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**M.9091 - SNAM / SGI / SARDINIA NEWCO**

**SECTION 1.2**

**Description of the concentration**

Snam S.p.A. (“SNAM”) is an Italian company heading a group of entities active in the development and integrated management of natural gas infrastructures. SNAM operates, through its affiliates, in the transmission<sup>15</sup>, regasification and storage of natural gas both in Italy and in other European Union countries. For the purposes of the applicable merger control regulations, SNAM is controlled by Cassa Depositi e Prestiti S.p.A. (“CDP”), the Italian National Promotional Institution, a company under public control, with the Italian government (Ministry of Economics and Finance) holding 82.77% thereof and a broad group of bank foundations holding 15.93% of the shares (see the Italian Competition Authority Case n. C11695 – Cassa Depositi e Prestiti/SNAM of August 8, 2012). CDP does not exercise management and coordination activity according to Art. 2497 of the Italian Civil Code with reference to SNAM.

Società Gasdotti Italia S.p.A. (“SGI”) SGI is an Italian natural gas transmission system operator, managing a limited transmission network and certified under the ownership unbundling model. SGI is indirectly wholly jointly owned by (i) MEIF 4 Sole Holdings S.à r.l., a fund belonging to the Macquarie Group, a global provider of banking, financial, advisory, investment and funds management services, and by (ii) Swiss Life GIO II EUR Holding S.à r.l., a fund belonging to the Swiss Life Group, active in the life insurance, risk, pensions, health insurance and asset management sectors. Joint control over SGI is exercised through Sole Holding S.à r.l., which is the sole shareholder of SGI (see COMP Case M.8116 - MACQUARIE / SLFL GIO II / SGI ITALIA, 2016).

The operation consists in the setting up of Sardinia Newco, a newly established and jointly owned venture between SNAM and SGI, which shall build and operate a natural gas pipeline in the Sardinia Region (Italy). Sardinia Newco will undergo the TSO certification procedure set out in Directive 2009/73. It will own and operate a transmission network, connected to the local distribution networks and industrial sites. This pipeline will transport natural gas throughout Sardinia. The natural gas will be put into the pipeline from a number of ‘entry points’, viz. regasification plants which are expected to be built in Sardinia in the near future.

The gas transmission network managed by the JV will cover the territory of the Sardinia region. In this geographical context, the JV will offer regulated physical gas transmission services to gas wholesale suppliers that aim to resell their gas to other operators. In particular, Sardinia Newco will develop, own, operate and maintain the infrastructure, carry out physical and commercial dispatching and any other activity necessary to guarantee the continuity,

regularity and safety of the natural gas transmission throughout the Sardinian region. In sum, the JV will carry the activities of a TSO as foreseen by the applicable regulatory framework.

Further to its initial business plan, Sardinia Newco will be granted by the Parties all the necessary resources to carry out on the market on a lasting basis all the functions of an autonomous economic entity, and will therefore qualify as a full-function joint venture. Thus, the setting-up of Sardinia Newco is a concentration pursuant to Art. 3(4) of Council Regulation (EC) No. 139/2004.