



GAZDASÁGI  
VERSENYHIVATAL

## **Merger in combined road-railway transportation services**

**The Hungarian Competition Authority (GVH) granted authorisation for Ökombi GmbH and MÁV Cargo Zrt. to jointly acquire direct control – and hereby Rail Cargo Austria AG to acquire indirect control – over which is interested in combined transportation services.**

On 7 April 2009 Ökombi GmbH entered into a contract for acquiring 18,78 % of the shares of Hungarokombi Kft. Ökombi also informed the GVH that Rail Cargo Austria AG/MÁV Cargo Zrt. “intends to acquire” 13 % of the voting shares of Hungarokombi.

Ökombi is a member of the undertaking-group controlled by Rail Cargo Austria AG (RCA). The RCA-group provides global transportation and logistics services all over Europe. Ökombi is also engaged in RoLa services (a combined transport system to transport trucks by rail).

At present, Ökombi has 25,28 % and MÁV Cargo Zrt., also a member of the RCA-group, has 14,45 % of the shares of Hungarokombi. Hungarokombi is exclusively interested in RoLa combined road-traffic transportation service organisation.

RoLa is the abbreviation of the German designation Rollende Landstrasse (which means rolling country road in Hungarian). As the name suggests, there are ramps that allow the trucks to easily roll onto the special low-level rail wagons; then from the railway destinations the trucks can continue their way on public roads. Transportation by RoLa services is perceptibly more expensive as if the trucks took the whole road on public roads. Consequently, the need for RoLa services is only explained by the fact that some countries (among them Hungary), in order to decrease road traffic, only allow a predetermined number of trucks to enter from other countries. These road transport contingents are determined in bilateral agreements on a yearly basis. Since Hungary's accession to the European Union (EU), these limitations have only been applied for non-EU countries; within the borders of the EU no restrictions can be applied, according to the principle of the free movement of goods.

In Hungary the RoLa-service works between Szeged (Southern Hungary) and Wels (Northern Austria) and this service is only provided by Ökombi and Hungarokombi. Following the EU accession of Bulgaria and Romania in 2007, RoLa traffic between Szeged and Wels has significantly decreased since only the trucks coming mainly from Turkey (less from Serbia and Montenegro) – that do not benefit from the authorisations for road haulage – were obliged to use it before. Concerning the countries mentioned above, Western European destinations can now be reached by numerous other roads and ways of transportation as well.

According to the Hungarian Competition Act, the GVH may not refuse to grant authorisation for a concentration where the concentration does not create or strengthen a dominant position, which would impede the formation, development or continuation of effective competition on the relevant market.

Being members of either of the undertaking-groups interested in the concentration, Ökombi and Hungarokombi provide RoLa services on the same railway line (Szeged-Wels). Hereby, according to the facts mentioned above and as a result of the concentration, the RCA-group would acquire 100% shares from the Hungarian RoLa-service organisation market. At the same time it is an important circumstance that those freighters within the EU who would like to cross Hungary, can use public roads that are perceptibly cheaper without any restrictions. As compared to the above-mentioned countries, there is only a limited and decreasing number of freighters who can cross Hungary solely with the RoLa services, there are numerous other possibilities. Hereby, according to the GVH, the RCA-group is not considered to obtain an economic dominant position as a result of the transaction. Considering all these facts mentioned above, the GVH cleared the transaction.