



OPINION

**of the ADVISORY COMMITTEE ON MERGERS
given at its meeting of 21 January 2016**

**regarding a draft decision relating to
Case COMP/M. 7637 Liberty Global / BASE Belgium**

RAPPORTEUR: CZECH REPUBLIC

Concentration

1. The Advisory Committee agrees with the Commission that the notified operation constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.
2. The Advisory Committee agrees with the Commission that the notified operation has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

Relevant Markets

3. The Advisory Committee agrees with the Commission's definitions of the relevant product and geographic markets in the draft Decision.

Competitive Assessment

Horizontal effects

4. The Advisory Committee agrees with the Commission that the proposed concentration is likely to give rise to non-coordinated horizontal effects that would significantly impede effective competition on the retail market for mobile telecommunications services in Belgium.
5. The Advisory Committee agrees with the Commission that the proposed concentration is not likely to lead to a significant impediment of effective competition on the retail markets for fixed telecommunications services in Belgium (i.e. (i) the retail market for TV services, (ii) the retail market for fixed internet services and (iii) the retail market for fixed telephony services) as the conditions for the concentration with a potential competitor to have significant anti-competitive effects are not met.

Vertical effects

6. The Advisory Committee agrees with the Commission that the proposed concentration is not likely to give rise to vertical effects (input foreclosure) by foreclosing retail providers of mobile telecommunications services in Belgium from wholesale access and call origination on mobile networks in Belgium.
7. The Advisory Committee agrees with the Commission that the proposed concentration is not likely to give rise to vertical effects (input foreclosure) by (i) foreclosing retail providers of fixed telecommunications services (i.e. fixed telephony, fixed internet and TV services) and (ii) retail providers of bundles of fixed and mobile telecommunications services in Belgium from wholesale access to Telenet's cable network.
8. The Advisory Committee agrees with the Commission that the proposed concentration is not likely to give rise to vertical effects (input foreclosure) by foreclosing retail providers of mobile telecommunications services in Belgium from access to (i) the wholesale market of leased lines, (ii) the wholesale market for domestic call transit services, and (iii) the wholesale market for termination and hosting of calls to non-geographic numbers.

Conglomerate effects

9. The Advisory Committee agrees with the Commission that the proposed concentration is not likely to give rise to conglomerate effects by foreclosing competitors of the merged entity on (i) the retail market for mobile telecommunications services, (ii) the retail market for TV services, (iii) the retail market for fixed internet services and (iv) the retail market for fixed telephony services as a result of bundling of these fixed and mobile services by the merged entity.

Remedy

10. The Advisory Committee agrees with the Commission that the final commitments offered by the Notifying Party on 18 December 2015 are sufficient to remove the concerns raised by the proposed concentration with respect to non-coordinated horizontal effects of the proposed concentration on the Belgian retail market for mobile telecommunications services.
11. The Advisory Committee agrees with the Commission that, subject to full compliance with the final commitments, the proposed concentration is not likely to significantly impede effective competition in the internal market or in a substantial part thereof.
12. The Advisory Committee agrees with the Commission's view that the proposed concentration should be declared compatible with the internal market and the EEA Agreement in accordance with Articles 2(2) and 8(2) of the Merger Regulation and Article 57 of the EEA Agreement.