



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 23/2019

Case Number 8.13.019.16

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW
No. 83(I)/2014**

Notification of a concentration concerning the acquisition of the share capital of KACO New Energy GmbH by Siemens Aktiengesellschaft

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karydis	Member
Mr. Panayiotis Ousta	Member
Mr. Aristos Aristeidou Palouzas	Member
Mr. Polinikis-Panagiotis Charalambides	Member

Date of decision: 15/4/2019

SUMMARY OF THE DECISION

On the 8/3/2019, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Siemens Aktiengesellschaft (hereinafter “Siemens”), a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the “Law”).

The notification concerns a concentration, according to which, Siemens will acquire the share capital of KACO New Energy GmbH (hereinafter “the Target”).

Siemens Aktiengesellschaft is a company duly registered under the laws of Germany and it is the parent company of Siemens group. Its main activities are related to energy and gas, production of energy services, management of energy, manufacturing technology, motility, digital factory, processing industry and motility, financial services, health, Siemens and Gamesa Renewable Energy and Next 47.

KACO New Energy GmbH is a company duly registered under the laws of Germany and is active in the provision of solutions for the supply of solar energy and the effective management of energy, providing inverters to customers who are active in the industry of energy and solar energy sector.

KACO Photovoltaic String Inverter, is a subsidiary of KACO New Energy GmbH, manufactures and sells photovoltaic string inverters and offers derivative/ related services, e.g. repair and maintenance. It is noted that all of the other KACO New Energy GmbH activities which are not related to the KACO Photovoltaic String Inverter are not part of this merger.

The concentration is based on the Master Sale and Purchase Agreement dated 1/3/2019 (hereinafter the "Agreement") between the Sellers and Siemens as Buyer (hereinafter "the Agreement"). In accordance with this Agreement, Siemens will acquire the 100% of the share capital of the Target and some of its subsidiaries which constitute the KACO Photovoltaic String Inverter.

The Commission, taking into account the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6 (1)(a)(ii) of the Law, since it leads to a permanent change of control of the target.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance falling within the scope of the Law.

The relevant product market in this case was defined as (a) the market for the sale of photovoltaic string inverters and (b) the market for the sale of central photovoltaic inverters. For the purposes of the present case, the geographic market was defined as the Republic of Cyprus for both product/service markets.

There is no horizontal overlap or vertical relationship between the activities of the enterprises involved.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market and therefore the concentration does not raise serious doubts as to its compatibility with the operation of the competition in the market.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of the competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition