



COMESA Competition Commission

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**Common Market for Eastern
and Southern Africa**

Case File No. CCC/MER/07/32/2025

**Decision¹ of the 122nd Meeting of the Committee Responsible
for Initial Determinations Regarding the Proposed
Acquisition of Sole Control by NICO Holdings PLC over NICO
Insurance Zambia Limited**

ECONOMIC SECTOR: Insurance



28 November 2025

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 Where possible, the information omitted has been replaced by ranges of figures or a general description.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

Desirability of the overriding objective of the Treaty establishing the Common Market for Eastern and Southern Africa (the "Treaty"), namely the strengthening and achieving convergence of COMESA Member States' economies through the attainment of full market integration;

Cognisant of Article 55 of the Treaty;

Having regard to the COMESA Competition Regulations of 2004 (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 16 October 2025, the Commission received a notification for the approval of the merger involving NICO Holdings Plc ("**NICO Holdings**", or the "**acquiring firm**") and NICO Insurance Zambia Limited ("**NICO Zambia**", or the "**target firm**"), pursuant to Article 24(1) of the Regulations.
2. 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.
3. Pursuant to Article 13(4) of the Regulations, there is established a Committee Responsible for Initial Determinations, referred to as the CID. The decision of the CID is set out below.



The Parties

NICO Holdings (the “acquiring firm”)

4. NICO Holdings is a limited liability company incorporated in Malawi and listed on the Malawi Stock Exchange. The core activities of NICO Holdings and its controlled portfolio investments (together the “**acquiring group**”) include general insurance, life insurance, pension services, banking, corporate finance advisory and asset management services.
5. The parties submitted the acquiring group’s-controlled portfolio companies with activities in the Common Market as presented in Table 1 below.

Table 1: List of the acquiring group’s-controlled portfolio companies with activities in the Common Market²

Name of portfolio company	Description of activities	Member State
NICO General Insurance Company Ltd	General insurance (including motor insurance (private and commercial vehicle cover (accident, theft, third-party etc)), home insurance, all risks insurance, personal accident insurance, travel insurance, specialty cover for niche products like golfer's liability insurance, business/commercial insurance for fleet, property, liability, engineering, marine, and transit, and agriculture insurance).	Malawi
NICO Life Insurance Company Ltd	Life assurance (including individual plans covering savings plus life cover, child saver/education savings plus life cover, savings protection plan, endowment assurance, funeral plans, and group/corporate plans covering group life assurance, credit & mortgage Protection, group funeral plans, pensions / annuities and deposit administration & managed funds)	Malawi
NICO Pension Services Ltd	Pension services (including pension fund management, group pension schemes, minor's trust, gratuity fund, non-guaranteed fund, flexible pension options allowing access before retirement without restrictions, programmed withdrawal plan enabling retirees to withdraw pension savings in scheduled instalments post a lump sum withdrawal)	Malawi
NICO Asset Managers Ltd	Asset management services (including investment management such as corporate investment plans, private wealth management for individuals and	Malawi

² Information claimed as confidential by merging parties.



	families, group fund management (set up and management of joint investment vehicles for groups), trust fund management, short-term/ money market management, investor services & corporate finance advisory and project and corporate financing)	
NICO Technologies Ltd	IT services (including digital transformation, managed IT services, IT project management, IT infrastructure services, on-site and remote IT support for individuals and organizations, digital solutions, IT advisory, and card printing)	Malawi
NICO Capital Ltd	Corporate finance (including corporate finance advisory (including transaction structuring, valuations, M&A advisory, and capital raising), project finance, private equity & deal advisory, debt & equity capital markets advisory, strategic advisory (business strategy reviews, restructuring, and financial modelling) and investment structuring)	Malawi
NBS Bank Plc	Banking services (including personal deposit accounts, personal credit products, SME banking, corporate banking, digital banking and bancassurance)	Malawi
Eris Properties Limited	Property management and development services	Malawi

NICO Zambia (The “target firm”)

6. The parties submitted that NICO Zambia is a private limited liability company incorporated in Zambia. NICO Zambia’s core business is the provision of general insurance services to both corporate and individual clients in Zambia. NICO Zambia’s general insurance services provided in Zambia include:
- (i) Motor insurance, which includes third party and comprehensive vehicle coverage;
 - (ii) Fire insurance which covers commercial and personal property against fire and allied perils;
 - (iii) Marine and Cargo insurance which is offered to businesses involved in import and export;
 - (iv) Personal accident & group life which include workplace focused insurance packages distributed through employer partnerships and cooperative groups; and



- (v) Engineering insurance coverage, including loss or damage to contract works, plant, machinery, and equipment; project delays, and liabilities arising from third party property damage and third-party bodily injury.

Jurisdiction of the Commission

7. 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".*
8. The undertakings concerned have operations in two or more Member States. The undertakings concerned held a combined annual asset value in excess of the threshold of USD 50 million in the Common Market and they each held annual asset value of more than USD 10 million in the Common Market. In addition, the parties did 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

9. The proposed transaction entails that NICO Holdings will acquire an additional 49% shares in NICO Zambia from Sanlam Allianz Africa (Proprietary) Limited ("**SAZ**", or the "**Seller**"), with NICO Holdings holding 51%. Following completion of the transaction, NICO Zambia will be a wholly owned subsidiary of NICO Holdings.



Competition Analysis

Consideration of the Relevant Markets

Relevant Product Market

10. Paragraph 7 of the COMESA Guidelines on Market Definition stipulates that *“relevant product market comprises all those products and/or services which are regarded as interchangeable or substitutable by the consumer/customer, by reason of the products’ characteristics, their prices and their intended use”*.
11. The CID observed from the parties’ submissions that the acquiring group’s core activities include the provisions of general insurance services, life assurance services, pension services, banking services, corporate finance advisory services, and asset management services in Malawi.
12. On the other hand, the target firm’s core business is the provision of general insurance services, such as motor insurance, fire insurance, marine and cargo insurance, personal accident & group life insurance services, and engineering insurance policies to both corporate and individual clients in Zambia.
13. In line with Paragraph 8.4 of the COMESA Merger Assessment Guidelines, given that this transaction is a horizontal merger, the CID’s product market assessment focused on the overlap in the activities of the parties. Thus, the assessment focused on the general insurance services.

The provision of insurance services

14. The CID noted that the provision of insurance services entails the provision by a company of a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a specified premium. The CID also noted that insurance services can traditionally³ be distinguished into the following three broad categories based on the intended purpose, characteristics, and prices/premiums:
 - a) Life insurance is a long-term agreement between the customer and insurance company.⁴ It entails the coverage against the risk of death whether in the form of assurance on survival to stipulated age; death; or insurance against personal injury and disability resulting from accident or sickness.⁵

³ See for instance Decision of the 91st Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Sanlam Limited and Allianz SE, dated 10 February 2023; the 85th CID regarding the Proposed Acquisition by Allianz SE of certain assets relating to Aetna Global Benefits (UK) Limited’s International Private Health Insurance Business, dated 2nd August 2022; the 81st CID regarding the Proposed Merger involving Standard Bank Group Limited and Liberty Holdings Limited, dated 20th February 2022, and the 45th CID regarding the Proposed Acquisition by Sanlam Emerging Markets (Ireland) Limited of Saham S.A., dated 4th October 2018.

⁴ Decisions of the Eighty-Fifth (85th) CID Regarding the Proposed Acquisition by Allianz SE of certain assets relating to Aetna Global Benefits (UK) Limited’s International Private Health Insurance Business.

⁵ <https://www.acko.com/general-info/non-life-insurance>, accessed on 18th November 2025.



- b) General insurance generally includes insurance against risks such as accidents, fire, damage to property, motor vehicle liability, aircraft liability, miscellaneous financial loss and legal expenses⁶. It is an agreement between customer and insurance company to cover for loss or damage of property and includes motor vehicle insurance, home insurance and health insurance.
- c) Reinsurance consists in providing insurance cover to another insurer for some or all of the liabilities assumed under its insurance policies, in order to transfer risk from the insurer to the reinsurer.
15. The CID observed that the target's insurance products are in the general insurance segment and as such it limited its assessment to this segment.
16. The CID noted that general insurance is a contract of indemnity where the claim is triggered upon loss or damage of an insured property and is typically contracted for shorter periods,⁷ with typical durations being coverage for one year or less. The risks covered by general insurance covers are diverse and can relate to risks such as accidents, fire, damage to property, motor vehicle liability, aircraft liability, miscellaneous financial loss and legal expenses.⁸
17. The CID considered that from a demand perspective, each general insurance policy sub-segment covers different categories of risk and therefore exhibits distinct characteristics, premiums, and purposes. For purposes of this assessment and having regard to the target's general insurance product portfolio, the CID further considered potential segmentation of general insurance into motor insurance, fire insurance, marine and cargo insurance, personal accident & group life insurance services, and engineering insurance policies. The CID observed that the major classes of general insurance underwritten in Zambia include fire, accident, motor, marine/aviation, engineering and agriculture.⁹
18. The CID noted that motor insurance comprises cover for cars, trucks, motorcycles, and other road vehicles. In most Member States, this type of insurance is regulated in accordance with the Road Traffic Regulations and in some cases, it is mandatory for all users of motor vehicles to have at least a third-part liability cover.
19. The CID also noted that fire insurance policies provide cover for commercial and personal property against fire and related perils while marine and cargo insurance services cover risks associated with the import and export of goods and are typically purchased by businesses engaged in regional and international trade. The CID noted that personal accident insurance cover offer compensation in the event of accidental death or disability, often in the form of lump-sum payments or

⁷ See the 121st Meeting of the CID the Proposed Acquisition of Delta Insurance S.A.E. by Wafa Assurance, dated 10 November 2025.

⁸Ibid.

⁹ See <https://www.iaz.org.zm/wp-content/uploads/Industry-Report-2022.pdf>, accessed on 19 November 2025.



reimbursement of medical expenses while engineering insurance includes coverage against a vast range of contingencies, from loss or damage to contract works, plant, machinery, and equipment; project delays, and liabilities arising from third party property damage and third-party bodily injury.¹⁰

20. The CID considered that from a demand perspective, the various sub-segments differ in terms of the risks covered, premiums, and intended purposes, confirming the potential for further segmentation for the purposes of competition assessment.
21. From a supply-side perspective, the CID considered that most large insurance companies provide various types of general insurance products. The CID recalled that from its decisional practice that there is a potential degree of supply-side substitutability as most large providers of general insurance typically provide a range of insurance products.¹¹ However, the CID considered that the degree of supply-side substitutability must be balanced against the degree of demand-side substitutability, especially in instances where the delineation of the relevant market may affect the outcome of the competitive assessment. The CID considered that in the absence of any reasonable demand substitution, supply-side substitution cannot on its own be a determining factor in establishing a relevant market.
22. The CID, therefore, observed that in the various sub-segments of general insurance policies, there is no demand substitution capable of occurring as each product is intended to cover a very specific risk. The demand for these products is further influenced by specific legislative requirements, for instance, the purchase of motor vehicle insurance is a legal requirement in most Member States. The CID thus observed that the mere presence of supply side substitution does not suffice in this case to conclude that the various types of general insurance products constitute effective substitutes and thus comprise a single market.
23. The CID considered that the different types of general insurance products have different risk coverage, premiums, and intended purposes and, therefore, potential for further segmentation. Notwithstanding the potential for narrower market segmentations, the CID considered that for the purposes of conducting a competitive assessment in this transaction and considering the nature of the transaction which is movement from joint to sole control, identifying a broad market of general insurance would suffice. The CID observed that any further segmentation of the general insurance market would not alter the competitive assessment of the proposed transaction.

¹⁰ See <https://uibme.com/blogs/what-is-engineering-insurance-and-why-do-you-need-it/>, accessed 19 November 2025.

¹¹ See decision of the 91st Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Sanlam Limited and Allianz SE, dated 10 February 2023; and the Seventy-Fifth (75th) Committee Responsible for Initial Determination Regarding the Proposed Acquisition of the Property and Casualty Business and Medical Insurance of Jubilee Holdings Limited by Allianz Africa Holding GmbH, dated 16th April 2021.



24. In view of the above and for purposes of this transaction, the CID identified the relevant product market as the **market for the provision of general insurance services**.

Relevant Geographic Market

25. The COMESA Guidelines on Market Definition define the relevant geographic market as follows:

"The relevant geographic market comprises 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".

26. The CID considered that the geographic scope for the provision of general insurance services is likely to be national as most general insurance providers are licensed to provide their services within national territories.
27. The CID observed that the target provides its general insurance services in Zambia only. In line with its decisional practice, the CID considered that the relevant geographic market for general insurance services was national.¹² The CID further considered that identifying a national market was justified in view of the distribution channels, established product brands, fiscal constraints for cross-border insurance services and differing regulatory systems that exist across various Member States.
28. The CID further noted that insurance companies tend to operate within the confines of the national law of a particular country by virtue of regulatory requirements pursuant to which they obtain operating licenses. The licenses allow them to operate only within the national boundary of that country.
29. The CID was, however, mindful that the geographic market for international corporate insurance customers could be wider than national. However, this may only apply to a small sample of clients which may not be representative of most ordinary customers. The CID observed that the service providers are required to distribute their products in the Common Market through local partners which hold the distribution license within these territories, thus limiting the market to national.
30. In view of the forgoing and given the operations of the target, the CID considered that the relevant geographic market for provision of general insurance services was Zambia.

¹² See the 121st Meeting of the CID the Proposed Acquisition of Delta Insurance S.A.E. by Wafa Assurance, dated 10 November 2025; and the 91st Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Sanlam Limited and Allianz SE, dated 10 February 2023.

Conclusion on Relevant Market

31. Based on the foregoing assessment, and without prejudice to the CID's approach in similar future cases, the relevant market was identified as ***the provision of general insurance services in Zambia***.

Consideration of Substantial Lessening of Competition or "Effect" Test

Market Shares and Concentration

32. The CID considered the estimated market shares of the target and its competitors in the provision of general insurance services in Zambia as presented in Table 2 below.

Table 2: Estimated Market Shares of the Target and its competitors in the provision of general insurance services market for 2023¹³

General insurance providers	Estimated market share%		
	2021	2022	2023
PICZ (Professional Insurance Corporation Zambia PLC)	32.65	31.17	30.8
ZSIC General Insurance Limited	13.25	14.99	16.4
<i>NICO insurance Zambia (the target firm)</i>	<i>13.97</i>	<i>13.34</i>	<i>10</i>
Hollard Insurance Zambia Limited	8.50	9.09	8.3
Swan General Insurance Company Zambia Limited	3.39	3.61	7.2
Madison General Insurance Company Zambia Limited	8.37	6.56	5.9
Mayfair Insurance Company (Z) Limited	8.62	4.18	4.5
African Pride Insurance Company Limited	2.98	2.96	3.5
Goldman Insurance Limited	0.00	3.05	2.8
Savenda General Insurance Limited	1.37	0.99	1.9
Golden Lotus Insurance Company Limited	0.00	1.71	1.6
Phoenix of Zambia Assurance Company Limited	1.98	1.42	1.3
A-Plus General Insurance Limited	0.00	1.09	1

¹³ See <https://www.pia.org.zm/>, and <https://www.iaz.org.zm/wp-content/uploads/Industry-Report-2022.pdf>, accessed on 18 November 2025.



Advantage Insurance Limited	0.00	1.22	0.9
Discover General Insurance Limited	0.00	0.29	0.8
General alliance Insurance Zambia Limited	1.55	1.16	0.8
African Grey Insurance Limited	1.21	0.99	0.7
Adelvis General Insurance Limited	0.43	0.58	0.4
Innovate General Insurance	1.09	0.83	0.4
Veritas General Insurance Plc	0.33	0.36	0.3
Klapton General Insurance	0.00	0.00	0.3
Indigo General Insurance Limited	0.00	0.13	0.2
Meanwood General Insurance Limited	0.31	0.26	0.0
Total	100	100	100

33. The CID observed that the general insurance market in Zambia is fragmented with several steadily growing players and is dominated by a few key players, namely Professional Insurance Corporation Zambia PLC, ZSIC General Insurance Limited and NICO Zambia. The CID further noted that the general insurance premiums in Zambia had grown by ZMW 1.96 billion between 2018 - 2022, a growth rate of 103%.¹⁴ The general insurance market in Zambia was further poised for growth, driven by rising awareness of the importance of insurance coverage and increasing demand for insurance coverage among its population.¹⁵ The CID considered that there was a huge potential for expansion and entry into the relevant market.
34. The CID noted that the acquiring firm operates in Zambia through its shareholding of 51% in the target. The CID noted that the proposed transaction would not change the structure of the general insurance market since the transaction would only result in a change from joint to sole control. The CID considered that the proposed transaction would not therefore result in any market share accretion in the provision of general insurance market in Zambia.
35. The CID further observed that the merged entity will continue to face competition from other players in the relevant market. Therefore, the CID concluded that the proposed transaction was unlikely to negatively impact competition in the relevant market.

¹⁴ See <https://www.iaz.org.zm/wp-content/uploads/Industry-Report-2022.pdf>, accessed on 19 November 2025.

¹⁵ See <https://www.statista.com/outlook/fmo/insurances/non-life-insurances/zambia>, accessed on 19 November 2025.



Determination

36. The CID therefore determined that the merger was not likely to substantially prevent or lessen competition in the Common Market or a substantial part of it, nor will it be contrary to public interest. The CID further determined that the transaction was unlikely to negatively affect trade between Member States.
37. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 28th day of November 2025

Commissioner Mahmoud Momtaz (Chairperson)

Commissioner Lloyds Vincent Nkhoma

Commissioner Vipin Naugah

