



MERGERS: EUROPEAN COMMISSION APPROVES PROPOSED ACQUISITIONS OF ASSETS OF AIR BERLIN BY EASYJET

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The European Commission has approved the acquisition of certain assets of Air Berlin by easyJet under the EU Merger Regulation.

Margrethe Vestager, European Commissioner for competition, defended the acquisition, based on the fact that it will not reduce airline competition — flight fares will not rise and consumers will still have plenty of different options to choose from.

Air Berlin, Germany's second largest airline, declared insolvency in August 2017, resulting in the sale of its assets. EasyJet proposed to acquire certain assets and rights held by the said airline, including slots (the permission to operate at an airport at particular times) at Berlin Tegel airport and at some destination airports.

The Commission is responsible both for the assessment of mergers and acquisitions involving entities with a high turnover and for the prevention of competition hindering situations in the EEA.

Therefore, the Commission assessed the effect of this proposed transaction, specifically verifying whether it would allow easyJet to bar other competitors from the air passenger market, particularly to and from Berlin.

The Commission's investigation concluded that the increase of easyJet's market share at those airports (particularly in Berlin) was unlikely to affect passengers negatively and that it would still face strong competitors such as Lufthansa and Ryanair.

Thus, the Commission asserted that the proposed acquisition would raise no competition concerns in any of the relevant markets.