



Argentina

Global merger control handbook – update

JUNE 2020

Merger control legislation updates since 1 July 2018

No significant legislative or regulatory updates have been introduced.

Notification thresholds are determined on the basis of “mobile units”. The basic notification threshold is that the transaction is subject to compulsory notification if the total turnover within Argentina exceeds one hundred million mobile units. The value of a “mobile unit” was set, as of January 20, 2020, as equivalent to 40.61 pesos, approximately equivalent, in June 2020, to 0.60 U.S. Dollar.

Landmark merger control cases since 1 July 2018

Several important decisions have been issued in recent years – both by the administrative regulatory authorities and the courts – regarding the limits and effects of merger control, among which the following should be mentioned:

- In “Intermediate Capital Group et al.”, decision of the Secretary of Commerce of July 1, 2019, the right of veto as to decisions related to the strategic commercial behavior of a firm, the approval of its annual budget and annual business plan, and the appointment of the President, CEO and other high ranking officers, was considered to constitute decisive influence and control over a target.
- In “Procastor/Pentland”, decision of the Secretary of Commerce of September 27, 2019, it was decided that no notification or approval was necessary in the case of a target which does not have a turnover volume attributed to its own business.
- In “Iberia S.A. et al”, Federal Supreme Court decision of October 8, 2019, the administrative authority had imposed certain conditions for the approval of an acquisition, consisting in the obligation of maintaining certain flight frequency and complying with a price monitoring mechanism. The Supreme court decided that these conditions were not justified by the possible effects of the acquisition.

- In “ATT/Time Warner”, decision of the Secretary of Commerce of October 24, 2019, vertical acquisitions were considered to be subject to the merger control mechanisms; among factors to be evaluated in these cases, the regulator indicated that the blocking of the access of clients or suppliers to other competitors was a principal consideration.
- In “UPL NA Inc. /Arysta Lifescience Inc., decision of the Secretary of Commerce of November 8, 2019, restrictive clauses included in an acquisition documentation were considered as subject to a rule of reason evaluation, which depended on the context of the acquisition transaction and its effects.
- In “Maersk A/S et al”, decision of the Secretary of Commerce of November 25, 2019, in the context of the evaluation of an acquisition involving shipping lines, the relevant market was defined for each shipping lane separately, and not for shipping as a whole. 16 years of age) shall continue to receive discounted tickets. The FCA provided both a model contract and the marketing application. A monitoring trustee was also appointed.

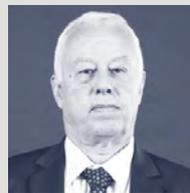
Web link to the national competition authority

<https://www.bwb.gv.at/en/>

Your merger control contact in Argentina

DLA Piper Argentina

Av. Eduardo Madero 900, 16th Floor
Buenos Aires, C1106ACV
ARGENTINA



Guillermo Cabanellas

Senior Partner

T +5411 41145500

g.cabanellas@dlapiper.com.ar