



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 1/2020

Case Number: 8.13.019.47

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

**Notification of a concentration regarding the acquisition of assets and rights of
K&K Total Ltd, Circleoffices Ltd και Golray Enterprises Ltd by Coral Energy
Products Cyprus 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: 13 January 2020

SUMMARY OF THE DECISION

On the 6th of November 2019, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Coral Energy Products Cyprus Limited (hereafter “Coral Cyprus”) 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 assets and rights of K&K Total Ltd (hereafter “K&K”), Circleoffices Ltd (hereafter “Circleoffices”) and Golray Enterprises Ltd (hereafter “Golray”) (altogether hereafter “The Target”) by Coral Cyprus.

Coral Cyprus is a company, duly registered under the laws of Cyprus. The company constitutes a subsidiary of Medprofile Ltd which belongs to the Motor Oil Hellas Group of Companies. Coral Cyprus is active in the sale / distribution of oil products and similar items through its network of petrol stations operating under the brand names «Lukoil» and «Shell». Since April 2019, Coral Cyprus is also active in the importation of unleaded gasoline 95 octanes, diesel LS and heating oil, as well as in the supply of unleaded gasoline 98 octanes, kerosene and agricultural oil.

K&K constitutes a limited liability company, duly registered under the laws of Cyprus. The company is active in the distribution / sale of oil products and similar items through its two petrol stations, in Paphos and Paralimni.

Circleoffices constitutes a limited liability company, duly registered under the laws of Cyprus. The company is active in the distribution / sale of oil products and similar items through its petrol station in Paphos.

Golray constitutes a limited liability company, duly registered under the laws of Cyprus. The company is active in the distribution / sale of oil products and similar items through its petrol station in Nicosia.

All four petrol stations belonging to the aforementioned target-entities operate under the brand name «Total Plus».

The transaction is based on the «agreement for the sale and purchase of assets» (hereafter the “Agreement”) between Coral Cyprus and Golray, Circleoffices, K&K. According to the Agreement, Coral Cyprus will acquire the assets and rights of the above mentioned four petrol stations from the sellers.

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 retail sale and supply of liquid fuels (unleaded 95 RON, unleaded 98 RON, diesel automotive fuel LS, heating diesel fuel, agricultural diesel fuel, kerosene heating oil), (b) the retail sale and supply of lubricants for automotives and motorcycles, (c) the wholesale and supply of lubricants for automotives and motorcycles, (d) the retail sale and supply of chemicals. For the purposes of the present case, the geographic market for (b), (c) and (d) was defined as that of the Republic of Cyprus and for the (a) a 4kms radius among the four petrol stations of the sellers.

According with the undertaking concerned, this concentration leads to a horizontal overlap in the market of retail sale and supply of liquid fuels and in the retail sale and supply of lubricants for automotives and motorcycles. According to the parties, the petrol stations of the buyer and the sellers are not within a 4kms radius. The combined post transaction market share in Cyprus for the retail sale and supply of lubricants for automotives and motorcycles less than 15%.

Coral LPC (which as mentioned above belongs to the Group of Companies Motor Oil Hellas) sold in Cyprus wholesale lubricants for cars and motorcycles, products sold in retail by the participating companies. Therefore, a vertical relationship arises between the two in the wholesale and retail/lubricant markets. However, the relevant market shares are low, so that there is no affected market since they do not in any way exceed the 25% threshold.

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

According with the undertaking concerned, there are no other markets which the notified concentration may have significant impact.

Considering the above, the Commission concludes that there is no affected market based on 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 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