



REPUBLIC OF ALBANIA
-THE COMPETITION AUTHORITY-
The Competition Commission

No. ___ Prot

Dated 15/10 / 2009

DECISION

No. 127, Dated 15. 10. 2009

“On

the authorization of the concentration for acquisition of control over the company BP Greece Limited by the company Hellenic Petroleum SA realized through the acquisition 100% of the commercial activity of the company BP Hellas SA”

The Competition Commission, in its meeting held on 15.10.2009, with the participation of:

- | | |
|----------------------------|------------|
| ▪ Mrs. Lindita Milo (Lati) | Chairwoman |
| ▪ Mrs. Servete Gruda | Member |
| ▪ Mr. Koço Broka | Member |
| ▪ Mrs. Rezana Konomi | Member |

Discussed the following issue:

Subject: The authorization of the concentration for acquisition of control over the company BP Greece Limited by the company Hellenic Petroleum SA realized through the acquisition 100% of the shares of the company BP Hellas SA.

Legal basis : Law No. 9121, dated 28.07.2003, titled “On the Protection of Competition”, as amended, Article 24, letter “d”, Article 2 and Articles 10-12, Chapter IV “Procedures for the control of concentrations”, Articles 53-56, the Regulation “On the implementation of the procedures for the concentration of the undertakings”, the Guideline “On the form of the notification of concentration” and Annex I – The Form “On the notification of concentration” .

The Competition Commission, after reviewing the Report of the Secretariat, and the report prepared by the Secretary General, enclosed to this report,

NOTED THAT:

The parties:

The company Hellenic Petroleum International AG, in the quality of the buyer, is an agency of and 100% owned by the company Hellenic Petroleum.

The company Hellenic Petroleum, with headquarters in Greece, is the mother company of Hellenic Petroleum SA Group, a hydrocarbon company vertically integrated, that through its agencies exercises activity within and without Greece, for the production, processing and trading of hydrocarbons and its subproducts; operates in the field of research of oil and gas sources, in the field of production of chemicals that are hydrocarbons derivatives, as is also active in the sector of electrical energy production.

BP Greece Limited, në cilësinë e shitësit, has its headquarters in Great Britain, is part of BP International Group that exercises the activity in the hydrocarbon production, processing and trading market. BP Greece Limited is the owner of 100% of daughter companies that exercise their activity in the hydrocarbon wholesale and retail of storage and trading market in Greece: BP Oil Hellenic SA and BP Hellas SA Oil Trading.

The company BP Hellas SA Oil Trading, Which is the object of the operation, has its headquarters in Greece, and exercises its activity of storage and trading at both market level (wholesale and retail), for fuel products processed in Greece.

The concentration

The notified transaction consists in the acquisition of economic activity (business) of BP Oil Hellas SA Trading after its restructuring, which is implemented within the BP Group. BP Hellas economic activity after the restructuring involves the activity of storage and industrial supply in the wholesale market (deposits with a capacity of 170,000 m³ and 1200 service stations in the retail market within the territory of Greece.

In Albania, Helpe is operating at the wholesale level of market through the company Global Petroleum Albania Sh.a., with a total market share of 10%, and in the retail market through its daughter company Elda Petroleum Albania Sh.p.k., with a total market share of 5%.

BP Hellas SA is not operating in the Albanian market.

Turnover for the year 2008

The total turnover in the **international market** is 11,974 million Euro= 1472 billion ALL and includes the aggregated turnovers of Hellenic Petroleum with 10.130.98 million Euro; and BP Hellas SA with 1.664 million Euro);

The total turnover in the **internal market** is 6 billion ALL and includes the aggregated turnovers of Global Petroleum Albania and Elda Petroleum Albania Shpk.

The relevant market:

Referring to the Guidelines "For determining the relevant market", and based on the activities of the parties, the relevant market will be considered the market for production, processing, storage, sale of hydrocarbons for land transportation vehicles and lubricant oils. For each of these subdivisions, the market is further segmented into two major subdivisions: The wholesale market and retail market.

We stress the fact that either party participating in the transaction is vertically and horizontally integrated in the market (to include the production and wholesale and retail trade of hydrocarbons market).

The relevant product market: Production and wholesale and retail trade of hydrocarbons for land transport (Diesel, Eurodiesel/D1).

In Albania: Helpe is operating at the wholesale level of market through the company Global Petroleum Albania Sh.a., with a total market share of 10%, and in the retail market through its daughter company Elda Petroleum Albania Sh.p.k., with a total market share of 5%.

BP Hellas SA Is not operating in the Albanian market.

The relevant geographical market: For the assessment of the impacts in the market of this transaction The relevant geographical market shall be considered the **internal market**/the territory of the Republic of Albania.

Affected markets

On the basis of the definition of Affected markets under Section 6(III) of the Guideline "On the form of the notification of concentration" there are no affected markets as a result of the notified concentration, neither vertically, nor horizontally, because BP Greece Limited and its daughter company BP Hellas is not operating in the relevant market (the geographical market - the territory of the Republic of Albania and the The relevant product market - production and wholesale and retail trade of hydrocarbons for land transport).

In conclusion:

The concentration can not produce anti-competition effects in the market, because it does not concern directly the geographical market of the Republic of Albania. The enterprise that is object of the transaction, i.e. BP-Hellas exercises its activity only in the market of production and wholesale and retail trade of hydrocarbons for land transportation in Greece, while BP-Albania exercises its activity only in the market of hydrocarbons for aircrafts in Albania and is not present in the market of hydrocarbons for for land transportation in Albania. As a result of the above, the realized concentration does not change the market structure after the concentration and as a consequence, neither creates, nor reinforces any dominant position in the Albania.

FOR THESE REASONS:

The Competition Commission, pursuant to Article 24, letter “d”, and Article 56, paragraph 1, of the Law No.9121, dated 28.07.2003, titled “On the Protection of Competition”, as amended,

DECIDED:

1. To authorize the concentration for acquisition of control over the company BP Greece Limited by the company Hellenic Petroleum SA realized through the acquisition 100% of the shares of the company BP Hellas SA.
2. The Secretary General is in charge for the notification of the parties

This decision takes immediate effect.

THE COMPETITION COMMISSION

Servete Gruda

(_____)
Member

Rezana Konomi

(_____)
Member

Koço Broka

(_____)
Member

Lindita Milo (Lati)

CHAIRWOMAN