

Class: UP/I 034-03/20-02/008

Reg.no: 580-11/113-2020-10

Zagreb, 16 December 2020

**Subject: BELJE plus d.o.o., Darda and part of Meggle Hrvatska d.o.o., Osijek business related to dairy production assets**

- **Assessment of compatibility of concentration**
- **Notice on compatibility of the concentration in Phase I;**

**Case summary:**

In its session of 15 December 2020, the Croatian Competition Agency (CCA) approved the in the first phase the proposed concentration in the form of acquisition of direct control on the permanent basis over the undertaking's Meggle Hrvatska d.o.o. dairy facilities and production line part of business by the undertaking Belje plus d.o.o. within the meaning of Article 15 paragraph 1 item 2 of the Competition Act, Official Gazette, 79/09 and 80/13.

Based on the complete notification of concentration within the meaning of Article 20 of the Competition Act, the defined structure of the relevant market that involved both the actual competitors (incumbents) and the potential competitors, the post-merger market share of the parties to the concentration, expected effects of the concentration in the form of benefits for the consumers, as well as other data and findings, the Competition Council found that it can be reasonably presumed that this concrete concentration between the undertakings concerned cannot constitute a prohibited concentration in the sense of Article 16 of the Competition Act.

Given that the concentration in question produces no anticompetitive effects in the relevant market, the CCA does not issue a procedural order to open the proceedings for the assessment of the concentration in the sense of Article 22 paragraph 3 and Article 39 of the Competition Act.

Taking all the above said into account the notified concentration shall be cleared in the first phase in line with Article 22 paragraph 1 of the Competition Act.

In the sense of Article 20 paragraph 6 of the Competition Act the complete notification was received by the CCA on 3 December 2020 when the CCA received all the documents and data in line with Article 20 paragraphs 1 and 3 of the Competition Act.

The notification of the concentration was submitted in line with Articles 19 and 20 of the Competition Act and the provisions of the Regulation on notification and assessment of concentrations between undertakings, OG 38/11.

The concentration of the undertakings in question will primarily produce effects in the following product markets:

- purchase of raw-milk,
- production and imports of fresh cheese,
- production and imports of milk (UHT and fresh milk),
- production and imports of yogurt and
- production and imports of cream

in the relevant geographic market covering the territory of the Republic of Croatia.

After the CCA received the complete notification of concentration in line with Article 21 paragraphs 5 and 6 and Article 32 item 1 of the Competition Act, on 3 December 2020 it published on its official website (<http://www.aztn.hr>) the request for information from all interested parties with the view to receiving further written comments and explanations with respect to the concentration at issue that would contribute to better understanding of the market situation in the relevant markets concerned.

No replies to this request for information were submitted to the CCA within the prescribed deadline.

Pursuant to Article 22 paragraph 2 of the Competition Act this notice has been also published on the CCA website.

