

05 September 2017: Waste management sector

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The European Commission has referred the review of the creation of a joint venture between the La Poste and Suez groups, in the waste management sector

The European Commission referred the review of the creation of a joint venture between the La Poste and Suez groups. The two companies announced yesterday their intention of setting up a joint venture dedicated to the office waste collection and recovery sectors in France.

The referral is in accordance with Article 4.4 of the European regulation n°139/2004 on the Control of Concentrations between undertakings (For more information on referrals, go to the box at the bottom of the press release).

In agreement with the companies concerned, the Commission considered that the French competition authority was the best placed to review the deal, particularly in relation to the national impact of the transaction and the *Autorité's* experience in the sector concerned¹.

The *Autorité* will be scrutinizing the proposed transaction to ensure that it does not affect competition at either national level or in different local zones where the joint venture will operate. La Poste and Suez being two major business groups present in different business areas, the leverage effects they could use to benefit their joint venture will be under particular examination.

Provisional timetable

If no specific competition difficulties are found (phase 1), merger control decisions are issued within 25 working days, from the date of acceptance of a file

as complete. Should the case move to the in-depth investigation stage (phase 2), a decision will be issued within 65 working days. It is now up to La Poste and Suez to give formal notification of their acquisition project to the *Autorité*.

¹ See, for instance, the recent decisions of the *Autorité de la concurrence* 16-DCC-71 of 14 May 2016 regarding the acquisition of sole control of SLG Recycling Finance by Derichebourg Environnement, decision 16-DCC-158 of 28 October 2016 regarding the acquisition of sole control of Bartin Recycling by Derichebourg SA; and decision 17-DCC-40 of 29 March 2017 regarding the acquisition of sole control of Coved by Paprec Group

European Commission referrals to the *Autorité de la concurrence*

Operations are regularly referred to the *Autorité* by the European Commission, demonstrating the flexibility of the European Concentration Supervision System and the acknowledged quality of the authority's work. The referral procedure, provided for by European Regulation N° 139/2004, enables the Commission, if the concentration "*may significantly affect competition in a market within a Member State which presents all the characteristics of a distinct market*", to refer the case to the national authority best placed to assess the effects of the operation on competition.

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