

SPANISH COMPETITION *Highlights ...*

Weekly follow-up: 26 Feb - 01 Mar.

The CNMC opens a Phase II in JCDecaux/ClearChannel merger under the merger control procedure

The merger and the risks to competition

On 27 November 2023, JCDecaux Europe Holding (“**JCDecaux**”) notified the acquisition of sole control over Clear Channel España (“**Clear Channel**”) (C/1426/23).

On 21 February 2024, the CNMC agreed to initiate the second phase of the merger control procedure as it considered that it raised some competition concerns. In this regard, the operation strengthened JCDecaux's position in the outdoor advertising market. Specifically, in the outdoor street furniture advertising market.

The CNMC carried out a market investigation and it could determine that:

1. competitors would not have sufficient capacity to exert competitive pressure on the entity resulting from the transaction.
2. demand might not have enough capacity to offset the effects of the transaction on prices and other conditions.
3. there are high entry barriers to securing contracts for the exploitation of advertising in public spaces. In this sense, competition between operators in bidding for public contracts would also be affected.

Phase II of the merger control procedure

If, during the first phase, the CNMC considers that the concentration requires further analysis due to the competition concerns it may raise, the second phase of the procedure will be initiated. In this case the procedure is extended by 3 months.

During this second phase, the CNMC may request further information from different operators in the affected markets. In addition, the notifying parties and interested third parties may submit arguments in defence of their legitimate interests.

The CNMC reminds that the final decision may authorise, agree on commitments, impose conditions or prohibit the transaction.

In 2023, 68 mergers were approved, of which 63 in first phase (3 of them with commitments) and 2 in second phase with commitments.