

Based on Article 123 of the Constitution of the Republic of Serbia, Article 8 of the Law on the Budget of the Republic of Serbia for the year 2026 ("Official Gazette of the RS", number 108/25), and Article 42, Para. 1 of the Law on Government ("Official Gazette of the RS", No. 55/05, 71/05 - correction, 101/07, 65/08, 16/11, 68/12 - US, 72/12, 7/14 - US, 44/14 and 30/18 - other laws)

The government hereby issues

REGULATION

ON INVESTOR INCENTIVES FOR THE PRODUCTION OF AUDIOVISUAL WORKS IN THE REPUBLIC OF SERBIA

I. INTRODUCTORY PROVISIONS

Article 1.

This Regulation prescribes the manner and conditions of awarding incentive funds to the foreign investor producing an audiovisual work in the Republic of Serbia, in order to encourage creativity in the field of audiovisual production, encourage cultural and economic activities and increase employment related to audiovisual production in the Republic of Serbia, as well as the promotion of Serbia's potential in this field, e.g. its infrastructure, production and service related activities.

Article 2.

For purpose of this Regulation, certain terms have the following meaning:

- 1) the investor is a foreign legal or natural person on whose behalf and with whose means the production of the audiovisual work is financed (hereinafter referred to as the Investor);
- 2) the production budget is the total amount of funds intended for the production of an audiovisual work, from preparation for shooting to the moment when answer print is ready i.e. when digital copy is ready for distribution, broadcasting and presentation to the general public and which does not include distribution and marketing costs;
- 3) qualified or eligible costs are expenses spent on the territory of the Republic of Serbia which are recognized as costs spent for the production of an audiovisual work in the territory of the Republic of Serbia, based on the report of a certified auditing company;
- 4) the applicant for the allocation and payment of incentive funds (hereinafter: Applicant) is a domestic legal entity or entrepreneur who produces an audiovisual work in the name and on behalf of the Investor in the Republic of Serbia;
- 5) the completion of the production of the audiovisual work, in the sense of this regulation, is the day when the answer print, i.e. the digital copy of the audiovisual work is ready for distribution, i.e. the day when all activities for the realization of the project on the territory of the Republic of Serbia have been completed, including the obtaining of all the evidence confirming the total funds spent for the production of the audiovisual work (invoices, contracts and statements from the commercial bank with an indication of the payment made, etc.), i.e. when all payments according to the issued invoices have been realized;

6) special purpose film is a short film shot for the purposes of advertising a specific product or service, whose investor is a foreign legal entity or natural person.

Article 3.

Incentive funds in accordance with this regulation are awarded to the investor as non-refundable, through the reimbursement of part of the qualified expenses incurred in the Republic of Serbia.

Incentive funds are awarded in the amount of 25% of eligible costs, all in accordance with the report of an independent authorized auditor on the costs of production of an audiovisual work in the Republic of Serbia.

Notwithstanding regulations provided under Paragraph 2 of this Article and under condition that for realization of an audiovisual work, funds for the project implementation in Republic of Serbia are allocated in the amount higher than EUR 5.000.000 in the production budget, incentive funds are awarded in the amount of 30% of eligible costs, all in accordance with the independent auditor's report on the production costs of the audiovisual work in the Republic of Serbia.

Incentive funds allocated for a special-purpose film are awarded in the amount of 20% of eligible costs, provided that the total amount of approved funds awarded over three consecutive fiscal years does not exceed the prescribed maximum amount of state aid of small value (*de minimis state aid*) pursuant to the regulations governing the rules for granting state aid.

Article 4.

Incentive funds are awarded based on an ongoing permanent open public call for the allocation of incentive funds (hereinafter: Public call) issued by the ministry responsible for cultural affairs (hereinafter: the Ministry).

II. CONDITIONS FOR EXERCISING THE RIGHT REGARDING THE ALLOCATION OF INCENTIVES

Article 5.

The condition that the Investor must fulfill in order to exercise the right to be awarded with incentive funds is to, for the purpose of producing an audiovisual work, allocate funds in the production budget for realization of the project in the Republic of Serbia, in an amount greater than the minimum funds for a specific format:

- 1) for feature film and TV film: EUR 300,000.00;
- 2) for TV series: EUR 150,000.00, per episode;
- 3) for animated series: EUR 150,000.00 per episode;
- 4) for an animated film, audio and/or visual post-production of an audiovisual work: EUR 150,000.00;
- 5) for a special purpose film: EUR 150,000.00;
- 6) for documentary film and documentary TV program: EUR 50,000.00.

The right to grant incentives can be exercised for the production of:

- 1) feature-length feature film, TV film and feature-length documentary film lasting at least 70 minutes and animated film intended for screening, which lasts at least five minutes;

- 2) TV series of at least three episodes, provided that the episode lasts at least 40 minutes;
- 3) animated series of at least 10 episodes that last at least 40 minutes in total;
- 4) a documentary TV program lasting at least 40 minutes.

In addition to the conditions from paragraph 1. Item 5) of this article, in order to acquire the right to the allocation of incentive funds for the production of a special purpose film, it is necessary that its production was financed by one Investor.

Article 6.

The right to incentive funds referred to in Article 1 of the Regulation herein is unavailable to an Investor, i.e. Applicant:

- 1) against whom a previous bankruptcy proceeding, reorganization, bankruptcy or liquidation was initiated, in accordance with the regulations governing bankruptcy and liquidation;
- 2) who has due and unpaid obligations based on public revenues in the Republic of Serbia and other financial obligations towards the Republic of Serbia;
- 3) against whom the procedure for the return of state aid or aid of small value (de minimis aid) has been initiated;
- 4) who has not settled the contractual obligations from earlier agreements on the allocation of incentive funds.

Article 7.

Incentives can be awarded for audiovisual work:

- 1) which does not contain elements that contradicts morality, public order and public interest of the Republic of Serbia, does not damage the reputation of the Republic of Serbia, does not promote human rights violations and hate speech;
- 2) which is in the format of a feature-length feature film, TV film, TV series, animated film and animated series, audio and/or visual post-production of audiovisual work, dedicated film, feature-length documentary film and documentary TV program;
- 3) whose production is realized in whole or in part in the Republic of Serbia, and an audiovisual work of special artistic and/or cultural value for film art, contributes to cultural diversity and pluralism of artistic expression in the field of cinematography.

III. COMPOSITION AND FORMATION OF THE COMMITTEE

Article 8.

The Government establishes the Committee for the allocation of incentives (hereinafter: the Committee) which consists of the President of the Committee and four members, namely: a representative of the Ministry responsible for cultural affairs who is also the President of the Committee and one representative each of the Ministry responsible for economic affairs, the Ministry responsible for financial affairs, the Chamber of Commerce of Serbia - Group for Cinematography and the Film Center of Serbia.

The term of the Committee is one year.

A member of the Committee must not be in a conflict of interest, which implies the following:

- 1) may not participate in considering and deciding on the request for a work of which he is an Investor or collaborator in the production;

2) must not be in the ownership or management structure of the legal entity that submits the request, nor be employed by that legal entity.

A member of the Committee who has a conflict of interest in accordance with paragraph 3 of this article must immediately notify the Committee and be exempted from further consideration and decision-making on the request.

The manner of work and decision-making of the Committee is governed by the Rules of Procedure.

Administrative and technical work for the needs of the Committee is performed by the Film Center of Serbia.

Members of the Committee are not entitled to monetary compensation for their work in the Committee.

IV. REQUEST FOR ALLOCATION OF INCENTIVES

Article 9.

The request for the allocation of incentive funds can be submitted no later than the beginning of the shooting of the audiovisual part.

The request for the allocation of incentive funds is submitted through the Film Center of Serbia, based on the Public Call and includes the submission of the following documentation:

- 1) filled out prescribed application form for the awarding of incentive funds to an Investor who produces the audiovisual work in the Republic of Serbia;
- 2) synopsis and script of the audiovisual work, synopsis in the case of post-production, i.e. description of the project in the case of a special-purpose film;
- 3) a list of essential crew members for the production of the audiovisual work (director, actors, etc.);
- 4) a presentation of the production budget, with a presentation of the part of the budget intended for production in the Republic of Serbia, expressed in dinars;
- 5) a statement that the audiovisual work meets the requirements from Article 5 of this Regulation;
- 6) calendar of production of audiovisual works in the Republic of Serbia;
- 7) shooting plan for the audiovisual work in the Republic of Serbia;
- 8) proof that there are no reasons for rejection from Article 6 of this regulation (confirmation from the Tax Administration, i.e. local self-government unit, the Agency for Business Registers or another competent register, the Investor's statement that no procedure has been initiated for the return of state aid or aid of small value (de minimis aid), as well as the applicant's statement that it has settled the contractual obligations from earlier agreements on the allocation of incentive funds;
- 9) statement on the beginning of the production of the audiovisual work in the Republic of Serbia;
- 10) a statement of whether de minimis aid was received for the costs referred to in Article 2, point 3) of this regulation or for any other costs in the current fiscal year and in the previous two fiscal years, i.e. a statement of whether it received any other state aid for the same project from any level of government and on what grounds;
- 11) the agreement concluded between the Applicant and the Investor, based on which an audiovisual work is produced for and on behalf of the Investor in the Republic of Serbia. Under the said agreement, among other things, a plan must be defined to secure the total funds necessary for the production of the audiovisual work in the Republic of Serbia;

12) certified statement that the data in the documents are correct and true;

13) other data and documentation provided for in the public call.

The application and accompanying documents are submitted in the Serbian language and in Cyrillic letter or in a foreign language with a certified translation into the Serbian language.

The Applicant is obliged to prove that, on the day of submitting the application, at least 20% of the funds envisaged for the cost of production of the audiovisual work in the Republic of Serbia has been provided.

At the request of the Committee, the Applicant is obliged to submit other information and documentation of importance for the awarding of incentive funds.

Article 10.

The Committee evaluates each received request for the allocation of incentive funds and determines whether the Investor and the audiovisual work meet the qualification requirements for the allocation of incentive funds, i.e. whether the conditions from Art. 5-7. of this Regulation, as well as whether all documents prescribed under Article 9 hereof have been submitted.

If the conditions from Art. 5-7. of this Regulation, i.e., the qualification conditions prescribed under the Regulation, the Committee will reject the request.

If, along with the application from Paragraph 1 of this Article, all documents required under Article 9 of this Regulation have not been submitted, the Committee shall act in accordance with the provisions of the law regulating general administrative procedure, which refers to the handling of incomplete applications thereto.

Article 11.

If it determines that the conditions from Art. 5-7. of this Regulation, i.e. that all documentation prescribed by Article 9 of this Regulation has been submitted, the Committee shall render the decision determining the fulfilment of the qualifying conditions thereof.

V. PRODUCTION OF AUDIOVISUAL WORK

Article 12.

The production of the audiovisual work must be carried out in accordance with the production calendar, whereas the Applicant must inform the Committee regarding the deviations from the submitted production calendar, as well as the reasons thereof, within seven days, from the day when the deviation from the submitted production calendar occurred. The request for the payment of incentive funds will not be accepted if the Applicant does not act within the deadline or if the Committee does not accept the reasons for the deviation from the production calendar.

The Applicant is obliged to produce the audiovisual work in accordance with the submitted request, as well as to inform the Committee of any deviation in connection with the production of the audiovisual work and the reasons for the deviation within seven days from the day the change occurred. The request for the payment of incentive funds will not be accepted if the Applicant does not act within the deadline or the Committee does not accept the reasons for the deviation thereof.

VI. ELIGIBLE EXPENSES

Article 13.

The following are recognized as eligible costs/expenses:

- 1) costs related to the production of an audiovisual work incurred and paid to legal or natural persons in the territory of the Republic of Serbia, and which are related to the purchased goods and furnished services, the use of locations, the payment of fees to crew members who are citizens of the Republic of Serbia or foreigners who have a stay of at least one year in the territory of the Republic of Serbia, in accordance with the regulations of the Republic of Serbia;
- 2) expenses incurred in connection with the use of goods, i.e. renting of movable and immovable things can be recognized only if the goods, i.e. movable things and immovable property, are owned by legal or natural persons from the territory of the Republic of Serbia.

Costs that are specifically not recognized as eligible costs incurred in connection with the production of audiovisual work are: marketing costs, costs related to the purchase of real estate, distribution costs and value added tax costs.

The types and content of explanations of qualified and non-qualified expenses and request forms for the allocation and payment of incentive funds are prescribed in more detail by the minister responsible for cultural affairs.

VII. INFORMATION THAT THE REPUBLIC OF SERBIA SUPPORTED THE PRODUCTION OF THE AUDIOVISUAL WORK

Article 14.

The credits of the audiovisual work for which production an incentive was realized in accordance with this Regulation must contain the information that the Republic of Serbia financially supported the production of the subject audiovisual work.

When it comes to a special purpose film or other format of an audiovisual work that cannot contain information from paragraph 1 of this article, the financial support of the Republic of Serbia must be prominently displayed in all marketing activities related to the promotion of the audiovisual work.

VIII. REQUEST FOR THE PAYMENT OF INCENTIVES

Article 15.

The request for the payment of incentive funds is submitted within a period of no longer than 45 days after the end of the production of the audiovisual work on the territory of the Republic of Serbia.

Upon requests for the payment of incentive funds for which the conditions prescribed by this Regulation are met, the Committee proceeds up to the amount of funds available for these purposes in the current budget year, and in accordance with the Regulations regulating the budget system, in the part regulating responsibility for undertaking obligations.

Article 16.

The request for the payment of incentive funds is submitted through the Film Center of Serbia, on the prescribed form, with the following documentation attached:

- 1) report of an independent authorized auditor on the costs of production of an audiovisual work in the Republic of Serbia, which was prepared for the purpose of submitting a request for the payment of incentive funds in accordance with this Regulation and the Rulebook, and which was made on the basis of the entire record of production costs and total funds spent on the territory of the Republic of Serbia, as well as evidence confirming the said costs (invoices, contracts, statements from a commercial bank with an indication of the payment made, etc.). The audit report is prepared based on

the verification of all eligible expenses and cannot be based on the sampling method, i.e., on the verification of only part of the documents;

2) the number of a special purpose account with the Treasury Administration, to which payment of incentive funds should be made;

3) a certified statement that the production of the audiovisual work in the Republic of Serbia has been completed, as well as that the conditions stipulated in Article 14 of this Regulation have been met;

4) statement that, in order to settle the obligation from Article 17 of this Regulation, upon the request of the Ministry, it will submit a security instrument for the performance of obligations;

5) certified statement that the data in the documents are correct and true.

The report of the independent authorized auditor from paragraph 1, point 1) of this article shall determine the amount of costs that qualify for the incentive.

At the request of the Committee, the Applicant is obliged to submit other data and documentation of importance for the payment of incentive funds.

The Committee evaluates the request for the payment of incentive funds and determines whether all prescribed conditions for the payment of incentive funds are met.

If not all the necessary documents stipulated in this article have been submitted along with the request for the payment of incentive funds, the Committee will act in accordance with the provisions of the law regulating the general administrative procedure, which refers to the handling of incomplete requests.

If all the conditions from paragraph 1 of this article and article 15, paragraph 2 of this Regulation are met, the Committee shall render a decision that determines the fulfillment of the conditions, adopts a report on the fulfillment of the conditions for payment and proposes to the Ministry to conclude the Agreement on the allocation of incentive funds and render an appropriate decision as a grounds for the payment of incentive funds.

IX. AGREEMENT ON THE ALLOCATION OF INCENTIVE FUNDS

Article 17.

The Ministry concludes an agreement on the allocation of incentive funds (hereinafter: Agreement) with the Applicant, within the scope of funds planned for those purposes by the law on the budget of the Republic of Serbia for the current budget year and in accordance with the Regulations governing the budget system, in the part that governs responsibility for assuming obligations.

The agreement regulates the deadlines, rights and obligations of the contracting parties in more detail.

Before concluding the agreement, the Ministry has the right to obtain from the Applicant a security instrument to fulfill the obligation under Article 19 of this Regulation.

The documentation attached to the request is considered an integral part of the Agreement, in accordance with Art. 9 and 16 of this Regulation.

The agreement can be terminated in a manner and under the conditions prescribed by the law governing contractual relationships.

Article 18.

The Ministry pays the approved amount of incentive funds if all the obligations stipulated in this Regulation and the Agreement have been fulfilled.

Article 19.

Incentive funds are paid to the Applicant's account - a special dedicated account with the Treasury Administration.

Incentive funds are paid within 60 days from the date of finality of the Ministry's decision from Article 16, paragraph 6 of this Regulation.

The applicant is obliged to transfer the amount of the disbursed funds to the Investor within 10 working days from the date of payment of incentive funds in the sense of paragraph 1 of this article and submit proof thereof to the Ministry.

In the event of non-fulfillment of the obligation from paragraph 3 of this article, the Applicant is obliged to return the paid incentive funds to the budget of the Republic of Serbia, with legal default interest calculated from the day the incentive funds are paid to the Applicant's account, until the day the amount of the paid funds is returned.

X. TRANSITIONAL AND FINAL PROVISIONS

Article 20.

Procedures for awarding and payment of incentive funds which have been commenced until the day of entry into force of the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette RS, no. 3/2021), shall be resolved with acts rendered by the Ministry and with participation of Committee as set forth herein, pursuant to conditions and according to the rules provided under Regulation on Incentives to the Investor to Produce an Audiovisual Work in the Republic of Serbia ("Official Gazette of RS", No. 94/19, 8/20, 63/20, 84/20 and 111/20).

Procedures for awarding and payment of incentive funds which have been commenced in accordance with the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette RS, no. 3/2021), shall be resolved with acts rendered by the Ministry and with participation of Committee as set forth herein, pursuant to conditions and according to the rules provided under Regulation on Incentives to the Investor to Produce an Audiovisual Work in the Republic of Serbia ("Official Gazette of RS", No. 3/21).

Procedures for awarding and payment of incentive funds, which have been commenced in accordance with the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette of the RS", no. 132/21 and 57/22), shall be resolved with acts rendered by the Ministry and with participation of Committee as set forth herein, pursuant to conditions and according to the rules provided under Regulation on Incentives to the Investor to Produce an Audiovisual Work in the Republic of Serbia ("Official Gazette of RS", no. 132/21 and 57/22).

Procedures for awarding and payment of incentive funds, which have been commenced in accordance with the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette of the RS", no. 2/23), shall be resolved with acts rendered by the Ministry and with participation of Committee as set forth herein, pursuant to conditions and according to the rules provided under Regulation on Incentives to the Investor to Produce an Audiovisual Work in the Republic of Serbia ("Official Gazette of RS", no. 2/23).

Procedures for awarding and payment of incentive funds, which have been commenced in accordance with the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette of the RS", no. 116/23), shall be resolved with acts rendered by the Ministry and with participation of Committee as set forth herein, pursuant to conditions and according to the rules provided under Regulation on Incentives to the Investor to Produce an Audiovisual Work in the Republic of Serbia ("Official Gazette of RS", no. 116/23).

Procedures for awarding and payment of incentive funds, which have been commenced in accordance with the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette of the RS", no. 20/25), shall be resolved with acts rendered by the Ministry and with participation of Committee as set forth herein, pursuant to conditions and according to the rules provided under Regulation on Incentives to the Investor to Produce an Audiovisual Work in the Republic of Serbia ("Official Gazette of RS", no. 20/25).

Procedures for awarding and payment of incentive funds, which have been commenced in accordance with the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette of the RS", no. 48/25), shall be resolved with acts rendered by the Ministry and with participation of Committee as set forth herein, pursuant to conditions and according to the rules provided under Regulation on Incentives to the Investor to Produce an Audiovisual Work in the Republic of Serbia ("Official Gazette of RS", no. 48/25).

Article 21.

With the entry into force of this Regulation, the Regulation on investor incentives for the production of audiovisual works in the Republic of Serbia ("Official Gazette of the RS" no. 48/25) ceases to be valid.

Article 22.

This Regulation enters into force on the following day from the day of its publication in the "Official Gazette of the Republic of Serbia".

05 Number: 110-2501/2026

In Belgrade, March 19th, 2026

GOVERNMENT

THE PRESIDENT

prof. dr Djuro Macut