



COMESA Competition Commission
Kang'ombe House, 5th Floor-West Wing
P.O.Box30742
Lilongwe3, Malawi
Tel: +26501 772466
Email- compcom@comesa.int



**Common Market for Eastern
and Southern Africa**

CCC Merger Inquiry Notice No. 3 of 2013

Notice of Inquiry into the Transaction involving the Acquisition by Total Outre Mer S.A of the Entire Issued Share Capital of Shell Marketing Egypt and Shell Compressed Natural Gas Egypt Company

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations of 2004 (the Regulations) that the COMESA Competition Commission (the 'Commission') after receiving a merger notification in terms of Article 24 of the Regulations regarding the acquisition by Total Outre Mer S.A ("TOM" or the "Buyer"), a wholly owned subsidiary of Total Raffinage Marketing ("TRM"), itself a wholly-owned subsidiary of Total S.A. ("Total"), of the entire issued share capital of:

- a) Shell Marketing Egypt (S.A.E) ("Shell Marketing Egypt") from The Shell Petroleum Company Limited and the Asiatic Petroleum Company Limited; and
- b) Shell Compressed Natural Gas Egypt Company (S.A.E) ("Shell CNG Egypt") from Shell Gas B.V (the "Transaction").

intends to embark on an inquiry in terms of Article 26 of the Regulations.

TOM a wholly-owned subsidiary of TRM, itself a wholly-owned subsidiary of Total S.A. ("Total"), a societe anonyme (limited company) incorporated in France and listed on the Paris, Brussels, London and New York stock exchanges, intends to acquire Shell Marketing Egypt (S.A.E) ("Shell Marketing Egypt") and Shell Compressed Natural Gas Egypt (S.A.E) ("Shell CNG Egypt"). Shell Marketing Egypt and Shell CNG Egypt are both indirectly held subsidiaries of Royal Dutch Shell Plc ("Shell"), a company incorporated in England and Wales and headquartered in the Hague and listed on the London, Amsterdam and New York stock exchanges.

Total is a fully integrated global group of energy and petrochemical companies involved in upstream and downstream activities, including exploration, refining, distribution and retail/non retail sales. Through its shareholding in TOM, TRM has significant operations in Africa, including the majority of COMESA Member States. Shell Marketing Egypt and Shell CNG Egypt are each Egyptian registered entities which, as at completion, comprise the following business activities:

- the supply of automotive fuels to retail customers within Egypt through a network of service stations;

- the storage and distribution of petroleum products within Egypt through its 50% interest in a depot located at Mostorod; and
- the supply of petroleum products to commercial and industrial customers within Egypt.

The lubricants blending, selling and marketing business which is currently operated by Shell Marketing Egypt will not form part of the Transaction. That business will therefore be transferred to another Shell group entity prior to completion and so does not form part of the target business being acquired.

The Commission will, in accordance with Article 26 determine whether or not the merger is likely to substantially prevent or lessen competition and if it appears that the merger is likely to substantially prevent or lessen competition, the Commission shall then determine:

- a) whether the merger is likely to result in any technological efficiency or other pro-competitive gain which will be greater than and offset the effects of any prevention or lessening of competition that may result or is likely to result from the merger and would not likely be obtained if the merger is prevented;
- b) whether the merger can be justified on substantial public interest grounds.

If you wish to submit written representations to the Commission in regard to the subject matter of the proposed inquiry or 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 **Mr. Willard Mwemba, Manager Mergers and Acquisitions** on Tel: +265 (0) 1 772466 or E-mail wmwemba@comesa.int

I wish to assure you that all the information you will make available to the Commission shall be treated with the strictest confidentiality and will only be used for the purpose of this inquiry. I shall be most obliged to receive your written representations at your earliest convenience but most preferably by Friday 2nd August 2013, in order for the Commission to take your views into account.

**George K. Lipimile,
Director & Chief Executive Officer
COMESA Competition Commission.**