

**Case Number 8.13.012.47**

**THE CONTROL OF CONCENTRATIONS**

**BETWEEN ENTERPRISES LAWS 1999 TO 2000**

Notification of a concentration concerning the merger of Sinergatiko Tamieftirio Karpasias Ltd and Sinergatiko Tamieftirio Lisis Ltd

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,                      Chairperson

Mr. Leontios Vryonides,                      Member

Mrs. Eleni Karaoli,                      Member

Mr. Costas Melanides                      Member

Mr. Dimitris Pitsillides                      Member

Date of decision: 22 January 2013

**SUMMARY OF THE DECISION**

The Commission for the Protection of Competition (hereinafter the «Commission») received a notification of a proposed concentration on behalf of the companies Sinergatiko Tamieftirio Karpasias Ltd (hereinafter the «S.T.Karpasias») and Sinergatiko Tamieftirio Lisis Ltd (hereinafter the «S.T.Lisis»), in accordance with section 13 of the Control of Concentrations between Enterprises Law (Number 22(I)/99) (hereinafter the «Law»).

The concentration concerns an agreement by which S.T.Lisis will transfer all of its assets and liabilities to S.T.Karpasias. The name of the new company will be Sinergatiko Tamieftirio Karpasias-Lisis Ltd.

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This transaction is based on a decision taken on the 10<sup>th</sup> of January 2013 by the members of the aforementioned cooperative banks in the Special General Meetings where they approved the decision of the committees of S.T.Karpasias and S.T.Lisis to merge. The new name of the newly formed company will be Sinergatiko Tamieftirio Karpasias-Lisis Ltd.

The Commission, taking into account the facts concerning this concentration concluded that this transaction constitutes a concentration within the meaning of section 4 (1) (a) of the Law, since it results in the merger of two previously independent companies S.T.Karpasias and S.T.Lisis, into a newly formed company.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set in section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance, within the scope of the Law. According to the notification, the aggregate turnover achieved by S.T.Karpasias and S.T.Lisis in relation to each one of them for 2011, exceeded 3.417.203 euro. In addition, S.T.Karpasias and S.T.Lisis engage in commercial activities within the Republic of Cyprus and their aggregate turnover for 2011 exceeded 3.417.203 euro.

Moreover, S.T.Karpasias and S.T.Lisis are both active in the banking sector. The relevant product/services market in this case is defined as 1) the provision of loans and 2) the provision of deposits. The definition of the geographic market for the relevant product/services markets in this case is the Republic of Cyprus.

As it is stated above, both undertakings are active in the same market; however the Commission considers that there is no affected market, since the combined market share of the undertakings is under the threshold set by the Law.

The Commission, on the basis of the factual and legal circumstances, applying the relevant provisions of the Law and taking into consideration the report of the Service, 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 competitive market.

Therefore, the Commission, acting in accordance with section 18 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the requirements of the competitive market.

Loukia Christodoulou  
Chairman of the Commission for the Protection of Competition