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Common Market for Eastern and Southern Africa

Case File No. CCC/MER/07/22/2021

Decision[1] of the Eighty-Second (82nd) Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

ECONOMIC SECTOR: Agrochemicals

3 May 2022

[1] In the published version of this decision, some information has been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible, the information omitted has been replaced by ranges of figures or a general description.

Introduction and Relevant Background

1. On 8th November 2021, the COMESA Competition Commission (the "**Commission**") received a notification of the proposed acquisition of Curechem Zambia Limited ("**Curechem Zambia**") and Curechem Overseas (Pvt) Limited ("**Curechem Overseas**") (the "**target undertakings**") by ETG Inputs Zambia Ltd ("**ETG Zambia**") and ETG Inputs Zimbabwe (Private) Ltd ("**ETG Zimbabwe**") (the "**acquiring undertakings**") respectively, pursuant to Article 24(1) of the COMESA Competition Regulations of 2004 (the "**Regulations**").

2. Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the transaction between the parties would or is likely to have the effect of substantially preventing or lessening competition or would be contrary to public interest in the Common Market.

3. Pursuant to Article 13(4) of the Regulations, there is established a Committee Responsible for Initial Determinations, referred to as the CID. The decision of the CID is set out below.

The Parties

ETG Zambia and ETG Zimbabwe (the "acquiring undertakings")

4. The parties have submitted that ETG Zambia is a company incorporated in accordance with the laws of Zambia while ETG Zimbabwe is a company incorporated in accordance with the laws of Zimbabwe. The acquiring undertakings are subsidiaries of the ETG Group, a global player with a diverse portfolio of expertise across multiple industries, encompassing agricultural inputs, logistics, merchandising and processing, supply chain optimization, digital transformation, and energy.

5. The parties submitted that the acquiring undertakings are primarily engaged in importing, exporting, processing, blending, warehousing, bagging, trading & distribution, production of fertilizers, agri-inputs, agro-chemicals, agricultural equipment, seeds, and related chemicals. Within the Common Market, the ETG Group is active in the following Member States; the Democratic Republic of Congo (the "DRC"), Djibouti, Ethiopia, Kenya, Malawi, Mauritius, Rwanda, Uganda, Zambia and Zimbabwe.

6. The parties submitted that the ETG Group operates in the Common Market through the entities presented in Table 1 below:

Table 1: Operations of ETG Group in the Common Market

Member State	Name of Subsidiary	Nature of Activities
DRC	ETG Agro Inputs Congo Sarlu	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
Djibouti	ETG Inputs (DJIBOUTI) Limited FZE	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	ETG Logistics Limited FZE	
Ethiopia	Export Trading Company Limited	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	Pramukh Agro Industries PLC	
Kenya	Export Trading Company Kenya Limited	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	Kyosk Digital Services Limited	
	Export trading Company Inputs Kenya Limited	
	ETG Logistics Limited	
	Mombasa Pulses supplies Limited	
	Vamara Kenya Limited	
Malawi	Agri Value Chain Limited	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	The Agro Industries Limited	
	Candlex Limited	
	Export Trading Company Limited.	
	ETG Inputs Limited.	
	Poa Rice Limited	
	Seba Foods Malawi Limited	
	ETC Agro Tractors & Implements Ltd.	
Mauritius	ETC Group	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	ETC Management Services Limited	
	ETG Commodities Limited	
	ETG Logistics SA Holdings Limited	
	Vamara Group International Limited	
Rwanda	ETG Inputs Limited	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	ETC Agro Tractors & Implements	

Member State	Name of Subsidiary	Nature of Activities
Uganda	Export Trading Company (U) Limited	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	Export Trading Company Inputs Limited	
	ETC Agro Tractors & Implements Ltd	
	Vamara Uganda Limited	
Zambia	CGL Grains Zambia Limited	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	Continental Ginnery Limited	
	Export Trading Co Ltd	
	ETG Inputs Zambia Limited	
	ETG Logistics Limited	
	Farmarama Limited	
	FVG Milling Kabwe Limited	
	Neelkanth Fresh Foods Limited	
	Parrogate Ginneries Limited	
	Quality Commodities Limited	
	Zambia Fertilizer Limited	
Zimbabwe	Agri Value Chain Zimbabwe Private Limited	Supplying agro-chemicals, mineral chemicals, and industrial chemicals
	Edurate Investment Private Limited	
	ETG Inputs Zimbabwe Private Limited	
	IETC Zimbabwe Private Limited	
	Pure Oil Industries Private Limited	

Curechem Zambia and Curechem Overseas (the "target undertakings")

7. The parties submitted that Curechem Zambia is a company incorporated under the laws of Zambia while Curechem Overseas is a company incorporated under the laws of Zimbabwe. The parent company of the target undertakings is Curechem South Africa (Pty) Ltd established and headquartered, in Johannesburg, South Africa.

8. The target undertakings are engaged in the business of importing and supplying agrochemicals, mining reagents, and industrial chemicals to customers in Zambia and Zimbabwe. They supply their inputs to farmers including the cotton contractors, tobacco contractors as well as triangle sugarcane farmers. They also

supply mining reagents to both large- and small-scale miners, and industrial chemicals to the manufacturing industries from detergents, cosmetics, and food products sector as well as water treatment chemicals and those used in paint manufacturing.

Jurisdiction of the Commission

9. Article 24(1) of the Regulations requires 'notifiable mergers' to be notified to the Commission. Rule 4 of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation (the "**Merger Notification Thresholds Rules**") provides that:

> *Any merger, where both the acquiring firm and the target firm, or either the acquiring firm or the target firm, operate in two or more Member States, shall be notifiable if:*
>
> *a) the combined annual turnover or combined value of assets, whichever is higher, in the Common Market of all parties to a merger equals or exceeds USD 50 million; and*
>
> *b) the annual turnover or value of assets, whichever is higher, in the Common Market of each of at least two of the parties to a merger equals or exceeds USD 10 million, unless each of the parties to a merger achieves at least two-thirds of its aggregate turnover or assets in the Common Market within one and the same Member State.*

10. The merging parties have operations in more than two COMESA Member States. The parties' combined annual asset value in the Common Market exceeds the threshold of USD 50 million and they each hold asset value of more than USD 10 million in the Common Market. In addition, the merging parties do not achieve more than two-thirds of their respective COMESA-wide asset value within one and the same Member State. The notified transaction is therefore notifiable to the Commission within the meaning of Article 23(5)(a) of the Regulations.

Details of the Merger

11. The transaction involves the proposed acquisition of Curechem Zambia and Curechem Overseas by ETG Zambia and ETG Zimbabwe, respectively. The proposed transaction is only limited to the purchase of agro-chemical assets of Curechem Zambia and Curechem Overseas by ETG Zambia and ETG Zimbabwe, respectively. The assets being acquired include agro-chemical registrations, excluding the technical grade active ingredient of agro-chemicals.

Competitive Assessment

Relevant Markets

Relevant Product Market

12. The CID noted that the acquiring undertakings are primarily engaged in importing, exporting, processing, blending, warehousing, bagging, trading & distribution, production of fertilizers, agri-inputs, agrochemicals, agricultural equipment, seeds, and related chemicals. The Target Undertakings, on the other hand, are active in the business of importing and supplying agrochemicals, mining reagents, and industrial chemicals

13. Given that agrochemicals are the products/services in which both Curechem Zambia and ETG Zambia, and Curechem Overseas and ETG Zimbabwe respectively supply to customers in Zambia and Zimbabwe, the CID considered that there are likely horizontal competition concerns that may arise by virtue of the transaction. The CID thus focussed on the agrochemical products in the determination of the relevant markets as follows.

Supply of agrochemicals

14. Agrochemicals are engineered chemical products or biological formulations used in agriculture as a substance or mixture of substances which are used to prevent, destroy, or control pests, or enhance plant nutrient content in soils. Agrochemicals are commercially produced, usually synthetic, chemical compounds used in farming — such as a fertiliser, pesticides or soil conditioner[2]. Therefore, agrochemicals may take different forms such as pesticides, fertilizers or soil conditioners (organic fertilisers). As the parties are active in the supply of pesticides and fertilizers, the assessment is limited to these markets as presented in the sections below.

Supply of pesticides

15. The CID noted that pesticides can be grouped into three main types namely: herbicides, insecticides, and fungicides which are distinct and separate products due to the different intended purposes or functionality, chemical composition, or safety instructions. Therefore, they are not likely to be substitutable.

16. The CID considered that insecticides are used to kill and control a wide variety of insects. They can be used to kill insect eggs (ovicides) or to kill larvae (larvicides). On the other hand, herbicides are used to control or kill weeds and other unwanted

[2] See OECD Glossary of Statistical Terms, https://stats.oecd.org/glossary/detail.asp?ID=80 accessed on 20th January 2022

vegetation in the field while fungicides are applied to kill or control the growth of moulds and fungi.

17. The CID observed that from a demand perspective, a farmer cannot apply an insecticide intended to kill or prevent insect infestation on crops which have been infected by fungi. Instead, the farmer may wish to apply fungicides on such crops as this would be more suited for the purpose. Similarly, herbicides cannot be used on plants which are infested with insects or those with a fungi infection since herbicides are meant to kill weeds or unwanted plants in a garden. To this end, assuming a small but significant non-transitory increase in the price of an insecticide, it is not likely that a farmer wishing to get rid of insects in their farm would switch to purchase pesticides or fungicides (assuming their prices are unchanged). Such a switch is unlikely on the grounds of differences in intended use of the products. If anything, the farmer may opt for cheaper and affordable brands of insecticides.

18. The CID therefore concluded that from a demand perspective, and based on the product characteristics and intended uses, there is unlikely to be substitution between various groups of pesticides. These products have different characteristics and functionalities as such end users are unlikely to shift demand across the products due to a change (increase or decrease) in price of either of the product.

19. The CID noted that from a supply perspective, pesticides are produced using different chemical compositions or formulae, testing laboratories, even to the extent that each needs unique production facilities. Thus, from production perspective, it is unlikely that in response to a small but significant non-transitory increase in the price of an insecticide, a significant number of supplies/producers would switch in a timely manner from pesticides or fungicide or insecticides products in anticipation of more profits, assuming the latter price decreases or remains unchanged. Further, at the level of distribution, it may be said that substitution is possible given that once a supplier is authorised to distribute one type of pesticide, the same distribution network can easily be used for the supply other pesticides.

20. The CID noted the guidance of the COMESA Market Definition Guidelines[3] that where the results of the SSNIP test from a demand side and from a supply side may not always point in the same direction, the general approach to relevant market definition is to place greater emphasis on demand side substitutability. Thus the CID considered that the various agro-chemicals were distinct on account that they are not substitutable.

[3] Paragraph 23 of the COMESA Guidelines on Market Definition of 2019

21. The CID further noted a similar approach adopted in ***GAP/Zaad***[4] where it considered that "*herbicides are specifically meant to fight against growth of* weeds *in the field and cannot be used to destroy plant damaging insects which insecticides are meant for. Likewise, fungicides that are meant to protect plants from diseases caused by fungi and cannot be substituted for either insecticides or herbicides on account of differences in their usages*". Further, the CID noted the approached adopted in ***Dow/DuPont*** by the European Commission (EC) which considered that herbicides, insecticides and fungicides are distinct given that herbicides target weeds while insecticides target plant destroying insects while fungicides seeks to protect crop from fungi related diseases and where it was recognised that "*...farmers buy a formulated crop protection product to address their particular needs, which they choose based on the crop, pest(s), timing, etc., they want to target...*"[5].

22. **In view of the above, the CID considered that the supply of insecticides, herbicides, and fungicides are distinct relevant product markets.**

Supply of Fertilisers

23. Fertilizers can be classified as synthetic fertilizers or natural organic fertilizers[6]. Synthetic fertilizers are chemically manufactured and comprise one or more of the primary nutrients necessary for plant growth such as nitrogen, phosphorus, and potassium. On the other hand, natural organic fertilizers are derived from either plant or animal products containing a significant quantity of one or more of the primary nutrients necessary for plant growth.

24. Both synthetic and organic are similar given they improve the supply of nutrients in the soil, directly affecting plant growth. Synthetic fertilizers are derived from chemicals such as ammonia, natural gas, atmospheric nitrogen, phosphate minerals, and sulphur. They are specifically tailored to a field's precise nutritional requirements and tend to have negative effect on the environment. They can be distinguished from natural organic fertilizers which tend to have nutrients that are naturally occurring, indirectly affecting plant growth and come from natural sources such as compost, animal manure, crop residues, and are not manufactured in factories. The organic nature in natural fertilizers creates a healthy growing environment.

25. Synthetic fertilizers can further be segmented into narrower segments whereby each type of fertilizer is manufactured with a specific type of plant nutrient and which is intended to address a particular nutritional plant requirement. For instance, synthetic fertilizers can be in single primary nutrient form (i.e., straight

[4] GAP/Zaad - Case No MER/08/33/2019, decision dated 20th February 2019
[5] https://ec.europa.eu/commission/presscorner/detail/en/IP_17_772 accessed on 23rd January 2022.
[6] http://ipm.ucanr.edu/TOOLS/TURF/SITEPREP/amenfert.html accessed on 27th January 2022.

Nitrogen (N), straight Phosphorous (P), and straight Potassium (K) or in a complex form which may contain any combination of N, P and K[7]. Further, the amount of nutrition contained in each type of fertilizer is measured to the specific quantities that a plant requires for growth. Therefore, the CID noted that the usage of such synthetic fertilizers is likely to be effective for plant growth. To the contrary, organic fertilizers are not likely to contain nutrition precisely measured to the specific quantities required by plants since the process of preparing organic fertilizers is naturally occurring. Thus, it is unlikely to get a compost fertilizer that contains a single nutrition such as phosphorous, potassium or nitrogen as the case may be with synthetic fertilisers.

26. The CID noted that each type of soil or crop requires a different type of fertilizer and different types of fertilizers attract different prices[8]. Thus, from a demand perspective, farmers choose fertilizer types based on type of soil or product hence the different types of fertilizers can each constitute a separate market. In ***YARA/KEMIRA GROWHOW***[9] the EC considered that nitrogen-based fertilisers, potassium-based fertilisers, and phosphorous based fertilisers constituted distinct product markets as each type of soil or crop requires a different type of fertilizer, also, some restrictions of use would not allow the application of certain products in some countries.

27. The CID noted that the parties are generally active in the supply of different types of fertilizers (i.e., nitrogen-based, potassium based and phosphorous-based) and in view of the approach adopted in other jurisdictions, the CID considered that **the supply of nitrogen based, phosphorus based, and potassium-based fertilisers are distinct markets.**

28. On the basis of the foregoing assessment, and without prejudice to the CID's approach in similar future cases, the relevant product markets were construed as follows:

    a) **the supply of herbicides;**

    b) **the supply of insecticides;**

    c) **the supply of fungicides;**

    d) **the supply of nitrogen-based fertilisers;**

    e) **the supply of phosphorus-based fertilisers; and**

    f) **the supply of potassium-based fertilisers.**

[7] See EC Case No COMP/M.4730 - YARA/KEMIRA GROWHOW, paragraph 11, decision dated 21/09/2007,https://ec.europa.eu/competition/mergers/cases/decisions/m4730_20070921_20212_en.pdf
[8] https://africafertilizer.org/international-prices/ accessed on 2nd February 2022
[9] See EC Case No COMP/M.4730 - YARA / KEMIRA GROWHOW, paragraph 14, decision dated 21/09/2007,

Relevant Geographic Market

29. The CID noted that herbicides, insecticides, fungicides, nitrogen-based fertilisers, phosphorus-based fertilisers, and potassium-based fertilisers are produced, supplied, and procured globally, and suppliers compete at a global level. The CID observed that while the parties' activities overlap in Zambia and Zimbabwe, the relevant products are available in the Common Market through imports from global producers and suppliers. Further, the CID noted that it is not uncommon for Member States to procure the relevant products from the regional and global markets in the event of increases in local prices. To this end, the CID observed that the import levels into the Common Market were high and local players face competition from imports.

30. The CID observed that while the importation of the relevant products into the Common Market may be subjected to varying requirements, this may not prevent trade from taking place as such the market may be broader that national and may extend to global market. However, the CID noted that in line with the spirit of the COMESA Treaty objectives of single market integration, the Common Market can be considered as a unique geographic market where the marketing and the supply of herbicides, insecticides, fungicides, nitrogen-based fertilisers, phosphorus-based fertilisers, and potassium-based fertilisers is different from the global market.

31. Accordingly, in line with its previous decisions[10], the CID determined the relevant geographic market as **the COMESA-wide supply of herbicides, insecticides, fungicides, nitrogen-based fertilisers, phosphorus-based fertilisers, and potassium-based fertilisers**.

Conclusion of relevant market

32. On the basis of the foregoing, and without prejudice to the Commission's approach in similar future cases, the CID determined the relevant markets as COMESA-wide supply of:

    a) insecticides,
    b) herbicides,
    c) fungicides,
    d) nitrogen-based fertilisers,
    e) phosphorus-based fertilisers, and

[10] Zaad BV/EASEED - Case No MER/08/33/2020, decision dated 20th February 2019: Due to the unique nature of the distribution channels in the Common Market under which suppliers of agrochemicals operate, coupled with the unique state of transportation infrastructure, political and economic environment presents unique and peculiar competitive conditions within the Common Market, the CID considered the relevant geographic market to be COMESA Wide

f) potassium-based fertilisers.

Market Shares and Concentration

33. The parties' and their competitors' pre- and post-merger market shares in the supply of insecticides, herbicides and fungicides in Zambia were submitted as follows:

Table 2: Estimated market shares of the merging parties and their top competitors in the supply of the varieties of pesticide products in Zambia

No.	Company Name	Insecticides		Herbicides		Fungicides	
		Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
1	Snow Trading	25%	25%	20%	20%	10%	10%
2	Osho Chemicals	20%	20%	20%	20%	15%	15%
3	Lusaka Agro vet	25%	25%	25%	25%	15%	15%
4	**ETG Zambia**	**16%**	**19%**	**17%**	**20%**	**10%**	**11%**
5	**Curechem Zambia**	**3%**		**3%**		**1%**	
	Others	11%	11%	15%	15%	49%	49%
	Total	**100%**	**89100%**	**100%**	**100%**	**100%**	**100%**

34. The CID observed that the market shares for the merging parties in the supply of insecticides, herbicides and fungicides pre- and post-merger in Zambia are not significant compared to their competitors. The CID observed that the transaction would not result in a significant change in the market structure hence competition concerns are not likely to arise in Zambia. The CID noted that the market concentration, pre- and post-merger in Zambia, will not change given that the merging parties are not amongst the three top players of supply of agro-chemicals except for herbicides where the merged entity has a market share of 20% but will still compete with other three players respectively holding markets shares of Lusaka Agro vet (25%), Osho Chemicals (20%) and Snow Trading (20%).

35. The CID noted that the pre- and post-merger CR3 market concentration ratios for insecticides, and herbicides and fungicides market in Zambia will not change and remain at 70%, and 65%, respectively, while the ratio for fungicides will change by

1%. The CID therefore concluded that the transaction is not likely to lead to market concentration in Zambia.

36. The parties' and their competitors market shares in supply of insecticides, herbicides and fungicides in Zimbabwe were submitted presented in table 3 below.

Table 3: Estimated market shares of the merging parties and their top competitors in the supply of the pesticides in Zimbabwe

No.	Company Name	Insecticides		Herbicides		Fungicides	
		Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
1	Fossil Agrochemicals	20%	20%	30%	30%	10%	10%
2	Technical Services / Acol	15%	15%	10%	10%	10%	10%
3	Crop Serve	10%	10%	5%	5%	15%	15%
4	**Curechem Zimbabwe**	**10%**	**10%**	**20%**	**20%**	**5%**	**5%**
	ETG Zimbabwe	**Not available**	**Not available**	**Not available**	**Not available**	**Not available**	**Not available**
5	Others	45%	45%	35%	35%	55%	55%
	Total	100%	100%	100%	100%	100%	100%

37. The CID observed that the market share for Curechem Zimbabwe were on average low when compared with competitors except for the market shares of herbicides where Curechem is among the top players.

38. The CID noted that market structure for agro-chemicals in Zimbabwe is likely to change dismally since ETG Zimbabwe holds insignificant market shares in Zimbabwe. The CID further observed that the market concentration is not likely to significantly change in Zimbabwe given that the parties are not significant players in Zimbabwe. Thus, the CID noted that the pre- and post-merger the CR3 market concentration ratios will remain unchanged at 45% (insecticides); ,60% (herbicides) and 35% (fungicides).

39. With respect to the supply of fertilizers, the parties submitted their market shares and market shares of the parties as follows in Zambia and Zimbabwe as follows

Table 4: Estimated market shares of the parties' and their top competitors in the supply of fertilizer in Zambia

No.	Company Name	Nitrogen-Based Fertilisers		Phosphorus-Based Fertilisers		Potassium-Based Fertilisers.	
		Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
1	Neira Investment Ltd	25%	25%	25%	25%	25%	25%
2	***ETG Zambia***	***25%***	***25%***	***25%***	***25%***	***25%***	***25%***
3	Omnia Zambia Ltd	20%	20%	20%	20%	20%	20%
4	Nyimba Fertilizers Ltd	20%	20%	20%	20%	20%	20%
5	FSG Fertilizers	15%	15%	15%	15%	15%	15%

Table 5: Estimated market shares of the parties' and their top competitors in the supply of fertiliser in Zimbabwe

No.	Company Name	Nitrogen-Based Fertilisers		Phosphorus-Based Fertilisers		Potassium-Based Fertilisers.	
		Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
1	FSG Zimbabwe	60%	60%	60%	60%	60%	60%
2	ZFC	10%	10%	10%	10%	10%	10%
3	Omnia	5%	5%	5%	5%	5%	5%
4	Windmill	5%	5%	5%	5%	5%	5%
5	**ETG Zimbabwe**	**5%**	**5%**	**5%**	**5%**	**5%**	**5%**
	Total	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**

40. The CID noted from in Zambia, the acquirer is among the top three suppliers of fertilisers while the target is does not supply any fertilizer. The CID observed that the market structure in the relevant markets will not change since the target does not supply fertilizer in this market. The CID further observed that the CR3 market concentration rations for the supply of nitrogen based, phosphorus based, and potassium-based fertilizers will remain same post-merger at 70%.

41. With respect to Zimbabwe, the CID noted that the acquirer's market share both in the supply or the nitrogen based, phosphorus based and potassium-based fertilisers is insignificant since there are other significant players in Zimbabwe. The CID further noted that the target does not supply fertilizer in Zimbabwe. The CID observed that the CR3 market concentration ratios for nitrogen based, phosphorus based and potassium-based fertilisers will remain same post-merger at 75%. Thus, there will be no change in the market structure as a result of the merger.

42. In view of the above, the CID concluded that competition concerns are not likely to arise as a result of the merger.

Consideration of Third-Party Views

43. Submissions were received from Ethiopia, Malawi, Mauritius, and Zimbabwe which did not raise any concerns. The CID noted the submission from Zambia that the proposed transaction would result in ETG Zambia attaining a dominant position in the supply of agri-inputs in Zambia.

44. The CID's assessment concluded that competition concerns were not likely to arise in the relevant market given the present of competitors and since the transaction would not result in a change in the market structure in Zambia in respect of the market for supply of fertilizers. The CID further concluded that competition concerns were unlikely in the market for the supply of pesticides in Zambia given that there will only be a minor change in the market structure for herbicides of 1% and the market is characterised by the presence of competitors.

Determination

45. Based on the foregoing reasons, the CID determined that the merger is not likely to substantially prevent or lessen competition in the Common Market or a substantial part of it, nor be contrary to public interest. The CID further determined that the transaction is unlikely to negatively affect trade between Member States.

46. The CID therefore approved this transaction. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 3rd day of May 2022

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Commissioner Mahmoud Momtaz (Chairperson)

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Commissioner Vincent Nkhoma

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Commissioner Islam Tageisir Ahmed Alhasan