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PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus […]. Where possible the information omitted has been replaced by ranges of figures or a general description.

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Subject: **Case M.11942 – DEUTSCHE POST / CTT / JVs**
Commission decision pursuant to Article 6(1)(b) of Council Regulation No 139/2004 ([1]) and Article 57 of the Agreement on the European Economic Area ([2])

Dear Sir or Madam,

(1) On 11 February 2026, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Deutsche Post AG ("DP", Germany) and CTT Correios de Portugal, S.A. ("CTT", Portugal) acquire within the meaning of Articles 3(1) and 3(4) of the Merger

([1]) OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.

([2]) OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

Regulation joint control of the Spanish and Portuguese standard small package delivery businesses of CTT Expresso – Serviços Postais e de Logística, S.A. ("CTT Expresso") and Danzas, S.L.U. ("Danzas") ("the Transaction"). ([3]) DP and CTT are designated hereinafter as the "Notifying Parties" or "Parties".

1. THE PARTIES

(2) **DP** is the incumbent postal operator in Germany and is active in various sectors including postal, logistics and financial services. It is listed on the Frankfurt Stock Exchange. DP is the ultimate parent entity of Deutsche Post International B.V. ("**DHL**"), a global logistics group, also operating in Portugal and Spain. It offers a range of services, including national and international mail and package delivery, international express delivery, freight transportation and -forwarding, as well as e-commerce.

(3) **CTT** is a public limited company, listed on the Lisbon Stock Exchange, headquartered in Portugal. It is the parent company of the CTT Group, which operates in mail and package delivery sectors as well as other non-postal services. CTT's mail and package delivery operations are primarily focussed on the Portuguese market and, to a lesser extent, on the Spanish market.

(4) **CTT Expresso**, a currently wholly-owned subsidiary of CTT, is based in Portugal and operates CTT's small package delivery business in Portugal as well as in Spain. ([4])

(5) **Danzas**, currently wholly owned by DHL, is based in Spain, acts as a holding company for several DHL Group companies active in package delivery, freight and logistics services in Spain and Portugal. Among all the companies directly or indirectly controlled by Danzas, only two are part of the Transaction perimeter:

(a) DHL Parcel Iberia, S.L.U. ("**DHL Parcel Iberia**"), a Spanish company mainly active in the standard small package delivery sector in Spain with a focus on services to businesses (B2B and B2C).

(b) DHL Parcel Portugal Lda. ("**DHL Parcel Portugal**"), mostly active in standard small package delivery services in Portugal.

(6) As shown in **Figure 1** below, all the other subsidiaries currently controlled by Danzas will be carved out before closing and will not form part of the Transaction:

(a) DHL Express Spain, S.L.U. and DHL Express Portugal, Lda., which operate DHL's express small package delivery services in Spain and Portugal,

(b) DHL Global Forwarding Spain, S.L.U., DHL Freight Spain, S.L.U. and DHL Freight Portugal, Lda., which specialise in freight transportation services and supply-chain solutions for businesses in Spain and Portugal, and

(c) DHL Excel Supply Chain (Spain) S.L.U., which operates logistics services and supply chain solutions.

([3]) OJ C, C/2026/1121, 18.2.2026.

([4]) CTT Expresso recently acquired sole control over CACESA, a Spanish company providing custom clearance services. However, this company will be carved out before closing and is not included in the perimeter of the Transaction.

Figure 1: Overview of DHL group companies

Source: Form CO, paragraph 57

[Internal group structure]

2. THE OPERATION

(7) The Transaction consists in the establishment of two full-function joint ventures (individually referred to as "JV", jointly as "JVs") to jointly operate, expand and focus the Parties' respective standard small package delivery businesses in Portugal and Spain. The JVs are based on the Parties' preexisting subsidiaries as described in Paragraphs 4 to 6 above. The establishment of the JVs will be accomplished via three transactions:

(a) the acquisition of all shares, representing 100% of the share capital, in DHL Parcel Portugal by CTT Expresso;

(b) the acquisition of a minority shareholding in CTT Expresso by DP through DHL (initially corresponding to 25% of the share capital, with the possibility of increasing this to a maximum of 49% by exercising two call options), together with the execution of a Shareholders' Agreement ("CTT Expresso SHA"); and

(c) simultaneously, the acquisition of a minority shareholding in Danzas by CTT (initially corresponding to 25% of the share capital, with the possibility of increasing this to a maximum of 49% by exercising two call options), together with the execution of a Shareholders' Agreement ("Danzas SHA").

(8) The three transactions constitute a single concentration within the meaning of Article 3 of the Merger Regulation, as further detailed in Paragraphs 38 et seq. of the Consolidated Jurisdictional Notice ([5]), because the transactions are interdependent, unitary in nature and economically closely connected. The Joint Venture Agreement ("JVA"), signed by the Parties on […], structures the respective shareholdings as cross-shareholdings. […] of the JVA provide that the closing of the Transaction is conditional upon, among others, execution and notarization of the transfer of shares of Danzas and CTT Expresso respectively. The rationale of the Transaction is to enable the Parties to jointly operate their small package delivery businesses which are within the scope of the Transaction, as stated in […] of the JVA. ([6])

(9) Despite their unequal shareholdings, the Parties will have joint control of the two JVs on a *de facto* basis within the meaning of Article 3(1) and 3(4) of the Merger Regulation.

(10) Contrary to the Parties' view, the Commission does not consider that there exist sufficient elements to clearly conclude that both Parties would assume joint control over the two JVs on a *de jure* basis, pursuant to Paragraphs 62 et seq. of the Consolidated Jurisdictional Notice. While the respective minority shareholder in the corresponding JV does enjoy certain veto rights, these do not confer the

([5]) Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (OJ C95, 16.4.2008, p. 1) ("Consolidated Jurisdictional Notice").

([6]) The Parties further explain the economic rationale in the Form CO, paragraphs 168 et seq.

power to block decisions which determine the strategic commercial behaviour of the respective JV, but rather protect the minority shareholder's financial interests as an investor. The Parties signed the JVA as well as the two Shareholders' Agreements (CTT Expresso SHA and Danzas SHA), which will be executed at closing. The respective SHA foresees, among others, that each Party can appoint […]. However, […] . As an exception to this general rule, some matters, identified as Reserved Matters, require a majority of […] , therefore the consent of the minority shareholder. […] . Regarding these, the minority shareholder has the right to […] .

(11) However, the Commission agrees with the Parties that, on balance, there exists a degree of mutual dependency between the Parties that results from the Transaction which leads to joint control on a *de facto* basis, pursuant to Paragraphs 77 et seq. of the Consolidated Jurisdictional Notice. *De facto* joint control can, *"very exceptionally"*, occur "*where strong common interests exist between the minority shareholders to the effect that they would not act against each other in exercising their rights in relation to the joint venture."* ([7]) Indicative for such a commonality of interests is a high degree of mutual dependency as between the parent companies to reach the strategic objectives of the JV. ([8])

(12) The Commission notes that each JV will focus their activities on different segments of the market (i.e., B2C and B2B). The Commission further notes that the JVA and SHAs foresee joint commercial and operational strategies for the JVs. At the same time, under the respective Shareholders' Agreement, each JV will establish a dedicated governance structure ultimately responsible for defining and overseeing its business strategy. However, […] of the respective SHA, after the JVA amendment of […], also provide that […]. Moreover, the amended JVA includes a binding commitment by the Parties to […]. A detailed specification of that approach, the scope and operation of […] are provided in the Annexes to the amended JVA. This further contributes to a high degree of mutual dependency between the Parties to the effect that they would not act against each other in exercising their rights in relation to the JVs.

3. UNION DIMENSION

(13) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million (DP: EUR [80 000-90 000] million in 2023; CTT: EUR [800-900] million in 2023). ([9]) Each of them has a Union-wide turnover in excess of EUR 250 million (DP: EUR [30 000-40 000] million in 2023; CTT: EUR [800-900] million in 2023), but each does not achieve more than two-thirds of its aggregate Union-wide turnover within one and the same Member State. The notified operation therefore has a Union dimension.

4. MARKET DEFINITION

(14) The Parties' activities overlap in the market for small package delivery services in Portugal and in Spain.

([7]) Paragraph 76 of the Consolidated Jurisdictional Notice.
([8]) Paragraph 77 of the Consolidated Jurisdictional Notice.
([9]) Turnover calculated in accordance with Article 5 of the Merger Regulation.

4.1. Product market definition

4.1.1. The Commission's previous practice

(15) The Commission has previously considered mail delivery services (postal mail delivery), small package delivery services (which are the delivery of packages, commonly defined according to weight, which a single person can handle without specific equipment) and freight forwarding (which is the organisation of transportation of items, - including possible ancillary activities such as customs clearance, warehousing, ground services etc.,. - on behalf of customers according to their needs) as separate relevant markets. ([10]) With regard to small package delivery services, the Commission, in its previous practice, has defined it as relating to small packages which do not exceed 31.5 kg, also referred to as "parcels". ([11])

(16) Several potential sub-segmentations of parcel delivery services were considered:

(a) In terms of speed, the Commission has considered a distinction between express and deferred services, as they serve different customer needs, are based on different infrastructure, and are priced differently. ([12])

(b) In terms of the geography of delivery services, the Commission has considered the segmentation based on whether the parcels are picked up and delivered in the same country (domestic) or in two different countries (international). Regarding international services from EEA countries, the Commission considered a further distinction between deliveries with a destination within the EEA (international intra-EEA) or outside the EEA (international extra-EEA). ([13])

(c) In terms of customer of the service, the Commission has in its previous decisions distinguished between parcel delivery services offered to consumers (C2X: i.e. consumers to businesses and consumers to consumers) and to businesses (B2C and B2B). In addition, the provision of parcel delivery services to businesses to businesses (B2B) and to businesses to consumers (B2C) has been found to constitute separate product markets. ([14])

(d) In terms of delivery destination, the Commission has recently considered, but ultimately left open, the existence of an "out-of-home" delivery segment

([10]) Commission decisions in cases M.11625 – *EPCG/IDS*, paragraph 62; M.11558 – *bpost/Staci*, paragraphs 19-21; M.7630 – *FedEx/TNT Express*, paragraphs 79-80; M.6570 – *UPS/TNT*, paragraphs 36 and 164; M.1405 – *TNT Post Group/Jet Services*, paragraph 24; M.5152 – *Posten AB/Post Danmark A/S*, paragraphs 12 et seq. and 49 et seq.; M.1794 – *Deutsche Post/Air Express International*, paragraph 8; M.3971 – *Deutsche Post/Excel*, paragraphs 8 et seq.; M.6503 – *La Poste/Swiss Post/JV*, paragraphs 18 et seq.

([11]) 31.5 kg is the estimated weight that can be handled by a single person without mechanical aids. Small packages are commonly referred to as "parcels". Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services, OJ L 112, 2.5.2018, p. 19, recital 16 and Article 2(1).

([12]) Commission decisions in M.6570 - *UPS/TNT Express*, paragraph 219; M.11625 – *EPCG/IDS*, paragraph 64.

([13]) Commission decisions in M.5152 – *Posten/Post Danmark*, paragraphs 54-57; M.6570 - *UPS/TNT Express*, paragraphs 182 and 187; M.11625 – *EPCG/IDS*, paragraphs 65-66.

([14]) Commission decisions in M.5152 – *Posten/Post Danmark*, paragraphs 58-63; M.11625 – *EPCG/IDS*, paragraphs 67-68.

(OOH), including for example lockers and drop-off points at publicly accessible establishments such as convenience stores. ([15])

4.1.2. The Parties' views

(17) The Parties essentially agree with the distinction between mail and parcel delivery services and freight forwarding. However, the Parties note that DHL Parcel Iberia also manages the shipment and delivery of pallets by truck, with pallets exceeding 31.5 kg. These pallet delivery services refer to groups of parcels with the same sender and recipient, palletized solely to facilitate their management and handling. In the Parties' view, this activity cannot be assimilated to freight forwarding, as pallet deliveries are carried out within the company's standard parcel delivery infrastructure, are shipped every day and are delivered with the same delivery times as standard parcels. ([16])

(18) The Parties also agree with a market segmentation between express parcel delivery services and standard/deferred parcel delivery services. The Parties consider express delivery to be based on time-definite deliveries (TDI), that guarantee delivery before a specific time on a specific day (usually next day). ([17])

(19) Furthermore, the Parties agree with the market segmentation based on domestic and international delivery. Within international delivery, the Parties also consider that there are significant differences between intra-EEA and extra-EEA deliveries due to customs clearance processes. ([18])

(20) The Parties agree with the Commission's differentiation by customer type in B2B, B2C and C2X, while noting that CTT Expresso typically manages all deliveries to or from consumers (B2C and C2X) within the same channel and DHL Parcel Iberia is focused on B2B deliveries. ([19])

(21) Finally, the Parties take the view that the provision of out-of-home delivery services does not constitute a separate product market. Rather, it is a complementary delivery modality that is fully substitutable with home delivery. ([20])

4.1.3. The Commission's assessment

(22) The Commission considers that, for the purposes of this decision, the exact scope of the product market definition regarding the supply of parcel delivery services may be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition. In its assessment, the Commission will consider the narrowest plausible market, which in this case will exclude parcel deliveries achieved by using pallets, even if the pallets are used only to group a number of parcels that have the same sender and recipient to facilitate delivery management.

(23) Overall, a strong majority of customer respondents who expressed a view during the market investigation agreed that the segmentation of the market among the lines previously put forward by the Commission, i.e. based on (i) the identity of the parcel senders, into parcel delivery services offered to consumers ("C2X", i.e.

([15]) Commission decision in M.11625 – *EPCG/IDS*, paragraphs 69-70.
([16]) Form CO, paragraphs 215-217.
([17]) Form CO, paragraphs 226 et seq.
([18]) Form CO, paragraph 242.
([19]) Form CO, paragraph 250.
([20]) Form CO, paragraph 253.

consumers to businesses and consumers to consumers) and offered to businesses ("B2X"), with a further distinction between the provision of parcel delivery services to businesses sending to businesses ("B2B") and to businesses sending to consumers ("B2C"); (ii) the geographic extent of the services, into domestic and cross-border parcel delivery services, with a further sub-segmentation of the latter between cross-border intra-EEA and extra-EEA services, (iii) the speed of delivery, into express (i.e., committed delivery by next day/end of day at the latest) and deferred (standard, without commitment on the delivery date) package delivery services markets; and (iv) the destination, into home or out-of-home (including, for example, automated lockers or third-party parcel pick-up points), is accurate in Spain and Portugal today. ([21])

(24) With regards to out-of-home delivery services, one competitor disagreed with the proposed market segmentation, indicating that for the moment Portugal and Spain show relatively low maturity and adoption of out-of-home delivery despite a growing preference for out-of-home deliveries, suggesting that such sub-segmentation of the parcel delivery market is not warranted in those countries at least for the time being. ([22]) Other market participants also indicated that home deliveries remain the most popular option in Portugal and Spain, ([23]) suggesting that out-of-home deliveries constitute only a small proportion of all deliveries, ([24]) even if prices of those deliveries might differ. ([25]) The market investigation also suggested that parcel recipients might favour home deliveries in particular when parcels to be delivered are voluminous ([26]) or of a higher value. ([27])

(25) Without prejudice to the above considerations, the question of whether out-of-home delivery services should be distinguished as a separate sub-segment of the parcel delivery on the Spanish and Portuguese markets can be left open, since it does not affect the assessment of the Transaction.

(26) A competitor respondent also indicated that in their view there is a certain degree of ambiguity as to how express services are defined, contemplating that express services could be characterised by and thus limited to services with a "money back guarantee" in case of late delivery. ([28]) In line with past decisional practice, indicating that express products are on the whole faster and more reliable than a standard service, ([29]) the Commission considers that express parcel delivery services should be characterised by a commitment of the courier to deliver within the next day or until the end of day. While they might include value-added services such as track-and-trace, the possibility of changing the destination in

([21]) Customer questionnaire, question C.1.
([22]) Competitor questionnaire, question C.1.1.
([23]) Non-confidential version of the minutes of a call with a competitor dated 13 June 2025, paragraph 6; non-confidential version of the minutes of a call with a customer dated 12 June 2025, paragraph 13; non-confidential version of the minutes of the call with a customer dated 26 May 2025, paragraph 16.
([24]) Non-confidential version of the minutes of a call with a market participant dated 2 July 2025, paragraph 7.
([25]) Non-confidential version of the minutes of a call with a customer dated 26 May 2025, paragraph 15; non-confidential version of the minutes of a call with a market participant dated 2 July 2025, paragraph 8.
([26]) Non-confidential version of the minutes of a call with a customer dated 26 May 2025, paragraph 16.
([27]) Non confidential version of the minutes of a call with a customer dated 15 July 2025, paragraph 13.
([28]) Competitor questionnaire, question C.1.1.
([29]) Commission decisions in M.6570 – *UPS/TNT Express*, paragraphs 220 et seq.; M.3971 – *Deutsche Post/Exel*, paragraph 21.

transit, or money-back-schemes, the market investigation did not provide evidence to suggest that express services should only include those deliveries where such services are offered. ([30])

4.2. Geographic market definition

4.2.1. The Commission's previous practice

(27) In the past, the Commission has considered that the geographic scope of the markets for the provision of parcel delivery services, and its subsegments, are likely national in scope. In particular, contracts for parcel deliveries are mostly negotiated at national level for both domestic and international deliveries, and parcel delivery companies need a significant national presence in a given country (e.g. infrastructure, client contracts, sales force) in order to meaningfully compete in that country. The Commission also noted that there may be a tendency towards broader markets. ([31])

4.2.2. The Parties' views

(28) The Parties submit that due to their similar characteristics and geographic proximity, there are arguments to consider Portugal and Spain as a single domestic Iberian market, as both Parties operate a similar network for their parcel delivery services. ([32]) In their view, the Iberian market can be seen from both the supply and demand side as one region. ([33])

(29) The Parties further submit that all the main operators present in Portugal or Spain are present in both Member States and maintain an Iberian network. In fact, having an Iberian presence is essential to compete in either country. To offer a comprehensive service, any provider must be capable of ensuring seamless delivery across both Spain and Portugal. ([34])

(30) With respect to out-of-home delivery services, as regards geographic scope, the Parties consider that the out-of-home delivery market should be at least EU-wide, given that this delivery modality is consistently applied across Member States and, increasingly, worldwide. They acknowledge, however, that competition dynamics vary between countries, depending on the level of development and availability of lockers or service point networks. ([35])

4.2.3. The Commission's assessment

(31) The Commission considers that, for the purposes of this decision, the exact scope of the geographic market definitions regarding the supply of parcel delivery services may be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible geographic market definition (i.e., national, broader than national, encompassing the whole

([30]) Only under this approach, the activities of the Parties overlap as CTT does not offer money back guarantees comparable to DHL and other integrators. The Commission's approach to defining this market segment for the purposes of the present case can be thus described as conservative.

([31]) Commission decisions in cases M.11625 – *EPCG/IDS*, paragraph 71; M.11558 – *bpost/Staci*, paragraph 25; M.5152 – *Posten AB/Post Danmark*, paragraph 74; M.3971 – *Deutsche Post/Exel*, paragraph 31; M.3155 – *Deutsche Post/Securicor*, paragraph 11.

([32]) Form CO, paragraph 261.

([33]) Form CO, paragraph 262.

([34]) Form CO, paragraph 263.

([35]) Form CO, paragraph 267.

of the Iberian Peninsula or at the EEA level). In its assessment, the Commission considers the narrowest plausible market, which is the national scope.

(32) The market investigation indicated that procurement habits for parcel deliveries vary among customers. Answers from customer respondents to the Commission's question of the geographic level on which they procure parcel delivery services were almost evenly split between national, regional (i.e. covering the whole Iberian Peninsula), and EEA level. Only a small minority of customer respondents indicated that they procure parcel delivery services at a sub-national level. ([36])

(33) Similarly, competitor respondents to the market investigation were split on the question of the geographic level at which delivery operators compete with each other for the provision of parcel delivery services, indicating either national or regional (i.e. covering the whole Iberian Peninsula) as the level at which competition occurs. One of the competitor respondents explained that *"[m]ajor players active in small-parcel delivery operate across the Iberian Peninsula and generally exhibit comparable geographic coverage in both Portugal and Spain. However, this fact alone does not imply that Iberia constitutes a single, homogeneous geographic market. Competitive conditions may differ materially between the two national territories, as players can face distinct competitive constraints, maintain differentiated market positions and pursue divergent commercial strategies in each country*." ([37]) Another competitor respondent noted, however, that recent market trends, including in particular an increased presence of e-commerce customers and B2C flows, might contribute to market evolution. In connection to that, this competitor respondent noted an increase of contract negotiations at a wider-than-national level. ([38])

4.3. Conclusion

(34) In light of the above, and for the purposes of this decision, the Commission considers that (i) there is a separate product market for the delivery of small packages not exceeding 31.5 kg (also referred to as "parcels"), and (ii) the further exact scope of the product market definition for the supply of parcel delivery services can be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition. The Commission will assess the effects of the Transaction by reference to both the overall market for the supply of parcel delivery services and its plausible product sub-segments on the Spanish and Portuguese markets, as the narrowest plausible geographic markets.

5. COMPETITIVE ASSESSMENT

5.1. Horizontal effects

(35) Under Article 2(2) and (3) of the Merger Regulation, the Commission must assess whether a proposed concentration would significantly impede effective competition in the internal market or in a substantial part of it, in particular as a result of the creation or strengthening of a dominant position. When assessing concentrations between actual or potential competitors, the Commission investigates whether such concentrations result in adverse "non-coordinated

([36]) Customer questionnaire, question C.2.
([37]) Competitor questionnaire, question C.2.
([38]) Competitor questionnaire, question C.2.

effects" and/or in "coordinated effects", as described in the Guidelines on the assessment of horizontal mergers under the Merger Regulation (the "Horizontal Merger Guidelines"). ([39])

(36) Non-coordinated effects occur due to the removal of an important competitive constraint to the parties to a concentration, typically the loss of competition between the firms in the concentration. To assess the competitive constraints faced by the merging parties, the Horizontal Merger Guidelines include certain factors that the Commission uses to measure the likelihood and magnitude of non-coordinated effects. Such factors include: (i) the market shares of the parties; (ii) whether the merging firms are close competitors; (iii) whether there are limited possibilities for customers to switch to the parties' competitors; (iv) whether the parties' competitors could increase supply if prices increase; (v) whether the merged entity would be able to hinder its competitors' expansion; and (vi) whether the merger removes a competitor that is stronger than its market shares suggest. By considering these and other factors, the Commission assesses whether a potential increase in market power is likely to lead to a significant impediment of effective competition, namely as a result of the creation or the strengthening of a dominant position.

(37) In the present case, the Commission's investigation indicates that the Parties' activities are to a significant extent complementary and that they compete less closely with each other than with several other market participants, with CTT having a stronger position in domestic parcel delivery, notably in the B2C segment, while DHL is primarily active in cross-border and pan-European delivery solutions, notably in B2B services.

(38) Against this background, the Transaction gives rise to a number of affected markets where the Parties' activities overlap. The Commission's competitive assessment therefore focuses on those markets where horizontal overlaps arise and where the Transaction could potentially affect competitive dynamics, taking into account the presence of other competitors such as GLS, DPD and Correos.

(39) The Transaction also results in overlaps and vertical links for a number of other markets. However, none of these overlaps or links give rise to affected markets within the meaning of recital 25(g) Annex I to Regulation (EU) 2023/914 ([40]), as they meet the conditions for review under point 5 or benefit from the flexibility clauses of point 8 of the Notice on Simplified Treatment ([41]). Therefore, these overlaps will not be further discussed in this decision.

5.1.1. The Notifying Parties' views

(40) The Notifying Parties submit that the Transaction does not give rise to horizontal effects either in Portugal or in Spain for the below reasons.

(41) First, they submit that the Parties' operations are largely complementary, with any horizontal overlap resulting in only a negligible increase in market share. ([42]) The

([39]) Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 31, 05.02.2004.

([40]) Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings and repealing Commission Regulation (EC) No 802/2004, OJ L 119, 5.5.2023, p. 22.

([41]) Commission Notice on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings 2023/C 160/01, OJ C 160, 5.5.2023, p. 1.

([42]) Form CO, paragraphs 327-328.

Parties explain that they will continue to face strong competition from numerous players including well-established operators with both domestic and international coverage. ([43])

(42) Second, according to the Parties, customers can easily switch their parcel volumes as switching costs are low. In addition, customers such as e-commerce platforms and omnichannel retailers possess strong bargaining power. They typically engage in multi-sourcing strategies and frequently reallocate volumes between carriers based on performance and pricing. ([44])

(43) Third, the Parties submit that there are low barriers to entry and expansion and that the markets for parcel delivery services in Portugal and Spain are dynamic with recent market entry by players such as Amazon, InPost or Paack. ([45])

(44) Lastly, the Parties consider that their activities do not overlap in the express markets. While the Parties acknowledge that CTT provides fast delivery service by truck, covering the Iberian Peninsula, they consider that it is fundamentally different from the high-end express services for more demanding customers provided by DHL Express through its dedicated network, also noting that DHL's express activities are not within the scope of the Transaction. ([46]) According to the Parties, "*CTT merely offers a faster delivery for standard parcels to e-commerce clients within its Iberian standard network.*" ([47])

5.1.2. The Commission's assessment

5.1.2.1. Portugal

(45) For the reasons provided below, the Commission is of the view that the Transaction does not raise serious doubts as to its compatibility with the internal market on the market for the provision of parcel delivery services (or any of its subsegments) in Portugal.

5.1.2.1.1. Market structure

(46) While there are overlaps in various segments of the parcel delivery services market, the Commission notes that the Transaction will result in only a limited number of affected plausible markets in Portugal. As shown in **Table 1**, while the overall markets are affected, the Parties' combined market shares will remain around [20-30]-[30-40]%. In addition, the Parties' combined market shares for deferred parcel delivery services sub-segments will remain moderate not exceeding[20-30]%. As regards the express plausible markets, DHL commands a high market share in some of these segments, but the increment contributed by CTT is very limited with [0-5]% or [0-5]%. ([48])

([43]) Form CO, paragraph 329.
([44]) Form CO, paragraph 329.
([45]) Form CO, paragraphs 529-530.
([46]) Form CO, paragraph. 233.
([47]) Form CO, paragraph 237.
([48]) The Commission notes that the national regulator ANACOM also publishes market share estimates for the parcel delivery market. However, these are only available for the overall market (not distinguishing, for example, between B2B or B2C), and do not appear to include all competitors (for example, DHL is not included). According to ANACOM's market share for the second trimester of 2025, for example, CTT had a [30-40]% market share (in volume terms) in the Portuguese parcel delivery market, followed closely by DPD with [20-30]%.

Table 1: Market shares by value – Portugal, parcel delivery, 2024 – All plausible markets

Plausible markets			CTT	DHL	Combined
Speed	Destination	Target			
Overall			[20-30]%	[10-20]%	[30-40]%
Overall domestic			[20-30]%	[0-5]%	[30-40]%
Overall international			[5-10]%	[20-30]%	[30-40]%
Deferred	Domestic	B2B	[20-30]%	[0-5]%	[20-30]%
		B2C	[40-50]%	[0-5]%	[40-50]%
		C2X	[40-50]%	[0-5]%	[40-50]%
	International intra-EEA	B2B	[0-5]%	[5-10]%	[10-20]%
		B2C	[10-20]%	[10-20]%	[30-40]%
		C2X	[10-20]%	[10-20]%	[30-40]%
	International extra-EEA	B2B	[10-20]%	[0-5]%	[10-20]%
		B2C	[40-50]%	[0-5]%	[40-50]%
		C2X	[40-50]%	[0-5]%	[40-50]%
Express	Domestic	B2B	[10-20]%	[0-5]%	[10-20]%
		B2C	[10-20]%	[0-5]%	[10-20]%
		C2X	[10-20]%	[0-5]%	[10-20]%
	International intra-EEA	B2B	[0-5]%	[50-60]%	[50-60]%
		B2C	[0-5]%	[50-60]%	[50-60]%
		C2X	[0-5]%	[50-60]%	[50-60]%
	International extra-EEA	B2B	[0-5]%	[50-60]%	[50-60]%
		B2C	[0-5]%	[60-70]%	[60-70]%
		C2X	[0-5]%	[60-70]%	[60-70]%

Source: Form CO, Annex 6.2.4

Note: Affected plausible markets are highlighted in red.

(47) With respect to C2X, the Notifying Parties submit that this is a niche segment which is difficult to quantify and that most market operators handle all deliveries to and/or from consumers through the same channel as B2C. Accordingly, the Parties estimated the total C2X market size by applying CTT and DHL's C2X/B2C ratio to the B2C sales of those market players present in B2C. ([49]) The Commission's market investigation indicates that this methodology may lead to conservative estimates. Indeed, the C2X turnover in Portugal for at least one competitor (as self-reported by that competitor) is significantly higher than that

([49]) Form CO, paragraphs 286-308.

estimated by the Parties, with the Parties' market share consequently being significantly lower. ([50])

(48) With respect to out-of-home delivery services, the Commission notes that these represent only a fringe segment in Portugal, with out-of-home deliveries accounting for less than 8% of all parcel deliveries. ([51]) Accordingly, as already noted in Section 4.1, the market structure for out-of-home delivery services would not materially differ from that of the overall parcel delivery market. Indeed, the Parties confirm that to the best of their knowledge their market shares in a potential out-of-home market would not materially differ from the market shares provided for the overall deliveries market, shown in **Table 1**. ([52])

(49) In any case, the Parties' activities in Pick-up and Drop-off Points ("PUDOs") networks show limited overlap.

(50) While CTT operates a number of exclusive PUDOs (including lockers) in Portugal, DHL does not operate exclusive PUDOs (and no locker PUDOs at all) in Portugal, as shown in **Table 2** below.

Table 2: Number of PUDOs (including lockers) in Portugal (2025)

	Type of PUDO	CTT	DHL	CTT + DHL	Total market
Portugal	Exclusive	[800-900]	[0-5]	[800-900]	NA
	Open to third parties	[3000-4000]	[1000-2000]	[4000-5000]	[6000-7000]

Source: Parties' response to RFI 7, question 1.

(51) Furthermore, the majority of the PUDOs accessed by the Parties are also accessible by third parties. Indeed, several independent PUDO networks operate in Spain and Portugal, including Celeritas, ([53]) and BePudo, ([54]) as well as locker networks such as PUDO24 ([55]) and Locky. ([56]) By definition, these third-party networks provide access to multiple delivery operators and therefore do not give rise to foreclosure concerns.

(52) Barriers to the expansion of PUDO networks also appear limited. The number of PUDOs has been increasing rapidly in both countries, with operators such as InPost expanding their locker and PUDO networks across the Iberian Peninsula, including in Portugal. ([57]) Indeed, InPost recently claimed to be "*the largest independent OOH network in the Iberian Peninsula*" – as of 2024, InPost had

([50]) Competitor questionnaire, question B.3. Competitor turnover data is not available at a granular level for each plausible C2X market (e.g. domestic, international). However, if competitors' positions are understated in the overall C2X market, they will necessarily also be understated in any narrower segmentation of that market.

([51]) Competitor questionnaire, question C.1.1, where one competitor noted that *"both in Portugal and in Spain, the OOH segment represents only c. 8% of the total Courier, Express, and Parcel (CEP)"*.

([52]) Response from the Parties to RFI 9, Question 2.

([53]) See: https://www.celeritastransporte.com/en/about-us/.

([54]) See: https://www.bepudo.com/#bepudo.

([55]) See: https://pudo24.com/pt/.

([56]) See: https://www.locky.pt/.

([57]) See: https://inpost.eu/news-inpost-group-has-finalised-acquisition-sending-spains-courier-and-fulfilment-provider.

2 000 PUDOs in Portugal (and 8 000 in Spain). ([58]) More generally, parcel shops are typically retail outlets that provide collection and drop-off services in exchange for a per-parcel fee and increased customer traffic, meaning that a wide range of retail shops can easily become PUDO points.

(53) On this basis, the Commission considers that the Transaction would not raise competition concerns with respect to the Parties' out-of-home networks.

(54) During the market investigation, a competitor remarked that CTT is "*by far the leading player (...) in Portugal*" and submitted that CTT would have a market share of [40-50]% of all parcels delivered in Portugal (based on a report published by the Portuguese Regulatory Authority for Postal Communications and Electronic Communications ("ANACOM")), while DHL would have a market share between [0-5]% and [5-10]% (based on the competitor's own estimates). ([59]) The Commission notes that the ANACOM report relied upon for these estimates does not appear to present a complete picture for the following reasons: First, ANACOM's estimates exclude some operators, including DHL and other significant players such as UPS. Second, ANACOM's data is estimated only for the overall parcel market (with no upper limit on the parcel weight), ([60]) and does not offer estimates for each of the different markets (e.g. domestic, international, B2C, B2B, etc). Third, these estimates are volume-based and may not reflect the underlying competitive dynamics, given the significant differences in cost structures: CTT's average unit cost to ship in Portugal is approximately EUR [0-5] compared to EUR [5-10] for DHL. This suggests that CTT may focus more on low-value shipping services, inflating its volume share relative to its competitive footprint. Fourth, the Commission's market investigation indicates that the Parties' methodology may lead to conservative market share estimates. Indeed, the B2C turnover in Portugal for at least one competitor (as self-reported by that competitor) is significantly higher than that estimated by the Parties, with the Parties' market share consequently being significantly lower. ([61]) Fifth, the Commission notes that more recent versions of the ANACOM report indicate significantly lower market shares for CTT, for example [30-40]% in the second quarter of 2025. ([62])

(55) On the overall market for parcel delivery services in Portugal, the Parties will continue to face competition from strong players such as DPD La Poste ([10-20]% market share), Correos ([5-10]%), IDS ([5-10]%), Inpost ([0-5]%), MRW ([5-10]%), Nacex ([5-10]%) and Paack ([0-5]%). ([63]) As shown in **Table 3**, the same applies to the market for deferred B2B parcel delivery services in Portugal and to the market for deferred delivery services in the B2C and C2X segments. On the international intra-EEA express market for both B2C and C2X, two other strong competitors will remain, namely UPS and FedEx.

([58]) See: https://inpost.pl/en/news-inpost-has-largest-independent-network-pick-and-drop-points-iberian-peninsula.

([59]) [REDACTED] memorandum on competition issues raised by the CTT Expresso / DHL Parcel Portugal Transaction, 31 March 2025.

([60]) See "Historical data of "postal services" (only available in Portuguese), which is the underlying data used in ANACOM's report, and which clarifies that as of 2012 postal deliveries with a weight above 20kg are included in ANACOM's data.

([61]) Competitor questionnaire, question B.3.

([62]) ANACOM Postal Services Report, 18 December 2025.

([63]) Form CO, Annex 6.2.4.

Table 3: Main competitors – Portugal, parcel delivery, 2024

Plausible markets			Main competitors (market shares by value)
Speed	Geography	Target	
Deferred	Domestic	B2B	Correos ([20-30]%), Nacex ([10-20]%), IDS ([10-20]%), DPD La Poste ([0-5]%), Paack ([0-5]%), MRW ([0-5]%), Ontime ([0-5]%)
Deferred	International, intra EEA	B2C/C2X	MRW ([10-20]%), DPD La Poste ([10-20]%), UPS ([5-10]%), Correos ([0-5]%), IDS ([0-5]%), InPost ([0-5]%), FedEx ([0-5]%)
Express	International, intra EEA	B2C/C2X	UPS ([30-40]%), FedEx ([5-10]%)

Source: Form CO, Annex 6.2.4

(56) In any event, when considering the different markets according to speed of delivery, destination, and target audience (rather than simply considering an aggregate parcel delivery services market) the data indicate that the Parties' operations are largely complementary rather than overlapping (see **Table 1** above and the explanations in the following Section).

5.1.2.1.2. Closeness of competition

(57) The Commission considers that CTT and DHL are not close competitors on the plausible relevant markets for parcel delivery services in Portugal for the following reasons.

(58) First, a large majority of the customers in Portugal who replied to the Commission's market investigation consider that DHL and CTT either compete less closely than each of them competes with other rivals, or do not compete at all. ([64]) For example, one customer explained that "*DHL competes with bigger international parcel delivery service with international (worldwide) coverage. CTT is competing in the domestic market with local companies more focused on cheaper deliveries*". ([65]) Another customer explained that *"[DHL and CTT] don't compete directly, as they cover different segments: DHL is more focused on B2B, while CTT is oriented towards B2C smaller e-commerce parcels"*. Finally, another customer explained that *"DHL offers more premium services than CTT"*. ([66])

(59) Second, CTT and DHL focus on different customer groups and services. In 2024, B2B deliveries accounted for approximately [30-40]% of CTT's turnover in Portugal, compared to [60-70]% for DHL. CTT, as the national incumbent postal services provider, is also mainly a domestic / Iberian player, while DHL is an international integrator. More precisely, in 2024, CTT derived [80-90]% of its Portuguese turnover domestically, while for DHL this figure was only [10-20]%. ([67])

([64]) Customer questionnaire, question D.B.2.
([65]) Customer questionnaire, question D.B.1.1.
([66]) Customer questionnaire, question D.B.2.1.
([67]) Form CO, Annex 6.2.4.

(60) Third, CTT and DHL offer different express international (in particular intra-EEA) services targeting different needs. CTT has only very specific express activities, limited to the Iberian Peninsula, delivered through its standard delivery network (with trucks). On the contrary, DHL is a leading integrator with an entire network including airplanes dedicated to express deliveries competing mainly against FedEx and UPS. When looking more specifically at the affected markets for express intra-EEA services, as shown in **Table 4**, the Commission notes that CTT focusses mainly on deliveries between Portugal and Spain while DHL's focus is more international with intra-Iberian flows only representing a very small part of its intra-EEA business. ([68]) As a result, the market shares and the increment, in any event small, do not reflect the real competitive dynamics between the Parties and on the relevant express segments.

Table 4: Turnover corresponding to intra-Iberian flows – Portugal, parcel delivery, 2024 – Affected plausible markets

Plausible markets			% turnover (EUR) corresponding to intra-Iberian flows	
Speed	**Geography**	**Target**	**CTT**	**DHL**
Express	International (Intra-EEA only)	B2C	[60-70]%	[0-5]%
		C2X	[60-70]%	[0-5]%

Source: Form CO, para. 381-382.

(61) Fourth, customers typically do not procure the same service from both Parties. For example, the Parties submit that for international intra-EEA express B2C services, they only have one joint customer. In its feedback to the Commission, this joint customer anticipated that *"the Transaction will not negatively impact the market and is more likely to have positive effects both in Spain and Portugal. […] The Transaction could be beneficial for both Parties. DHL and CTT have a rather complementary business model and geographic focus. CTT could benefit from the financial strength of DHL while the Transaction enhances DHL's service offerings, enabling it to attract new customers and tap into CTT's existing client base. From the customer's perspective, the Transaction could potentially create a positive impact, including an expanded service portfolio, improved delivery capabilities, and a more efficient cross-border network."* ([69])

(62) Fifth, CTT's internal documents suggest that the Parties' operations are largely complementary "*CTT has a stronger domestic position, mainly in B2C/e-commerce segment whilst [DHL] is a leading cross-border specialist*". ([70]) By contrast, CTT's internal documents clearly suggests that CTT and DPD are the closest competitors: "*[CTT] & DPD have a ~[70-80]% market share, both focusing on B2C growth and being the cheapest players with aggressive pricing*". ([71])

(63) Sixth, according to evidence submitted by the Parties, CTT and DHL have different cost and pricing structures in Portugal:

([68]) The same finding can be drawn for deferred intra-EEA services.
([69]) Non-confidential version of the minutes of a call with a customer dated 15 July 2025, paragraph 18.
([70]) Form CO, Annex 5.4.b).5, p. 9.
([71]) Form CO, Annex 5.4.b).1, p. 14.

(a) DHL's cost structure […] CTT's: DHL's average unit cost is approximately […] as compared to […] for CTT in Portugal. ([72])

(b) [comparison of the Parties' pricing]. ([73])

5.1.2.1.3. Removal of an important competitive force

(64) The Commission does not consider DHL to be an important competitive force, as it does not exert a more significant influence on the competitive process than its market shares suggest.

(65) [Quotes and summaries of internal documents on DHL performance and costs].

(a) [Customer-specific partnership history and profitability outcomes].

(b) [Internal documents].

(c) [Customer-specific partnership history and profitability outcomes]. ([74])

(66) Second, as shown in **Table 5**, the Parties' combined market shares in the affected markets for deferred deliveries in Portugal decreased significantly between 2022 and 2024, indicating a loss of competitiveness of the Parties and a dynamic market. As for the affected markets for express deliveries in Portugal, DHL's position grew between 2022 and 2024, while CTT's weakened significantly, suggesting that CTT does not represent an effective fringe competitive constraint in these markets.

Table 5: Market shares by value, evolution between 2022 and 2024 – Portugal, parcel delivery – Affected plausible markets

Plausible markets			Gain/loss market share between 2022 and 2024		
Speed	**Geography**	**Target**	**CTT**	**DHL**	**Combined**
Deferred	Domestic	B2B	-[20-30]%	-[5-10]%	-[20-30]%
	International (Intra-EEA only)	B2C	-[10-20]%	-[5-10]%	-[10-20]%
		C2X	-[50-60]%	>[90-100]% ([75])	-[10-20]%
Express	International (Intra-EEA only)	B2C	-[30-40]%	[10-20]%	[5-10]%
		C2X	-[10-20]%	[5-10]%	[5-10]%

Source: Form CO, Annex 6.2.4

([72]) Form CO, paragraph 510.

([73]) Responses from the Parties to RFI 5, Question 2.
Form CO [Internal documents]."

([74]) Form CO, paragraph 170.

([75]) DHL's C2X turnover in 2022 was negligible in absolute terms. Accordingly, the relative change observed between 2022 and 2024 is highly sensitive to minor variations.

(67) During the market investigation, one competitor referred to DHL's strong and growing presence in the B2B segments: "*DHL eCommerce is already a top 10 player after only 2 years of activity in Portugal (DHL eCommerce in Portugal being a spin-off of DHL Express) with a strong B2B business. DHL has very rapidly increased its local presence in Portugal thanks to an aggressive positioning and its longstanding and comprehensive international network*". ([76]) This conclusion is not supported by the Commission's market investigation. As shown in **Table 5** above, DHL's shares of the market for deferred domestic B2B parcel delivery services fell by [5-10]% between 2022 and 2024. Overall, as shown in **Table 1**, DHL's market shares for B2B parcel delivery services in Portugal are very modest ([0-5]% for deferred domestic B2B services, [5-10]% for deferred international intra-EEA B2B services, [0-5]% for deferred international extra-EEA B2B services, [0-5]% for express domestic B2B services) with the exception of express international B2B services, where DHL's share reaches [50-60]% for international intra-EEA and [50-60]% for international extra-EEA but CTT is not active.

5.1.2.1.4. Limited switching costs

(68) On balance, the Commission takes the view that customers of parcel delivery services in Portugal will be able to protect themselves if the JVs raise prices post-Transaction by switching suppliers as switching costs appear overall limited.

(69) First, the market investigation shows that the vast majority of customers expressing a view often opt for a multi-sourcing strategy, meaning that they source parcel delivery services from different service providers. The majority of customer respondents source from at least two or three providers, and a sizable minority from four or five. ([77]) Not only do customers multisource, but they also switch providers regularly: a large majority of the customers expressing a view indicated that they had changed parcel delivery providers in the last three years. ([78]) For example, a customer explained that "*in Portugal, (…) [a supplier] proposed a drastic price increase which would have impacted (…) [its] margins and competitivity. Therefore, [it] chose to turn to DHL in Portugal, although it is still working with [that other carrier in other countries.] (…). [This customer] observed that it was easy to switch from one carrier to the other".* ([79])

(70) Second, a vast majority of customers expressing a view in the Commission's market investigation confirmed that it would still be easy to switch providers on the overall market for parcel delivery services in Portugal following the Transaction. ([80])

(71) Similarly, a vast majority of competitors expressing a view consider that it is easy or very easy for customers to switch to another supplier,([81]) with one competitor noting that *"Customers will continue to benefit from a wide range of alternative providers and face very low switching costs. Customers routinely multi-home and compare carriers on price, service levels and quality. Moreover, there is ample*

([76]) Competitor questionnaire, question D.B.2.1.
([77]) Customer questionnaire, question D.A.2.
([78]) Customer questionnaire, question D.A.4.
([79]) Non-confidential version of the minutes of a call with a customer dated 26 May 2025, paragraph 23.
([80]) Customer questionnaire, question D.B.5. On the deferred international intra EEA B2C segment, there are indications that switching costs may be somewhat higher.
([81]) Competitor questionnaire, question D.B.5.

capacity. Switching costs are low due to standardized labels, APIs and integration tools". ([82])

(72) The Commission notes that switching costs are not inexistent, in particular in situations where B2B and B2C customers may need to switch to a new carrier as opposed to simply reallocating volume between existing carriers. Indeed, switching may entail certain operational adjustments in particular of IT systems. In this respect, a competitor explained that the "*IT integration between the operator and the customer (...) [has] become [over time] significantly more standardized and efficient, meaning that system integration is now generally seamless and no longer constitutes a meaningful source of differentiation among operators". ([83])* A customer also explained that "*switching is relatively easy, and quick (typically a few months). There are some technical issues which need to be solved before switching, relating for example to the IT platform (...) but nothing particularly complex that (...) [it] would not be able to manage."* ([84]) However, as explained by several customers and competitors, these constraints appear overall moderate in terms of time and cost. As summarized by a customer, "*the switching costs are not high, so they are not an obstacle to changing suppliers*." ([85])

(73) Third, a majority of competitors expressing a view have indicated that they have some excess capacity during normal periods, enabling them to accommodate some additional volumes in the short term. ([86]) In addition, several competitors indicated that they could increase their capacity in response to a structural increase in demand. ([87]) This means that competitors of the Parties would be able to easily increase supply in the affected plausible markets which would offset the risk of any hypothetical price increase post-Transaction. While it seems that there is limited available capacity during peak periods, ([88]) the Commission notes that this is inherent to the parcel delivery activities and the main carriers have the resources and expertise to increase capacity in a timely manner to cope with sudden volume increases.

(74) Finally, in the C2X segment, switching is not a concern as customers are coincidental (i.e. not stable, recurring) as consumers typically select carriers on an *ad hoc* basis and face moderate switching costs.

(75) As a result, overall, the Commission concludes that switching costs appear limited for customers in the parcel delivery markets in Portugal.

5.1.2.1.5. Countervailing buyer power

(76) As mentioned above, the Parties consider that the demand is mostly characterised by significant buyer power, in particular from large vertically integrated e-commerce platforms. ([89])

(77) In this respect, the Commission notes that at least some customers – notably the very large marketplaces such as [customers identification] are likely to have a

([82]) Competitor questionnaire, question D.B.6.
([83]) Competitor questionnaire, question D.B.6.
([84]) Non-confidential version of the minutes of a call with a customer dated 26 May 2025, paragraph 22.
([85]) Customer questionnaire, question D.B.6.
([86]) Competitor questionnaire, question D.C.3.
([87]) Competitor questionnaire, questions D.C.5 and D.C.6.
([88]) Competitor questionnaire, question D.C.3.
([89]) Form CO, paragraph. 352.

degree of buyer power. These multinational companies have sophisticated procurement teams and processes and leverage their significant shipping volumes when procuring parcel delivery services.

(78) First, the Commission understands that many parcel delivery services providers exhibit a certain degree of dependency on their main customers to fully utilise their networks and capacity. This appears to be the case in Portugal for CTT. According to DHL's internal documents, CTT's sales [Quotes and summaries of internal documents on CTT's dependence] ([90]) In the due diligence summary regarding the […]. DHL also remarks that the contract termination notice periods are short and that only [50-60]% of revenue was subject to automatic price adjustments. ([91])

(79) Second, such large customers may have the ability to integrate vertically and start operating their own parcel deliveries network. For example, in 2025, Vinted launched its own delivery service in Portugal, Vinted Go. ([92]) While Vinted Go is only accessible to Vinted users, it is an example of successful vertical integration by a former customer of parcel delivery services in Portugal.

(80) Third, while the market investigation reveals the existence of barriers to entry, ([93]) the markets for parcel delivery services in Portugal appear to be quite dynamic with customers possibly sponsoring the entry or expansion of providers. For example, a large customer explained that "*if an existing partner experiences capacity constraints or raises prices, [the customer] can onboard a new partner to ensure supply chain efficiency*". ([94]) The Commission notes that some players have entered and expanded in Portugal. For example, Paack entered the Portuguese market in 2017 and reached 80% coverage in 2022. ([95]) InPost is also expanding its activities locally. ([96])

(81) Fourth, the Commission understands that e-commerce penetration especially from cross-border flows is projected to grow faster than other customers. In Portugal, e-commerce is projected to increase from approximately 33% in 2023 to approximately 39% in 2029. ([97]) As a result, these large customers are expected to increase their purchases of delivery services and to continue to exert buyer power.

5.1.2.1.6. Results of the market investigation

(82) A vast majority of customers expressing a view in the Commission's market investigation considered that the Transaction will have either no or a positive impact on competition in Portugal. ([98]) Almost all customers expressing a view considered that sufficient competition would remain post-Transaction. ([99]) For example, a customer explained that "*it would allow DHL parcels (…) to have a*

([90]) Form CO, Annex 5.4.b).2.
([91]) *Ibidem*.
([92]) https://company.vinted.com/newsroom/Vinted-Go-Spain-Portugal. See also Customer questionnaire, question D.C.1.1
([93]) Competitor questionnaire, question D.C.2.
([94]) Non-confidential version of the minutes of a call with a customer dated 11 July 2025, para 14.
([95]) See: https://paack.co/about-us/
([96]) See: https://grandeconsumo.com/en/inpost-alarga-a-sua-oferta-de-entregas-nao-domiciliarias-em-portugal/; https://ecommercenews.eu/inpost-strengthens-operations-in-iberian-peninsula/.
([97]) Statista, "*Penetration rate of the e-commerce market in Portugal from 2020 to 2029*" (Annex RFI8.3.a).
([98]) Customer questionnaire, question E.1.
([99]) Customer questionnaire, question E.3.

better last mile distribution". ([100]) Another mentioned that "[it does] *not expect the Transaction to have a significant negative impact on competition in the small parcel delivery markets in Spain and Portugal, given the presence of several established alternative providers and the possibility for customers to multisource. (...) [it considers] that competitive pressure from other carriers should remain strong*". ([101]) Moreover, another customer explained that "*the Transaction aligns with a broader trend in the logistics industry, where companies increasingly partner with others that specialise in complementary areas of parcel delivery.*" ([102]) Finally, a customer explained that "*the merger is expected to help DHL's existing customers to gain access to a larger network. (...)* [it also*] expects joint operations to boost capacity and competitiveness as the market grows (...) [and that] the merger could potentially help CTT and DHL to compete more efficiently against new players such as InPost, known for its strong locker network and competitiveness*". ([103])

(83) As for competitors, their views on the Transaction are mixed. ([104]) One competitor, for example, *"takes a neutral position with respect to the proposed transaction. The Company considers that customers face relatively low switching barriers and are generally able to change providers without significant cost or operational disruption. The Company further believes that, following completion of the transaction, customers will continue to have access to a sufficient number of alternative service providers to ensure effective competition in the market"*, while yet another competitor considered that "*CTT and DHL are not competitors nor in Portugal neither in Spain, so the transaction will not have an impact on customers*". ([105]) However, one competitor raised specific concerns that the Transaction will increase CTT's already dominant position in the respective markets for parcel delivery services in Portugal and remove DHL as an important and growing competitor. These concerns are not supported by the market investigation - as explained in Section 5.1.2.1.1, either the Parties' combined market shares or the respective increment brought by the Transaction remain moderate. Even when considering the overall market for parcel delivery services in Portugal, the combined market shares would be [20-30]% with and increment of [0-5]%. ([106]) As explained in Section 5.1.2.1.3 moreover, DHL cannot be considered an important competitive force with an influence on competition in the markets for parcel delivery services in Portugal beyond what its market shares suggest. Crucially, as explained in Section 5.1.2.1.2, the Parties' activities are largely complementary, and they do not compete closely.

(84) A German industry association commented that the Transaction could affect competition for the provision of parcel delivery services between Portugal and Spain on the one hand and Germany on the other with reference to DHL's strong market position in Germany. ([107]) These concerns do not seem to be confirmed by the market investigation. First, as described in Section 5.1.2.1.2, the Parties' activities are largely complementary. In particular, CTT does not have a network

([100]) Customer questionnaire, question E.4.1.
([101]) Customer questionnaire, question E.5.
([102]) Non-confidential version of the minutes of a call with a customer dated 13 June 2025, paragraph 14.
([103]) Non-confidential version of the minutes of a call with a customer dated 11 July 2025, paragraphs 20-21.
([104]) Competitor questionnaire, question E.1.
([105]) Competitor questionnaire, question E.2.
([106]) Form CO, Annex 6.2.4.
([107]) Email from an industry association dated 25 February 2026.

in Germany and has a very limited market position for services beyond the Iberian Peninsula. Second, there are other players with a significant presence in all three countries (Portugal, Spain and Germany) such as DPD, GLS, UPS and FedEx. Third, as explained in Section 5.1.2.1.7 below, in accordance with Portuguese law, CTT is and will continue to be obliged to offer its last-mile parcel delivery services to competing companies at non-discriminatory conditions.

5.1.2.1.7. CTT's role as the universal postal service provider

(85) A market participant expressed concerns that CTT could leverage its position as the universal postal services provider in Portugal, in particular its resulting financial strength and postal network, to the benefit of the parcel delivery activities of the JVs. ([108]) The market participant pointed to (i) the fact that the Portuguese postal regulator previously raised concerns as to the "*inadequate distribution of expenses*" between CTT's postal and banking activities, (ii) differential tax treatments between CTT and its competitors, (iii) the leveraging of CTT's universal postal services network and infrastructure and (iv) the leveraging of CTT's brand and website across postal and parcel services.

(86) The Commission has found no indications that the Transaction would result in or increase the risk of leveraging CTT's position as the universal postal services provider to the benefit of the JVs.

(87) First, all of the risks pointed out by the market participants exist already today, as CTT already provides parcel delivery services in addition to its universal postal services. In this respect, it is unclear how the Transaction would increase these risks. To the contrary, the Transaction might decrease CTT's incentives to cross-subsidise its parcel delivery services. Post-Transaction any cross-subsidisation would benefit the JV and therefore be shared between the Parties while as of today the benefits would go to CTT alone.

(88) Second, CTT is subject to a strict regulatory framework and its activities are overseen by the Portuguese postal regulator ANACOM. In particular, pursuant to Law 17/2012 transposing the EU postal directive ([109]), the concession contract between CTT and the Portuguese State as well as ANACOM's regulations, CTT is subject to cost accounting obligations designed to prevent cross-subsidisation from the universal postal service to other services (including parcel delivery). ([110]) Historical audits and regulatory oversight confirm that CTT complies with its cost accounting obligations and that CTT does not obtain an unfair advantage from its Universal Postal Service activities. ([111])

(89) Following the implementation of the Transaction, ANACOM will continue to be able to distinguish and monitor the costs allocated to the postal services and to other services, and to ensure, through enforcement, that CTT does not benefit from any advantage linked to its universal service obligations. ([112])

([108]) [REDACTED] memorandum on competition issues raised by the CTT Expresso / DHL Parcel Portugal Transaction, 31 March 2025; Non-confidential minutes of a call with a competitor dated 22 May 2025, paragraphs 22-23.

([109]) Directive 97/67/EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service, OJ L 015 21.1.1998, p. 14

([110]) See "Determinações SCA 2021", attached as Annex RFI8.5 of the response from the Parties to RFI 8.

([111]) Response from ANACOM to RFI 1 to ANACOM.

([112]) Response from ANACOM to RFI 1 to ANACOM.

(90) Third, so far CTT has not been found in breach of its obligations as a universal services provider. Neither national or EU authorities have opened or concluded respective proceedings and market participants did not point to specific instances which would indicate a violation of CTT's respective regulatory obligations.

(91) Fourth, the Commission understands that CTT does not benefit from any tax system or treatment that is different than that applicable to its competitors for the provision of parcel delivery services in Portugal. ([113])

(92) Fifth, pursuant to Law 17/2012, CTT is required to make its universal service network available to third parties on fair, reasonable, and non-discriminatory ("FRAND") terms. This obligation applies to any parcel delivery operator that is duly registered and pays the applicable regulated access tariffs. This regulatory framework ensures that the JVs and DHL may only access the CTT network under the same fair and non-discriminatory conditions applicable to any other operator. Accordingly, there can be no internalisation, preferential treatment, or privileged access for the Parties to CTT's postal network, whether as a result of the Transaction or otherwise. ([114])

5.1.2.1.8. Conclusion

(93) Overall, the Commission does not consider that serious doubts arise as to the compatibility of the Transaction with the internal market with regards to the market for parcel delivery services in Portugal or any plausible narrower markets. While each Party has an appreciable position in certain plausible markets, these strengths are mainly complementary. The market share increment resulting from the Transaction is either *negligible* or rather moderate, and/or the combined market shares remain moderate. Moreover, the market structure in the plausible relevant markets will remain similar post-Transaction. In particular, the merged entity will continue to face competitive pressure from numerous competitors, including Correos, DPD, IDS, MRW, NACEX, the integrators (UPS and FedEx) and new entrants (Paack and InPost). Finally, at least large customers are likely to exert a certain degree of bargaining and buyer power towards parcel delivery providers.

5.1.2.2. Spain

(94) For the reasons provided below, the Commission is of the view that the Transaction does not raise serious doubts as to its compatibility with the internal market on the market for the provision of parcel delivery services (or any plausible narrower markets in Spain.

5.1.2.2.1. Market structure

(95) First, while there are overlaps in the parcel delivery markets, the Commission notes that the Transaction will result in only a limited number of affected markets in Spain. As can be seen in **Table 6**, the Parties' market shares will reach [20-30]% on the overall parcel delivery international market. However, they will be only slightly above [10-20]% on the market for deferred international intra-EEA parcel delivery for both B2C and C2X. Market shares will reach [40-50]% on the express parcel delivery international intra-EEA market for both B2C and C2X where DHL already has strong market shares and CTT sizable ones.

([113]) Response from the Parties to RFI 9.
([114]) Response from the Parties to RFI 4, paragraph 10.

Table 6: Market shares by value – Spain, parcel delivery, 2024 – All plausible markets

Plausible markets			CTT	DHL	Combined
Speed	Geography	Target			
Overall			[5-10]%	[5-10]%	[10-20]%
Overall domestic			[0-5]%	[0-5]%	[5-10]%
Overall international			[5-10]%	[20-30]%	[30-40]%
Deferred	Domestic	B2B	[0-5]%	[5-10]%	[5-10]%
		B2C	[5-10]%	[0-5]%	[5-10]%
		C2X	[5-10]%	[0-5]%	[5-10]%
	International intra-EEA	B2B	[0-5]%	[5-10]%	[10-20]%
		B2C	[10-20]%	[5-10]%	[20-30]%
		C2X	[10-20]%	[0-5]%	[20-30]%
	International extra-EEA	B2B	[0-5]%	[0-5]%	[0-5]%
		B2C	[0-5]%	[0-5]%	[0-5]%
		C2X	[0-5]%	[0-5]%	[0-5]%
Express	Domestic	B2B	[0-5]%	[0-5]%	[0-5]%
		B2C	[0-5]%	[0-5]%	[0-5]%
		C2X	[0-5]%	[0-5]%	[0-5]%
	International intra-EEA	B2B	[0-5]%	[40-50]%	[40-50]%
		B2C	[10-20]%	[30-40]%	[40-50]%
		C2X	[10-20]%	[30-40]%	[40-50]%
	International extra-EEA	B2B	[0-5]%	[50-100]%	[50-100]%
		B2C	[0-5]%	[50-100]%	[50-100]%
		C2X	[0-5]%	[50-100]%	[50-100]%

Source: Form CO, Annex 6.2.4

Note: Affected plausible markets are highlighted in red.

(96) Moreover, as **Table 7** below shows, in the narrowest affected plausible markets CTT and DHL currently face, and post-Transaction the JVs will continue to face, strong competition from strong players such as UPS (ranging from [5-10]% to [20-30]%), but also MRW (ranging from [0-5]% to 10-20]%), DPD (ranging from [0-5]% to [10-20]%), and Correos (ranging from [0-5]% to [5-10]%).

Table 7: Main competitors – Spain, parcel delivery, 2024 ([115])

Plausible markets			Main competitors (market share by value)
Speed	Geography	Target	
Deferred	International (Intra-EEA only)	B2C/C2X	IDS ([20-30]%), DPD ([10-20]%), Correos ([5-10] %), UPS ([5-10]%(, MRW ([5-10]%), Ontime ([5-10]%), NACEX ([0-5]%), FedEx TNT ([0-5]%), Inpost ([0-5]%)
Express	International (Intra-EEA only)	B2C/C2X	UPS ([20-30]%), MRW ([10-20]%), FedEx TNT ([0-5]%), DPD ([0-5]%), NACEX ([0-5]%), Correos ([0-5]%)

Source: Form CO, Annex 6.2.4

(97) With respect to out-of-home deliveries, the Commission notes that as for Portugal (see paragraph (48)), these represent only a fringe segment in Spain, with out-of-home deliveries accounting for less than 8% of all parcel deliveries. ([116]) Accordingly, as already noted in Section 5.1.2.1.1 regarding Portugal, the market structure for out-of-home deliveries would not materially differ from that of the overall parcel delivery market. Indeed, the Parties confirm that to the best of their knowledge their market shares in a potential out-of-home market would not materially differ from the market shares provided for the overall deliveries market. ([117])

(98) In addition, the Commission considers that the Transaction would not raise competition concerns with respect to the Parties' out-of-home networks. In particular, the Parties' activities in PUDO networks show limited overlap. None of the Parties operate exclusive PUDOs as shown in the below table. Moreover, barriers to the expansion of PUDO networks appear limited. The number of PUDOs has been increasing rapidly in both countries, with operators such as InPost expanding their locker and PUDO networks across the Iberian Peninsula, including in Spain. ([118])

Table 8: Number of PUDOs in Spain (2025)

	Type of PUDO	CTT	DHL	CTT + DHL	Total market
Spain	Exclusive	[0-5]	[0-5]	[0-5]	NA
	Open to third parties	[10.000-20.000]	[1.000-5.000]	[10.000-20.000]	[30.000-40.000]

Source: Parties' response to RFI 7, question 1.

([115]) As explained above (paragraph 47)(47), the Notifying Parties submit that C2X is a niche segment which is hard to quantify and that most market operators handle all deliveries to and/or from consumers through the same channel as B2C. Accordingly, the Parties estimated the total C2X market size by applying CTT and DHL's C2X/B2C ratio to the B2C sales of those market players present in B2C.

([116]) Response from the Parties to RFI 10, Question 1. See also: Competitor questionnaire, question C.1.1, where one competitor noted that *"both in Portugal and in Spain, the OOH segment represents only c. 8% of the total Courier, Express, and Parcel (CEP)"*.

([117]) Response from the Parties to RFI 9, Question 2.

([118]) See: https://inpost.eu/news-inpost-group-has-finalised-acquisition-sending-spains-courier-and-fulfilment-provider.

5.1.2.2.2. Closeness of competition

(99) The Commission considers that CTT and DHL are not close competitors on the plausible relevant markets for parcel delivery services in Spain for the same reasons as in Portugal (see Section 5.1.2.1.2).

(100) First, a large majority of market participants that expressed a view considered that in Spain, the Parties compete less closely than each of them competes with other rivals. ([119]) One customer explained that "*in our view, DHL and CTT overlap in some parts of the small parcel delivery market in Spain, particularly for B2C shipments. However, we do not consider them to be each other's closest competitors. CTT has a more limited presence in Spain compared to DHL, and both companies face strong competition from several other major parcel delivery providers (e.g. Correos, SEUR, GLS, MRW, UPS), which are often more direct substitutes depending on the service type and destination*." ([120])

(101) Second, similarly to Portugal, CTT and DHL focus on different customer groups and services.

(a) BC2 deliveries account for approximately [80-90]% of CTT's overall parcel deliveries in Spain in 2024 ([121]) while B2B represents the vast majority of DHL's parcel deliveries in Spain. ([122])

(b) CTT is mainly a domestic / Iberian player while DHL is an international player. More precisely, in 2024, CTT derived almost [90-100]% of its revenues in Spain from domestic or Iberian services, with [70-80]% coming from domestic services (i.e. within Spain), and [20-30]% from cross-border within the Iberian market (i.e. with Portugal), its international activities being either negligible (intra-EEA excluding the Iberian market) or inexistent (extra-EEA). ([123]) It considers itself has a "*100% Iberian player*" ([124]). DHL's revenue split is 50/50 between domestic and international, with marginal cross-Iberian flows. ([125])

(c) Third, CTT and DHL offer different express international (in particular intra-EEA) services targeting different needs. CTT has only very specific express activities, limited to the Iberian Peninsula, delivered through its standard delivery network (with trucks). On the contrary, DHL is a leading integrator with an entire network including airplanes dedicated to express deliveries competing mainly against FedEx and UPS. When looking more specifically at the affected markets for express intra-EEA services, as shown in as shown in **Table 9** below, the Commission notices that CTT focusses mainly on deliveries between Portugal and Spain while DHL's focus is more international, with intra-Iberian flows only representing a very small part of its intra-EEA business. As a result, for the same reasons as in Portugal (see paragraph (60)(60), the market shares and the increment

([119]) Customer questionnaire, question D.B.1. See also for example, non-confidential version of the minutes of a call with a customer dated 26 May 2025, paragraph 24. Competitor questionnaire, question D.B.1.

([120]) Customer questionnaire, question D.B.1.1. See also: "*They don't compete directly, as they cover different segments: DHL is more focused on B2B, while CTT is oriented towards B2C smaller e-commerce parcels.*"

([121]) Form CO, Annex 9.1.2.

([122]) Form CO, Annex 9.1.1. For DHL Express: [50-60]% and DHL Parcel: [80-90]%.

([123]) Form CO, Annex 9.1.2.

([124]) Form CO, Annex 5.4.b).5.

([125]) Form CO, Annex 5.4.b).5.

do not reflect the real competitive dynamics between the Parties and on the express markets.

Table 9: Turnover corresponding to intra-Iberian flows – Spain, parcel delivery, 2024 – Affected express markets

Plausible markets			% turnover (EUR) corresponding to intra-Iberian flows	
Speed	**Geography**	**Target**	**CTT**	**DHL**
Express	International	B2C	[90-100]%	[0-5]%
	Intra-EEA only)	C2X	[90-100]%	[0-5]%

Source: Form CO, paragraphs 381-382.

(102) Third, as for Portugal, the Commission notes that CTT and DHL have different business models, key performance indicators and pricing structures in Spain:

(a) DHL's average unit cost is approx. EUR [5-10] as compared to EUR [0-5] for CTT in Spain. ([126])

(b) [Specific KPIs examples].

(c) [CTT's and DHL pricing architecture]. ([127])

Figure 2: DHL pricing B2B delivery rates originating from Madrid

[DHL B2B delivery rates]

Source: Form CO, paragraph 429.

5.1.2.2.3. Limited switching costs

(103) As explained for Portugal (see paragraphs (68)-(75)), on balance, the Commission takes the view that customers of parcel delivery services in Portugal will be able to protect themselves if the JVs raise prices post-Transaction by switching suppliers as switching costs appear overall limited. In Spain, the market investigation yields similar results to the ones described for Portugal:

(a) Customers multi-source and switch providers regularly. ([128])

(b) Customers will continue to be able to switch post-Transaction. ([129])

(c) Competitors have available capacity during normal periods, enabling them to accommodate additional volumes in the short term. They can also easily increase supply ([130]). While it seems that there is limited available capacity during peak periods, ([131]) the Commission notes that this is inherent to the parcel delivery activities and the main carriers have the resources and expertise to increase capacity in a timely manner to cope with sudden volume increases.

([126]) Form CO, paragraph 510.
([127]) Form CO, Annex 5.4.b).2.
([128]) Customer questionnaire, questions D.A.2 and D.A.4.
([129]) Customer questionnaire, question D.B.5.
([130]) Competitor questionnaire, question D.C.3.
([131]) Competitor questionnaire, question D.C.3.

5.1.2.2.4. Countervailing buyer power

(104) As for PortugalCountervailing buyer power, the Parties consider that the demand is mostly characterized by significant buyer power, in particular from large vertically integrated e-commerce platforms. ([132])

(105) The Commission considers that, similar as for Portugal (see Section 5.1.2.1.5), large customers are likely to have a certain degree of countervailing power in the markets for parcel delivery services in Spain.

(106) First, in Spain, some parcel delivery companies exhibit a certain degree of dependency on their customers. For example, in Spain [Quotes and summaries of internal documents on CTT's dependence]. ([133]) ([134]) ([135])

(107) Second, as in Portugal (see paragraph (79))(79), large companies may have the possibility to integrate and start operating their own parcel delivery network. For example, in Spain, Amazon operates its fulfilment centres, and organizes home deliveries, and out-of-home deliveries with lockers and counters. ([136]) Vinted also recently launched its own delivery service, Vinted Go in Spain. ([137])

(108) Third, as explained for Portugal (see paragraph (80))(80), while the market investigation reveals the existence of barriers to entry, ([138]) the markets appear to be quite dynamic with large customers possibly sponsoring entry or expansion of competitors in Spain. InPost, Paack or Imile ([139]) appeared to have recently entered or expanded in the Spanish market.

(109) Fourth, as for Portugal, the Commission understands that in Spain both e-commerce penetration and cross-border flows are expected to increase. ([140]) As a result, large customers are expected to increase their purchases of delivery services and to continue to exert buyer power.

5.1.2.2.5. Results of the market investigation

(110) The results of the market investigation are quite similar to the ones for Portugal (see paragraphs 82 et seq.(82)(84)). The majority of customers expressing a view considered that the Transaction will have either no, or positive impact on competition in Spain. ([141]) A limited number of customers underlined that the Transaction would reduce the number of independent carriers on the market, while acknowledging that enough alternatives will remain available in Spain. ([142]) The views of the competitors are mixed on the impact of the Transaction in Spain. ([143])

(111) Overall, market participants consider that the Spanish parcel delivery services market is very competitive. ([144]) For example, one competitor explained that

([132]) Form CO, paragraph 329.
([133]) Form CO, Annex 5.4.b).2.
([134]) *Ibidem.*
([135]) *Ibidem*.
([136]) Non-confidential version of the minutes of a call with a customer dated 2 July 2025, paragraph 12.
([137]) See: https://company.vinted.com/newsroom/Vinted-Go-Spain-Portugal.
([138]) Competitor questionnaire, question D.C.2.
([139]) See: https://www.imile.com/AE-en/NewsRoom
([140]) Form CO, paragraph 467 and response from the Parties to RFI7. See also Annex RFI7.5.a.
([141]) Customer questionnaire, question E.1.
([142]) See for example, non-confidential version of the minutes of a call with a customer dated 26 May 2025, paragraphs 26-27.
([143]) Competitor questionnaire, question E.1.
([144]) Customer questionnaire, question D.B.6. Competitor questionnaire, question D.B.6.

"*Spain is a very competitive market as well although more atomized with many competitors*." ([145]) A customer explained that "*The sector in Spain and Portugal remains highly competitive, with several established alternative providers offering comparable services in terms of price, delivery performance, and geographic coverage. As a result, we do not expect the Transaction to materially affect pricing or service quality, since customers continue to have access to other efficient and competitive delivery options*". ([146]) Another one considered *"the markets in Spain and Portugal as highly competitive ones, among the most competitive in Europe with the UK*". ([147])

(112) Last, some customers view the Transaction and its effects positively. They highlight that the complementarities between the Parties' activities will allow them to enhance their respective delivery network and to better compete against the "*major players such as GLS, DPD or Correos*" in Spain. ([148]) A customer highlighted that "*Both Portugal and Spain would benefit from a new strong competitor. Currently, GLS, Correos, and La Poste have a dominant position, and this would bring more competition."* ([149])

5.1.2.2.6. Conclusion

(113) Overall, the Commission does not consider that serious doubts arise as to the compatibility of the Transaction with the internal market with regards to the market for parcel delivery services in Spain (or any plausible narrower markets). While each Party has an appreciable position in certain markets or segments, these strengths are mainly complementary. Regarding the only segment where market shares and increment will be significant (express international intra-EEA parcel delivery services), they do not accurately reflect the Parties' activities and competitive dynamics. Moreover, the market structure in the relevant markets will remain similar post-Transaction. In particular, the merged entity will continue to face competitive pressure from numerous competitors, including Correos, DPD, IDS, MRW, NACEX, the integrators (UPS and FedEx) and new entrants (Paack and InPost). Finally, at least large customers are likely to exert a certain degree of bargaining and buyer power towards parcel delivery providers.

5.2. Non-horizontal effects

(114) The legal test for the assessment of non-horizontal effects is set out in the Merger Regulation and the Commission's Guidelines on the assessment of non-horizontal mergers ("Non-horizontal Merger Guidelines"). ([150]) There are two broad types of non-horizontal mergers: vertical and conglomerate mergers. ([151])

(115) In this case, the Transaction does not give rise to any vertical relationships ([152]) However, it does involve certain relationships that are neither horizontal, nor

([145]) Competitor questionnaire, question D.B.6.
([146]) Customer questionnaire, question E.2.
([147]) Non-confidential version of the minutes of a call with a customer dated 15 July 2025, paragraph 14.
([148]) Customer questionnaire, question E.5. See also: Customer questionnaire, questions E.4 and E.4.1.
([149]) Customer questionnaire, questions E.4 and E.4.1.
([150]) Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 265, 18.10.2008, p. 6.
([151]) Non-horizontal Merger Guidelines, Sections IV and V.
([152]) the parcel and freight sectors, mostly in Spain and more residually in other EEA countries. The For completeness, CTT owns CACESA, a niche operator providing customs clearance services within Parties submit in their response to RFI 3 that CACESA is outside the scope of the Transaction and, in any event, holds a *de minimis* market share in customs clearance services in Spain (less than [0-5]%).

vertical, but relate to the sale of products or services belonging to closely related markets, e.g., products or services that are generally purchased by the same set of customers for the same type of end use. In the present case, such closely related markets include parcel delivery services for (i) domestic and international deliveries, (ii) B2B and B2C deliveries, and (iii) deferred and express deliveries.

(116) The Commission will assess in this Section whether the Transaction could give rise to serious doubts as to its compatibility with the internal market in relation to conglomerate effects. It will examine the complementary activities of both Parties, as also put forward in detail for the Portuguese markets by one competitor who raised concerns about the Transaction. In particular, this competitor alleged that the Transaction would result in a *"unique combination of forces that will allow to further develop the merged entity"*, with the combination of CTT's domestic B2C strengths and DHL's B2B international network allegedly threatening the ability of other players to compete with the merged entity. ([153])

5.2.1. Market structure

(117) **Table 1** and **Table 6** above set out market shares for all markets in Portugal and Spain respectively.

5.2.2. Notifying Parties' views

(118) The Notifying Parties submit that the Transaction does not give rise to conglomerate effects because (i) the Parties lack the ability to foreclose, given their limited combined market shares, the presence of strong competitors, and the limited demand for bundled products; (ii) they lack the incentive to foreclose, as their strategy is based on specialisation, customers tender by segment and multi-source, and retain bargaining power; and (iii) no adverse effects on prices or choice are likely in view of competitive market conditions, low switching costs, and pro-competitive efficiencies. ([154])

5.2.3. The Commission's assessment

(119) The Commission sets out below why it considers that the Transaction will not afford the merged entity the ability or incentive to engage in a foreclosure strategy through bundling or tying practices.

Ability

(120) First, and as explained in Sections 5.1.2.1.1 and 5.1.2.2.1, there are no indications in either Portugal or Spain that the merged entity will have a significant degree of market power post-Transaction. The Parties' combined share and the increment resulting from the Transaction are limited on all affected markets, and several strong competitors remain active on these markets. Indeed, one customer remarked that *"There are strong players from both national and multinational companies. Therefore, we do not consider that a supplier with a strong position in a particular segment/service has a strong competitive advantage if it expands its scope of operations, since the market has a fairly high level of competition"*. ([155])

([153]) [REDACTED] memorandum on competition issues raised by the CTT Expresso / DHL Parcel Portugal Transaction, 31 March 2025.

([154]) Form CO, paragraphs 330-340; Response from the Parties to RFI 3; Response from the Parties to RFI 4.

([155]) Customer questionnaire, question D.D.2.1.

(121) Second, there are no indications that post-Transaction the merged entity would benefit from a competitive advantage that could not be replicated by any other competitor. Most parcel delivery operators are not single-product suppliers but already offer a portfolio of services. In this respect, as explained by one competitor, *"most competitors (although not all) are able to offer a broad portfolio of services (…) bundling is not a common market practice (…) cross-selling may occur (e.g. offering B2B services to existing B2C customers or vice versa), but that this does not generally involve conditional rebates or the refusal to supply one service absent the purchase of another"*. ([156]) One customer confirmed that *"most carriers offer a comparable range of services, including PUDO, home delivery, and both standard and express delivery options"*. ([157])

(122) Third, the results of the Commission's market investigation confirm that, while customers acknowledge that a "one-stop-shop" supplier may have a competitive advantage vis-à-vis competitors with smaller service portfolios, ([158]) in practice the vast majority of customers multisource. ([159]) Some customers declared that they work with as many as four or five different suppliers and combine services from different carriers depending on price, service quality and geographic coverage. This suggests that customers in practice do not necessarily seek to centralise all of their parcel delivery needs with one supplier, for multiple reasons. For example, one customer noted that multi-sourcing is *"a strategic option to mitigate operational risks, ensure capacity redundancy, guarantee service continuity and preserve bargaining power. Diversification of suppliers also makes it possible to avoid excessive dependence on a single operator, especially in segments where geographical coverage, network scale and technological integration are determining factors"*. Other customers noted that they multisource to *"ensure quality services to consumers and to better connect consumers with merchants"* or to *"have the best service in every geographical area covering the whole Iberian peninsula"*. ([160])

(123) These replies are corroborated by the Parties' own data, which indicates that, while customers may in principle procure bundled services from the Parties, they rarely do so in practice. For example, [70-80]% of customers in Spain procure only one service from DHL Parcel Iberia. In Portugal, also for DHL, this is true for [40-50]% of customers (with [70-80]% of customers procuring two services or less). ([161])

(124) The Parties' competitors expressed similar views, with one competitor noting that *"most customers (in particular, large customers) adopt a multi-carrier sourcing strategy and rarely procure all their requirements from a single supplier (…) the market is highly competitive, with customers able to switch relatively easily, and that procurement decisions are driven primarily by price, volume and service quality (visibility, convenience) considerations (…) customers have access to digital tools facilitating multi-carrier sourcing, enabling them to allocate volumes*

([156]) Non-confidential version of the minutes of a call with a customer dated 23 February 2026, paragraph 13.
([157]) Non-confidential version of the minutes of a call with a customer dated 11 July 2025, paragraph 15.
([158]) Customer questionnaire, question D.D.2.
([159]) Customer questionnaire, question D.A.2.
([160]) Customer questionnaire, question D.A.3.
([161]) Response from the parties to RFI 4, paragraph 18, which shows the percentage of DHL Parcel Iberia's customers who purchase one or more of its delivery services, as per DHL Parcel Iberia's own data.

across different suppliers, channels and countries and to squeeze suppliers on price". ([162])

(125) Fourth, as previously explained in Sections 5.1.2.1.4 and 5.1.2.2.3, switching appears to occur relatively frequently in the markets for parcel delivery in Portugal and Spain. The results of the Commission's market investigation confirm that a large majority of customers has switched suppliers in the past three years. ([163]) Several customers confirmed that they periodically monitor market conditions to ensure that they receive the best value from their suppliers. For example, one customer noted that it changes customers as a *"result of periodic performance evaluation processes, reviews of commercial conditions, operational capacity, service levels and geographical coverage"*. ([164])

(126) Fifth, the Parties' internal data also suggest that they do not share a significant customer base. In Portugal, the Parties have only [0-5] customers in common among their respective top 100 customers, representing less than [0-5]% of CTT's 2025 revenue. Similarly, in Spain, the Parties also share only [0-5] customers among their respective top 100 customers, representing less than [0-5]% of CTT's 2025 revenue. ([165]) This limited overlap among the Parties' key customers further indicates that they are not close commercial partners for the same client base and supports the view that the Transaction is unlikely to strengthen the merged entity's ability to engage in foreclosure strategies through bundling or tying.

(127) It follows from the above that the Transaction is unlikely to afford the merged entity the ability to engage in a foreclosure strategy through bundling or tying practices, as any attempt to pursue a foreclosure strategy would be unlikely to be effective and/or entail a significant risk of customer switching from other service providers.

Incentive

(128) In the absence of the ability of the merged entity to foreclose its rivals through bundling or tying practices, it is not necessary to assess whether it would have the incentive to do so. In any event, and for the reasons set out below, the Commission considers that it is unlikely that the merged entity would have an incentive to engage in such a strategy.

(129) According to the Non-horizontal Merger Guidelines, bundling or tying strategies may entail losses for the merged entity where customers prefer to purchase products separately or to combine products from different suppliers. If a significant number of customers are not interested in purchasing bundled services, the merged entity may risk losing sales of the tying product if customers switch to competitors or discontinue purchases. In addition, foreclosure strategies may be unprofitable where the merged entity would have to sacrifice revenues in one market in order to gain limited volumes in another market of comparatively smaller value. ([166])

(130) In the present case, the evidence available to the Commission suggests that while customers consider that purchasing several services from one single provider can be advantageous, in practice customers frequently rely on multisourcing strategies

([162]) Non-confidential version of the minutes of a call with a customer dated 23 February 2026, paragraph 11.
([163]) Customer questionnaire, question D.A.4.
([164]) Customer questionnaire, question D.A.4.1.
([165]) Response from the Parties to RFI 6.
([166]) Non-horizontal Merger Guidelines, paragraphs 106-107.

and combine services from different carriers depending on price, service quality and geographic coverage. In such circumstances, a bundling or tying strategy could reduce the attractiveness of the merged entity's offer for customers that prefer to procure services separately or to mix and match services from different providers. This could result in a loss of sales for the merged entity across the services concerned without any clear prospect of compensating gains. One customer noted that *"a provider's expansion into additional service segments does not, in itself, result in a strong competitive advantage"* and that it *"evaluates each segment separately and selects suppliers primarily on the basis of pricing, coverage, reliability and capacity, regardless of whether a provider offers a broader portfolio of services"*. ([167])

(131) The Non-horizontal Merger Guidelines further indicate that, when assessing the incentives of the merged entity, the Commission may take into account additional elements such as the ownership structure of the undertaking and the strategies adopted by the parties in the past. ([168])

(132) Regarding the combination of B2B and B2C services, the ownership structure of the JVs does not appear to create incentives for CTT or DHL to engage in such bundling strategies. This is because the rationale of the Transaction is that each JV will be specialised in its respective core activities, with one JV focusing on B2C services and the other focusing on B2B services. ([169])

(133) Regarding the combination of domestic and international or standard and express services, the scope of the JVs differs from the activities retained by DHL outside the Transaction. While the JVs will mainly be active in standard domestic and Iberian parcel delivery services, DHL's express delivery activities will remain outside the scope of the Transaction and the JVs. In these circumstances, even assuming that the merged entity had the ability to engage in bundling strategies, DHL would have limited incentives to risk foreclosing competitors if this implied diverting demand away from its express services in favour of the JVs, in which it shares ownership (and therefore profits). Accordingly, the Commission considers that the merged entity would not have an incentive to engage in a foreclosure strategy through bundling or tying practices. ([170])

Likely impact

(134) Even if the merged entity were assumed to have both the ability and the incentive to engage in bundling or tying, which the Commission does not consider to be the case, the potential impact on competition needs to be assessed in light of countervailing factors and efficiencies. The Commission notes that several factors are likely to constrain any ability of the merged entity to raise prices or foreclose rivals.

(135) First, on countervailing buyer power, the Commission notes that some customers of the Parties are very large marketplaces ([customers identification]) with large and sophisticated procurement teams that can exert a degree of countervailing buyer power. In Spain, for example, CTT is highly dependent on its […], which

([167]) Customer questionnaire, question D.D.2.
([168]) Non-horizontal Merger Guidelines, paragraph 109.
([169]) Form CO, paragraphs 560-572.
([170]) See e.g. Case T-210/01, *General Electric v Commission* [2005] ECR II-000, paragraph 385 and Case M.4561 — *GE/Smiths Aerospace*, point 119.

represent around […] of its revenue, giving these customers significant leverage over pricing and supply conditions. ([171])

(136) Second, on potential entry and expansion, these large platforms can sponsor entry or expansion of smaller competitors if existing partners raise prices or face capacity constraints. One platform explained that *"if an existing partner experiences capacity constraints or raises prices, [it] can onboard a new partner to ensure supply chain efficiency. Ultimately, these decisions are driven by economic considerations within the supply chain"*. ([172]) For example, in Portugal, in 2025, Vinted launched its own delivery service, Vinted Go. ([173]) Although Vinted Go is currently limited to Vinted users, it demonstrates that marketplaces can successfully integrate logistics operations.

(137) Third, any negative effect on competition needs to be assessed in light of possible efficiencies generated by the Transaction. ([174]) As explained below in Section 5.3, certain indications from market participants suggest that the Transaction could potentially give rise to efficiencies, including by improving service reliability, expanding delivery options (including cross-border services), enhancing last-mile distribution, and enabling more competitive pricing. However, the Commission was not able to verify the magnitude and likelihood of such efficiencies with sufficient certainty.

Conclusion on conglomerate effects

(138) Taking into account the absence of the Parties' ability and incentive to foreclosure, the countervailing buyer power, the dynamic nature of the markets with frequent switching and entry – which together limit the effectiveness of bundling or tying strategies – the Commission concludes that the Transaction is unlikely to lead to the foreclosure of competitors or to a material reduction in choice or increase in prices in the parcel delivery markets in Spain and Portugal.

5.3. Efficiencies

(139) Under recital 29 of the Merger Regulation, the Commission must take into account substantiated and likely efficiencies put forward by the notifying parties. As explained in the Horizontal Merger Guidelines, efficiencies may counteract potential negative effects on competition and lead the Commission to conclude that a concentration does not significantly impede effective competition where they enhance the merged entity's ability and incentive to compete for the benefit of consumers. ([175])

(140) For efficiencies to be taken into account, they must meet three cumulative conditions set out in the Merger Horizontal Guidelines (or when applicable in the Non-horizontal Merger Guidelines): they must benefit consumers, be merger-specific, and be verifiable. To that effect, cost reductions affecting variable or marginal costs are generally more relevant than reductions in fixed costs. The notifying party bears the burden of demonstrating, with sufficient evidence and in

([171]) Form CO, Annex 5.4.b).2.
([172]) Non-confidential version of the minutes of a call with a customer dated 11 July 2025, paragraph 14.
([173]) https://company.vinted.com/newsroom/Vinted-Go-Spain-Portugal. See also Customer questionnaire, question D.C.1.1.
([174]) Non-horizontal Merger Guidelines, paragraph 52.
([175]) Horizontal Merger Guidelines, paragraph 77.

due time, that the claimed efficiencies meet these criteria and are likely to offset any potential adverse effects of the Transaction on competition. ([176])

5.3.1. Notifying Parties' views

(141) The Notifying Parties submit that the Transaction does not give rise to competition concerns and that detailed efficiency claims are therefore not necessary. Notwithstanding, they submit that the Transaction will optimise parcel delivery operations in Spain and Portugal through increased network density and greater operational specialisation between the Parties. According to the Notifying Parties, the Transaction will allow the Parties to allocate responsibilities across B2B and B2C activities in a way that improves route density, asset utilisation and scheduling efficiency, thereby enhancing overall operational performance. ([177])

(142) In particular, the Notifying Parties submit that the Transaction will allow each Party to focus on its core operational strengths. For B2B activities, the proposed allocation of responsibilities between the Parties is expected to increase route density, improve capacity utilisation and allow the use of larger vehicles, thereby generating economies of scale and reducing unit costs. For B2C activities, the Transaction is expected to enhance last-mile delivery operations through greater specialisation, more flexible routing and the use of smaller vehicles better suited to parcel delivery patterns. ([178])

(143) The Notifying Parties further submit that the Transaction will generate operational synergies across several areas, including last-mile delivery, linehaul transport and depot and hub operations. These efficiencies are expected to arise, inter alia, from higher parcel volumes improving drop density, optimisation of linehaul routes through co-loading and operational cooperation, and the potential use of shared locations. According to the Notifying Parties, these measures will reduce operational complexity, improve asset utilisation and generate cost savings. ([179])

(144) Finally, the Notifying Parties submit that the Transaction will result in improved service quality and reliability, including enhanced tracking and monitoring capabilities and more consistent service levels. According to the Notifying Parties, the resulting network optimisation and operational efficiencies will enable the Parties to offer a broader range of services, improve delivery performance and provide more competitive offerings to customers. ([180])

5.3.2. The Commission's assessment

(145) In the present case, the Commission considers that the Transaction does not give rise to competition concerns, such that an assessment of efficiencies is strictly not necessary.

(146) Nevertheless, in light of the submissions made by the Notifying Parties and the feedback received during the Commission's market investigation on this point, the Commission has reviewed the main efficiency claim put forward by the Notifying Parties. Accordingly, this Section assesses the extent to which the claimed efficiencies can be deemed verifiable, merger-specific and to the benefit of consumers.

([176]) Horizontal Merger Guidelines, paragraphs 78-80.
([177]) Form CO, Section 11.
([178]) *Ibid.*
([179]) *Ibid.*
([180]) *Ibid.*

Verifiability

(147) The Commission has in the past found that mergers between logistics and postal companies may result in so-called pick-up and delivery ("PUD") efficiencies given the increased customer base and the network nature and importance of economies of scale and density of the industry. ([181])

(148) In the present case, a large majority of customers indicated that the Transaction could potentially give rise to operational efficiencies of the type described by the Notifying Parties. In particular, certain customers suggested that the combination of the Parties' parcel networks could improve operational efficiency through better route planning, increased capacity utilisation and broader geographic coverage: *"[t]he integration of logistics networks could improve operational efficiency, optimise route planning, and enhance geographic coverage. Economies of scale may also allow for better utilisation of infrastructure and technology. These efficiencies could potentially translate into improved service reliability, expanded delivery options (including cross-border services), and operational improvements"*. ([182])

(149) A number of customers further indicated that integrating the Parties' logistics networks could enhance last-mile delivery capabilities and strengthen delivery networks, in particular through wider network reach and improved distribution in certain areas, as *"it would allow DHL parcels (usually imported) to have a better last mile distribution (bigger network)"*. ([183])

(150) Other respondents suggested that the Transaction could streamline operations and reduce duplication of functions, with benefits for consumers: *"We believe that the operation may involve streamlining of operations and cost savings that will be reflected in the service provided to customers"*. Two other customers remarked that these benefits could translate in more competitive pricing or lower tariffs, given that *"increased capacity may have a positive effect on price"* and *"tariffs could be lowered"* as a result of the Transaction. ([184])

(151) However, beyond these general views expressed by certain market participants, the information available to the Commission does not allow it to verify the existence, magnitude or likelihood of the claimed efficiencies. In particular, the Notifying Parties' submissions provide only a high-level description of potential synergies that could arise from the Transaction, referring to possible cost savings in areas such as last-mile delivery, linehaul operations and depot or hub operations, together with indicative estimates of potential savings by 2028. ([185])

(152) The Commission notes that these estimates are presented at an aggregated level and are not supported by detailed evidence explaining how the efficiencies would arise, how they were calculated, or the extent to which they would be passed on to customers.

(153) In light of the above, the Commission considers that the information submitted by the Notifying Parties does not allow it to verify with sufficient degree of certainty that the claimed efficiencies are likely to materialise or to assess their magnitude and timing. The Commission therefore cannot conclude that the claimed

([181]) Commission decision in case M.6570 – *UPS/TNT Express*, paragraph 851.
([182]) Customer questionnaire, question E.4.1.
([183]) *Ibid.*
([184]) *Ibid.*
([185]) Form CO, paragraph 577.

efficiencies meet the verifiability requirement set out in the Horizontal Merger Guidelines.

Conclusion on efficiencies

(154) Given that the conditions set out in the Guidelines are cumulative, and that the claimed efficiencies do not meet the requirement of verifiability, the Commission does not consider it necessary for the purposes of this Decision to assess whether the claimed efficiencies are merger-specific or likely to benefit consumers.

6. CONCLUSION

(155) For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Teresa RIBERA
Executive Vice-President