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SERBIA: Infrastructure

Amendments to Law on Public Roads – Petrol stations become integral part of public roads

The Serbian Parliament has passed the Law on Amendments to the Law on Public Roads (Zakon o izmenama i dopunama zakona o javnim putevima, "Official Gazette RS" no. 104/2013) ("**Amendments**"), which will enter into force on 5 December 2013.

A major change introduced by the Amendments pertains to the legal status of petrol stations. **The Amendments declare that petrol stations shall be considered integral parts of public roads to which they are adjunct.** The intention of the Amendments seems to have been to declare land for construction of petrol stations along public roads public property (javna svojina), and thus vest the public road maintenance company with the power to generate fees from petrol station operators. However, it seems that the drafters have inadvertently gone beyond that goal, by declaring not only land but "petrol stations" integral parts of public roads.

As a consequence of the Amendments:

- private ownership of future petrol stations will no longer be possible; instead, future petrol stations will be in the regime of public property and thus not transferrable, mortgageable or subject to enforcement proceedings;
- since the Amendments cannot have a retroactive effect, the existing petrol stations presumably remain in private ownership;
- public authorities will be able to expropriate private property along public roads if required for the development of petrol stations;
- development of petrol stations will be preconditioned by obtaining lease or concession right in competitive procedure.

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