



OPINION

of the ADVISORY COMMITTEE on MERGERS
given at its meeting of 26 August 2014
regarding a draft decision relating to
Case COMP/M. 7054 CEMEX / HOLCIM ASSETS
Rapporteur : CZECH REPUBLIC

Operation

1. The Advisory Committee agrees with the Commission that the proposed transaction constitutes a concentration within the meaning of the Council Regulation No 139/2004 (the "Merger Regulation").

Union Dimension

2. The Advisory Committee agrees with the Commission that following a referral request made by Spain the proposed transaction has a Union dimension within the meaning of the Merger Regulation.

Product and Geographic Market

3. The Advisory Committee agrees with the Commission that, for the purpose of assessing the present operation, the definitions of the relevant product markets are:
 - a) market for grey cement, whereas a further distinction between bulk and bagged can be left open in this case;
 - b) market for aggregates, whereas it is not necessary to conclude on the exact product market definition in this case;
 - c) market for ready- mix concrete (RMX);
 - d) market for mortar, whereas it is not necessary to conclude on the exact product market definition in this case;
 - e) market for clinker.

4. The Advisory Committee agrees with the Commission that, for the purpose of assessing the present operation, the definitions of the relevant geographic markets are:
- a) for grey cement: areas of radii of 150 km around the Parties' grey cement plants in Spain;
 - b) for aggregates: since it is unlikely that the proposed transaction will significantly impede effective competition even under the narrowest feasible geographic market definition, the exact relevant geographic market can be left open; A minority abstains.
 - c) for RMX: areas of radii of 25 km around the Parties' RMX plants in Spain;
 - d) for mortar: areas of radii of 120 km around the Parties' mortar plants in Spain, whereas it is not necessary to conclude on the exact geographic market definition in this case;
 - e) for clinker: since it is unlikely that the proposed transaction will significantly impede effective competition even under the narrowest feasible geographic market definition, the exact relevant geographic market can be left open. A minority disagrees.

Competitive Assessment

5. The Advisory Committee agrees with the Commission that the proposed concentration is unlikely to significantly impede effective competition **due to non-coordinated effects** in the following markets:
- a) all markets for grey cement in the Centre region;
 - b) all markets for grey cement in the Levante region;
A minority disagrees.
 - c) all markets for grey cement in the other regions of Spain;
A minority abstains.
 - d) all markets for aggregates;
 - e) all markets for RMX;
 - f) all markets for mortar;
 - g) all markets for clinker;
A minority disagrees.
6. The Advisory Committee agrees with the Commission that the proposed concentration is unlikely to significantly impede effective competition **due to coordinated effects** in all markets for grey cement in the Centre region. A minority disagrees and a minority abstains.

Compatibility with Internal Market

7. The Advisory Committee agrees with the Commission that the notified transaction must be declared compatible with the internal market and the functioning of the EEA Agreement.

A minority disagrees and minority abstains.
