

Competition - Cyprus

Commission issues novel notifications in relation to concentration control

Contributed by **L Papaphilippou & Co LLC**

December 20 2012

[Introduction](#)

[Recent novel notifications](#)

Introduction

During the past two years the Cyprus Commission for the Protection of Competition has been very active in the control of both competition and concentrations specifically, yielding an impressive number of reasoned decisions.

In relation to the latter, Sections 3 and 13 of the Laws on the Control of Concentrations Between Undertakings 1999-2000 impose a duty on the acquirer to file a notification of concentration with the commission in the event that:

- at least two of the participating undertakings have a total turnover of €3,417,202.88 each;
- at least one of the participating undertakings engages in commercial activities in Cyprus; and
- at least €3,417,202.88 of the aggregate turnover of all the participating undertakings relates to the disposal of goods or the supply of services within Cyprus.

If all the above criteria are met, the notification must be filed in Greek within seven calendar days from the date on which the relevant agreement was concluded or the relevant offer of purchase or exchange or the acquisition of a controlling interest was published, whichever occurs first, under Section 13(1) of the law.

Recent novel notifications

A number of notifications that have been cleared by the commission in the past two years have set a precedent.

Joint control

A notification regarding the acquisition of joint control of Interlife Insurance Company Ltd by Golvenveil Limited and a natural person⁽¹⁾ and a notification regarding the acquisition of joint control of Demco Insurance Ltd by Rodardo Ltd and a natural person⁽²⁾ were both cleared without conditions. These two notifications were filed simultaneously as back-to-back transactions, which was a first in terms of commission precedents and the Cyprus market. Furthermore, it was stated that the market for insurance services can be divided into three categories:

- life insurance;
- general insurance; and
- reinsurance.

Joint venture

The notification of a concentration between Vassiliko Cement Works Public Company Ltd and Hellenic Tzilalis (Cyprus) Ltd regarding the full functionality of the pre-existing joint venture Enerco-Energy Recovery Ltd⁽³⁾ was cleared without conditions. This was the first concentration notification handled by the commission regarding a pre-existing joint venture attaining the status of full functionality.

Vassiliko Cement Works Public Company Ltd is a Cyprus-based company that is engaged in the production and distribution of cement and clinker and has a presence in the ready-mix concrete market and aggregates quarrying through its subsidiary and associate companies. Hellenic Tzilalis (Cyprus) Ltd is active in the environmental technology sector (eg, waste management and industrial and office cleaning) and offers complete solutions to industry, the private sector and Cyprus's local authorities.

Author

Pantelis Christofides



Enerco-Energy Recovery Ltd was established primarily for the production, use and energy recovery of secondary materials and secondary fuels and waste.

Sole control

A notification regarding the acquisition of sole control of Carrefour Marinopoulos SA by Marinopoulos Holding SARL⁽⁴⁾ was also cleared without conditions.

The relevant product market was retail grocery sales through modern retail networks, while the geographic market was Cyprus.

For further information on this topic please contact [Pantelis Christofides](#) at L Papaphilippou & Co LLC by telephone (+357 22 271000), fax (+357 22 271111) or email (pc@papaphilippou.eu).

Endnotes

(1) Clearance Decision 19/2011, Case File 8.13.011.03.

(2) Clearance Decision 20/2011, Case File 8.13.011.04.

(3) Clearance Decision 64/2010, Case File 8.13.010.18.

(4) Clearance Decision 22/2012 Case File 8.13.012.18.

The materials contained on this website are for general information purposes only and are subject to the [disclaimer](#).

ILO is a premium online legal update service for major companies and law firms worldwide. In-house corporate counsel and other users of legal services, as well as law firm partners, qualify for a free subscription. Register at www.iloinfo.com.

Online Media Partners



© Copyright 1997-2013 Globe Business Publishing Ltd