

BOSNA I HERCEGOVINA
Konkurencijsko vijeće



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Konkurencijski savjet

OPINION

upon request of undertaking Construction company „Krajina“ a.d., Banja Luka

**Sarajevo,
October 2011**



Number: 01-26-7-15-1-I/11
Sarajevo, 12th October 2011

Pursuant to Article 25 paragraph (1), item f) of the Competition Act ("Official Gazette of BiH", No. 48/05, 76/07 and 80/09), and upon request of Construction Company "Krajina" a.d. , 4 Trg srpskih junaka, 78 000 Banja Luka, received by the Competition Council on 9th September 2011 under the number: 01-26-7-15-I/11, the Council of Competition on the 19th (nineteen) session held on 12th October 2011, has issued the following:

OPINION

The undertaking Construction Company "Krajina" a.d., 4 Trg srpskih junaka, 78 000 Banja Luka (hereinafter: Applicant), submitted to the Council of Competition a request for an opinion (hereinafter: Request), received on 9th September 2011 under the number: 01-26-7-15-I/11.

The Applicant submitted the Request and proof of payment of administrative fees.

The Applicant seeks the opinion of the Competition Council regarding the existence of mandatory notification of concentration. Specifically, the Applicant intends to purchase the undertaking "Novi Jelšingrad" a.d. factory of machine tools Banja Luka.

Undertaking "Novi Jelšingrad" a.d. factory of machine tools Banja Luka was established by the Government of the Republic of Srpska on 8th August 2011 using the part of the assets purchased through the bankruptcy process of undertaking "Jelšingrad" a.d. Banja Luka with the basic capital amounting (..)*¹ KM. Basic activities of registered undertaking "Novi Jelšingrad" a.d. factory of machine tools Banja Luka are in the field of mechanical industry.

Main registered activities of the Applicant are design and construction of buildings and civil engineering.

According to the data from the Request, in 2010 the applicant realized a total turnover of (..)* KM, while undertaking "Novi Jelšingrad" a.d. factory of machine tools Banja Luka did not realize any turnover in 2010. The request also states that their combined share in the relevant market is not greater than 40%.

Article 14 (1) of the Competition Act stipulates that parties to the concentration are required to register the intended concentration of economic entities from Article 12 (1) of the same Act if it meets the following conditions:

¹ Data represent business secret

a) the total turnover of the parties to the concentration realized through the sale of goods and / or services on the world market is \$ 100,000,000.00 KM according the balance of the year preceding the concentration, and

b) the total annual turnover of at least two parties to the concentration realized through the sale of goods and / or services on the market of Bosnia and Herzegovina is at least 8,000,000.00 KM in the final account in the year preceding the concentration, or if their combined share in the relevant market exceeds 40%.

In accordance with the above mentioned facts, the Council of Competition considers that in this case requirements for notification of concentration were not fulfilled.

This opinion is given solely on the basis of data provided in the Request, and if given data deviate from the actual facts, this opinion can not be applied.

President

Ibrica Lakišić