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## **M.9744 – MASTERCARD/NETS**

### **SECTION 1.2**

#### **Description of the concentration**

1. On 26 June 2020, the European Commission received notification of a proposed concentration following a referral request by the Danish competition authority pursuant to Article 22 of Council Regulation (EC) 139/2004 (the "**EU Merger Regulation**") concerning the proposed acquisition of sole control by Mastercard Incorporated ("**Mastercard**"), through its indirect wholly owned subsidiary, Mastercard / Europay U.K. Limited, of parts of the corporate services business of Nets A/S ("**Nets**") in connection with account-to-account core infrastructure services and e-billing solutions.
2. Mastercard, a corporation listed on the New York Stock Exchange trading under the symbol MA and headquartered in Purchase, New York, USA, is a technology company operating in the global payments industry. Mastercard's main interests are in the ownership and operation of branded four-party payment card schemes (notably under the Mastercard® and Maestro® brands) as well as the provision of switching services (transmitting authorisation, clearance and settlement instructions) for card transactions, along with the delivery of related products and services. Mastercard's globally integrated processing network connects more than 23,000 licensed customers in over 210 countries, transmitting payments information while providing transaction security and supporting new and innovative ways to pay. Mastercard does not issue payment cards nor acquire payment transactions. Those activities are performed by Mastercard's licensed customers.
3. In addition to card-related activities, Mastercard is engaged in alternative payment solutions through its New Payment Platforms division. This division includes Vocalink Holdings Limited, a company which focuses on providing core infrastructure services ("**CIS**") to payment schemes. Vocalink designed, built and operates the payments infrastructure for certain UK interbank funds transfer schemes. Mastercard also provides account-to-account CIS pursuant to contracts with schemes in Europe as well as certain countries outside Europe. Mastercard recently won a Nordic tender for the supply of infrastructure services to the P27 Nordic Payments Platform.
4. The Target is currently a business unit within Nets. It operates as a global payments business providing payment services and technology solutions, mainly in the Nordic region, as well as within the Single Euro Payments Area ("**SEPA**"). Its activities are focussed in two distinct areas:
  - a) Account-to-account core infrastructure services for real-time and batch clearing. The clearing services are offered on a global basis as either a managed solution, which includes a software license for a clearing system as well as business and IT service management, or a software solution which only includes the software for the clearing system.
  - b) A range of account-to-account invoice payment services and ancillary services in Denmark and Norway which involve, primarily, recurring payments and the credit transfer of funds directly from the payer's account to the payee's account.