



Advancing Regional Integration
through Competitive Markets
and Empowered Consumers

Case File No. CCC/MER/09/36/2025

Decision¹ of the 124th Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Acquisition of the Global Cellulose Fibers business of International Paper Company by AIPCF VIII Global Corp Holding LP

ECONOMIC SECTOR: Manufacturing (Wood pulp)



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 Where possible, the information omitted has been replaced by ranges of figures or a general description.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

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 25 October 2025, the COMESA Competition Commission (“**Commission**”) received a notification for approval of a merger regarding the proposed acquisition of the Global Cellulose Fibers business (“**Global Cellulose**”, or the “**Target**”) of International Paper Company (“**International Paper**”) by AIPCF VIII Global Corp Holding LP (“**AIPCF VIII**” or the “**Acquiring 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

AIPCF VII (the “Acquiring Firm”)

4. AIPCF VIII, the Acquiring Firm, is an Alternative Investment Vehicle to American Industrial Partners Capital Fund VIII LP, managed by AIP, LLC (doing business as “American Industrial Partners”) (collectively, “**AIP**”), a private equity firm based in the United States of America.
5. AIP is an operationally oriented middle-market private equity firm based in New York that focuses on buying and improving industrial businesses. AIP seeks to combine the judgment and the value creation capabilities of a strategic buyer with the execution capabilities of an experienced financial buyer. Its investors consist of institutional investors that include, but are not limited to, public and corporate pension plans, sovereign wealth funds, insurance companies, fund of funds, foundations, university endowments, and other private and public funds. The parties further submitted that the acquiring firm does not directly or indirectly control any firms incorporated in the Common Market.
6. Within the Common Market, the acquiring firm generated turnover from the Democratic Republic of Congo (the “**DRC**”), Egypt, Ethiopia, Kenya, Libya, Madagascar, Mauritius, Rwanda, Tunisia, Uganda, Zambia and Zimbabwe.

Global Cellulose (the “Target”)

7. Global Cellulose, the Target, is part of International Paper, is a global business focused on sustainable packaging solutions, producing renewable fiber-based packaging and pulp products. The parties further submitted that Global Cellulose mainly produces cellulose fibers, a renewable raw material used in a wide range of everyday products, including diapers, tissue and towel products, feminine care, incontinent items, and other personal care products. The Target exports its products globally, including to the Common Market, from its production facilities in the USA, Canada, and Poland.
8. Within the Common Market, the Target operates in the DRC, Egypt, Ethiopia, Kenya, Madagascar, Rwanda, Tunisia, Zambia and Zimbabwe.

Jurisdiction of the Commission

9. 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”.*
10. 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

11. The notified transaction entails the acquisition of sole control by AIPCF VIII over the Global Cellulose Fibers business of International Paper.

Competition Analysis

Consideration of the Relevant Markets

12. The CID noted the acquiring group is a private equity firm that focuses on buying and improving industrial businesses. One of its portfolio companies, Attindas Hygiene Partners ('Attindas', United States), designs, manufactures and markets absorbent hygiene products. The CID noted that Attindas sells adult incontinence products and infant diapers, among other products, into healthcare, and retail channels.
13. The CID also noted that the Target manufactures and supplies cellulose fibers, a renewable raw material used in a wide range of everyday products, including diapers, tissue and towel products, feminine care, incontinent items, and other personal care products.
14. The CID observed that the proposed transaction would not raise any horizontal overlaps since the merging parties did not provide similar activities. However, the CID observed that given that the Target is active in the manufacture and supply of cellulose fibers (an input for manufacturing of absorbent hygiene products) while the acquiring group manufactures absorbent hygiene products, vertical overlaps existed. Therefore, the CID focused its assessment of the product market on the manufacture and supply of cellulose fibers and absorbent hygiene products as further discussed below.



Manufacturing and sale of cellulose fibers

15. The CID noted that the Target manufactures and sells cellulose fibers (also called wood pulp), an input for the manufacturing of a range of everyday products such as diapers, tissue and towel products, feminine care, incontinence items.
16. The CID also noted that wood pulp is a fibrous material produced by separating the cellulose fibers from wood. It is a dry fibrous material made from wood, used to manufacture different paper products (such as tissue, writing paper, paperboard). Pulp is composed of cellulose fibers, which are either retrieved from wood ("virgin fibers", "virgin fiber pulp") or from recycled paper ("recycled fibers", "recycled fiber pulp").² Virgin fibers are the input to wood pulp; recycled fibers to recycled pulp. In addition, pulp can also be composed of non-wood fibers (obtained from cotton, linen or bamboo).
17. The CID observed that there exist different types of wood pulp in terms of fiber length, namely hardwood pulp and softwood pulp. Hardwood pulp is made from non-coniferous (broadleaved) trees (trees that do not have needles or cones).³ Such trees include birch, eucalyptus, aspen, beech, hornbeam, ash, maple, acacia, quercus-cerris, oak, alder, poplar, willow, chestnut. The wood of these trees contains short, thick walled fibers and provides softness, smoothness, brightness, opacity and printability properties. On the other hand, softwood is the wood from coniferous trees, such as pine, spruce, fir, hemlock, larch, cedar.⁴ The wood of these trees is composed of long fibers. Softwood pulp contains long fibers which mainly provide strength.
18. The CID also observed that the market for wood pulp can be further segmented based on the production process used for the separation of the fibers ("chemical pulp" or "mechanical pulp"), finish ("bleached pulp" or "unbleached pulp"), fiber length ("hardwood pulp" or "softwood pulp") and type of wood.⁵ With regard to the production process used to separate the fiber, wood pulp can be either mechanical or chemical, where the former is produced by weakening and separating fibers from wood via mechanical grinding or refining whereas the latter is generally used for lower grade papers, such as newsprint and catalogues, since the fibers' strength and the age resistance of the resulting pulp are lower than that of chemical pulp.
19. Notwithstanding the potential for narrower market segmentations, the CID observed that there are no existing horizontal overlaps between the activities of the merging parties. As such, the segmentation of the wood pulp market would not alter the competitive analysis of the proposed transaction. Therefore, for purposes of the assessment of the transaction, the CID identified the market for **the manufacture and sale of wood pulp**.

² See Case M.8951 - SUZANO PAPEL E CELULOSE / FIBRIA CELULOSE.

³ <https://www.cepi.org/wp-content/uploads/2025/01/2025-CEPI-Definitions-and-Concepts.pdf>, accessed on 12 January 2026.

⁴ Ibid.

⁵ See Case M.8951 - SUZANO PAPEL E CELULOSE / FIBRIA CELULOSE.



Manufacture and sales of absorbent hygiene products

20. The CID noted that the acquiring group, manufactures and sales absorbent hygiene products, including briefs, infant diapers, bladder control pads, male guards, sanitary towels, pads, underpads, underwear, and wipes.
21. The CID considered that, while it can be argued that from a demand perspective, the sub-segments serve different end uses, there is a high degree of supply-side substitutability. Manufacturers utilize substantially similar raw materials and rely on similar converting machines and common distribution channels (supermarkets and pharmacies).⁶ Further, a segmentation of the absorbent hygiene product market is not likely to alter the competitive analysis of the proposed transaction hence the CID considered that it was not necessary to segment the market further.
22. Consequently, for purposes of the assessment of the transaction, **the manufacture and sale of absorbent hygiene product** was identified as a relevant market.
23. For the purposes of conducting a competitive assessment of the transaction, the CID determined the relevant product markets as the:
 - a. **manufacture and sale of wood pulp; and**
 - b. **manufacture and sale of absorbent hygiene products.**

Relevant Geographic Market

24. Paragraph 8 of the Market Definition 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”**.
25. The CID considered that the relevant geographic market for the manufacture and sale of wood pulp and the manufacture and sale of absorbent hygiene product markets is likely to be at least the Common Market. It was considered that these products are sourced from a range of suppliers that operate outside the Common Market. Thus, in terms of substitution, the alternative locations from which distributors in the Common Market can source the relevant products in likely beyond the Common Market and may be as wide as global.
26. For instance, the CID observed that Brazil, Canada, United States, Indonesia, Chile, Finland, Sweden, Uruguay, and Russia were the top wood pulp suppliers to the global market in 2023.⁷ Further, both the acquiring group and the Target do not have physical manufacturing facilities or trading depots within the Common Market despite their products being present on the market. The CID noted that Attindas Hygiene

⁶ See <https://www.6wresearch.com/industry-report/zambia-absorbent-pads-market>, accessed on 31 January 2026.

⁷ See <https://www.statista.com/statistics/1332474/global-distribution-of-wood-pulp-exports-by-country/?srsltid=AfmBOopiq9IDtN8PO4QvZ5xKrKU2zXXp5yjr7iW29tADovQEJa0kSORd>, accessed on 26 January 2026.



Partners, a portfolio company of the acquiring group, exports its absorbent hygiene products to the global market, including to Mauritius, from its manufacturing facilities in USA, Sweden, and Spain.⁸ The CID further observed from the submission by the Competition Commission of Mauritius that Attindas Hygiene Partners supplies absorbent hygiene products to its customers in Mauritius despite having no statutory registration or physical presence within the Country. The CID also observed that the Target exports its wood pulp products to the global market, including the Common Market, from its manufacturing facilities in the United States.⁹

27. The CID observed that Zambia`s absorbent pads import market in 2024 continues to be dominated by key exporters such as Kenya, South Africa, China, India, and Taiwan.¹⁰ The CID further observed from the parties` submission that Suzano SA (Brazil)¹¹ and Metsa Group (Finland)¹² are among the target firm`s top competitors globally, including within the Common Market. This is indicative of the geographic scope for the manufacturing and sale of wood pulp and the manufacturing and sale of absorbent hygiene products being broader than the national market and potentially global.
28. In view of the forging considerations and recognizing that the transaction under review does not raise competition concerns under any alternative market definition, the relevant geographic market for the manufacturing and sale of wood pulp and the manufacturing and sale of absorbent hygiene products is construed to be global.

Conclusion of Relevant Market Definition

29. For the purposes of assessing the proposed transaction, and without prejudice to its approach in future similar cases, the CID identified the following relevant markets:
- a. **global market for the manufacture and sale of wood pulp; and**
 - b. **global market for the manufacture and sale of absorbent hygiene products.**

Consideration of Substantial Lessening of Competition or “Effect” Test

Market Shares and Concentration

30. The CID noted that the proposed transaction would not result in market share accretion or structural changes within the Common Market, as there were no horizontal overlaps between their activities. The transaction will not remove any competitor from the market and the combined entity will continue to face competition from existing players.

⁸See <https://www.attindas.com/our-presenc> , accessed on 26 January 2026.

⁹ See <https://www.internationalpaper.com/about-international-paper>, accessed on 26 January 2026.

¹⁰ See <https://www.6wresearch.com/industry-report/zambia-absorbent-pads-market>, accessed on 26 January 2026.

¹¹ See <https://www.suzano.com.br/en/suzano/about-us>, accessed on 26 January 2026.

¹² See <https://www.metsagroup.com/contacts/>, accessed on 26 January 2026.



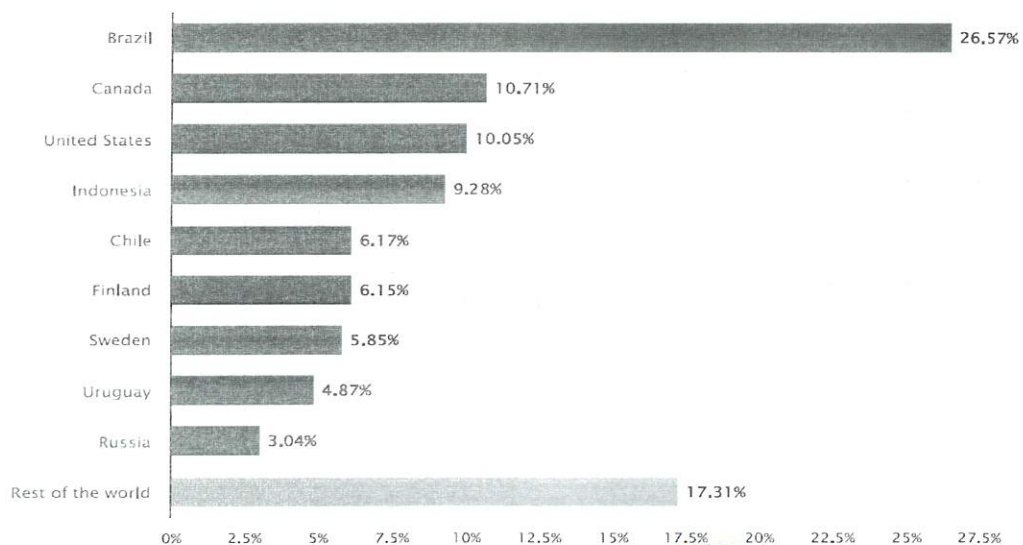
31. Notwithstanding the absence of a change in the market structure, the CID considered the market shares of the parties and their competitors in the market for wood pulp as provided below.

Table 1: the target firm and competitors' market shares in the sales of wood pulp products in the Common Market¹³

Company Name	Estimated market share%
Suzano S.A.	40-50
The target firm	10-20
Metsa Fiber	10-20
Other competitors	20-30
Total	100

32. The CID observed from Table 1 that the Brazil based manufacturer and supplier of wood pulp is the major wood pulp supplier in the COMESA region. The CID further observed that the target firm was not a major player in the manufacturing and sale of wood pulp in the Common Market, with [10-20]% market share. It is further observed that the manufacturing and sale of wood pulps market structure will not change following the proposed transaction as the acquiring group does not operate in this market segment.
33. The CID observed that the leading wood pulp exports worldwide in 2023 were the countries as presented in Figure 1 below.

Figure 1: distribution of wood pulp exports worldwide in 2023, by country



¹³ Confidentiality of information claimed by the parties.



34. The CID further observed that the global market for the manufacturing and sale of wood pulp is competitive, with a mix of established players and new entrants each striving to capture market share. The major global players in the manufacturing and sale of wood pulp include¹⁴ Suzano S.A. (Brazil), Stora Enso Oyj (Finland), Asia Pulp & Paper (APP) (Indonesia), Royal Golden Eagle (RGE) (Singapore), Sappi Limited (South Africa), UPM-Kymmene Corporation (Finland), Cellulose Arauco y Constitución S.A. (Chile), Empresas CMPC S.A. (Chile), Metsa Group (Finland), International Paper Company (U.S.), WestRock Company (U.S.), Oji Holdings Corporation (Japan), Nippon Paper Industries Co., Ltd. (Japan), Svenska Cellulosa Aktiebolaget (SCA) (Sweden), Klabin S.A. (Brazil), Domtar Corporation (U.S.), Mercer International Inc. (Canada), and Canfor Corporation (Canada).
35. The CID observed that the rapidly surging awareness regarding personal hygiene coupled with growing global population are driving the sales of wood pulp.¹⁵ Extensive use of fluff pulp, a type of chemical wood pulp known for its high absorbency in products like tissues, sanitary napkins, and diapers is also boosting revenue. Emerging economies are expected to witness higher demand for such products going forward thereby boosting the global wood pulp market outlook. It is recalled that the acquiring group, through Attindas Hygiene Partners, manufactures and sales absorbent hygiene products, including briefs, bladder control pads, male guards, pads, underpads, underwear, and wipes. However, it is noted from the parties' submission that there is no existing customer/supplier relationship between the acquiring group and the target firm globally, including in the Common Market. It is further observed that Attindas Hygiene Partners generated negligible sales revenue (USD ██████████¹⁶ from the Common Market through export to its customers only in Mauritius. It is observed that the key companies in disposable hygiene product market include¹⁷ Procter & Gamble; Kimberly-Clark Corporation; Johnson & Johnson Services, Inc.; Essity AB; Unicharm Corporation; Ontex Group NV; Domtar Corporation; Kao Corporation; Edgewell Personal Care Company; Hengan International Group Co. Limited.
36. From this, it is considered by the CID that the manufacturing and sale of wood pulp and the manufacturing and sale of absorbent hygiene product markets appears to be competitive, characterised by the presence of numerous global players competing through innovation and product differentiation. It is further noted that there are no overlaps between the parties' activities, nor any vertical relationships between the parties. This indicates that the competitive landscape globally or in the Common Market is unlikely to change following the proposed transaction. As a result, the merged entity will continue to face competition from numerous existing global players and potential new entrants.

¹⁴ See <https://www.skyquestll.com/report/wood-pulp-market>, accessed on 26 January 2026.

¹⁵ Ibid.

¹⁶ Confidentiality of information claimed by the parties.

¹⁷ See <https://www.grandviewresearch.com/industry-analysis/disposable-hygiene-products-market-report>, accessed on 26 January 2026.



37. Accordingly, the CID considered that in the absence of pre-merger overlap, there would not be market share accretion as a result of the transaction, and there will thus be no change to the market structure. Further, the merged entity will continue to face pressures from other global competitors. Similarly, the parties submitted that the target firm will continue to face significant competition from other strong competitors, including large sophisticated international competitors. Thus, the proposed transaction is unlikely to negatively impact competition in the relevant market.

Barriers to Entry/Exit

38. The CID considered that the fact that barriers to entry are a critical element in determining whether the incumbent has market power or not. They refer to obstacles for potential new entrants to enter the market and compete with the incumbents.
39. The parties submitted that while there is a more significant cost to develop a new facility, the barriers to entering wood pulp production in Africa are sufficiently low such that new production capacity has been, and continues to be, developed. This has resulted in increased production capacity (in particular in container board) across Africa. The increased urbanisation and GDP growth in Africa continues to attract new entry, despite reliable energy and water supply possibly constraining new development.
40. The CID while agreeing with the parties submission that the growing demand for wood pulp is one factor facilitating and attracting new entrants into these markets, believes that access to raw materials, investment capital, meeting safety and environmental standards, and establishing distribution networks and brand positioning are the likely challenges for new entrants into the manufacturing and sales of wood pulp and absorbent hygiene product markets. However, considering the lack of horizontal overlap in the parties' activities pre-merger and the global nature of the market where many global players exist, a detailed assessment on the barriers to entry in the relevant market is not warranted in this case as the proposed transaction is not expected to heighten any existing barrier or create barriers, as the parties' activities do not overlap pre-merger.

Consideration of Dominance/Unilateral Effects

41. The CID considered that, in the absence of horizontal overlaps, the proposed merger would not result in the creation or strengthening of a dominant position that would allow the parties to engage in unilateral conduct in the market.

Consideration of Vertical Effects

42. The CID considered whether the transaction could increase the parties' incentive and ability to engage in input or customer foreclosure since the target firm is active in the manufacturing and sales of wood pulp (upstream) while the acquiring group operates in the manufacturing and sales of absorbent hygiene products (downstream).



43. In terms of input foreclosure, absorbent hygiene product manufacturers require access to wood pulp. Input foreclosure would arise where, post-merger, the target firm would have the incentive and ability to restrict access to wood pulp for rival absorbent hygiene product manufacturers.
44. Currently, the target firm does not supply wood pulp to the acquiring group. The CID further noted that the acquiring group has insignificant presence, with only negligible sales revenue (USD [REDACTED])¹⁸ generated through export into Mauritius. Foreclosing wood pulp access to majority potential customer base would weaken the target firm's ability to recover its capital investments and achieve scale. Restricting wood pulp to these potential customers would not be commercially viable for the target firm, as it would forego revenues from the other absorbent hygiene product manufacturers.
45. Since the target firm's competitors such as Suzano (40-50%), Metsa Fiber (10-20%), and others (Eldorado, Altri, UPM) control over 20-30% of the market, downstream rivals (competitors in the absorbent hygiene product market) have ample alternative sources for fluff pulp. The target firm does not possess the market power required to effectively "starve" the downstream market of absorbent hygiene product manufacturers. The CID thus considers that the proposed transaction is not likely to incentivize the merged entity to strengthen its position as an absorbent hygiene product manufacturer by leveraging on target firm's position in the upstream market for the manufacturing and sales of wood pulp. The CID was thus satisfied that the transaction is not likely to raise concerns of input foreclosure.
46. Customer foreclosure arises where, post-merger, the acquiring group would shift its purchases of wood pulp from the target firm's competitors, such that the target firm's competitors could be foreclosed from access to an important customer. Foreclosure may arise competition concerns only if the merger concerns a customer which has a substantial market power in the downstream market (absorbent hygiene product manufacturing and sales in this case). Further, competition is not significantly impeded when competitors have a sufficiently large customer base.
47. The CID noted that even if the acquiring group opted to exclusively utilize the wood pulp of the target firm, no anti-competitive foreclosure of the target firm's competitors could arise in view of the negligible (USD [REDACTED])¹⁹ revenue of the acquiring group generated from the sales of absorbent hygiene products to its customers in Mauritius. It is further noted that existing wood pulp suppliers (potential competitors of the target firm) have the majority of customers, commanding 80-90% of the relevant market, in the Common Market. The CID, as such, was satisfied that the proposed transaction is unlikely to raise concerns of customer foreclosure.

¹⁸ Confidentiality of information claimed by the parties.

¹⁹ Confidentiality of information claimed by the parties.



Determination

48. 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.
49. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 16th February 2026

Commissioner Mahmoud Momtaz (Chairperson)

Commissioner Lloyds Vincent Nkhoma Commissioner Luyamba Kizito Mpamba

