

DETERMINATION OF MERGER NOTIFICATION M/22/036 – KINETIC/GLOBALVIA/GO-AHEAD (JV)

Section 21 of the Competition Act 2002

Proposed acquisition by Kinetic TCo Pty Ltd and Globalvia Inversiones S.A.U. of joint control of The Go Ahead Group plc through a newly formed SPV, Gerrard Investment Bidco Limited

Dated: 17 August 2022

1. On 02 August 2022, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby Kinetic TCo Pty Ltd (“Kinetic”) and Globalvia Inversiones S.A.U. (“Globalvia”) intend to acquire joint control of The Go Ahead Group plc (“Go-Ahead”) (together the “Purchasers”) through a newly formed SPV, Gerrard Investment Bidco Limited (“Bidco”) (the “Proposed Transaction”).
2. The business activities of the undertakings involved are:
 - The Purchasers:
 - Kinetic: Kinetic provides bus services, including urban, regional, school, charter, corporate, aviation, and workforce transportation services in Australia and New Zealand. Kinetic is a full-function joint venture controlled by OPTrust and Infrastructure Capital Group. Kinetic is not active in the State.
 - Globalvia: Globalvia is active in the mobility industry and manages transport infrastructure concessions, specialising in highways and railways. Globalvia's projects are located in Spain, the U.S., Ireland, Portugal, Costa Rica, and Chile. Globalvia is a full-function joint venture controlled by OPTrust and PGGM, NV. In

Ireland, Globalvia manages, operates, and maintains two motorway projects, the M50 motorway, and the N6 Galway to Ballinasloe motorway.¹

- Bidco: Bidco is 51% owned by Kinetic and 49% owned by Globalvia. Bidco is a limited company registered in England and Wales and was incorporated on 24 May 2022. Bidco was formed for the purposes of the Proposed Transaction and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Proposed Transaction.
- Go-Ahead: Go-Ahead is an international transport group, which provides local, regional and national bus and rail services. In the State, Go-Ahead operates bus services via Go-Ahead Transport Services (Dublin) Limited (Go-Ahead Ireland) in the transport sector in Dublin. Go-Ahead Ireland started running services under contract to the National Transport Authority on 9 September 2018, launching with the 175 route operating between City West and UCD. Go-Ahead Ireland now operates 25 Outer Dublin Metropolitan Area (ODMA) routes, as well as 5 Dublin commuter routes between Kildare and Dublin. The contracts' lengths are 5 years with an option for a 1 year plus 1 year (up to 2 years) extension.

Assessment

3. After examination of the notification, the Commission has considered that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act as (1) The Purchasers and Go-Ahead have no horizontal or vertical overlap in any market in the State, and (2) The ultimate parents of the Purchasers have no horizontal or vertical overlap in any market in the State with each other, or with Go-Ahead.
4. No ancillary restraints were notified as a part of the Proposed Transaction.

¹ Globalvia also has a 5-year contract for the operation, maintenance, and renovation of the toll-free motorway segments in the Greater Dublin Area, consisting of over 180 kilometres of road known as the Motorway Maintenance and Renewals Contract (MMaRC) Network A Generation 2 including M1, M2, M3, M7, M9 and M11 together with the M50 Interchanges and M50 Junction 14 to Junction 17.

5. In the light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Determination

6. The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby Kinetic TCo Pty Ltd and Globalvia Inversiones S.A.U. would acquire joint control of The Go Ahead Group plc through a newly formed SPV, Gerrard Investment Bidco Limited, will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Ibrahim Bah
Director
Competition Enforcement and Mergers