



REPUBLIC OF ALBANIA
-THE COMPETITION AUTHORITY-
The Competition Commission

No. ___ Prot

Dated 05/11 / 2009

DECISION

No. 128, Dated 05. 11. 2009

“On

“ The authorization of concentration for the sole acquisition of control over the company Banka Kombëtare Tregtare sh.a. by the company Çalik Finasial Hizmetler AS, through the purchase of a total of 40% of the shares owned by the shareholders IFC and EBRD.

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The Competition Commission, in its meeting held on 05.11.2009, 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 concentration for the sole acquisition of control over the company Banka Kombëtare Tregtare sh.a. by the company Çalik Finasial Hizmetler AS, through the purchase of a total of 40% of the shares owned by the shareholders IFC and EBRD.

Legal basis : Law No. 9121, dated 28.07.2003, titled “On the Protection of Competition”, as amended, Article 24, letter “d”, 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 National Commercial Bank (BKT), with headquarters in Tirana,, is a joint stock company, licensed by the Bank of Albania, under license No. 6 / 1998, dated 11/01/1999, to conduct business as a bank in accordance with Law No. 8365, dated 2.7.1998 "On banks in Republic of Albania".

BKT sh.a. operates with headquarters in Tirana and has its network in the Republic of Albania, which consists of 23 branches and 23 agencies. Also BKT carries out its activity in also in Kosova through 5 units.

BKT sh.a. offers a full range of banking services, with a total assets in 2008 equal to XXXXXXXX million US Dollars. Currently BKT sh.a., offers banking services to state owned enterprises, private enterprises and individuals.

The ownership structure of BKT sh.a. is composed by three shareholders: Çalik Finansial Hizmetler A.S (60%+2); EBRD (20%-1); IFC (20%-1).

The company Çalik Finansial Hizmetler, in the quality of buyer, with headquarters in Istanbul, Turkey, created and operating according to Turkish law, is the shareholder of 60% +2 of the capital at the National Commercial Bank. The objective and scope of activity of the company is to achieve investment through interest in local and foreign banks, offering financial consultancy for factoring and leasing banks and companies, etc. both in Turkey and abroad.

The European Bank for Reconstruction and Development (EBRD), in the quality of the seller, is shareholder / owner of 20% -1 of the capital equal to 492,884 shares. EBRD is a multilateral bank established under an international treaty in May 1990, based in London. Albania is a member of this bank since 1991.

The International Finance Corporation (IFC), in the quality of seller, is shareholder of 20% -1 of the capital equal to 492,884 shares. IFC is part of the World Bank Group, created in 1956 by its member states, with headquarters in Washington DC, US. Albania is affiliated with the IFC, since October 1991.

The purpose of these two institutions is to promote economic development by encouraging the spread of private manufacturing businesses, particularly in less developed areas by:

- By helping in the financing for the creation, expansion, modernization of private production companies, through non-guaranteed investment by the respective member state, including cases where private capital is not sufficient and available;
- By creating investment opportunities, attracting domestic and foreign capital, and
- By stimulating and creating favorable conditions for the flow of private capital into local and foreign industries of its member countries.

The concentration:

The object of the concentration is the company BKT sh.a. The transaction consists in the purchase of each of the parts equal to 20%-1 of the shares owned by EBRD&IFC at BKT sh.a., by the shareholding company Calik Finansial Hizmetler. At the conclusion of the transaction, the company Calik Finansial Hizmetler A.S, shall be the owner of 100% of the shares at BKT sh.a.

The total value of the transaction is XXXXXXXXX \$.

Turnover for the year 2008

Referring to Article 12, paragraph 1, the total turnover in the **internal market of BKT-së** is about XXXXXXXX billion ALL.

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 banking market, where the share occupied by NKT is XXXXX %.

The relevant product market: All services provided by the parties in this transaction and defined in the license issued by the Bank of Albania are considered as products and are included in the product market.

BKT sh.a. in the year 2008 owned XXXXX % of the deposits market, XXXXXXX % of the credit market and XXXXXXX % of the deposit market.

The relevant geographical market: The current network of BKT sh.a. includes branches and agencies within 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 among all the companies participating in the transaction, only BKT sh.a. is involved in banking operations in the relevant market.

In conclusion,

The notified transaction consists in obtaining the sole control over National Commercial Bank sh.a., through the purchase of shares owned by EBRD and IFC, in favor of the majority shareholder Çalik Finansial Hizmetler AS.

This transaction brings the reduction of the number of shareholders and the change of the form of control –from joint control to single control.

In terms of Article 10, paragraph 1, letter "b" and paragraph 2, letters "a" and "b", of Law No. 9121, dated 28.7.2003 "On protection of competition", the notified transaction is considered to be a concentration.

From the evaluation results that this transaction does not cause any effect in the banking market structure.

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 concentration for the sole acquisition of control over the company Banka Kombëtare Tregtare sh.a. by the company Çalik Finasial Hizmetler AS, through the purchase of a total of 40% of the shares owned by the shareholders IFC and EBRD.
2. The Secretary General is in charge for the notification of the parties
3. This decision takes immediate effect.

THE COMPETITION COMMISSION

Servete Gruda

(_____)
Member

Rezana Konomi

(_____)
Member

Koço Broka

(_____)
Member

Lindita Milo (Lati)

CHAIRWOMAN