

Brussels, 15 november 2001

Commission clears “bancassurance” co-operation JV between Generali and Commerzbank in Germany

The European Commission has given the go-ahead to a joint venture between German bank Commerzbank and AMB, a German insurer controlled by Generali of Italy, which will distribute the parent companies' respective insurance and retail banking products in Germany. The venture will increase the number of distribution outlets for the products concerned – to the benefit of German consumers.

The joint venture agreement foresees that AMB's insurance and life-insurance products will be distributed through Commerzbank agencies while Commerzbank's banking products will be sold through the AMB Group's network.

The agreement was notified to the Commission for clearance in September under Regulation 17/62, the European antitrust procedural rules.

This is not the first time that the Commission reviews a so-called « bancassurance » deal. In July, it cleared the merger between Allianz AG and Dresdner Bank AG (see IP/01/1040) which had been notified under the Merger Regulation.

AMB belongs to Italy's Generali group, headed by Italian insurer Assicurazioni Generali S.p.A., and is the number four insurer in Germany. Commerzbank is Germany's fourth largest bank, active in the traditional banking services mainly in Germany.

The Commission's examination of the joint venture led it to conclude that the agreement did not appreciably restrict competition within the common market since the activities of the two companies present only very small overlaps. Rather, the co-operation between AMB and Commerzbank appears likely to increase competition, *inter alia* by creating additional distribution outlets for the respective insurance and banking products.

In addition, AMB and Commerzbank will face strong competition from other bancassurance suppliers, such as the new *Allianz/Dresdner* entity, Germany's recently created largest bancassurance group. It should be noted that the number of bancassurance arrangements – be it in the form of mergers or of co-operation agreements – is increasing steadily.

The Commission also paid particular attention to the joint venture's impact on the emerging growth market for personal pension schemes (so-called “Riester” pension) but did not identify any competition problems. Neither did the examination of the parties' interlocking directorships with other companies reveal any concerns.