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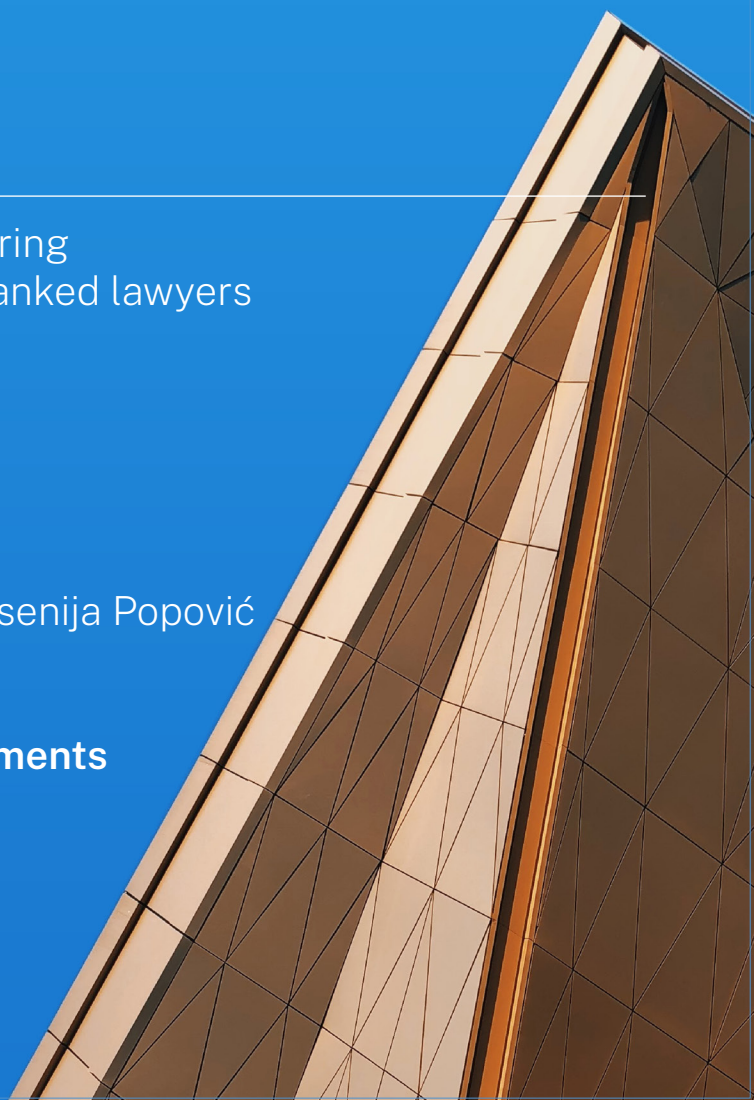

Montenegro: Law & Practice
Bisera Andrijasevic and Marija Ksenija Popović
BDK Advokati

Montenegro: Trends & Developments
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MONTENEGRO

Law and Practice

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Contents

BDK Advokati is a full-service regional law firm assisting clients in Serbia, Montenegro, Bosnia and Herzegovina, and North Macedonia. With more than 35 specialist lawyers and more than 50 professionals, it is able to offer clients legal expertise in all areas of law and in industry sectors relevant to their business. The firm advises clients on deals and support, represents them in contentious situations and provides legal advice in support of their business. BDK's competition team represents clients in infringement proceedings, proceedings pursuant to notifications of concentration and applications for individual exemption of restrictive agreements. It also provides instant support during dawn raids and assists with the preparation of leniency applications. Its advisory work in competition and state aid law areas includes assessment of commercial contracts, commercial policies and business models; assessments of transactions; drafting of legal documents with a view to their compliance with competition law; compliance audits and health-checks; and compliance training.

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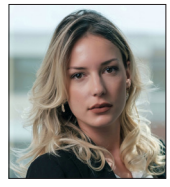

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1. Legislation and Enforcing Authorities

1.1 Merger Control Legislation

The rules governing merger control in Montenegro are laid down by the Protection of Competition Act (*Zakon o zaštiti konkurencije*) (Official Gazette of Montenegro, Nos 44/2012, 013/18 and 145/2021) (the "Competition Act").

In addition to the Competition Act, detailed rules applicable to merger control are regulated by the following bylaws:

- the Guidelines on the Content and Method for Submission of Merger Notification (*Uputstvo o sadržaju i načinu podnošenja zahtjeva za izdavanje odobrenja za sprovođenje koncentracije*) (Official Gazette of Montenegro, No 18/2023) (the "Merger Notification Guidelines");
- the Rulebook on the Method and Criteria for Determining the Relevant Market (*Pravilnik o načinu i kriterijumima utvrđivanja relevantnog tržišta*) (Official Gazette of Montenegro, No 18/2023) (the "Rulebook on the Relevant Market");
- the Notice on the Protection of Confidential Business Information in Proceedings Before the Agency for Protection of Competition, dated 30 September 2014 (*Obavještenje o zaštiti povjerljivih poslovnih podataka u postupku pred Agencijom za zaštitu konkurencije*) (the "Notice on the Protection of Confidential Information"); and
- the Tariff on the Amount of Payable Fees in the Proceedings Before the Agency for Protection of Competition (*Tarifnik o visini naknada koje se plaćaju u postupku pred Agencijom za zaštitu konkurencije*) (Official Gazette of Montenegro, No 14/2013) (the "Tariff").

The Competition Act is largely aligned with EU merger control legislation but addresses many issues only in broad terms, lacking detailed regulation. While EU merger control rules do not directly apply in Montenegro, the Agency for Protection of Competition (the "Agency") relies on EU regulations, guidelines and case law to interpret the Competition Act, including, for merger control purposes, the Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the "Jurisdictional Notice"). Parties are encouraged

to reference relevant EU provisions and precedents to support their arguments in proceedings before the Agency.

1.2 Legislation Relating to Particular Sectors

The Competition Act is applicable to mergers regardless of the sector. However, additional specific sectoral regulations govern mergers within certain industries, as outlined below.

- *Banking* any acquisition of a qualified shareholding in a credit institution – defined as a direct or indirect investment of at least 10% of capital or voting rights, or any investment granting significant influence over management, or any increase in an existing qualifying shareholding that would raise it to or above 20%, 33%, or 50% – requires prior authorisation from the Central Bank of Montenegro;
- *Investment funds* any person intending to acquire a qualified participation in an investment fund management company is required to obtain the consent from the Capital Markets Commission for such acquisition. Furthermore, any person already holding a qualified participation who intends to increase their stake in the capital or voting rights of the management company to reach or exceed 10%, 20%, 30% or 50% is also obligated to secure the Commission's approval for such an increase.
- *Insurance* any acquisition of a qualified shareholding, defined as sole or joint, direct or indirect investment of at least 10% of capital or voting rights, or any investment granting significant influence over management or any increase in the existing qualifying shareholding that would raise it to or above 20%, 30% or 50%, in a Montenegrin insurance company must be pre-approved by the Insurance Supervision Agency.
- *Telecommunications* the Agency for Electronic Communications and Postal Services is competent to provide an opinion to the Agency regarding the assessment of concentrations or other forms of joint or co-ordinated actions by operators. As a competition protection measure, the Agency for Electronic Communications and Postal Services may also prescribe conditions prohibiting the transfer of radio frequency usage rights or establish conditions for transfers that are not subject to concentration assessment under competition protection regulations if such a transfer could significantly distort market competition.

1.3 Enforcement Authorities

As mentioned at **1.1. Merger Control Legislation**, the Agency (*Agencija za zaštitu konkurencije Crne Gore*) is responsible for the enforcement of the Competition Act.

Depending on the sector in which the relevant merger occurs, the Agency may engage other regulatory authorities in the review process, such as the Central Bank of Montenegro, the Agency for Electronic Communications and Postal Services and the Insurance Supervision Agency.

2. Jurisdiction

2.1 Notification

Notification to the Agency is compulsory if the transaction meets the turnover thresholds (as outlined in **2.5 Jurisdictional Thresholds**). There are no exceptions to the compulsory notification, regardless of the local nexus.

The Agency may, upon learning of an implemented concentration, require the concentration participants to notify the concentration, regardless

of their turnovers, if their combined market share on the relevant market in Montenegro exceeds 60%. The burden of proving the percentage of the joint market share of the concentration participants lies with the Agency.

2.2 Failure to Notify

A fine for failure to notify a concentration is prescribed in the amount of 1% to 10% of the turnover generated in the year preceding the year when the infringement occurred. The law does not specify whether the fine percentage is based on global or national turnover, but in practice the court has calculated fines based on the turnover generated by the acquirer in Montenegro. There have been precedents where, if the acquirer is a foreign company, the Agency initiates misdemeanour proceedings for both late filing and gun-jumping against its related entity in Montenegro, regardless of its role in the concentration (see 2025 Trends & Developments).

The Agency may not impose a fine for a failure to notify independently, it may only initiate misdemeanour proceedings. This is expected to change with the upcoming amendments to the Competition Act, which will confer on the Agency the authority to impose fines directly. Currently, in practice, the misdemeanour proceedings last for more than a year. The fines have been few and imposed at the lowest end of the prescribed range.

If a legal entity is fined for gun-jumping, the responsible person within the entity shall be automatically fined between EUR1,000 and EUR4,000.

If the competition authority subsequently prohibits the transaction, it can impose divestment or other appropriate measures. There is no criminal liability for the breach.

The decisions of the Agency on finding the infringement of competition and imposing any measures are published on the Agency's website. However, the Agency publishes only the executive part of the decision, without the reasoning. The decisions of misdemeanour courts in which the monetary penalties are imposed are published on the website of the court, however, with a considerable delay.

2.3 Types of Transactions

The concentration of market participants is considered to be:

- the merger of two or more independent undertakings or their parts;
- when one or more undertakings or individuals, who already control at least one undertaking, gain direct or indirect control over another undertaking or its part (with two or more transactions taking place between the same undertakings within a period of up to two years being treated as a single concentration); or
- when two or more independent undertakings establish a new undertaking or jointly acquire control over an existing undertaking, provided that this entity operates independently on a long-term basis and performs all the functions of an independent market participant (joint ventures).

An acquisition of control is not regarded as a concentration in the following cases.

- When a bank or other financial institution temporarily acquires shares or securities of an undertaking with the intent to resell them, provided that the resale occurs within 12 months of acquisition. During this holding period, the acquirer must not exercise ownership rights in a way that would influence the

undertaking's business decisions, particularly regarding its behaviour toward competitors, and should only hold the shares for the purpose of preparing for the sale of the securities or assets in the market. The Agency may extend the 12-month period by an additional six months at the request of a financial institution, provided the institution demonstrates that the sale of the securities was not possible within the original 12-month period.
- When control is acquired by an individual acting in the capacity of a bankruptcy or liquidation administrator, as prescribed by the applicable bankruptcy or liquidation laws.
- When a joint venture is established with the objective of co-ordinating market activities between two or more undertakings that maintain their independence. In such cases, the joint venture will be evaluated under the rules governing restrictive agreements.

Internal restructurings or reorganisations are not caught by the merger control provisions. On the other hand, operations not involving the transfer of shares or assets may be considered a concentration and caught by the merger control provisions if such operations lead to de facto acquisition of direct or indirect control over an independent undertaking or a part thereof.

2.4 Definition of "Control"

In order to constitute a concentration, a transaction must lead to a change of control over an undertaking or a part of an undertaking. The Competition Act defines control as a situation where one undertaking has:

- more than half of the shares or stakes in another undertaking; or
- more than half of the voting rights; or
- the right to appoint the majority of members of the management board or persons authorised to represent the company in accordance with the law; or
- a decisive influence on the management and business operations of the company.

An acquisition of a minority or other interest may be caught under the merger control provisions if such acquisition alone or in combination with other factors provides the acquirer with the possibility to exercise decisive influence on the management and business operations of the company.

2.5 Jurisdictional Thresholds

The Agency must be notified of a concentration if:

- the combined total annual revenue of at least two concentration participants exceeded EUR5 million in the Montenegrin market during the previous financial year; or
- the combined total worldwide annual revenue of the concentration participants exceeded EUR20 million in the previous financial year, with at least one of the concentration participants parties generating EUR1 million in the market in Montenegro during that same period.

The intra-group revenues are not taken into account in the calculation of the turnover thresholds.

2.6 Calculations of Jurisdictional Thresholds

Turnovers are calculated based on the total revenue from the sale of goods or services generated in the year preceding the year in which the concentration is notified. For domestic turnover, export values must be excluded. Sales recorded in foreign currencies must be converted to euros using the average exchange rate of the Central

Bank of Montenegro as of the last day of the relevant year.

Foreign-to-foreign transactions are reviewed by the Agency as long as the turnover thresholds are met, with no requirement for a local nexus for the Agency to assess the transaction on its merits.

The Competition Act sets out specific rules for calculating the turnover applicable to banks, insurance companies and other financial institutions.

2.7 Businesses/Corporate Entities Relevant for the Calculation of Jurisdictional Thresholds

In the case of an acquisition of sole control, the turnover calculation should include the total revenue of the acquirer's group, while only the target's total revenue is considered from the seller's side.

In a merger, the calculation encompasses the consolidated group turnover of all merging entities. For joint ventures, the total group revenue of both partners is included, and if the joint venture involves an existing company, its turnover is also required. If control is acquired over only part of a company, only the revenue attributable to that specific part is considered.

Montenegrin legislation does not address whether the changes in the business during the reference period should be reflected in the turnover calculation. However, considering that the Agency relies on the EU legislation, including the Jurisdictional Notice, the notifying party should adjust the turnover in line with the provisions on the adjustments after the date of the last audited accounts to take into account the changes in the business and therefore the economic reality of the parties' economic strength.

2.8 Foreign-to-Foreign Transactions

Foreign-to-foreign transactions are subject to Montenegro's merger control regime if they meet the specified turnover thresholds, regardless of whether the transaction has local effects. The Agency has not adopted the local nexus doctrine, and no local presence is required, as the thresholds can be met through sales made by the parties via local distributors.

A filing may be required even if only one party to the concentration exceeds the thresholds. As a result, notifications may be triggered even when the target has no sales or assets in Montenegro, based solely on the acquirer's revenues. In 2023, only about 6.5% of all cleared concentrations were implemented in Montenegro, with the remainder involving foreign-to-foreign transactions.

2.9 Market Share Jurisdictional Threshold

There are no market share-based thresholds in Montenegro.

2.10 Joint Ventures

Joint ventures are subject to merger control provided that they constitute a "full-function" joint venture. This means the joint venture must operate independently on a long-term basis and perform all the functions of an autonomous economic entity, such as having its own management, resources and financial independence to carry out its business activities on the market. A joint venture that is merely auxiliary to its parent companies or lacks the capability to operate independently will not fall under the scope of merger control but may instead be assessed under rules governing restrictive agreements.

Please see **2.5 Jurisdictional Thresholds** for the rules on calculating the revenues in the context of joint ventures for jurisdictional assessment purposes.

2.11 Power of Authorities to Investigate a Transaction

Transactions are subject to the Agency's merger control regime only if they meet the turnover thresholds outlined in **2.5 Jurisdictional Thresholds**.

As previously indicated in **2.1 Notification**, the Competition Act grants the Agency the authority to require the parties to notify an already closed transaction that does not meet the turnover thresholds if their market share of the parties in a relevant market in Montenegro exceeds 60%. According to information which is publicly available, the Agency has never used this power.

A procedure to establish a violation of the Competition Act cannot be initiated if more than two years have passed since the violation occurred, with an absolute statute of limitations of four years from the date of the violation.

2.12 Requirement for Clearance Before Implementation

The implementation of a transaction cannot proceed until the merger approval is obtained or the statutory deadlines for the Agency's decision-making have expired. An exception to this rule applies in the case of a public sale conducted in accordance with the law (see **2.14 Exceptions to Suspensive Effect**).

For multi-step transactions, the Competition Act stipulates that two or more transactions (eg, acquisition of shares or stakes) between the same undertakings, conducted within a period of less than two years, shall be treated as a single concentration. In such cases, clearance for the concentration must be obtained before implementing the first transaction.

2.13 Penalties for the Implementation of a Transaction Before Clearance

If a party closes a transaction without prior notification or in violation of the standstill obligation, it may be fined between 1% and 10% of its turnover generated in the year preceding the infringement. While the law does not explicitly specify whether the fine is calculated based on worldwide or national turnover, in practice, courts have determined fines using the turnover generated in Montenegro. Additionally, if a legal entity is penalised for gun-jumping, the responsible individual within the entity will also be fined, with amounts ranging from EUR1,000 to EUR4,000.

The Agency does not have the authority to impose fines for gun-jumping but may initiate misdemeanour proceedings, which are then conducted by competent misdemeanour courts. These courts handle their own proceedings and impose fines. However, this enforcement system has proven largely ineffective. As a result, the new Competition Act, currently in development, is expected to transfer the power to impose fines directly to the Agency (see 2025 Trends & Developments).

In practice, misdemeanour proceedings often take more than a year to conclude. Fines have been rare and are typically imposed at the lowest end of the prescribed range, sometimes even below the minimum, as permitted by the Misdemeanour Act in cases of mitigating circumstances. Notably, fines have also been imposed in instances of foreign-to-foreign transactions.

Decisions of misdemeanour courts are generally published on the courts' web pages, with the parties' identities protected (using initials instead). However, in practice, these decisions are often published with significant delays and inconsistently, with some misdemeanour courts failing to make any decisions publicly available.

If the competition authority subsequently prohibits a transaction, it can impose divestment or other appropriate measures. There is no criminal liability for such breaches.

2.14 Exceptions to Suspensive Effect

Under the Competition Act, a takeover bid may proceed before the clearance decision is issued, provided the concentration is promptly notified to the Agency. However, during this interim period, the acquirer is prohibited from exercising the voting rights attached to the acquired securities.

2.15 Circumstances Where Implementation Before Clearance Is Permitted

The Competition Act does not permit the closing of a transaction before its clearance by the Agency, except in the limited circumstances outlined in **2.14 Exceptions to Suspensive Effect**. Additionally, the Act does not provide for a carve-out mechanism, meaning the Agency does not allow a transaction to be implemented in other jurisdictions while its approval is still pending in Montenegro.

3. Procedure: Notification to Clearance

3.1 Deadlines for Notification

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

- the conclusion of an agreement;
- the publication of a public bid, offer or the closing of the bid; or
- the acquisition of control.

Failure to notify a concentration within the prescribed 15-day deadline (ie, late notification) may result in fines under the Competition Act. Legal entities can be fined between EUR4,000 and EUR40,000, while responsible individuals within the entity can face fines ranging from EUR1,000 to EUR4,000.

The Agency can impose a misdemeanour fine for late filing if it is limited to the legally prescribed minimum (EUR4,000 for the undertaking and EUR1,000 for the responsible person). For higher fines, the Agency must initiate misdemeanour proceedings before the competent misdemeanour court. Minimum fines imposed by the Agency can be contested by the fined party before the misdemeanour court.

Decisions of misdemeanour courts are generally published on the courts' websites, with the identities of the parties protected (using initials). However, in practice, the publication of decisions is often delayed and inconsistent, with some misdemeanour courts failing to publish any decisions at all.

According to the proposed amendments to the Competition Act, the 15-day deadline will be struck from the Competition Act, leaving the notifying parties free to notify at any moment, provided that the standstill obligation is respected.

3.2 Type of Agreement Required Prior to Notification

Notification may also be submitted before the conclusion of a binding agreement on the basis

of a serious intent of the parties to enter into such an agreement. This serious intent must be demonstrated in a written form, such as a letter of intent or memorandum of understanding, which must be signed by all concentration participants.

3.3 Filing Fees

If a concentration is cleared in summary proceedings and unconditionally (Phase I), the filing fee is 0.03% of the combined annual turnover of the concentration participants in the financial year preceding the concentration, capped at EUR15,000.

If the concentration is cleared following an investigation and/or subject to conditions (Phase II), the filing fee is 0.07% of the combined annual turnover of the concentration participants in the financial year preceding the concentration, capped at EUR20,000.

Upon submission of a notification, the notifying party is required to pay the initial portion of the fee, amounting to EUR600. The remaining balance of the fee, determined by whether the concentration is cleared in Phase I or Phase II, must be paid before the issuance of the clearance decision. The Agency issues a payment notice to the notifying party for this purpose.

While there are no prescribed deadlines for either part of the fee, the Agency will not commence the review process or issue the clearance decision until the respective fee is paid.

3.4 Parties Responsible for Filing

In the case of an acquisition of sole control, the acquirer is solely responsible for notifying the concentration. For the acquisition of joint control, all parties acquiring control share the responsibility for submitting the notification. In the case of a merger, both merging parties are required to file the notification.

3.5 Information Included in a Filing

The scope of information and documents required for a notification depends on whether it is submitted as a short-form or full-form notification (see **3.11 Accelerated Procedure** for the conditions for short-form notification). The list of required items is extensive, and the authority adopts a formalistic approach, requiring all specified documents and information to be provided, irrespective of the concentration's local effects or the relevance of the information to the substantive assessment.

The required documents include the transaction document, registry excerpts, group charts and financial statements of competition participants for the three years preceding the filing year. The required information encompasses detailed data about the parties to the concentration, including, but not limited to, the number of the employees, top customers and suppliers, distribution and/or sales networks. Additionally, it must include the structure and the rationale for the concentration, as well as comprehensive information on the relevant markets, including the market shares of the parties and their competitors.

The filing must be submitted in Montenegrin, both in hard-copy and electronic form. All schedules in a foreign language must be translated into Montenegrin by a court-certified translator.

Strict formal requirements apply to certain documents submitted with the notification. Registry excerpts (for the parties to the concentration and their related entities holding at least 25% of shares or exerting dominant influence over their management), powers of attorney, and the concentration act must be provided in their original

form or as notarised copies. Additionally, these documents must be apostilled unless a bilateral agreement between Montenegro and the country of origin waives the legalisation requirement for official documents.

3.6 Penalties/Consequences of Incomplete Notification

If the notification is deemed incomplete, the Agency will issue a request for additional information and/or documents, setting a deadline of no less than three days and no more than 30 days from the date of receipt of the request.

Failure to comply with the Agency's request may result in a periodic penalty ranging from EUR500 to EUR5,000 per day, up to a maximum of 3% of the total revenue generated in the financial year preceding the year in which the proceedings were initiated.

3.7 Penalties/Consequences of Inaccurate or Misleading Information

If a party submits inaccurate or misleading information in the filing, the penalty is the same as for non-compliance with the Agency's request for additional information, as outlined in **3.6 Penalties/Consequences of Incomplete Notification**. Also, the Agency may revoke its approval of a concentration if the decision was based on incorrect or false information.

3.8 Review Process

The Competition Act does not explicitly distinguish between Phase I and Phase II proceedings. The Agency has 105 days from the submission of a complete notification to clear the transaction unconditionally, 125 days to issue a conditional approval, and 130 days to issue a decision prohibiting the concentration.

The Agency may request additional information at any point before granting clearance. Each request for information resets the timeline, with a new deadline starting from the day when the notifying party responds to the request. Therefore, parties can be certain that the concentration will only be cleared by virtue of law after 130 business days have passed from the submission of a complete notification. Considering that the Agency does not issue a certificate of completeness, this deadline can become a moving target.

In practice, the Agency typically takes two to three months to issue a clearance decision for non-issue concentrations.

3.9 Pre-Notification Discussions With Authorities

Pre-notification discussions with the Agency are not regulated and the Agency does not practice them. It is not prohibited to request a meeting with the authority to discuss certain important issues or concerns before submitting the notification, but the Agency in general prefers to act on a submitted notification, considering that the deadlines provide for sufficient time for review.

3.10 Requests for Information During the Review Process

Requests for information during the review process are frequent. In practice, at least one request for information is typically issued for non-issue concentrations, while two or three requests are common in cases involving horizontal overlaps or vertical issues on the relevant market. The requests can be burdensome for the parties, as the Agency often demands information outlined in the Merger Notification Guidelines, even in cases when such information is irrelevant to the assessment of the notification or unrelated to the relevant markets.

As detailed in **3.8 Review Process**, each request for information resets the review timeline, with the new deadline starting from the day when the notifying party responds to the request.

3.11 Accelerated Procedure

There are two types of notifications in terms of the extent of requested information and documents: full-form and short-form notifications. A short-form notification may be submitted when at least one of the following conditions is met:

- the combined market share of the undertakings concerned on the relevant market is less than 10%, and/or less than 15% on a vertically integrated market;
- an undertaking acquires sole control over an undertaking in which it previously held joint control; or
- the undertakings concerned are not active on the same relevant product market, vertically integrated markets, or closely connected markets, whether in or outside Montenegro.

There is no fast-track or any other type of accelerated review procedure; the deadlines outlined in **3.8 Review Process** apply to both short-form and full-form notifications. However, in practice, short-form notifications are typically cleared faster, often within two months of submission.

4. Substance of the Review

4.1 Substantive Test

The substantive test for assessing concentrations focuses on whether the transaction significantly prevents, restricts or distorts effective competition in the relevant market, particularly by creating or strengthening a dominant position. This test aligns with the "significant impediment to effective competition" (SIEC) standard applied by the European Commission.

Concentrations meeting these criteria are prohibited unless the parties can demonstrate that the transaction provides consumer benefits that outweigh the negative effects of the dominant position.

The Agency's analysis involves a comprehensive evaluation of multiple criteria, including:

- the structure and concentration of the relevant market;
- the presence of actual and potential competitors;
- the market positions and economic strength of the parties involved; and
- the ability of suppliers and customers to switch.

Additionally, the assessment considers:

- legal and other barriers to market entry;
- the level of domestic and international competitiveness of the parties;
- trends in supply and demand for the relevant goods or services;
- technological and economic advancements; and
- consumer interests.

4.2 Markets Affected by a Transaction

Guidelines for defining relevant markets in a concentration are outlined in the Rulebook on the Relevant Market. To define the relevant market, the Agency applies the criteria of demand substitutability for the relevant product, as well as supply substitutability, depending on the assessed competitive conditions. This includes consideration of the existence and level of devel-

opment of potential competitors and barriers to market entry.

While the Agency reviews the market definition proposed by the notifying parties, it is not bound by their suggestion. The Agency relies on its own precedents and the European Commission's decisional practice. Notifying parties are advised to support their market definition proposals with relevant precedents from EU case law.

In practice, the Agency primarily focuses on markets where both parties to a concentration are active, particularly those involving horizontal overlaps. There is no de minimis threshold, and the Agency also evaluates markets where the parties are active at different levels of the supply chain to assess any potential competitive impact on vertically related markets.

In concentrations where the parties' activities do not overlap and there are no vertically affected markets, the Agency typically analyses the relevant market based on where the target is active. If there are no competitive concerns because the parties are not present in the relevant market, the Agency generally leaves the market definition open.

4.3 Reliance on Case Law

The Agency relies on its own decisional practice, which is mostly not publicly available, as the explanatory parts of merger decisions are not published. In addition, the Agency also draws on the European Commission's case law.

4.4 Competition Concerns

The Agency assesses whether to approve a concentration by evaluating its impact on preventing, restricting or distorting effective competition in the Montenegrin market, with a particular focus on the creation or strengthening of a dominant position, using the criteria outlined in **4.1 Substantive Test**.

The Agency primarily investigates the effects on horizontally affected markets, concentrating on unilateral effects, especially in cases where there is a significant increase in market share or the elimination of a close competitor. In cases where the parties are active on different levels of the supply chain in related markets, the Agency will investigate potential foreclosure effects. Conversely, the Agency rarely focuses on co-ordinated effects, conglomerate or portfolio effects, elimination of potential competition, or concerns related to innovation.

4.5 Economic Efficiencies

The Agency considers the economic efficiencies of a concentration put forward by the parties in the notification, particularly if these efficiencies benefit consumers. However, this is not frequently presented by the parties, and there are no publicly available decisions in which the Agency has analysed the economic efficiencies resulting from a merger.

4.6 Non-Competition Issues

The Agency does not, and is not mandated to, take non-competition concerns into account when reviewing concentrations.

Montenegro has not yet introduced separate rules for the notification of foreign direct investments.

4.7 Special Consideration for Joint Ventures

The substantive review of full-function joint ventures is conducted based on the same substantive test outlined in section **4.1 Substantive Test**. The Agency may also consider any spill-over effects on the activities of the parent companies

outside of the joint venture, and any potential co-ordination issues between the parents would be examined under the rules on restrictive agreements.

5. Decision: Prohibitions and Remedies

5.1 Authorities' Ability to Prohibit or Interfere With Transactions

The Agency may prohibit a transaction if, based on the assessment criteria outlined in **4.4 Competition Concerns**, it determines that the concentration would significantly restrict, distort or prevent effective market competition in the relevant market, particularly through the creation of a dominant position or the strengthening of an existing one.

The Agency may also issue a conditional approval of a concentration. If it determines that the concentration would prevent, restrict or distort competition, it will issue a statement of objections to inform the parties about the established facts, circumstances and conclusions reached during the investigation. The notifying party may propose measures to address the concerns raised by the Agency. The Agency may accept or amend the proposed measures, ordering their implementation, setting deadlines, and defining monitoring methods. If the parties fail to comply with the imposed remedies, the Agency will revoke the conditional approval of the concentration.

Additionally, if a concentration is implemented without, or in violation of, the Agency's decision, the Agency may require the parties to dissolve the concentration to restore market conditions to their state prior to implementation. To achieve this, the Agency may order the divestment of shares, the limitation or prohibition of voting rights, or the termination of control over the acquired target by other means.

5.2 Parties' Ability to Negotiate Remedies

The parties may propose and negotiate remedies to address any competition concerns raised by the transaction (see **5.1 Authorities' Ability to Prohibit or Interfere With Transactions**). Remedies can be proposed in response to the statement of objections but may also be submitted earlier in the process if the parties anticipate specific competition concerns that could be raised by the Agency.

In practice, the Agency typically imposes soft behavioural measures, such as reporting obligations (eg, notifying the Agency of changes in processes, commercial conditions, concluded contracts or offers), obligations to conclude contracts with suppliers and/or customers, and similar measures.

The Agency does not consider non-competition concerns and, as a result, has not imposed any measures related to such concerns.

5.3 Legal Standard

There is no strict legal standard for acceptable remedies under the Competition Act. However, based on the Agency's practice, remedies must be proportionate and directly address the identified competition concerns. Remedies should aim to resolve antitrust issues without exceeding what is necessary.

Measures may be aimed at correcting or preventing competition violations, and can be either behavioural (requiring or prohibiting specific actions) or structural (such as the divestment of assets or the termination of joint ven-

tures). Structural measures are imposed only when behavioural remedies are deemed insufficient, excessively burdensome, or if previously imposed behavioural measures were not fully implemented.

5.4 Negotiating Remedies With Authorities

During the procedure, and no later than 30 days after receiving the statement of objections, the notifying party may propose measures, conditions and deadlines to the Agency to address the negative effects of the concentration on the relevant market.

If the Agency finds the proposed measures, conditions and deadlines sufficient to restore effective competition in the market, it may issue a decision mandating the implementation of these measures along with the terms and deadlines for their enforcement.

Although the Competition Act suggests that remedies can only be proposed after the Agency issues a statement of objections, in practice, remedies can be offered from the outset of the merger control process, even before an investigation (Phase II) is initiated.

The Agency cannot propose or impose remedies that were not suggested by the notifying party.

5.5 Conditions and Timing for Divestitures

The Competition Act explicitly allows the Agency to impose measures to be complied with either before or after the implementation of the concentration. Therefore, the specific deadline for the implementation of each remedy is set out in the clearance decision. If the parties fail to comply with the measures, the Agency has the authority to revoke its decision.

Failure to comply with the agreed-upon remedies may result in fines for the violating undertaking, ranging from 1% to 10% of its total annual turnover from the financial year preceding the violation. Additionally, responsible individuals within the undertaking may be fined between EUR1,000 and EUR4,000.

5.6 Issuance of Decisions

The Agency issues a formal decision to the notifying party either approving or prohibiting a transaction. It publishes only the operative part of the decision, which includes the dispositive of the decision and any imposed measures, on its official website. The explanatory part of the decision is not publicly available.

5.7 Prohibitions and Remedies for Foreign-to-Foreign Transactions

Prohibitions and conditional approvals of concentrations are rare in the Agency's decisional practice. The low notification thresholds result in a significant number of foreign-to-foreign transactions being notified to the Agency. These transactions are assessed irrespective of the presence or absence of local effects. However, as they generally do not raise competition concerns, foreign-to-foreign transactions are typically cleared unconditionally in summary proceedings.

6. Ancillary Restraints and Related Transactions

6.1 Clearance Decisions and Separate Notifications

Neither the Competition Act nor its accompanying bylaws explicitly regulate ancillary restraints. Nevertheless, the Agency evaluates ancillary restraints following the principles set out in the European Commission's Ancillary Restraints

Notice. Ancillary restraints that meet the criteria established in the Notice are considered part of the transaction and are covered by the Agency's clearance decision.

7. Third-Party Rights, Confidentiality and Cross-Border Co-Operation

7.1 Third-Party Rights

Third parties, including persons submitting initiatives to the Agency, providing information and documents, or any other interested parties or organisations, do not have the status of a party to the proceedings before the Agency nor are they formally involved in the review process. However, there are several ways in which third parties may influence the procedures before the Agency.

Any person may submit an initiative to the Agency to investigate a potential infringement of competition. In its merger review process, the Agency publishes a notice for each notified concentration, which includes the names of the parties, their related entities in Montenegro, and a brief description of the concentration. Third parties may submit concerns regarding a notified concentration. When the Agency opens an investigation and conducts a full review of a notified concentration, it invites all interested parties to provide information and suggestions and may also send questionnaires directly to competitors or other undertakings in related or vertically integrated markets. Undertakings and other legal or natural persons are required, at the Agency's request, to provide data and documentation relevant to establishing facts in the proceedings within a period of no less than three days and no more than 30 days from the date of receipt of the request.

The Agency may, upon request, send a non-confidential version of the statement of objections to the person or entity that submitted the initiative, along with an instruction granting the initiator the right to submit written objections to the Agency within eight days of receiving the notice. Additionally, upon request, the Agency may provide the statement of objections to any other third party able to demonstrate that the proceedings involve decisions affecting their rights or legal interests.

7.2 Contacting Third Parties

During the investigative phase of more complex reviews, the Agency seeks input from third parties, typically by issuing written requests for information. Market testing of remedies proposed by the parties is uncommon.

7.3 Confidentiality

During the merger review process, the Agency publishes a notice in the Official Gazette of Montenegro for each notified concentration, which includes the names of the parties, their related entities in Montenegro, and a brief description of the concentration.

A party providing commercially sensitive information may request confidentiality from the Agency, which can be granted if the request is justified and the need for protection outweighs the public's right to access the data. The requesting party must demonstrate the potential harm that could result from disclosing the information or its source. The process for safeguarding sensitive information is outlined in the Notice on Protection of Confidential Data.

7.4 Co-Operation With Other Jurisdictions

The Agency is a member of the International Competition Network. It actively participates in

Regional Cooperation Council projects and has signed memoranda of understanding with Bosnia and Herzegovina, Croatia, North Macedonia and Serbia to enhance regional co-operation and align with European competition standards. Additionally, the Agency collaborates with the Energy Community Secretariat, UNCTAD, the OECD and the EBRD through various co-operation agreements and initiatives, including the Sofia Statement, which promotes deeper regional co-operation.

Bilaterally, the Agency has bilateral memoranda of understanding with national competition authorities in Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, North Macedonia, Hungary, Germany, Serbia and Turkey. It co-operates most closely with national competition authorities from the region and closely monitors the transactions which they clear in order to detect gun-jumping.

8. Appeals and Judicial Review

8.1 Access to Appeal and Judicial Review

Merger control decisions issued by the Agency can be challenged before the Administrative Court of Montenegro. While the Competition Act does not explicitly define the categories of individuals or entities eligible to appeal such decisions, the right to appeal is governed by the Administrative Disputes Act (Official Gazette of Montenegro, No 54/16). Decisions of the Administrative Court may be further challenged before the Supreme Court of Montenegro at third instance.

On the other hand, as outlined in **2.13 Penalties for the Implementation of a Transaction Before Clearance**, the Agency does not have the authority to impose fines and must initiate misdemeanour proceedings. Decisions of misdemeanour courts can be challenged before higher misdemeanour courts in accordance with the Misdemeanours Act. Final decisions of higher misdemeanour courts may only be appealed to the Constitutional Court of Montenegro.

8.2 Typical Timeline for Appeals

Appeals to the Administrative Court of Montenegro must be filed within 30 days from the date the decision is received. Successful appeals before the Administrative Court are rare in practice. In its review, the Administrative Court focuses on procedural matters, and no decisions have been issued in which it provided a different interpretation of substantive competition law compared to the Agency.

8.3 Ability of Third Parties to Appeal Clearance Decisions

Third parties whose rights or legal interests have been infringed upon by the clearance decision have the right to lodge an appeal in an administrative dispute.

In a noteworthy 2017 decision, the Supreme Court confirmed the legal standing of competitors to challenge merger decisions as third parties. The Administrative Court of Montenegro had previously rejected lawsuits filed by market competitors challenging the Agency's decision to approve a concentration. The Court reasoned that the Agency's decision only affected the entities seeking approval, not their competitors, and thus lacked legal impact on them. The Supreme Court overturned this ruling, finding that undertakings on the relevant market have a legal interest in initiating such proceedings. This established a precedent that allows market participants to challenge the Agency's decisions concerning other undertakings in the market.

9. Foreign Direct Investment/ Subsidies Review

9.1 Legislation and Filing Requirements

There are no separate filing requirements for transactions involving direct investments or foreign subsidies beyond those outlined in the merger control regulations.

Trends and Developments

Contributed by:
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BDK Advokati is a full-service regional law firm assisting clients in Serbia, Montenegro, Bosnia and Herzegovina, and North Macedonia. With more than 35 specialist lawyers and more than 50 professionals, it is able to offer clients legal expertise in all areas of law and in industry sectors relevant to their business. The firm advises clients on deals and support, represents them in contentious situations and provides legal advice in support of their business. BDK's competition team represents clients in infringement proceedings, proceedings pursuant to notifications of concentration and applications for individual exemption of restrictive agreements. It also provides instant support during dawn raids and assists with the preparation of leniency applications. Its advisory work in competition and state aid law areas includes assessment of commercial contracts, commercial policies and business models; assessments of transactions; drafting of legal documents with a view to their compliance with competition law; compliance audits and health-checks; and compliance training.

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In recent years, developments in competition enforcement in Montenegro have been fuelled by the European integration process. Negotiations in Chapter 8 – Competition with the European Commission have motivated the Government to work on alignment of competition legislation with the EU acquis, and the national competition authority, the Agency for Protection of Competition ("the Agency"), to step up enforcement in order improve its track record.

Due to its broad and general provisions, the Montenegrin Competition Act, while largely aligned with EU merger control legislation, has left many aspects open to interpretation. For merger control, as implementing bylaws, the Rulebook on the Method and Criteria for Determining the Relevant Market and the Guidelines for submission of a merger notification supplement the Competition Act. Although EU regulations do not apply directly in Montenegro, the Agency frequently relies on EU legislation and case law in its decision-making. This reliance underscores the need for clearer local legislative provisions to ensure consistency and predictability in merger control enforcement. The Agency has so far not issued any publicly available opinions or guidelines related to interpretation of the Competition Act with respect to merger control.

The absence of detailed provisions in the Competition Act has often resulted in ambiguity for businesses and legal practitioners. External sources of support or guidance, while useful, do not always address the unique characteristics of the Montenegrin market. The need for a more comprehensive and precise local framework is critical to provide legal certainty and ensure that enforcement actions are both proportionate and effective. Montenegro's merger control framework has remained static, with no legislative changes in recent years. However, all this is set to change with a new Competition Act to be adopted in this year. The draft Act was published in February 2025 for a very brief public discussion, and the official proposal is expected to be put forward by the Government and sent to Parliament for adoption.

In this Article, we provide an overview of the most critical challenges in the enforcement of merger control rules, and the expected changes to some of those rules which should be introduced through the amendments to the Competition Act during 2025.

No Exception Based on Lack of Local-Market Impact

In its jurisdictional assessment of transactions, the Agency does not permit exceptions based on a lack of local effects. This means that the obligation to notify a concentration and suspend its implementation until approval is obtained arises whenever (very low) thresholds are met. In other words, turnover exceeding statutory thresholds is deemed sufficient to demonstrate local-market effects. The turnover thresholds may be exceeded based on the turnover of only one undertaking concerned, even when the target is not present on the market in Montenegro. Consequently, companies which generate over EUR20 million worldwide and EUR1 million in Montenegro are obliged to notify any acquisition that takes places globally to the Agency.

Consistent with this approach, the Agency has, for example, determined that a foreign transaction involving the acquisition by a foreign undertaking of several brick-and-mortar grocery stores in a neighbouring country was notifiable in Montenegro solely because the acquirer generated above-threshold sales in the country. The Agency dismissed the argument that it lacked jurisdiction to review the transaction, which by

its nature could not impact the local market. This stance was taken despite the Montenegrin Competition Act specifying that its provisions apply to acts conducted abroad only if those acts have or could have an impact on competition within the Montenegrin market. To date, no courts have expressed a view on a potential jurisdictional defence in such cases.

Definition and Assessment of Relevant Markets

The Agency defines relevant markets based on the Rulebook on the Manner and Criteria for Definition of the Relevant Market ("the Rulebook"). The Rulebook is grounded in the 1997 Commission Notice on the definition of the relevant market for the purposes of Community competition law. Despite the European Commission's adoption of the revised Market Definition Notice for competition cases at the beginning of 2024, the Rulebook has not yet been updated. While it is based on the 1997 Notice, the Rulebook offers less detailed guidance than the latter. However, it is broad enough to be interpreted in alignment with the revised Notice. Given that the Agency has consistently relied on EU decisional practice and soft law, it is anticipated that it will, when relevant, incorporate the experience and established principles from the revised Notice.

The challenge in the Agency's assessment practice lies not so much in market definitions but in considering markets that are not relevant for assessing the impact of a concentration on competition. Due to the low filing threshold in Montenegro, a large number of transactions are notifiable, even when one of the concentration participants has no local sales. In such cases, the Agency often treats each market where the acquirer or the target are separately present in the jurisdiction as a relevant market, and requests detailed market data. This places a burden on the notifying party(ies) to provide information that ultimately does not contribute to competition law analysis. It is hoped that the Guidelines for Submission of Merger Notifications will be revised to limit the scope of necessary information and documents, particularly in cases where there is no horizontal overlap or vertical effects arising from the concentration.

Uncertain Timeframe

The Montenegrin Competition Act does not include an effective procedural guarantee ensuring that, even when the routine notification of a concentration is submitted, with no adverse effect on the local market, it will receive approval within the shortest possible timeframe. Considering that each request from the Agency resets the timeline and a new deadline starts (105 days for an unconditional approval), the clearance date may become a moving target.

The average duration of proceedings for concentrations cleared in 2024 was approximately 120 days, with each approved through summary proceedings, primarily due to the limited number of case handlers in the Agency's merger unit and the high volume of notified concentrations resulting from low thresholds. Delays tend to occur most frequently during the summer months and around the winter holidays. To enhance the likelihood of a swift approval, parties are advised to submit their notification as completely as possible, even if they believe certain required information and documents are not relevant to the specific assessment.

Following the public discussion on the amendments to the Competition Act, the ministry provisionally accepted the proposal to introduce a shorter (25- or 30-day) deadline for approval of non-issue concentrations in summary proceedings. This would run from the submission of a

complete notification, as confirmed in the confirmation of completeness which would also be introduced and issued by the Agency. However, the final wording of these provisions remains to be seen when the amendments are adopted.

Enforcing "Gun-Jumping" Cases and Fining Local Companies for Breaches Against Their Related Entities

In 2023, out of a total of 75 approved concentrations, only five were implemented in Montenegro, while the remaining 70 were extraterritorial, which is an ongoing trend. In spite of this, in recent years, the Agency has taken a more active role in addressing unnotified and prematurely implemented transactions – commonly referred to as "gun-jumping". Most cases involve transactions that were notified but implemented before clearance was granted. Notably, a concerning trend has emerged wherein the Agency initiates misdemeanour proceedings against Montenegrin-related entities of foreign acquirers. This occurs even when these entities are not direct wholly-owned subsidiaries of the acquirers and have had limited or no involvement in the transaction.

For instance, in 2021, the Agency initiated misdemeanour proceedings against a Montenegrin company for the acquisition of a Slovenian target by its Serbian affiliate. The transaction was ultimately cleared by the Agency but was found to have been implemented before clearance. The initial first-instance ruling of the Misdemeanour Court was in favour of the company. However, on the Agency's appeal, the Higher Misdemeanour Court quashed the decision and referred the case back to the Misdemeanour Court. Following the new proceedings, the first-instance court found the company guilty of infringement and imposed a record fine of more than EUR 800,000. The fine corresponded to about 1% of the company's turnover in 2019 (the year preceding that in which the infringement occurred) despite the company's lack of direct involvement in the concentration.

On the second appeal, the Higher Misdemeanour Court partially upheld the company's appeal against the decision of the Misdemeanour Court, and ruled that the undertaking did not commit the offence it was charged with, as the concentration did not constitute a prohibited concentration under the Montenegrin Competition Act. It appears that the Agency, as is known in at least one other case, had initiated misdemeanour proceedings on the wrong legal basis, ie, for the implementation of a prohibited concentration instead of the implementation of a concentration before clearance. These are two distinct grounds under the Competition Act. But the Agency deemed any concentration implemented without prior approval to be a prohibited concentration. This ruling of the Higher Misdemeanour Court should put an end to such practice.

However, the Higher Misdemeanour Court still imposed a fine on the entity for late filing, even though this entity did not have the obligation to notify the concentration, or the right to notify it, as it was neither an undertaking concerned nor its parent company. This approach, grounded in the concept of a single economic entity, raises questions about the fairness and proportionality of holding Montenegrin entities accountable for infringements committed by their foreign affiliates, even in cases when those affiliates are not parents or direct subsidiaries of the undertaking which committed the infringement.

The Higher Misdemeanour Court has once again missed the opportunity to substantially weigh in on the Agency's practice of initiating misdemeanour proceedings for competition breaches

of foreign entities against their local related entities. The basis for this stance by the Agency, previously supported by the Higher Misdemeanour Court without any substantive analysis, is Article 4 of the Competition Act, which defines related entities and stipulates that they must be considered as a single undertaking for the purposes of Competition Act. However, the concept of a single undertaking cannot be applied to misdemeanour fines without limitation. There is a view that, under Montenegrin law, it is not possible to hold one person responsible for an offense committed by another person, whether the other person is a related entity or not. In order for there to be liability for another person's misdemeanour, this specific liability would need to be prescribed by law, and liability for another person is not prescribed by either the Misdemeanour Act or the Competition Act (or any other law).

It is clear from the Misdemeanour Act that a legal entity and the responsible person in the legal entity can be held responsible only for their own actions or failures to act. The Misdemeanours Act also prescribes that a foreign legal entity and a foreign responsible person are liable for a misdemeanour in the same way as domestic entities – from which it indirectly but clearly follows that the Misdemeanours Act does not prescribe the responsibility of a domestic legal entity for alleged misdemeanours of another entity on the basis that the other entity is based abroad, and, as such, is less accessible to the authorities in Montenegro.

Even though the concept of a single undertaking in the Competition Act was based on the same concept from the EU law, undertakings in the EU may be fined for infringements of their related entities only in very specific cases. The European Court of Justice has established that a parent company may be held liable for a violation committed by a subsidiary based on the presumption that the wholly-owned subsidiary acted on instructions from the parent company. However, this presumption can be rebutted; therefore, if the parent company can demonstrate that the subsidiary acted independently in committing the violation, the European Commission may only penalise the parent company for the subsidiary's infringement if it can prove that the parent company actually exercised decisive influence over the subsidiary at the time of the violation.

Consequently, even a parent company with complete control over a subsidiary is not automatically liable for the subsidiary's actions solely because it is the parent company. It follows that it is even less justifiable for an undertaking to be held responsible for the actions of their sister company over which they exercise no control, particularly when they derive no benefit from the sister company's actions that constitute the violation.

It remains to be seen whether the Higher Misdemeanour Court will adopt a different stance in one of the next appeals in similar pending cases. This matter has so far not been challenged as the last available legal remedy before the Constitutional Court.

Parallel Administrative and Misdemeanour Proceedings

The Agency's enforcement powers are currently limited. While it can issue decisions on merger control, it lacks the authority to impose fines directly for non-compliance (the exception being when the fine is prescribed in a range – eg, periodic penalties or a late-filing fine – where the Agency can only impose the minim fine). In all other cases, it must initiate misdemeanour proceedings. These proceedings, governed by

the Misdemeanours Act, last for over a year, and fines imposed are often at the lower end of the prescribed range, or even below the legal minimum, reflecting mitigating circumstances.

On one hand, decisions of the Misdemeanour Courts can be appealed to higher misdemeanour courts. The final legal remedy is a constitutional complaint which can be filed before the Constitutional Court of Montenegro. On the other hand, merger control decisions issued by the Agency can be challenged before the Administrative Court of Montenegro. While the Competition Act does not explicitly define the categories of individuals or entities eligible to appeal such decisions, the right to appeal is governed by the Administrative Disputes Act. In addition to the right to appeal of the parties to the proceedings, the Supreme Court of Montenegro has confirmed the legal standing of competitors as third parties to challenge merger decisions approving the concentration. Decisions of the Administrative Court may be further challenged before the Supreme Court of Montenegro in a third instance.

This multi-tiered process has been criticised for its inefficiency and the burden that it places on businesses and executives. Executive directors of fined entities are automatically subject to penalties, even in cases where the local entity had no knowledge of the transaction.

The amended Competition Act will confer on the Agency the authority to impose fines directly for competition law infringements, streamlining enforcement. Moreover, the introduction of direct fining powers should enhance the Agency's deterrence capabilities, reducing reliance on prolonged and often unpredictable misdemeanour proceedings.

Conditional Approvals of Concentrations

The Agency has not prohibited any concentrations, while the vast majority of approved concentrations are cleared through summary proceedings. However, a small number of cases have involved conditional approvals – typically when transactions result in high market shares in overlapping markets in Montenegro. In these instances, the Agency has accepted behavioural commitments to address potential competition concerns. These commitments have targeted transactions where either the acquirer or the target, or both, are local entities.

In practice, the Agency typically imposes soft behavioural measures, such as reporting obligations. These obligations often include notifying the Agency of changes in processes, commercial conditions, concluded contracts, and offers. Additionally, the parties may be required to conclude contracts with specific suppliers or customers and adhere to certain commercial practices. These measures aim to ensure that competition in the market remains undistorted, while allowing the transaction to proceed.

While these measures are less intrusive than structural remedies, their effectiveness depends on rigorous monitoring and compliance. The Agency's reliance on behavioural commitments reflects its focus on preserving market dynamics and preventing anticompetitive outcomes without imposing undue restrictions on business operations.

Most approved concentrations have concerned the telecommunications and media sectors, followed by the automotive industry and the markets for banking and insurance services. In 2024, the Agency has in general looked more closely into the retail market, which in Montenegro is characterised by high margins and resulting

very high prices for consumers. The Agency has been conducting a sector inquiry, although no investigations have been launched yet. In 2023, the Agency issued a conditional approval for a concentration on the retail market which included two national retail chains, and the imposed commitments included reporting obligations, including reporting on average realised margins for all categories of food and non-food products in retails stores on certain local markets in a period of two years following the concentration approval.

Conclusion

The developments in Montenegro's merger control landscape highlight both progress and persistent challenges. While the Agency's reliance on EU principles provides some level of coherence, the lack of detailed local regulations and the protracted nature of misdemeanour proceedings create uncertainty. The anticipated legislative reforms in 2025 offer an opportunity to address at least some of these issues, enhancing the clarity, efficiency, and fairness of Montenegro's merger control regime.

Businesses operating in Montenegro should closely monitor these changes to adapt to the evolving regulatory environment and ensure compliance. Informed by a thorough understanding of both the current framework and anticipated reforms, proactive compliance measures will be essential in navigating the complexities of merger control enforcement. With the expected legislative changes, Montenegro has the potential to establish a more balanced and effective competition regime, benefiting market participants and consumers alike.

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