CONDITIONAL APPROVAL TO THE CONCENTRATION OF CARREFOUR AND TESCO

* **The President of UOKiK Tomasz Chróstny has issued a conditional approval for Carrefour Polska to purchase retail space used by the Tesco hypermarket in Bielany Wrocławskie.**
* **The transaction may go through provided that the space of another Carrefour store, located at ul. Gen. Hallera 52 in Wrocław, is decreased.**
* **Through the proposed condition, competition in the market will be preserved for the benefit of consumers.**

**[Warsaw, 13 December 2021]** The concentration is understood here as the acquisition by Carrefour Polska of a part of a property of Ingka Centres Polska, in the form of retail space used by Tesco hypermarket in Aleja Bielany Shopping Centre in Bielany Wrocławskie.

Conducting phase II proceedings and a market study was required in this case. The evidence on the record indicated that the concentration is likely to restrict competition in a local market within a 20-25 minute drive from the Tesco hypermarket in Bielany Wrocławskie. It was, however, possible to issue a conditional approval for the transaction.

- *Following our investigation, we concluded that reducing the size of one of Tesco's stores would offset the adverse effects of the concentration. Thanks to this, the stores will continue to compete with each other in the local market to the benefit of consumers* – says the President of UOKiK Tomasz Chróstny.

According to the decision, the space of the Carrefour store at ul. Gen. Hallera 52 in Wrocław, **operating on the same market,** will be reduced by 1500 m2. This will mean a reduction in Carrefour Polska's market power on the local market. This will ensure that pricing, quality and availability of goods to consumers are not compromised. Once the condition has been fulfilled, the acquiring company will have an obligation to report on its implementation.

The analysis of this case and the previous case law of the President of the Office and antitrust authorities in other countries show that the area of competition of large stores for customers is an area with a radius of up to 25-minute car ride. This is the maximum distance consumers are usually willing to travel to look for another hypermarket.

According to law, a transaction shall be notified to the antitrust office if it involves entrepreneurs whose aggregate turnover in the preceding year exceeded EUR 1 billion worldwide or EUR 50 million in Poland. When assessing concentrations, the President of UOKIK may prohibit or approve them, or impose certain conditions that must be met for the applicant to receive approval. All decisions issued by UOKIK remain valid for two years.

The decision is not final. The applicant has the right to appeal to the Court of Consumer and Competition Protection. At the same time, we would like to inform you that [the UOKIK website](https://uokik.gov.pl/koncentracje.php) provides information on all antitrust proceedings pertaining to concentrations, which are conducted by the President of UOKIK.