



**COMESA Competition Commission**

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**Common Market for Eastern  
and Southern Africa**

27 November 2022

**Notice of Request for Referral of the Merger involving Akzo Nobel N.V ("AkzoNobel") as the acquiring firm and Kansai Plascon East Africa Proprietary Limited ("KPEA") and Kansai Plascon Africa Limited ("KPAL") as the target firms**

The COMESA Competition Commission (the "Commission") hereby informs the public and relevant stakeholders that on 25 November 2022, it received a request for referral of the captioned transaction from the Competition Authority of Kenya ("CAK"), pursuant to Article 24(8) of the COMESA Competition Regulations (the "Regulations").

Article 24(8) of the Regulations provides that a Member State may request the Commission to refer a merger to a competent authority of the Member State for consideration under the Member State's national competition law if such Member State is satisfied that the merger, if carried out, is likely to disproportionately reduce competition to a material extent in such Member State or any part of such Member State.

CAK's request for referral is guided by the fact that the proposed transaction is a horizontal merger involving the acquisition of KPEA, which operates as Kansai Kenya Limited in Kenya, by AkzoNobel which generates its turnover in Kenya through active supply of automotive refinishes, oil coatings, marine and protective coatings, packaging coating and power coatings through independent third-party distributors and royalty-bearing licensing agreements.

CAK has informed the Commission that it has in the recent past approved a transaction involving KPEA and that AkzoNobel has a supply agreement with a top manufacturer and distributor of paints in Kenya. Additionally, CAK's investigations have established that some paint manufacturers and distributors were in contravention of various sections of the Competition Act No. 10 of 2010.

CAK has informed the Commission that it is anticipated that the relationship between the parties is likely to lead to a strengthened market position. CAK thus requested the Commission to refer the merger for its consideration given that the transaction may raise significant competition and public interest concerns within the Kenyan jurisdiction.

Interested parties are hereby invited to make reasoned submissions to the Commission by 5 December 2022 on whether the Commission should refer the whole or any part of the merger to CAK.

If you wish to seek further details and/or clarifications on any aspect of this transaction, you may get in touch with Ms. Sandya Booluck, Senior Analyst, Mergers and Acquisitions, on +265 (0) 1 772 466 or via email at [sbooluck@comesa.int](mailto:sbooluck@comesa.int).