

Latest news reports from the airline industry show that the European Commission has ended their investigation into the ownership structure of "Air Serbia", reaching a conclusion that Serbia indeed holds management rights over its national air carrier. Furthermore, having in mind their minority stake in Air Serbia, Etihad Airways has thus been enabled to operate according to EU standards in Serbia.

In order to provide a bit of background on the issue, it should be pointed out that the European Commission has investigated the ownership structure of Air Serbia and a number of other European airlines in which Etihad Airways has a stake in, for the purpose of analysing whether EU rules regarding ownership rights are being complied. More precisely, these rules entail that an investor in a European airline (i.e. Etihad Airways) can only be a minority owner, without having the rights to take control over the company's decision making processes. It was for this reason that the EC sought clarification on whether this was the case with "Air Serbia and whether the condition that the control of an air carrier must remain in the hands of majority owner is respected, as to avoid violating the Open Sky Agreement that Serbia signed.

Source; Lexology