

Kluwer Competition Law Blog

Main Developments in Competition Law and Policy 2024 – Cyprus

Michael Kyriakides, Eleni Neoptolemou, Ioannis Seferlis (Harris Kyriakides) · Friday, January 17th, 2025

Overview

This year (2024) marked a pivotal year in competition law enforcement and policy in Cyprus. With over 40 applications for concentrations reviewed by the Commission for the Protection of Competition, significant court rulings, and new legislative initiatives, this year showcased robust activity and evolving regulatory frameworks aimed at maintaining effective competition within the market.

Legislation

Competition law in Cyprus is governed by the Protection of Competition Law of 2022 (Law No. [13\(I\)/2022](#)) and the Control of Concentrations Between Undertakings Law of 2014 (Law No. 83(I)/2014). These laws, along with ancillary regulations such as the Leniency Programme and legislation for damages claims, aim to align national competition practices with EU standards.

The Commission for the Protection of Competition (**CPC**) remains the primary enforcement body for competition law, empowered to investigate, impose fines, and ensure compliance. This year, the CPC's decisions and actions reinforced its role as a key player in regulating competition and maintaining market integrity.

In April 2024, the CPC initiated a public consultation on the draft “Protection of Competition (Amendment) Law of 2024.” The amendments aim to align national law with EU Regulation (EU) 2022/1925 and integrate whistleblower protections from Law No. 6(I)/2022. The proposed changes also empower the Administrative Court to modify CPC fines, enhancing the legal framework's clarity and enforcement (see [here](#)).

Notable Judgments

On 16 October 2024, the Supreme Constitutional Court of Cyprus upheld a CPC [decision](#) against CYTA, the national telecommunications carrier in Cyprus, for anti-competitive pricing practices in

its broadband (i-choice) and subscription television (miVision) services. The CPC had imposed a €2,150,680 fine for violations during 2004–2008. The Court upheld the CPC’s findings, rejecting claims of insufficient investigation and reaffirming the critical importance of competition enforcement. However, a portion of the fine (€430,136) had previously been annulled due to time-barred violations. This case underscores the significant consequences of anti-competitive behaviour, serving as a strong warning to market participants.

The CPC issued its decision on the joint acquisition of **Zeaborn TSM by Wilhelmsen and MPC Maritime Holding GmbH**. The above [decision](#) is notable within Cyprus’ maritime and shipping sector. Upon extensive review of the facts, the CPC approved the joint acquisition of Zeaborn TSM by Wilhelmsen and MPC Maritime Holding GmbH, reassuring its compatibility with the functioning of competition within the market. Importantly, the CPC considered the merger’s potential impact toward competition and ensured the transaction would not unduly limit market access for companies of a smaller size. Finally, the acquisition was approved by the CPC, concluding it would not lead to a substantial lessening of competition, particularly given the diversity of the sector’s service providers.

Investigations and Fines

The CPC concluded its long-awaited [investigation](#) into allegations that **Bank of Cyprus** included abusive terms in loan agreements while holding a dominant position. Following the review of facts and evidence by the CPC, it was decided by majority that the Bank does not hold a dominant position in the lending market capable of hindering the maintenance of effective competition within the market. Therefore, due to the lack of a dominant position during the material time of the case at hand, the CPC was not in a position to further examine any abusive terms in the Bank’s loan agreements, thereby dismissing the case. This decision reflects the CPC’s careful evaluation of dominance before pursuing abuse claims.

The CPC also concluded its investigation against alleged violations of Article 3(1) of the Law (13(I)/2008) and Article 101 TFEU for **enterprises offering services of driving lessons**. The specific [investigation](#) arose after examination of an electronic message by an anonymous source, forwarded to the CPC by the Consumer Protection Service (CPS), which made reference to monetary discrepancies in relation to the hourly rate during driving lessons and driving examinations respectively. After examination of CPS’ report, the CPC concluded that there were no indications of combined or aligned behaviour between the driving schools in Cyprus and the three related Driving Associations. In fact, it was noted that the respective market is by no means a monopoly but rather the market is quite large with multiple driving schools in operation. Hence, considering that the rates are determined with regard to various factors (such as the type of training car, duration of the lesson, and the cost of gas), there is no evidence of a harmonised practice among driving schools. Thus, the CPC unanimously decided that there was no evidence of violation of article 3 of Law 13(I)/2008 by either the country’s driving schools nor the three Associations. Provided that such violation has indeed not occurred, the CPC also unanimously decided that an examination of Article 101 TFEU is redundant.

The CPC carried out an *ex officio* investigation for alleged violations of Article 3 of the [Competition Law](#) and Article 101 of the [TFEU](#), finding that the **Cyprus Medical Association (CMA)** and some of its members, including scientific companies and local Medical Associations,

related to their (non-)participation in Cyprus' General Healthcare System (**GHS**). Having considered all of the facts the CPC unanimously decided to impose a €2,125.04 fine on the CMA for violating Article 3(1)(b) of the Competition Law and Article 101(1)(b) of the TFEU. The investigation revealed that the CMA had taken collective decisions to discourage members from joining the GHS. The CPC emphasised that such actions constituted a restriction of competition in the healthcare sector, highlighting its role in safeguarding the market (see [here](#)).

Concentrations

The CPC approved several high-profile concentrations, including:

- **Healthcare Sector:** The acquisition of C&S American Heart Institute Limited and C & SO Medical Properties Limited by Hellenic Healthcare Holding Single Member S.A. through Evacol Limited was approved on 7 October 2024. The CPC found no adverse impact on market competition (see [here](#)).
- **Retail Sector:** The acquisition of C.A.C. Papantoniou Trading Limited by Hellenic Hypermarkets Sklavenitis S.A. through Guedo Holdings Limited was declared compatible with competition on 17 October 2024 (see [here](#)).
- **Banking Sector:** The long-awaited approval of the [acquisition](#) of Hellenic Bank by Eurobank S.A. was finalised in February 2024, following an in-depth investigation assessing potential impacts on competition in the Cypriot banking sector. In the analysis performed, the CPC considered market concentration, customer choice, and the growing role of non-traditional banks.
- **Aviation Sector:** The [acquisition](#) of TUS Airways Ltd by Loco Jet Ltd was approved by the CPC on 19 March 2024, declaring its compatibility with the functioning of competition within the market.
- **Energy Sector:** The [acquisition](#) of Planon Beheer B.V. from Schneider Electric SE through Schneider Electric Industries SAS received CPC's approval following its decision that it meets the compatibility threshold of market competition.
- **Education Sector:** The creation of the University of Nicosia Greece Brand Medical Ltd from the University of Nicosia, through Nareliz Ltd, and Hellenic Healthcare Holdings Single Member S.A., through Hellenic Holding 3 (Cyprus) Ltd and the common control acquisition of VANES Ltd from the University of Nicosia, through Neroulis Ltd, and Hellenic Healthcare Holding 3 (Cyprus) received approval from the CPC. In its [decision](#), the CPC concluded there was no negative impact on either the upstream or downstream markets, as all medical schools in Cyprus would continue to have diverse options for their students' clinical education. Consequently, the arrangement was deemed consistent with the proper functioning of the competitive market.

The CPC reviewed over 40 concentration applications in 2024, highlighting its active role in monitoring mergers and acquisitions. This rise reflects growing corporate activity in Cyprus, reinforcing the need for vigilant competition oversight.

Sector inquiries

In December 2024, the CPC announced a sector inquiry in the market of fuel. Sector inquiries are general, non-targeted investigations that the CPC carries out into sectors of the economy and into types of agreements across various sectors and it is a tool for gathering market-wide information,

rather than targeting any specific business. Its goal is to identify potential barriers or distortions in competition, which may or may not lead to further investigations into specific cases. This decision was based on the market's structure, information from the Ministry of Energy, Commerce, and Industry regarding the Retail Fuel Price Observatory, media reports, and the general perception that fuel prices vary by district and location. The inquiry will focus on wholesale and retail fuel prices and supply terms for 95-octane petrol, 98-octane petrol, and diesel. It aims to analyse price variations that may suggest competition issues in both wholesale and retail markets and it will cover data from 2023 and 2024 to provide a comprehensive market overview.

Looking ahead in 2025

2024 was a dynamic year for competition law in Cyprus, marked by increased activity, important rulings and a focus on legislative refinement. The CPC's decisions and investigations underscore its dedication to enforcing competition rules and promoting a fair market environment.

The upcoming year suggests that the CPC will continue to perform its role in a fair manner and in conjunction with EU trends, such as the focus on artificial intelligence and the further evolution in the legal landscape, particularly as Cyprus continues to align its laws with EU trends and addresses emerging challenges in the digital economy. For businesses, staying informed and compliant with these developments is essential to navigating the competitive market landscape effectively.

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