

MERGER RELEASE

CCPC OBTAINS COMMITMENTS IN ESB/COILLTE JOINT VENTURE

5 February 2021: The Competition and Consumer Protection Commission (CCPC) has cleared, subject to a number of legally binding commitments, the proposed joint venture between the Electricity Supply Board (ESB) and Coillte Cuideachta Ghníomhaíochta Ainmnithe (Coillte).

Under the joint venture Coillte intends to establish a wholly owned subsidiary to which, upon completion of the proposed transaction, Coillte's renewable energy division would be transferred.

Following formal notification to the CCPC on 12 February 2020, an extensive two-phase investigation was undertaken to establish whether the proposed transaction would result in a substantial lessening of competition in any market for goods or services in the State. In the course of the investigation, the CCPC identified two potential competition concerns both of which relate to the risk of exchange of competitively sensitive information.

These concerns were that:

- There could be direct or indirect exchange of competitively sensitive information between ESB, the proposed joint venture and co-development project partners currently in co-development arrangements with Coillte; and
- There could be direct or indirect exchange of competitively sensitive information between Coillte and the proposed joint venture regarding third parties seeking access to Coillte-owned land for the purposes of developing and constructing an onshore wind farm in the State.

To address these concerns, a set of joint proposals submitted by ESB and Coillte provide for the implementation of measures to prevent directors appointed to the proposed joint venture by ESB potentially having access to and exchanging competitively sensitive information between ESB and the proposed joint venture. Under the joint proposals, ESB and Coillte will nominate an independent chairperson who will ensure that directors appointed to the proposed joint venture by ESB will not have access to or exchange competitively sensitive information between ESB and the proposed joint venture.

A further set of proposals submitted by Coillte includes the proposed implementation of measures which will prevent the exchange of information between Coillte and the proposed joint venture in relation to Coillte's third party land customers. Coillte will be responsible for putting in place and administering procedures to ensure that Coillte personnel do not discuss or pass on any competitively sensitive information relating to a third party to any person appointed to serve as a director of the proposed joint venture.

Following detailed consideration and further analysis, the CCPC has concluded that these commitments address the identified competition concerns.

Further details of the CCPC's announcement are available [HERE](#) or to sign up for our merger alerts click [HERE](#).

Ends



Coimisiún um
Iomaíocht agus
Cosaint Tormhaidéir

Competition and
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Additional Information

The ESB is a vertically-integrated energy corporation established by statute with operations at all levels of the energy sector (including power generation, electricity transmission, electricity distribution, and retail supply) in the State.

Coillte is a commercial semi-State company, which is majority owned by the Minister for Public Expenditure and Reform along with a small shareholding by the Minister for Agriculture, Food and the Marine. Coillte's core business is commercial forestry and associated forestry management and forest activities. It is also engaged in the manufacturing and sale of wood panel products through its Medite and Smartply brands. Coillte is also involved in the purchase, sale, and leasing of land, and the development and construction of renewable energy generation facilities.