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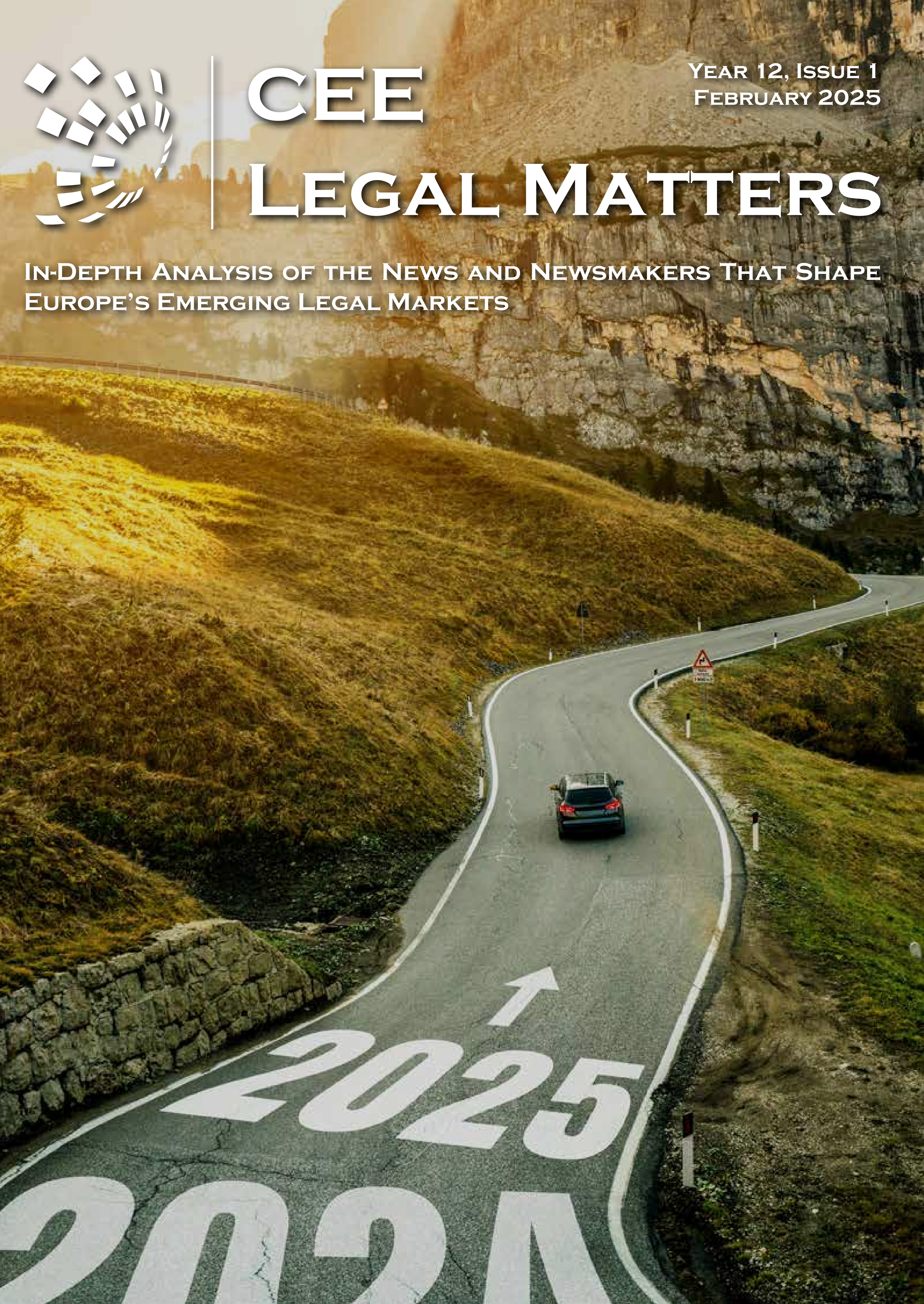
CEE Legal Matters

In-Depth Analysis of the News and Newsmakers That Shape Europe's Emerging Legal Markets



Impressum:

CEE Legal Matters Kft.
Szechenyi utca 10,
1054 Budapest, Hungary
+36 1 796 5194

The Editors:

Radu Cotarcea: radu.cotarcea@ceelm.com
Teona Gelashvili: teona.gelashvili@ceelm.com
Andrija Djonovic: andrija.djonovic@ceelm.com

Letters to the Editors:

If you like what you read in these pages (or even if you don't), we really do want to hear from you. Please send any comments, criticisms, questions, or ideas to us at: press@ceelm.com

TABLE OF CONTENTS

4 Across the Wire: Deals And Cases

10 New Homes and Friends: On the Move

14 The Buzz

- 14 Political Turbulence in Georgia and Its Cooling Effect: A Buzz Interview with Vano Gogelia of PwC Georgia
- 15 Finding Niches in Ukraine: A Buzz Interview with Armen Khachaturyan of Asters
- 16 Hungary's ESG and Foreign Direct Investment Regimes Stricter than Most: A Buzz Interview with Judit Budai of Szecskay Attorneys at Law
- 17 Romania at Crossroads: A Buzz Interview with Mihaela Posirca of Act Legal Romania

20 An Outlook on 2025: Banking and Finance in Croatia

21 An Outlook on 2025: Banking and Finance in North Macedonia

22 An Outlook on 2025: Banking and Finance in Poland

23 An Outlook on 2025: Banking and Finance in Serbia

24 An Outlook on 2025: Competition in Moldova

25 An Outlook on 2025: Competition in Romania

26 An Outlook on 2025: Competition in Turkiye

27 An Outlook on 2025: Competition in Ukraine

28 An Outlook on 2025: M&A in Bulgaria

29 An Outlook on 2025: M&A in Greece

30 An Outlook on 2025: M&A in Hungary

31 An Outlook on 2025: M&A in Moldova

32 An Outlook on 2025: M&A in Ukraine

34 An Outlook on 2025: Dispute Resolution in Hungary

35 An Outlook on 2025: Dispute Resolution in North Macedonia

36 An Outlook on 2025: Energy in Bulgaria

37 An Outlook on 2025: Energy in Croatia

38 An Outlook on 2025: Energy in Serbia

39 An Outlook on 2025: Energy in Slovakia

40 An Outlook on 2025: ESG in Hungary

42 An Outlook on 2025: Labor in the Czech Republic

43 An Outlook on 2025: Labor in Poland

44 An Outlook on 2025: Real Estate in Montenegro

45 An Outlook on 2025: TMT in Croatia

46 An Outlook on 2025: TMT in Poland

ACROSS THE WIRE: DEALS AND CASES

Date	Firms Involved	Deal/Litigation	Deal Value	Country
17-Dec	Eisenberger & Herzog; Stapf Neuhauser; Sutterluety, Klagian, Braendle, Gisinger, Lingenho	E+H and Stapf Neuhauser advised a fund managed by Austrian financial investor SOL Capital Management on the acquisition of Simplon Group. Sutterluety, Klagian, Braendle, Gisinger, Lingenhoele reportedly advised the shareholders of Simplon.	N/A	Austria
20-Dec	Schoenherr	Schoenherr advised Erste Group Bank on its EUR 500 million share buyback, followed by a cancellation of treasury shares and a reduction of the company's share capital.	EUR 500 million	Austria
20-Dec	CMS	CMS advised ABB on its investment in Engineering Software Steyr.	N/A	Austria
20-Dec	Eversheds Sutherland; SWS Scheed Woess	Eversheds Sutherland advised TSG Austria on the acquisition of E-Port Elektrotechnik from Marin Bruckmueller, Harald Winkler, and Kerstin Peinbauer. SWS Scheed Woess advised the sellers.	N/A	Austria
14-Jan	Binder Groesswang; Hule Bachmayr-Heyda Nordberg	Hule Bachmayr-Heyda Nordberg advised Seipt & Partner Versicherungsmakler owner Benedikt Seipt on the sale of the company to Assepro Austria. Binder Groesswang advised Assepro Austria.	N/A	Austria
14-Jan	BPV Huegel; FPS Fritze Wicke Seelig; Jones Day	BPV Huegel, working with Frankfurt-based FPS Rechtsanwaelte, advised RWA eGen on its purchase of an approximately 47.53% stake in RWA AG from BayWa AG. Jones Day's Munich office reportedly advised BayWa AG.	EUR 176 million	Austria
15-Jan	Binder Groesswang; Clifford Chance; Freshfields; Schoenherr; Skadden, Arps, Slate, Meagher & Flom	Schoenherr, working alongside Skadden, advised NXP on its acquisition of TTTech Auto. Freshfields Bruckhaus Derringer advised TTTech majority owners Audi, Aptiv, and Infineon on the sale. Binder Groesswang, working with Clifford Chance's Munich office, advised Aptiv as well.	USD 625 million	Austria
15-Jan	Binder Groesswang; Dorda; Norton Rose Fulbright	Dorda, working alongside Norton Rose Fulbright, advised Evergreen Hill Enterprise on its acquisition of the TANN Group from Mayr-Melnhof Karton with an agreed enterprise value of EUR 360 million. Binder Groesswang reportedly advised Mayr-Melnhof Karton.	N/A	Austria
14-Jan	CMS	CMS advised Toshiba International on a repair and rehabilitation agreement with the Bulgarian state-owned National Electricity Company for the pumping storage hydro power plant Chaira Unit 1.	N/A	Bulgaria
15-Jan	Eversheds Sutherland	Tsvetkova Bebov & Partners, member of Eversheds Sutherland, advised Allianz Bank Bulgaria on its issuance of EUR 50 million MREL notes due December 2028.	EUR 50 million	Bulgaria
10-Jan	Gessel; Kambourov & Partners; TGS Baltic	Gessel and Kambourov & Partners advised MS Galleon on its acquisition of Corab. TGS Baltic reportedly advised MS Galleon as well.	N/A	Bulgaria; Estonia; Lithuania; Poland
20-Dec	Flynn O'Driscoll; Taylor Wessing; Vukmir & Associates	Vukmir & Associates, working with Taylor Wessing's teams in Germany and Ireland, advised Lightspeed Venture Partners on leading the EUR 5.8 million seed financing round in Orqa. Flynn O'Driscoll reportedly advised Orqa.	EUR 5.8 million	Croatia
17-Dec	Allen Overy Shearman Sterling; Divjak Topic Bahtijarevic & Krka; Jones Day; Schoenherr	A&O Shearman and Divjak, Topic, Bahtijarevic & Krka advised Partners Group on the sale of VSB Group to French energy company TotalEnergies. Schoenherr and, reportedly, Jones Day advised TotalEnergies.	N/A	Croatia; Poland
13-Jan	BDK Advokati; Dechert; Gorjup; Gospic Plazina Stojs; Janezic & Jarkovic; Karanovic & Partners; Karanovic & Partners (Ilej & Partners); Mamic Peric Reberski Rimac; Van Campen Liem	Mamic Peric Reberski Rimac, BDK Advokati, and Gorjup Law Office advised Bosqar Invest on its acquisition of a 50.1% indirect stake in the Mlinar Group from MidEuropa Partners. Karanovic & Partners and Ilej & Partners in cooperation with Karanovic & Partners, working with Dechert, advised MidEuropa Partners. Janezic & Jarkovic, and Van Campen Liem reportedly advised Bosqar as well. Gospic Plaznina Stojs reportedly also advised the sellers.	N/A	Croatia; Serbia; Slovenia
16-Dec	Dolezal & Partners; Wolf Theiss	Wolf Theiss advised Strabag Property and Facility Services on its acquisition of B2 Assets from Dusan Bocek. Dolezal & Partners advised the seller.	N/A	Czech Republic
20-Dec	Act Legal; Rowan Legal	Rowan Legal advised AMiT on its acquisition of the Bustec Group. Act Legal reportedly advised the sellers.	N/A	Czech Republic
20-Dec	Havel & Partners; Milbank; Roedl & Partner; Rowan Legal; Schalast	Havel & Partners, working with Milbank, advised Capiton on the sale of Gritec to the Viessmann Generations Group. Rowan Legal advised the Viessmann Generations Group. Frankfurt-based Schalast and the Nuernberg office of Roedl & Partner reportedly advised the Viessmann Generations Group as well.	N/A	Czech Republic
20-Dec	Ments; Schoenherr; Simpson Thacher & Bartlett; Talers; White & Case	White & Case advised TPG Real Estate on the EUR 470 million sale of CT Real Estate to funds managed by Blackstone. Schoenherr, working with Simpson Thacher & Bartlett, advised Blackstone. Talers reportedly advised TPG Real Estate as well.	EUR 470 million	Czech Republic
20-Dec	White & Case	White & Case advised on Dr. Max's second retail domestic bond issuance valued at CZK 1.25 billion, guaranteed by Glebi Holdings, and listed on the Prague Stock Exchange.	CZK 1.25 billion	Czech Republic

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20-Dec	Havel & Partners; OHBS	Havel & Partners advised selling shareholders of Brno-based HIWIN Petr Jasek and Matis on a change in the company's ownership structure, resulting in the German group HIWIN GmbH becoming the sole shareholder. OHBS reportedly advised HIWIN GmbH.	N/A	Czech Republic
06-Jan	Clifford Chance; Reals	Reals advised Redside on the sale of its Nova Real Estate Fund portfolio, comprising 16 retail and office properties in the Czech Republic, to Ceskomoravska Nemovitostni and Nemo Fund. Clifford Chance advised the buyers.	N/A	Czech Republic
14-Jan	White & Case	White & Case advised the Rohlik Group on securing a guaranteed loan of up to EUR 90 million from the European Investment Bank as part of the EIB's Scale-Up initiative.	EUR 90 million	Czech Republic
15-Jan	Reals	Reals advised Conseq Realitni on the acquisition of the EA Hotel Atlantic Palace in Karlovy Vary.	N/A	Czech Republic
15-Jan	CMS; Kinstellar; White & Case	CMS advised the Via Salis consortium, comprising Vinci and Meridiam, on the D4 highway public-private partnership project in the Czech Republic. Kinstellar, working with Linklaters, advised the financing banks. White & Case advised the Ministry of Transport of the Czech Republic.	N/A	Czech Republic
13-Jan	Clifford Chance; White & Case	White & Case advised the Wirtualna Polska group on the acquisition of the Invia Group from European Bridge Travel for more than PLN 1 billion (EUR 239.7 million) with existing shareholders Rockaway Group and CITIC Europe Holdings acting as guarantors of European Bridge Travel's obligations resulting from the sale. Clifford Chance advised European Bridge Travel and its shareholders.	PLN 1 billion	Czech Republic; Poland
15-Jan	BPV Braun Partners; Dentons; Domanski Zakrzewski Palinka; Watson Farley & Williams; White & Case	BPV Braun Partners and Domanski Zakrzewski Palinka, working with Watson Farley & Williams, advised Creditas Group on its acquisition of Duon from Infracapital with financing from Komercni Banka. Dentons advised Duon. White & Case reportedly advised Komercni Banka.	N/A	Czech Republic; Poland
17-Dec	Cobalt	Cobalt successfully represented Estonian environmental NGO MTU Eesti Roheline Rist on its appeal leading to the revocation of a construction permit for a planned soybean oil factory in Muuga port.	N/A	Estonia
17-Dec	Ellex (Raidla); Sirel & Partners	Ellex advised on the privatization of Operail's business operations via a sale of its business operations along with its subsidiary Operail Repairs for EUR 19 million to Tiigi Keskus, an Estonian company that won the sale auction. Sirel & Partners advised Tiigi Keskus.	EUR 19 million	Estonia
19-Dec	Cobalt	Cobalt advised Inbank on a synthetic securitization transaction involving the European Investment Bank and the European Investment Fund.	N/A	Estonia
20-Dec	Cobalt	Cobalt advised Hanza on the acquisition of the Leden Group.	N/A	Estonia
15-Jan	Ellex (Raidla)	Ellex advised Trigon Capital on its acquisition of Estonia Farmid.	N/A	Estonia
19-Dec	Ellex (Klavins); Ellex (Raidla); Sorainen; Walless	Ellex advised HOF Ehf on the sale of Baltic IKEA stores to Inter IKEA Group. Walless advised FE Corporation, the sellers of the Lithuanian store operator. Sorainen reportedly advised Inter IKEA Group.	N/A	Estonia; Latvia; Lithuania
14-Jan	Walless	Walless advised Merito Partners on raising EUR 4 million via bond issuances arranged by Signet Bank to fund new self-storage facilities in Tallinn and Vilnius.	EUR 4 million	Estonia; Lithuania
17-Dec	Koutalidis; Lambadarios Law Firm	Lambadarios advised International School Partnership on its acquisition of Ekpaideutiria Platon. Koutalidis advised the shareholders of Ekpaideutiria Platon.	N/A	Greece
20-Dec	Clifford Chance; Koutalidis	Koutalidis, working with Clifford Chance, advised Attica Bank on a EUR 220 million synthetic securitization of its SME and Large Corporate portfolio.	EUR 220 million	Greece
20-Dec	Bernitsas	Bernitsas advised Helleniq Energy Real Estate and its shareholder Helleniq Energy Holdings on an up to EUR 50 million common secured bond loan issued by Helleniq Energy Real Estate to Eurobank for the acquisition of real estate property.	EUR 50 million	Greece
20-Dec	Lambadarios Law Firm; Mac& Partners	Lambadarios advised BriQ REIC on its merger with Intercontinental International REIC. Mac& Partners reportedly advised Intercontinental International REIC.	N/A	Greece
07-Jan	Koutalidis	Koutalidis advised Sfakianakis Group on the restructuring of its debt with a total value of approximately EUR 300 million.	EUR 300 million	Greece
13-Jan	CJA Entertainment Legal; Lambadarios Law Firm; Reed Smith	Lambadarios, working with Reed Smith, advised Sony Music on its acquisition of Cobalt Music from its founder. CJA Entertainment Legal reportedly advised the sellers.	N/A	Greece
19-Dec	Bird & Bird; CMS	CMS advised Egis Pharmaceuticals on its acquisition of a dermatological product line from Teva Pharmaceutical Industries. Bird & Bird reportedly Teva.	N/A	Hungary
19-Dec	CMS; Dla Piper	CMS advised Tozsdepalota on its sale of the Tozsdepalota Building. DLA Piper advised the buyers, Granit Asset Management.	N/A	Hungary
15-Jan	CMS; Forgo Damjanovic & Partners	CMS advised K&H Bank on the refinancing of the solar portfolio consisting of Obton Group PV plants situated on 15 different locations across Hungary, with a total installed DC capacity of 71.107 megawatts. Forgo, Damjanovic & Partners reportedly advised Obton Group.	N/A	Hungary
20-Dec	Andersen; Isailovic & Partners; Kinstellar; Lukman; Odi Law	Szabo Kelemen & Partners andersen Attorneys advised ADEX on the merger of BSP Energy Exchange, HUPX Hungarian Power Exchange, and SEEPEX. Kinstellar and ODI Law advised HUPX and the Hungarian Transmission System Operator Mavir on the deal. Isailovic & Partners advised SEEPEX. Lukman advised ELES and BPS on the deal.	N/A	Hungary; Serbia
14-Jan	CMS; Latham & Watkins; Sorainen; TGS Baltic; Vinge	TGS Baltic, working with Vinge, advised Helix Kapital on the sale of its shares in the Spring Media Group to Two Circles. The transaction also involved a buyout of local minority shareholders in SIA 4.vara who were advised by TGS Baltic and CMS' Stockholm office. Sorainen and Latham & Watkins reportedly advised Two Circles.	N/A	Latvia
19-Dec	TGS Baltic	TGS Baltic advised EIB on its partnership with the Republic of Lithuania to establish a EUR 100 million greener housing initiative.	EUR 100 million	Lithuania

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19-Dec	Ellex (Valiunas)	Ellex advised Accession Capital Partners and Hillary Denmark on the sale of their Plasta Group shares to Cedo.	N/A	Lithuania
20-Dec	Fort; Motieka & Audzevicius	Fort Legal advised EfTEN Capital on the EUR 7.5 million financing for Releven for the development of the Horizontai project in Vilnius. Motieka advised Releven.	EUR 7.5 million	Lithuania
20-Dec	Ellex (Valiunas)	Ellex advised Delfi Lithuania on its acquisition of the EBIT and HR Week conferences in Lithuania and Latvia.	N/A	Lithuania
20-Dec	TGS Baltic	TGS Baltic advised HeavyFinance on forming a partnership with Multitude Bank – backed by the European Investment Fund's Sustainability Guarantee – to bring more than EUR 17.5 million in funding for farmers in Lithuania and Poland.	EUR 17.5 million	Lithuania
13-Jan	Fort	Fort Legal advised Idavang on a EUR 40 million loan from Swedbank for the early redemption of its EUR 75 million floating rate senior secured bonds, originally due in 2025.	EUR 40 Million	Lithuania
13-Jan	TGS Baltic	TGS Baltic advised Nala Renewables on a EUR 25 million loan from Luminor Bank.	EUR 25 million	Lithuania
14-Jan	Walless	Walless advised the European Bank for Reconstruction and Development on co-financing the SIRIN Development warehouse park in Vilnius with Swedbank.	EUR 48.4 million	Lithuania
14-Jan	TGS Baltic	TGS Baltic advised the European Investment Bank on amendments to its pre-financing and contingent loan agreements with Siauliu Bankas increasing the bank's investment from EUR 195 million to EUR 255 million for Lithuania's multi-apartment building modernization program.	EUR 60 million	Lithuania
07-Jan	Hillmont Partners	Hillmont Partners and Astraea advised on a settlement between the Stati Parties and the Republic of Kazakhstan in a dispute concerning a 2013 USD 500 million SCC Award, bringing all related litigation to an end.	USD 500 million	Moldova; Ukraine
17-Dec	Komnenic; Schoenherr	Moravcevic, Vojnovic and Partners in cooperation with Schoenherr advised Agri Europe Cyprus on its acquisition of a 74.94% stake in Hipotekarna Banka Podgorica. Komnenic & Partners advised a group of corporate, family, and individual sellers.	N/A	Montenegro
14-Jan	Bird & Bird; Harrisons	Harrisons, working with Bird & Bird, advised the EBRD on a EUR 20 million loan to Serbia and Montenegro Air Traffic Services SMATSA.	EUR 20 million	Montenegro; Serbia
16-Dec	SSK&W	SSK&W advised ASP Capital on its investment into Cyber360.	N/A	Poland
16-Dec	Wolf Theiss	Wolf Theiss advised Posella Limited and Pale Fire Capital on their acquisition of Fly.pl from Grzegorz Bosowski.	N/A	Poland
16-Dec	Allen Overy Shearman Sterling; CMS	A&O Shearman advised Immobel on the sale of the Cloud One Gdansk hotel in Poland to Invesco Real Estate. CMS advised Invesco Real Estate.	N/A	Poland
17-Dec	Schoenherr	Schoenherr advised Noctiluca on its transition from NewConnect to the Warsaw Stock Exchange's regulated market.	N/A	Poland
17-Dec	Czupajlo, Ciskowski & Partnerzy; DWF	DWF advised Gulermak Invest on the acquisition of a photovoltaic farm exceeding 40 megawatts in capacity from Sylwia Bojar-Chlodecka and Krzysztof Bojar. Czupajlo, Ciskowski & Partnerzy reportedly advised the sellers.	N/A	Poland
17-Dec	Dentons; Linklaters	Linklaters advised Investika Real Estate Fund on its joint venture with BUD Holdings for the acquisition of the P180 office building in Warsaw from Skanska Commercial Development Europe. Dentons advised Skanska.	N/A	Poland
17-Dec	Allen Overy Shearman Sterling; Dentons	Dentons advised Orbis on the sale of the five-star Sofitel Grand Sopot hotel to Sinfam Investments. A&O Shearman advised Sinfam Investments.	N/A	Poland
17-Dec	Dentons; Kromann Reumert; Watson Farley & Williams	Dentons, working with Kromann Reumert, advised mandated lead arranger, original lender, and facility agent ING Bank and mandated lead arranger, original lender, RCF lender, and security agent Jyske Bank on the refinancing of Umove. Watson Farley & Williams reportedly advised Umove.	N/A	Poland
17-Dec	Linklaters	Linklaters advised Resi4Rent on the acquisition of a plot of land on Horbaczewskiego Street in Wroclaw.	N/A	Poland
19-Dec	DWF	DWF advised EDF Renewables on the acquisition and development of a 120-megawatt battery energy Storage project from Huffington Invest Group. Sole practitioner Artur Skiba reportedly advised the seller.	N/A	Poland
19-Dec	Konieczny Wierzbicki	KWKR advised Digital Ocean Ventures Starter on the formation of a venture capital investment fund under PFR Ventures' PFR Starter 2.0 program.	N/A	Poland
19-Dec	Clifford Chance; Linklaters	Linklaters advised the European Bank for Reconstruction and Development on mBank's PLN 1.5 billion additional tier 1 bond issuance. Clifford Chance reportedly advised mBank.	PLN 1.5 billion	Poland
19-Dec	Baker McKenzie; Penteris; Schoenherr	Penteris advised Summus Capital on the acquisition of the Lakeside office building in Warsaw from real estate developer Atenor. Schoenherr advised Erste Group Bank as the financing institution. Baker McKenzie reportedly advised Atenor.	EUR 69.1 million	Poland
19-Dec	MFW Fialek	MFW Fialek advised Enterprise Investors on the acquisition of the Srodmiescie-Bialy Kamien private healthcare facility in Poland.	N/A	Poland
20-Dec	Allen Overy Shearman Sterling; Linklaters; Reals	Linklaters and Reals advised Investika Real Estate Fund and its joint venture partner Bud Holdings on the acquisition of a 212,500-square-meter logistics portfolio in Poland from commercial real estate developer 7R. A&O Shearman reportedly advised 7R.	N/A	Poland
20-Dec	Krassowski Law Firm; Schoenherr	Schoenherr advised Assa Abloy on its acquisition of Roger. Krassowski advised Roger and its founders.	N/A	Poland
20-Dec	CK Legal	CK Legal Chabasiewicz Kowalska advised PragmaGO on its issuance of four-year secured bonds of series D2.	PLN 35 million	Poland

Date	Firms Involved	Deal/Litigation	Deal Value	Country
20-Dec	JLSW Janaszczyk Lis & Wspolnicy; MFW Fialek	MFW Fialek advised Hartenberg Capital on its acquisition of a controlling stake in 4Kraft and its subsidiaries, 4Kraft LLC and Suzhou Kinderkraft Trading. Zhong Lun reportedly advised Hartenberg Capital as well. JLSW Janaszczyk Lis i Wspolnicy advised 4Kraft.	N/A	Poland
20-Dec	CMS; Norton Rose Fulbright	CMS advised Stock Polska on leasing out 57,000 square meters of warehouse space at 7R Park Lublin East I. Norton Rose Fulbright advised 7R.	N/A	Poland
20-Dec	Ecovis; Schoenherr	Schoenherr advised VetPlanet on its acquisition of Vetos-Farma from the Okoniewski family. Ecovis reportedly advised the sellers.	N/A	Poland
20-Dec	CK Legal; Moskwa Jarmul Haladyj i Wspolnicy	CK Legal Chabasiewicz Kowalska advised Genesis Capital Equity's Genesis Private Equity Fund IV on PFX Group's acquisition of the Televisor Group. MJH Moskwa, Jarmul, Haladyj i Partnerzy advised the Televisor Group.	N/A	Poland
10-Jan	Deloitte Legal; Greenberg Traurig	Greenberg Traurig advised Generali Investments CEE on its acquisition of a logistics park in Zabrze, Poland, from Panattoni. Deloitte Legal advised Panattoni.	N/A	Poland
13-Jan	SSW Pragmatic Solutions; Wolf Theiss	SSW Pragmatic Solutions advised Eika Asset Management on an agreement with Panattoni for the planned development of a 28,000-square-meter logistics building in Sochaczew, Poland. Wolf Theiss reportedly advised Panattoni.	N/A	Poland
13-Jan	Rymarz Zdort Maruta	Rymarz Zdort Maruta advised Mirbud on the acquisition of a 92.78% stake in Przedsiebiorstwo Budownictwa Specjalistycznego Transkol.	PLN 77.5 million	Poland
13-Jan	Greenberg Traurig	Greenberg Traurig advised CA Immo on the sale of the Saski Point office building to an unidentified Polish investor.	N/A	Poland
13-Jan	Taylor Wessing	Taylor Wessing advised the Polish Development Fund-managed FIZAN fund as the lender to the sale of the Kleczew Solar & Wind farm by Lewandpol Holding to Energa Wytwarzanie, part of the Orlen Group.	N/A	Poland
14-Jan	DWF; Greenberg Traurig	Greenberg Traurig advised Indotek Group on its sale of the Bokserska Office Center in Warsaw to Enter Air. DWF advised Enter Air.	N/A	Poland
14-Jan	Gide Loyrette Nouel; Soltysinski Kawecki & Szlezak	Gide advised Remake Asset Management, acting for the SCPI Remake Live fund, on the acquisition and subsequent leaseback of a logistics facility in Poland from Auchan. SK&S reportedly advised Auchan.	N/A	Poland
14-Jan	Dentons	Dentons advised UniCredit on the disposal of a non-performing loan portfolio composed of commercial real estate loan exposures to a consortium of unidentified investors.	EUR 250 million	Poland
14-Jan	Norton Rose Fulbright; Rymarz Zdort Maruta	Norton Rose Fulbright advised mBank on the financing of two PV installations in Poland totaling 17 megawatts by Volta Polska. Rymarz Zdort Maruta advised Volta Polska.	N/A	Poland
14-Jan	White & Case	White & Case advised Bank Gospodarstwa Krajowego on providing a loan of up to PLN 750 million (EUR 176 million) from the National Recovery and Resilience Plan funds to Polenergia.	PLN 750 million	Poland
14-Jan	Linklaters	Linklaters advised Resi4Rent on the acquisition of a plot of land on Brnenska Street in Poznan.	N/A	Poland
14-Jan	Baker McKenzie; CMS	CMS Poland advised COBI and its founder on the sale of a 40% stake to private equity fund Resource Partners. Baker McKenzie reportedly advised Resource Partners.	N/A	Poland
14-Jan	Bakowski; DWF	DWF advised Software Mind on its acquisition of Core3. Bakowski Legal Solutions advised the sellers, Dariusz Dudzinski, Pawel Ciach, Piotr Markiewicz, Michal Moldrzyk, and Iwo Malinowski.	N/A	Poland
15-Jan	Dentons	Dentons advised the DRFG Investment Group on the acquisition of the Signum Work Station office complex in Warsaw managed by the Cromwell Property Group.	N/A	Poland
16-Dec	Nyerges & Partners	Nyerges & Partners advised KER Toki on obtaining an electricity supply license from the Romanian Energy Regulatory Authority.	N/A	Romania
17-Dec	Clifford Chance; Schoenherr	Schoenherr advised Enery on a EUR 214.45 million loan facility from a syndicate including UniCredit Bank, Banca Comerciala Romana, and Erste Group Bank with BCR and UniCredit acting as the joint coordinators and bookrunners, UniCredit as the documentation agent, and BCR as the ESG coordinator, security, and facility agent. Clifford Chance advised the banks.	EUR 214.45 million	Romania
19-Dec	BPV Grigorescu Stefanica; Mihai & Co	BPV Grigorescu Stefanica advised Smart ID Technology on its acquisition of Total Technologies. Mihai & Co and sole practitioner Daniel Vutcanu advised the sellers.	N/A	Romania
19-Dec	Stratulat Albulescu	Stratulat Albulescu advised Duman Clinic on the acquisition of La Stejari, which owns and operates a hotel in Pianu de Jos, Alba County, from sellers Dorin Mateiu and Ioan Strajan.	EUR 1.06 million	Romania
19-Dec	Dentons; Vlasceanu & Partners	Vlasceanu & Partners advised Econergy on securing a EUR 28 million financing from Kommunalkredit Austria for the completion of a 56-megawatt solar park located in Olt County, Romania. Dentons advised Kommunalkredit Austria.	EUR 28 million	Romania
19-Dec	Stratulat Albulescu	Stratulat Albulescu advised both Parol and GapMinder Fund II on the EUR 1.2 million funding round for Parol.	EUR 1.2 million	Romania
19-Dec	Radulescu & Musoi	Radulescu & Musoi advised DigiRay on its acquisition of three Maraffka clinics in Ploiesti, Romania.	N/A	Romania
20-Dec	Musat & Asociatii	Musat & Asociatii won an appeal before the High Court of Cassation and Justice against a prior decision by the Bucharest Court of Appeal, allowing the retrial of the review application in the case concerning the torturers of Romanian anti-communist dissident Gheorghe Ursu.	N/A	Romania
20-Dec	Dentons; Filip & Company; Schoenherr	Filip & Company advised Mozaik Investments on its sale of a minority stake in 5 To Go to Invenio Partners and Accession Capital Partners. Schoenherr advised ACP. Dentons advised Invenio Partners.	N/A	Romania
20-Dec	Legalway; Teodorescu Partners	Teodorescu Partners advised Autonom on its acquisition of a 30% stake in Meridian Taxi from Dan Boabes. Legalway advised Mr. Boabes and Meridian Taxi.	N/A	Romania

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07-Jan	Kinstellar; RTPR	Kinstellar advised a syndicate of banks led by BRD Groupe Societe Generale and Banca Transilvania, with Raiffeisen Bank Romania as a sustainability agent, on a EUR 73 million syndicated facility to Grup Serban Holding. RTPR advised Grup Serban Holding.	EUR 73 million	Romania
10-Jan	Dentons	Dentons advised Electrica on the successful bid of its subsidiary Crucea Power Park SRL in the first round of the Contracts for Difference auction as part of Romania's state aid scheme for renewables.	N/A	Romania
13-Jan	Allen Overy Shearman Sterling; Filip & Company; PwC Legal (D&B David and Baias)	PwC's Romanian affiliate D&B David and Baias advised the Altex group, owned by Romanian entrepreneur Dan Ostahie, on its acquisition of Brico Depot's Romanian network from Kingfisher. Filip & Company and A&O Shearman reportedly advised Kingfisher.	N/A	Romania
14-Jan	Adesman & Asociatii; Nyerges & Partners	Nyerges & Partners advised Renalfa IPP on the acquisition of a 258-megawatt-alternating-current solar photovoltaic project in Teleorman, Romania from Mihnea Ioan Olariu, Vlad Tudorie, and Mihnea Mihalache. Adesman & Asociatii advised the sellers.	N/A	Romania
14-Jan	Kinstellar	Kinstellar, working with Sullivan & Worcester, advised the European Bank for Reconstruction and Development on partnering with Banca Transilvania to implement a supply chain financing program for Profi Rom Food.	EUR 10 million	Romania
14-Jan	Stratulat Albulescu	Stratulat Albulescu advised Prime Label Group on its acquisition of I.P.P.U. Packaging.	N/A	Romania
14-Jan	Danilescu, Hulub & Partners	Danilescu, Hulub & Partners advised Feper on the sale of the Orizont Predeal Hotel to Hotel New Montana.	N/A	Romania
17-Dec	Baklaja Igric Tintor	BIT Law advises PUC Belgrade Metro and Train on a EUR 720 million design and build contract with contractor PowerChina for the civil works of the first phase of Line 1 of the Belgrade Metro, identifying Lot 2 as a distinct section.	N/A	Serbia
17-Dec	MMD Advokati	MMD Advokati advised Itelyum on its acquisition of Jakob Becker.	N/A	Serbia
19-Dec	Kinstellar	Kinstellar advised Shamrock Capital on its investment in DE-YAN.	N/A	Serbia
20-Dec	BDK Advokati; Mikijelj Jankovic & Bogdanovic	BDK Advokati advised Vetti Group on its acquisition of 80% of Belgrade-based animal healthcare institution Vet Planet Clinic from andrija Dakovic. Mikijelj, Jankovic & Bogdanovic advised the seller.	N/A	Serbia
13-Jan	Karanovic & Partners	Karanovic & Partners advised the Serbian Entrepreneurship Foundation on partnership programs with the Swiss Agency for Development and Cooperation and ProCredit Bank.	N/A	Serbia
15-Jan	NKO Partners	NKO Partners advised Dr Max on its acquisition of VIVA Pharm pharmacy chain.	N/A	Serbia
14-Jan	Bird & Bird; Havel & Partners	Havel & Partners advised Photoneo on USD 12 million debt and equity financing from the European Bank for Reconstruction and Development for Brightpick. Bird & Bird advised the EBRD.	USD 12 million	Slovakia
20-Dec	Dentons; Dentons (BASEAK); Kinstellar (KST Law); Mariott Harrison	Dentons and its Turkish affiliate Balcioglu Selcuk Ardiyok Keki advised Agave Games on its USD 18 million Series A funding round. Kinstellar Turkish affiliate KST Law and Mariott Harrison advised Felix Capital and Balderton Capital who co-led the round.	USD 18 million	Turkiye
10-Jan	CCAO; Tunc Firat Dereli	CCAO advised Yapi Kredi, Akbank, Aktif Bank, and Alternatif Bank on a USD 95 million syndicated loan for Tekfen Holding. Tunc Firat Dereli advised Tekfen Holding.	USD 95 million	Turkiye
14-Jan	CCAO; Linklaters; Vinson & Elkins	CCAO, working with Linklaters, advised J.P. Morgan Securities on a USD 400 million loan to Petkim Petrokimya Holding. Vinson & Elkins reportedly advised Petkim Petrokimya Holding.	USD 400 million	Turkiye
07-Jan	Everlegal	Everlegal advised VisionFund on establishing its Ukrainian entity and obtaining a financial company license, enabling it to provide non-banking financial services such as granting loans and banking metals.	N/A	Ukraine
13-Jan	Sayenko Kharenko	Sayenko Kharenko advised Elementum Energy on the acquisition of a majority stake in Windpark West-R.	N/A	Ukraine

Deals and Cases

■ Full information available at:
www.ceelegalmatters.com
■ Period covered:
December 16, 2024 - January 15, 2025

Did We Miss Something?

We're not perfect; we admit it. If something slipped past us, and if your firm has a deal, hire, promotion, or other piece of news you think we should cover, let us know. Write to us at: press@ceelm.com

NEW HOMES AND FRIENDS: ON THE MOVE

Bosnia and Herzegovina; North Macedonia: BDK Advokati Enters North Macedonia and Expands in Bosnia and Herzegovina

BDK Advokati has entered North Macedonia via a cooperation agreement with a local qualified independent Attorney at Law Josif Filipovski. Moreover, the firm has expanded its presence in Bosnia & Herzegovina with the addition of Melika Basic.

Before joining forces with BDK Advokati, Filipovski spent almost nine years at the helm of his eponymous Law Office Filipovski, since 2016.

According to BDK Advokati, this move will allow the firm to "extend to yet another jurisdiction the offering of our expertise and the quality of service our clients are used to. Josif is a corporate and commercial lawyer based in Skopje, with eight years of experience in advising clients on a wide range of issues of relevance to their business operations in North Macedonia. Apart from his native Macedonian, he is fluent in English, Serbian, and Slovenian."

Additionally, BDK Advokati has entered into a cooperation with Melica Basic, an independent Attorney at Law established in Sarajevo. According to the firm, "Melika is a corporate and commercial lawyer who started her career in the legal department of a Big 4 accountancy firm in Sarajevo, where she quickly became the youngest manager and first female in that role."

Before teaming up with BDK Advokati, Basic was with KPMG between 2021 and 2024, where she has been a Manager between 2023 and 2024.

With the expansion, the firm also announced it will no longer be a member of the SEE Legal network, with the firm announcement concluding: "We also thank our SEE Legal partners for an incredible 15 years. Even if we will be no longer a member, we remain committed to outstanding professional cooperation and the valuable personal friendships we have built together."

Serbia: BD2P Becomes D2P

Bojovic Draskovic Popovic & Partners (BD2P) has rebranded to Draskovic Popovic & Partners (D2P) following Marija Bojovic's departure.

According to a firm spokesperson, Senior Partners Uros Popovic and Vuk Draskovic are now the sole owners of the firm and "are the face of [the] firm, together with the whole team who remains in the firm."

Montenegro; Serbia: Jovovic, Mugosa & Vukovic and Zivkovic Samardzic Join SEE Legal

Montenegro-based Jovovic, Mugosa & Vukovic and Serbia-based Zivkovic Samardzic have joined the South East Europe Legal Group.

As described by SEE Legal, "Jovovic, Mugosa & Vukovic is one of the largest and most established independent law firms in Montenegro. With over 40 years of distinguished practice and a dedicated team of more than 20 lawyers based in Podgorica, the firm has been advising both domestic and foreign clients across a diverse range of practice areas."

Moreover, SEE Legal describes Zivkovic Samardzic as "one of the oldest and largest full-service corporate law firms on the Serbian market. With a team of 37 legal professionals, the firm offers a comprehensive range of legal services, including corporate, banking, financial services, commercial, employment, regulatory, real estate, litigation, intellectual property, competition, and tax."

The addition of these two firms follows the departure of BDK Advokati (which had just announced it is expanding into North Macedonia and its presence in Bosnia and Herzegovina) from SEE Legal, as of January 1, 2025.

"We are thrilled to welcome Jovovic, Mugosa & Vukovic and Zivkovic Samardzic to SEE Legal," said the Honorary Chair and Co-Chair of SEE Legal Borislav Boyanov, the Managing Partner of Boyanov & Co. "The new members' expertise will not only strengthen our network's regional capabilities but also enhance the overall quality of the services we provide. We are also grateful to our colleagues at BDK Advokati for their many years of outstanding collaboration, professionalism, and camaraderie, and we wish them the very best in their future endeavors."

Austria: Kinstellar Launches Vienna Office with Horst Ebhardt at Helm

Former Wolf Theiss Partner Horst Ebhardt has joined Kinstellar as a Partner to launch the firm's new office in Vienna.

According to Kinstellar, "the Vienna office is a greenfield development, spearheaded by Partner Horst Ebhardt, a renowned Corporate M&A lawyer and one of the most respected names in the CEE market. Horst brings 25 years of experience in private practice, specializing in complex cross-border M&A, privatizations, and restructuring transactions across Austria and the CEE/SEE region."

Before joining Kinstellar Ebhardt spent 27 years with Wolf Theiss where he co-headed the firm-wide corporate/M&A team.

"We are thrilled to announce this important milestone in Kinstellar's growth journey," said Firm Managing Partner Kristof Ferenczi. "Our new Vienna office enables us to meet the growing demand from clients across the CEE/SEE region. We look forward to working closely with Horst and the team to build a practice that I am confident will make a significant impact both in the Vienna and the whole CEE/SEE markets."

"I am delighted to join such a strong firm and brand as Kinstellar – with its leading and first-class capability across the whole of CEE/SEE, Turkiye, and Central Asia," Ebhardt added. "I look forward to working with clients and new colleagues across all its existing jurisdictions and working together with its outstanding regional M&A team. I am deeply grateful to my previous firm and teams for their support throughout my career, and I am excited for this next chapter."

Poland: Pawel Stykowski Legal Studio Launches in Warsaw

Former DWF Local Partner and Head of Insurance Pawl Stykowski has his eponymous Pawel Stykowski Legal Studio.

According to Stykowski, the Pawel Stykowski Legal Studio's primary area of focus will include "everything related to insurance and AML activities – from advising on regulatory and civil law issues, through conducting training, to handling court cases."

Before the move, Stykowski spent more than five years with DWF as a Local Partner and Head of Insurance (as reported by CEE Legal Matters on September 19, 2019). Earlier, he was a Counsel with Eversheds Sutherland between 2018 and 2019 and, the Head of Legal with InterRisk between 2014 and 2018. Earlier still, he was with CMS as a Senior Associate between 2011 and 2014 as well as an Associate between 2007 and 2009. Between 2009 and 2011, he was a Legal Specialist with AXA Group.

Romania: Rizoiu & Poenaru Splits Into Rizoiu & Asociatii and Poenaru Legal

Rizoiu & Poenaru has announced the firm is splitting into Rizoiu & Asociatii and Poenaru Legal.

Rizoiu & Asociatii is helmed by Partners Radu Rizoiu and Mihaela Gherghe while Poenaru Legal is led by Lucian Poenaru.

Before the split, Rizoiu was a Partner with Rizoiu & Poenaru between 2012 and 2025. Earlier, he was with Stoica & Asociatii as an Associate between 1997 and 2003, a Partner between 2003 and 2007, and a Senior Partner between 2007 and 2012.

Prior to being a Partner with Rizoiu & Poenaru between 2012 and 2025, Poenaru was with Stoica & Asociatii as well, joining as a Junior Lawyer in 2008, becoming an Associate in 2010, and finally being promoted to Senior Associate in 2012.

Mihaela Gherghe started her career as an Intern with Rizoiu & Poenaru in 2014. That same year, she became a Junior Lawyer before being promoted to Associate in 2016, a Senior Associate in 2018, and finally making Partner in 2021.

Rizoiu & Asociatii stated that the "restructuring represents an opportunity for growth and specialization for both [Rizoiu & Asociatii and Poenaru Legal]. We are confident that this change will allow each firm to focus its resources and commitment, providing even more personalized and efficient legal services."

Poland: Kimla Law Opens For Business in Warsaw

Former Greenberg Traurig Local Partner Paulina Kimla-Kaczorowska has launched Kimla Law. Former Greenberg Traurig Associate Szymon Grudzien joined Kimla-Kaczorowska as an Associate.

According to Kimla-Kaczorowska, Kimla Law specializes in "legal solutions for financing transactions, M&A and venture capital investments with great focus on exploring new ideas for innovation in business transactions management."

Before setting up Kimla Law Paulina Kimla-Kaczorowska was with Greenberg Traurig between 2012 and 2024, having joined as an Associate in 2012 and being promoted to Senior Associate in 2018 and to Local Partner in 2022. Earlier, she was a Paralegal with Dewey and LeBoeuf between 2010 and 2012.

PARTNER MOVES

Date	Name	Practice(s)	Moving from	Moving to	Country
6-Jan	Horst Ebhardt	Corporate/M&A	Wolf Theiss	Kinstellar	Austria
20-Dec	Melika Basic	Corporate/M&A	KPMG	BDK Advokati	Bosnia and Herzegovina
14-Jan	Akos Mates-Lanyi	Corporate/M&A; Capital Markets	Dentons	Taylor Wessing	Hungary
20-Dec	Josif Filipovski	Corporate/M&A	Law Office Filipovski	BDK Advokati	North Macedonia
7-Jan	Piotr Zawislak	Banking/Finance	Hogan Lovells	Norton Rose Fulbright	Poland
7-Jan	Paulina Kimla-Kaczorowska	Banking/Finance; Corporate/M&A; Private Equity	Greenberg Traurig	Kimla Law	Poland
8-Jan	Pawel Stykowski	Banking/Finance; TMT/IP	DWF	Pawel Stykowski Legal Studio	Poland
13-Jan	Tomasz Zak	Corporate/M&A	Hogan Lovells	Eversheds Sutherland	Poland
14-Jan	Michal Borowski	Tax	Crido	Dentons	Poland
19-Dec	Beata Balas-Noszczyk	Banking/Finance	Hogan Lovells	DWF	Poland
19-Dec	Tomasz Grygorczuk	Banking/Finance; Corporate/M&A	Hogan Lovells	DWF	Poland
19-Dec	Bartosz Romanowski	Banking/Finance	Hogan Lovells	DWF	Poland
14-Jan	Radu Rizoiu	Banking/Finance; Energy/Natural Resources;	Rizoiu & Poenaru	Rizoiu & Asociatii	Romania
14-Jan	Mihaela Gherghe	Banking/Finance; Corporate/M&A	Rizoiu & Poenaru	Rizoiu & Asociatii	Romania
14-Jan	Lucian Poenaru	Corporate/M&A	Rizoiu & Poenaru	Poenaru Legal	Romania
6-Jan	Milorad Gajic	Real Estate	Karanovic & Partners	Radovanovic, Stojanovic & Partners	Serbia
7-Jan	Gokhan Okan	Energy/Natural Resources; Logistics/ Transportation	Cakmak Attorney Partnership	Ergun	Turkiye

PARTNER APPOINTMENTS

Date	Name	Practice(s)	Firm	Country
14-Jan	Robert Porubsky	Corporate/M&A; Energy/Natural Resources	Havel & Partners	Czech Republic
14-Jan	Petr Tusakovsky	Tax	Havel & Partners	Czech Republic
14-Jan	Martin Vlk	Corporate/M&A; Real Estate	Havel & Partners	Czech Republic
13-Jan	Mantas Juozaitis	Litigation/Disputes; Tax	Motieka	Lithuania
06-Jan	Gulce Saydam Pehlivan	Corporate/M&A; Labor	Paksoy	Turkiye
20-Dec	Irmak Yensel Nergiz	Banking/Finance; Corporate/M&A	Ergun	Turkiye
07-Jan	Denys Medvediev	Competition	Redcliffe Partners	Ukraine

OTHER APPOINTMENTS

Date	Name	Firm	Appointed to	Country
14-Jan	Karl-Erich Trisberg	Walless	Managing Partner	Estonia
17-Dec	Jakub Celinski	Dentons	Co-Managing Partner	Poland
17-Dec	Pawel Grabowski	Dentons	Co-Managing Partner	Poland
17-Dec	Michal Rampasek	Peterka & Partners	Co-Leader of Polish desk	Poland; Slovakia

THE BUZZ

In The Buzz we check in on experts on the legal industry across CEE for updates about developments of significance. Because the interviews are carried out and published on the CEE Legal Matters website on a rolling basis, we've marked the dates on which the interviews were originally published.

Political Turbulence in Georgia and Its Cooling Effect: A Buzz Interview with Vano Gogelia of PwC Georgia

By Andrija Djonovic (January 14, 2025)

Georgia's post-election turbulence has cast a shadow over its business and legal landscape, with pro-EU momentum suspended as of now and investor confidence somewhat shaken, PwC Legal Director and Head of Legal Vano Gogelia reports. Despite the uncertainty, key sectors like construction, infrastructure, and energy remain active, providing cautious optimism amidst widespread challenges.

"There have been considerable political turbulences following the October 2024 elections, with many expectations tied to their outcome," Gogelia begins. "After the results, suspicions arose regarding fairness, and then in November, the government unilaterally suspended the EU membership process until 2028, which significantly affected sentiment. This has created an environment fraught with uncertainty, impacting businesses and the legal sector alike."

Initially, Georgia experienced impressive GDP growth and controlled inflation in 2024, but the post-election announcement to suspend the EU membership process "already impacted sectors like HoReCa with further effects still to crystalize and businesses adopting a pessimistic outlook," Gogelia continues. Moreover, the uncertainty will likely have a cooling effect on the deal landscape. "Despite early 2024's economic growth driven by redirected economic streams from the Russia-Ukraine war, major foreign investments were absent, with FDI lower than in past years. Most M&A activity remained largely local, such as for example in alcoholic beverages, also in FMCG sectors that undergo major consolidations. Looking ahead, predicting deal activity is difficult. In the short term, I foresee minimal movement until at least the second quarter of 2025, as investors are likely to adopt a 'wait and see' approach pending political resolution," he explains. "There has been some legislative activity in 2024, particularly efforts to harmonize Georgian legislation with EU standards as part of the EU-Georgia association agreement. However, since the EU membership process suspension, these efforts might slow down."

Still, some sectors remain active despite the challenges. "Construction is booming, which has led to a steady stream of legal work related to real estate and infrastructure. Infrastructure and project financing also show promise, and we're hopeful that activity in these areas will increase," Gogelia reports. As a result of the geopolitical situation, there is an increasing role of the Middle Corridor, connecting Central Asia to Europe through Georgia, which seems promising for the transport and logistics sector in the future. "Energy remains a key area for Georgia, with a 2024 capacity auction for 800 megawatts of renewable energy likely to attract future investments. Additionally, AML and sanctions compliance have also been prominent, reflecting global trends," he adds.

Focusing on specific legal market challenges, Gogelia reports that the judiciary remains a significant bottleneck, "plagued by competence and trust issues, with a massive backlog in administrative cases and increasing perceptions in the legal community of influence of private and public interests in disputes. Without a reliable judiciary, businesses face significant risks, and this lack of trust in the system discourages both local and foreign investment." According to him, addressing these judicial issues is crucial for the country's legal market and overall economic stability. "I know of administrative cases that have been delayed for over four years just to reach a preparatory hearing, which illustrates the depth of the issue."

Finally, Gogelia says that it is difficult to be overly optimistic given the current climate. "In the short term, I expect a cautious approach from investors and less deal activity. However, if we see some political resolution or renewed efforts toward EU membership, that could change the landscape considerably." In the meantime, he believes that "sectors like construction, infrastructure, and energy will continue to drive legal work. The focus for law firms will likely remain on providing risk mitigation strategies and helping clients navigate regulatory uncertainty. Despite the challenges, there are still opportunities for those who approach the market with caution and sound legal advice."

Finding Niches in Ukraine: A Buzz Interview with Armen Khachaturyan of Asters

By Teona Gelashvili (January 17, 2025)

Amid the daily disruptions of war, Ukraine's legal market has shifted focus to urgent areas like military law, sanctions compliance, and damage compensation, while adapting to workforce shortages and declining revenues, according to Asters Senior Partner Armen Khachaturyan.

"The legal and business landscape in Kyiv has undergone dramatic changes amidst the ongoing war, creating unprecedented challenges for firms and individuals alike," Khachaturyan says. "Life in the capital is marked by daily air raid sirens and emergency procedures. When sirens sound, office workers are given minutes to evacuate to bomb shelters, and those on the way to work are often advised to return home. Many law firms and businesses have adopted flexible work policies to accommodate these disruptions." However, he notes, "certain practices, like litigation, require physical presence and court appearances must continue with all possible safety precautions."

Despite these difficulties, Khachaturyan says that the legal market has adapted impressively. "While workloads and project types have shifted, firms are managing to cope. Recent rankings reveal that the leading firms remain operational, although financial reports indicate significant downturns in revenues." Pre-war traditional practices like "M&A, banking, and energy have declined, while military-related practices, conscription law, and defense industries are thriving," he notes. "Firms have developed niche expertise in navigating complex regulations, particularly concerning conscription exemptions for critical industries, which clients highly value. This shift has also given rise to smaller boutique firms, specializing in areas like military law, that have proven both resilient and successful."

Khachaturyan stresses that certain industries, "such as IT, agribusiness, construction, and defense, remain active." White-collar crime and business protection-related services are also growing in demand. "Law enforcement agencies, always a challenge for businesses, have intensified their activity during wartime, creating additional demand for legal expertise in sanctions compliance and ownership regulations," he says. "New laws targeting Russian-linked entities have further added to this demand."

Khachaturyan says that foreign investment remains limited. "Some clients, particularly in construction, have moved operations to safer locations like Poland, awaiting stability before resuming projects in Ukraine," he emphasizes. "While ongoing support from the EU and international financial institutions provides some relief, private investments have slowed significantly, with many plans postponed until greater clarity emerges."

One critical area of legal focus, according to Khachaturyan, is the compensation for war-related damages. "Firms are assisting businesses and individuals in documenting losses and navigating the complex processes required for claims. Efforts to access frozen funds globally are underway, but the path to recovery often involves arbitration or the European courts, and the forum for such claims remains unclear. A newly established registry is beginning to accept individual applications, signaling progress, but much work remains to be done."

The labor market is another area under strain, Khachaturyan continues. "Migration and conscription have reduced the talent pool, making employers more attentive to retaining and attracting employees," he points out. "Recruitment continues, with a focus on building expertise in high-demand areas like IT law. Internship programs have also become a crucial pipeline for new talent, with several participants receiving job offers."

On the legislative front, Khachaturyan says "Ukraine's parliament has prioritized urgent wartime needs. Recent changes include increasing taxes to support the military and tightening conscription regulations." Khachaturyan adds that "the government has also introduced initiatives like war risk insurance to attract investment, with public-private partnerships playing a key role. These measures aim to reassure investors and facilitate the export of critical goods like grain, despite ongoing geopolitical challenges."

Firms have developed niche expertise in navigating complex regulations, particularly concerning conscription exemptions for critical industries, which clients highly value.

Hungary's ESG and Foreign Direct Investment Regimes Stricter than Most: A Buzz Interview with Judit Budai of Szecskay Attorneys at Law

By Andrija Djonovic (February 5, 2025)

Highlights in Hungary are delayed real estate digitization, stricter ESG compliance, and regulatory deal flow complexities, according to Szecskay Senior Partner Judit Budai, with her projecting that sectors like IT, defense, infrastructure, and ESG compliance will dominate the agenda in the near future.

"One major expectation for 2024 was the long-overdue digitization of Hungary's real estate and land registry system," Budai begins. "Unfortunately, this transition has been postponed once again, leaving the E-ING system introduction for later in 2025 while the underlying regulation already became effective, introducing certain material changes affecting transactions documentation."

She also reports that "Hungary has introduced a new ESG Act, which goes beyond the EU's *Corporate Sustainability Reporting Directive* by imposing even stricter due diligence obligations and fewer exemptions." According to her, this means businesses will "need to integrate ESG compliance across their entire supply chains, impacting lending, reporting, and corporate governance. One of the key challenges is that advisor companies cannot immediately become ESG advisors – they must obtain a qualification, which is an entirely new requirement for lawyers and consultants alike." One positive element Budai highlights is that the "Supervisory Authority of Regulated Activities introduced a maximum ESG DD questionnaire which can only be extended with the approval of the authority."

Continuing with legislative updates, Budai reports that "Hungary's foreign direct investment regime remains in place, requiring approvals for strategic company acquisitions — while this has become a standard part of major transactions, merger regulations continue to present additional complexities." Specifically, Budai says that the "one recurring issue we face is that if the Hungarian Competition Authority has not previously defined a specific product market, parties may expect that the authority consults the relevant market and collects data via a questionnaire from competitors." As she explains it, "this can be an unexpected and time-consuming process, and many legal professionals don't immediately foresee it as a problem. However, it is something that we are learning to anticipate year after year. The Hungarian Competition Authority has been working hard to define product markets, but this process can still lead to prolonged approval timelines."

Additionally, Budai reports that Hungary is "closely watching the *EU AI Act*, which is expected to introduce substantial compliance requirements for AI-driven companies. This legislation will require significant legal and operational adjustments in 2025, especially for businesses operating in the technology and AI sectors."

Taking a step back to focus on the broader geopolitical picture, Budai says that it is evident the Hungarian market is not operating in a vacuum. "We are closely monitoring global geopolitical developments, including the U.S. elections, the ongoing war in Ukraine, as well as tensions in the Middle East – all of these factors contribute to uncertainty in the investment landscape," she says. "However, one sector where we do expect to see significant activity in Hungary in 2025 is defense and security. Given the heightened focus on security across Europe, Hungary is likely to experience growth in IT and defense-related industries, particularly in technology-driven defense solutions," Budai reports. "These areas will likely attract both private and government-backed investments in the near future," she says.

Finally, looking ahead, Budai feels that the Hungarian legal market will remain active, but will also need to "continuously adapt to emerging regulations and global uncertainties. Sectors like IT, defense, infrastructure, and ESG compliance will dominate the agenda, requiring firms to stay ahead of regulatory changes." In conclusion, she stresses they "expect a steady deal flow – and as always, we will continue learning by doing."

One of the key challenges is that advisor companies cannot immediately become ESG advisors – they must obtain a qualification, which is an entirely new requirement for lawyers and consultants alike.

Romania at Crossroads: A Buzz Interview with Mihaela Posirca of Act Legal Romania

By Teona Gelashvili (February 12, 2025)

The last two months have been marked by political uncertainty, according to Act Legal Romania Partner Mihaela Posirca. While challenges like a new tax on construction emerge, positive developments in deals and regulatory clarity provide a balanced outlook for the year ahead.

"The past two months have been quite eventful," Posirca notes. "One of the most significant developments in our lives lately has been the growing impact of political events on legal developments – more so than usual. We started December with the turmoil surrounding the presidential elections. The first round of elections was annulled by the Constitutional Court, which ordered the entire process to restart and be completed in 2025. This has left everyone wondering what direction the country will take in May – whether it will lean more toward the East or the West." She adds that "this has raised quite a few concerns about the future. Clients, especially foreign investors are understandably worried about their investments."

Posirca reports that January has seen "the launch of a lot of new deals, with the continuation of the ongoing ones, which is a good sign." However, she says, "there's been a mix of good and bad news from the legislative side. Recently, the Romanian government introduced a special tax on construction in December, which came into effect on January 1, 2025, and negatively impacts renewables in particular. We're still waiting for more details, as the Ministry of Finance is expected to adopt the norms in March." On the brighter side, she notes, "the government did adopt norms in December regarding the dual use of grasslands – something that had been in the works for about two years. This allows grasslands to be used both for animal grazing and renewable energy sources, which is a positive step."

According to Posirca, ESG has also been a major focus. "The number of companies required to engage in ESG reporting has significantly increased recently," she notes. "The threshold in Romania is quite low compared to other countries, meaning even medium-sized companies – defined as those with over 50 employees and exceeding certain financial thresholds in assets or turnover – are required to report." Posirca adds that "there have also been some interesting developments regarding ESG at the EU level, as the European Commission is working on introducing a simplification package aimed at making ESG reporting less burdensome. "Personally, I think this could be an advantage because it might encourage companies in Romania to focus more on the substance of ESG rather than just ticking boxes," she emphasizes.

One particular area of interest is FDI screening in Romania, Posirca points out. "Despite its name, the screening process doesn't just apply to foreign investors but also Romanian investors," she says. "The scope is quite broad, and it's something all investors – whether local or foreign – need to factor into their plans from the very beginning. The process involves notifying Romanian authorities of any transactions over EUR 2 million in sensitive fields. This reflects how seriously Romania takes national security, even when the investor is Romanian." Posirca adds that "there was some uncertainty about whether Romanian investors were included in this screening process. In December, the government clarified this, confirming the general interpretation that had already been in practice. This provides some much-needed clarity for investors moving forward." ●

We started December with the turmoil surrounding the presidential elections. The first round of elections was annulled by the Constitutional Court, which ordered the entire process to restart and be completed in 2025. This has left everyone wondering what direction the country will take in May – whether it will lean more toward the East or the West.

AN OUTLOOK ON 2025

As we kick off a new volume of CEE Legal Matters, what better way to look ahead than by sitting down with the region's top experts – our practice leaders?

From energy projects nearing completion to the dynamics driving M&A activity, from courtroom disputes to evolving regulations in labor, TMT, banking, and competition law, this issue is a compendium of expert foresight. Who are the buyers to watch? Which industries will see the biggest shakeups? What new regulations will keep lawyers on their toes? Our practice leaders weigh in, helping you navigate the road ahead.

A special thanks to the practice leaders who contributed their expertise and insights to this special issue.

- Adela Krbcova, Peterka & Partners (Labor, Czech Republic)
- Agnieszka Nowak-Blaszczak and Oliwia Pech, Wolf Theiss Poland (Labor, Poland)
- Anca Diaconu, Nestor Nestor Diculescu Kingston Petersen (Competition, Romania)
- Anja Stefanovska, Law Office Lazarov (Dispute Resolution, North Macedonia)
- Bernhard Hager, Eversheds Sutherland (Energy, Slovakia)
- Carolina Parcalab, ACI Partners (Competition, Moldova)
- Denys Medvediev and Yuriy Terentyev, Redcliffe Partners (Competition, Ukraine)
- Dino Gliha, MGG Law (TMT, Croatia)
- Dora Dranovits, DLA Piper Hungary (ESG, Hungary)
- Gordana Susuleska-Itic, Law Office Lazarov (Banking/Finance, North Macedonia)
- Hanna Stakheyeva, Actecon (Competition, Turkiye)
- Ivona Zagajski, Marohnic, Tomek & Gjoic (Energy, Croatia)
- Jelena Gazivoda, JPM & Partners (Energy, Serbia)
- Jelisaveta Stanisic, ZSP Advokati (Banking/Finance, Serbia)
- Kostadin Sirleshtov and Borislava Piperkova, CMS Sofia (Energy, Bulgaria)
- Lana Stojs, Gospic Plazina Stojs (Banking/Finance, Croatia)
- Milos Komnenic and Nemanja Radovic, Komnenic & Partners (Real Estate, Montenegro)
- Mykola Stetsenko, Avellum (Corporate/M&A, Ukraine)
- Pavel Hristov and Dragomir Stefanov, Hristov & Partners (Corporate/M&A, Bulgaria)
- Piotr Nerwinski, Greenberg Traurig (Banking/Finance, Poland)
- Sergiu Bivol and Roman Ivanov, Vernon David (Corporate/M&A, Moldova)
- Sofia Angelakou, Drakopoulos (Corporate/M&A, Greece)
- Szymon Sieniewicz, Linklaters Warsaw (TMT, Poland)
- Tamas Feher and Peter Szilas, Jalsovszky (Dispute Resolution, Hungary)
- Zoltan Forgo, Forgo, Damjanovic & Partners (Corporate/M&A, Hungary)

An Outlook on 2025: Banking and Finance in Croatia

By Teona Gelashvili

Gospic Plazina Stojs Partner Lana Stojs talks about banking and finance in 2025 in Croatia.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the banking/finance sector in Croatia?

Stojs: Several legislative measures are expected to have a substantial impact on Croatia's banking and finance sector. These include the implementation of the *Digital Operational Resilience Act* and the *NIS2 Directive* on cybersecurity and the transposition of the *Consumer Credit Directive 2* into the Croatian legal system by way of a new *Consumer Credit Act* until November 2025, along with, perhaps the most pressing of them all, the alignment with the *Instant Payments Regulation* (IPR) which has to be completed until April, 2025 and by way of which Croatia is fully aligning with EU payment services regulations to improve security, transparency, and accessibility in the financial sector, making payment services faster, more secure, and more integrated across borders.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Stojs: The IPR brings several key benefits for consumers, businesses, financial institutions, and the broader economy. The main benefits could be recognized as faster transactions, enhanced consumer experience, increased efficiency for business, financial inclusion, and cost-effectiveness. The evolving landscape will surely encourage competition within the payment services market, and the financial institutions in Croatia will need to innovate and differentiate their services to remain competitive, thus also opening doors to new fintech solutions. As the adoption of instant payments continues to grow, the benefits will likely expand, contributing to a more integrated, digital, and secure payment environment.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Stojs: While DORA, which entered into force in February 2025, offers substantial benefits for the financial sector, its implementation poses certain challenges for banks. In terms of compliance requirements, DORA covers a broad range of areas, including risk management, governance, incident reporting, third-party management, and business continuity, all of which must be adequately addressed or enhanced. Further, given that many banks operate across different jurisdictions, complying with DORA's provisions while also adhering to local regulations can be complex. Additional challenges lie within the upgrading of ICT systems and infrastructure while simultaneously adhering to robust cybersecurity measures, requiring banks to implement advanced security protocols. Finally, one of DORA's key requirements is the management of third-party risks, including those related to cloud providers, outsourcing arrangements, and other external partners that provide critical services where the banks must ensure that their third-party vendors comply with DORA's resilience requirements.

CEELM: What trends do you expect to shape the banking sector in Croatia in 2025?

Stojs: In 2025, the banking sector in Croatia is expected to further develop, driven by a combination of regulatory reforms, technological advancements, and evolving customer preferences. Digital transformation and fintech integration are expected to be dominant trends, and it is highly likely that traditional banks will continue to enhance their digital offerings. With the IPR and Croatia also moving toward a cashless society, banks are expected to adopt new technologies to accommodate digital-only transactions. Finally, sustainability and green finance are also expected to be in focus for the banks, as both regulatory frameworks and customer demand push for greater integration of ESG principles into banking operations. In 2025, Croatian banks will likely offer more green financial products, such as green bonds and credit lines that support sustainable projects, especially since, in February 2025, the *European Green Bond Regulation* was implemented into the Croatian legal system, thus aligning the Croatian legal framework with the *European Green Bond Standard.*

CEELM: What is the biggest challenge for the banking sector in Croatia at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Stojs: The banking sector is currently facing an excessive number of rules, requirements, and regulatory processes that need to be complied with. While regulation is crucial to ensure the stability, integrity, and safety of the financial system, overregulation imposes a range of challenges, such as compliance risks and potential penalties, regulatory uncertainty, and operational complexity. The possibility of overcoming the challenges of overregulation will highly depend on the quality of collaboration between the legislators, the regulators, and the banks. A valuable and impactful initiative in terms of simplification of certain regulatory obligations is the so-called *EU Omnibus Regulation*, the proposal of which is expected to be released by the end of February. The initiative recognizes the intersection between three European ESG regulations: the *Corporate Sustainability Reporting Directive*, the *Corporate Sustainability Due Diligence Directive*, and the *EU Taxonomy* regulation and aims to promote consistency, streamlining, and simplifying sustainability reporting requirements for businesses – including financial institutions – operating in the European Union by consolidating multiple sustainability-related requirements into a single framework.

An Outlook on 2025: Banking and Finance in North Macedonia

By Teona Gelashvili

Law Office Lazarov Attorney at Law Gordana Susuleska-Itic talks about banking and finance in 2025 in North Macedonia.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the banking/finance sector in North Macedonia?

Susuleska-Itic: The changes in the legal regulations in the Republic of North Macedonia due to its alignment with the *Markets in Financial Instruments Directive II EU regulation*, especially the new *Financial Instruments Law (Official Gazette of RNM no.66/2024)*, have imposed a need for harmonization and adjustments to the operations of banks as key market participants. The law requires harmonization in several aspects, such as internal (re)organization, changes in internal operating procedures or introduction of new ones, as well as harmonization of the bank's internal acts. Hence, the most significant legislative pipeline items in North Macedonia are the by-laws arising from the Financial Instruments Law, which should be adopted by September 2025 – a total of 75. Currently, 26 new by-laws have been adopted, leaving 49 new by-laws to be adopted in the following six months. Their implementation will have the biggest impact on the financial sector in North Macedonia.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Susuleska-Itic: The novelties imposed by the *Financial Instruments Law* offer several benefits for financial institutions, even though its implementation may present challenges. These benefits primarily stem from the law's alignment with EU standards, which enhance the stability, transparency, and efficiency of the financial system. Increased market transparency and confidence will reduce uncertainty. This provides a clearer framework for conducting business and helps attract investors. By aligning with EU regulations, the law boosts trust in North Macedonia's financial markets, attracting more foreign and domestic investors. Easier cross-border transactions and partnerships with EU-based financial entities will open new channels for investment and trade. By bringing in stricter standards, financial institutions will establish robust risk management frameworks that reduce operational risks. Financial institutions that are early adopters of the law's provisions can position themselves as leaders in compliance and attract both institutional and retail clients who value security and regulatory adherence and can attract EU-based clients.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Susuleska-Itic: Considering that the adoption and establishment of the latest set of regulations is an ongoing process, there is still a level of uncertainty among our clients on whether they will have the capacity to adapt and implement the novelties in their everyday business within the given timeframe.

Financial institutions may need to invest in new technologies or enhance existing infrastructure to handle the finality of transactions and settlements as per EU norms. This could involve significant costs and resource allocation, particularly for smaller institutions. With stricter regulations, financial institutions will face increased scrutiny from local and EU regulators. This could lead to more frequent audits, compliance checks, and penalties for non-compliance, which could increase operational costs.

Institutions may need to adjust their trading platforms, clearing processes, and contract frameworks to accommodate the law's stipulations, which could involve significant operational changes and delays in implementation.

The shift to a more stringent regulatory environment increases the risk of fines or penalties for non-compliance, especially if financial institutions are slow to adopt the necessary changes.

CEELM: What trends do you expect to shape the banking sector in North Macedonia in 2025?

Susuleska-Itic: In 2025, North Macedonia's banking sector will be characterized by digital innovation, regulatory alignment with EU standards, and a growing emphasis on sustainability and personalized services. While these trends bring opportunities for growth and improved customer experience, they also present challenges for banks that need to adapt to an increasingly competitive and complex environment. Cybersecurity, financial inclusion, and digital transformation will likely be at the forefront as the sector continues to evolve.

CEELM: What is the biggest challenge for the banking sector in North Macedonia at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Susuleska-Itic: While the banking sector in North Macedonia is making strides in overcoming these challenges, digital transformation and cybersecurity will remain ongoing concerns through 2025.

The implementation of AI in North Macedonia's banking sector depends on developing the necessary infrastructure for AI education, fostering innovation, and adopting a national strategy along with ethical guidelines. Without these foundational elements, the country risks falling behind in AI advancement, despite its strong IT sector and investment appeal. AI presents significant opportunities for the banking sector in North Macedonia if addressed and implemented properly.

An Outlook on 2025: Banking and Finance in Poland

By Teona Gelashvili

Greenberg Traurig Partner and Head of Project and Structured Finance Piotr Nerwinski talks about banking and finance in Poland in 2025.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the banking/finance sector in Poland?

Nerwinski: First, there is a draft amendment to the Act of May 20, 2016, which proposes significant changes to wind farm investments by reducing the minimum distance between wind farms and residential buildings that could unlock a number of new wind farm projects.

Second, the above draft amendment also aims to enhance the support system for biomethane installations over 1 megawatt.

Finally, there is an update in funding for energy storage. The National Fund for Environmental Protection and Water Management is preparing a substantial funding program for energy storage facilities, with a budget exceeding PLN 4 billion.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Nerwinski: Among the legislative initiatives mentioned, the Battery Energy Storage System (BESS) subsidy program is generating the most excitement for us and our clients. This program is seen as a critical component in transitioning Poland's energy sector. The subsidy program presents substantial opportunities to improve and expand business plans for BESS projects. By providing financial support, it enables developers and investors to bridge the financing gap that might currently block some projects.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Nerwinski: One of the primary concerns for us and our clients is the pervasive bureaucracy and overregulation impacting various areas of economic activity in Poland. These regulatory hurdles can often stifle innovation, slow down project timelines, and increase operational costs. A recent joint initiative by the government and entrepreneurs, led by Rafal Brzoska, CEO of Inpost, to introduce deregulation amendments, is a promising development that we are closely monitoring. So far, 24 proposals have been presented, with more expected, aimed at simplifying the regulatory environment. However, until these changes are implemented, the existing bureaucratic challenges remain a concern.

CEELM: What trends do you expect to shape the banking sector in Poland in 2025?

Nerwinski: Banks in Poland, like their counterparts in the EU, are expected to expand their green finance offerings. This includes providing green loans, which are specifically designed to fund environmentally friendly projects such as renewable energy installations, energy efficiency improvements, and sustainable agriculture.

ESG criteria are becoming integral to banks' lending and investment decisions. This approach aligns with broader EU policies and frameworks promoting sustainability. Consequently, we see many corporate financings in the form of sustainability-linked loans, which allow for reduced loan pricing if the borrower achieves certain ESG targets. Despite changes in policy direction in other parts of the world, such as the potential departure from ESG principles under former President Trump, the EU, and Poland are expected to maintain their commitment to sustainability. This continued focus reflects the broader European commitment to the Paris Agreement and the *European Green Deal*, which aim to make the EU climate-neutral by 2050.

At the same time, economic conditions – including interest rates and inflation, as well as geopolitical factors – will continue to influence the banking sector. Banks will need to navigate these uncertainties while managing risks and capitalizing on opportunities in the market. As economic and geopolitical factors evolve, regulatory frameworks may also change, requiring banks to adapt quickly. Staying compliant while remaining competitive will be a key challenge for the sector.

CEELM: What is the biggest challenge for the banking sector in Poland at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Nerwinski: While Poland's economy thrives, local banks face headwinds in their lending activities. Regulatory pressures, the high cost of CHF loan portfolios, and recent government interventions have added to these pressures. "Loan holidays," initiated to support households in times of economic distress, have historically weakened bank revenues, complicating their lending strategies. As the economy continues to recover, there may be less need for government interventions like loan holidays, allowing banks to stabilize their revenue streams.

Another challenge is high interest rates. While interest rates have stabilized at relatively high levels, they enable lenders to report record-breaking financial results in the short term. However, the downside of the high-interest rate environment is its impact on borrowing costs and loan demand. As a result, the number of new financing transactions is lower compared to times of low rates. Most analysts expect interest rate cuts on the Polish Zloty to occur only in the second half of the year, and these will not be significant reductions.

An Outlook on 2025: Banking and Finance in Serbia

By Teona Gelashvili

ZSP Advokati Partner Jelisaveta Stanisic talks about banking and finance in 2025 in Serbia.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the banking/finance sector in Serbia?

Stanisic: There are two key legislative developments in Serbia's banking and finance sector. First, lawmakers are working on a draft law on real estate investment trusts (REIT). When it enters into force, the legislation will represent a significant upcoming regulatory change for Serbia's financial markets.

This framework will establish the first regulated vehicle for capital market-based real estate investment in Serbia. The legislation aims to transform traditional property investment practices by providing a market-based alternative to direct real estate ownership.

Secondly, the forming of the working committee for updating FX legislation hints at potential updates and modernization of FX regulations. However, given the early stages, the scope and impact of these planned changes are yet to be seen.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Stanisic: We expect that the REIT legislation will generate substantial interest among investors. Serbia's culture has historically favored real estate investments, but this has been limited to direct property acquisitions.

The new framework promises to enhance market liquidity through securities trading while offering tax incentives and broader access to diverse real estate portfolios. Despite the underdeveloped state of local capital markets, regulators anticipate that the combination of liquidity benefits and tax advantages will attract significant investor interest.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Stanisic: In my view, market participants have not expressed significant concerns regarding upcoming legislative changes, suggesting the reforms are viewed as market-enhancing rather than restrictive.

CEELM: What trends do you expect to shape the banking sector in Serbia in 2025?

Stanisic: Several key developments are expected to shape the sector. We expect to see an expansion of capital markets debt through anticipated dinar-denominated bond issuances.

There will also be a potential entrance of leading Serbian companies into international bond markets – a trend already kickstarted in the second half of 2024 by Telekom Serbia's Eurobond issuance. Additionally, we expect intensified competition among banks in the prime borrower segment.

CEELM: What is the biggest challenge for the banking sector in Serbia at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Stanisic: I believe that the primary concern centers on the potential economic impact of the current political climate. There are concerns about possible economic deceleration, though the banking sector remains optimistic about maintaining stability.

The combination of new investment vehicles, particularly REITs, and evolving market dynamics suggests a period of significant development for Serbia's financial sector.

While challenges exist, the institutional framework appears sufficiently robust to support continued market development.

There will also be a potential entrance of leading Serbian companies into international bond markets – a trend already kickstarted in the second half of 2024 by Telekom Serbia's Eurobond issuance. Additionally, we expect intensified competition among banks in the prime borrower segment.

An Outlook on 2025: Competition in Moldova

By Teona Gelashvili

ACI Partners Legal Manager Carolina Parcalab talks about competition in Moldova in 2025.

CEELM: Do you expect the competition authority to be more or less active in 2025 compared to 2024? Why?

Parcalab: We expect the Competition Council to be more active, mostly because of Moldova's EU accession plans and the high expectations placed on the council. Right now, it has a twinning project ongoing with three authorities from the EU – Romania, Poland, and Lithuania – all working together to enhance the institutional capacity of our council. This means that, in the near future, we can expect an increase in the quality of enforcement techniques, more investigations, and more market studies.

We can also see how the Competition Council is already active in pursuing enforcement – just in the first two months of 2025, a couple of significant investigations were closed, resulting in high fines. One concerning price-fixing in the sunflower oil sector ended with a total fine of up to EUR 10 million for both entities involved. Another significant case was a bid-rigging cartel for public procurement, resulting in fines for four companies that coordinated their conduct.

Undoubtedly, enforcement actions are intensifying, and companies operating in Moldova must prioritize competition compliance.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on competition in Moldova?

Parcalab: We expect activity to be high in this regard as well – again, due to the EU accession process and ongoing harmonization plans. According to the most recent plan, we have more than 120 EU acts that require transposition into Moldovan legislation in the next two years.

The most important one of these additions on the horizon is focusing on merger controls. Stronger rules are expected and the Competition Council has already produced the required regulatory changes, with the economic concentration framework expected to be tightened up soon. With fewer interventions, as a result of higher thresholds, we expect to see activities that carry more significant market impact.

Also, we expect stricter oversight when it comes to state aid – legislative updates are likely to occur in this regard too. We anticipate that the Competition Council will enhance its enforcement technique by implementing digital solutions and forensic technology, meaning that it will be better poised to screen anti-competitive behavior.

CEELM: What trends do you expect to impact competition practices across Moldova the most in 2025?

Parcalab: The most significant one is related to the accession to the EU. This is, by far, the biggest trend that will influence the markets. Moldovan legislation will be aligned with the EU *acquis*, and we will definitely see more stringent enforcement.

Moreover, increasing the institutional capacity of the Competition Council will become more evident. Experts involved in the ongoing overhaul of the council are engaged in actively training the council staff, and the ripple effect will be felt in all facets of its activities. Additionally, the council will engage in increased cooperation with its international counterparts, which will improve its efficiency.

Crucially, the council will likely continue to prioritize investigations in the agricultural market, putting a stronger focus on it as well as on the retail industry. These industries have, so far, been highlighted as being of high interest, not just by the council but also by other public authorities as these are often faced with more nuanced issues that require immediate action.

CEELM: What would you identify as the main challenges faced by companies in terms of competition matters at the moment in Moldova, and how likely is it in your view that these challenges will be addressed in 2025?

Parcalab: Uncertainty in enforcement. I don't think it will be possible to tackle this in 2025, especially with the new rules that will first need to be interpreted and then subsequently applied. This might cause some hiccups, especially seeing how the hitherto competition practice has been, at times, inconsistent. Having said that, the dealings of the council will offer much-needed clarity.

Another challenge is symbolic investigations – even the ones that end with high-profile decisions. Some businesses argue that actual structural issues continue to persist and remain unresolved. It isn't clear if 2025 will be the year when this changes, but there is a demand for better transparency and stronger enforcement tools, all of which means that businesses will need to stay more alert in order to ensure compliance.

An Outlook on 2025: Competition in Romania

By Teona Gelashvili

Nestor Nestor Diculescu Kingston Petersen Partner Anca Diaconu talks about competition in Romania in 2025.

CEELM: Do you expect the competition authority to be more or less active in 2025 compared to 2024? Why?

Diaconu: Last year witnessed intense activity from the Romanian Competition Council (RCC) on all fronts: the highest number of finalized investigations in seven years, hefty fines for diverse traditional antitrust practices, investigations, and dawn raids in novel areas of competence, as well as, transaction-wise, the highest number of cleared mergers in 21 years. The application of the FDI screening regime stood out yet again, with 471 transactions reviewed in 2024. We expect the tight enforcement trend to continue in 2025. The authority has been signaling this at conferences and its actions at the beginning of this year only confirm it – with several new sanctions or investigations being announced in January and February. The authority has been laying the foundation for this in previous years by extending its toolkit at the statutory level. We therefore expect more enforcement on grounds such as the exploitation of superior bargaining positions or the unfair trading practices in the food and agricultural supply chains.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on competition in Romania?

Diaconu: The competition legislation has already undergone several rounds of amendments, partly motivated by the need to ensure the full transposition of the *ECN+ Directive*. This led to increased powers for the authority, such as the competence to conduct announced inspections or dawn raids outside an investigation. Although additional changes are currently under discussion as to the antitrust regime (mostly on procedural aspects), perhaps the most influential project is represented by the draft guidelines concerning FDI screening. The document seeks to address some of the most pressing uncertainties associated with the interpretation of this broadly drafted regime, including rules for value computation – which is one of the two cumulative conditions triggering a filing obligation, and guidance on the filing process. These are currently under public consultation until mid-March – stakeholders are invited to make their views heard until then.

CEELM: What trends do you expect to impact competition practices across Romania the most in 2025?

Diaconu: Quite predictably, the enforcement trend in Romania is influenced by that at the EU level. The authority has investigations ongoing in the tech/digital sector, which has been at the forefront of the European Commission's efforts lately and will be particularly interesting to follow. While debates were ongoing as to the standard of proof in abuse of dominance cases at the European Commission's level, the RCC – although continuing to also make use of the tools related to the abuse of dominance – started to enforce the provisions relating to exploitation of superior bargaining position. Investigations were launched, and dawn raids were conducted against companies that, albeit falling short of dominance, allegedly abused an imbalanced relationship with trading partners. These concerns include diverse markets and activities, including dietary supplements, medical oxygen, and car repair shops. FDI screening also deserves a special mention – against the backdrop of increased scrutiny at the European level, we see no relaxation of the rules on the horizon.

CEELM: What would you identify as the main challenges faced by companies in terms of competition matters at the moment in Romania, and how likely is it in your view that these challenges will be addressed in 2025?

Diaconu: From our experience, companies at the EU level more broadly are concerned about the level of predictability associated with competition enforcement. Faced with novel practices or areas of priority/concern, authorities struggle to adapt the traditional tools to modern-day realities. In this pursuit – which may be a legitimate one – enforcers should not sacrifice predictability and smooth decision-making/clearance, which are essential to fostering innovation and bolstering investments.

In recent years, companies were kept particularly busy by the interpretation/application of the FDI regime – which, being national security-centered, was designed to catch various fields and activities under its scope. The authority has taken steps in the right direction with the expected guidelines. As always, the devil is in the details, and it will be essential to see the level of granularity addressed in the final version of these guidelines.

From our experience, companies at the EU level more broadly are concerned about the level of predictability associated with competition enforcement. Faced with novel practices or areas of priority/concern, authorities struggle to adapt the traditional tools to modern-day realities.

An Outlook on 2025: Competition in Turkiye

By Teona Gelashvili

Actecon Knowledge Counsel Hanna Stakheyeva talks about competition in Turkiye in 2025.

CEELM: Do you expect the competition authority to be more or less active in 2025 compared to 2024? Why?

Stakheyeva: I expect the Turkish Competition Authority to remain just as active in 2025 as it was in 2024, with no signs of slowing down. Statistics indicate a significant rise in investigations – nearly double compared to 2020 – particularly in dawn raids, which have surged by 65%. This trend is likely to continue, especially as Turkiye closely monitors and aligns with EU competition policy developments. The emphasis on digital market regulation and the introduction of the new *Leniency Regulation*, and *Guidelines on Competition Infringements in Labor Markets* are expected to drive further investigations and cases. Additionally, the relatively new technology undertaking exception will continue to sustain high merger control activity, particularly in the technology-driven sectors. These factors reinforce my view that the TCA will remain highly active.

CEELM: What legislative developments will have a significant impact on competition in Turkiye in 2025?

Stakheyeva: One to watch for is the *Regulation on Fines*, which has changed how the competition authority assesses fines. Previously, there were fixed percentages. Now, fines will depend on the authority's discretion and will vary case by case. Together with the new *Leniency Regulation*, which may influence incentives for businesses to self-report violations, we may see a shift in enforcement dynamics. The technology undertaking exception to merger control thresholds (introduced in 2022) is another piece of legislation that impacts competition enforcement in Turkiye. It aims to ensure that M&A in the technology sector is properly scrutinized and was designed primarily to address the growing concern over "killer acquisitions." It exempts certain transactions from the Turkiye-related turnover thresholds once the target is classified as a technology undertaking. Since the criteria for determining what qualifies as a "technology undertaking" are not always clear, many companies are still unsure about which transactions need to be notified. Additionally, new long-awaited *Guidelines on Competition Infringements in Labor Markets* are anticipated to impact enforcement activities. They clarify how competition law applies to labor market practices, particularly concerning wage-fixing, no-poaching agreements, and the exchange of sensitive employee information. Lastly, the draft DMA-like amendments to the *Turkish Competition Law*, once adopted, will directly impact big platforms and undertakings with significant market power by imposing ex-ante obligations on them, mirroring to a large extent EU rules.

CEELM: What trends do you expect to impact competition practices across Turkiye the most in 2025?

Stakheyeva: Sustainability is gaining regulatory attention, though no specific rules exist yet for assessing sustainability agreements. The TCA evaluates such agreements under the general principles of the *Turkish Competition Law*, balancing their competitive effects against environmental benefits. For example, in a recent case involving detergents, environmental benefits justified what initially seemed like restrictive practices. As part of the TCA's *Strategic Plan 2024-2028*, green transformation is among the key areas of focus, encouraging eco-friendly collaborations among competitors. It also considers permitting non-compete clauses over five years for resellers if manufacturers commit to significant environmental investments and redefining automotive markets to reflect electric vehicle advancements and green policies. Another trend is the growing focus on data-related competition issues. Cases involving data portability and algorithmic pricing are on the rise, and the authority has already emphasized that misuse of data can be considered an abuse of dominance. Additionally, regulatory collaboration is intensifying, with the TCA and Public Procurement Authority partnering on integrating AI tools to detect anti-competitive behavior and enhance data analysis, which helps enforcement.

CEELM: What would you identify as the main competition challenges faced by companies in Turkiye in 2025?

Stakheyeva: One major challenge is the uncertainty around merger control, particularly with the technology undertaking exception to the merger control thresholds. As mentioned, companies often struggle to determine whether they need to notify the TCA due to uncertainty about what a technology undertaking is. Another big challenge for companies is navigating competition compliance in rapidly evolving digital markets. Digital platforms face heightened scrutiny, particularly regarding self-preferencing, algorithmic pricing, and data use. The lack of clear rules creates legal and operational uncertainties. Additionally, the interplay between competition and intellectual property laws in search-based advertising is a complex and debated issue. A key challenge for businesses in Turkiye is balancing the protection of trademark rights with compliance with competition law. While brand owners may seek to prevent competitors from bidding on their branded keywords, overly broad restrictions can limit consumer choice and distort competition. Negative keyword matching further complicates this by potentially reducing the visibility of rival brands and narrowing market options. Finally, expanding competition law into non-traditional areas, such as labor markets and sustainability, imposes additional compliance responsibilities for businesses. While some challenges may be addressed in future TCA guidelines, no concrete steps have been announced for 2025. Some issues may be resolved once the draft DMA amendments to the *Turkish Competition Law* take effect, but the timeline remains uncertain. Given this, businesses should focus on proactive compliance to navigate such regulatory uncertainties and mitigate enforcement risks.

An Outlook on 2025: Competition in Ukraine

By Teona Gelashvili

Redcliffe Partners Partners Denys Medvediev and Yuriy Terentyev talk about competition in Ukraine in 2025.

CEELM: Do you expect the competition authority to be more or less active in 2025 compared to 2024? Why?

Terentyev: Since the full renewal of its operations in June 2022, the AMCU has been striving to reach the same capacity level as it was before Russia's full-scale military invasion of Ukraine. We observed some capacity constraints faced by the AMCU in 2022-2023, but things improved in 2024. Currently, the review of filings within multi-jurisdictional projects goes smoother and within a more predictable time frame.

In 2022-2023, many law firms faced a spike in rejections of merger filings, even those believed to be "non-problematic." Such actions resulted from the AMCU's inability to effectively handle the incoming workload as a consequence of a shortage of personnel. Meanwhile, the rate of filings in our practice accepted without initial rejection increased significantly in 2024, the same as the number of filings that fell under the fast-track procedure. We optimistically expect that the AMCU intends to keep positive dynamics in 2025.

CEELM: What is in the legislative pipeline that will have the most impact on competition in Ukraine?

Medvediev: The general trend is the further approximation of the Ukrainian competition legislation with the EC's acquis communautaire. In 2023-2024, the AMCU introduced a settlement procedure for cartels and abuse of dominance cases, improved its leniency policy, set up clear deadlines for investigations, enhanced the merger control procedure, and kept working on further development of state aid rules.

Among next steps, the AMCU intends to abolish the procedure for obtaining approvals for concerted practices, establish clear rules for the application of structural remedies, and introduce periodic penalty payments for continuing and future violations. Besides, the AMCU is now elaborating on the further introduction of a concept of abuse of superior bargaining position and strengthening the parties' procedural rights within investigations.

CEELM: What trends do you expect to impact competition practices across Ukraine the most in 2025?

Terentyev: Even though the AMCU does a lot to ramp up its operations, it still has to reckon with its limited resources and allocate them as efficiently as possible. Ex officio investigations and market studies remain rare. Traditionally, there is intense enforcement around bid rigging. Last year, we also saw the first leniency case under the new procedure. We see a renewed attention to pharmaceutical markets. Having in mind strong statements at the top political level on the allegedly excessive price increases and limitation of competition in such markets, we anticipate further enforcement actions. The probability of elections in Ukraine may traditionally spur the AMCU's attention to other socially sensitive topics like fuel and energy prices and utility tariffs.

We also see a growing interest in digital markets. The AMCU has investigated the unilateral conduct of BlaBlaCar, an operator of an online platform for carpooling services. The AMCU established that BlaBlaCar imposed service fees on passengers without sufficient economic justification and applied inconsistent refund policies when drivers canceled rides. The investigation ended with recommendations for BlaBlaCar to introduce a transparent fee methodology and non-discriminatory refund policy. The AMCU's arguments in the case look rather controversial (apparently due to a lack of the AMCU's expertise on digital markets and insufficient legal framework for digital platforms in Ukraine, meaning the AMCU had to apply conventional rules, not perfectly suited for digital markets).

The AMCU is also refining its approach to unfair competition cases to focus on those with clearer effects on competition. It tends to reject claims if the negative effect on competition is minor, even if the misleading character of advertising is obvious. Besides, the AMCU's activity in detecting unfair competition violations has an industry focus that changes from time to time – currently, it is pharmaceuticals and related products. 2024 ended with several fines imposed for spreading misleading information on the alleged therapeutic effect of dietary supplements and cosmetics. Foods and beverages are also under the AMCU's spotlight. We expect that in 2025, all these sectors will remain interesting for the AMCU, but the focus may shift slightly to other sectors.

CEELM: What would you identify as the main challenges faced by companies in terms of competition matters at the moment in Ukraine in 2025?

Medvediev: Among numerous challenges, we would like to focus on those related to merger control. Ukrainian thresholds are still low and catch deals with no or limited local nexus. Applicants may still face excessively formalistic treatment of certain concentration aspects beyond its substantive analysis (e.g., regarding confirmation of financing). Also, the AMCU's lack of expertise in certain areas, such as digital markets, may increase scrutiny of a filing. And last but not least, the amount of fines for failure to notify/gun-jumping remains quite unpredictable.

An Outlook on 2025: M&A in Bulgaria

By Teona Gelashvili

Hristov & Partners Partners Pavel Hristov and Dragomir Stefanov talk about M&A in Bulgaria in 2025.

CEELM: What would be your bet at this start of the year – will 2025 see more, fewer, or the same level of activity in terms of M&As in Bulgaria?

Hristov: 2025 will likely be very different. As an open market economy, Bulgaria will be exposed to various external negative influences (unprecedented turbulence in geopolitics and global and EU economy) but also internal challenges (budget deficit, inflation, and a drop in FDI). There will be more political and economic uncertainty and instability than usual.

We have coped with crises and difficult times, even hyperinflation, in Bulgaria before. We can safely assume that M&A activity will remain at the same level or slightly lower in terms of volume. Several larger cross-border deals, such as Russia's Lukoil exit from its oil refinery and retail gas stations and e& PPF Telecom's potential buyout of United Group's Bulgarian businesses, if successfully closed, may result in a higher total deal value year to year.

CEELM: What do you believe will be the main elements determining the results at the end of the year?

Hristov: Several industries will continue to outperform the overall economy and will generate the majority of the deals: technology, energy, and industrials, in particular manufacturing and production. 2024 was a difficult year for export-oriented industries. Many customers reduced or canceled their purchase orders. Consequently, the 2024 financial results of many fast-growing Bulgarian suppliers suffered. They had very optimistic expectations and financial projections in 2023-24, but the reality of the actual results was sobering. This will help set more reasonable sellers' expectations and bridge the valuation gap that persisted in 2024. More sellers will adjust their valuations and price tags and this will facilitate the completion of more deals in 2025.

We also expect more PE and VC deals and funding rounds. Bulgaria has been overlooked in the last couple of decades compared with our neighbors, but we see increased and growing interest in some major global and regional PE and VC funds.

CEELM: Are there any pieces of legislation on the horizon that you are keeping an eye on as potentially impacting the M&A market in 2025?

Stefanov: Bulgaria is finalizing the implementation of its FDI screening regime and we expect it to be fully operational in the second half of 2025. At the end of January, the *Rules of Procedure for the FDI Screening Council* were adopted. The next key step is the approval of amendments to the *Rules of Implementation of the Investments Promotion Act*, which will outline the procedures for submitting and processing FDI applications, clarify the allocation of responsibilities among the administrative bodies involved in the screening, and establish the criteria for electing council members. However, the current legal framework raises challenges regarding transparency and predictability, as there will be limited access to documents related to the council's activities. Coupled with restricted access to the council's minutes, correspondence, members, secretariat staff, and experts, this will likely complicate external understanding of the criteria and timelines governing the decision-making process.

CEELM: Who do you expect to be the main buyers in Bulgaria in 2025?

Hristov: We expect mostly financial buyers, PEs, and VCs in the non-regulated sectors, and strategic buyers in the regulated industries like energy, telecoms, and media but also in industrials/manufacturing.

CEELM: What do you expect will be the most attractive targets in Bulgaria in 2025, and what will make them so?

Hristov: Tech start-ups and scale-ups – in areas such as gaming, fintech, e-commerce, enterprise software, mobility, and professional services. Renewable energy and logistics companies will continue to consolidate.

Stefanov: Deal-making in Bulgaria's commercial real estate sector was strong in 2024, with transaction volumes reportedly exceeding EUR 360 million, driven by active investment in office spaces and retail properties. Looking ahead to 2025, the momentum is expected to continue, with the completion of over 100,000 square meters of new retail park space further fueling the market.

Hristov: As always, the most attractive targets will be those that have global or international and scalable business models, the best of class products or services and exceptional teams, have credible growth perspectives, and have won a sustainable book of business or even a solid market share in the most lucrative foreign markets: the US, major EU markets, the UK, Canada, Japan or China. We confidently believe that there are at least a handful of such businesses in Bulgaria and are prepared to act on those deals when they materialize.

An Outlook on 2025: M&A in Greece

By Teona Gelashvili

Drakopoulos Senior Associate Sofia Angelakou talks about M&A in Greece in 2025.

CEELM: What would be your bet at this start of the year – will 2025 see more, fewer, or the same level of activity in terms of M&As in Greece?

Angelakou: The outlook for mergers and acquisitions in Greece is promising, with an anticipation of more deals compared to previous years.

At the same time, one cannot overlook the significant increase in corporate transformations and restructurings, with companies opting for demergers, spin-offs, or other divestitures as part of their strategy.

CEELM: What do you believe will be the main elements determining the results at the end of the year?

Angelakou: Greece's commitment to reform over the past decade, together with its success in meeting significant fiscal targets, has restored confidence and attracted investors.

By the end of 2025, global macroeconomic conditions, geopolitical challenges, as well as the country's increased focus on ESG principles and digital transformation and innovation will shape the M&A landscape in Greece.

CEELM: Are there any pieces of legislation on the horizon that you are keeping an eye on as potentially impacting the M&A market in 2025?

Angelakou: Although there is no specific stand-alone legislation governing M&A activity in Greece, it is essential to closely monitor the legal and regulatory environment, as changes in tax, labor, and competition laws, as well as ESG regulations and digital transformation, will play a key role in shaping investment activity, particularly if the target company's operations are in the energy, technology, real estate, or tourism sectors.

CEELM: Who do you expect to be the main buyers in Greece in 2025?

Angelakou: The current investor landscape includes international strategic buyers (particularly from the US, EU, and the Middle East) as well as PE investors (both local and international). Also worth noting are well-funded local companies seeking to consolidate their operations and optimize their core businesses.

What all investors have in common is their high level of knowledge, expertise, and sophistication in negotiating the structure, terms, and timeframe of each transaction and implementing a risk-based approach in their dealings to minimize potential risks.

CEELM: What do you expect will be the most attractive targets in Greece in 2025, and what will make them so?

Angelakou: In 2025, the most attractive M&A targets in Greece are expected to be in sectors with high growth potential that align with global trends, including logistics, technology and digital transformation, energy (especially with a focus on renewables), tourism, and real estate.

Not only do these sectors align with emerging global shifts, but they also capitalize on Greece's strategic location, available EU funding, and strong growth potential.

One cannot overlook the significant increase in corporate transformations and restructurings, with companies opting for demergers, spin-offs, or other divestitures as part of their strategy.

An Outlook on 2025: M&A in Hungary

By Teona Gelashvili

Forgo, Damjanovic & Partners Partner Zoltan Forgo talks about M&A in Hungary in 2025.

CEELM: What would be your bet at the start of the year – will 2025 see more, fewer, or the same level of activity in terms of M&A in Hungary?

Forgo: In general, market participants reported a slowing M&A market in 2024 due to high interest rates, high inflation, shrinking corporate profits, and no actual GDP growth.

The general market outlook for 2025 is cautiously positive, relying primarily on better GDP growth forecasts for Hungary, lower interest rates generally in Europe, and the potential end of the war between Russia and Ukraine.

Having said that, 2024 was a great year for our M&A practice. Before all, we acted on the high-profile FoxPost sale to CVC Capital and EMMA Capital, probably the largest private market deal in 2024 in Hungary, and advised on a number of transactions in the PV and healthcare industries. Regarding our M&A practice, we remain confident that we can replicate the successes of 2023 and 2024. Already in the pipeline, there are significant transactions in the PV, food supplement, healthcare, and IT industries.

CEELM: What do you believe will be the main factors determining the results at the end of the year?

Forgo: A possible peace accord in Ukraine in the first half of 2025 could be a very significant factor for foreign investors in deciding about Hungarian acquisitions. This is relevant for the whole market, and especially for those targets with potential/actual business in Ukraine and Russia.

The easing tension between the EU and Hungary could also be a potentially positive factor, however, it is unlikely to happen in 2025.

What is a relatively new phenomenon and is growing in significance is the acquisition of foreign companies by mature Hungarian companies in several sectors, such as building developers and sponsors, and players in the pharmaceutical, banking, and car manufacturing sectors. Also, Hungary-based VC and PE companies are eager to look for investment opportunities in other CEE countries. This may present an opportunity for Hungarian M&A legal advisers with well-established contacts in other CEE countries to act as lead counsel on such transactions.

CEELM: Are there any pieces of legislation on the horizon that you are keeping an eye on as potentially impacting the M&A market in 2025?

Forgo: The termination of the extra-profit tax on pharmaceutical producers in 2025 is likely to add to the attractiveness of Hungarian targets in this area. However, the negative change in any areas typically subject to such extra-profit tax, such as banking, telecommunications, oil, and retail FMCG stores would have the opposite effect. The food supplement market is booming, and the activity is fully liberalized. However, a negative change in the use of distribution channels, such as forcing these products into pharmacies, would destroy the significant value of such companies. Such a possible change is looked at by the legislators from time to time.

In general, in Hungary, there is an increased risk of state intervention through taxes or other legislation, which makes Western European buyers particularly careful with the Hungarian market.

CEELM: Who do you expect to be the buyers in Hungary in 2025?

Forgo: For smaller transactions, such as EUR 1-10 million, we expect the market to be dominated by Hungarian strategic companies that add to their product and service portfolio through established businesses. In the range of EUR 10-50 million, the market will continue to be dominated by foreign strategic investors or PE investors who are adding Hungary as a new geographical reach to their existing portfolio companies, such as the purchase of the Hungarian PUDO company FoxPost in 2024 by CVC/EMMA/Packet or the purchase of food supplement player Vitaplus by PE-backed CERES.

Other than that, PE investors are not expected to be very active, given that Hungary is quite a small market, resulting in smaller targets.

CEE investors are expected to increase their activity in Hungary, especially those from the Czech Republic and Romania.

CEELM: What do you expect will be the most attractive targets in Hungary in 2025, and what will make them so?

Forgo: New energy companies, such as solar power companies, and infrastructure developers in the energy sector will remain attractive, and the considerable growth in these areas is expected to continue. IT companies can also be typical targets due to their scalability, especially those that do not have a high concentration of Hungary-based or government-related customers.

As the food supplement market continues to grow, mature food supplement companies will remain interesting targets for foreign strategic investors, typically for Western European investors.

An Outlook on 2025: M&A in Moldova

By Teona Gelashvili

Vernon David Partners Sergiu Bivol and Roman Ivanov talk about M&A in Moldova in 2025.

CEELM: What would be your bet at this start of the year – will 2025 see more, fewer, or the same level of activity in terms of M&As in Moldova?

Ivanov: We always hope for the best, but we are closely watching Ukraine. Whatever happens there will affect us. We are still involved in a couple of M&A transactions and hope that this year won't be worse than last year.

Bivol: I am also optimistic about 2025. We're already working on significant M&A deals in financial and non-financial sectors, though we can't disclose names. Additionally, European buyers are showing interest in Moldova.

CEELM: What do you believe will be the main elements determining the results at the end of the year?

Ivanov: I believe that geopolitical factors and donor support are critical. It's unclear if Moldova will continue receiving assistance from the US, but the EU has recently announced significant support. This assistance could attract businesses to Moldova. It is difficult to foresee, but we will focus on finalizing deals and observing the situation.

Bivol: The situation in Ukraine is indeed a major hurdle. If the war stops, we could see a significant increase in investments and corporate M&A activity. Many Ukrainian investments were made in Moldova to relocate businesses. If the war ends, Moldova could become more attractive for international investments, especially for those interested in Ukraine's reconstruction. We are also monitoring security issues related to energy supply and legislation changes.

CEELM: Since you mentioned it, are there any pieces of legislation on the horizon that you are keeping an eye on as potentially impacting the M&A market in 2025?

Ivanov: Yes, there are several legislative developments to watch. The government announced tenders for large-capacity renewable energy projects, which could boost M&A activity. However, new FDI legislation is being implemented, which includes stricter screening and assessment of investors. This could impact M&A deals, especially in the energy sector.

Bivol: Looking at the broader picture, Moldova is also aligning its legislation with EU requirements, as it's now a candidate for EU membership. This includes improvements in corporate and financial laws, which should make it easier for investors to operate. These changes are positive overall but will take time to fully implement.

CEELM: Who do you expect to be the main buyers in Moldova in 2025?

Ivanov: Most buyers are international, with strategic investors leading the way. Local buyers aren't as active due to limited resources and risk appetite. Geographically, many investors come from Romania, as it's easier to set up logistics and operations there. We're also seeing interest from more exotic countries like Qatar, Israel, and Denmark, which are just starting to explore opportunities in Moldova.

Bivol: I agree. Strategic investors dominate, especially in sectors like renewable energy, where Nordic countries are showing interest. Romania remains a key player, often serving as a gateway for investors entering Moldova. Local investors, unfortunately, lack the capacity to compete at the same level.

CEELM: What do you expect will be the most attractive targets in Moldova in 2025, and what will make them so?

Ivanov: The energy sector is booming and will likely see the most activity. Financial institutions, particularly smaller banks, are also attractive targets. Moldova has 10 banks, which is quite a lot for such a small country, and we're already seeing larger banks acquiring smaller ones that lack the resources to compete.

Bivol: I have reservations about the attractiveness of the financial sector. While mergers are happening, the improved legal framework following past banking fraud has made Moldova more attractive for new banks to enter the market. Additionally, the energy sector will continue to be a key target due to legislative changes and the need for renewable energy sources.

An Outlook on 2025: M&A in Ukraine

By Andrija Djonovic

Avellum Managing Partner Mykola Stetsenko talks about M&A in Ukraine in 2025.

CEELM: What would be your bet at the start of 2025 – will we see more, fewer, or the same level of M&A activity in Ukraine?

Stetsenko: Definitely more activity. Even last year, we saw a significant amount of work coming into the Ukrainian market, and that momentum is set to continue. Local M&A has proven to be incredibly resilient, and we're seeing continued investment across various sectors, including niche and adjacent industries. Additionally, there's hope that some form of ceasefire or settlement will take place this year, which could initially drive opportunistic investments. Once stability sets in, we expect a wave of foreign investments, leading to increased deal activity. We also anticipate growth in sectors that weren't historically as attractive – defense being a key example. Logistics is another area that is rapidly evolving, given Ukraine's position as a key transit hub on the EU's eastern border. The demand for enhanced logistical infrastructure is a major talking point among our clients, and we expect this to drive significant M&A activity.

CEELM: What do you believe will be the main factors influencing the M&A pipeline throughout 2025?

Stetsenko: The war remains the number one factor shaping everything. The biggest game-changer would be a ceasefire, and there are already rumors that something could happen by Easter, possibly even leading to a more structured peace deal later in the year. While a full peace agreement is less certain, even a sustained ceasefire would provide enough stability to unlock M&A opportunities. Beyond that, macroeconomic conditions, investor sentiment, and regulatory developments will all play a role in determining how many deals actually close by year-end.

CEELM: Are there any upcoming legislative changes that could impact the M&A market in 2025?

Stetsenko: Yes, quite a few. Ukraine is actively harmonizing its legal and regulatory framework with EU standards, so we expect substantial changes across various areas, including the regulation of goods, services, and corporate governance. One critical area to watch is capital control legislation. If a ceasefire is reached, we anticipate some relaxation of capital controls, which would boost investor confidence and make it easier for foreign capital to flow into Ukraine.

CEELM: Who do you expect to be the main buyers in Ukraine in 2025?

Stetsenko: We're likely to see a mix of different investor types. Historically, after economic downturns or major geopolitical shifts, the first buyers tend to be non-strategic investors – those looking for undervalued assets and quick returns. This could include some venture capital or private equity companies, though not necessarily the traditional ones. Strategic investors will follow, but likely toward the latter part of the year once there's more stability.

IFIs are already deeply invested in Ukraine and remain the country's largest private capital providers. While they've primarily been lenders up to this point, we could see them shift toward equity investments. Additionally, privatization could create opportunities – many state-owned enterprises that were slated for sale before the war had their transactions put on hold, but a more stable environment could revive those deals.

CEELM: What will be the most attractive M&A targets in Ukraine in 2025, and why?

Stetsenko: State-owned enterprises will be among the key targets. The Ukrainian government has significantly increased its presence in certain industries, in some cases to an unsustainable level – such as banking, where the state now controls around 60% of the market. Once the war ends, privatization will be inevitable.

One major player to watch is Ukrnafta, the national oil company. Historically, Ukraine already had Naftogaz as a dominant force in the gas sector, but recent restructuring efforts could make privatization a viable path. Ideally, Ukraine would pursue a structured IPO rather than selling a 100% stake to a single foreign buyer. For example, it would be concerning if Ukrnafta were to become a full subsidiary of BP or another major international player.

Beyond state-owned enterprises, agriculture will continue to be a highly attractive sector. It has long been a cornerstone of Ukraine's economy, but there's still significant room for efficiency improvements. Even modest gains in productivity could translate into substantial profits.

Construction is another area to watch. The sector is already active, but many foreign investors looking to participate in reconstruction efforts – such as rebuilding schools, bridges, and other infrastructure – may find it easier to acquire existing companies or enter joint ventures rather than starting from scratch. I believe such companies will be attractive targets for 2025.

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An Outlook on 2025: Dispute Resolution in Hungary

By Teona Gelashvili

Jalsovszky Partner Tamas Feher and Managing Associate Peter Szilas talk about dispute resolution in Hungary in 2025.

CEELM: What types of disputes do you foresee will be most present in Hungary in 2025, and what do you expect will drive that activity?

Feher: Over the past few years, IT-related disputes have been on the rise, and we expect this trend to continue, driven by the central role technology plays in today's economy. Specifically for 2025, the year is expected to bring significant turbulence. The European economic outlook is bleak, and Hungary could be particularly affected due to its substantial reliance on the automobile industry. As a result, we anticipate layoffs and payment difficulties, which may also have a ripple effect on companies indirectly connected to this sector. Consequently, we expect a rise in employment-related disputes as well as disputes arising from non-payments or bankruptcies.

CEELM: Are there any upcoming changes likely to impact disputes in the country in the year?

Szilas: At the beginning of the year, there was a notable change in Hungary regarding court fees. The previous capped system was replaced by a degressive, bracketed system without any caps. This means that, as the disputed amount increases, the cost of initiating a court case becomes higher. In addition, recent changes in court practices and legislation make it more likely for the prevailing party to recover their legal fees in full. These changes are likely to reshape the Hungarian dispute landscape. Arbitration may become more appealing, as it is now often cheaper than going through regular courts. There will also be less incentive to pursue uncertain claims, so settlements will likely become more common, and there may be a growing interest in third-party funding options.

CEELM: What would you identify as the biggest challenges faced by lawyers in handling disputes in Hungary at the moment, and how do these challenges impact your clients?

Feher: One of the main challenges faced by both dispute lawyers and their clients is the unpredictability of the procedural aspects, especially in ordinary courts. Despite the introduction of a more streamlined procedural framework in 2017 and a shift toward a system that makes departing from Supreme Court decisions difficult, it can still be hard to predict the time and costs involved in a case. While litigation should, in theory, follow a structured and well-choreographed process, this is often not the case in practice.

A key source of this uncertainty lies in the variability of judicial approaches. Some judges interpret procedural rules very strictly, while others are more flexible, leading to delays and unpredictability. For example, judges who readily accept excuses for late filings or witness no-shows can extend proceedings, resulting in higher costs and wasted time.

For clients, this could mean unexpected increases in both legal costs and the time required to resolve their cases.

CEELM: How likely is it in your view that these challenges will be addressed in 2025?

Szilas: There are a few things that help mitigate these issues.

Arbitration presents a more predictable alternative to ordinary courts. While the composition of the arbitral tribunal may still introduce some uncertainty, the parties have more control over the tribunal's makeup, and they can agree on procedural matters in advance.

Even in the event that a client remains in litigation before ordinary courts, there are procedural tools available to expedite the process. Additionally, familiarity with the judge handling a case can help predict how the proceedings may unfold.

Where this is not possible, lawyers and clients can still find ways to manage litigation costs and delays. For example, contingency fees could be a useful approach in balancing costs.

Finally, the said increase in the costs of litigation and the increased incentive for alternative dispute resolution will likely reduce the workload on the regular courts – likely leading to quicker and more efficient procedures eventually.

The European economic outlook is bleak, and Hungary could be particularly affected due to its substantial reliance on the automobile industry. As a result, we anticipate layoffs and payment difficulties, which may also have a ripple effect on companies indirectly connected to this sector. Consequently, we expect a rise in employment-related disputes as well as disputes arising from non-payments or bankruptcies.

An Outlook on 2025: Dispute Resolution in North Macedonia

By Teona Gelashvili

Law Office Lazarov Attorney At Law Anja Stefanovska talks about dispute resolution in North Macedonia in 2025.

CEELM: What types of disputes do you foresee will be most present in North Macedonia in 2025 and what do you expect will drive that activity?

Stefanovska: In 2025, commercial and contractual disputes, employment and labor issues, and digital/technology-related conflicts will likely dominate the legal landscape in North Macedonia. These disputes will be driven by economic growth, digital transformation, regulatory shifts, and evolving societal norms. Businesses and individuals will need to navigate a more complex regulatory environment, with the added challenge of integrating new technologies while ensuring compliance with both national and international standards.

CEELM: Are there any upcoming changes likely to impact disputes in the country in the year?

Stefanovska: In 2025, regulatory reforms, digital transformation, and the alignment with EU standards will drive much of the disputes in North Macedonia. Commercial disputes, employment conflicts, data protection issues, and tax-related disagreements will be prominent as businesses and individuals adapt to new legal and technological environments.

CEELM: What would you identify as the biggest challenges faced by lawyers in handling disputes in North Macedonia at the moment?

Stefanovska: One of the biggest challenges for lawyers is navigating the complexity and constant evolution of the legal landscape. With North Macedonia aligning its laws with EU standards, lawyers must stay updated on new regulations, reforms, and directives, especially in areas like taxation, data protection, anti-money laundering, and intellectual property. Among the most pressing challenges are judicial inefficiencies, slow court processes, and the complexity of evolving legal frameworks. The growing demand for speedy dispute resolution and the internationalization of legal matters add further pressure on the legal profession. However, these challenges also present opportunities for lawyers to improve their practices, adapt to technological advancements, and find creative solutions for clients in an increasingly globalized legal environment.

CEELM: And how do these challenges impact your clients?

Stefanovska: The challenges faced by lawyers in North Macedonia also significantly impact their clients. As these challenges evolve, clients may experience various difficulties in managing legal disputes, with consequences for their time, finances, and overall legal strategy. Clients often deal with higher costs, delays, uncertainty, and lack of clarity in their legal proceedings. These challenges can strain their financial resources, business operations, and even reputational standing. As the legal system continues to evolve, clients will need to adjust their expectations and strategies for dispute resolution, often turning to alternative dispute resolution mechanisms or seeking innovative solutions to navigate the complexities of the legal landscape.

CEELM: How likely is it in your view that these challenges will be addressed in 2025?

Stefanovska: Promoting alternative dispute resolution in North Macedonia, particularly as an alternative to traditional court proceedings, could indeed be a key part of the country's future, especially in the context of financial disputes and broader legal matters. As North Macedonia strives to modernize its legal and financial systems, ADR offers several advantages that could align well with the country's goals for improving its judicial efficiency and enhancing economic growth.

With its ability to reduce costs, improve efficiency, preserve relationships, and align with international standards, ADR could help streamline dispute resolution processes and support the overall development of a more dynamic, transparent, and attractive legal environment for businesses and investors. As the country continues to modernize, shifting toward ADR where possible could be a key factor in fostering a more flexible, effective, and client-friendly legal system.

Promoting alternative dispute resolution in North Macedonia, particularly as an alternative to traditional court proceedings, could indeed be a key part of the country's future, especially in the context of financial disputes and broader legal matters. As North Macedonia strives to modernize its legal and financial systems, ADR offers several advantages that could align well with the country's goals for improving its judicial efficiency and enhancing economic growth.

An Outlook on 2025: Energy in Bulgaria

By Teona Gelashvili

CMS Sofia Managing Partner Kostadin Sirleshtov and Counsel Borislava Piperkova talk about energy in Bulgaria in 2025.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the energy sector in Bulgaria?

Sirleshtov: Both the Bulgarian renewable energy sector and the rest of the carbon-free technologies are expecting the introduction of Contracts for Differences (CfD) in Bulgaria. Judging from the recent success stories in countries like Romania, this change will have a transformational impact on the Bulgarian energy. Similarly, extending the stability clause in the Bulgarian *Underground Resources Act* to fiscal stability will allow for streamlining of oil & gas upstream investments. Last, but certainly not least, the amendments to the Bulgarian legislation, which will streamline the wind energy investments and will allow offshore wind investment, are desperately needed for unlocking the Bulgarian wind energy potential.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Piperkova: These reforms are not only exciting but also necessary for all the stakeholders in the Bulgarian energy sector. In a situation where the society is sensitive about the cost of energy and the security of the supply, the CfD reform will allow for huge investments at the minimal cost, thus allowing greater generation and an appropriate mix of sources. Furthermore, CfDs will allow for nuclear energy financing, capitalizing on the unprecedented public support for this technology in Bulgaria. Extending the stability clause in the Bulgarian Underground Resources Act to fiscal stability will bring the necessary certainty into the international investment community about the long-term support of the Republic of Bulgaria for these investments. A discovery offshore Bulgaria (such as Neptun Deep in Romanian waters and Sakarya in Turkish waters) will be a game-changer for the Bulgarian energy sector. The direct and indirect benefits for the society could be in tens of billions of euros. Between 2019 and 2024, Bulgaria put some 3 gigawatts of new photovoltaic projects in operation and no wind capacities. These two are the technologies that provide the lowest levelized cost of energy, i.e., produce the cheapest electricity. These are also technologies, which are complimentary – usually the wind turbines produce when the sun is now shining and vice versa. Bulgaria desperately needs further reforms to bring wind and offshore wind investments.

CEELM: On the flip side, what updates are you/your clients dreading the most and why?

Sirleshtov: Both international and local clients dream about stability and lack of regulatory reforms changing the "name of the game" upon completing an investment. As most of the renewable energy projects started under the old feed-in tariff are approaching the end of the validity of the support mechanism, it is necessary for the Bulgarian state to honor these undertaking and to avoid any escalation of disputes locally and internationally, as we have proven that we could win these in court or in arbitration.

Political stability is a must for long-term energy investors. Our clients are dreading the thought that Bulgaria might face its eighth general elections in the last three years. Reforms in the energy sector need political stability and years in the making and therefore everyone hopes for a stable government and regulatory bodies.

CEELM: What are the main/largest energy projects you expect to be finalized in Bulgaria in 2025?

Piperkova: To name a few, we expect to have the first Enka project in Bulgaria – the Kameno 40-megawatt peak photovoltaic project – in operation. We also expect all three Chint/Astronergy new photovoltaic projects with 200 megawatt peak capacity to be put in operation. We anticipate a lot of Bulgarian-sponsored photovoltaic projects, such as the Sinitovo 50 megawatt peak capacity plan, to become operational. Finally, we hope for a discovery in the Han Asparuh oil & gas block by OMV Petrom following the new drilling campaign in 2025. We also expect 2025 to be the year of battery storage in Bulgaria, with at least 3 gigawatts of such capacities in the pipeline.

CEELM: What is the biggest challenge for the energy sector in Bulgaria at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Sirleshtov: The Bulgarian energy sector has a permanent problem, and it is the lack of understanding in the decision-makers about the regulatory conditions for the successful financing of energy projects and the fact that financial structuring and regulatory reforms come first – much before the appointment of technology providers, EPC contracts, etc. We have around EUR 1 billion at risk due to this somewhat unique problem that the Bulgarian energy sector has been facing for decades. In addition, the Bulgarian regulatory environment has been lagging for so many years that it becomes a colossal and close-to-impossible task to update it. Following the successful adaptation of the new *Energy Strategy* in 2025, the new Bulgarian government and Parliament need to dedicate 2-3 years for a new *Energy Law*, a new *Renewable Energy Law*, and subsequent reforms.

An Outlook on 2025: Energy in Croatia

By Teona Gelashvili

Marohnic, Tomek & Gjoic Attorney at Law Ivona Zagajski talks about energy in Croatia in 2025.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the energy sector in Croatia?

Zagajski: The government has adopted a plan to align Croatian legislation with the EU *acquis*, including amendments to the *Energy Electricity Market Act* and the *Renewables Act*, as well as the adoption of the *Act on Alternative Fuels*. Since the plan is newly adopted and no draft texts are publicly available yet, it remains unclear what specific changes will be introduced. It also remains to be seen whether the amendments will address broader market challenges, such as the expiration of certain permits due to legislative delays that impact the timely issuance of other required permits. Additionally, we are still awaiting the adoption of the *Rules on the Organization of Wholesale Electricity Markets* and the unit connection fee that would trigger the implementation of a long-awaited "new" methodology for calculating grid connection costs. This methodology, which shifts the Croatian market from a deep to a shallow cost approach, has been delayed for over two and a half years.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Zagajski: The market is eagerly awaiting the adoption of the mentioned long-overdue legislation that has been in the pipeline for over two years. The first draft of the *Rules on the Organization of Wholesale Electricity Markets* was published in March 2023, but no further progress has been made since. This regulation is critical for several reasons. We have seen a number of rooftop solar power plants being constructed in the past year on commercial properties. Without the concept of active customers, owners or tenants of such rooftop plants must register as producers to sell excess electricity on the wholesale market, which creates an unnecessary regulatory burden. Additionally, the absence of this regulation is stalling the development of the PPA market, as final customers cannot enter into direct agreements with producers without the involvement of a supplier.

Equally urgent is the adoption of the unit connection fee, whose absence has halted the development and construction of renewable energy projects in recent years. Without it, projects cannot obtain grid connection agreements, a prerequisite for location and construction permits, and further project development. The primary obstacle has been the long-pending appointment of the President and other members of the Management Board of the Croatian Energy Regulatory Agency, which is responsible for making this decision. However, after two years, the government has finally conducted a public tender, and we hope the unit connection fee will follow shortly under the new management of the agency as its first task.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Zagajski: Croatia underwent a significant legislative change a few years ago regarding the development of renewable energy projects, reshaping the permitting process. This introduced the requirement for energy approval – a document that now grants legal interest for obtaining other permits – aiming to coordinate projects being developed on public land. However, the introduction of this document further contributed to already cumbersome development red tape. Given these changes and the prolonged delays in adopting key legislation, any amendments or new regulations that help move projects forward and support their effective development would be a positive step.

CEELM: What are the main/largest energy projects you expect to be finalized in Croatia in 2025?

Zagajski: Given the challenges mentioned earlier, it is difficult to estimate the timeline for project completion or how many will be able to start producing and selling electricity by the end of this year. However, if the necessary legislation is adopted, a significant number of projects may become operational in 2026 and 2027.

CEELM: What is the biggest challenge for the energy sector in Croatia at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Zagajski: The biggest challenge at the moment is transmission electricity grid development – specifically the construction of new grid capacity. Beyond the ongoing issues with calculating grid connection costs, transmission and distribution system operators indicate that the grid is already at maximum capacity, meaning that connecting additional projects will depend on necessary upgrades and expansions. These upgrades require significant capital investment, time, and additional resources – both financial and human. Given these factors, it is unlikely that these challenges will be resolved in 2025. Until then, project holders will likely face curtailment in their feed-in capacity.

An Outlook on 2025: Energy in Serbia

By Teona Gelashvili

JPM & Partners Senior Partner Jelena Gazivoda talks about energy in Serbia in 2025.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the energy sector in Serbia?

Gazivoda: The second half of 2024 was marked by several important regulations. This includes the adoption of the *Integrated National Energy and Climate Plan of the Republic of Serbia for the period up to 2030 with projections up to 2050*, the *Energy Sector Development Strategy of Serbia up to 2040 with forecasts up to 2050*, and amendments to the *Law on Energy*. Additionally, a set of regulations that were a prerequisite for organizing the second round of auctions for the market premium expired on February 5, 2025, and we are waiting for its official results.

In light of the above, I do not expect further significant changes in regulations in 2025, except possibly in the sector that governs nuclear energy (on which we are still waiting for the results of the feasibility and justification studies for which the Ministry of Mining and Energy organized an international public tender in mid-summer 2024). It is certainly one of the topics that will be relevant in the coming period toward enriching Serbia's energy mix.

CEELM: In which types of energy projects do you expect most activity this year?

Gazivoda: Clients are, without a doubt, most interested in the sector of renewable energy sources, which shows a strong growth trend in Serbia, thanks to the improved regulatory framework and the clear commitment to persevere on the path of the *Green Agenda*. In this sense, the official results of the second round of auctions, for which there was great interest, are eagerly awaited. Positive elements are the total number of projects that are being developed, the increase in interest in solar power plants compared to wind farms, and the diversity and multi-nationality of investors and the increasing readiness for significant investments in Serbia, complemented by the willingness of banks and international financial institutions to support a wider range of projects than in the past.

CEELM: On the flip side, which ones seem less appealing?

Gazivoda: The impression is that the biomass market is not sufficiently developed, although, according to expert studies, there is significant potential for it. We believe that two grants worth close to EUR 10 million with the German Development Bank KfW for the second phase of the *Renewable energy sources – development of the biomass market in Serbia* program will contribute to the development of this sector. The project will provide financing for the construction and reconstruction of up to five district heating systems that replace polluting and inefficient fossil fuels, and several Serbia municipalities will participate in it.

CEELM: What are the main/largest energy projects you expect to be finalized in Serbia in 2025?

Gazivoda: The Petka solar power plant, with an expected installed capacity of 9.75 megawatts and a planned annual production of 15.6 gigawatt-hours will likely be completed in the first half of 2025. At the same time, the Kostolac wind farm – being built on an old mining dump – is expected to be completed in the middle of 2025. 2025 is supposed to result in the further continuation of modernization and transformation of EPS, as well as upcoming large investments in strengthening the capacity of the transmission and distribution network.

CEELM: What is the biggest challenge for the energy sector in Serbia at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Gazivoda: The biggest challenge will undoubtedly be solving the issue of sanctions imposed on the Oil Industry of Serbia (NIS). On January 10, 2025, the Office for the Control of Foreign Assets at the US Department of Finance placed the NIS on the list of sanctioned companies. The full implementation of sanctions against NIS should occur on February 27, 2025. On February 4, 2025, NIS sent an official request to the US OFAC to postpone the sanctions for 90 days, and this activity was supported by the governments of Serbia and Hungary. According to publicly available sources, there has still been no official response to this request. Due to the sanctions, trading of NIS shares on the Belgrade Stock Exchange was temporarily suspended. One thing is certain: the ownership structure of NIS will not be able to remain as it is now and it is expected that this issue will be worked on in the coming period. There are different scenarios, but the solution should be found in negotiations between OFAC, NIS, and the Republic of Serbia. Otherwise, the consequences could be severe and long-lasting, with everything made worse by the fact that NIS contributes significantly to the budget of the Republic of Serbia.

An Outlook on 2025: Energy in Slovakia

By Teona Gelashvili

Eversheds Sutherland Managing Partner Bernhard Hager talks about energy in Slovakia in 2025.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on the energy sector in Slovakia?

Hager: There is a whole package of amendments to the *Energy Act*, *Network Regulation Act*, and *Act on Renewables* in Parliament that would bring several significant changes.

We can expect, among other things, the regulation of (1) flexible connection contracts to support the development of renewable energy sources in areas with limited or no grid connection capacity, (2) fixed-price electricity supply or electricity pooling contracts for a fixed period of time, (3) suppliers' risk management in the electricity sector, (4) setting of support in the form of a balancing contract for the production of electricity from selected renewable sources. Additionally, we expect the introduction of (1) a mechanism for credits issued for electricity from renewable sources used in transport and (2) the legal framework for RES targets in the transport and industrial sectors. Lastly, we foresee changes regarding biomass and other related changes in the area of consumer protection.

Further, there will be a new *EIA Act* and new construction legislation that should remove red tape and accelerate the permitting and realization of energy projects.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Hager: Not only in energy but in general, clients expect that the new construction laws and pertaining legislation will accelerate the realization of projects and make everything more efficient. As for the energy sector specifically, clients expect that mainly renewable projects and projects for energy efficiency are becoming a reality and financially more sound.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Hager: Energy prices are still high and highly volatile. The Slovak government enacted a so-called "consolidation package" to improve the tight situation of the state budget. This includes not only an increase in taxes but also cutting state expenses. In such a situation, it is questionable to which extent the state will continue with its support for energy prices, and this makes planning and pricing difficult for clients.

CEELM: What are the main/largest energy projects you expect to be finalized in Slovakia in 2025?

Hager: In 2025, the fourth block of the Mochovce nuclear power plant should be put into regular operation. Then, Slovakia will have 70% of its electricity from nuclear sources. There were also projects planned for the co-incineration of waste. However, in the most promising project – Sala, the minister stopped the EIA process and sent the project back to the start. In Surany, a battery gigafactory is planned, and the Slovak Republic has started to buy the land and prepare the framework for the investor.

CEELM: What is the biggest challenge for the energy sector in Slovakia at the moment, in your view, and what is the likelihood you'll see it overcome in 2025?

Hager: Energy prices are difficult to foresee, and the geopolitical situation is currently unpredictable. There are also uncertainties on the demand side. Industry in general, and the automotive sector in particular, is slowing down production and, as a result, the demand for energy is decreasing.

Energy prices are still high and highly volatile. The Slovak government enacted a so-called "consolidation package" to improve the tight situation of the state budget. This includes not only an increase in taxes but also cutting state expenses. In such a situation, it is questionable to which extent the state will continue with its support for energy prices, and this makes planning and pricing difficult for clients.

An Outlook on 2025: ESG in Hungary

By Teona Gelashvili

DLA Piper Hungary Senior Associate and ESG Practice Coordinator Dora Dranovits talks about ESG in Hungary in 2025.

CEELM: Are there any ESG-related pieces of legislation that will impact your work in 2025 in Hungary?

Dranovits: With large entities becoming in scope for both sustainability reporting (including *EU Taxonomy* disclosures) and ESG reporting, we expect that the *Accounting Act* and the *ESG Act* – together with its implementing decrees – will be in major focus for our clients in 2025 in the field of ESG.

Another development keeping ESG reporting rules in the news is the *Omnibus* initiative, the EU Commission's efforts to simplify, streamline, and – if necessary – reduce the reporting obligations of European companies by comprehensive harmonization and amendment of the *CSRD*, *EU Taxonomy Regulation*, and *CS3D*. At the time of writing, the first package by the Commission is promised to be published on February 26, 2025, and the procedure is worth following as it may have a serious impact on current reporting and disclosure obligations.

Companies in the financial sector may look out for the revised *SFDR* rules expected this year as well as certain implementation-related documents regarding the ESG rules of the new EU banking package, while companies in the *CFGR* and industrial sectors will have to start preparing for practical issues of *EUDR* and watch out for the first working group report under the *Eco-Design Regulation* to see when the eco-design requirements for their products may be expected to be out.

CEELM: Up until now, has Hungary been relatively up to date with implementing ESG-focused regulations or lagging? Do you expect that trend to continue in 2025?

Dranovits: While maybe lagging a bit in certain areas (such as waste management), we find Hungary to be up to date with implementation and even being ahead of the rest of Europe in regulating sustainability due diligence.

The *ESG Act*, while not being a direct implementation of the *CS3D*, has similar regulatory goals to ensure that companies have an integrated ESG risk assessment and management system in place, covering risks not only from their own operation but the operation of their upstream and downstream supply chain.

CEELM: Between the "E", "S", and "G" components, which one would you predict will be in the main spotlight in Hungary in 2025? Why?

Dranovits: We predict that the "E" component will remain in the main spotlight. That is due to several factors: the regulators' activities in environmental matters, the "environment-heavy" nature of sustainability reporting, and the fact that in Hungary – and in Europe as a whole, protection of human rights, social issues, and governance are maybe less problematic from a sustainability point of view.

CEELM: What would you identify as the main challenges faced by companies in terms of ESG matters at the moment in Hungary, and how likely is it in your view that these challenges will be addressed in 2025?

Dranovits: As mentioned above, 2025 is the first year in which large entities shall prepare an ESRS-based sustainability report and an ESG report under the *ESG Act*. The two partly overlapping reporting systems will need significant resources and expertise as well as bring great challenges to Hungarian companies, especially if they want to incorporate sustainability reporting and due diligence in their long-term strategy and entire operation and not treat it as just a tick-the-box exercise.

It will take a lot of time and effort to set up the data collection and risk management systems that are operable, effective, and properly aligned with the company's operation. In addition, part of the sustainability reporting is transition planning and ESG goal setting which is a thin line to walk – be sufficiently ambitious with your goals but avoid aiming too high and risk the reputational loss (at best) or greenwashing claims when not being able to perform.

The challenges must be addressed in 2025 but may only be successfully tackled if the necessary financial and human resources are allocated. Notwithstanding, *CSRD*-based and *ESG Act*-based reporting regimes are very new and may be even changing as we speak.

Properly navigating these new regimes and creating and fine-tuning the corresponding internal processes and strategies will keep the companies busy for years.

Also, the first *CSRD* reports of listed large entities are coming out in the first and second quarters that are public and to be disclosed in the financial statements and on company websites. As a result, the reports will be up for public scrutiny and greenwashing and other ESG-related claims may be expected to follow and cause challenging times for the companies involved.

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An Outlook on 2025: Labor in the Czech Republic

By Teona Gelashvili

Peterka & Partners Partner Adela Krbcova talks about labor in 2025 in the Czech Republic.

CEELM: What are the likely most important labor legislative updates you expect in the Czech Republic in 2025?

Krbcova: We are preparing for a new amendment to the *Labor Code*, known as the "Flexi Amendment." The purpose of the amendment is to stimulate the labor market, for example, by extending the probationary period or shortening the notice period in certain cases and adjusting its duration.

The amendment also introduces some positive changes for parents, such as the opportunity to be employed during their parental leave under flexible arrangements for the same scope of work as in their standard employment contract.

Partial changes, such as the right to paid leave in the case of invalid dismissal, easier electronic delivery of salary statements, the possibility of being paid in foreign currency for a wider category of employees, and some other changes are also on the table. The Flexi Amendment is likely to affect occupational health services and abolish the much-criticized entrance medical checks for light work.

In addition to the Flexi Amendment, employers should also begin to familiarize themselves with the requirements of the new *Pay Transparency Directive*, which is not due to be implemented until 2026 but its introduction will require more in-depth preparation for many employers. Implementation work is progressing at different rates across the European Union, which means that multinational companies may be interested in the regulation before it is adopted locally in the Czech Republic.

I should not forget to mention the abolition of lay juries in district courts dealing with labor cases.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Krbcova: I dare say that some clients have been, and may still be, looking forward to the "dismissal without cause" that a group of MPs are trying to push through in the Flexi Amendment. This would be a ground-breaking innovation, as at present employees can only be dismissed for statutory reasons and under strict conditions. The employee would not leave empty-handed, but roughly with six months' severance pay. However, it is unlikely to be implemented in an election year.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Krbcova: Concerns may be raised by many employers about the administrative burden of the announced *Pay Transparency Directive*, particularly in terms of reporting. Increased transparency in this area may also run counter to the traditional notion that pay is not discussed much in the workplace, and in some companies' confidentiality clauses have even been used specifically in relation to one's own pay. Prohibition of such agreements is likely to be included already in the Flexi Amendment.

Personally, I look forward to the implementation of the *Pay Transparency Directive*. I believe that a proper and timely review of the organizational structure, job descriptions, and pay systems within employers, and, in some cases, the attitudes of their stakeholders, will not only facilitate the implementation of the requirements of the directive next year but will also contribute to a better setting and understanding of the labor agenda as a whole.

I can't say that there's anything to fear in 2025 from a labor perspective. I am more curious about how labor inspectorates will use their new powers to assess illegal work and disguised employment, especially whether they will actually publish decisions on offenses in this area on the official website of the State Labor Inspectorate.

CEELM: What trends do you expect will impact the work of labor lawyers in the Czech Republic the most in 2025?

Krbcova: The trend toward digitalization of the labor agenda is certainly continuing, and there is even the first glimmer of judicial practice where the court has recognized the conclusion of a contract via the Docusign platform as legally sound. Although this was not an employment or Supreme Court case, it is a good sign for HR and employment lawyers alike. Nevertheless, when digitalizing the HR agenda, and, in particular, practicing the electronic delivery of important documents, it is necessary to be careful and set everything up properly so that the employer can meet the burden of proof in the event of a dispute. Similarly, the implications of the GDPR and cybersecurity should not be forgotten. Another trend is, and will continue to be, the rise of AI.

CEELM: What are the biggest challenges faced by employers in the Czech Republic at the moment, and to what extent do you expect these challenges to be addressed this year?

Krbcova: A major challenge for Czech employers remains the shortage of labor in almost all sectors due to low unemployment and strict immigration laws which, despite some partial changes, continue to make it difficult to employ foreigners from third countries.

An Outlook on 2025: Labor in Poland

By Teona Gelashvili

Wolf Theiss Counsel Agnieszka Nowak-Blaszczak and Associate Oliwia Pecht talk about labor in 2025 in Poland.

CEELM: What are the likely most important labor legislative updates you expect in Poland in 2025?

Nowak-Blaszczak: 2025 is expected to bring challenges for employers, with several new regulations on the horizon. These include an amendment to the *Labor Code* changing the provisions on mobbing, a new law on collective bargaining agreements, a new law on the conditions of permissibility of entrusting work to foreigners in Poland, giving labor inspectors the power to reclassify civil law contracts as employment contracts, and the implementation of the *Pay Transparency Directive*. Two draft amendments to the *Labor Code* have been presented. The first, which partially implements the *Pay Transparency Directive*, has already been submitted to Parliament. The draft is stricter than the directive – it mandates that employers disclose salary information in job postings, whereas the directive merely necessitates that this information be shared prior to the job interview. It also requires employers to respond to employee requests for salary information within 14 calendar days (versus a two-month period). The second was published by the Government Legislation Center in February 2025 and introduces a new simplified definition of mobbing – understood as persistent harassment of an employee that is repetitive, recurrent, or permanent. The draft establishes the employer's obligation to proactively and continuously prevent mobbing and outlines the specific measures that should be taken. It also specifies that the minimum compensation for mobbing should not be less than six months of the employee's salary. The draft is criticized because some of the wording raises questions of interpretation (there is a chance that the ambiguous language will be revised).

Pecht: The aim of the new law on collective agreements is to streamline procedures, make negotiations more dynamic, and create a more transparent and adaptable framework for concluding collective agreements. It places considerable emphasis on promoting social dialogue, improving the alignment of working conditions, and facilitating more regular reviews of existing agreements. Moreover, the lower chamber of the Polish parliament has adopted a law regarding conditions of permissibility of entrusting work to foreigners in Poland. The aim is to limit the abuses that occur, streamline the procedures for entrusting work to foreigners, reduce the backlog of cases handled by the offices, and fully digitize the proceedings.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Pecht: Employees and workers' rights advocates generally support the enhanced enforcement against false self-employment, as it could lead to better social security protections and reduce unfair competition in the labor market. Employers who already prioritize compliance with employment law may welcome clearer guidelines on contract classification.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Pecht: A potential update that has raised controversy is granting labor inspectors broad powers to convert civil law contracts into employment contracts if they determine that the criteria for an employment relationship are met. The aim is to protect employees from abuses and the circumvention of labor law and social security regulations.

Nowak-Blaszczak: Many employers oppose giving labor inspectors such powers, arguing that they should be left to the courts. Converting a civil law contract into an employment contract on the basis of an immediately enforceable arbitrary decision creates a risk for employers and the need to go to court to defend themselves. This could result in numerous court cases.

Pecht: Businesses that rely on flexible collaboration models fear that a stricter approach to contract reclassification could limit their ability to structure work arrangements efficiently and increase compliance risks.

CEELM: What are the biggest challenges faced by employers in Poland at the moment?

Pecht: Provided the legislation comes into force we'll likely see a rise in disputes over contract reclassification. Additionally, companies will require more proactive legal strategies to ensure compliance with evolving labor regulations. Employers are currently struggling with rising labor costs, contractual uncertainties, and increased regulatory control. The planned labor inspectorate powers' expansion could exacerbate concerns around workforce structuring. Whether these challenges will be adequately addressed depends on the final wording of the reform and its enforcement.

Nowak-Blaszczak: Under the *Pay Transparency Directive*, employers with more than 250 workers will report on their gender pay gaps the first time in 2027. For that reason, we are likely to see an increased demand to review and assess pay structures and pay progression, identify any existing gaps, and determine how to address these gaps already in 2025.

An Outlook on 2025: Real Estate in Montenegro

By Teona Gelashvili

Komnenic & Partners Managing Partner Milos Komnenic and Partner Nemanja Radovic talk about real estate in 2025 in Montenegro.

CEELM: Looking ahead to 2025, which segments of the real estate market do you anticipate will see the most activity in 2025?

Komnenic: Tourism and construction – particularly, real estate development – represent Montenegro's two most significant industries. These industries are closely interlinked, as the largest construction projects are typically developed within the tourism sector or serve tourism-related purposes.

CEELM: How do large-scale tourism-related projects influence broader real estate development in the country?

Radovic: The development of major tourism projects such as Porto Montenegro, Porto Novi, and similar projects has had a far-reaching impact beyond the construction of these complexes, contributing to the development of entire regions or even cities where they are located. This has been achieved through the development of numerous residential, commercial, infrastructural, and other facilities. Consequently, the growth of tourism in recent years has significantly driven the expansion of the real estate industry.

CEELM: What are the main legislative updates, whether recent or on the horizon that will impact real estate in Montenegro in 2025?

Komnenic: Certain measures were undertaken by the Government of Montenegro in the past year, and some are planned for the current year, which will impact real estate in Montenegro. Some pose a potential threat to the real estate sector and particularly further development of the tourism sector, which could, in turn, have a detrimental impact on real estate development.

Specifically, in the previous period, the value-added tax rate applicable to the hospitality sector was increased from 7% to 15%, directly affecting the competitiveness and attractiveness of Montenegrin hospitality businesses compared to rival destinations. Additionally, the VAT exemption on the supply of goods and services for the construction and furnishing of five-star hotels has been abolished. Moreover, a new charge for utility infrastructure development for four- and five-star hotels is currently under consideration, along with the potential rumor about the abolition of the condo-hotel model – both of which would serve as further disincentives for investors in the tourism sector.

The issue of the utility infrastructure charge is particularly contentious since, despite being legally obligated to pay these fees, investors are frequently compelled to develop their own infrastructure, endure lengthy administrative procedures to obtain necessary approvals, and bear substantial costs to ensure the provision of essential utilities for their properties.

Radovic: The cumulative effect of these adverse regulatory changes could and will significantly affect the development of high-end tourism, which, as previously mentioned, is a key driver of growth across multiple industries, including real estate.

In the following days, the Parliament of Montenegro will adopt the new *Construction Law* and *Planning Law* – after decades, dividing them into two regulations. Rumor has it that there are hundreds of amendments so we cannot yet comment on the final text.

It is evident that these new regulations aim to replace the current construction notifications with construction permits, return usage permits instead of supervisory final reports, and overall return to an old approach that was ineffective in many aspects, particularly in terms of administrative delays.

CEELM: What are other challenges faced by developers in Montenegro at the moment? How likely is it in your view that these challenges will be addressed in 2025?

Komnenic: In addition to these regulatory challenges, Montenegro faces a serious shortage of urban planning documentation necessary for development. The prolonged delays in adopting new spatial plans, new changes in the planning law, and the frequent changes in the decision-making practices of competent authorities create further obstacles, making it increasingly difficult for investors to proceed with real estate projects.

Furthermore, geopolitical uncertainties on the global stage could have a negative impact on small markets such as Montenegro, particularly regarding foreign investments, which are essential for continued growth and development.

Radovic: Given the current market demand, it is likely that the number of residential real estate projects will continue to grow in 2025, despite the aforementioned challenges. However, in the long term, adverse effects on tourism could significantly impede further real estate development.

Therefore, it would be advisable for policymakers to implement measures that incentivize investment rather than introduce regulatory changes that could further deter investors from committing capital to the Montenegrin market.

An Outlook on 2025: TMT in Croatia

By Teona Gelashvili

MGG Law Partner Dino Gliha talks about TMT in 2025 in Croatia.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on TMT practices in Croatia?

Gliha: There are three key legislative updates in the TMT space that I'd highlight for Croatia. First, there's the *Media Act*, which has been under discussion for the last 2-3 years. While no official draft has been published yet, leaked documents from working groups have sparked concerns about potential challenges to media freedom. The supervisory council overseeing the act might have an expanded scope, which has led to heated debates. Journalist associations and stakeholders are particularly worried, and we'll likely see the first draft by the end of this year. This is definitely something to watch closely, especially as we move into 2026.

Second, there's the *Act on Representation in the Field of Intellectual Property Rights*. This act is a bit outdated, and after long discussions, it's finally on the legislative agenda. A working group has been formed, but we're still waiting to see the proposed amendments. Most of the changes are expected in the latter part of the year. The act would most likely introduce amendments implementing EU laws but could review prescribed requirements for professionals entering the field. It might be a significant development for IP practitioners.

Lastly, there's the implementation of EU regulations, particularly *DORA* and the *AI Act*. While *DORA* is already in force, the *AI Act* is set to take full effect in 2026. The *AI Act* focuses mainly on transparency, and the ethical use of AI, while many significant questions related to AI that should have been clarified remained outside the scope of the regulation. There's still a lot of confusion in the market about its obligations. Many clients are unaware of what's required, and there's a lack of clear guidelines. This is a major area of focus, especially as AI adoption grows across industries.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Gliha: Is anyone ever excited about new regulations? The *Act on Representation in the Field of Intellectual Property Rights* is more of a concern for practitioners like us. The changes concerning the Media Act seem to be something that people in media are not thrilled about, given the fears around media freedom. However, the *AI Act* and related regulations are generating a lot of discussion. Clients are starting to become more aware of AI's potential, and there's a lot of curiosity about how to leverage it while staying compliant. While it's not exactly "exciting," it's definitely the most talked-about topic, especially as businesses explore AI-driven solutions.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Gliha: The *AI Act* is probably the most daunting for clients. The main issue is the lack of clarity around obligations. If you ask five experts about compliance, you'll likely get five different answers – similar to what happened with the GDPR in its early days. Many SMEs, in particular, are worried about the potential costs and risks of non-compliance. There's also a lot of confusion about what constitutes AI and who will actually fall under the scope of the act. Clients love innovation but are hesitant to take on big risks, especially in the early stages of implementation. Without clearer guidelines, there's a lot of uncertainty, which is causing anxiety.

CEELM: In which sectors relevant to your practice do you expect to see the most work in 2025 in Croatia? What do you believe will drive that work?

Gliha: I expect to see a lot of activity in sectors like science, IT, music, even chemistry, and agriculture, as these industries are increasingly exploring AI applications. AI is ultimately a tool that can be applied across various fields, and many clients are now trying to figure out how to integrate AI solutions while complying with new regulations. For example, companies working with IP rights are looking into how AI can streamline their processes, but they're also concerned about compliance and ownership issues.

The drive behind this work is the growing awareness of AI's potential and the need for strategic digital transformation. Clients are asking for AI readiness assessments and guidance on how to implement solutions without running afoul of regulations. AI is reshaping industries, and it's fascinating to be part of that transformation. ●

There's also a lot of confusion about what constitutes AI and who will actually fall under the scope of the act. Clients love innovation but are hesitant to take on big risks, especially in the early stages of implementation. Without clearer guidelines, there's a lot of uncertainty, which is causing anxiety.

An Outlook on 2025: TMT in Poland

By Teona Gelashvili

Linklaters Warsaw Head of TMT/IP Szymon Sieniewicz talks about TMT in 2025 in Poland.

CEELM: What is in the pipeline in terms of legislation that you believe will have the most impact on TMT practices in Poland?

Sieniewicz: The regulatory landscape for TMT in Poland is undergoing significant changes, driven by both EU-level legislation and domestic legislative initiatives such as the *AI Act*. Some of its obligations became applicable already in February 2025, though most obligations will take effect on August 2, 2026.

The new Polish law on AI systems, which aims to align Polish laws with the *AI Act*, is still in progress. It covers aspects such as the appointment of the national supervisory authority, proceedings before that authority, and certification processes.

Poland is also taking steps toward implementing the EU's *NIS2 Directive*, which enhances cybersecurity requirements for critical sectors across the EU. Since the implementation of the *NIS1 Directive* in 2018, there have been dozens of draft laws amending the *Polish Act on the National Cybersecurity System*. The law implementing the *NIS2 Directive* in Poland is expected to reach Parliament by the end of Q1 2025.

Furthermore, since DORA entered into force on January 17, 2025, both the financial sector and ICT service providers need to adapt to enhanced standards in the area of digital operational resilience. In February 2025, the Polish Financial Supervision Authority repealed and revoked several soft laws that previously set the cybersecurity framework for the financial sector in Poland.

The newly adopted *Data Act* is one of the EU legal acts that are intended to support better use of the potential of the constantly growing amount of data in Europe and to support the creation of a single market for data in the EU. The *Data Act* will apply from September 12, 2025. Its primary objectives are to ensure fair access to data and its use between individual market participants in the digital economy, stimulate competition in the data market, and increase the availability of data.

There is also ongoing work on the new *Polish Data Governance Act*, which, among other things, will expand the catalogue of possibilities for public sector data reuse by the private sector. This should lead to the implementation of the *EU Data Governance Act*. We expect the new law to be adopted in H1 2025.

CEELM: Of the above, which ones are you/your clients most excited about and why?

Sieniewicz: Clients in the TMT sector are particularly excited about the *AI Act*, as its phased implementation provides opportunities for organizations to leverage artificial intelligence in a safer and more structured manner.

Furthermore, the draft *Polish Data Governance Act* is receiving attention due to its potential to expand the opportunities for reusing public sector data. Through greater data accessibility, it encourages collaboration between the public and private sectors, potentially leading to innovative data-driven solutions and services.

CEELM: On the flip side, which ones are you/your clients dreading the most and why?

Sieniewicz: Many clients are concerned about the compliance burdens associated with the new EU digital legislation, especially the *AI Act* and the *NIS2 Directive*. The implementation of the former will pose many challenges with questions around the interpretation of concepts in the act (e.g., "AI system", "prohibited AI practices"). The European Commission's guidelines are expected to be helpful in this area, it is, however, already clear that they do not address all our clients' doubts and questions. Moreover, there are concerns about data privacy and copyrights. In these areas, we observe continuous developments, particularly by tracking ongoing litigations in the US and EU countries.

The implementation of the *NIS2 Directive* is causing apprehension among some clients. Although enhancing cybersecurity is essential, the increased compliance requirements pose significant challenges. The necessity for substantial investments in cybersecurity infrastructure and personnel training may lead to increased operational costs. The new cyber laws are expected to affect tens of thousands of Polish businesses. These procedural adjustments, along with the need to establish new supervisory bodies (e.g., overseeing compliance with the *AI Act*), could lead to uncertainties in compliance and increased administrative burdens.

CEELM: In which sectors relevant to your practice do you expect to see the most work in 2025 in Poland? What do you believe will drive that work?

Sieniewicz: Technology companies (big tech, software houses, gaming studios) will likely see an increase in demand for legal services due to the expected growth of the sector and emerging new regulatory compliance obligations. On the other hand, organizations implementing new technologies, including AI tools, will increasingly seek legal assistance as they begin to leverage these innovations. Additionally, there is a potential for increased tech M&A activity, indicating growing interest from clients investing in technology.

We expect cybersecurity matters to keep TMT lawyers busy this year. The critical sectors (energy, transport, healthcare, etc.) are also poised for an increase in TMT work due to the expected implementation of the *NIS2 Directive*. This will also affect new sectors such as public electronic communications services, social platforms, wastewater and waste management, etc., while the financial sector will also need to continue with DORA's implementation.

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