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Common Market for Eastern  
and Southern Africa

*19<sup>th</sup> March 2021*

**CCC Merger Inquiry Notice No. 9 of 2021**

**Notice of Inquiry into the Proposed acquisition by Arab Bank Corporation (B.S.C) of 99.4% of the share capital of Blom Bank Egypt S.A.E**

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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 acquisition of 99.4% of the share capital of Blom Bank Egypt S.A.E (“Blom Bank Egypt”) by Arab Bank Corporation (B.S.C) (“Bank ABC”), intends to embark on an inquiry in terms of Article 26 of the regulations.

The parties have submitted that Bank ABC is headquartered in Bahrain and is one of the leading financial institutions domiciled in the Middle East. It was submitted that its range of products and services includes wholesale banking (lending (conventional and Islamic), transaction banking, specialized finance, real estate financing), retail banking, and treasury & financial markets. In the Common Market, Bank ABC is active in Egypt, Tunisia, Kenya, Libya, and Sudan.

The parties have submitted that Blom Bank Egypt is an Egyptian bank established in 1977 and was acquired by Blom Bank Lebanon in 2006. The parties submitted that, through its 41 branches, the Blom Bank Egypt offers a wide range of commercial banking services including corporate / SME banking, retail banking, treasury services and brokerage & investment services through its associate companies. It was submitted the bank is owned 99.4% by Blom Bank Lebanon and 0.6% by other individuals. In the Common Market, Blom Bank Egypt is operational in Egypt only.

The parties submitted that the acquisition would contribute to:

- Reposition Bank ABC's Egyptian franchise amongst the top 20 banks in Egypt, delivering significantly greater scale and a more efficient platform;
- Provide the Bank ABC Group with a highly profitable franchise with significant future growth potential in one of the most fundamentally attractive markets in MENA;

- Build new capabilities, particularly in Retail, Corporate and SME lending leveraging Bank ABC's strong digital and mobile banking capabilities and its Group centers of excellence;
- Provide customers with an enhanced product offering, with a more capable and expansive branch network through the addition of 41 branches in Egypt; and,
- Help facilitate greater international connectivity for the enhanced customer base and a stronger platform for access to Egypt for Bank ABC's broader client base, including those in other Member States.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether or not the proposed transaction is likely to substantially prevent or lessen competition within the common market and whether the proposed transaction 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 parties to the proposed transaction to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: [sbooluck@comesa.int](mailto:sbooluck@comesa.int). All written representations should be sent to the Commission not later than 9<sup>th</sup> April 2021.

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, Senior Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or [sbooluck@comesa.int](mailto: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.