



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 70/2019

Case Number: 8.13.019.51

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

Notification of a concentration concerning the acquisition of Hellenic Alico Life Insurance Company Ltd share capital by Hellenic Bank Public Company Ltd.

Commission for the Protection of Competition:

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

Date of decision: 19 December 2019

SUMMARY OF THE DECISION

On the 11th of November 2019, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Hellenic Bank Public Company Ltd (hereafter “Hellenic Bank”) 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 the acquisition of part of Hellenic Alico Life Insurance Company Ltd (hereafter “Alico Life Insurance” or the “Target”) share capital by Hellenic Bank.

Hellenic Bank is duly registered under the laws of the Republic of Cyprus. Hellenic Bank is a credit institution operating under the supervision of the Central Bank of Cyprus and the European Central Bank.

Hellenic Bank and its subsidiaries is part of the Hellenic Bank Group. The Group is active in the provision of banking services, of personal and corporate insurance contracts and management of properties acquired through debt to asset swaps.

Alico Life is a company duly registered under the laws of the Republic of Cyprus. Alico Life Insurance is a joint venture between Hellenic Bank and American Life Insurance Company (via MetLife Services Cyprus) and is active in life insurance including general insurance and health contracts.

The transaction is based on the «Share Sale and Purchase Agreement» (hereafter the «Agreement») between Hellenic Bank and MetLife Services Cyprus Limited. According to the Agreement, Alico Life Insurance will be 100% owned by Hellenic Bank.

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 transaction was of major importance under the Law.

The Commission, for the purposes of evaluating this concentration, defined the relevant product/service market as (1) the provision of loan services, (2) the provision of deposit services, (3) the market of distribution of life insurance including general insurance and health. For the purposes of the present case, the geographic market was defined as that of the Republic of Cyprus.

According with the undertaking concerned, this concentration does not lead to a horizontal overlap in the above markets or and there is no vertical relationship between the activities of the parties involved.

Therefore, the Commission concluded that there is no affected market.

As regards the relevant markets for the distribution of life insurance products and general insurance, these are neighboring markets closely related to the provision of loan services, since these products belong to a range of products that are purchased by rule from the same customer group.

The market shares of the parties in each one of the above relevant markets are below 25% and therefore do not constitute an affected market according to Annex I of the Law.

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