



**REPUBLIC OF ALBANIA**  
**-THE COMPETITION AUTHORITY-**  
**The Competition Commission**

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**DECISION**

**No.40 Dated 25 . 09. 2006**

**On the concentration realized through the purchase of 100%  
of Emporiki Bank shares ( 52,55% of shares of 1300  
shareholders) by Credit Agricole S.A. company**

The Competition Authority on its meeting on 25.09.2006 with the participation of:

- |                           |            |
|---------------------------|------------|
| ▪ Ms. Lindita Milo (Lati) | Chairwoman |
| ▪ Ms. Servete Gruda       | Member     |
| ▪ Mr. Lush Përpali        | Member     |
| ▪ Mr. Koço Broka          | Member     |

Discussed the following issue:

**Subject:** Emporiki Bank, Credit Agricole S.A. Notification of date 16.8.2006, for the concentration realized through the purchase of 100% of Emporiki Bank shares (52.55% ) by Credit Agricole S.A., with headquarters in Paris, France.

**Legal basis:** Law No. 9121, dated 28.07.2003 "On Protection of Competition", Article 24, letter "d", especially Chapter III "Enterprises Concentrations", Articles 10-17 of the Law.

Upon review of the notification of concentration, the Competition Commission,

**NOTED THAT:**

1. Credit Agricole S.A. is the central organ and the central bank of Credit Agricole group, with headquarters in Paris, France. Credit Agricole S.A has filials in 15 European countries as well as in Marok and Brazil. This company does not have any economic activity in Albania.

2. For the year 2005, the combined annual turnover of (Credit Agricole S.A and Emporiki Bank), was 90.5 billion euro/11.340 trillion Lek;
3. Emporiki Bank in Albania (EBA), with headquarters in Tirana, operates in the banking market of the Republic of Albania based on license No. 14, dated 28.10.1999. During the year 2005, her annual turnover in the domestic market was 502 million Lek. The actual network of EBA's includes three branches and two agencies located in three cities: Tiranë, Vlorë, Sarandë. The market share of EBA in the banking market is 3.9% (≈4%); 1.1% of the total amount of deposits; and 5.1% of the loan market.
4. The notified transaction consists in the control of the package of 71.97% of shares at EBA from Credit Agricole S.A and does not bring any change in the overall structure of the banking market.
5. The transaction realized through the public offer from Credit Agricole S.A, constitutes an concentration as stated in the Article 10, Paragraph 1, letter "b" of the Law, as well as accomplishes the conditions of being subject of review by the the Competition Authority, in conformity with the Article 12, Paragraph 1, of the Law.

## 1. **The respective market**

### *a) Product Market:*

Based in the information obtained by Law Firm Boga & Associates, Emporiki Bank operates in the Albanian banking market since 1999, based on license No. 14, dated 28.10.1999, issued for the operations in the banking market, specifically for the following activities:

- Acceptance of deposits (in the form of unlimited deposits; limited deposits or other forms of deposits) with payable or unpayable interest;
- Granting of loans, including consumable and mortgage loans, factoring loans with or without assistance resources and financing of trading transactions;
- Borrowing of funds and purchasing or selling on her behalf or on behalf of the clients (of instruments of monetary market, such as cheques, bills of exchange and certificates of deposits; debt securities; futures and options, related to debt securities or interests rates; instruments of interests rates);
- Payment services;
- Emission and administration of payment means, including credit and debit cards,, traveller cheques and banker cheques;
- Intermediation of monetary operations, including hard currency;
- Financial leasing,

b) *Geographical market:* Territory of Albania. The actual network of EBA's filials include three branches and two agencies located in three cities: Tiranë, Vlorë, and Sarandë.

c) *Assesment of the impact on competiton*

The parties participating in the concentration exercise their activity at the same level (product market) of the banking market, in separated geographical markets and do not have common clients. The notified transaction consists in the control of the package of 71.97% of EBA's shares from Credit Agricole S.A, and does not bring any change in the overall structure of the banking market. In this context, the concentraton can not have anti-competitive effects because, as stated in the Article 13 of the Law, it does not risk to create or strengthen any dominant position of the companies involved in the concentration. Thus, it does not exist any causal relation between the realisation of this concentration and the creation or consolidation of the dominant position.

### **FOR THE ABOVE REASONS**

Based on article 24, letter d, and the article 56 Paragraph 1 of Law No. 9121, dated 28.07.2003, titled "On the Protection of Competition",

### **DECIDED:**

1. To authorize the concentration realized through the purchase of 100% of the shares of Emporiki Bank, which correspond to 52,55% of the shares of 1300 stakeholders, by Credit Agricole S. A, Paris based, France .
2. This decision enters into effect immediatey.

### **COMPETITION AUTHORITY**

**Servete Gruda**

(\_\_\_\_\_)  
Member

**Lush Përpali**

(\_\_\_\_\_)  
Member

**Koço Broka**

(\_\_\_\_\_)  
Member

**Lindita Milo (Lati)**

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**CHAIRWOMAN**