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Common Market for Eastern  
and Southern Africa

10 July 2024

## **CCC Merger Inquiry Notice No. 24 of 2024**

### **Notice of Inquiry into the Proposed Acquisition by Access Bank Plc of all the issued share capital of National Bank of Kenya Limited**

It is hereby notified in terms 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 Access Bank Plc (“**Access Bank**” or “**acquiring firm**”) of all the issued share capital of National Bank of Kenya Limited (“**National Bank**” or the “**target firm**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that Access Bank is a wholly owned subsidiary of Access Holdings Plc (“**Access Corporation**”). Access Bank is a leading full-service commercial bank in Nigeria licensed and regulated by the Central Bank of Nigeria. It holds subsidiaries in sub-Saharan Africa and the United Kingdom, a branch in Dubai, UAE and representative offices in China, Lebanon and India. Its parent company, Access Corporation, is listed on the Nigerian Stock Exchange. In the Common Market, the acquiring group is active in the Democratic Republic of Congo (“**DRC**”), Kenya, Rwanda and Zambia.

The parties have submitted that National Bank is a commercial bank in Kenya licensed and regulated by the Central Bank of Kenya. It is a wholly owned subsidiary of KCB Group Plc (“**KCB**”), the seller in this transaction. KCB is a public company incorporated in Kenya which is listed on the Nairobi Securities Exchange and cross listed on the Dar es Salaam Stock Exchange, Uganda Securities Exchange and Rwanda Stock Exchange. KCB holds several banking and other financial services subsidiaries in the region. In the Common Market, the target firm is active in Kenya only.

Through the transaction, the acquiring firm has agreed to purchase 100% of the issued share capital of the target firm from KCB. The acquiring firm will also acquire indirect control of the target firm’s remaining subsidiary, NBK Bancassurance Intermediary Limited. Upon completion of the transaction:

- a) the target firm will become a subsidiary of the acquiring firm; and
- b) in order to streamline its business in Kenya, the acquiring firm intends (subject to applicable regulatory approval) to merge the business of the target firm with

the business of Access Bank (Kenya) Plc, a commercial bank in Kenya which is controlled by the acquiring firm.

The parties have submitted that the transaction represents a significant milestone for the acquiring firm that moves it closer to achieving its strategic plan by scaling up its position in the Kenyan market. The acquiring firm is building a strong and sustainable brand to support economic prosperity, encourage Africa trade, advance financial inclusion thereby empowering many people to achieve their financial dreams. With Kenya being a key player in the region, the acquiring firm aims to expand and deploy its best-in-class financial solutions and position itself strategically to deliver sustainable value for its stakeholders. Its expansion in Kenya will support the acquiring firm's aspiration to be '*Africa's Payment Gateway to the World*'. Following completion of the transaction, the target firm would be merged with Access Bank (Kenya) Plc to create an enlarged franchise in pursuit of the acquiring firm's strategic objective for the Kenyan and East African markets.

The parties have further submitted that KCB considers the transaction as one that will maximize value for its shareholders while strengthening the competitive position for its group operations. KCB acquired the target firm in 2019 and has consequently, in addition to its then already existing subsidiary, KCB Bank Kenya Limited, owned two commercial banks in Kenya. Upon review and assessment of its group operations and business (particularly in Kenya) and based on the steps taken since 2019 to ensure the sustainability of the target firm, KCB considers the opportunity as one that would strengthen the competitive position of its remaining group operations in Kenya.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether the proposed transaction is likely to substantially prevent or lessen competition within the Common Market and whether the proposed transaction is or would be contrary to the public interest as provided for under Article 26 of the Regulations.

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: [akamanga@comesacompetition.org](mailto:akamanga@comesacompetition.org). All written representations should be sent to the Commission not later than **21 July 2024**.

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. Ali Kamanga, Principal Analyst, Competition Division** on Tel: +265 (0) 111 772 466 or [akamanga@comesacompetition.org](mailto:akamanga@comesacompetition.org).

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.