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***Case No COMP/M.7140 - SISTEMA/ SEGEZHA PULP AND  
PAPER MILL***

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004  
MERGER PROCEDURE**

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Article 6(1)(b) NON-OPPOSITION  
Date: 04/07/2014

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EUROPEAN COMMISSION

Brussels, 4.7.2014  
C(2014) 4832 final

PUBLIC VERSION

SIMPLIFIED MERGER  
PROCEDURE

**To the notifying party:**

Dear Madam(s) and/or Sir(s),

**Subject: Case M.7140 – SISTEMA/ SEGEZHA PULP AND PAPER MILL  
Commission decision pursuant to Article 6(1)(b) of Council Regulation (EC)  
No 139/2004<sup>1</sup>**

1. On 11 June 2014, the European Commission received notification of a proposed concentration pursuant to Article 4 and following a referral pursuant to Article 4(5) of the Merger Regulation by which the equity investment group Sistema JSF Corporation ('Sistema', Russia), which is ultimately controlled by Mr Vladimir Evtushenkov, intends to acquire within the meaning of Art. 3 (1)(b) of the Merger Regulation sole control of the undertakings JSC Segezha Pulp and Paper Mill ('SPPM', Russia) and Limited Liability Company Derevoobrabotka-Proekt ('DoP', Russia).

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<sup>1</sup> OJ L 24, 29.1.2004, p. 1 ("the Merger Regulation"). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ("TFEU") has introduced certain changes, such as the replacement of "Community" by "Union" and "common market" by "internal market". The terminology of the TFEU will be used throughout this decision.

2. The business activities of the undertakings concerned are:
- for Sistema: investments in various sectors of the economy, including telecommunication, oil, electric power, consumer goods, high tech and other industries;
  - for SPPM: manufacture and sale of kraft paper and paper sacks as well as products closely linked with these principal activities such as manufacture and sale of wood pulp, cardboard, wood chemical products and certain timber products such as sawn timber, plywood and wood chips; and
  - for DoP: timber processing and forestry production, including activities in plywood, timber and certain timber products such as wood chips and laminated beams<sup>2</sup>.
3. After examination of the notification, the European Commission has concluded that the notified operation falls within the scope of the Merger Regulation and of paragraph 5(b) of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004<sup>3</sup>.
4. For the reasons set out in the Notice on a simplified procedure, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation.

*For the Commission*  
*(signed)*  
*Alexander ITALIANER*  
*Director General*

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<sup>2</sup> Publication in the Official Journal of the European Union No C 187, 19.06.2014, p.6.

<sup>3</sup> OJ C 366, 14.12.2013, p. 5.