



Case File No. CCC/MER/06/24/2025

Decision¹ of the 126th Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Acquisition of 100% of the Issued Share Capital of Agricultural Seeds and Service (Private) Limited, Klein Karoo Seed Marketing Zambia Limited and Klein Karoo Seed Marketing Zimbabwe (Private) Limited by ETG Inputs HoldCo Ltd

ECONOMIC SECTOR: Agriculture



15 April 2026

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 Where possible, the information omitted has been replaced by ranges of figures or a general description.

The Committee Responsible for Initial Determinations

The Committee Responsible for Initial Determinations (“**CID**”) established pursuant to Article 13(4) of the COMESA Competition Regulations of 2004 (the “**Regulations**”):

Desirous of the overruling objective of strengthening and achieving convergence of COMESA Member States’ economies through the attainment of full market integration as enshrined in the Treaty Establishing the Common Market for Eastern and Southern Africa (the “**Treaty**”);

Cognisant of Article 55 of the Treaty;

Having regard to the Regulations, and in particular Part 4 thereof;

Mindful of the COMESA Competition Rules of 2004, as amended by the COMESA Competition [Amendment] Rules, 2014 (the “**Rules**”);

Conscious of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation of 2015;

Having regard to the COMESA Merger Assessment Guidelines of 2014;

Recalling the overriding need to establish a Common Market;

Recognising that anti-competitive mergers may constitute an obstacle to the achievement of economic growth, trade liberalization and economic efficiency in the COMESA Member States;

Considering that the continued growth in regionalization of business activities correspondingly increases the likelihood that anti-competitive mergers in one Member State may adversely affect competition in another Member State.

Determines as follows:

Introduction and Relevant Background

1. On 9 September 2025, the COMESA Competition Commission (the “**Commission**”) received a notification for approval of a merger regarding the Proposed acquisition of 100% of the issued share capital of Agricultural Seeds and Service (Private) Limited (“**AgriSeeds**”), Klein Karoo Seed Marketing Zambia Limited (“**Klein Karoo Zambia**”) and Klein Karoo Seed Marketing Zimbabwe (Private) Limited (“**Klein Karoo Zimbabwe**”), together the “**Target Companies**”, by ETG Inputs HoldCo Ltd (“**EIHL**”), pursuant to Article 24(1) of the Regulations.
2. The 120-days period for the assessment of the transaction expired on 23 January 2026. Before expiry, the CID at its the 123rd Meeting held on 5 – 6 December 2025, granted an extension of **sixty (60) days** to the statutory timeline, starting from **24 January 2026 until 27 March 2026**, to allow the Commission to assess likely competition and public interest concerns identified and finalise its assessment of the transaction. Preliminary assessments revealed that the transaction was likely to raise



competition concerns. The extension was therefore granted pursuant to Article 25(2) of the Regulations to further assess the competition concerns likely to arise from the transaction including engaging the relevant stakeholders in the affected Member States. During the extension granted, the Commission together with the Competition and Tariff Commission of Zimbabwe (“CTC”) conducted information gathering from stakeholders in Zimbabwe.

3. Following the information gathering exercise, CTC raised significant concerns to the transaction and recommended the imposition of orders to remedy the concerns. The Commission noted that the concerns raised by CTC required further interrogation of the matter to determine whether the transaction raised competition or public interest concerns to warrant imposition of remedies. In furtherance of the above, the CID at its 125th meeting held on 23 March 2026 granted an additional extension of thirty (30) days, starting from 28 March 2026 until 27 April 2026 for the Commission to conclude its assessment of the transaction.
4. Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the 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.

The Parties

EIHL (the “Acquiring Firm”)

5. EIHL is a company incorporated under the laws of Dubai and is a subsidiary of ETG. EIHL, is a provider of agricultural inputs across Africa, offering a comprehensive range of products, including fertilizers, seeds, agrochemicals, and farm equipment, supported by a network of over 500 depots and container shops. With 17 fertilizer blending plants across Southern, Eastern, and Western Africa, EIHL ensures the accessibility of quality inputs to farmers, aiming to enhance agricultural productivity and sustainability in the region.
6. In the Common Market, the Acquiring Group operates in Burundi, the Democratic Republic of Congo (“DRC”), Egypt, Ethiopia, Kenya, Madagascar, Malawi, Rwanda, Uganda, Zambia and Zimbabwe.

The Target Companies

7. The Target Companies specialize in the research, development, production, and distribution of high-quality seeds tailored for regional agricultural needs. In the Common Market, the Target Companies operate in Zambia and Zimbabwe only.

AgriSeeds

8. AgriSeeds is a private limited company incorporated under the laws of Zimbabwe.
9. AgriSeeds is active in the production and sales of seeds, specifically, maize hybrid seeds, soyabean and sorghum.



10. In the Common Market, AgriSeeds is active only in Zimbabwe.

Klein Karoo Zambia

11. Klein Karoo Zambia is a company duly incorporated under the laws of Zambia.

12. Klein Karoo Zambia is active in the production and sales of maize seeds.

13. In the Common Market, Klein Karoo Zambia operates in Zambia only.

Klein Karoo Zimbabwe

14. Klein Karoo Zimbabwe is a company duly incorporated under the laws of Zimbabwe.

15. Klein Karoo Zimbabwe is active in the production and sales of seeds, specifically, maize seeds, wheat, soyabean, sugar bean and sorghum.

16. In the Common Market, Klein Karoo Zimbabwe operates in Zimbabwe only.

Jurisdiction of the Commission

17. Article 24(1) of the Regulations requires 'notifiable mergers' to be notified to the Commission. Rule 4 of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation (the "**Merger Notification Thresholds Rules**") provides that:

"Any merger, where both the acquiring firm and the target firm, or either the acquiring firm or the target firm, operate in two or more Member States, shall be notifiable if:

a) the combined annual turnover or combined value of assets, whichever is higher, in the Common Market of all parties to a merger equals or exceeds USD 50 million; and

b) the annual turnover or value of assets, whichever is higher, in the Common Market of each of at least two of the parties to a merger equals or exceeds USD 10 million, unless each of the parties to a merger achieves at least two-thirds of its aggregate turnover or assets in the Common Market within one and the same Member State".

18. The CID observed that the undertakings concerned have operations in two or more Member States. The undertakings concerned derived a turnover of more than the threshold of USD50 million in the Common Market and they each derived a turnover of more than USD10 million in the Common Market. In addition, the parties do not derive/hold more than two-thirds of their respective aggregate turnover or asset value in one and the same Member State. The CID was thus satisfied that the transaction constitutes a notifiable transaction within the meaning of Article 23(5)(a) of the Regulations.

Details of the Merger

19. The notified transaction concerns the acquisition by EIHL of 100% of the issued share capital of the Target Companies.



Competition Analysis

Consideration of the Relevant Markets

20. In the determination of the relevant market, which is divided into relevant product and relevant geographic markets, the CID is guided by the COMESA Guidelines on Market Definition and other authorities on the subject.

Relevant Product Market

21. The CID noted that, “a relevant product market comprises all those products and/or services which are regarded as interchangeable or substitutable by the consumer, by reason of the products' characteristics, their prices and their intended use”.²
22. The CID observed that, in the Common Market, EIHL is active in the sale of fertilizer, seeds, crop protection products and farm equipment. The CID further noted that the Target Companies are active in the production and sale of seeds in Zambia and Zimbabwe. Both merging parties operate in the agricultural sector, both providing fertilizer, seeds, crop protection products and farm equipment are used as inputs by any person who wishes to farm crops.
23. The CID observed that both merging parties are also active in the supply of seeds in the Common Market. The CID further noted that the acquiring group additionally sells crop protection products, fertilizer and farm equipment in the Common Market.
24. The CID noted that the transaction raises horizontal and non-horizontal overlaps between the activities of the merging parties.
25. In line with Paragraph 8.4 of the COMESA Merger Assessment Guidelines, for the horizontal aspect of the transaction, the CID’s assessment focused on the overlap between the product and geographic relations of the parties. For the non-horizontal aspect, the CID’s assessment was based on the applicable theories of harm, including non-coordinated and coordinated effects.

Retail Supply of crop protection products

26. The CID observed that crop protection products are engineered chemical products or biological formulations used in agriculture as a substance or mixture of substances which are used to prevent, destroy, or control weeds, pests or plant diseases to allow the farmer to benefit from better yield.³ Crop protection products are commercially produced, usually synthetic, chemical compounds used in farming.
27. The CID further observed that crop protection products can be grouped into three main types, namely: herbicides (intended to control weeds); insecticides (intended to control insects), fungicides (intended to control diseases triggered by fungi). These categories are distinct and separate products due to the different intended purposes

² Paragraph 7 of the COMESA Guidelines on Market Definition

³ www.cbs.nl/en-gb/news/2022/02/less-pesticide-used-in-agriculture/crop-protection-products accessed 14 April 2026



or functionality, chemical composition or safety instructions. Insecticides, pesticides and fungicides are not likely to be substitutable.⁴

28. For instance, insecticides are used to kill and control a wide variety of insects. They can be used to kill insect eggs (ovicides) or to kill larvae (larvicides). They may also include insect repellents such as diethyltoluamide and citronella. On the other hand, herbicides are used to control or kill weeds and other unwanted vegetation in the field. Lastly, fungicides are applied to kill or control the growth of mold and fungi.⁵
29. The CID therefore observed that, from a demand perspective, a farmer cannot apply an insecticide intended to kill or prevent insect infestation on crops which have been infected by fungi. Instead, the farmer may wish to apply fungicides on such crops as this would be more suited for the purpose. Similarly, herbicides cannot be used on plants which are infested with insects or those with a fungi infection since herbicides are meant to kill weeds or unwanted plants in a garden. To this end, assuming a small but significant non-transitory increase in the price of an insecticide, it is not likely that a farmer wishing to get rid of insects in their farm would switch to purchase pesticides or fungicides (assuming their prices are unchanged). Such a switch is unlikely on the grounds of differences in intended use of the products since the farmer may opt for cheaper and affordable brands of insecticides.
30. Therefore, from a demand perspective, and based on the product characteristics and intended uses, there is unlikely to be substitution between various groups of crop protection products. These products have different characteristics and functionalities and as such end users are unlikely to shift demand across the products due to a change (increase or decrease) in price of either of the product.
31. However, at the level of distribution, it may be likely that substitution is possible given that once a supplier is authorised to distribute one type of pesticide, the same distribution network can easily be used for the supply of other pesticides. However, the CID's approach in the current assessment placed greater emphasis on demand side substitutability in determining the relevant market. This is in line with the spirit of the Market Definition Guidelines which provides that in circumstances where the results of the SSNIP test from a demand side and those from a supply side do not point to the same outcome, the Commission should lay greater emphasis on demand side substitutability in determining the relevant market.
32. The CID recalled a similar approach of segmenting pesticides was adopted in **GAP/Zaad**⁶ and **ETG/Curechem**⁷, whereby it considered that herbicides are specifically meant to fight against growth of weeds in the

⁴ Decision of the Eighty-Second (82nd) Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

⁵ Decision of the Eighty-Second (82nd) Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

⁶ Decision of the Seventieth Committee Responsible for Initial Determination Regarding the Proposed Merger Involving Zaad International BV and EASEED Group Limited

⁷ Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively



field and cannot be used to destroy plant damaging insects which is what insecticides are meant for. Likewise, fungicides that are meant to protect plants from diseases caused by fungi and cannot be substituted for either insecticides or herbicides on account of differences in their usages. The CID further observed that in **Dow/DuPont**, the European Commission (“**EC**”) considered that there exist distinctions in herbicides, insecticides and fungicides given that herbicides target weeds while insecticides target plant destroying insects while fungicides seeks to protect crop from fungi related diseases and it was recognised that “...farmers buy a formulated crop protection product to address their particular needs, which they choose based on the crop, pest(s), timing, etc ”.⁸

33. **In view of the foregoing, the CID considered that the supply of insecticides, herbicides, and fungicides were distinct product markets.**

Wholesale Supply of Fertiliser Inputs

34. The CID observed that fertilizers can be classified as synthetic fertilizers or organic fertilizers. Synthetic fertilizers are chemically manufactured and comprise one or more of the primary nutrients necessary for plant growth such as nitrogen, phosphorus, and potassium. Natural organic fertilizers are derived from either plant or animal products containing a significant quantity of one or more of the primary nutrients necessary for plant growth”.⁹
35. Fertilizers, both synthetic and organic, improve the supply of nutrients in the soil, directly affecting plant growth. Synthetic fertilizers are derived from chemicals such as ammonia, natural gas, atmospheric nitrogen, phosphate minerals, and sulphur. They are specifically tailored to a field’s precise nutritional requirements and tend to have negative effect on the environment. On the other hand, organic fertilizers tend to have nutrients that are naturally occurring, indirectly affecting plant growth. They come from natural sources such as compost, animal manure, crop residues, and are not manufactured in factories. The organic nature in organic fertilizers creates a healthy growing environment. Synthetic and organic fertilizers can also be distinguished based on price. For instance, different chemical inputs are blended in the factory to get the final synthetic fertilizer products, and they are more expensive than organic fertilizers. However, the two can be said to be substitutable from their functionality perspectives. For instance, both are used to increase plant/soil productivity, given the difference in their level of benefit from productivity per acre.
36. The CID observed that while the two types of fertilisers are ultimately intended to facilitate growth, the synthetic fertilisers are likely to be chemical difference from organic fertilizers. Synthetic fertilisers are authorized for a specific use, for a given type of seeds and a precise crop, implying that off-label use or misuse by farmers is typically not allowed. Furthermore, synthetic fertilisers supply nutrients to plants at the moment they are applied whereas organic fertilisers release the nutrients as they

⁸ Case M.7932 — Dow/DuPont

⁹ Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively



decompose. Thus, the major difference between the two types of fertilisers is that synthetic fertilisers may be more high yielding than organic fertilisers.

37. Considering the differences between synthetic and organic fertilisers, the CID was of the view that farmers in most agricultural segments were not likely to shift enough purchases between synthetic and organic fertilisers. The reasons are because of the product characteristics, supply constraints and suitability of the fertiliser. As noted, synthetic fertilisers provide immediate nutrients to crops, are easily available and can be easily modified to suit soil types and crop requirements. On the other hand, organic fertilisers provide nutrients slowly. Further, organic fertilizers are not likely to contain nutrition that is measurable to the specific quantities required by plants since the process of preparing organic fertilizers is naturally occurring. Thus, it is unlikely to get a compost fertilizer that contains a single nutrition such as phosphorous, potassium or nitrogen as the case may be with synthetic fertilisers.
38. The CID, therefore, was of the considered view that substitution between synthetic and organic fertilisers was likely to be limited. The CID therefore considered that synthetic and organic fertilisers were distinct product markets.
39. The CID noted that ETG was active in the synthetic fertilizer segment. The assessment of the relevant market has therefore focused on synthetic fertilizers.
40. The CID noted that the transaction affects the wholesale supply of fertilizer input and the retail supply of blended fertilizers.
41. Fertilizer inputs typically relate to primary nutrients such as nitrogen, phosphorus, and potassium, as well as secondary nutrients and micronutrients. In this instance, the CID noted that it is primary nutrients which are imported in the Common Market and sold to fertilisers manufacturers which is used as input to blended fertilisers.
42. The CID noted that the wholesale market for fertilizer inputs therefore consisted of the importation and sale of bulk agricultural nutrients and soil enhancement products to fertiliser manufacturers. The Commission noted that ETG is engaged in this activity in at least Zimbabwe.
43. For this reason, the CID considered that the **wholesale supply of fertiliser inputs** is one relevant product market.

Retail supply of fertilisers

44. As stated above, the CID considered synthetic and organic fertilisers as distinct products.
45. Synthetic fertilisers when blended comprise narrower segments whereby each type of fertilizer is manufactured with a specific type of plant nutrient within it and which is intended to address a particular nutritional plant requirement. For instance, synthetic fertilisers can be in single primary nutrient form (that is, straight Nitrogen (N), straight Phosphorous (P), and straight Potassium (K) or in a complex form which may contain any combination of N, P and K. Further, the amount of nutrition contained in each type of fertilizer is measured to the specific quantities that a plant requires for



growth. Hence, the usage of such synthetic fertilizers is likely to be effective for plant growth.

46. From a usage perspective, each type of soil or crop requires a different type of fertilizer and different types of fertilizers attract different prices.¹⁰
47. The CID's decisional practice has consistently identified distinct product markets at the retail level for nitrogen ("N"), phosphorus ("P") and potassium ("K") fertilisers, having regard to the characteristics of the different types of nutrients and their specific role in the growth of plants.¹¹ The main function of fertilizers is to provide nutrients to the soil to improve its fertility. N-, K-, and P- fertilisers constitute the primary plant nutrients which are needed in large quantities for agricultural applications. In general, nitrogen is responsible for increased yield and quality, and as nitrogen rates increase, so does yield. Nitrogen is the most consumed nutrient, due to its important role in crop production. Nitrogen is primarily responsible for vegetative growth. Nitrogen assimilation into amino acids is the building block for protein in the plant.¹² Nitrogen fertilizers include anhydrous ammonia, urea, ammonium nitrate, and UAN solution. Urea is currently the most popular N- fertilizer source with about 54 percent of the world market and represents the major sectoral growth in the nitrogen industry.¹³
48. The CID noted that from a demand perspective, farmers choose fertiliser types based on type of soil or product hence the different types of fertilizers can each constitute a separate market. The CID recalled that it had previously considered that nitrogen-based fertilisers, potassium-based fertilisers, and phosphorous based fertilisers constituted distinct product markets as each type of soil or crop requires a different type of fertilizer, also, some restrictions of use would not allow the application of certain products in some countries.¹⁴
49. Noting that the acquiring group is active in the supply of different types of fertilizers (that is, nitrogen-based, potassium based and phosphorous-based) and in view of the approach adopted in similar cases, the CID considered that the **retail supply of nitrogen based, phosphorus based, and potassium-based fertilisers are distinct markets.**

Supply of seeds

¹⁰ Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively and Decision of the Ninety-First Committee Responsible for Initial Determinations Regarding the Proposed Merger involving SABIC Agri-Nutrients Company and ETG Inputs Holdco Limited

¹¹ See for instance CID Decisions in the Acquisition of ETG Input Holdings Limited by Government Employees Pension Fund of South Africa; Acquisition by Saudi Arabian Mining of Meridian Consolidated Investments Limited; Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

¹² <https://www.noble.org/news/publications/ag-news-and-views/2007/04/04/04-01-back-to-basics-the-roles-of-n-p-k-and-their-sources/>

¹³ <http://elixirfertilizers.com/>

¹⁴ Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd



50. The CID noted that the primary activities of the Target Companies are the production and supply of seeds, namely maize, wheat, sorghum, soyabean and sugar bean. The acquiring group is also involved in the supply of seeds in the Common Market.
51. The CID considered that seed breeding and seed commercialisation or production form part of the same market, having regard to the fact that there is a considerable degree of vertical integration by most seed breeders, including the target undertaking.¹⁵ This is in line with the decisional practice of the EC as seen in its 2004 decision in **Syngenta Cp/ Advanta**¹⁶ where it was held that “breeding of seed varieties and the production and sale of seeds can in general be included in one single relevant product market”. This position was upheld in **Bayer/Monsanto**¹⁷, where in determining that “the relevant product market includes both licensing and commercialisation of vegetable seeds”, the EC had regard to views from market participants that it was not appropriate to distinguish a market for the licensing of vegetable seed varieties from a market for the commercialisation of vegetable seeds as licensing is generally a secondary focus.

Segmentation by type of crop

52. The CID noted that the activities of the merging parties overlap with respect to the supply of maize seeds.
53. The CID considered that the different kind of seeds were not mutually substitutable and observed that seeds for different crops have been consistently held by the EC to constitute separate product markets. For instance, in **Bayer/Monsanto**, the relevant product assessment confirmed different product markets by type of vegetables, and accordingly their seeds, namely carrots, cucumber, eggplant, leek, lettuce, seeds for oilseed rape, seeds for cotton, amongst others, noting in particular that the parties adopted an overall strategy for vegetable seeds, which was further divided into specific strategies for each vegetable crop or group of vegetable crops.
54. The CID held the view that the same reasoning applies in the present case.

Segmentation by seed type

55. Within each crop category, the CID considered whether a further segmentation was warranted according to seed type. There are generally three types of seeds that are available to farmers; hybrid seeds which are a cross between two or more unrelated inbred plants; open-pollinated seeds which involve no crossing of lines; and seeds that are genetically modified. Hybrid seeds are produced by out-breeding natural crops. These seeds are produced through repeated self-pollination of parent plants. These seeds enhance the characteristics of subsequent plants, as they offer better yield, and disease resistance which helps in overall crop productivity.
56. Farmers generally prefer hybrid seeds given that genetically modified seeds are banned in almost all African countries and open-pollinated seeds have significantly lower yields.

¹⁵ Decision of the Fifty-Sixth Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Hytech Egypt USA LLC and Seedstone Holding

¹⁶ Case No COMP/M.3465 - Syngenta CP /Advanta

¹⁷ Case M.8084 – Bayer/Monsanto



Hybrid seeds also provide farmers with a one-season yield boost as they are produced by the physical pollination of different plants to achieve a desired combination of characteristics such as higher yield or better disease resistance.

57. The different characteristics of hybrid seeds compared to open-pollinated seeds were similarly observed in **Bayer/Monsanto**: “open-pollinated seeds are typically less costly to produce, as a field of a single variety can be planted in isolation from other varieties and left to pollinate, thereby producing such seeds. Hybrids result from controlled pollination that ensures the presence of specific traits (for example, yield or natural pest resistance) which open-pollinated varieties may not be able to replicate to the same degree. The most important feature of hybrid vegetable seeds is usually increased yield. Most hybrid vegetable seeds produce plants with yields 25% or more above a comparable open pollinated variety. However, these improved traits come with an increased price due to the increased costs associated with breeding and producing the seeds”.
58. In view of the foregoing reasons, the CID considered that hybrid seeds, which are supplied by the merging parties, form a distinct product market within each of the crop category identified.
59. Based on the foregoing assessment and without prejudice to the CID’s approach in similar future cases, the relevant product markets were considered as the:
- a. ***wholesale supply of fertilizer inputs;***
 - b. ***retail supply of herbicides;***
 - c. ***retail supply of insecticides;***
 - d. ***retail supply of fungicides;***
 - e. ***retail supply of nitrogen-based fertilisers;***
 - f. ***retail supply of phosphorus-based fertilisers;***
 - g. ***retail supply of potassium-based fertilisers; and***
 - h. ***supply of hybrid maize seeds.***

Relevant Geographic Market

60. The CID noted that Paragraph 8 of the Market Definition Guidelines defines the relevant geographic market as, “...the area in which the undertakings concerned are involved in the supply and demand of products or services, in which the conditions of competition are sufficiently homogeneous, and which can be distinguished from neighbouring areas because the conditions of competition are appreciably different in those areas”.

Wholesale supply of fertiliser inputs



61. The CID observed that the wholesale supply of fertilizer inputs is more likely than not to be global since players involved in this market compete at global level. The CID further observed that fertilizer inputs imported into the Common Market are mainly sourced from the Middle East, Russia and Ukraine among other sources.

Retail supply of herbicides, insecticides and fungicides

62. The CID observed that herbicides, insecticides and fungicides are mainly sourced from players operating in the global market. In view of this, the CID considered that the relevant geographic market in this case is global.

Retail supply of fertilisers

63. The CID observed that while nitrogen, phosphorus and potassium based fertilisers may be procured from the global or Common Market sources, this is not substantially likely for among other reasons, the fact that most Member States do blend these products at national level and the bulky nature of the products. The CID therefore concluded that the relevant geographic market is likely to be national in scope.

Supply of seeds

64. The CID considered that cross border trade in seeds only occurs in times of crisis and this does not have the critical mass to qualify a broader market than national. Restrictions such as non-tariff barriers may all make movement across borders improbable. There are therefore indications that the markets are likely to be national in scope as the seeds usually need to be adapted to local conditions with resistance to local diseases. The CID recalled that it had previously considered that seeds market should be viewed as national in scope, mainly because of the existence of national registration and/or national recommendation lists.¹⁸ In view of this, the CID concluded that the relevant geographic market was national in scope.

Conclusion of the Relevant Markets

65. Based on the foregoing assessment, and without prejudice to its approach in similar future cases, the CID identified the relevant markets as the:
- a. ***global supply of fertilizer inputs;***
 - b. ***global supply of herbicides;***
 - c. ***global supply of insecticides;***
 - d. ***global supply of fungicides;***
 - e. ***national supply of nitrogen-based fertilisers;***
 - f. ***national supply of phosphorus-based fertilisers;***
 - g. ***national supply of potassium-based fertilisers; and***

¹⁸ Decision of the Fifty-Sixth Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Hytech Egypt USA LLC and Seedstone Holding



h. national supply of hybrid maize seeds in Zambia and Zimbabwe.

Consideration of Substantial Lessening of Competition or “Effect” Test

Market Shares and Concentration

Global supply of fertilizer inputs

66. The CID was not in possession of the exact market share of the acquiring group for the global supply of fertilizer inputs. Notwithstanding this, the CID was of the view that the market is characterized by significant players including Meridian, Windmill and the acquiring group itself. The CID further noted that the fertilizer inputs supplied in the Common Market are sourced globally. The barriers regarding the importation of fertilizer inputs in the Common Market are fairly low. The CID was of the view that no player is likely to have market power in the global supply of fertilizer inputs.

Global supply of herbicides; insecticides and the supply of fungicides

67. The CID was not in possession of the exact market shares of the acquiring group for the respective supply of herbicides, insecticides and fungicides in the Common Market.
68. This notwithstanding, the CID noted the following market shares for the acquiring group in the above markets in Zambia and Zimbabwe from the **ETG/Curechem** transaction.¹⁹
69. Despite the relevant markets having been defined as global, the CID noted that the geographic overlaps in the activities of the merging parties were in Zambia and Zimbabwe only. The CID observed that the effects of the transaction were more likely to be felt in these two Member States. The CID was therefore of the view that the market share of the acquiring group could be taken as a basis to assess the competitive assessment of the transaction.

Table 1: Estimated market shares of EIHL and Curechem and their top competitors in the supply of the varieties of crop protection products in Zambia

Supplier	Insecticides		Herbicides		Fungicides	
	Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
Snow Trading	25%	25%	20%	20%	10%	10%
Osho Chemicals	20%	20%	20%	20%	15%	15%
Lusaka Agro vet	25%	25%	25%	25%	15%	15%

¹⁹ Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively



Supplier	Insecticides		Herbicides		Fungicides	
	Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
ETG Zambia	16%	19%	17%	20%	10%	11%
Curechem Zambia	3%		3%		1%	
Others	11%	11%	15%	15%	49%	49%
Total	100%	100%	100%	100%	100%	100%

Source: Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

70. The CID noted from Table 1 that the acquiring group's market share in the supply of insecticides, herbicides and fungicides were not significant compared to their competitors. The CID further noted that the acquiring group is not among the top three players in the relevant markets in Zambia. Given that the Target Companies do not supply any crop protection products in Zambia, the CID was of the view that the transaction was unlikely to change the market structure for the supply of crop protection products in Zambia.
71. With respect to the relevant crop protection markets in Zimbabwe, the CID noted from the previous transaction²⁰ that the market shares for Curechem were on average low when compared with competitors except for the market shares of herbicides where Curechem is among the top players. Considering that Curechem is now part of the acquiring group, Table 2 below presents the approximate market shares of the acquiring group in Zimbabwe.

Table 2: Estimated market shares of the merging parties and their top competitors in the supply of the pesticides in Zimbabwe

Supplier	Insecticides		Herbicides		Fungicides	
	Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
Fossil Agrochemicals	20%	20%	30%	30%	10%	10%

²⁰ Ibid



Supplier	Insecticides		Herbicides		Fungicides	
	Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
Technical Services / Acol	15%	15%	10%	10%	10%	10%
Crop Serve	10%	10%	5%	5%	15%	15%
Acquiring Group (inclusive of Curechem)	10%	10%	20%	20%	5%	5%
ETG Zimbabwe	Not available	Not available	Not available	Not available	Not available	Not available
Others	45%	45%	35%	35%	55%	55%
Total	100%	100%	100%	100%	100%	100%

Source: Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

72. The CID noted that the information gathered from players in Zimbabwe indicated that the crop protection market is fragmented. All crop protection products are imported into Zimbabwe. The information gathered from stakeholders in Zimbabwe indicated that the acquiring group would have a market share of around 5 – 10% in the broad crop protection market.

73. The above notwithstanding, given that the Target Companies did not supply any crop protection products in Zimbabwe, the CID considered that the transaction was unlikely to change the market structure of the respective crop protection products in Zimbabwe.

The national supply of nitrogen, phosphorus and potassium based fertilisers

74. The CID was not in possession of the exact market shares of the acquiring group in the Common Market for the respective supply of nitrogen, phosphorus and potassium based fertilisers. This notwithstanding, the CID noted the market shares below from the ETG/Curechem transaction and used these as an indicative reflection of the current market structure.



Table 3: Estimated market shares of ETG and their competitors in the supply of the different types of fertiliser products in Zambia

Supplier	Nitrogen-Based Fertilisers		Phosphorus-Based Fertilisers		Potassium-Based Fertilisers.	
	Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
Neira Investment Ltd	25%	25%	25%	25%	25%	25%
ETG Zambia	25%	25%	25%	25%	25%	25%
Omnia Zambia Ltd	20%	20%	20%	20%	20%	20%
Nyimba Fertilizers Ltd	20%	20%	20%	20%	20%	20%
FSG Fertilizers	15%	15%	15%	15%	15%	15%
Others	5%	5%	5%	5%	5%	5%
Total	100%	100%	100%	100%	100%	100%

Source: Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

75. As indicated in Table 3, the CID noted that the acquiring group is among the top three suppliers of the different types of fertilisers in Zambia. However, the CID also noted that the Target Companies do not currently provide these fertiliser types, hence the market structure in the relevant market will not change since the target does not supply the relevant product.
76. With regards to Zimbabwe, the CID noted the market shares of the acquiring group and its competitors for the supply of the different types of fertilizers in Zimbabwe as depicted in Table 4 below.



Table 4: Estimated market shares of the parties' and their top competitors in the supply of the different types of fertiliser products in Zimbabwe

Supplier	Nitrogen-Based Fertilisers		Phosphorus-Based Fertilisers		Potassium-Based Fertilisers.	
	Pre-merger	Post-merger	Pre-merger	Post-merger	Pre-merger	Post-merger
FSG Zimbabwe	60%	60%	60%	60%	60%	60%
ZFC	10%	10%	10%	10%	10%	10%
Omnia	5%	5%	5%	5%	5%	5%
Windmill	5%	5%	5%	5%	5%	5%
ETG Zimbabwe	5%	5%	5%	5%	5%	5%
Total	85%	85%	85%	85%	85%	85%

Source: Decision of the Eighty-Second Committee Responsible for Initial Determinations Regarding the Proposed acquisition of Curechem Zambia Limited and Curechem Overseas (Private) Limited by ETG Inputs Zambia Ltd and ETG Inputs Zimbabwe (Private) Ltd, respectively

77. The CID observed that according to information gathered from stakeholders in Zimbabwe, ETG held a market share of around 10 - 20%²¹ in the market for the supply of fertilisers to end customers. The information gathered also indicated that fertiliser products are homogeneous and competition is on the parameter of price.
78. The CID was therefore of the view that the market shares of the acquiring group in the fertilizer market in Zambia to be around 20 – 30% and Zimbabwe to be around 10 - 20% at most. The acquiring group is unlikely to be holding a dominant position in the market for fertilisers. Furthermore, considering that the view of the relevant geographic market was at least regional or at most global, the market shares of the acquiring group would be around 20 – 30% and 10 - 20% in Zambia and Zimbabwe, respectively. The CID therefore considered that the transaction would not raise any competition concerns in the relevant markets. However, the CID was alive to the fact that ETG is a significant player in the wholesale supply of fertiliser inputs in Zimbabwe. Coupled with the fact that ETG also operates in the downstream market for blended fertilisers in Zimbabwe, the CID was of the view that the transaction was likely to have vertical effects in Zimbabwe. Nevertheless, the vertical concerns may not be sustainable, as ETG may lack power to



give it unfettered influence. In any case, any vertical concerns would be addressed by commitments submitted by the parties.

Supply of hybrid maize seeds in Zambia and Zimbabwe

79. The CID noted the parties' submission that they estimated the market shares of ETG as 5 – 10% and that of the Target Companies as 5 – 10% in the general seeds market in Zambia. The CID considered the parties' submission that the remaining 90% of the market was held by competitors and the seeds market was very competitive. Further, the parties' top 3 competitors for seeds were Pannar Seeds holding 20 - 30% market share, SeedCo holding 20 - 30% market share, Synergy holding 10 - 30% market share, ZamSeeds holding 10 - 30% market share while the remaining suppliers account for 30 - 40% of the market.

With respect to the supply of hybrid maize seeds in Zimbabwe, the CID noted the parties' submission that they estimated the market shares of ETG at 5 – 10% and of the Target Companies as 5 – 10%. The CID further noted the parties' submission that the market shares of their competitors are as follows; SeedCo (50 - 60%), Valley Seeds (20 - 30%), Zadzamatura (0 -10%), and Others (0 -10%).

80. The CID noted that in Zimbabwe there is a high degree of brand loyalty with regard to hybrid maize seeds. The main player in the supply of hybrid maize seeds is SeedCo and the brand loyalty explains its high market shares. The CID noted that SeedCo is the leader in terms of hybrid seeds production while Valley Seeds is the leader in terms of sales value for hybrid maize seeds. The market shares of the Targets for hybrid maize were estimated to around 10 -20% in Zimbabwe.
81. The CID was of the view that the market position in the general seeds market should be considered when assessing the individual market shares in the respective seeds market. To this end, the CID was of the view that the transaction would confer upon the merged entity a combined market share of 10 - 20% in Zambia and 10 - 20% in Zimbabwe with respect to the supply of hybrid maize seeds.
82. The CID therefore concluded that the merged entity would not be in a dominant position in the seeds market in both Zambia and Zimbabwe and would therefore not hold any significant market power in these Member States. This notwithstanding, the CID was alive to the fact that the transaction will bring together a significant supplier for fertiliser inputs, seeds, blended fertilisers and agro-chemicals under one roof. The CID was also concerned that despite the existence of brand loyalty to seeds, ETG may consolidate its own seeds with the brands of the Target Companies, thereby reducing the choice of seed brands available to farmers in Zimbabwe.

Consideration of Dominance/ Unilateral Effects

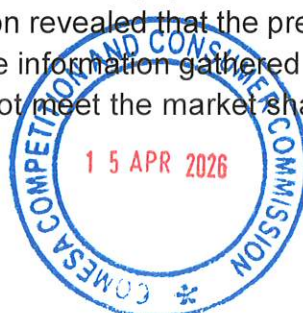
83. The CID noted that in each of its defined markets, the market shares of the merging parties were not significant.



84. With respect to the horizontal overlap, the CID noted that the market shares of the merging parties in the seeds market were significantly lower than their competitors.
85. The CID observed that the proposed merger would therefore not result in the creation of a dominant position for the merged entity that would allow them to engage in unilateral conduct in the Common market.
86. The above notwithstanding, being also a manufacturer of fertiliser and a retail supplier of the manufactured fertiliser in Zimbabwe, the CID was of the view that the transaction was likely to lead to input foreclosure in Zimbabwe.
87. The CID further noted that the activities of ETG range across the agricultural input sector in Zimbabwe. The CID was, therefore, of the considered view that the transaction may have portfolio effects in Zimbabwe, whereby the market power of ETG for the supply of fertiliser inputs may be leveraged in the other market where it faces significant competition, that is the markets for blended fertilisers, seeds and agro-chemicals.
88. The CID therefore assessed whether the transaction could raise vertical and conglomerate effects in view of the nature of the operations of the merging parties.

Consideration of Non-Horizontal Effects

89. The CID noted that there are vertical and conglomerate links between the parties' operations in the relevant markets above as the merging parties produce different but related inputs for farming.
90. For this reason, the CID considered whether the transaction will confer upon the merged entity the ability and incentive to:
 - i. Engage in input or customer foreclosure;
 - ii. Tie and bundle its products to farmers; and
 - iii. Leverage its market position from markets where it does not face competitive restraints to where it faces strife competition.
91. The CID noted that while the transaction is likely to enhance and heighten the degree of vertical integration, such concerns are not significant. This is because the parties are not major players in both the upstream and downstream markets to make input or customer foreclosure profitable and sustainable.
92. The CID took the view that the merged entity will not have the ability and incentive to tie or bundle its products to farmers because none of its seeds, fertiliser and crop protection chemical products are viewed as essential inputs by the end users, which are farmers. On the hybrid maize seeds market, the CID was of the view that that this market was characterised by brand loyalty. The hybrid maize seeds products of both the acquiring group and the target are not the most popular brands. The CID noted that the information gathered by the Commission revealed that the preference is for the products of SeedCo in the Common Market. The information gathered by the Commission also revealed that the acquiring group does not meet the market share threshold of 30% in the respective



fertiliser and crop protection products in the Common Market for it to engage in anti-competitive conduct facilitated by portfolio effects. The CID was therefore of the view that the acquiring group does not have market power and lacks the ability and incentive to engage in tying and bundling in the relevant markets.

93. The CID was of the view that tying and bundling is also not likely because the seeds market is characterized by significant brand loyalty and additionally, fertiliser products being homogenous, any customer may obtain the required products from any other supplier.
94. The CID was, however, concerned that the transaction could raise vertical effects as fertiliser is used as an input for the production of seeds and conglomerate effects by combining fertilizer inputs, seeds, fertilisers and agro-chemicals in Zimbabwe. The CID noted that the ability and incentive to engage in foreclosure required market power at one level of the supply chain. The CID noted that ETG does not possess market power to sustain foreclosure behaviour. However, out of abundance of caution, the CID observed the commitments submitted by the parties and was satisfied that they were sufficient to address any vertical competition concerns that may arise.

Consideration of Coordinated Effects

95. Given that there are minimal overlaps between the activities of the merging parties in the hybrid maize seeds market, the CID was of the view that the transaction would not removing any significant competitor from the relevant market and therefore will not create any added incentive for the existing players to engage in successful collusion.
96. The CID also observed that the relevant markets are fragmented which makes coordinated effects post the transaction unsustainable and less likely.

Commitments submitted by the parties

97. However, while noting that the transaction was not likely to result in a substantial lessening or prevention of competition, out of abundance of caution, the Commission presented to the parties, concerns raised from the transaction in relation to Zimbabwe. The parties expressed their willingness to submit commitments to address the competition concerns raised by the transaction. On 27 March 2026, the parties submitted the commitments to the Commission.

Determination

98. After deliberating on the case, the CID determined that the merger is not likely to substantially prevent or lessen competition in the Common Market or a substantial part of it. However, vertical and portfolio effects were observed in the transaction and out of abundance of caution, considered the remedies submitted by the parties.
99. The CID therefore approved the transaction subject to the following commitments submitted by the parties as reproduced in the Annex 1 to this decision.



100. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 15th day of April 2026

Commissioner Mahmoud Momtaz (Chairperson)

Commissioner Lloyds Vincent Nkhoma Commissioner Luyamba Kizito Mpamba

