

„SOFT“ REGULATION OF CORPORATE GOVERNANCE IN SERBIAN LAW: METHODOLOGICAL EMULATION OF THE EUROPEAN UNION LEGISLATION

SUMMARY: This paper examines the issue of whether it is justified to regulate corporate governance in Serbia by applying *soft law* instruments. Since this is a relatively new area for the national economy, there is no established awareness or required consensus to regulate this area through legal norms. Therefore, the Chamber of Commerce and Industry of Serbia published the influential Corporate Governance Code in 2012, as a way of supplementing the Business Organizations Act. This kind of instrumental approach is in accordance with the legislative methods of the European Union and has proved useful in several ways. First of all, it represents the initial, non-invasive regulation of perspective and important legal matters in Serbia, one that has the potential of eventually becoming part of the *hard law*. Considering the high normative standards; and flexible nature of this *soft law* instrument, it is justified to expect that by further use of this Code, the quality practice of corporate governance in Serbia will continue to thrive. Furthermore, it is expected that the Code will soon be amended in accordance with the 2018 changes to the Business Organizations Act.

KEY WORDS: corporate governance, Corporate Governance Code, Business Organizations Act, *soft law*, hard law, law harmonization