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Serbia
Merger Control

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This country-specific Q&A provides an overview of merger control laws and regulations applicable in Serbia.

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Serbia: Merger Control

1. Overview

Serbia's merger control framework is primarily governed by the Serbian Competition Act (Serbian: *Zakon o zaštiti konkurencije*) ("**CA**"), which has been in effect since November 1, 2009, with its most recent amendments in 2013. The specific provisions concerning mergers are outlined in Part 3 of the CA.

The CA specifies the types of transactions that qualify as notifiable mergers, requiring only those transactions classified as "concentrations" that exceed certain thresholds to be reported prior to implementation.

In addition to the CA, several supplementary regulations govern various aspects of merger control: (i) Regulation on the Content and the Manner of Submission of Merger Notifications (Serbain*: Uredba o sadržini i načinu podnošenja prijave koncentracije*) ("**Implementing Regulation**"), which governs the required content and form of merger notifications; (ii) Regulation on the Criteria for Defining Relevant Markets (Serbian: *Uredba o kriterijumima za određivanje relevantnog tržišta*); (iii) Guidelines on the Content and Manner for submission of the Request for Protection of Data Protection of the Commission for the Protection of Competition of 7 April February 2023 (Serbian: *Uputstvo o sadržini i načinu podnošenja zahteva za određivanje mere zaštite podataka*).

Merger control in Serbia is overseen by the Serbian Competition Authority (Serbian: *Komisija za zaštitu konkurencije*) ("**SCA**"), an independent administrative body that also handles the general enforcement of competition law. The SCA is led by a President and a Council, which serves as the primary decision-making body and consists of the President and four other members. The official website of SCA is available on the following link: https://www.kzk.org.rs/.

Serbia's merger control system is closely aligned with the fundamental principles of EU competition law, ensuring that national legislation is in harmony with EU standards, thereby providing a robust framework for competition protection.

2. Is notification compulsory or voluntary?

The notification process in Serbia is mandatory, requiring pre-merger notification and approval, like the EU system. Filing is compulsory whenever the thresholds outlined in the Competition Act ("**CA**") are met.

Failure to comply with the notification obligation can lead to all actions taken without approval being deemed void, a practice known as "gun jumping." Such a breach also exposes the parties to the risk of significant administrative sanctions.

3. Is there a prohibition on completion or closing prior to clearance by the relevant authority? Are there possibilities for derogation or carve out?

When the merger filing thresholds are exceeded, the parties must comply with a standstill obligation, refraining from implementing the transaction until the clearance decision is obtained. Under the CA, companies involved in a notifiable concentration are prohibited from exercising any rights or obligations arising from the transaction until the SCA has determined its compatibility with the competition rules.

The CA allows for one exception to this general suspension rule. This applies to acquisitions carried out under laws governing takeovers of joint stock companies ("**JSCs**") or those related to privatizations. In such cases, implementation of the transaction before clearance is allowed if: (i) the merger notification was submitted on time, (ii) the acquirer does not interfere with the decision-making of the target company, except to maintain the value of its investment, or (iii) the acquirer has obtained special approval from the SCA. The President of the SCA decides on such requests by issuing a formal conclusion. However, there is currently no well-established precedent regarding this exemption in practice.

It is important to note that Serbia does not have a carve-out provision. The CA does not provide any specific scenarios where the transaction may be closed prior to SCA clearance. All parties involved in the concentration are required to suspend the implementation of the transaction until approval is granted.

Sanctions for violating the standstill obligation include fines of up to 10% of the total annual turnover generated in Serbia. While the CA does not automatically invalidate the transaction or the underlying agreements if a

transaction is closed before receiving clearance, the SCA has the authority to impose de-concentration measures. These measures can include ordering the parties to split a company, divest shares, terminate contracts, or take any other steps necessary to restore or safeguard competition in the market.

4. What types of transaction are notifiable or reviewable and what is the test for control?

Under the CA, transactions classified as "**concentrations**" that fall under merger control are defined as follows:

i. Mergers and statutory changes that result in the consolidation of undertakings;
ii. Acquisitions of control – either sole or joint – by one or more undertakings over another, or parts of it that can be considered an independent business unit;
iii. Establishment of joint ventures or acquisition of joint control over existing undertakings that perform, on a long-term basis, all functions of an autonomous business.

Control over another undertaking is defined by the ability to exercise decisive influence over its operations. This influence may arise from (i) a controlling shareholding, (ii) ownership or rights over the undertaking's assets, (iii) contractual or security-based rights, or (iv) rights derived from receivables, guarantees, or established business practices.

The CA distinguishes between sole control (one entity) and joint control (multiple entities).

The SCA has clarified that asset deals can also constitute a concentration if the acquirer gains decisive influence by purchasing assets. Consequently, transactions that do not involve the transfer of shares or assets, such as shareholder agreements or amendments to articles of association, may still require notification if they result in a change of control.

Internal restructurings or reorganizations that do not lead to a change of control are generally exempt from notification under the CA.

Additionally, the CA provides several **exemptions** from the obligation to notify a merger:

- When banks, financial institutions, or insurance companies acquire an interest in an undertaking with the intention to resell, provided they do not exercise control over the competitive conduct of the undertaking, and the disposal occurs within one year (with a possible six-month extension from the SCA);
- When an investment fund or investment holding company acquires an undertaking, as long as voting rights are only used to maintain the value of the company, not to influence its competitive conduct;
- The establishment of a joint venture designed to coordinate activities between two or more independent companies will be assessed according to the rules for restrictive agreements;
- When control is acquired by a bankruptcy administrator.

5. In which circumstances is an acquisition of a minority interest notifiable or reviewable?

The acquisition of a minority interest that does not grant control over a business is generally not subject to merger control.

However, if acquiring a minority shareholding results in *de facto* or *de jure* control—whether sole or joint—over the target company, it becomes subject to scrutiny. Control is deemed to exist if the acquiring party has the ability to exercise decisive influence over the target's operations. This influence can arise from ownership rights and agreements, securities, receivables, controlling interests, or any other mechanism that enables significant sway over the target's business activities.

According to the SCA's decisional practice, effective control over an undertaking includes:

i. The ability to independently make key strategic business decisions;
ii. The ability to independently dispose of significant assets and/or
iii. Veto rights that exceed the standard protection typically granted to (minority) shareholders.

The concepts of "control" and "change of control" are interpreted in line with EU competition law, particularly following the guidance of the EU Commission's Consolidated Jurisdictional Notice. This alignment reflects Serbia's commitment under the Stabilization and Association Agreement with the EU and its Member States ("**SAA**"), ensuring harmonization with EU standards.

6. What are the jurisdictional thresholds (turnover, assets, market share and/or local presence)? Are there different thresholds that apply to particular sectors?

The Serbian merger control regime is triggered when either of the following two thresholds is met:

- The combined worldwide turnover of all the undertakings concerned in the year preceding the concentration is at least EUR 100 million, provided that at least one of the undertakings concerned generated a turnover of EUR 10 million in Serbia or
- The combined turnover in Serbia of at least two undertakings concerned is at least EUR 20 million in the year preceding the concentration, and each of at least two of the undertakings concerned achieved a turnover in Serbia of at least EUR 1 million.

Additionally, any merger resulting from the acquisition of control over a joint stock company (**"JSC"**) through a public bid must be notified, regardless of turnover thresholds. However, this specific rule is not detailed in any bylaw or decisional practice, so special care should be taken when acquiring control over a JSC.

The CA applies to concentrations regardless of the sectors they relate to. However, certain industries are subject to sector-specific regulations in addition to the CA:

- Banks, insurance companies, and voluntary pension funds: Acquiring a qualified shareholding (direct or indirect) requires prior approval from the National Bank of Serbia.
- Open and alternative investment funds: Acquisition of a qualified shareholding requires prior approval from the Securities Exchange Commission.
- Media: Any change in the ownership structure of a media market participant that requires a regulatory permit must also receive prior approval from the Regulatory Body for Electronic Media.
- Telecommunications: The acquisition of qualified shareholdings must be notified to the Regulatory Agency for Electronic Communications and Postal Services.

Additionally, even if a transaction does not meet the above thresholds, the SCA may open an *ex officio* investigation if it learns that the parties hold a combined market share of at least 40% in Serbia or if there are reasonable grounds to suspect the transaction may be prohibited. The SCA carries the burden of proving that the market share threshold has been reached. In that case, SCA has a five-year statute of limitations for initiating investigations following the implementation of the transaction.

7. How are turnover, assets and/or market shares valued or determined for the purposes of jurisdictional thresholds?

The rules for calculating turnover are outlined in the CA and further explained in the SCA's Instructions on Calculation of Turnover.

Turnover includes all revenue from the sale of goods or services during the year prior to the concentration. Further, turnover refers to the total annual revenue before taxes, excluding any intra-group sales. It is calculated based on the financial accounts of the participating undertakings and any associated entities, including direct or indirect parent companies, subsidiaries, joint ventures, and subsidiaries of parent companies, for the year preceding the merger.

The method for calculating turnover varies depending on the type of transaction:

- Sole control acquisitions: The acquiring party's turnover includes the consolidated group turnover, while the seller's turnover is based on that of the target company. When calculating domestic turnover, exports are deducted.
- Mergers: Turnover is calculated by consolidating the group turnovers of all merging entities.
- Joint control acquisitions: The consolidated turnover of all parent companies is considered, along with the turnover of the joint venture itself, if it has pre-existing activities.

The turnover is determined based on verified financial statements for the financial year preceding the transaction. Any changes in business during that period are not considered in the calculation.

If control is acquired over part of an undertaking, only the turnover attributable to that part is considered relevant. In joint ventures, the total group turnovers of both parent companies are taken into account.

There are special rules for calculating revenue for banks, credit institutions, financial entities, and insurance

companies:

- For banks, credit institutions, and financial companies, relevant revenue includes (i) income from interest, (ii) net profits from financial transactions, (iii) commissions charged, (iv) income from securities, and (v) income from other business activities.
- For insurance and reinsurance companies, turnover is calculated based on the value of net income from premiums.

8. Is there a particular exchange rate required to be used to convert turnover and asset values?

Amounts expressed in euros (EUR) are converted to Serbian dinars (RSD) using the middle exchange rate published by the National Bank of Serbia on the day the annual turnover is calculated. The applicable exchange rates can be accessed on the National Bank of Serbia's website.

9. In which circumstances are joint ventures notifiable or reviewable (both new joint ventures and acquisitions of joint control over an existing business)?

Joint ventures are subject to merger control, but only under specific conditions:

1. When two or more independent undertakings create a new entity; or
2. When they acquire joint control over an existing undertaking that operates on a long-term basis and performs all functions of an independent business — full-function joint venture.

A joint venture is deemed “full-function” if it operates on a long-term basis and performs all the functions of an independent economic entity. If a joint venture does not meet these criteria and does not act as a fully autonomous entity, it is not subject to merger control. However, such ventures may still be examined under general competition laws if they facilitate market coordination and restrictive agreements between the parent companies.

Whether a joint venture is “full-function” or merely “cooperative” hinges on the venture's level of dependence on its parent companies and its degree of market independence. In the absence of specific local guidelines for what constitutes a “full-function” joint venture, EU regulations and definitions are applied by analogy.

10. Are there any circumstances in which different stages of the same, overall transaction are separately notifiable or reviewable?

In practice, when an acquisition of shares in a target company occurs in multiple stages, merger control is triggered when the acquisition allows the acquirer to exercise decisive influence over the target's business activities—essentially, when control is established. Prior and subsequent share acquisitions in the same target company do not separately trigger filing obligations.

Additionally, according to CA, if two or more transactions between the same parties occur within a period of less than two years, they are treated as a single merger. For the purpose of this rule, the date of the last transaction determines the timing of the merger. The SCA applies this rule strictly, requiring that all transactions be concluded between the same seller(s) and buyer(s). This may result in multiple merger notifications for what is essentially a single transaction project.

11. How do the thresholds apply to “foreign-to-foreign" mergers and transactions involving a target /joint venture with no nexus to the jurisdiction?

There are no exemptions for foreign-to-foreign transactions under Serbian merger control regime. The general merger control rules apply to foreign-to-foreign if the jurisdictional thresholds are met.

Although the CA stipulates that it applies to concentrations that have or may have effects on competition in Serbia, the SCA has not yet implemented a domestic effects doctrine. According to current decisional practice, a transaction must meet the turnover thresholds to trigger a filing obligation, but it does not need to demonstrate an impact on competition within Serbia. As a result, foreign-to-foreign transactions that meet the required turnover thresholds are subject to filing requirements in Serbia, and the SCA typically reviews and clears these transactions within Phase I of the process.

12. For voluntary filing regimes (only), are there any factors not related to competition that might influence the decision as to whether or not notify?

N/A

13. What is the substantive test applied by the relevant authority to assess whether or not to clear the merger, or to clear it subject to remedies? Are there different tests that apply to particular sectors?

The SCA evaluates mergers and acquisitions using a test focused on whether the transaction would lead to a significant impediment to effective competition. This test assesses whether the concentration could result in a substantial restriction, distortion, or prevention of competition, particularly through creating or strengthening a dominant position.

The substantive assessment includes a thorough review of the concentration's horizontal, vertical, and/or conglomerate effects.

In evaluating the transaction, the SCA considers several key factors:

- Market Structure: The configuration and dynamics of the relevant market.
- Competitive Landscape: Existing and potential competitors.
- Market Position: The economic and financial strength of the parties involved.
- Choice: The freedom of suppliers and consumers to choose.
- Entry Barriers: Legal and other obstacles to market entry.
- Competitiveness: The level of competitiveness among the undertakings involved.
- Supply and Demand Trends: Current and future trends in the relevant goods and services.
- Technical and Economic Development: Innovations and economic changes.
- Consumer Interests: The impact on consumer welfare.

In evaluating which markets may be impacted by a transaction, the SCA reviews the market definitions proposed by the notifying parties. It also investigates alternative market definitions, relying on its decisional practice and the European Commission's decisional practice. The SCA focuses on the markets where both parties to the concentration perform economic activity (horizontal overlaps); however, vertically connected markets are also assessed. The concept of a *de minimis* level is not applicable.

Full-function joint ventures are evaluated using the same substantive test as other concentrations.

14. Are factors unrelated to competition relevant?

The CA and the relevant regulations primarily focus on competition issues in merger assessments, and non-competition factors are not given significant weight. However, SCA may still consider these non-competition issues during the review process.

For example, the CA stipulates that competition must be protected to benefit consumers. According to Article 2, point 22 of the Implementing Ordinance, the notifying party may propose that the SCA evaluate the efficiencies resulting from the transaction. In particular, the SCA will evaluate the transaction's impact on both the parties involved and consumers, considering factors such as lower costs, reduced prices, improved quality, and increased choices. While the SCA is authorized to consider these efficiencies, there are no specific guidelines on how to balance these benefits against any potential anti-competitive effects.

Additionally, certain merger transactions may require approval from sector-specific regulators, such as those in the telecommunications, media, or banking sectors.

15. Are ancillary restraints covered by the authority's clearance decision?

It is important to note that, unlike the EU, Serbia has no specific guidelines for assessing ancillary restraints in mergers.

However, this does not stop the SCA from assessing these restraints. When national rules are lacking, the SCA often relies on EU regulations and practices. It commonly uses the European Commission's Ancillary Restraints Notice as an evaluation guideline.

The new Implementing Ordinance, effective from 2016, introduced the option for submitting a long-form notification if the notifying party wishes the SCA to assess ancillary restraints related to the concentration. Even if the applicant does not request a specific assessment of ancillary restraints, the SCA retains the discretion to review them under general competition rules. However, according to the SCA's decisional practice, a parallel examination of antitrust (restrictive agreements) and mergers aspects is not present in merger control proceedings.

16. For mandatory filing regimes, is there a

statutory deadline for notification of the transaction?

A concentration must be notified to the SCA within 15 days of the occurrence of the earliest of the following events:

1. The conclusion of an agreement;
2. The publication of a public bid or offer, or the closing of the bid;
3. The acquisition of control.

On November 11, 2009, the SCA issued a Guidance stating that a bidder can file the merger notification within 15 days following either the publication of the public bid or the closing.

Additionally, if the concentration is based on a letter of intent, memorandum of understanding, or other non-binding documents that demonstrate a serious intention to proceed, there is no fixed deadline for submitting the notification. In such cases, the parties may opt to file the notification only after signing a binding agreement.

17. What is the earliest time or stage in the transaction at which a notification can be made?

Parties may submit a merger notification to the SCA before one of the key events (as outlined in Question 16) if they can demonstrate a serious intent to proceed. Serious intent is manifested through actions such as signing a letter of intent, publicly announcing intention to make a takeover offer, or other similar acts.

On July 5, 2016, the SCA issued a Notice regarding notifications based on serious intent.

The key points outlined by the SCA are as follows:

- Only a final and binding agreement triggers the 15-day notification deadline. No specific deadline applies to transactions notified based on serious intent.
- The document demonstrating serious intent (such as a letter of intent or a memorandum of understanding) must clearly show the commitment of all parties to the transaction and must be signed by all parties involved.
- If the document indicating serious intent differs in key details from the final binding agreement upon which the SCA's clearance was based, the parties assume all risks associated with implementing the transaction contrary to the clearance. This may also necessitate submitting a new merger control notification to the SCA.

18. Is it usual practice to engage in pre-notification discussions with the authority? If so, how long do these typically take?

Pre-notification consultations with the SCA are rarely used in practice as the authority generally does not encourage consultations prior to the formal submission of a merger notification. Undertaking acquiring control of other entities bears the primary responsibility for determining whether a notification is required, with the SCA assessing compliance with competition rules only after the notification is submitted. Moreover, the SCA is typically reluctant to provide specific case-by-case guidance, focusing instead on general interpretations of competition law.

19. What is the basic timetable for the authority's review?

After submitting a complete filing, the SCA will make a decision either within one month (for Phase I) or within four months of initiating in-depth proceedings (for Phase II).

Once a merger notification has been formally submitted, the SCA will assess its completeness. If the notification is found to be incomplete, the SCA will provide the parties with a request for additional information (“**RFI**“).

The review period (Phase I) begins only after the parties have submitted all required documents and data requested by the SCA. If the SCA does not decide within one month (i.e., clearing the concentration in summary proceedings or opening investigation proceedings), the concentration is automatically deemed cleared.

However, if the SCA initiates investigation proceedings (Phase II), it must make a final decision to either clear or prohibit the transaction within four months from the start of the investigation. Again, the concentration is deemed approved if the SCA does not decide within these waiting periods.

20. Under what circumstances may the basic timetable be extended, reset or frozen?

The merger clearance deadline is calculated from the submission of a complete notification, so when the applicant provides additional documents or information at the SCA's request, the deadline will reset accordingly.

Even if the notification is formally complete, the SCA can request additional information, clarifications, or documentation at any time before the merger is approved. We are of the opinion that this manner of deadlines calculation is contrary to the Serbian administrative legislation, and we always advise clients to comply with SCA's RFIs.

The SCA can also request a long-form notification if needed. Although there is no set deadline for issuing requests for information ("**RFIs**"), it is important to note that the merger is considered cleared if the one-month deadline expires.

21. Are there any circumstances in which the review timetable can be shortened?

While the merger control regime does not permit expedited timelines, the efficiency of the clearance process can be significantly impacted by submitting a comprehensive merger notification and responding promptly to any requests for information ("**RFIs**") issued by the SCA.

22. Which party is responsible for submitting the filing?

According to the CA, the entity that acquires control over the whole or part of one or more undertakings is obligated to submit a notification to the SCA.

In the context of joint ventures, the notification must be filed jointly by all the joint venture partners.

23. What information is required in the filing form?

The form and content of merger notifications are regulated by the Implementing Regulation, which provides two types of filing options: short-form and long-form (standard).

The short-form notification is designed for cases where the concentration is unlikely to raise significant competition concerns. This simplified process can be used when:

- There is a transition from joint control to sole control.
- The companies involved are not active in the same markets, or their market shares do not exceed 20% in overlapping (horizontal) markets, and their individual market shares in vertically related markets remain below 30%.
- The combined market share of all parties in the horizontal market is under 40%, and the Herfindahl-Hirschman Index (HHI) increase (delta HHI) is less than 150.

If these criteria are not met, a long-form notification is required. The SCA also reserves the right to request a long-form filing if the case raises potential competition concerns, even if the criteria for short-form approval are initially met.

The merger notification must be submitted in Serbian and signed by the legal representatives of the notifying parties. While all appendices may be submitted as copies, the power of attorney must be an original document. Documents in foreign languages must be accompanied by a Serbian translation certified by a sworn court interpreter.

The SCA has the authority to request any additional information it deems necessary to assess the concentration. Failure to provide such requested information may result in the dismissal of the notification.

24. Which supporting documents, if any, must be filed with the authority?

In general, merger filings must include basic information about the undertakings involved, their representatives, financials, business operations in Serbia, suppliers, and customers. Additionally, the notification must clearly outline the transaction structure, specifying the anticipated closing date, and provide an analysis of the relevant markets and the competitive environment.

In the case of long-form notifications, the level of detail significantly increases, especially with respect to market data. This includes financial figures for each party covering the last three completed business years rather than just the most recent year prior to the transaction.

Both short-form and long-form notifications require the following documents:

1. The most recent audited annual financial statements and annual reports for each party involved in the merger.
2. Registry extracts for each party.
3. Documentation of the act leading to the merger, whether it is an agreement, acquisition of control, or public takeover bid.
4. A group chart or organizational overview for

each party.
5. A power of attorney.
6. Lists of key competitors (with market shares), suppliers, and customers.

Additionally, the applicant may submit any other relevant documents, such as analyses, reports, and similar materials, which we specifically recommend for long-form notifications.

25. Is there a filing fee?

The filing fee for merger clearances is structured as follows:

- Phase I (Summary Proceedings): The fee is 0.03% of the combined annual turnover of the undertakings concerned, with a maximum cap of EUR 25,000.
- Phase II (Investigation Proceedings): The fee is 0.07% of the combined annual turnover of the undertakings concerned, capped at EUR 50,000.

Confirmation of the payment must be presented to the SCA.

26. Is there a public announcement that a notification has been filed?

The filing of a merger notification, or the fact that it has been submitted, is not publicly disclosed. However, in accordance with the CA, the SCA will publish the full text of its decisions from both Phase I and Phase II proceedings on its official website (https://kzk.gov.rs/odluke/tipovi/koncentracije). These published decisions will contain a summary of the notification and key elements of the concentration. If Phase II investigative proceedings are initiated, the SCA will also publish a notice of this decision in the Official Gazette of the Republic of Serbia and on its website.

To safeguard confidential information, parties must submit a separate confidentiality request to the SCA, specifying the data to be kept confidential and requesting its protection. In that case, only non-confidential versions of the decisions will be made public, while confidential versions may be accessible only to competent courts and state bodies, which are legally obligated to treat the information as confidential.

27. Does the authority seek or invite the views of third parties?

Third parties are generally not involved in the review process in Phase I proceedings. Once investigative proceedings (Phase II) are initiated, the SCA can actively seek information, data, and opinions from third parties such as customers, suppliers, and competitors. Third parties with a legal interest may be granted access to information regarding the status of the proceeding. Further, during Phase II proceedings, third parties may voluntarily provide relevant information and documentation, as the decision to open such proceedings is published on the SCA's website.

28. What information may be published by the authority or made available to third parties?

Upon request from either the parties to the concentration or third parties providing information for the merger review, the President of the SCA can impose confidentiality measures to protect the source or content of the data.

To secure confidentiality, two criteria must be met:

1. The need for confidentiality must outweigh the public interest in accessing the information.
2. The requesting party must demonstrate a probable risk of harm if the source or data is disclosed.

Parties involved in the concentration are required to identify confidential information that they consider should be kept confidential in a separate request with both confidential and non-confidential versions of their merger notifications or responses to the RFIs. The identities of parties providing documents or information cannot be deemed confidential.

While parties have the right to access the SCA's file and make copies of certain documents, they cannot access voting records, official reports, draft decisions, or any materials marked as confidential. Communications between the parties and their legal representatives, including letters and notices directly related to the procedure, are considered privileged and are not subject to disclosure.

29. Does the authority cooperate with antitrust authorities in other jurisdictions?

The SCA is solely responsible for reviewing and approving all mergers that meet the thresholds set by the CA.

The SCA maintains strong relationships with various international organizations and competition authorities. Its primary partner is the EU Commission, particularly DG COMP. This cooperation is primarily governed by the SAA, which requires the SCA to consider relevant EU rules and developments in its case decisions. Additionally, the SCA regularly updates the EU Commission on legislative and enforcement activities.

The SCA also collaborates closely with antitrust authorities in other jurisdictions, especially those in the region. It has signed cooperation agreements with numerous countries, including Austria, Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Germany, Greece Hungary, Japan, Kazakhstan, Montenegro, North Macedonia, Romania, Russia, Slovenia, the People's Republic of China, Romania, Turkey, and others.

Moreover, the SCA participates in several international organizations involved in antitrust matters, such as the International Competition Network, the OECD, UNCTAD, and the Network for the Protection of Competition in South Eastern Europe. SCA is also a member of the Merger Working Group. Additionally, the SCA cooperates with organizations like the Energy Community, the EBRD, the WTO, the World Bank, and CEFTA.

30. What kind of remedies are acceptable to the authority?

A merger may result in three possible outcomes: (i) approval, (ii) conditional approval (with commitments), or (iii) prohibition. The parties are legally obligated to comply with the SCA's decision. If a concentration is approved with conditions, the SCA will specify the obligations and deadlines by which these conditions must be met. Therefore, completing the merger depends on adhering to the terms outlined in the conditional clearance.

If, after its initial assessment, the authority believes the concentration may not fulfill the criteria for approval, it will notify the parties of the relevant facts, evidence, and other elements supporting this assessment. The parties will then have the opportunity to present their views and propose modifications—such as conditions and obligations—within a time frame set by the SCA to address competition concerns.

Although the CA allows parties to propose conditions and obligations to resolve competition concerns, it does not specify the types of remedies that are acceptable for obtaining merger clearance. There are no formal guidelines detailing the types of remedies or procedures that the SCA may accept. However, relevant EU regulations and practices may serve as a reference for both the parties and the SCA when considering appropriate remedies and their implementation.

As such, remedies must be negotiated on a case-by-case basis during the merger review process. Given that the CA lacks specific provisions regarding acceptable remedies and the SCA's practice in this area is limited, significant discretion is left to the authority. Remedies may take various forms, whether structural or behavioral, and may be subject to time limitations or be indefinite.

Since its first conditional approval in 2009, the SCA issued several conditional clearance decisions across various sectors, often requiring structural or behavioral remedies to address competition concerns. In 2009, the SCA approved two transactions with conditions, including maintaining lease agreements and regulating ticket prices on a specific flight route. In 2011, a sugar sector merger was initially blocked but later approved on appeal with commitments to divest part of the business. Further conditional clearances followed in sectors such as retail, telecommunications, cement, and airlines, often involving commitments to divest assets, limit price increases, or adhere to reporting obligations. Notably, decisions in the telecommunications and sugar sectors imposed divestitures, behavioral remedies, and infrastructure commitments, while more recent clearances in 2018 and 2019 in the fresh bread and retail sectors focused on reporting obligations and lease terminations.

31. What procedure applies in the event that remedies are required in order to secure clearance?

When the SCA determines that a proposed transaction may significantly restrict, distort, or prevent competition, the notifying party may enter into negotiations to propose remedies. In such cases, the SCA will issue a statement of objections, outlining the facts and evidence it intends to rely on for its decision, and will request the notifying party's comments. In response, the notifying party can propose conditions and obligations to address the identified anti-competitive concerns. If the SCA deems the proposed remedies sufficient, it will approve the transaction.

Remedies offered by the notifying party can be either structural or behavioral, with the SCA's decisional practice favoring behavioral remedies more frequently.

Although the CA implies that remedies may only be offered after the issuance of a statement of objections, in

practice, remedies can be proposed from the outset of the merger review process, even before the initiation of investigative proceedings (Phase II).

Should the SCA raise serious concerns about a merger, it is crucial for the parties to begin negotiating potential commitments well in advance of any deadlines. The authority typically considers approving a merger with conditions only if the parties proactively offer commitments to address the competition issues.

Suppose the agreed-upon remedies are not adhered to. In that case, the SCA may take corrective actions, including (i) imposing de-concentration measures to restore competition in the market, such as ordering the divestment of assets, unwinding contracts, or taking other necessary steps and (ii) levying fines of up to 10% of the total annual turnover generated in Serbia.

32. What are the penalties for failure to notify, late notification and breaches of a prohibition on closing?

If the parties implement a merger before obtaining approval from the SCA, they may face fines. The fine will be calculated based on the nature, severity, and duration of the violation, with a maximum penalty of 10% of the parties' turnover generated in Serbia during the year preceding the initiation of proceedings.

Additionally, the merger may be prohibited, and the SCA could order the parties to reverse the transaction. This may involve splitting up the merged entity or implementing other corrective measures to restore effective competition in the market.

33. What are the penalties for incomplete or misleading information in the notification or in response to the authority's questions?

If a merger notification is deemed incomplete, the case handler at the SCA will request the notifying parties to submit the required additional information within a specified timeframe. Failure to provide the requested information within this period will result in dismissing the notification.

Under the CA, parties that fail to comply with a request for information or submit false or misleading data may face procedural fines. These penalties range from EUR 500 to EUR 5,000 per day of delay and are capped at 10% of the total annual turnover of the non-compliant undertaking. The payment deadline for such fines is set in the SCA's decision and must be between one and three months from the date the decision is issued. The SCA has previously imposed such fines in several cases.

34. Can the authority's decision be appealed to a court?

The decisions of the SCA are final and can be contested before the Administrative Court (Serbian: *Upravni sud*).

While the CA does not specify who is entitled to appeal, the Administrative Disputes Act provides that the following individuals or entities may file a claim: (i) the parties involved in the transaction; (ii) interested third parties or public bodies if they have a direct interest affected by the decision; and (iii) competent authorities if the decision contravenes the law. Note that filing an appeal does not suspend the enforcement of the decision.

The appeal must be filed within 30 days from the receipt of the decision. This time limit is strict, and filing an appeal does not halt the decision's enforcement.

Appeals against rulings of the Administrative Court can be made to the Supreme Court (Serbian: *Vrhovni sud*) and are limited to points of law.

35. What are the recent trends in the approach of the relevant authority to enforcement, procedure and substantive assessment

In 2023, the Commission for Protection of Competition received a significant volume of merger notifications, with 223 cases reported.

- Short-form Procedures Dominate: Over 90% of these notifications were submitted in an short-form reflecting the efficiency of the regulatory process.
- Sectoral Focus: The energy and mining sectors emerged as key areas of merger activity, followed by real estate, construction, automotive, pharmaceutical, banking, and telecommunications. Other notable sectors included chemicals, food, IT, and business logistics.
- Approval Patterns: Over three-quarters of approved mergers involved acquisitions of control over existing market participants, while joint ventures and acquisitions of joint control accounted for a smaller proportion.

36. Are there any future developments or planned

reforms of the merger control regime in your jurisdiction?	To the best of our knowledge, there are currently no pending legislative changes or publicly announced initiatives that would alter the local merger control regulations.

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Montenegro
Merger Control

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This country-specific Q&A provides an overview of merger control laws and regulations applicable in Montenegro.

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Montenegro: Merger Control

1. Overview

Merger Control is regulated by the Competition Act of Montenegro (*Zakon o zaštiti konkurencije*), "Official Gazette of Montenegro" nos 44/2012, 13/2018 and 145/2021 ("**Competition Act**"), in force since 2012. In the absence of specific regulation regarding procedural issues, the Competition Act is supplemented by the Administrative Procedure Act (*Zakon o upravnom postupku*) "Official Gazette of Montenegro" nos 46/2014, 20/2015, 40/2016, and 37/2017, and the Administrative Dispute Act (*Zakon o upravnom sporu*) "Official Gazette of Montenegro" no 54/2016.

The Competition Act establishes the Agency for the Protection of Competition of Montenegro ("**Agency**"), which serves as the watchdog for all competition and state aid related issues.

Apart from the Competition Act, merger control is regulated by several bylaws, such as:

i. the Rulebook on Method and Criteria for Defining Relevant Markets (*Pravilnik o načinu i kriterijumima za utvrđivanje relevantnog tržišta*) "Official Gazette of Montenegro" no. 48/2020,
ii. Guidelines on the Content and Method of Submitting a Request for Issuance of Approval for Implementation of a Merger (*Uputstvo o sadržaju i načinu podnošenja zahtjeva za izdavanje odobrenja za sprovođenje koncentracije*) "Official Gazette of Montenegro" no. 44/2012,
iii. Notice on the Protection of Confidential Business Information in Proceedings Before the Agency, no. 1-233/1, dated September 30, 2014 (*Obavještenje o zaštiti povjerljivih poslovnih podataka u postupku pred Agencijom za zaštitu konkurencije*), and
iv. Fee Schedule on the Amount of Fees Payable in Proceedings Before the Agency "Official Gazette of Montenegro" no. 44/2012 (*Tarifnik o visini naknada koje se plaćaju u postupku pred Agencijom za zaštitu konkurencije*), as well as Agency's opinions where applicable.

Fines for the breaches of competition law are imposed by the Misdemeanor Court (*Sud za prekršaje*) through misdemeanor proceedings governed by the Misdemeanor Act (*Zakon o prekršajima*) "Official Gazette of Montenegro" nos 1/2011, 6/2011, 39/2011, 32/2014, 43/2017 and 51/2017. Accordingly, the Agency is vested solely with the authority to determine a competition law infringement or approve a concentration, while the power to impose fines rests exclusively with the Misdemeanor Court.

2. Is notification compulsory or voluntary?

The merger notification regime is mandatory if the thresholds are met. Furthermore, the Agency may, upon becoming aware of an implemented merger, require the parties to the merger to submit a request for approval of the merger if their combined market share in the relevant market of Montenegro exceeds 60%.

3. Is there a prohibition on completion or closing prior to clearance by the relevant authority? Are there possibilities for derogation or carve out?

Yes. Closing the transaction prior to obtaining a clearance decision is prohibited under the Competition Act. Consequently, the parties are required to suspend the implementation of the transaction until the clearance decision has been secured. The relevant legislation does not contain specific provisions addressing carve-out arrangements. To the best of our knowledge, such arrangements have not yet been reviewed by the Agency. It is likely that the Agency will initially adopt a cautious approach towards carve-out mechanisms.

4. What types of transaction are notifiable or reviewable and what is the test for control?

A concentration is considered to arise in case of:

(i) Mergers, i.e., the merger of two or more previously independent undertakings or parts thereof;

(ii) Acquisitions, i.e., the acquisition, by one or more natural persons already controlling at least one undertaking, or by one or more undertakings, of indirect or direct control of the whole or a part of another undertaking;

(iii) Full – function joint ventures, i.e., where two or more independent undertakings establish a new undertaking or acquire joint control of the existing undertaking which operates independently on a lasting basis and performs all the functions of an autonomous undertaking.

With respect to the test for control, it is worth noting that having control over another undertaking means that an undertaking has the possibility of exercising influence on the business operations of another undertaking by legal or factual means such as having: (i) more than half the shares or participating interests, (ii) more than half the voting rights, (iii) the power to appoint more than half of management or persons representing the undertaking, and (iv) decisive influence on the management of an undertaking.

5. In which circumstances is an acquisition of a minority interest notifiable or reviewable?

The acquisition of minority interest is notifiable if it establishes *de jure* or *de facto* control the acquiring undertaking (please see Question 4).

6. What are the jurisdictional thresholds (turnover, assets, market share and/or local presence)? Are there different thresholds that apply to particular sectors?

Transaction shall be notified to the Agency if either of the following thresholds are met:

i. the combined aggregate worldwide turnover of at least two parties to the concentration generated in Montenegro exceeds EUR 5 million in the preceding financial year; or
ii. the combined aggregate worldwide turnover of the parties to the concentration exceeds EUR 20 million, if at least one party to the concentration achieved EUR 1 million in the territory of Montenegro.

The Agency may, upon becoming aware of the implemented concentration, require the parties involved to submit a request for approval of the concentration if their combined market share in the relevant market of Montenegro exceeds 60%.

However, certain industries such as banking, insurance industry, media and telecommunications, concessions, and energy are also subject to sector specific regulations.

7. How are turnover, assets and/or market shares valued or determined for the purposes of jurisdictional thresholds?

For the purposes of jurisdictional thresholds, turnover is calculated by aggregating all revenue generated from the sale of goods and services during the year preceding the merger filing, including all members of the undertakings' groups. Intra-group sales are excluded from this calculation. In the case of joint ventures, the combined turnover of both joint venture partners' entire groups is considered. In joint venture cases, total group turnover of both joint venture partners is calculated.

Turnover for banks, credit institutions, and insurance companies is calculated differently. For banks and other financial institutions, after the deduction of direct taxes applicable to them, the sum of the following revenues is taken into account interest income and similar revenue; income from securities; commission income; net profit from financial transactions; other income from regular business activities. Regarding insurance companies, turnover is calculated as the total value of gross premiums, after deducting taxes and parafiscal contributions levied on individual premium amounts or related to the overall volume of premiums.

8. Is there a particular exchange rate required to be used to convert turnover and asset values?

Particular exchange rates are not prescribed.

9. In which circumstances are joint ventures notifiable or reviewable (both new joint ventures and acquisitions of joint control over an existing business)?

Joint ventures are subject to merger control, but only under specific conditions:

1. When two or more independent undertakings create a new entity; or
2. When they acquire joint control over an existing undertaking that operates on a long-term basis and performs all functions of an independent business — full-function joint venture.

A joint venture is deemed “full-function” if it operates on a long-term basis and performs all the functions of an independent economic entity. If a joint venture does not meet these criteria and does not act as a fully autonomous entity, it is not subject to merger control.

However, such ventures may still be examined under general competition laws if they facilitate market coordination and restrictive agreements between the parent companies.

Whether a joint venture is “full-function” or merely “cooperative" hinges on the venture's level of dependence on its parent companies and its degree of market independence. In the absence of specific local guidelines for what constitutes a “full-function" joint venture, EU regulations and definitions are applied by analogy.

10. Are there any circumstances in which different stages of the same, overall transaction are separately notifiable or reviewable?

Two or more transactions between same undertakings are considered a single merger if they are carried out within a period of less than two years.

11. How do the thresholds apply to “foreign-to-foreign" mergers and transactions involving a target /joint venture with no nexus to the jurisdiction?

Although the Competition Act stipulates that it applies to concentrations that have or may have effects on competition in Montenegro, it has not yet implemented a domestic effects doctrine. This means that, according to current decisional practice, a transaction must meet the turnover thresholds to trigger a filing obligation, but it does not need to demonstrate an impact on competition within Montenegro. As a result, foreign-to-foreign transactions that meet the required turnover thresholds are subject to filing requirements in Montenegro, and the Agency typically reviews and clears these transactions within Phase I of the process.

12. For voluntary filing regimes (only), are there any factors not related to competition that might influence the decision as to whether or not notify?

N/a

13. What is the substantive test applied by the relevant authority to assess whether or not to clear the merger, or to clear it subject to remedies? Are there different tests that apply to particular sectors?

The Agency decides on the approval of a concentration by assessing its effects on the prevention, restriction, or distortion of effective competition in Montenegro, particularly with regard to the creation or strengthening of a dominant position.

The criteria which is assessed is as follows:

- structure and concentration of the relevant market;
- actual and potential competitors;
- market position of the parties to the concentration and their economic and financial strength;
- choice available to suppliers and customers;
- legal and other barriers to entry into the relevant market;
- degree of internal and international competitiveness of the parties to the concentration;
- supply and demand trends for the relevant goods or services;
- trends in technical and economic development;
- consumer interests.

All of the abovementioned will be taken into account by the Agency in assessing the potential effects of concentration to the market in Montenegro.

14. Are factors unrelated to competition relevant?

Generally, the Agency is only concerned with competition issues, however depending on the specifics of each case, other factors might be considered as well. To the best of our knowledge, so far the Agency has never used factors unrelated to competition issues as a ground for decision making.

15. Are ancillary restraints covered by the authority's clearance decision?

Ancillary restraints are not explicitly regulated in Montenegro. In the absence of explicit regulation, the Agency can clear ancillary restraints in its decisions, if it decides to. Namely, Montenegro has entered into a Stabilization and Association Agreement with the EU, which, inter alia, imposes upon Montenegro the obligation to adopt and implement best practices in the area of competition law, in alignment with the standards set by

the EU.

Therefore, this means that the European Commission's Ancillary Restraints Notice could potentially be used as guidance. However, according to the Agency's decisional practice, a parallel examination of antitrust (restrictive agreements) and mergers aspects is not present in merger control proceedings.

16. For mandatory filing regimes, is there a statutory deadline for notification of the transaction?

Merger notifications are required to be filed within 15 days of the conclusion of the agreement, publishing or closing a public bid, or acquiring control over the target company. Failure to comply with the aforementioned deadline can result in monetary fines.

17. What is the earliest time or stage in the transaction at which a notification can be made?

The parties can notify the Agency of the transaction, as soon as they demonstrate serious intent to enter into an agreement, for example by signing a letter of intent or a memorandum of understanding, announcing their intent to make a bid, or in any other way which precedes any of the following events: conclusion of the agreement, publishing or closing a public bid, or acquiring control over the target company.

18. Is it usual practice to engage in pre-notification discussions with the authority? If so, how long do these typically take?

Pre-notification discussions are not explicitly stipulated by the relevant legislation. However, parties may engage in such discussions with the Agency. Parties can schedule appointments with the Agency at any time, particularly in complex or sensitive mergers that may have significant market effects. Depending on the case, these discussions are typically brief and do not significantly extend the overall proceedings. In more complicated cases, however, the discussions may take longer.

19. What is the basic timetable for the authority's review?

According the Competition Act, the Agency will render the following decisions:

- reject the notification if the thresholds are not met – within 25 days from the day on which the filing was submitted on;
- clear the concentration unconditionally (phase I) – within 105 working days from the day on which the complete filing was submitted on;
- clear the concentration conditionally – within 125 working days, from the day on which the complete filing was submitted on.
- prohibit the concentration it it significantly impedes effective competition – within 130 working days, from the day on which the complete filing was submitted on.

It is evident that deadlines are quite longer than those in other Western Balkans jurisdictions.

20. Under what circumstances may the basic timetable be extended, reset or frozen?

While the timetable cannot be extended, reset or frozen, the deadlines are calculated from the day on which the complete filing was submitted on. This means that if the Agency deems the filing incomplete, and requests additional information, this period will not be calculated for the purpose of deadlines. This allows the Agency to extend and prolong the timetable for as long as they need clarifications.

21. Are there any circumstances in which the review timetable can be shortened?

There are no explicitly prescribed circumstances in which the timetable can be shortened. However, there are three situations in which the Agency may act quicker than usual, due to the fact that these situations do not require detailed scrutiny as they usually lack anticompetitive effects.

This will be the case in the following three scenarios:

i. If the participants to the concentration are not active in the same relevant product market, nor in vertically integrated or closely connected markets, whether within Montenegro or outside its territory;
ii. If two or more participants in the concentration are present in the same relevant market, but their combined market share is less than 10%, or where the participants operate in vertically integrated markets and each participant's market share in their respective markets does not exceed 15%;

iii. If a market participant acquires sole control over another market participant with whom it previously held joint control, and the acquisition had already been subject to an individual concentration approval request.

22. Which party is responsible for submitting the filing?

If an undertaking acquires control over all or part of one or more other undertakings, the notification must be submitted by the acquiring undertaking. For joint ventures, the notification must be submitted by all parties involved in the joint venture.

23. What information is required in the filing form?

In order to be considered complete, a notification must also meet the requirements regarding delivering information, set out in the Competition Act, and the Instructions on the content and procedure for submitting a request for the issuance of approval for the implementation of concentration (*Uputstvo o sadržaju i načinu podnošenja zahtjeva za izdavanje odobrenja za sprovođenje koncentracije*) ("Official Gazette of Montenegro", no, 44/12) ("**Instructions**").

In general, the notifying parties must provide information about participants to the concentration, market, and effects on the market. The information required is as follows:

- Detailed description of the type of concentration, particularly including listing all participants in the concentration present in the Montenegrin market or markets outside Montenegro, method of conducting the concentration, financial and other conditions and reasons for conducting the concentration as well as ownership structure before and after the proposed concentration;
- Information on the financial value and scope of production and sales achieved by the participants in the concentration through the sale of goods or services in the relevant market in Montenegro for the last three years, including the year in which the concentration is being conducted;
- Detailed analysis of the economic benefits that will arise for consumers, with an impact on, price reduction, increasing competition, increasing consumer choice, increasing services quality, research and development investments;
- Analysis of business reasons for conducting the concentration and expected effects for the participants in the concentration and the relevant market;
- Detailed description of the sales or distribution network of goods and services of the participants in the concentration in the relevant market, production process, price determination, and sales conditions;
- Information on the number of employees of the participants in the concentration for the last three years, including the year in which the concentration is being conducted;
- Information on the five largest customers of each participant in the concentration for the last three years, including the year in which the concentration is being conducted;
- Information on the five largest suppliers of the participants in the concentration for the last three years, including the year in which the concentration is being conducted, with indicated procurement volume and value on an annual basis;
- Assessment of the relevant geographic market and product market and the market share of the participants in the concentration on the relevant market for the last three years before submitting the request, including the year in which the concentration is being conducted;
- Assessment of the relevant market where affiliated entities with the participants in the concentration have been present for the last three years, including the year in which the concentration is being conducted;
- Analyses, studies, and other business reports and assessments regarding the financial and business objectives of the concentration, competition conditions in the relevant market, economic potentials of the market, participation and activities of existing and potential competition;
- Graphical representation of the organizational structure of the participants in the concentration, including the representation of parent or subsidiary and related business entities of the participants in the concentration who are active entities or registered in other countries;
- List of all market participants (authorized persons, directors, or members of the board of directors) participating in the concentration and registered as authorized persons, representatives, directors, or members of the board of directors of other market participants;
- Intent regarding research and investment in business development, new products, and their placement in the market of Montenegro;
- The request is submitted in written and electronic form, in one copy, in Montenegrin. Documents submitted with the request or containing any of the

any of the aforementioned information in a foreign language are submitted as a copy of the original document translated into Montenegrin.

24. Which supporting documents, if any, must be filed with the authority?

In order to be considered complete, a notification must also meet the requirements regarding documentation set out in the Competition Act, and the Instructions.

The documentation is as follows:

- Basic information about the participants in the concentration and applicants, including excerpts from the Central Registry of Business Entities for the participants in the concentration;
- Notarized copy of the act governing the merger (such as an SPA);
- Financial statements for market participants who are participants in the concentration for the three years preceding the year in which the concentration is being conducted, expressed in Euros, as well as the turnover and sales volume achieved up to the date of submitting the concentration approval request for the current year;
- Financial statements of the participants in the concentration for the year preceding the year in which the concentration is being conducted;
- Decisions of competition authorities of other countries to which a request for approval for the implementation of concentration has been submitted, or evidence of the submitted request or intention to submit a request as well as the basis for submitting the request;
- The request is submitted in written and electronic form, in one copy, in Montenegrin. Documents submitted with the request or containing any of the any of the aforementioned information in a foreign language are submitted as a copy of the original document translated into Montenegrin.

25. Is there a filing fee?

Yes. The fees are as follows:

- EUR 600.00 for the issuing the decision on the rejection of the concentration;
- EUR 1,000.00 for the issuing the decision on the rejection of the concentration if the concentration would significantly impede effective market competition in the relevant market and particularly by creating a new dominant position or strengthening an existing dominant position;
- 03% of the total turnover of both undertakings (max. EUR 15,000.00) for the issuing of the approval of the concentration in a summary proceeding (phase I);
- 07% of the total turnover of both undertakings (max. EUR 20,000.00) for the issuing of the approval of the concentration, in an investigation proceeding (phase II).

26. Is there a public announcement that a notification has been filed?

Pursuant to the Competition Act, the Agency is obliged to publish the information from the merger notification filing, especially (i) the names of the undertakings, (ii) the nature of the concentration, and (iii) economic sector within which the concentration is implemented.

27. Does the authority seek or invite the views of third parties?

Yes. The Agency is authorized to request a wide range of information from third parties. This is most likely to occur during phase II proceedings, when market participants are required to provide their views on whether the prospective concentration could restrict competition in the relevant market, among other considerations.

28. What information may be published by the authority or made available to third parties?

Pursuant to the Competition Act, the Agency is obliged to publish the information from the merger notification filing, especially the names of the undertakings, the nature of the concentration, and economic sector within which the concentration is implemented.

Agency is also obliged to publishes decisions on the rejection of merger if it determined that such a concentration would significantly restrict effective market competition in the relevant market, particularly through the creation of a new or the strengthening of an existing dominant position.

The parties can request to protect certain information, and information sources such as group structure, business strategies, buyers and sellers, and financial information. The Agency will approve of such a request of the request is justified and if the applicants interest are more significant than the need to notify the public regarding the specifics of the merger.

29. Does the authority cooperate with antitrust authorities in other jurisdictions?

The Agency has been a member of the International Competition Network (ICN) since 2007. Collaboration within ICN continued throughout 2023. The ICN is an international organization solely dedicated to the enforcement of competition laws, comprising national and multinational competition authorities.

- Closing Chapter 8 – Competition is crucial for Montenegro as it aligns its economic framework with EU standards, ensuring a fair and competitive market. This chapter addresses issues such as state aid and antitrust regulations, which are essential for promoting transparency and preventing monopolistic practices. By successfully closing this chapter, Montenegro will attract more foreign investments, as businesses will have greater confidence in a level playing field. It also reinforces the country's commitment to EU accession, demonstrating its readiness to adhere to strict market rules. Additionally, it ensures better protection for consumers and fosters innovation within the Montenegrin economy. In terms of strengthening administrative capacities and fulfilling obligations from the EU agenda within Chapter 8 – Competition, the Agency is constantly working on improving the cooperation that EU partners can provide. The key partners are:
- Austria through continued cooperation with the Federal Competition Authority (BWB) to strengthen administrative capacities and support under a 2013 Memorandum;
- Bulgaria through Memorandum of Understanding to further promote competition in the field of competition law and policy;
- Croatia through continued cooperation with Croatian Competition Agency in area of enhancing knowledge of Agency officials and consultation about important cases similar to both jurisdiction;
- Italy by discussing challenges in competition with the Italian Ambassador;
- France by initiating bilateral cooperation with French competition authorities and exploring European integration aspects;
- Hungary by signing a Memorandum of Cooperation to align Montenegrin competition law with EU standards;
- Germany with bilateral cooperation with Bundeskartellamt through state memorandum between ministries for economic development with emphasis on closing chapter 8 and getting EU standards in Agency daily work.

Regional cooperation is vital for Montenegro as it strengthens political stability and fosters peace in the Western Balkans. By collaborating with neighboring countries, Montenegro enhances its economic growth through trade, tourism, and infrastructure development. Regional partnerships also facilitate joint efforts in tackling shared challenges like environmental protection, migration, and organized crime. Furthermore, cooperation is crucial for Montenegro's progress towards EU integration, as regional stability and good relations are key criteria. Lastly, cultural and educational exchanges promote mutual understanding, further solidifying Montenegro's ties within the region. Regional Centre for Competition is also important framework for Montenegro participation in regional initiatives. The OECD-GVH Regional Centre for Competition in Budapest (Hungary) ("RCC") was established by the Gazdasági Versenyhivatal(GVH, Hungarian Competition Authority) and the Organisation for Economic Co-operation and Development (OECD) on 16 February 2005 when a Memorandum of Understanding was signed by the parties.

Relevant partners are:

- Albania where signing of Memorandum of Understanding is planned until end of 2024 and will help to enhance cooperation between two jurisdictions;
- Azerbaijan where signing of Memorandum of Understanding is planned until end of 2024;
- Bosnia and Herzegovina through Memorandum of Understanding which helped better communication between agencies;
- North Macedonia through Memorandum of Understanding and cooperation in field of competition;
- Serbia through Memorandum of Understanding which helped enhancing bilateral cooperation between institution;
- Turkey where signing Memorandum of Understanding is planned for October 2024.

30. What kind of remedies are acceptable to the authority?

The Agency permits both behavioral and structural remedies, and if the Agency finds these measures adequate to ensure that the concentration will not impede competition, it will approve the concentration subject to these conditions. The approval will detail the terms and conditions for clearance and the methods for monitoring or supervising their implementation. The parties can suggest remedies themselves with goal to remove any

anticompetitive concerns.

Failure to implement the remedies, will result in the revocation of the approval, and a fine ranging from 1% to 10% of the total annual turnover in the year prior to the violation.

31. What procedure applies in the event that remedies are required in order to secure clearance?

In Montenegro, a specific procedure is not prescribed. However, if the Agency determines that a proposed transaction may significantly restrict, distort, or prevent competition, the notifying party may enter into negotiations to propose remedies. In such cases, the Agency will issue a statement of objections, outlining the facts and evidence it intends to rely on for its decision, and will request the notifying party's comments. In response, the notifying party can propose conditions and obligations to address the identified anti-competitive concerns. If the Agency deems the proposed remedies sufficient, it will approve the transaction.

Should the Agency raise serious concerns about a merger, it is crucial for the parties to begin negotiating potential commitments well in advance of any deadlines. The authority typically considers approving a merger with conditions only if the parties proactively offer commitments to address the competition issues.

32. What are the penalties for failure to notify, late notification and breaches of a prohibition on closing?

Failing to notify the Agency within 15 days of the conclusion of the agreement, publishing or closing a public bid, or acquiring control over the target company, will result in a fine ranging from EUR 4,000.00 to EUR 40,000.00, while the responsible persons within the company will be subject to fines ranging from EUR 1,000.00 to EUR 4,000.00.

If the undertaking executes a concentration without the prior approval of the Agency, the it will be fined in the amount equal to 1% to 10% of its total annual turnover in the prior financial year, while the responsible persons within the company will be subject to fines ranging from EUR 1,000.00 to EUR 4,000.00. The Agency may also prescribe various behavior and structural measures such as divestments.

33. What are the penalties for incomplete or misleading information in the notification or in response to the authority's questions?

Upon reviewing the submitted information, if it further requires clarifications, the Agency will request additional documentation or ask the parties to provide explanations for the information. The Agency has the discretion to set a deadline for these submissions as it deems necessary, depending on the documentation.

If the parties do not deliver the requested documents and information, the Agency may impose a periodic penalty ranging from EUR 500.00 to EUR 5,000.00 per day of non-compliance, up to a maximum of 3% of the total revenue generated in the financial year preceding the year in which the procedure was initiated.

The Agency shall revoke a decision approving a concentration if it was based on incorrect or false information and facts.

34. Can the authority's decision be appealed to a court?

Agency's decision can be appealed before Administrative Court, within the deadline of 20 days from the date of receipt of the decision.

35. What are the recent trends in the approach of the relevant authority to enforcement, procedure and substantive assessment

In 2023, the Agency decided on 75 merger filings, a rise from 68 merger filings in 2022. Of these, five involved joint ventures, 67 were related to sole acquisitions of control, one procedure was discontinued, and two requests were rejected. Among the approved concentrations, five were domestic and 70 were foreign. The majority of these concentrations were in the telecommunications and media sector, followed by the automotive industry, banking services, and insurance services. Out of the 75 cases, 18 were carried over from 2022, while 57 were new requests submitted in 2023.

36. Are there any future developments or planned reforms of the merger control regime in your jurisdiction?

To the best of our knowledge, there are currently no publicly available information on future developments and planned reforms regarding the merger control regime

in Montenegro.

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This country-specific Q&A provides an overview of merger control laws and regulations applicable in North Macedonia.

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North Macedonia: Merger Control

1. Overview

Legal Framework: Merger control in North Macedonia is governed by Chapter 3, Articles 12-25 of the Competition Act (Official Gazette of the RM nos. 145/10, 136/11, 41/14, 53/16, and 83/18), effective from November 13, 2010. The General Administrative Proceedings Act (Official Gazette of the RM no. 124/15, 65/2018) is subsidiarily applied to proceedings not covered by the Competition Act. The Administrative Disputes Act (Official Gazette of the RM no. 96/2019) regulates the procedure before the Administrative Court.

Certain merger control aspects are detailed in the following regulations: **(i)** Regulation on the form and content of the notification of concentration and the necessary documentation to be submitted together with the notification (Official Gazette of the RM no. 44/12), **(ii)** Regulation on detailed conditions for agreements of minor importance (Official Gazette of the RM no. 44/12), **(iii)** Regulation on Immunity of fines and reduction of fines and procedure of the Misdemeanor Commission for granting immunity or reduction of fines (Official Gazette of the RM no. 41/12).

Authority: The Commission for the Protection of Competition ("**Commission**"), established in 2005, oversees merger control. It is an independent body reporting to the Parliament of the Republic of North Macedonia and consists of a president, four members, and a supporting expert staff. Both the president and the four members serve five-year terms. The Commission's decisions can be appealed to the Administrative Court of North Macedonia. Commission's website is available at: http://kzk.gov.mk/en/.

2. Is notification compulsory or voluntary?

Notification is compulsory provided that the legal and economic conditions for a merger are met, specifically when a transaction results in a lasting change of control over a company and the annual turnover or market share thresholds defined by law are reached (please refer to Question 6).

3. Is there a prohibition on completion or closing prior to clearance by the relevant authority? Are there possibilities for derogation or carve out?

Completion or closing is not allowed until approval is granted by the Commission. The Competition Act enforces a standstill obligation, preventing parties involved in a concentration from exercising any rights or obligations arising from the transaction until a decision is made regarding its compliance with competition regulations. Therefore, the parties must pause the execution of the transaction until clearance is secured. Although carve-out mechanisms have yet to be examined before the Commission, it is anticipated that the Commission will take a cautious and conservative approach towards such arrangements.

4. What types of transaction are notifiable or reviewable and what is the test for control?

A concentration shall be deemed to arise and is notifiable where a change of control on a lasting basis results from:

i. the merger of two or more previously independent undertakings or their parts;
ii. the acquisition of direct or indirect control over all or parts of one or more undertakings, by:
    - one or more individuals or entities already controlling at least one undertaking, or
    - one or more undertakings whether by purchase of securities or assets, by means of an agreement or in other manner prescribed by law;
iii. the creation of a joint venture that operates as an independent economic entity on a lasting basis.

Test for control: Control may be determined by various means, including rights, agreements, or other methods that, either alone or in combination, provide the ability to exert significant influence over a business. Specifically, control may be exercised through **(i)** ownership or rights to utilize all or part of the business's assets, or **(ii)** agreements or rights that allow for decisive influence over the business's management, voting procedures, or decision-making processes.

5. In which circumstances is an acquisition of a minority interest notifiable or reviewable?

An acquisition of a minority interest becomes notifiable or reviewable if it grants the acquiring party (either solely or jointly) *de jure* or *de facto* control over the target. The determination of control is made on a case-by-case basis.

6. What are the jurisdictional thresholds (turnover, assets, market share and/or local presence)? Are there different thresholds that apply to particular sectors?

Merger notification must be made if at least one of the following conditions is met:

i. The combined global turnover of all undertakings concerned in the previous year exceeds EUR 10 million, provided that at least one party is registered in North Macedonia; and/or
ii. The combined turnover of all undertakings concerned in the North Macedonian market in the previous year exceeds EUR 2.5 million; and/or
iii. The market share of any undertaking concerned in the North Macedonian market exceeded 40% in the previous year, or alternatively, the combined market share of the parties involved in the concentration in the North Macedonian market exceeded 60% in the previous year.

7. How are turnover, assets and/or market shares valued or determined for the purposes of jurisdictional thresholds?

Turnover is calculated as total revenue from regular business activities in the year before the merger, excluding sales rebates, VAT, and other direct taxes. It includes the turnover of the entire group, but excludes intra-group sales. For partial acquisitions, only the revenue from the acquired part is considered. For banks and financial institutions, turnover includes revenue from regular business activities, while for insurance companies, it is based on gross premiums. Market shares are assessed once the relevant product and geographic market is determined.

8. Is there a particular exchange rate required to be used to convert turnover and asset values?

The revenues generated in euros shall be expressed in denar equivalence according to the middle exchange rate of the National Bank of the Republic of North Macedonia on the day of compiling the annual report.

9. In which circumstances are joint ventures notifiable or reviewable (both new joint ventures and acquisitions of joint control over an existing business)?

Joint ventures are subject to merger control if they operate as an independent economic entity on a lasting basis. These joint ventures are reviewed under the same thresholds as regular concentrations. However, if a joint venture only serves to coordinate market activities between the partners without functioning as an autonomous entity, it is not considered a concentration. Such arrangements are instead assessed under regulations pertaining to restrictive agreements.

When evaluating a joint venture, the Commission specifically considers whether: (**i**) the parties involved continue to have significant activities on the same market as the joint venture, or on a closely related upstream or downstream market and if (**ii**) the joint venture creates conditions that could potentially eliminate competition in a substantial part of the market for the goods or services concerned.

10. Are there any circumstances in which different stages of the same, overall transaction are separately notifiable or reviewable?

If the acquisition occurs in multiple stages, merger control becomes relevant once the acquirer gains decisive influence over the target's business, meaning control has been established. It should also be pointed out that multiple transactions between the same parties within a two-year period are treated as a single merger, with the date of the last transaction marking the moment the concentration occurred.

11. How do the thresholds apply to “foreign-to-foreign" mergers and transactions involving a target /joint venture with no nexus to the jurisdiction?

If jurisdictional thresholds are met, foreign-to-foreign mergers are subject to merger control. The Commission

has not introduced guidelines exempting certain foreign-to-foreign mergers, nor has it explicitly recognized a domestic-effect doctrine. However, the Competition Act stipulates that it applies to any competition distortions affecting North Macedonia, even if the actions originate outside the country. Nevertheless, the Commission reviews, assesses, and clears all foreign-to-foreign merger notifications in Phase I.

12. For voluntary filing regimes (only), are there any factors not related to competition that might influence the decision as to whether or not notify?

N/A

13. What is the substantive test applied by the relevant authority to assess whether or not to clear the merger, or to clear it subject to remedies? Are there different tests that apply to particular sectors?

The Commission's substantive test assesses whether a concentration will significantly hinder effective competition, particularly by creating or reinforcing a dominant position. In doing so, the Commission examines the necessity of preserving competition, the market positions and financial power of the parties involved, supply and demand conditions, entry barriers, and consumer interests. For joint ventures, the Commission evaluates whether the parties maintain significant activities in the same or related markets, and whether the joint venture enables the elimination of competition.

14. Are factors unrelated to competition relevant?

Non-competition factors are not explicitly addressed by the Competition Act or its applicable bylaws and do not hold a crucial role in the merger assessment process. The primary focus remains on competition-related issues. Nonetheless, the Commission may consider these non-competition factors as part of its review process if they come into play, although they do not constitute a major element in the evaluation procedure.

15. Are ancillary restraints covered by the authority's clearance decision?

The Competition Act explicitly prescribes that when the Commission issues a decision confirming that a particular merger complies with the provisions set forth in the Act, this decision also implicitly covers any restrictions that are directly associated with and necessary for the effective implementation of that merger. This means that the scope of the Commission's approval includes not only the merger itself but also any ancillary restrictions that are integral to its realization. To gain further insights into how these ancillary restrictions are defined and applied, refer to the Guidelines on restrictions directly related to and necessary for concentrations available at the Commission's website. These guidelines provide a thorough explanation of the types of restrictions that are deemed essential and the conditions under which they are permissible.

16. For mandatory filing regimes, is there a statutory deadline for notification of the transaction?

There is no specific statutory deadline for notification. However, a concentration must be notified and cleared before it can be implemented. A merger notification can be submitted once the parties demonstrate their serious intent to enter into a transaction agreement, or, in the case of a public bid, when the intention to participate has been publicly announced.

17. What is the earliest time or stage in the transaction at which a notification can be made?

Undertakings may notify the Commission as soon as they can demonstrate a serious intent to enter into an agreement. This early notification can be achieved through various means, such as signing a letter of intent, MoU, publicly announcing their intention to make an offer, or through other actions that signify a commitment to proceed with the transaction. These steps must occur prior to any formal triggering events, allowing the Commission to review and assess the concentration at earlier stages in the process.

18. Is it usual practice to engage in pre-notification discussions with the authority? If so, how long do these typically take?

In North Macedonia, while it's possible to engage in pre-notification discussions with the competition authority, the practice isn't as widespread as in some other jurisdictions. These discussions can be a valuable step for clarifying complex aspects of a merger before formal submission. However, it is important to note that the

Commission does not issue legally binding opinions regarding the obligation to notify a concentration, leaving companies responsible for assessing whether this obligation has been met. The duration of pre-notification discussions can vary depending on the circumstances.

19. What is the basic timetable for the authority's review?

Initial Decision: The Commission is required to make a decision within 25 business days from receiving a complete merger notification. This decision will either: **(i)** clear the transaction in Phase I proceedings or **(ii)** initiate Phase II investigation proceedings. The 25-day period can be extended to 35 business days if the parties propose remedies to address potential competition concerns.

Completeness of Notification: For a merger notification to be considered complete, it must comply with the conditions outlined by the Competition Act and relevant regulations. This includes meeting both content and submission requirements.

Automatic Clearance: If the Commission does not make a decision within 25 business days, the concentration is deemed cleared.

Investigation Proceedings: If the Commission decides to open investigation proceedings (Phase II), it must ultimately decide whether to clear or prohibit the transaction within 90 business days from the start of the investigation. This period can be extended by up to 20 business days. Deadlines may be extended if the parties offer remedies to address competition concerns or if agreed upon by the parties involved.

20. Under what circumstances may the basic timetable be extended, reset or frozen?

Please refer to Question 19.

21. Are there any circumstances in which the review timetable can be shortened?

The merger control framework does not permit the shortening of deadlines. However, the efficiency of case resolution may be improved by initially submitting a fully complete notification or by promptly supplying any additional information requested by the Commission.

22. Which party is responsible for submitting the filing?

The party responsible for submitting the filing is the undertaking acquiring control over one or more other undertakings. For acquisitions involving joint control, the notification must be filed by the undertakings that are acquiring joint control.

23. What information is required in the filing form?

The form and contents of merger notifications are regulated by the Regulation on the form and content of the notification of concentration and the necessary documentation to be submitted together with the notification.

The filing form for a merger notification must contain a comprehensive summary of the transaction, including the names, registered offices, and business nature of the participants, the type of merger, and the markets involved. It should also detail the names, offices, and business nature of all participants, along with authorization for the representative submitting the notification.

The contact information for the person responsible for liaising with the Commission, if different from the notifier, must also be included. A detailed description of the concentration, specifying whether it involves full or partial control, joint control, or a joint venture, is required. Additionally, the legal documents underpinning the merger, such as merger agreements or joint venture agreements, should be provided.

The form must also include financial reports for the year prior to the concentration, covering balance sheets and profit and loss accounts, and details on the total annual income of the participants, both globally and in North Macedonia. Information on relevant product and geographic markets, market shares, and competitor analysis should be included, as well as the shareholding structure before and after the concentration.

Lists of significant shareholdings and board memberships in the relevant market must be provided, along with information on any external assessments of the concentration. The organization of the distribution network and retail sales, research and investment activities related to the concentration, and the strategic and economic reasons for the concentration should be described. The expected benefits for consumers, such as lower prices or improved quality, must be outlined.

Finally, the notification should be signed by the notifying party or their representative, include a statement confirming the accuracy and completeness of the information provided, and specify the place and date of submission.

24. Which supporting documents, if any, must be filed with the authority?

Along with the notification, the notifying party also needs to submit to the Authority: (**i**) an excerpt from the register of legal entities showing the name, registered office, and business nature of the notifying party, (**ii**) an excerpt from the register of legal entities showing the same details for all participants in the concentration, (**iii**) a power of attorney, if applicable, (**iv**) a copy of the original or certified transcript of the legal matter that is the basis of the merger, with a certified translation into Macedonian language, (**v**) detailed annual financial reports for the participants in the concentration for the business year preceding the concentration, (**vi**) all available analyses, studies, and reports on the concentration from a competition perspective, (**vii**) a graphic presentation (diagram) of the organizational structure and related undertakings, showing relationships and shareholdings; (**viii**) a report on the strategic and economic reasons for the concentration, (**ix**) decisions of other bodies authorized to assess the concentration outside the territory of the Republic of North Macedonia.

25. Is there a filing fee?

There are both filing fee (*cca* EUR 100) and clearance fee (*cca* EUR 500). Proof of payment for the filing fee must be included with the notification. The clearance fee must be paid within eight days after the clearance decision is issued.

26. Is there a public announcement that a notification has been filed?

Yes, a notification summary is published on the Commission's website, including (**i**) the names and registered offices of the undertakings, (**ii**) a brief description of their business activities, and (**iii**) the type of concentration. The Commission's decisions are also made public in the Official Gazette of North Macedonia and on the website, excluding any business or professional secrets as defined by the Competition Act and relevant bylaws.

27. Does the authority seek or invite the views of third parties?

While the Competition Act and its bylaws do not explicitly address this issue, third parties are able to submit relevant information, data, and opinions to the Commission during the review process. Once investigative proceedings are initiated, the Commission may actively seek input from third parties, such as customers, suppliers, and competitors. Additionally, third parties that demonstrate a legitimate legal interest may participate in the review process and request access to certain non-confidential information submitted to the Commission.

28. What information may be published by the authority or made available to third parties?

According to the Competition Act, the Commission is obliged to publish certain information on all notified concentrations on its website. Such information shall include the names and company seats of the parties, a brief description of the undertakings' business activities, and the form of the concentration. These publicity requirements allow third parties to be informed of the development of the proceedings and to submit their comments, opinions and remarks regarding the concentration under review. All data regarded as business or professional secrets, in terms of the Competition Act, shall not be published. Decisions rendered by the Commission and rulings of the courts shall be published in the Official Gazette and on the website of the Commission. The published text shall include the names of the parties and the main content of the decision.

29. Does the authority cooperate with antitrust authorities in other jurisdictions?

The Commission actively cooperates with antitrust authorities from various jurisdictions. As a participant in the International Competition Network and the OECD's Competition Committee, it collaborates with the European Commission's Directorate-General for Competition. It also maintains cooperative relationships with competition authorities from countries including Germany, Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Montenegro, Romania, Serbia, and Turkey. In 2012, the Commission joined the International Competition Network formed within the Energy Community by signing a Declaration alongside other national competition bodies and the Energy Community Secretariat. Additionally, the Commission endorsed the

Sofia Statement at the inaugural Sofia Competition Forum in 2012, committing to enhance regional collaboration with neighbouring countries. Further agreements include the 2019 Memorandum of Cooperation with Romania's Competition Authority and the Memorandum of Mutual Understanding with Montenegro's Competition Authority. In 2021, it also established a Memorandum on Cooperation with Greece's Competition Authority.

30. What kind of remedies are acceptable to the authority?

A merger may result in three possible outcomes: (i) approval, (ii) conditional approval (with commitments), or (iii) prohibition. The parties are legally obligated to comply with the Commission's decision. If a concentration is approved with conditions, the Commission will specify the obligations and deadlines by which these conditions must be met. Therefore, completing the merger depends on adhering to the terms outlined in the conditional clearance.

If, after its initial assessment, the authority believes the concentration may not fulfill the criteria for approval, it will notify the parties of the relevant facts, evidence, and other elements supporting this assessment. The parties will then have the opportunity to present their views and propose modifications—such as conditions and obligations—within a time frame set by the Commission to address competition concerns.

Although the Competition Act allows parties to propose conditions and obligations to resolve competition concerns, it does not specify the types of remedies that are acceptable for obtaining merger clearance. There are no formal guidelines detailing the types of remedies or procedures that the Commission may accept. However, relevant EU regulations and practices may serve as a reference for both the parties and the SCA when considering appropriate remedies and their implementation.

As such, remedies must be negotiated on a case-by-case basis during the merger review process. Given that the Competition Act lacks specific provisions regarding acceptable remedies and the Commission's practice in this area is limited, significant discretion is left to the authority. Remedies may take various forms, whether structural or behavioral, and may be subject to time limitations or be indefinite.

31. What procedure applies in the event that remedies are required in order to secure clearance?

In the event that remedies are required to secure clearance for a merger, the procedure involves several steps:

Negotiation of Remedies: If the Commission identifies competition concerns, parties may propose modifications to the concentration to address these concerns and obtain clearance. Remedies can be proposed from the outset of the merger review process or informally before notification.

Acceptance of Remedies: The Commission will assess the proposed remedies to ensure they effectively resolve the competition concerns. Remedies must be comprehensive, capable of being implemented quickly, and eliminate the competition issues entirely.

Submission Deadlines: For Phase I, remedies must eliminate serious doubts regarding competition issues. In Phase II, commitments must be submitted within 65 working days from the start of proceedings.

Conditions of Completion: Generally, the merger can be completed before remedies are fully implemented, depending on the nature of the remedy and negotiations with the Commission. However, the Commission might impose conditions, such as requiring an agreement with a buyer before the transaction is completed.

Enforcement: The Commission will enforce remedies to ensure compliance. If the parties fail to adhere to the conditions, the Commission may revoke clearance, impose interim measures, or impose fines.

32. What are the penalties for failure to notify, late notification and breaches of a prohibition on closing?

Undertakings are required to suspend the transaction's implementation until they receive clearance or the applicable waiting periods expire. Implementing a merger without prior clearance can result in fines up to 10% of the total annual turnover.

33. What are the penalties for incomplete or misleading information in the notification or in response to the authority's questions?

Entities that do not adhere to these requirements or

supply inaccurate, insufficient, or potentially misleading information may face fines of up to 1% of their total annual turnover from the preceding financial year.

34. Can the authority's decision be appealed to a court?

Yes, a decision can be appealed to the Administrative Court within 30 days from the date of receipt of the decision from the Commission.

35. What are the recent trends in the approach of the relevant authority to enforcement, procedure and substantive assessment

A notable trend in the mergers and acquisitions market in North Macedonia is the increasing interest from foreign investors. International companies are drawn to the country's strategic location, which provides access to key regional markets, its skilled and cost-effective workforce, and a business environment that continues to improve with regulatory reforms and infrastructure development. This influx of foreign investment is not only driving a surge in M&A activity but also enhancing the competitiveness of the local market. The growing presence of international players is fostering greater economic dynamism and creating new opportunities for both domestic and foreign investors, further accelerating the region's economic growth and integration into the global market.

36. Are there any future developments or planned reforms of the merger control regime in your jurisdiction?

To the best of our knowledge, there are no proposals for reform of the merger control regime in North Macedonia.

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