

**THE CONTROL OF CONCENTRATIONS
BETWEEN ENTERPRISES LAWS 1999 TO 2000**

**Notification of a concentration regarding the acquisition of the share capital of
Carbon Acquisition Company Ltd by Carbon Ventures Ltd.**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karidis,	Member
Mrs. Eleni Karaoli,	Member
Mr. Charis Pastellis,	Member
Mr. Christos Tsingis,	Member

Date of decision: 25th July 2013

SUMMARY OF THE DECISION

On 6th of June 2013, the Commission for the Protection of Competition (hereinafter the “Commission”) received a notification of a proposed concentration according to Section 13 of the Control of Concentrations between Enterprises Law (Number 22(I)/99) (hereinafter the “Law”) as amended.

The said concentration regards the acquisition of the issued share capital of Carbon Acquisition Company Ltd (hereinafter “Carbon Acquisition / target company”) by Carbon Ventures Ltd (hereinafter “Carbon Ventures”),

Carbon Ventures is a vehicle company established for the purposes of the above concentration. The aforementioned company is duly registered under the laws of Cayman Islands and is wholly owned, indirectly by Mercuria Energy Group Ltd.

Mercuria Energy Group Ltd belongs to Mercuria Group of companies and it operates in a wide spectrum of global markets in the energy sector.

Carbon Acquisition is a private limited company duly registered under the laws of Jersey. The company is the holding company of EcoSecurities Group Plc (hereinafter

“EcoSecurities”) and belongs to J.P. Morgan Ventures Energy Corporation. EcoSecurities is active in carbon acquiring and also structures and guides greenhouse gas emission reduction projects.

The Commission, taking into account the facts and events concerning this concentration concluded that this transaction constitutes a concentration within the meaning of section 4(1)(b)(ii) of the Law, since it results in the permanent change of control of the target company, as defined in the Law.

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 relevant product market in this case was defined as (a) the market of the acquisition of certified emissions CERs/ERUs through the participation in projects reducing gas in the framework of Clean Development Mechanism («CDM») and JI (b) the market of trading CERs/ ERUs which were acquired under ERPAs agreements. The definition of the geographic market for the relevant product/services market in this case remains open as the transaction is unlikely to raise competition concerns irrespective of the precise geographic market definition.

Since only one undertaking is active in Cyprus, namely Mercuria (through its subsidiary Mercuria Energy Trading SA) the Commission considers that there is no affected market.

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

Chairperson of the Commission for the Protection of Competition