



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ  
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 31/2020

Case Number: 8.13.020.14

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

**Notification of a concentration in respect of the acquisition of part of the business  
of BITROS STEEL S.A. by SIDMA S.A.**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mr. Panayiotis Oustas,	Member
Mr. Aristos Aristidou Palouzas,	Member
Mr. Polinikis Panayiotis Charalambides	Member

Date of decision: 23 July 2020

**SUMMARY OF THE DECISION**

On the 23rd of June 2020, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of SIDMA S.A. (hereafter the « SIDMA ») 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 the acquisition of part of the business of BITROS STEEL S.A. (hereafter the “Target”) by SIDMA.

SIDMA is a company duly registered in accordance with the laws of the Hellenic Republic and is registered at the Athens Stock Exchange. SIDMA is active in the import, storage, processing and distribution of iron and steel products.

The target in this merger is the part of BITROS STEEL S.A. (hereafter "BITROS") that deals with the processing and sale of steel products.

The transaction is based on the «Memorandum of Understanding». (hereafter the "MoU") dated 8/5/2019 among SIDMA, BITROS, their main shareholders and creditors. 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)(α) of the Law were satisfied and therefore the notified transaction was of major importance under the Law.

The Commission, for the purposes of evaluating this concentration, defined the relevant product/service market as (a) the trade and distribution of long steel products and steel construction pipes, (b) the trade and distribution of flat steel products. For the purposes of the present case, the geographic market for all relevant markets was defined as that of the Republic of Cyprus.

According with the undertaking concerned, this concentration leads to a horizontal overlap in the relevant markets. The post transaction market share in the relevant market of (a) the trade and distribution of long steel products and steel construction pipes will be [20-30]% and (b) ) the trade and distribution of flat steel products will be [20-30]%.

Accordingly, the Commission proceeded to examine the compatibility criteria set out in section 19 of the Law.

The Commission examined the financial strength of the undertakings involved, the alternative sources of supply, the position of the undertakings involved in the market, supply and demand trends, and the possible existence of entry barriers and interests of the consumers.

The Commission decided that this transaction will not lead to any unilateral effects or affect competition in the affected markets in Cyprus.

In addition, there is no vertical relationship or other markets which the notified concentration may have significant impact. Furthermore, there are no other markets in which the concentration will lead to significant consequences.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position in the affected markets 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