

The CNMC Approves Esseco's Acquisition of Ercros with Conditions

- The operation, notified on 28 June 2024, has been authorised in the second phase.
- This acquisition may pose risks to competition in the potassium hydroxide (solid and liquid) and potassium carbonate markets.
- Therefore, its approval is subject to a series of conditions, due to the lack of commitments presented by the parties.

Madrid, 21 July 2025 – The Spanish National Markets and Competition Commission (CNMC) agreed on 15 July 2025, to authorise the concentration Esseco/Ercros ([C/1479/24](#)), subject to compliance with a set of conditions, given the risks to competition in the markets and the absence of commitments from the parties.

This operation involves Esseco's acquisition of exclusive control over Ercros through an unsolicited public takeover bid (OPA) submitted on 27 June 2024.

During its analysis, the CNMC considered the context of the relevant markets—highly concentrated—where the parties are the two main operators and close competitors, both with access to the two most competitive supply sources in terms of price, quantity and supply stability. The remaining competitors, whether current or potential, lack the capacity or incentive to exert effective competitive pressure on the resulting entity.

Potassium Products Market (Liquid KOH, Solid KOH, and K₂CO₃)

The affected sector is the manufacture of basic organic and inorganic chemical products, specifically the potassium hydroxide (KOH) markets, in both solid and liquid form, and potassium carbonate (K₂CO₃), in which the parties overlap at the national level.

In all three markets, there are horizontal overlaps exceeding 80% by volume and 70% by value. As a result, the merged entity would be far ahead of its nearest competitors.

Due to the absence of national production to meet demand—except for a small liquid KOH producer—access to competitive supply sources largely determines the ability to compete.

Esseco is a vertically integrated operator with substantial production capacity in Italy, while Ercros has an exclusive supply agreement with the world's leading manufacturer, the Korean group UNID.

If the operation proceeds, the resulting entity would hold a near-monopoly position in all three analysed markets, far surpassing its rivals.

Conditions imposed by the CNMC

The CNMC Council has authorised the operation subject to the following conditions:

1. Esseco must terminate the supply contract with the Korean group UNID for the purchase or import of KOH (solid and liquid) and K_2CO_3 , either directly or indirectly, to the Iberian Peninsula. Esseco is prohibited from entering into new agreements with UNID for the supply of those three potassium products when they are destined—directly or indirectly—for the Iberian Peninsula for the next five years.
2. Esseco must not impose or negotiate exclusive terms with potassium product distributors in the Iberian peninsula, to ensure competitors taking over the contract with the Korean UNID group are not blocked from accessing these distribution channels. These obligations will remain in effect for five years from the closing date of the operation.

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