The objective of this study is recent issues of regulation of international carriage by air which is a part of private international air law. For more than seventy years the purpose of unification in this respect fulfilled the Warsaw Convention which created a uniform body of rules governing the liability of carriers in international carriage by air. Under this Convention carrier's liability for sustained damages in case of death, wounding or any other bodily injury of the passenger is limited. Besides, the carrier could avoid liability altogether if it could prove that it took all necessary measures to avoid damage or that it was impossible to do so. Since the Warsaw Convention entered into force in 1929, because of its low limits of liability, has been viewed as unfairly protective of the airlines and against the interests of consumers – passengers. Therefore in 1999 was adopted new Montreal Convention changing Warsaw liability system and ruling new modern provisions in this field. It imposes liability without proof of fault up to 100,000 SDRs and presumptive liability in an unlimited amount. However the Montreal Convention fixed only certain rules for international carriage by air.

European Community efforts to go ahead with ensuring protection of the interests of consumers in carriage by air. The most crucial result of this activity is the Regulation of the European Parliament and of the Council (EC) No 261/2004. It orders new kinds of liability without proof of fault and also without sustained damage, which is strongly opposed by many airlines, particularly some low cost ones. Although the ECJ ruled on that there is no conflict between the Regulation and the Montreal Convention or European law, many moot questions still remain unsettled. The drafting of the Regulation is unclear in several areas, and this has given airlines scope to interpret the Regulation in the way that minimizes their obligations, which may not be what is in the best interests of passengers or what policymakers had originally intended.

Presented conventions and EC regulations exist simultaneously; hence interaction implies some issues not easy to answer. Some significant aspects of current issues are discussed in this study.