



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

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**D E C I S I O N**

**No. 44, Dated 28. 12. 2006**

**On**

**The concentration realized through the merger by the procedure of takeover of of 80% of shares of the San Paolo IMI S.p.a at Italian-Albanian Bank, by Banca Intesa S.p.a.**

The Competition Commission, on its meeting on 28.12.2006, with the participation of:

- Mrs. Lindita Milo (Lati) Chairwoman
- Mr. Lush Përpali Deputy chairman
- Mrs. Servete Gruda Member
- Mr. Koço Broka Member

Discussed the following issue:

Object: B.I.A (SanpaoloIMI S.p.a.), Banka Intesa S.p.a.

Subject: Notification dated 27.11.2006, on the concentration realized through the takeover of Sanpaolo IMI S.p.by Banka Intesa S.p.a., Italy

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

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

**NOTED THAT:**

1. Banca Intesa S.p.a, with headquarters in Milan, Italy, is part of the banking group “Intesa Group”.
2. Intesa Group operates through its branches located in Italy and Central and Eastern Europe. This company does not exercise any economic activity in Albania.
3. On 2005, the combined annual turnover in the international market of Banca Intesa S.p.a was 15 588 billion Euro/19.329 trillion Lek.
4. Sanpaolo Group, with headquarters in Turin, Italy, and branches in Rome and Bologna, is authorized to exercise banking and financial operations in Italy.
5. Sanpaolo IMI S.p.a., operates in Albania through the Italian-Albanian Bank sh.a, where it owns 80% of the shares and has branches located in four cities, namely, Tirana, Durrës, Shkodra and Vlora, on the basis of the license No. 1/1996, dated 17.7.1998, issued by the Bank of Albania.
6. On 2005, the annual turnover of SanpaoloIMI S.p.a.was:
  - In the international market: 15622 billion Euro/15.712 trillion Lek; and
  - In the national market: 9 billion Euro/1.116 billion Lek.
7. The market share of the P Italian-Albanian Bank sh.a, (where Sanpaolo IMI S.p.a. owns the majority of shares), is around 4%.
8. The notified transaction consists in the merger through takeover of the packet of shares of Sanpaolo IMI S.p.a. by Banca Intesa S.p.a. and as a consequence, the acquisition of 80% of the shares that Sanpaolo IMI S.p.a. owns at the Italian-Albanian Bank.
9. The notified transaction does not bring any change in the overall structure of the banking market.
- 10.The transaction realized through the takeover of Sanpaolo IMI S.p.a. by Banca Intesa S.p.a. constitutes a concentration in the meaning of Article 10, Paragraph 1, letter “a” of the Law, as well as accomplishes the conditions of becoming subject of review by the Competition Authority, in conformity with the Article 12, Paragraph 1 of the Law.

## 1. **The respective market**

### *a) Product Market:*

Sanpaolo IMI S.p.a. operates in the Albanian market since the year 2006, on the basis of license No. I/1196, dated 17.07.1998, issued for the operation 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 the Italian-Albanian Bank, extended in four cities: Tiranë, Durrës, Shkodër and Vlorë.

**The assesment of impact into competition.**

The transaction consists on the merger, realized through the takeover procedure, of Sanpaolo IMI S.p.a. by Banca Intesa S.p.a. As a consequence, Sanpaolo IMI S.p.a. ceases to exist as juridical person and, according to the law, all its capital, obligations and all the agreements and covenants where Sanpaolo IMI S.p.a. is a party, shall be transferred to Banca Intesa S.p.a. As a consequence, this merger through takeover, which in the Albanian banking market results as a change in the ownership of Sanpaolo IMI S.p.a., does not, in general, neither cause structural changes in the banking market, and in particular, nor does so in the Italian-Albanian Bank, which means that it does not create or strengthen any dominant position. The notified transaction consists on the replacement of ownership of the 80% of shares of the capital of Sanpaolo IMI S.p.a. in the Italian-Albanian Bank, by Banca Intesa and does not bear any negative effects on competition in the relevant market of products, or in the geographical market.

**FOR THE ABOVE REASONS**

Based on, Article 24, letter d, and Article 56, paragraph 1 of Law No. 9121, dated 28.07.2003, titled “On Protection of Competition”

**DECIDED:**

1. To authorize the concentration realized through the takeover of 80% of shares of SanPaolo IMI S.p.a., at Italian-Albanian Bank by Banca Intesa S.p.a., Milan, Italy.

2. This decision enters into effect immediately.

**THE COMPETITION COMMISSION**

**Lush Përpali**  
(\_\_\_\_\_)  
**Deputy chairman**

**Servete Gruda**  
(\_\_\_\_\_)  
**Member**

**Koço Broka**  
(\_\_\_\_\_)  
**Member**

**Lindita Milo (Lati)**

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**C H A I R W O M A N**