



COMESA Competition Commission

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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 8 of 2018

**Notice of Inquiry into the Acquisition of Copperbelt Energy Corporation Plc by
Zambian Transmission LLP**

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (hereinafter referred to as the "Regulations") that the COMESA Competition Commission (the "Commission"), after receiving a notification in terms of Article 24 of the Regulations involving Copperbelt Energy Corporation Plc ("CEC") and Zambian Transmission LLP ("Zambian Transmission"), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that the acquirer, Zambian Transmission, is an entity controlled by the CDC Group Plc ("CDC"), the UK's development finance institution. CDC invests directly and indirectly by providing equity, debt and mezzanine finance. CDC is a long term investor that seeks to maximize development impact, in sectors where growth leads to jobs. These sectors include manufacturing, agribusiness, infrastructure, financial institutions, construction, health and education. CDC is active in DRC, Kenya, Malawi, Mauritius, Rwanda, Uganda and Zambia.

It was submitted that the target, CEC, is a public company incorporated in accordance with the laws of Zambia and listed on the Lusaka Stock Exchange. CEC is an independent power transmission, distribution and generating company. CEC is active in DRC and Zambia.

The proposed transaction will be implemented by means of a public offer by Zambian Transmission for all the ordinary shares of CEC as contemplated by clause 1 of the Third Schedule of the Securities (Takeovers and Mergers) Rules Statutory Instrument No 170 of 1993 ("Takeover Rules"). In accordance with the Takeover Rules, the public offer is conditional upon valid acceptances being received which would result in Zambian Transmission, together with persons acting in concert with it, holding voting rights in respect of more than 50% of the shares in CEC. Following the public offer becoming unconditional in all respects, and completion of the proposed transaction, CDC will be the only entity with the ability to exercise control over CEC.

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. 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: smaseko@comesa.int. All written representations should be sent to the Commission not later than **28th February 2018**.

Should you require any clarification or additional information, please do not hesitate to contact our **Ms. Siboniselizulu Maseko** on +265 1 772 466 or via email at smaseko@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.