



COMESA Competition Commission

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Common Market for Eastern
and Southern Africa

5th May 2022

CCC Merger Inquiry Notice No. 21 of 2022

Notice of Inquiry into the Proposed Acquisition of Control by Viterra USA Investment, LLC of Gavilon Agriculture Investment, Inc

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 by Viterra USA Investment, LLC (“**Viterra**”) of the Grain and Ingredients business lines of Gavilon Agriculture Investment, Inc (“**Gavilon**”) (the “**Proposed Transaction**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

Viterra is a global producer and marketer of agricultural commodities active in the origination, marketing, refining, storage and transport of agriproducts. In the Common Market, Viterra is active in Egypt, Sudan and Tunisia.

Viterra is jointly controlled by Glencore plc (“**Glencore**”) and Canadian Pension Plan Investment Board (“**CPP Investments**”). Glencore supplies a wide range of commodities and raw materials to industrial customers throughout the world, including metals, minerals, oil and oil products, and coal. Those customers are typically active in the automotive, steel, power generation, battery manufacturing and oil sectors. In November 2020, Viterra rebranded from Glencore Agriculture to Viterra. Glencore is active in the Common Market in the following Member States: the Democratic Republic of Congo (“**DRC**”), Djibouti, Egypt, Eritrea, Kenya, Malawi, Mauritius, Seychelles, Tunisia, Zambia and Zimbabwe.

CPP Investments principally invests in public equities, private equities, real estate, infrastructure and fixed income instruments. In the Common Market, CPP Investments is active in all Member States except Eritrea, Libya and Somalia.

Gavilon is ultimately controlled by Marubeni Corporation. Gavilon is a commodity management company, offering international origination, storage and handling, transportation and logistics, marketing and distribution, and risk management services in two main operating segments: (i) Grain & Ingredients, and (ii) Crop Nutrients (fertilisers). In the Common Market, the target is active in Egypt and Mauritius.

Prior to the Proposed Transaction, Gavilon will undergo reorganisation transactions, pursuant to which it will transfer certain of its assets and equity interests to Marubeni Corporation or its subsidiaries, including for the purposes of carving out the Crop

Nutrients business line, which will remain with Marubeni post-transaction. Upon closing of the Proposed Transaction, Gavilon will be solely controlled by Viterra.

The parties have submitted that Viterra considers that the addition of Gavilon will support its long-term strategy of gaining a material presence in the United States, which will enable its global network to better compete. The combination of Gavilon and Viterra's complementary product portfolio and geographic footprint will enable Viterra to provide more value and flexibility to its customers, enhance its sustainable supply chains, and provide higher levels of quality control and reliability.

The Commission will, in accordance with the provisions of Article 26 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 it would be contrary to the public interest.

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. All written representations should be sent to the Commission not later than **26th May 2022**.

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 akamanga@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.