



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

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**DECISION**

**No.62, Dated 26 . 11. 2007**

**On the notification of concentration realized through the transfer of 70% of the owners' shares of Raiffeisen International Bank-Holding AG, which is owned by Raiffeisen Zentral Bank, to Cembra Beteiligungs GmbH company**

The Competition Commission, on its meeting held on 26.11.2007, with the participation of:

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

Discussed the following issue:

**Subject:** The notification of concentration realized through the transfer of 70% of the owners' shares of Raiffeisen International Bank-Holding AG, which is owned by Raiffeisen Zentral Bank, to Cembra Beteiligungs GmbH company.

**Legal basis:** Law No. 9121, dated 28.07.2003 "On Protection of Competition", Article 24, letter "d", Articles 10-12, Article 56, Regulation "On the implementation of concentration procedures of the undertakings", Article 5.

Upon review of the report prepared by the Secretariat on the notification of concentration realized through the transfer of 70% of the owners' shares of Raiffeisen International Bank-Holding AG, which is owned by Raiffeisen Zentral Bank, to Cembra Beteiligungs GmbH company, the Competition Commission,

## NOTED THAT:

1. The parties directly involved in the transaction, specifically:

- **Raiffeisen Zentral Bank (RZB)**, with headquarters in Vienna, Austria, is authorized to exercise all banking and finance activities, is ranked third in the national market and is specialized in corporations and bank investments. Raiffeisen Zentral Bank exercises its operations through its own network in Central Europe (Czech Republic, Hungary, Poland, Slovakia and Slovenia); in Southeastern Europe (Albania, Bosnia - Herzegovina, Bulgaria, Kosovo, Croatia, Rumania and Serbia); in former Soviet States (Russia, Ukraine, Kazakhstan and Belarus); as well as in other countries, such as United Kingdom, Singapore, Malta, United States, Germany and Switzerland. This broad network, composed of specialized branches and representation offices at the most important financial markets in Southeastern Europe and Asia, is managed by Raiffeisen International Group, where , Raiffeisen Zentral Bank owns 70% of the owners' shares.

Raiffeisen Zentral Bank has been present in Albania since the year 2004, by purchasing 100% of the owners' shares and the voting rights of the former Savings Bank sha. Raiffeisen Zentral Bank operates through the branches of Raiffeisen International Bank Holding AG, which she controls 100%.

**Cembra Beteiligungs GmbH**, with headquarters in Vienna, Austria, has been founded as joint – stock company in the year 1968, and in compliance with the licence it held then, has exercised a limited banking activity, focused only on the production/emmission of bonds. Such activity exercised in a limited product market, was interrupted on June 2004, upon the waiving of the banking license. During the period 2004-2005, Cembra company has not exercised any commercial activity. In 2005, Raiffeisen Zentral Bank, the sole shareholder of Cembra company, transformed the company from joint-stock company to limited liability company, which economic activity includes the participation into other companies, sale and administration of companies, as well as the management of their operations.

**Cembra Beteiligungs GmbH**, is part of Raiffeisen Zentral Bank Group, which indirectly owns/controls it 100%, through the sole shareholder of Cembra, i.e. Raiffeisen International Beteiligungs GmbH, which is itself 100% owned/controlled by Raiffeisen Zentral Bank.

The parties indirectly involved in the transaction, specifically:

- Raiffeisen International Bank Holding AG (RI) is a juridical person, with limited liabilities and is part of the same group, i.e. Raiffeisen International group. It operates in the management and administration of banks and financial institutions on behalf of Raiffeisen Zentral Bank. The banking activities of Raiffeisen International Bank Holding AG in Albania are fully exercised through Raiffeisen International Albania.
- Raiffeisen International Albania sh.a., operates in the produkt market (banking services market) in compliance with its licence.

- Raiffeisen International Beteiligungs GmbH is a company, which is owned/controlled 100% by Raiffeisen Zentral Bank and is the sole shareholder of Cembra company. This means that Cembra company is, indirectly, 100% owned / controlled by Raiffeisen Zentral Bank.
2. The administration of Cembra company and Raiffeisen International Beteiligungs GmbH shall be done through supervisory boards, the members of which shall be simultaneously members of the Supervisory Board of Raiffeisen Zentral Bank.
  3. The parties participating in the transaction are vertically integrated and are controlled by the parent company, both in a direct and indirect manner.
  4. Even after the transfer of these shares, Raiffeisen Zentral Bank retains the control over them, but does so through Cembra company, which remains 100% controlled/owned, indirectly, by Raiffeisen Zentral Bank.
  5. **The transfer of 70% of the owners' shares of Raiffeisen International Bank-Holding AG, to Cembra company, is considered as restructuring operation, which serves the purpose of ensuring a more effective management of the financial interests of Raiffeisen Zentral Bank, and therefore does not cause any changes with respect to the legal ownership of the company (control, administration and ownership of Raiffeisen International Bank-Holding AG , which remains the sole shareholder of Raiffeisen International in Albania}, which means that this does not constitute a concentration within the meaning of Articles 10 and 12 of Law No. 9121, dated 28.07.2003 "On Protection of Competition",**

### **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" and Article 5 of the Regulation "On the implementation of concentration procedures of the undertakings", the Competition Commission,

### **DECIDED:**

1. To not classify the notification on the "the transfer of 70% of the owners' shares of Raiffeisen International Bank-Holding AG, which is owned by Raiffeisen Zentral Bank, to Cembra Beteiligungs GmbH company" as concentration, in compliance with Articles 10 and 12 of Law No. 9121, dated 28.07.2003 "On Protection of Competition",
2. To notify, in writing, the notifying party.
3. This decision enters into effect immediately.

## **COMPETITION AUTHORITY**

**Lush Përpali**

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**Member**

**Servete Gruda**

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**Member**

**Koço Broka**

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

**Member**

**Lindita Milo (Lati)**

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**CHAIRWOMAN**