EUROPEAN COMMISSION

Brussels, 30.3.2020
C(2020) 2057 final

PUBLIC VERSION

To the notifying parties

Subject: **Case M.9742 – SINOPEC GROUP / JOINT STOCK COMPANY NOVATEK / GAZPROMBANK / SINOVA NATURAL GAS COMPANY**
Commission decision pursuant to Article 6(1)(b) of Council Regulation (EC) No 139/2004[1] and Article 57 of the Agreement on the European Economic Area[2]

Dear Sir or Madam,

1. On 4 March 2020, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Sinopec Gas Company Limited (China) ("Sinopec Gas"), belonging to the China Petrochemical Corporation ("Sinopec Group"), Novatek Asia Development Holding PTE. LTD (Singapore) ("Novatek Asia"), controlled by Joint Stock Company Novatek ("Novatek") and Joint Stock Company Gazprombank-Asset Management Combined Closed-End Mutual Fund "GAZPROMBANK – ARCTURUS" (Russia) ("Gazprombank Asset Management"), controlled by Joint Stock Company Gazprombank ("Gazprombank") acquire within the meaning of Article 3(1)(b) and 3(4) of the Merger Regulation joint control over the whole of the undertaking SINOVA Natural Gas Company Limited (China) (the "JV") by way of purchase of shares.[3]

2. The business activities of the undertakings concerned are:

   – Sinopec Gas is mainly active in the construction and operation of liquefied natural gas ("LNG") projects and natural gas projects and the sale of LNG and natural gas. Sinopec Group is active in the oil and gas industry,

   – Novatek Asia is mainly active in equity holdings of Novatek's joint venture projects and in investments in gas and power business and/or infrastructure

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').

3 Publication in the Official Journal of the European Union No C 88, 17.3.2020, p. 6.

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projects in Asia. Novatek is active in the exploration, production, processing and marketing of natural gas and liquid hydrocarbons in Russia and abroad,

– Gazprombank Asset Management is mainly active in asset management for institutional investors. Gazprombank provides a wide range of banking and financial services, particularly in such sectors as natural gas, oil, petrochemicals and power,

– The JV is envisaged to be active in the import and export, as well as purchase and sale, of natural gas (including pipeline gas and LNG) and investment in natural gas related projects in China.

3. After examination of the notification, the European Commission has concluded that the notified operation falls within the scope of the Merger Regulation and of paragraph 5(a) of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004.[4]

4. For the reasons set out in the Notice on a simplified procedure, 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)
Olivier GUERSENT
Director-General

4 OJ C 366, 14.12.2013, p. 5.