



Norway

Global merger control handbook – update

APRIL 2020

Merger control legislation changes since 1 July 2018

There have been several changes to Norwegian merger control legislation since 1 July 2018:

- The Competition Act section 16 a now explicitly states that the Competition Authority shall prohibit the acquisition of shares in an undertaking even if the acquisition does not lead to control if it will significantly prevent effective competition, especially as a result of the creation or strengthening of a dominant position.
- The Norwegian Competition Act has been amended to reflect the Nordic cooperation between the competition authorities, in particular regarding exchange of information.
- As of 1 January 2019 a new regulation on the proceedings for appeals for and the case handling of the competition complaints board entered into force. The regulation also determine how any court proceedings shall take place.

- On 14 April 2020, an interim exemption act was passed; whereas of 17 April 2020 i.a. all deadlines in relation to merger filing assessment/clearance is extended by 15 working days. The exemption act will initially be in force until 31 October 2020.

Additionally, please note that the NCA in January 2019 decided to renew the imposed duty on some larger national (Norwegian) companies to notify any transaction in which they are involved, regardless of value. The companies affected by the regulation operate in the following individual markets where the degree of local competition is considered of particular significance; fuel, energy, waste, daily consumer goods, locksmiths, newspapers and broadband. The obligation to provide information is limited to a period of 2 years, i.e. until the end of 2020 unless prolonged.

Landmark merger control cases since 1 July 2018

In March 2020 the Norwegian Competition Authority fined the VY Group NOK 7.5 million for providing incorrect information in a merger filing.

In November 2019 the Norwegian Competition Authority approved the merger between Tieto and Evry on condition that Evry divested its case management and archiving systems business to a suitable buyer.

The Competition Authority decided on 28 October 2019, after an in-depth investigation, to prohibit the proposed merger between Prosafe SE and Floatel International Ltd due to serious competition concerns. The prohibition was first appealed to the complaints board, but later withdrawn as also the British CMA initiated investigations into the merger.

After a long and complicated process, the Norwegian Competition Authority finally approved Sector Alarm's purchase of shares in the Nokas Group, provided that the ownership shareholding post does not exceed 25 percent, and that Sector Alarm aborted the acquisition of Nokas Small Systems. The ownership share was significantly lower than what Sector Alarm initially wanted. The case was initiated after the Swedish Competition Authority notified the Norwegian Competition Authority of the merger, who subsequently demanded a filing of the acquisition of 49.99 % of the Nokas Group's shares. This is the first time the Norwegian Competition Authority has intervened in a minority shareholder acquisition since the introduction of the Competition Act in 2004.

Web link to the national competition authority

National competition authority: <https://konkurransetilsynet.no/> or in English: <https://konkurransetilsynet.no/?lang=en>

The Competition Complaints board: <https://www.klagenemndssekretariat.no/konkurransklagenemnda>

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