

Serbia

Namanja Sladaković, Gecic Law, Belgrade

Bojan Tutić, Gecic Law, Belgrade

1. What is the understanding or definition of AI in your jurisdiction?

The only currently operational definition of artificial intelligence (AI) is detailed in Serbia's AI Development Strategy,⁴⁹⁴ which is adopted from a report by the European Commission's High-Level Expert Group on Artificial Intelligence, entitled *A definition of AI: Main capabilities and disciplines*.⁴⁹⁵

The definition describes AI as follows:

'Artificial intelligence (AI) refers to systems that display intelligent behaviour by analysing their environment and taking actions – with some degree of autonomy – to achieve specific goals. AI-based systems can be purely software-based, acting in the virtual world (eg, voice assistants, image analysis software, search engines, speech and face recognition systems) or AI can be embedded in hardware devices (eg, advanced robots, autonomous cars, drones or Internet of Things applications).'

This comprehensive definition emphasises AI's capability to perform tasks that typically require human intelligence, ranging from digital assistants to more complex robotics. It captures both the software and hardware aspects of AI technologies, recognising the broad scope of AI applications in contemporary and future contexts.

However, it is important to note that this definition might soon evolve. The Government of the Republic of Serbia is expected to soon update its AI Development Strategy for the period 2025–2030. It is anticipated that the new definition may align more closely with the evolving standards under the EU AI Act, reflecting broader and possibly more stringent criteria pertaining to the capabilities and governance of AI systems. This prospective change underscores Serbia's commitment to keeping its legal and regulatory frameworks for AI in step with international developments, particularly those applicable to the European Union.

Furthermore, Serbia is a member of the Global Partnership on AI, comprising 29 developed nations. As of 2024, Serbia assumes the presidency of the Global Partnership on AI for a term spanning three years and will host the prestigious

494 *AI Development Strategy of the Republic of Serbia for the 2020–2025 period* (Official Gazette of the Republic of Serbia No 96/2019).

495 European Commission's High-Level Expert Group on Artificial Intelligence, *A definition of AI: Main capabilities and disciplines* (18 December 2018), <https://digital-strategy.ec.europa.eu/en/library/definition-artificial-intelligence-main-capabilities-and-scientific-disciplines> accessed on 20 May 2024.

AI summit. During the inaugural and concluding years, Serbia will fulfil the role of vice chair, transitioning to the chairmanship in the second year.

2. In your jurisdiction, besides legal tech tools (ie, law firm or claim management, data platforms, etc), are there already actual AI tools or use cases in practice for legal services?

In Serbia, the use of AI tools within the legal sector is still emerging. Although there are no significant locally developed AI applications dedicated specifically to legal services, various international and commercially available tools are being adopted. These tools are primarily used by larger law firms and the legal departments of corporations. Common applications include document automation systems, which help in drafting and managing legal documents, and legal research platforms that utilise AI to sift through vast amounts of legal data to find relevant case law and statutes.

Additionally, there are predictive analytics tools that are starting to make their way onto the Serbian legal market. These tools analyse past legal decisions to forecast the outcomes of similar cases, offering lawyers enhanced insights into likely judicial tendencies. This can be particularly useful for litigation strategies and client advisories.

Furthermore, AI is also being explored for its potential to enhance due diligence processes. AI can quickly process and review large datasets, such as contracts and other legal documents, to identify risks and obligations that might not be immediately apparent to even the most diligent of human reviewers.

Additionally, the integration of chatbots, especially ChatGPT, and virtual assistants are gaining traction in the legal sector. These AI-driven platforms are increasingly used for basic client interactions and providing assistance in routine tasks, which boosts operational efficiency and alleviates the workload of legal professionals.

Despite these advancements, the penetration of sophisticated AI tools in Serbia's legal sector remains relatively limited compared to some Western jurisdictions. This is partly due to the high costs associated with advanced AI systems and a general lack of local development focusing on AI applications tailored to Serbian laws and languages. As AI technology becomes more accessible and its potential benefits more widely recognised, it is expected that its adoption will increase across independent law firms, international law firms and in-house legal departments in Serbia.

3. If yes, are these AI tools different regarding: If yes, are these AI tools different regarding:

- independent law firms;**
- international law firms; and**
- in-house counsel;**

and what are these differences?

In Serbia, the utilisation of AI tools in legal services exhibits differences based on the type and size of the legal entity. These differences largely stem from the varying resource availability, the specific needs of the firm and the exposure to international best practices.

- *Independent law firms:* smaller, independent law firms in Serbia generally utilise AI in a more limited capacity. The most common uses include basic document automation and management systems that help streamline the handling of legal documents. These firms may have budget constraints that prevent them from investing in more advanced AI technologies;
- *International law firms:* due to their international scope, synergies within larger groups and greater dedicated financial resources, international law firms can implement sophisticated AI systems, such as advanced legal research tools that use machine learning to analyse case law and predict outcomes and complex case management systems that integrate various aspects of legal work. International firms are also more likely to use AI for more complex processes such as predictive analytics for litigation and transactions, as well as for risk assessments that require significant computational power and advanced algorithmic support; and
- *In-house counsel:* in-house legal departments within corporations often leverage AI tools differently, focusing mainly on efficiency and risk mitigation. Common AI applications include contract management systems that automate the creation, review and monitoring of legal agreements, and compliance tools that help ensure the company adheres to regulations and standards. Given their direct alignment with the business goals, these AI systems are tailored to optimise operational efficiency and support strategic business decisions.

It should be noted that the described differentiation occurs within a context where there is relatively low penetration of sophisticated legal AI tools. As Serbia's legal market continues to evolve, these disparities may lessen as AI becomes more integrated across all levels of legal practice.

4. What is the current or planned regulatory approach to AI in general?

Serbia's current regulatory approach to AI is encapsulated in its current AI Development Strategy 2020–2025, which emphasises the ethical and safe usage of AI technologies. This strategy highlights several key areas of focus, namely ensuring data protection, enhancing the transparency of AI systems and preventing discriminatory practices by AI, which are detailed further below:

- *data protection*: there is a special emphasis on safeguarding personal data that is utilised to train AI systems. The aim is to ensure that data handling adheres strictly to privacy norms and that adequate security measures are in place to protect sensitive information;
- *transparency and explanation of AI decisions*: the strategy advocates for mechanisms that can explain AI decision-making processes. This is crucial for maintaining public trust and accountability, particularly in applications that directly affect individual rights or wellbeing; and
- *ethical AI development*: the strategy calls for the development of AI technologies that align with international ethical standards. This includes ensuring that AI systems do not perpetuate biases or lead to unjust outcomes, and that they are developed with consideration of their broader social impact.

In addition to the guidelines set forth in the AI Development Strategy, Serbia's alignment with EU policies through the Stabilisation and Association Agreement (SAA) further shapes the country's regulatory landscape. Under the SAA, Serbia has committed to progressively align its legislation with EU standards, which includes the forthcoming adoption of the EU AI Act. The EU AI Act is a comprehensive legal framework designed to govern the use of AI within EU Member States, focusing on risk assessment, compliance requirements and fostering an ecosystem of trust and accountability.

Given this backdrop, Serbia is preparing to update its AI Development Strategy for the period 2025–2030. This move is anticipated to introduce more stringent requirements for AI development and deployment, particularly concerning high-risk AI applications, in alignment with the EU AI Act. This regulatory evolution aims not only to promote innovation within a safe and ethical framework, but also to position Serbia as a responsible player in the global AI landscape.

5. What are the current or planned regulations on the general use of AI or machine learning systems?

In Serbia, the regulatory framework for AI is currently guided by non-binding instruments rather than formal legislation. The Serbian government has implemented an AI Development Strategy effective through 2025, which outlines the broad objectives and principles guiding AI development in the country. Additionally, the government has issued ethical guidelines for the development, implementation and use of robust and accountable AI.⁴⁹⁶ These guidelines serve as an ethical framework aiming to ensure that AI systems are developed and deployed responsibly and transparently. This may be seen as yet another step in the process of harmonising Serbia's legislative framework with the EU.

⁴⁹⁶ See 'Ethical guidelines' (National AI Platform), www.ai.gov.rs/tekst/en/459/ethical-guidelines.php accessed on 20 May 2024.

Despite the lack of specific legislation on AI, certain existing laws and regulations are applicable to the use of AI in specific contexts. For instance, the Serbian Constitution provides for the protection of privacy and personal data. The Personal Data Protection Act outlines the procedures for the processing and protection of personal data, which is especially relevant in the context of AI systems that use personal data. Serbia has also ratified several international treaties that address AI-related issues, such as the Convention for the Protection of Individuals with Regard to Automatic Processing of Personal Data (Convention 108) and the EU General Data Protection Regulation (GDPR).⁴⁹⁷ The Serbian Electronic Communications and Information Society Services Act also covers aspects of data protection and digital communication that can be impacted by AI applications. The recently amended Act on Electronic Communications covers other aspects.

Some specific uses of AI, such as in regard to autonomous vehicles, are subject to particular regulatory frameworks that address the unique challenges and risks associated with such technologies.⁴⁹⁸

In addition to the national strategy, the Serbian government has also established a regulatory sandbox for AI. The sandbox is designed to provide a controlled environment for testing new AI products and services, allowing businesses to experiment with AI technologies without being subject to full regulatory compliance.

The Ministry of Education, Science and Technological Development plays a pivotal role in promoting AI development in Serbia. It spearheads initiatives aimed at fostering innovation and research in AI and related fields, helping Serbia keep pace with global technological advancements. These initiatives include the establishment of the Institute for Artificial Intelligence Research and Development of Serbia, as well as a number of other initiatives aimed at establishing educational and research programmes, collaboration with industry and funding in the field.

Looking forward, the Serbian government's plans to update its AI Development Strategy for the 2025–2030 period. This upcoming strategy is expected to further refine the government's stance on AI, potentially leading to more formalised regulations. This reflects an ongoing effort to harmonise Serbia's AI policies with broader EU directives, particularly in anticipation of the EU AI Act, which Serbia may need to adopt as part of its obligations under the SAA with the EU.

6. Is free data access an issue in relation to AI?

Free data access presents several challenges, particularly in the realms of intellectual property protection and personal data security. As AI systems require

⁴⁹⁷ Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and to the free movement of such data, and repealing Directive 95/46 [2016] OJ L119/1.

⁴⁹⁸ *Rulebook on the Conditions for Conducting Autonomous Driving of the Republic of Serbia* (Official Gazette of the Republic of Serbia No.104/2023).

substantial amounts of data for training and operation, ensuring appropriate access to data while respecting privacy laws and intellectual property rights becomes a critical concern.

Access to large datasets can involve complex intellectual property issues, especially when these datasets include proprietary information. In Serbia, as in the EU, there is a significant need to balance the availability of data for AI development with the rights of data owners. Unauthorised use of data can lead to infringements of copyright or trade secrets, which can stifle innovation and discourage creators if not adequately protected.

Like the challenges faced in the EU, Serbia must contend with stringent data protection requirements, particularly under the GDPR, which it adheres to. AI developers must ensure that any personal data used in training and deploying AI systems is handled in accordance with the strict privacy standards. This includes obtaining appropriate consent, ensuring data minimisation and securing data against unauthorised access. The right to data privacy is paramount, and any breach could not only lead to legal repercussions, but also damage public trust in AI technologies.

The Serbian legal framework needs to provide clear guidelines on data access for AI use, while protecting intellectual property and complying with privacy regulations. This dual requirement creates a delicate balance that policymakers need to manage. Addressing these issues effectively is crucial for fostering a robust AI ecosystem that can innovate freely, yet responsibly.

As Serbia progresses with its AI initiatives, particularly with the anticipated updates to its AI Development Strategy, more comprehensive measures and guidelines are expected to be developed. These will likely address the specific challenges of data access for AI, aiming to create a conducive environment for AI research and development that respects both intellectual property and personal privacy.

7. Are there already actual court decisions on the provision of legal services using AI or decisions concerning other sectors that might be applicable to the use of AI in the provision of legal services?

Currently, there are no public court cases directly applicable or relevant to the use of AI in the provision of legal services in Serbia. The integration of AI within the legal sector is still in the early stages and, as such, precedents specifically addressing AI's role in legal processes have not yet been established.

However, the recent involvement of Serbia's Regulatory Agency for Electronic Media (REM) in addressing issues related to AI technologies, specifically the deepfake phenomenon, highlights a broader regulatory interest that could be

applicable to AI in legal contexts. The REM has issued several warnings to media service providers regarding the obligations around broadcasting content. These notices emphasise that providers must not air programmes that exploit the gullibility of viewers or deceive the public through manipulated content, which includes deepfakes.

REM's actions demonstrate the enforcement of existing regulations concerning the integrity of audiovisual content and the protection of public trust. These regulations underline that audiovisual content, a domain where AI can play a significant role, must adhere to standards that prevent deception and misinformation. Failure to comply with these standards can lead to legal proceedings and the imposition of measures as outlined in the Act on Electronic Media.

This regulatory approach could offer a precedent for how AI might be regulated in other sectors, including legal services. Ensuring that AI applications in law do not mislead or result in unjust outcomes could draw from similar principles that govern media content. The safeguarding against deceptive AI-generated content in media can be seen as analogous to ensuring that AI tools used in legal services are transparent, accurate and operate within the bounds of ethical guidelines.

Considering these developments, it is plausible that future regulations or legal decisions concerning AI in Serbia might evolve to address similar concerns in the legal sector, ensuring that AI tools enhance rather than undermine the integrity of legal services. As the use of AI continues to expand, both in scope and in complexity, the legal framework in Serbia is likely to adapt, potentially drawing from cases and regulations from sectors like media to inform guidelines and standards for AI in law.

8. What is the current status – planned, discussed or implemented – of the sectorial legislation in your jurisdiction on the use of AI in the legal profession or services that are traditionally provided by lawyers?

There are no enacted laws that explicitly regulate AI applications for legal services, but the topic is gaining attention due to the increasing relevance of AI technologies in various sectors.

Educational and professional initiatives

There is an increasing focus on educational and professional development programmes aimed at equipping legal professionals with the knowledge and skills needed to effectively use AI tools. These initiatives are crucial for ensuring that legal practitioners can not only utilise AI technology efficiently, but also understand the ethical implications and regulatory requirements associated with AI usage.

Alignment with international standards

As Serbia looks to align itself more closely with EU standards, particularly in light of the SAA, the country is likely to consider international best practices and recommendations when drafting regulations that pertain to AI in the legal profession. This alignment could include adopting standards similar to those proposed in the EU AI Act, which stresses risk management, transparency and accountability in AI applications.

Impact on traditional legal services

The integration of AI into legal services raises questions about the impact on traditional legal practices. There is the potential for AI to transform areas such as case prediction, document analysis and legal research, which are traditionally time-consuming tasks that could benefit significantly from automation and AI technologies. However, it is essential to balance these advancements with the need to maintain human judgment and ethical considerations that are central to the practice of law.

9. What is the role of the national bar organisations or other official professional institutions?

The Bar Association of Serbia (the 'Bar Association') plays a crucial role in representing the legal profession, advocating for its interests, and ensuring the proper and lawful practice of legal services. Among its key responsibilities are the enhancement of professional and ethical standards, the development of the legal profession and the strengthening of professional discipline and accountability among its members. Given these competencies, the Bar Association is strategically positioned to address the integration and ethical use of AI within the legal profession.

As AI technologies become more prevalent in legal practice, the Bar Association could potentially spearhead initiatives to define and enforce guidelines for the proper and ethical use of AI. This action would likely be triggered once the usage of AI reaches a certain level of maturity and prevalence within the profession. The Bar Association's initiatives could include setting standards for AI usage that ensure transparency, accountability and adherence to legal and ethical norms, thus safeguarding the integrity of legal practices.

Additionally, other professional institutions such as the Chamber of Public Enforcement Officers, the Prosecutor Association of Serbia and the Chamber of Public Notaries also play significant roles in upholding the professional and ethical standards of their respective members. These bodies are crucial in ensuring that their members, who may increasingly use AI tools in their practices, remain compliant with established legal standards and ethical guidelines.

These institutions might collaborate or individually take steps to:

- *educate members*: organise training sessions and workshops to educate legal professionals about the potential and pitfalls of AI technology;
- *develop guidelines*: formulate guidelines that specify acceptable uses of AI in the respective fields, focusing on issues such as data privacy, the accuracy of AI-generated information and the prevention of bias;
- *monitor compliance*: monitor the adoption and usage of AI tools to ensure that they are used in a manner that aligns with professional responsibilities and ethical obligations; and
- *advocate for regulation*: represent the profession's interests in discussions with regulators and lawmakers regarding the future regulation of AI, ensuring that any new laws or policies consider the practical aspects of legal practice.

The proactive engagement of these professional bodies is essential not only to harness the benefits of AI, but also to mitigate the risks, ensuring that the deployment of AI technologies in legal services enhances rather than undermines the quality and integrity of the profession. As AI continues to evolve, the role of these organisations in guiding and regulating its use will become increasingly important, marking a significant aspect of their contribution to the legal landscape in Serbia.