



Kang'ombe House, 5th Floor-West Wing
P.O. Box 30742
Lilongwe 3, Malawi
Tel: +265 (0) 1772466
Email- compcom@comesa.int



Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 16 of 2018

Notice of Inquiry into the Proposed Merger involving JT International Holding B.V. and National Tobacco Enterprise (Ethiopia) Share Company

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the "Regulations") that the COMESA Competition Commission (the "Commission"), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed merger involving JT International Holding B.V. ("**JTIH**") and National Tobacco Enterprise (Ethiopia) Share Company ("**NTE**"), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquiring undertaking is JTIH, with its address at Bella Donna 4, 1181 RM Amstelveen, Netherlands. JTIH is a part of the Japan Tobacco Group, an international conglomerate headed by Japan Tobacco Inc. JTIH, through its numerous subsidiaries (together "**JTI**") sell tobacco products in over 120 countries. Most of its sales are derived from ready-made cigarettes. JTI also produces and sells other tobacco products including roll-your-own or make-your-own, snus, cigars and cigarillos. JTI's brand portfolio includes Winston, Mevius, Camel, Benson & Hedges, Silk Cut, Sobranie, Natural American Spirit, Glamour and LD.

The parties have submitted that the target firm is NTE, with its seat at Roosevelt Street 722, P.O. Box 522, Addis Ababa, Ethiopia. NTE is active in the growing and processing of tobacco leaf, as well as the manufacturing and distribution of tobacco products including but not limited to cigarettes, cigars, cigarillos, and pipe and water pipe tobaccos, in Ethiopia.

In terms of the transaction notified, JTIH, through its wholly owned subsidiary JT International NTE (Ethiopia) Holding B.V., has entered into a sale of shares agreement with the Government of the Federal Democratic Republic of Ethiopia, in terms of which JTIH acquired additional shares in NTE. As a result of the Transaction, JTIH holds 70.95% of the shares in and has indirect sole control over NTE.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether or not the merger is likely to substantially prevent or lessen competition within the Common Market and whether the merger is or would be contrary to the public interest as provided for under Article 26 of the Regulations. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and

customers of the merging parties to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: sbooluck@comesa.int. All written representations should be sent to the Commission not later than **20th June 2018**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Ms. Sandya Booluck, Economist, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or sbooluck@comesa.int.

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.