



Financial Guide for Returnees – our citizens returning to the Republic of Serbia - from the aspect of FX regulations

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Improving communication with citizens as part of the National Bank of Serbia's tasks and objectives

The National Bank of Serbia (NBS) is committed to continuously improving information availability and to establishing direct communication with all stakeholders with a view to ensuring the protection of their rights and interests in the domain of financial services.

The NBS implements these activities as part of its statutory tasks and objectives – to achieve and maintain price and financial stability.

The NBS has established the channels of direct communication, enabling citizens and businesses to make queries relating to the areas within the central bank's scope of competence by completing a [form](#) on its website, as well as on the website intended for financial service consumers www.tvojnovac.nbs.rs.

Furthermore, citizens and businesses can file any [complaints against financial service providers](#) to the NBS in accordance with the Law on the Protection of Financial Service Consumers.*

The NBS also has Twitter and Facebook accounts where, just as on its website, it gives information about the activities taken to protect financial services consumers.

**Law on the Protection of Financial Service Consumers (RS Official Gazette, Nos 36/2011 and 139/2014)*

Financial Guide purpose

The NBS's Financial Guide for Returnees aims to improve the availability of information for our citizens wishing to come back to the Republic of Serbia (RS) in order to facilitate their return and faster integration, as well as their money disposal.

The purpose of the Financial Guide is to provide at a single place comprehensive and user-friendly information about most of the questions regarding FX operations relevant for the return of our citizens from abroad.

The subject matter covered by the Financial Guide is regulated primarily by the Law on Foreign Exchange Operations* and the relevant implementing regulations.

* [Law on Foreign Exchange Operations](#) (RS Official Gazette, Nos 62/2006, 31/2011, 119/2012, 139/2014 and 30/2018)

Who is considered a returnee?

A returnee is a person who resided abroad **for more than a year** and is returning to Serbia, notably:

- A person who emigrated from Serbia and resided abroad based on a permanent residence permit or other appropriate document;
- A person who resided abroad temporarily based on a work or student visa;
- A person holding the nationality of Serbia and of another country (a person holding dual nationality);
- A foreign national emigrating to Serbia.

Returnee status under the Law on Foreign Exchange Operations

When it comes to the performance of cross-border transactions, FX regulations make a distinction between residents and non-residents.

Which returnees have the status of residents and which of non-residents?

- A person who cancelled a permanent residence in Serbia, emigrated abroad and stayed there for more than a year, *has the status of a resident upon returning to Serbia.*
- A person with a registered permanent residence in Serbia who stayed abroad for more than a year (based on a work permit, student visa and similar) *has the status of a resident upon returning to Serbia.*
- A person holding the nationality of Serbia and of another country (a person holding dual nationality) who stayed abroad for more than a year *has the status of a resident upon returning to Serbia.*
- A foreign national (including that released from Serbian nationality) immigrating to Serbia *has the status of a non-resident during his/her first year in Serbia,* after which he/she acquires the status of a resident.

How to open a bank account?* (1)

- Opening a bank account in Serbia is simple and easy.
- You should submit a **request for opening an account** with a selected bank** by e-mail or in hard copy at the bank's teller, specifying in the request, depending on your status, whether you want to open **a resident foreign exchange account or a non-resident foreign exchange and dinar account**.
- You need to specify your personal details in the request: name and surname, address of the permanent and/or temporary place of residence, unique personal identification number or another appropriate identification number of a natural person.
- Along with the request or later on (e.g. if the request was already sent by e-mail), you need to present your ID card, passport or another valid document with a photograph.

**Decision on the Conditions of Opening and Maintaining Foreign Exchange Accounts of Residents and Dinar and Foreign Exchange Accounts of Non-Residents. (RS Official Gazette, Nos 51/2015, 82/20177, 69/2018 and 96/2018)*

***List of banks: https://www.nbs.rs/internet/english/50/50_2.html.*

How to open a bank account? (2)

Note to non-residents: Along with the request for account opening, you need to submit to the bank evidence based on which your permanent or temporary place of residence during the past year may be determined (passport, certificate of registered temporary place of residence and similar).

- In the context of anti-money laundering and terrorism financing, the bank will implement the customer due diligence procedure and may therefore, in the process of account opening, require additional data and documentation.
- You will **conclude a framework agreement** with the bank on the opening of a current account or a framework deposit agreement if you want a deposit account.

How to close a bank account in Serbia*

- If you want to close an account, you have to submit to the bank a **request for account closing** in writing, in hard copy or by e-mail, or the bank will close the account in line with the relevant provision stipulated in the framework agreement.
- After closing the account, the bank will issue, **free of charge**, the **account closing certificate**, including information that you have settled all obligations towards the bank relating to account opening, maintaining and closing.
- The bank is obligated to supply the account closing certificate without delay, in writing, in hard copy or by e-mail.
- The bank will transfer the funds from the account closed to the account designated in the request for account closing or in the framework agreement, and you may request payment in dinars or in the currency in which the account was maintained.

**[Decision on the Conditions of Opening and Maintaining Foreign Exchange Accounts of Residents and Dinar and Foreign Exchange Accounts of Non-Residents](#) (RS Official Gazette, Nos 51/2015, 82/20177, 69/2018 and 96/2018)* 7

Transfer of funds from an account with a bank abroad to an account with a bank in Serbia

- **There are no restrictions on the transfer of funds from your account with a bank abroad to your foreign exchange account with a bank in Serbia.**
- **A returnee having the status of a resident will prove the grounds for holding foreign exchange with a foreign bank by submitting to the bank one of the following documents:**
 - evidence of having stayed abroad for more than a year (evidence of permanent or temporary residence abroad – e.g. residence permit, work permit, passport details, appropriate foreign personal document, certificate of registered temporary residence abroad and similar) or
 - evidence of dual nationality if the returnee has another nationality in addition to Serbian.

Payment and transfer of means of payment abroad (1)*

- A returnee with the **resident status** may freely transfer means of payment (e.g. gift, assistance, inheritance, etc.) through a bank, amounting to EUR 10,000 a month, and if the amount is higher, an appropriate document has to be presented to the bank (agreement on a gift, evidence that the family member is a relative within the third degree of kinship, a decision on inheritance, etc.).
- Also, all of the usual payments abroad, including the purchase of goods and services on the internet or abroad by using a payment card, can be made provided that an appropriate document is presented to the bank to prove the reason for the payment (e.g. an invoice or pro forma invoice, email or webpage of a hotel abroad with the necessary payment data), while in certain cases (e.g. charity donations) an agreement can be reached with the bank not to present these documents.
- Payments abroad can also be made via an account with a foreign electronic money institution (e.g. PayPal).

* [Decision on the Conditions for Effecting Personal and Physical Transfers of Means of Payment to and from Abroad](#) (RS Official Gazette, Nos 67/2006, 52/2008 and 18/2009), [Decision on Terms and Conditions of Performing Foreign Payment Transactions](#) (RS Official Gazette, Nos 24/2007, 31/2007, 38/2010 u 111/2015) and [Guidelines for implementing this Decision](#) (RS Official Gazette, Nos 24/2007, 31/2007, 41/2007, 3/2008, 61/2008, 120/2008, 38/2010, 92/2011, 62/2013, 51/2015, 111/2015 and 82/2017).

Payment and transfer of means of payment abroad (2)

- A returnee **who in addition to Serbian also has the nationality of another country** (dual nationality) may freely transfer the funds from his/her resident FX account with a bank in Serbia to his/her account with a bank abroad, upon presenting a document to the bank to prove that he/she has the nationality of another country as well (which can be done when opening the account).
- A returnee with the **non-resident status** may freely transfer the funds from his/her account with a bank in Serbia to abroad, provided that he/she presents a proof that he/she has settled all tax liabilities towards Serbia, which is issued by the relevant tax authority (Article 29 of the Law on Foreign Exchange Operations).

Measures pertaining to the prevention of money laundering and terrorism financing*

- To prevent and identify money laundering and terrorism financing, a bank may obtain and assess the authenticity of information about the purpose of the transaction, as well as the information about the origin of assets which are or will be the object of transaction, in accordance with the risk assessment.
- When executing a transaction in the amount of EUR 15,000 or higher, the bank will undertake measures in accordance with the law governing the prevention of money laundering and terrorism financing, regardless of whether it is only one or several mutually connected transactions, as well as in all cases where there are suspicions about money laundering or terrorism financing.

* [Law on the Prevention of Money Laundering and Terrorism Financing](#) (RS Official Gazette, No 113/2017)

Physical transfer of means of payment to and from abroad*

- When arriving in Serbia, **you may freely bring foreign cash in the country**, though any amount higher than EUR 10,000 has to be reported to the customs authority.
- The customs authority issues a certificate to **foreign residents** confirming that foreign cash in excess of EUR 10,000 has been brought in Serbia – this certificate needs to be presented to the bank if the foreign cash is deposited to a non-resident account, and based on this certificate foreign cash can also be taken out of Serbia, in which case the certificate needs to be shown to the customs authority.
- Returnees with the resident status may not take foreign cash out of the country if the amount exceeds EUR 10,000, even if the money was previously brought in the country.

* *Decision on the Conditions for Effecting Personal and Physical Transfers of Means of Payment to and from Abroad*
(RS Official Gazette, Nos 67/2006, 52/2008 u 18/2009)

Holding FX in bank accounts abroad*

Upon returning to Serbia, **you may still hold FX in your bank account abroad without limitations**, provided that:

- in addition to Serbian, you also have the nationality of another country;
- you only have a foreign nationality.

If **you only have Serbian nationality**, you are obligated to bring the FX holdings from your bank account abroad to Serbia. By way of exception, you can hold FX with a bank abroad in the following cases:

- if the FX is obtained from the sale of real estate abroad which was in your ownership;
- if you are receiving a pension in a country with which Serbia has not signed an interstate agreement;
- if you have an approval of the NBS that you may hold FX abroad (e.g. for transactions with securities or for paying the costs of medical treatment abroad).

Upon the cessation of the above reasons for holding FX with a bank abroad, you are obligated to bring the remaining funds to Serbia and to close your account abroad (within 30 days, or upon the expiry of the NBS approval).

* [*Decision on Terms and Conditions Under Which Residents May Hold Foreign Exchange in Bank Accounts Abroad \(RS Official Gazette, Nos 31/2012, 71/2013, 98/2013, 125/2014, 102/2015 and 37/2018\)*](#)

Transactions you may execute through your account with a bank in Serbia (1)

A returnee who opened a resident FX account with a bank may use this account to **execute all current transactions (e.g. purchase of goods and services abroad, transfers to family members abroad, payments of travel accommodation), as well as the following capital transactions:**

- direct investments abroad (e.g. establishing a company abroad or acquiring a share in the capital of a foreign company);
- purchasing real estate abroad;
- transactions under trade in long-term securities pursuant to Article 13 of the Law on Foreign Exchange Operations and the NBS regulation adopted on the basis of Article 13 of this Law*;
- transactions under trade in short-term securities whose issuers are from the EU;

* [Decision Specifying Issuer Credit Rating for Long-term Debt Securities that Residents May Invest Abroad](#) (RS Official Gazette, Nos 85/2011 and 37/2018)

Transactions you may execute through your account with a bank in Serbia (2)

- operations with financial derivatives in the organised market / multilateral trading platform abroad, and outside of these markets for the purpose of hedging against prescribed risks*;
- investment in foreign investment funds via a resident – investment company and investment fund management company;
- transactions based on insurance agreements with foreign insurance companies, if these agreements are concluded in accordance with the provisions of domestic regulations governing insurance;
- further repayment of the loan which was granted to you by a foreign bank during your stay abroad, with the obligation that you report to the NBS on this loan through your bank (reporting is simple, and is done electronically)**;
- transactions related to long-term credits and loans from abroad, as well as short-term credits and loans granted by non-residents from the EU, whose proceeds are paid to the account of the returnee (resident) with a domestic bank, with the obligation to report to the NBS**.

* [*Decision on Performance of Financial Derivative Transactions*](#) (RS Official Gazette, No 76/2018)

** [*Decision on Reporting on Foreign Credit Transactions*](#) (RS Official Gazette, Nos 56/2013 and 4/2015)

Establishing a company in Serbia

If you want to **invest in Serbia from abroad** (“to move your business”) – payment and transfer of capital on this account is executed freely, in accordance with the Investment Law.

Pursuant to this Law, upon settling all tax and other liabilities in Serbia, a foreign investor may transfer abroad the funds related to the investment, such as: income, assets following the dissolution of the company, amounts obtained from the sale of stakes or shares in the company capital, amounts based on share capital reduction, amounts based on additional payments, etc.

Data about direct investments in Serbia are submitted to the NBS in a simple manner, electronically, in accordance with regulations governing the reporting requirements in respect of foreign transactions.*

The NBS published the [“Foreign Investors Guide”](#) on its website to provide an insight into the investment structuring options in the domestic financial market.

* [Decision on Reporting Requirements in Respect of Foreign Transactions](#) (RS Official Gazette, Nos 87/2009 and 40/2015) and [Guidelines for implementing this Decision](#) (RS Official Gazette, Nos 87/2009 and 40/2015)

Foreign payment transactions through a company account*

All foreign payment transactions allowed by the Law may be executed through the account of the company established in Serbia.

When a company **collects a payment from abroad**, the bank is provided with data about the grounds for the collection and an appropriate document, if it is required as a condition for such collection.

When a company provides cross-border ICT services, it may give the bank a **standing order for the allocation of an inflow of up to EUR 1,000**, and in this case it need not provide the bank with the data about the grounds for such inflow.

When a company **executes a foreign payment**, the bank is submitted a document that proves the payment obligation. The company may conclude an agreement with the bank that this document need not be submitted, but the company is obligated to keep it for ten years after the payment date and to present it upon a request of the bank or a relevant authority for the supervision of FX operations.

** [Decision on Terms and Conditions of Performing Foreign Payment Transactions](#) (RS Official Gazette, Nos 24/2007, 31/2007, 38/2010 and 111/2015) and [Guidelines for implementing this Decision](#) (RS Official Gazette, Nos 24/2007, 31/2007, 41/2007, 3/2008, 61/2008, 120/2008, 38/2010, 92/2011, 62/2013, 51/2015, 111/2015 and 82/2017)*