



Georgia

Global merger control handbook – update

APRIL 2020

Merger control legislation updates since 1 July 2018

No merger control legislation updates have taken place since 1 July 2018.

Landmark merger control cases since 1 July 2018

Since the establishment of the Agency on 14 April 2014, it has issued 14 decisions on concentration clearance, listed in the table below. In 13 cases the Agency has approved the concentration and in one case the Agency issued a negative

decision. It should be mentioned that in the one case when the Agency reached a negative conclusion, the undertakings failed on their filing obligation and the Agency examined the concentration on the basis of the application of a third party.

None of the Agency's merger control decisions have been appealed, which however does not mean that all decisions were in compliance with the law. As this is a new field for the Georgian business market, undertakings are reluctant to appeal decisions of Agency and commence disputes.

N	COMPANIES	DATE OF ORDER	BUSINESS SECTOR	RESULT	APPEALED OR NOT
1.	"Heidelberg-beton Georgia" LLC acquired operation actives of "Tbilcement Group" LLC	09.06.2015	Concrete Market	Approved	Not appealed
2.	"Evex Medical Corporation" JSC acquired 50% share of "GN Co" LLC	28.07.2015	Ambulatory market; Stationary market	Approved	Not appealed
3.	"Nikora Trade" LLC acquired 100% share of "Nugeshi" LLC	26.02.2016	Food Industry	Negative	Not appealed
4.	"Alta" LLC & "Eurotechnics Georgia" LLC	07.03.2016	Electrical equipment market	Approved	Not appealed
5.	"Georgian Healthcare Group" JSC acquired 100% share of "GPC" JSC	28.04.2016	Medical Service Market; Pharmaceutical Market; Medical Insurance Service Market;	Approved	Not appealed
6.	"GPC" JSC acquired 100% share of "ABC Pharmacy" JSC	28.12.2016	Medical Industry	Approved	Not appealed
7.	"Cement Invest B.V", Svetlana Lambrianova, "Haidelberg Cement Central Europe East Holding B.V" and Robert Bezhuashvili	06.10.2017	Construction Industry	Approved	Not appealed
8.	"Alta" LLC acquired 50% share of "Metroman" LLC	04.12.2017	Technological Industry	Approved	Not appealed
9.	Acquisition of 100% share of LTD "MEDISON HOLDING" by LTD "MEDCAPITAL"	08.06.2018	Medical Industry	Approved	Not appealed
10.	Merger of LTD "AMERITECH" and LTD "SMILEY"	06.07.2018	Technological Industry	Approved	Not appealed

N	COMPANIES	DATE OF ORDER	BUSINESS SECTOR	RESULT	APPEALED OR NOT
11.	Acquisition of 80% share of LTD "MOTORSTAR" by JSC "GEORGIA CAPITAL"	13.06.2019	Auto Industry	Approved	Not appealed
12.	Acquisition of 70% share of LTD "BRITISH-GEORGIAN ACADEMY" by JSC "GEORGIA CAPITAL"	19.06.2019	Education Industry	Approved	Not appealed
13.	Acquisition of 80% share of LTD "BUCKSWOOD INTERNATIONAL SCHOOL – TBILISI" by JSC "GEORGIA CAPITAL"	25.07.2019	Education Industry	Approved	Not appealed
14.	Acquisition of 80% share of LTD "TBILISI GREEN SCHOOL" by JSC "GEORGIA CAPITAL"	16.08.2019	Education Industry	Approved	Not appealed

CASE CASE OF MEDCAPITAL AND MEDISON HOLDING DATED 08.06.2018

Competition Agency of Georgia received a notification on concentration between LTD "MEDCAPITAL" and "MEDISON HOLDING" as a result of acquisition of 100% share of LTD "MEDISON HOLDING" by LTD "MEDCAPITAL." The Agency defined service of ambulatory as a product/service market; analyzed information on the relevant undertakings and their market shares; factors of market environment. According to the decision of the Agency, the concentration was considered as compatible to the competitive environment.

CASE OF AMERITECH AND SMILEY DATED 06.07.2018

Competition Agency of Georgia received a notification on concentration between LTD "AMERITECH," LTD "SMILEY" as a result of establishing a joint venture. The Agency analyzed markets of computers, mobile devices, domestic appliances; relevant undertakings and their market shares; factors of market environment. According to the decision of the Agency, the concentration was considered as compatible to the competitive environment.

CASE OF GEORGIA CAPITAL AND MOTORSTAR DATED 13.06.2019

Competition Agency of Georgia received a notification on concentration between JSC "GEORGIA CAPITAL," LTD "MOTORSTAR" as a result of acquisition of 80% share of LTD

"MOTORSTAR" by JSC "GEORGIA CAPITAL." The Agency defined import, wholesale, and retail of automotive parts and vehicle fix and service as a product/service market. According to the decision of the Agency, the concentration was considered as compatible to the competitive environment.

CASE OF GEORGIA CAPITAL, BRITISH-GEORGIAN ACADEMY, AND BRITISH INTERNATIONAL SCHOOL, DATED 19.06.2019

Competition Agency of Georgia received a notification on concentration between JSC "GEORGIA CAPITAL," LTD "BRITISH-GEORGIAN ACADEMY," and "BRITISH INTERNATIONAL SCHOOL OF TBILISI" as a result of acquisition of 70% share of LTD "BRITISH-GEORGIAN ACADEMY" by JSC "GEORGIA CAPITAL". The Agency defined service of general education offered by private schools as a product market. According to the decision of the Agency, the concentration was considered as compatible to the competitive environment.

CASE OF GEORGIA CAPITAL AND BUCKSWOOD SCHOOL, DATED 25.07.2019

Competition Agency of Georgia received an application regarding concentration as a result of acquisition of 80% share of LTD "BUCKSWOOD INTERNATIONAL SCHOOL – TBILISI" by JSC "GEORGIA CAPITAL". The Agency defined service of general education offered by private schools as a product market. According to the decision of the Agency, the concentration was considered as compatible to the competitive environment.

CASE OF GEORGIA CAPITAL AND TBILISI GREEN SCHOOL, DATED 16.08.2019

Competition Agency of Georgia received an application regarding concentration as a result of acquisition of 80% share of LTD "TBILISI GREEN SCHOOL" by JSC "GEORGIA CAPITAL." The Agency defined service of general education offered by private schools as a product market. According to the decision of the Agency, the concentration was considered as compatible to the competitive environment.

Web links to the national competition authorities

Georgian Competition Agency: <http://competition.ge/en/>

The following are links to important documents and forms available on the official website.

STATUTORY PROVISIONS AND REGULATIONS

- Georgian Law on Competition
<http://competition.ge/en/page2.php?p=4&m=62>
- Rules for Submission and Consideration of Notification on Concentration
<http://competition.ge/en/page2.php?p=4&m=141>

GUIDELINES AND REPORTS

- Methodological Guidelines for Market Analysis
<http://competition.ge/en/page2.php?p=4&m=138>

NOTIFICATION FORM

- Notification form (unofficial English version)
<http://competition.ge/en/page2.php?p=4&m=141>
(the form is contained in "annex 1" of this document)

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