



PORTUGAL

Legal Shots

by SRS LEGAL

● European Union & Competition

Merger control in the spotlight

Competition Authority vetoes Vodafone's acquisition of Nowo

- Vodafone, the third-largest mobile network operator in Portugal, announced that it had agreed to buy Nowo in September 2022
- The PCA's investigation concluded that the national telecoms market shows high and heterogeneous levels of concentration, with the three main operators MEO, NOS and Vodafone all having similar offers and tariffs.
- The merger would lead to significant price increases and enhance Vodafone's market power: Nowo's mobile services would increase by 55 percent, and its bundles by up to 21 percent. Vodafone's prices would increase to a lesser extent, while other operators' prices would increase marginally. The transaction would also increase the probability and level of coordination among the three main operators.
- Vodafone offered four remedy packages to address concerns, including divesting radio spectrum usage rights to Romanian operator Digi, and offering the latter wholesale access to its fibre network, but the PCA deemed the proposals ineffective.
- This is the 8th merger prohibition decision issued by the PCA to date. The PCA's decision follows a trend by national competition authorities and the European Commission of closely monitoring and scrutinizing transactions in the telecom sector.

Read the detailed text by clicking [here](#).

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