



COMESA Competition Commission
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**Common Market for Eastern
and Southern Africa**

Case File No.: CCC/MER/07/09/2015

**Decision¹ of the Committee of Initial Determination Regarding the
Proposed Merger between Sanlam Emerging Markets Proprietary
Limited and Masawara Investments Mauritius Limited**

ECONOMIC SECTOR: INSURANCE

19 November 2015

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 Where possible the information omitted has been replaced by ranges of figures or a general description.

Information and Relevant Background

1. On 27th July 2015, the COMESA Competition Commission hereinafter referred to as (“the Commission”) received a notification for approval of a merger from Sanlam Emerging Markets Proprietary Limited hereinafter referred to as “Sanlam” and Masawara Investments Mauritius Limited hereinafter referred to as “Masawara”.
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations hereinafter referred to as (“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) of the Regulations are satisfied and asserts jurisdiction of the Commission to assess the transaction.

The Parties

Sanlam

4. Sanlam is a South African registered firm which provides various insurance products (including life insurance and non-life insurance), credit and banking services and investment management services in selected emerging markets in Africa, India and South East Asia. Sanlam is ultimately controlled by Sanlam Limited which has subsidiaries in Malawi, Kenya, Rwanda, Uganda and Zambia. Sanlam does not have any presence in Zimbabwe and does not provide any products or services in Zimbabwe.

Masawara

5. Masawara is a Mauritian investment holding company that is active in the provision of insurance products in Zimbabwe only.

Nature of the Transaction

6. Sanlam intends to acquire 40% of the issued share capital of Masawara in terms of the Sale of Shares Agreement giving effect to the proposed transaction.

Competition Analysis

7. The CID defined the relevant market as the provision of insurance services in Zimbabwe. The CID further established that the transaction did not raise competition concerns and did not negatively affect trade between Member States.


Determination

8. The CID determined that the merger is not likely to substantially lessen the degree of competition in the Common Market or any part thereof and will not negatively affect trade between Member States.
9. This decision is adopted in accordance with Article 26 of the COMESA Competition Regulations.

Dated this 19th day of November, 2015.



Commissioner Matthews Chikankheni (Chairman)
(Signed)



Commissioner Thabisile Langa (Member)
(Signed)



Commissioner Chilufya Sampa (Member)
(Signed)