

## **CNMC Approves in Second Phase Two Asset Purchases from Armas by Balearia, One of Them Subject to Commitments**

- They affect maritime transport of road freight and passengers, one in the Canary Islands and the other in the Strait of Gibraltar.
- Also in October, Balearia notified the CNMC of a third operation affecting Alborán, which is still pending resolution.
- In the case of the Canary Islands, the CNMC has identified competition risks that have required commitments.
- This authorisation is not final, as the Minister of Economy, Trade and Enterprise may refer it to the Council of Ministers.

**Madrid, 31 March 2026.** The CNMC has authorised two second-phase mergers whereby Balearia acquires sole control of certain assets of the shipping company Armas-Trasmediterránea. Both companies are present in the market for regular maritime transport of roll-on/roll-off cargo and passengers in the Southern Peninsula-Strait and Peninsula-Canary Islands routes ([C/1605/25](#) and [C/1608/25](#)).

In the Canary Islands purchase, the CNMC has detected competition risks that have required commitments, while in the case of the Strait of Gibraltar, the second-stage operation has been authorised without commitments.

### **Peninsula-Canary Islands**

Following the second-phase investigation, the CNMC considers that the commitments submitted by Balearia in the case of the Canary Islands are appropriate, sufficient, and proportionate to address the competition concerns arising from this acquisition.

The authorisation is not final. It will be communicated to the Minister of Economy, Trade and Enterprise, who will decide whether to submit it to the Council of Ministers, which may evaluate the operation based on general interest criteria beyond competition law considerations.

### **Risks to competition**

This purchase would create a monopoly situation in the market for regular maritime transport of roll-on/roll-off cargo and passengers on the Peninsula-Canary Islands route, while Balearia would take over Armas' competitive position on the inter-island route.

Thus, in the Canary Islands area, the following risks have been identified in the absence of commitments:

- **Reduction in quality and/or frequency:** there would be an incentive to cut less profitable frequencies and reduce the quality of the service

provided, over and above the requirements of the Public Service Obligations (PSO).

- **Price increases:** prices could increase in passenger transport routes that do not have PSO (Huelva–Canary Islands) and in freight transport.
- **End of competition for the market:** one of the two historic bidders providing PSO services in this area would disappear.

### Commitments proposed by Balearia

Balearia submitted a series of commitments that the CNMC considers sufficient to address the competition concerns in the Canary Islands acquisition:

- **Dissolve the joint venture** through which Balearia operated the Huelva–Canary Islands route with Fred Olsen.
- **Avoid entering into horizontal agreements** with equivalent effects to those maintained with Fred Olsen for the Huelva–Canary Islands route with any other shipping company.
- **Maintain current capacity and frequencies** exceeding those established by PSO on the Peninsula–Canary Islands route.
- **Invest in and improve the fleet acquired from Armas**, with planned investment of €25 million over three years.
- **Enhance quality and user experience** through measures such as advanced internet connectivity on board, improvements in booking and boarding management, increased entertainment offerings, and regular measurement of service quality through objective performance indicators (KPIs).
- **Ensure environmental sustainability and energy transition**, adapting the acquired fleet to Balearia’s environmental standards.
- **Strengthen corporate culture** by implementing an internal compliance programme specifically focused on competition law.
- **Reinforce competition on inter-island routes** by reactivating the Morro Jable–Las Palmas route previously discontinued by Armas.
- **Commit to local investment**, maintaining the entire workforce acquired from Armas and retaining the Spanish flag on the vessels.
- **Monitor price levels applied by Balearia.**

These commitments will remain in effect for a general period of three years, during which the CNMC will supervise compliance. Balearia must report to the CNMC within the agreed deadlines.

### Strait of Gibraltar Area

For the Strait—following a second-phase investigation due to potential interactions with another operation in the same area ([C/1639/25](#))—the CNMC concluded that there are no competition risks and authorised the operation in the second phase without commitments ([C/1605/25](#)).

**Related content:**

- [C/1605/25](#): Grupo Baleària / Armas Assets Algeciras–Tangier
- [C/1608/25](#): Baleària / Armas Assets Canary Islands
- [Press release](#) (02/01/2026): CNMC conducts in-depth analysis of Balearia’s acquisition of Armas assets in the Alborán, Strait, and Canary Islands regions
- [Blog](#): At the CNMC we monitor mergers between companies