

Case summary:

Class: UP/I 034-03/16-02/009

Reg.no: 580-11/111-2017-015

Zagreb, 26 January 2017

Subject: VIPnet d.o.o., Zagreb and Metronet Telekomunikacije d.d., Zagreb

- Assessment of compatibility of concentration

- Notice on compatibility of the concentration in Phase I;

The Croatian Competition Agency cleared in the first phase the concentration between the undertakings in the form of the acquisition of direct controlling interest over the undertaking Metronet Telekomunikacije d.o.o., Zagreb, by the undertaking VIPnet d.o.o., with its seat in Zagreb, on a permanent basis, in the form of acquisition of a majority share in the company's share capital 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 preliminary 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 in its session held on 26 January 2017 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.

The CCA found that the concentration in question will produce effects particularly in the provision of electronic communication services in fixed-line networks in the territory of the Republic of Croatia at the wholesale and retail level.

Concretely, the implementation of the concentration concerned will create conditions for creating and strengthening of infrastructure competition in the telecom market involving fixed-line networks in some thirty towns in Croatia.

After no replies or comments to the CCA public request for information have been submitted, the CCA assessed that the concentration of the undertakings in question would produce no negative effects in the relevant market in the Republic of Croatia.

Consequently, the CCA adopted the decision clearing the concentration in Phase I pursuant to Article 22 paragraph 1 of the Competition Act.