

Kluwer Competition Law Blog

Main Developments in Competition Law and Policy 2024 – Western Balkans

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With 2024 behind us, I look back at what were the main competition law developments in the Western Balkans, both when it comes to new legislation and the application of the current rules. A high level of merger control activity seems to be common for most of the region (except for Bosnia and Herzegovina), although the number of notified mergers dropped throughout the region last year. Another common thread seems to be the focus on food and agricultural products – post-Covid price hikes in that area seem to have triggered the focus of the local national competition authorities (NCAs).

Serbia: Coffee and food retail in the spotlight

Antitrust: Collusion of coffee producers penalized, leading food retailers investigated

In Serbia, 2024 brought new antitrust investigations, as well as conclusion of some pending ones.

When it comes to concluded investigations, the highlight case involved collusion between two leading coffee producers in Serbia. Following an [antitrust investigation that started in 2021](#), the Serbian NCA issued an [infringement decision](#), finding that the two leading Serbian producers of ground coffee had colluded in violation of the law. Specifically, the NCA established that the Atlantic Group and Strauss Adriatic had agreed and harmonized their business strategy by exchange of information regarding the price policy and future wholesale prices of ground coffee in Serbia. The NCA fined the two undertakings with a combined fine of approx. EUR 2 million.

As for new investigations, the most prominent one concerns the food retail sector. In 2024, the Serbian NCA started an [antitrust investigation against the four largest food retailers in Serbia](#) – Delhaize Serbia, Mercator-S, Univerexport, and DIS. The antitrust watchdog is suspecting that the four retailers have been coordinating their prices over a long period. Since it concerns a market affecting the wider population, the case has been highly publicized in the media and the pressure may be on the NCA to bring its probe to an end sooner rather than later.

There were also a couple of other new investigations during the previous year. In the first one, the Serbian NCA started an [antitrust probe against two companies, Metabo Center from Serbia and Kapro Industries Ltd. from Israel](#), concerning an alleged restrictive agreement. The NCA suspects that Metabo Center, an importer of mechanical and laser measuring instruments manufactured by

Kapro, and Kapro have pressured foreign suppliers of Kapro brand tools to stop deliveries to other Serbian companies selling Kapro products. In the other, the NCA started investigating the Serbian representative of tachograph producer Continental VDO in Serbia. The investigation was preceded by a complaint, in which it was alleged that the investigated company was abusing its dominant position by requesting various payments from its partners without basis and in other ways (the company's alleged market share exceeds 90%).

Finally, in the antitrust sphere, the Serbian NCA published a report on its sectoral inquiry into the market for the sale of pellets. The NCA got interested in this market due to market disruptions, reflected in market shortages and price hikes.

Merger control: Conditional clearance on the coffee market, new gun jumping probes

In parallel with the antitrust investigation of the two leading coffee producers in the country, describe above, the Serbian NCA was also examining a proposed merger between the same undertakings. Specifically, in a Phase II procedure, the NCA was examining the proposed takeover of Strauss Adriatic by the Atlantic Group. Eventually, and simultaneously with the described antitrust decision, the NCA decided to clear the notified transaction, with strings attached. Apart from some behavioral and reporting obligations, the conditions include the divestment of a coffee-producing facility.

In 2024, there was one more Phase II merger probe in Serbia, in the shopping mall sector. Concretely, in a Phase II procedure, the Serbian NCA examined a proposed combination between two leading shopping malls in Novi Sad, Serbia's second biggest city. The NCA eventually allowed this combination to go through.

There were also two new gun-jumping investigations. The first investigation is against the Slovenian company Villager doo, concerning the takeover of another Slovenian company, Semenarna doo. In the other case, the NCA is investigating the Serbian company Agromarket doo concerning the takeover of AM Hotel doo from Slovenia. According to the NCA, both Villager and Agromarket appear to have the same ultimate owners. The investigations might indicate the NCA's willingness to investigate non-notified transaction even where there is no clear connection with Serbia.

Legislation: New Competition Act still not imminent, four new block exemptions on the cards

The project of enacting a new Competition Act seems to be on hold in Serbia. In the meantime, the country seems set to get four new block exemption regulations. Specifically, the Serbian NCA has published a draft of four new block exemption regulations: for vertical agreements, technology transfer agreements, agreements on the repair and maintenance of motor vehicles, and agreements concerning rail and road transport, respectively. The proclaimed aim of the draft regulations is to further align Serbian legislation with the EU model. To become legislation, the regulations will need to be adopted by the Government of Serbia in the form of a decree.

Montenegro

Antitrust

In 2024, the Montenegrin NCA was one of the most active competition authorities in the Western Balkans, with landmark cases across its enforcement spectrum.

When it comes to antitrust, the most eye-catching case was the one in which the NCA established the existence of a restrictive agreement between three telecom operators in Montenegro – Montenegrin Telekom, One, and M-tel. The watchdog found that the three operators had entered into a restrictive agreement with respect to a simultaneous price increase for mobile phone services. From the operative part of the decision, it is not clear what kind of collusion exactly the NCA found. Based on the public reaction of the telecom operators to this decision, it is expected that they will challenge the decision in courts.

Apart from investigating the three mobile operators, the Montenegrin NCA has also started an antitrust investigation against the operator of the Montenegrin sea port of Bar. The investigation pertains to the alleged refusal of the operator to deal with one of the logistics companies, based on whose complaint the NCA started its probe.

Merger control

In the area of merger control, the trend of a high number of merger cases has continued, although the number of examined transactions did drop somewhat (to around 60, down from around 70 the year before). These numbers are likely to remain high as long as Montenegro has merger filing thresholds that can be triggered even if the target has no presence in Montenegro.

The event of the year in Montenegrin merger control was a large gun-jumping fine imposed for an unnotified transaction. Specifically, a misdemeanor court in Montenegro imposed what could easily be the largest gun-jumping fine in the history of merger control in the Balkan country, of close to EUR 1 million. The fine pertained to a transaction involving a Serbian acquirer and a Slovenian target. What makes the case especially interesting is that the target appears to have had no business in Montenegro.

New Competition Act in the pipeline

At the press conference at which the infringement decision concerning the telecom operators was announced, a representative of the NCA hinted that the new Montenegrin Competition Act will give the NCA the power to impose fines for competition law infringements directly, without needing to go to the misdemeanor court. If this materializes, it will be one of the major shakeups of the Montenegrin antitrust landscape since the country adopted a modern competition law regime. It remains to be seen whether this legislative change will come to being already in 2025.

Bosnia and Herzegovina: New Competition Council members, bid rigging in focus

In 2024, Bosnia's competition authority, the Competition Council, [got a new leadership](#). Following the appointment of new members, this body now includes the following individuals: Ms. Adisa Begić, Mr. Ivo Jerkić, Mr. Vanja Malidžan, Ms. Ankica Gudeljević, Mr. Davor Savić, and Mr. Ninela Salihbašić.

The Council has six members, appointed for a period of six years. Each year, a different member presides over the work of the Council. In 2024, the Council was presided by Mr. Ivo Jerkić. In accordance with Bosnian law, the central government each year appoints the head of the NCA, based on a proposal by the NCA. In this position, Mr. Jerkić replaced Ms. Adisa Begić, who continued to be a member of the NCA's governing body.

In the antitrust sphere, the Bosnian NCA seems to have been on bid rigging, as [it rendered two infringement decisions concerning that type of violation](#). In the first case, bid rigging was related to the public procurement of computer equipment. In the second case, bid rigging concerned the public procurement of road repair works. In both cases the NCA issued fines in the range between 100,000 and 200,000 euros.

Apart from antitrust, the Bosnian NCA was also issuing fines in merger control cases.

To start with, Bosnia's competition watchdog cleared in Phase I a JV between Volvo Business Services International AB (Sweden) and Renault s.a.s. (France), concerning the production of light commercial vehicles. However, since the parties did not submit their merger notification within 15 days from the signing of a binding transaction document, the Bosnian NCA [imposed on them a fine](#) of BAM 50,000 (approx. EUR 25,000). The lesson seems to be – if you are to file a transaction in Bosnia and Herzegovina, make sure you do so on time.

In another case, [the Bosnian NCA fined Bosnian company Bingo doo for gun jumping](#). Specifically, the NCA established that Bingo acquired a majority ownership share in the company Sani Grand City, active on the market of renting and managing real estate or leased real estate – shopping centers in the Sarajevo Canton. The fine amounted to BAM 450,000 (approx. EUR 230,000).

North Macedonia: Merger control dominates, new leadership of the competition authority

In 2024, the North Macedonian NCA continued to be occupied with merger control – in total, 103 merger notifications were filed in North Macedonia in 2024, down from 122 the year before. This decrease in the number of filings seems only transitory as there have been no changes to the country's merger filing thresholds – [they still catch even transactions where the target has no presence whatsoever in North Macedonia](#).

While the merger filing thresholds have remained the same, the North Macedonian Competition Act was amended in other respects. The changes to the law were minor, with the amendments relating to procedural issues, such as the appointment and dismissal of NCA functionaries.

When it comes to legislative changes, another highlight for North Macedonia is that in 2024 the country adopted a law [prohibiting unfair trading practices in the agricultural and food products supply chain](#). The law is modelled on the Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019 on unfair trading practices in business-to-business relationships in

[the agricultural and food supply chain](#) and its adoption is meant to further align North Macedonian legislation with the EU acquis. This development is mentioned here since the body charged with the enforcement of the new law is the North Macedonian NCA.

Finally, towards the end of the year, the NCA got a new leadership. The North Macedonian parliament has appointed new members of the country's NCA. The new head of the NCA is Ms. Malinka Siljanovska Nikolic, while new members of the NCA's governing body are Mr. Borce Razmoski, Mr. Aleksandar Trgacevski and Mr. Nikola Trajcevski.

Albania: Merger control and focus on food products

Finally, we take a quick look at what were the main competition developments in Albania.

If we look at the number of decisions of the Albanian NCA in 2024, its focus was once again on merger control. Specifically, in the last year the NCA dealt with 29 notified mergers, which is down from 50 merger notifications the year before. This drop in the number of notifications is likely only a blip, since [the Albanian merger filing thresholds](#) have remained the same.

And while the predominant part of NCA decisions were related to merger control, the watchdog did also have some interesting activities in the antitrust sphere. Those enforcement efforts were mainly focused on basic food products, as the prices of those products is what seems to be in the spotlight in Albania.

To start with, the Albanian NCA [started an antitrust probe against four companies](#) active in the market for the production and wholesale of milk and dairy products in Albania. It did so suspecting that the undertakings, having substantial market shares on the relevant market, may have violated the Albanian Competition Act. In addition, the NCA is also probing [the market for fruit and vegetables in several Albanian districts](#) and is monitoring the prices of so-called "food basket products" (the basic food products purchased daily by consumers). As inflation bites in the Western Balkans as in other parts of the world, we can expect more enforcement activity in the food sector in the year to come.

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