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Electric Vehicles with State Support: What the New 2025 Decree on Subsidised EV Purchases Brings

The Official Gazette of the Republic of Serbia, No. 8/2025, published the new **Decree on the Conditions and Manner of Implementation of Subsidised Purchase of New Electric Vehicles** ("Official Gazette RS", No. 8/2025), which governs the criteria, procedure, and scope of state financial support for the acquisition of exclusively electric-powered vehicles within the territory of the Republic of Serbia.

The purpose of the Decree is to encourage the purchase of zero-emission vehicles, reduce air pollution in urban areas, and align national regulations with international standards in the fields of environmental protection and energy efficiency.

This Decree is part of the ongoing harmonisation of domestic regulations with the EU regulation, particularly in relation to the implementation of Green Policies and the 2030 Agenda.

In addition to environmental and economic benefits, the availability of state subsidies significantly reduces acquisition costs for eligible beneficiaries.

1. Who is eligible for the subsidy?

The right to apply for the subsidy is granted to:

- natural persons citizens of the Republic of Serbia with permanent residence in Serbia,
- sole proprietors (entrepreneurs), and
- legal entities registered in the Republic of Serbia.

2. Subsidy amounts and vehicle categories

Subsidies are granted for the purchase of new, unused vehicles manufactured exclusively for electric propulsion, according to the following vehicle categories:

- EUR 250 for vehicles of categories L1 and L2 (electric mopeds and light tricycles),
- EUR 500 for vehicles of categories L3 to L7 (electric motorcycles, motorcycles with sidecars, light and heavy quadricycles, heavy tricycles),
- EUR 5,000 for vehicles of categories M1 (passenger cars) and N1 (light commercial vehicles).

3. Procedure for exercising the right

Interested parties shall submit a written application to the Ministry of Environmental Protection no later than **31 October 2025**.

The subsidy may be granted in one of the following two ways, depending on the method of financing:



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- Purchase with own funds The applicant must first pay a portion of the vehicle purchase price from their own funds (reduced by the requested subsidy amount), after which the subsidy is disbursed.
- Purchase through financial leasing The applicant must enter into a financial leasing agreement with a registered leasing provider and pay a minimum of 15% of the vehicle's purchase price as a down payment. The funds are disbursed directly to the seller or leasing provider, ensuring transparency in the use of public resources.

4. Deadline

Applications may be submitted until **31 October 2025**, or until the allocated budget funds are exhausted.

The Ministry will publish an official notice on its website in the event that the subsidy fund is depleted prior to the deadline.

For further legal advice or assistance, you may contact the Tasić & Partners team via email at <u>office@tasiclaw.com</u> or by phone at +381 11 6302233.

