



REPUBLIC OF ALBANIA
-COMPETITION AUTHORITY -
Competition Commission

No. ___ Prot.

Dated : 26.06.2009

DECISION

No. 119, dated 26.06.2009

“On

The authorization of the concentration realized through the sale of 100% of the shares of Credit Bank of Albania and purchased by the company Anika Enterprises SA”.

The Competition Authority, in its meeting held on 26.06.2009, 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 realized through the sale of 100% of the shares of Credit Bank of Albania and purchased by the company Anika Enterprises SA.

Legal basis : Law No. 9121, dated 28.07.2003, titled “On the Protection of Competition”. Article 24, letter “d”, Articles 10-12, in particular chapter III „Concentrations of undertakings“, Articles 53-56 and 58 of the Regulation „On the implementation of the procedures for the concentration of undertakings“.

The Competition Commission, after reviewing the report on the notification of the concentration and the report by the Secretary General of the Competition Authority ,

NOTED THAT:

I. The transaction of the concentration

The transaction by which is aimed the acquisition of full control via the transfer of 100% of the shareholders' capital with voting rights of company Credit Bank of Albania at Anika Enterprises SA, is realized on the basis of the share purchase agreement, signed between the parties on date 6 March 2009 and is notified to the Competition Authority on date 11 March 2009, within the legal deadline stipulated in Article 12, paragraph 2 of Law On the Protection of Competition.

The value of the transaction is 30 million U.S. dollars (USD) and will be paid down by the buyer with his own financial resources, according to the modalities laid down in Article 3 of the agreement ⁽¹⁾.

This transaction, through which is accomplished in a direct manner the acquisition of control, brings in changes on a sustainable base of control, in the meaning of Article 10, paragraph 1 and 2 of Law On the Protection of Competition and is considered as being a concentration.

II. Parties to the transaction

The Credit Bank of Albania sha (CBA) in the quality of vendor, is a company established and operating according to Albanian legislation, registered with the Commercial Register Nr. 27845, dated 03.06.2002 of the Tirana Judicial District Court, headquartered at the address: "Perlat Rexhepi", Street Tirana.

CBA conducts financial and banking activities in the banking market within the territory of the Republic of Albania, by offering services / products as specified in the license No. 15 dated 28.08.2002 "For the exercise of banking activities in the Republic of Albania".

Credit Bank of Albania is part of the group M.A AL Kharafi & Sons W.LL(2).

Anika Enterprises SA, the quality of buyer, is a company established and operating under Swiss law, with headquarters at "Rue Saint-Laurent 15-17, 1207, Geneva, Switzerland, registered in the Company Commercial Register in Geneva, dated 28.9.2004, represented by Mr. Rezart Taçi, who is owner of 100% of the capital of the company. The object of the activity of the company is marketing various products, mainly fuel and its sub products. The company operates primarily in the Swiss market but also in other international markets.

¹ Agreement for the sale of shares, page 8, paragraph 3.

² The case Mak Albania, reviewed by the Competition Commission on January 2009.

The company Anika Enterprises SA is shareholder and owns 70% stake in the joint-stock company AMRA OIL SH.A⁽³⁾.

III. Turnover of companies

Referring to the balance sheets of the companies⁽⁴⁾ included in the sale/purchase transaction, it results that:

A. Total turnover realized in the international market for the year 2007 is about xxxxxx billion Lek> xxxxxx Billion Lek ⁽⁵⁾,divided as follows:

- Turnover realized by Credit Bank of Albania is: xxxxxxxx Billion Lek ⁽⁶⁾.
- Turnover realized by Anika Enterprises SA is about xxxxxx billion Lek.

B. Total turnover realized in the internal market is: xxxxxx Billion Lek⁽⁷⁾ divided as follows:

- Turnover realized by Credit Bank of Albania is: xxxxxxxx Lek;
- Turnover realized by companies owned by the same physical person is: xxxxxxxx Lek, (respectively, Taçi Oil xxxxxxxx Lek and Kuid Shpk xxxxxxxx Lek).

Regarding the above, the companies participating in the concentration fulfill the cumulative criteria of the turnover in the internal market, in the meaning of Article 12, paragraph 1 letter “a” of the Law on Competition.

³ Decision adopted by the Competition Commission No. 91, dated 26.10.2008 . The case ARMO/AMRA.

⁴ Note verbal No. 123/1 , the balance sheet of CBA and the balance sheet of Anika Enterprises SA.

⁵ The threshold defined under Article 12, paragraph 1, letter “a” of Law No. 9121, dated 28.07.2003, titled “On the Protection of Competition”.

⁶ The calculation of turnover for CBA is done on the basis of Article 16 of Law on Competition. The case Mak Albania/ M.A AL Kharafi & Sons W.LL . – The grup structure and the group’s international turnover is 215.600.684 Kuwait dinars. The exchange rate www.xe.com-1KWD=352 Lek .

⁷ Consolidated notification by the Commission, paragraph 151: *Acquisitions of control by natural persons*.

IV. The relevant market:

a. The product market:

The parties participating to the transaction exercise their activity in various product markets, as follows:

- I) Anika Enterprises SA and all its subsidiary companies⁽⁸⁾, exercise their activity in the market of production and trading of oil products and its sub products, including the export and import of fuels and their sub products.
- II) Albania Credit Bank exercises its activity in the banking market within the territory of Albania, licensed to provide the services of a commercial bank, mainly on the following services: : the acceptance and collection of bank deposits, issuing of loans, borrowing, payment and collection services, etc.

For the purpose of competition analysis and evaluation of this concentration, since the subject to the transaction is the Credit Bank of Albania, as the relevant product market will be considered the provision of banking services.

In the product market, the share that is owned by Credit Bank of Albania (CBA) is relatively very small, while subsidiaries of Al-Kharafi group exercise their activity in the field of passenger air transport, construction, hotels, etc..

b. The geographic market:

For the evaluation of this concentration and the impact it brings on the market, the geographic market will be considered the internal market, i.e. the territory of the Republic of Albania.

V. Analysis of competition

The transaction of sale of shares of the Credit Bank of Albania does not change the structure of the banking market. The Credit Bank of Albania is part of the G 1 banking group with capital below 2%.

This change relates only to the change of the bank's shareholders and, in the meaning of the Law "On protection of competition" is full acquisition of control of the Credit Bank by the company "Anika Enterprises SA.

⁸ Article 16, paragraph 1, letter "b" of the Law, according to which, "...the participating company, either directly or indirectly, owns more than half of the capital or more than half of the votes, or has the power to appoint more than half of the members of the supervisory council, administrative council or other legal structures, which represent the company, or has the right to direct the business of the company.

The participating parties have direct or indirect participation in several companies that exercise in markets different from the banking market, and do not have clients have in common.

On the basis of the definition of affected markets, according to section 6 (III) of the Form "On the notification of concentration" and based on economic analysis, results that there are no markets affected by the notified concentration.

Regarding the above, the announced transaction that consists in obtaining control of the Credit Bank of Albania by the company Anika Enterprises SA, does not change the structure of the banking market and does not create or strengthen dominant position of the company after the concentration, in the meaning of Article 56, paragraph 1 of the Law On Competition.

FOR THE ABOVE RESONS:

The Competition Commission, pursuant to Article 24, letter "d", and 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 sale os 100% of the shares of Credit Bank of Albania and purchased by the company Anika Enterprises SA
2. The Secretary General is in charge for the implementation of this decision and the notification of the relevant parties.
3. This decision enters into effect immediately.

THE COMPETITION COMMISSION

Servete Gruda
(_____)
Member

Rezana Konomi
(_____)
Member

Koço Broka
(_____)
Member

Lindita Milo (Lati)

CHAIRWOMAN