



**COMESA Competition Commission**  
Kang'ombe House, 5th Floor-West Wing  
P.O.Box30742  
Lilongwe3, Malawi  
Tel:+26501 77246  
Email- compcom@comesa.int



**Common Market for Eastern  
and Southern Africa**

**CASE FILE No. CCC/MER/6/20/2014**

**Decision<sup>1</sup> of the Thirteenth Meeting of the Committee of Initial  
Determination Regarding the Proposed Acquisition of African  
Development Corporation AG and the Rwandan Bank by ATMA Co-Nvest**

**ECONOMIC SECTOR: Banking**

**19<sup>th</sup> November 2014 – Johannesburg, South Africa**

---

<sup>1</sup> 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 Where possible the information omitted has been replaced by ranges of figures or a general description.

## **Information and Relevant Background**

1. On 4th August 2014, the COMESA Competition Commission hereinafter referred to as (the "Commission") received a notification for approval of a merger (the "transaction") between ABC Holdings Limited ("ABCH"), ADC African Development Corporation AG ("ADC") and commercial banking assets and liabilities of the Development Bank of Rwanda (the "Rwandan Bank") by ATMA Co-Nvest Limited ("ATMA").
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations ("the Regulations"). Under this provision the Commission is required to assess whether the proposed 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 pursuant to Article 26 of the Regulations.
3. The Committee of Initial Determination hereinafter referred to as (the "CID") noted that the parties operate in two or more COMESA Member States. This, therefore, means that the regional dimension requirements under Articles 23(3) and 23(5) are satisfied and asserts jurisdiction of the Commission to assess the transaction. The parties to the transaction are currently active in the following COMESA Member States:
  - Rwanda
  - Zambia
  - Zimbabwe

### **The Parties**

#### **ATMA**

4. ATMA was incorporated to undertake an acquisition of the target companies and has no operational history. ATMA was incorporated in the British Virgin Islands on 28 November 2013 and is listed on the London Stock Exchange. ATMA is a financial services holding company to undertake the acquisition of target banks in Africa with the objective of becoming a leading financial services group in the continent.

#### **ABCH**

5. ABCH is headquartered in Gaborone, Botswana. It is a holding company for the African Banking Corporation Group of companies operating under the brand name "BancABC", which is currently active in Botswana, Mozambique, Tanzania, Zambia and Zimbabwe, and has a group service office located in Johannesburg, South Africa. ABCH has a primary listing on the Botswana Stock Exchange and a secondary listing on the Zimbabwe Stock Exchange. ABCH is controlled by ADC.

#### **ADC**

6. ADC is a German open market listed holding company with headquarters in Frankfurt, Germany. ADC's focus is on the banking sector in sub-Saharan Africa.

### **Nature of the Transaction**

7. The proposed transaction consists of the acquisition by ATMA of sole control over ADC. ADC is a German, open market listed holding company of an emerging pan African financial services group and has control in ABCH. In another interrelated transaction, ATMA has entered into a framework deed with the Government of Rwanda, the National Agricultural Export Development Board and the Rwanda Social Security Board (the BRD sellers) to facilitate the ultimate acquisition by ATMA of the Rwandan Bank. As a result of the transaction, ATMA will hold 100% of the issued shares of the Rwandan Bank, which will be carved out of BRD.

### **Competition Analysis**

8. The CID established that the transaction would not frustrate the single market objective of the Treaty in that it does not have an appreciable effect on trade between Member States.

### **Determination**

9. The CID determined that the merger does not raise substantial competition concerns and is compatible with the Treaty Establishing the Common Market. The CID has therefore decided to approve the transaction.
10. This decision is adopted in application of Article 26 of the COMESA Competition Regulations.


Dated this 19<sup>th</sup> day of November, 2014.



.....  
**Commissioner Alexander J. Kububa (Chairman)**



.....  
**Commissioner Thabisile Langa (Member)**



.....  
**Commissioner Rajeev Hasnah (Member)**