**1** Country submits an application to the Council (EU Member States).

**2** Commission submits an Opinion on the application.

**3** EU Member States decide unanimously to grant the country candidate status.

**4** After conditions are met, the accession negotiations are opened with the agreement of all Member States.

**5** Commission proposes a draft negotiating framework as a basis for the talks. Accession negotiations formally start once Member States agree on the negotiating framework.

**6** During negotiations, which are structured according to clusters and chapters, the country prepares to implement EU laws and standards. All EU Member States must agree that all requirements are met in each case.

**7** Once negotiations on all areas are finalised, Commission gives its Opinion on the readiness of the country to become a Member State.

**8** Based on this Opinion, EU Member States decide unanimously to close the negotiation process. The European Parliament must also give its consent.

**9** All EU Member States and the candidate country sign and ratify an Accession Treaty which enables the country to become an EU Member State.

# CLUSTERS OF NEGOTIATING CHAPTERS


1. Fundamentals
2. Internal market
3. Competitiveness and inclusive growth
4. Green agenda & sustainable connectivity
5. Resources, agriculture & cohesion
6. External relations

**Not** part of a cluster:
Chapter 34 – **Institutions**
Chapter 35 – **Other Issues** (including Normalisation of relations between Serbia and Kosovo)

ANNUAL PROGRESS REPORT

# ASSESSMENT OF STATE OF PLAY AND YEARLY PROGRESS

- **5 terms** used in assessing the **state of play**

1. Early stage
2. Some level of preparation
3. Moderately prepared
4. Good level of preparation
5. Well advanced

- **6 terms** used in assessing the **yearly progress**

1. Backsliding
2. No progress
3. Limited progress
4. Some progress
5. Good progress
6. Very good progress

# STATE OF PLAY OVERVIEW

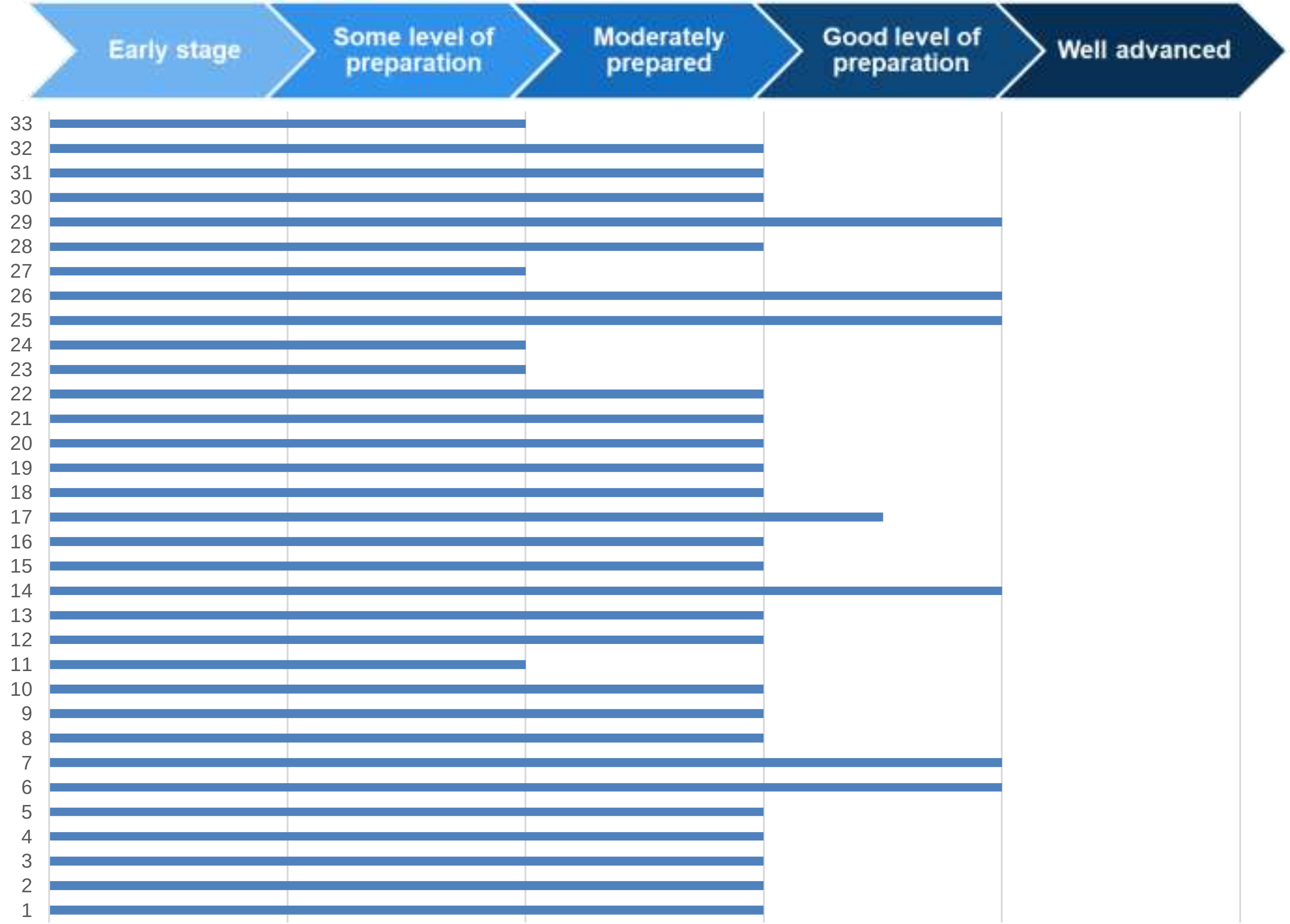
| | |
|---|---|
| **1. Fundamentals** | *all chapters open* |
| **2. Internal market** | *4 chapters open* |
| **3. Competitiveness and inclusive growth** | *5 chapters open* |
| **4. Green agenda & sustainable connectivity** | *all chapters open* |
| **5. Resources, agriculture & cohesion** | *2 chapters open* |
| **6. External relations** | *1 chapter open* |

SERBIA PROGRESS REPORT 2025

# PROGRESS OVERVIEW

| State of play | Yearly progress |
|---|---|
| Early stage of preparation: 0 | Backsliding:  0 |
| Some level of preparation: 5 | No progress: 9 |
| Moderately prepared: 21 | Limited progress: 13 |
| Good level of preparation: 7 | Some progress: 11 |
| Well advanced: 0 | Good progress: 0 |
| | Very good progress: 0 |

## 2025 SERBIA PROGRESS REPORT
# STATE OF PLAY – ALL CHAPTERS



# ECONOMIC CRITERIA

## SERBIA 2025 REPORT

- EXISTENCE OF A FUNCTIONING MARKET ECONOMY
- CAPACITY TO COPE WITH COMPETITIVE PRESSURE AND MARKET FORCES WITHIN THE EU

ECONOMIC CRITERIA

# THE EXISTENCE OF A FUNCTIONING MARKET ECONOMY

state of play → **Good level of preparation**

yearly progress → **Limited progress**

| Key takeaways | Priorities for next year |
|---|---|
| • Economic activity was robust in 2024 but slowed markedly in H1 2025, monetary policy helped inflation return to target, and the banking sector remained stable<br>• The business environment is hampered by red tape, weaknesses in the rule of law and limited efficiency and transparency of the public administration<br>• Government interventions like retail margin cap introduced on Sep 1 risk market distortions and a negative impact on investment and business climate + introduced on a very short notice with no meaningful consultations with stakeholders | • Maintain a tight fiscal and monetary stance to safeguard price stability, fully comply with fiscal rules, and reinforce medium-term budget planning.<br>• Advance the reform of the public sector wage system to improve transparency, efficiency, and fiscal sustainability across government institutions<br>• Fully implement the new SOE law, adopt the necessary by-laws, and strengthen SOE governance and oversight to reduce fiscal risks and enhance competitiveness. |

ECONOMIC CRITERIA

# THE CAPACITY TO COPE WITH COMPETITIVE PRESSURE AND MARKET FORCES

state of play | Moderately prepared | Good level of preparation

yearly progress | Some progress

## Key takeaways

- Manufacturing and service sectors are developed benefitting from strong integration with the EU, digital transformation advanced
- Education outcomes remain below the OECD average, public spending on education and research is low, and SMEs face challenges compared with larger companies and foreign investors
- Infrastructure gaps persist despite increased public investment, and further efforts are needed in green transition and energy diversification

## Priorities for next year

- Improve education outcomes and skills by increasing enrolment, modernising vocational education and training, and promoting lifelong learning
- Strengthen public investment management with a single, transparent, internationally aligned system for prioritising and selecting all public investments regardless of the type and source of financing
- Advance green transition reforms, improve connectivity, and diversify sources of energy imports

# KEY ECONOMIC FIGURES

| *Table 19:*<br>**Serbia - Key economic figures** | **2016-21** average | **2022** | **2023** | **2024** |
|---|---|---|---|---|
| **GDP per capita** (% of EU-27 in PPS)[1)] | 42 | 46 | 49 | 51 |
| **Real GDP growth** | 3.5 | 2.6 | 3.8 | 3.9 |
| **Activity rate of the population aged 15-64** (%), total[1)] | 67.7 | 70.9 | 71.7 | 72.7 |
| *female* | *60.1* | *64.0* | *65.6* | *66.9* |
| *male* | *75.3* | *77.8* | *77.8* | *78.6* |
| **Unemployment rate of the population aged 15-64** (%), total[1)] | 12.5 | 9.8 | 9.7 | 8.9 |
| *female* | *13.3* | *10.3* | *10.2* | *9.1* |
| *male* | *11.9* | *9.4* | *9.3* | *8.8* |
| **Employment of the population aged 15-64** (annual growth %) | 2.1 | 2.3 | 0.8 | 2.0 |
| **Nominal wages** (annual growth %) | 6.9 | 13.8 | 14.7 | 14.4 |
| **Consumer price index** (annual growth %) | 2.3 | 11.9 | 12.1 | 4.6 |
| **Exchange rate against EUR** | 119.3 | 117.5 | 117.3 | 117.1 |
| **Current account balance** (% of GDP) | -4.5 | -6.6 | -2.4 | -4.7 |
| **Net foreign direct investment, FDI** (% of GDP) | 6.3 | 6.8 | 5.7 | 5.6 |
| **General government balance** (% of GDP) | -1.9 | -3.0 | -2.1 | -2.0 |
| **General government debt** (% of GDP) | 55.8 | 52.5 | 48.0 | 47.2 |

*Notes :*
*1) Eurostat*
*Sources: Statistical office of Serbia, National Bank of Serbia, Ministry of Finance of Serbia and Eurostat*

# CLUSTER 2: INTERNAL MARKET

| | state of play | yearly progress |
|---|---|---|
| 1 – free movement of goods | Moderately prepared | Limited progress |
| 2 – freedom of movement for workers | Moderately prepared | Limited progress |
| 3 – right of establishment and freedom to provide services | Moderately prepared | Some progress |
| 4 – free movement of capital | Moderately prepared / Good level of preparation | Some progress |
| 6 – company law | Good level of preparation | No progress |
| 7 – intellectual property law | Good level of preparation | No progress |
| 8 – competition policy | Moderately prepared | Limited progress |
| 9 – financial services | Moderately prepared | Some progress |
| 28 – consumer and health protection | Moderately prepared | Limited progress |

# CLUSTER 3: COMPETITIVENESS AND INCLUSIVE GROWTH

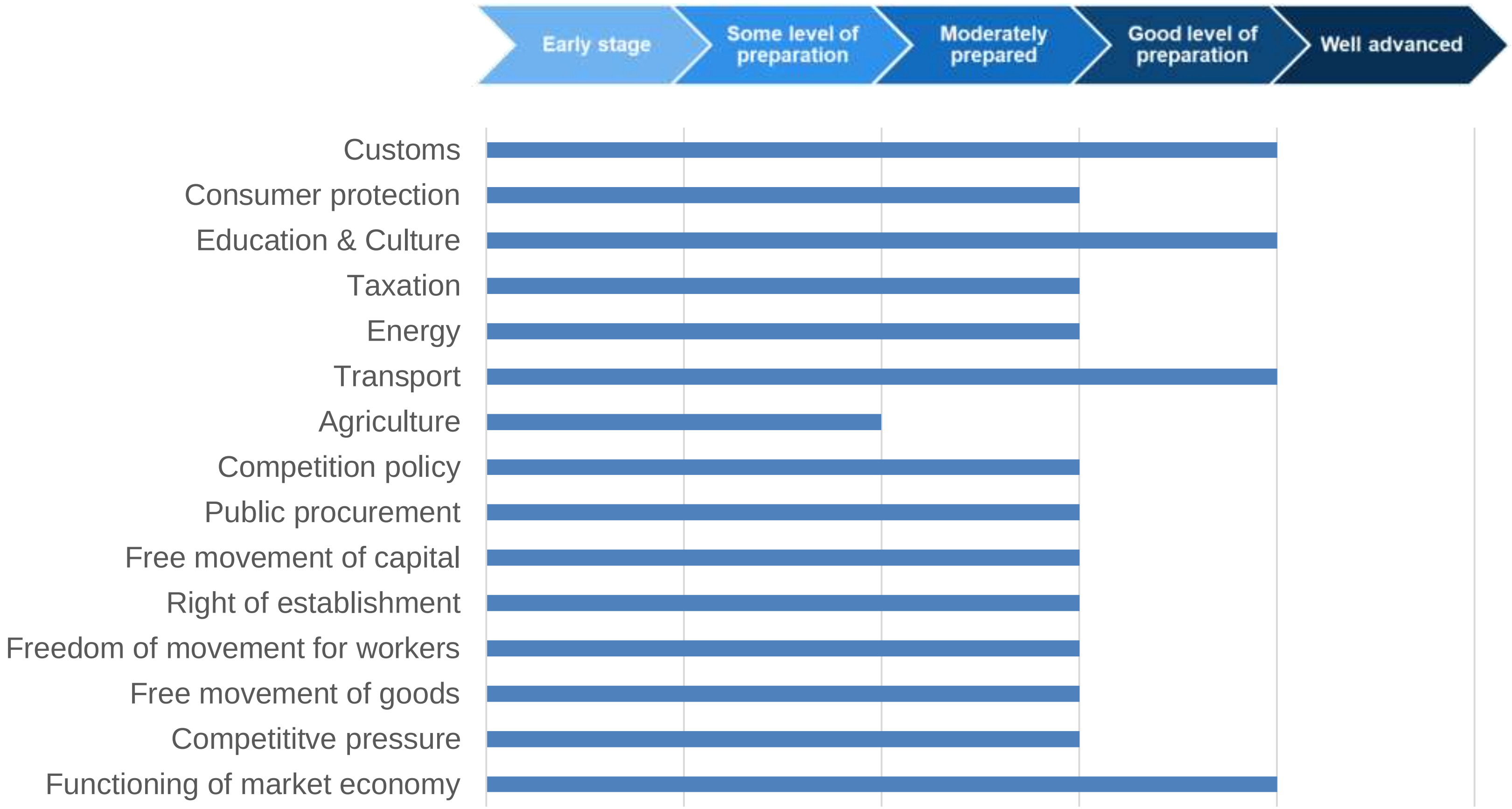
| | state of play | yearly progress |
|---|---|---|
| 10 – digital transformation and media | Moderately prepared | Some progress |
| 16 – taxation | Moderately prepared / Good level of preparation | Some progress |
| 17 – economic and monetary policy | Moderately prepared / Good level of preparation | Some progress |
| 19 – social policy and employment | Moderately prepared | No progress |
| 20 – enterprise and industrial policy | Moderately prepared | Limited progress |
| 25 – science and research | Good level of preparation | No progress |
| 26 – education and culture | Good level of preparation | No progress |
| 29 – customs | Good level of preparation | Limited progress |

# CLUSTER 4: THE GREEN AGENDA AND SUSTAINABLE CONNECTIVITY

| | state of play | yearly progress |
| --- | --- | --- |
| 14 – Transport policy | Good level of preparation | No progress |
| 15 – Energy | Moderately prepared | Some progress |
| 21 – Trans-European networks | Moderately prepared / Good level of preparation | Some progress |
| 27 – Environment and climate change | Some level of preparation | Some progress |

## 2025 SERBIA PROGRESS REPORT

# STATE OF PLAY – SELECTED POLICY AREAS




MAIN TRADE PARTNERS OF SERBIA IN 2024
#ЕУ ЗА ТЕБЕ
EU-Serbia trade in goods accounted for 58,8% of Serbia's total goods trade in 2024.
EUR 40,90 billion
IMPORTS EUR 21,98 billion
EXPORTS EUR 18,92 billion
EUROPEAN UNION
EUR 6,92 billion
IMPORTS EUR 5,12 billion
EXPORTS EUR 1,79 billion
CHINA
EUR 6,16 billion
IMPORTS EUR 1,66 billion
EXPORTS EUR 4,49 billion
CEFTA
EUR 3,12 billion
IMPORTS EUR 2,07 billion
EXPORTS EUR 1,04 billion
TURKEY
EUR 2,17 billion
IMPORTS EUR 1,28 billion
EXPORTS EUR 0,88 billion
RUSSIA
EUR 1,36 billion
IMPORTS EUR 0,68 billion
EXPORTS EUR 0,67 billion
USA
EUR 7,25 billion
IMPORTS EUR 5,29 billion
EXPORTS EUR 1,96 billion
OTHERS
Source: European Commision with figures of IMF and Statistical Office of Serbia
Figures in billions are rounded

# Serbia total exports (EUR million)

#ЕУ ЗА ТЕБЕ


Source: Statistical Office of the Republic of Serbia

# Serbia total imports (EUR million)

#ЕУ ЗА ТЕБЕ


Source: Statistical Office of the Republic of Serbia

# Foreign Direct Investment to Serbia (2010-2024 EUR million)

#ЕУ ЗА ТЕБЕ

EU companies are by far the biggest investors in Serbia accounting for 56% of foreign direct investment inflows in the period 2010-2024.


Source: National Bank of Serbia, adjusted for Croatia's EU accession in 2013 and withdrawal of the United Kingdom from the EU in 2020.

European Commission 2025 Annual Report on Serbia

Our webpage on trade and investment at www.europa.rs