



Advancing Regional Integration
through Competitive Markets
and Empowered Consumers

Case File No: CCCC/MER/03/10/2026

Decision¹ of the 4th Meeting of the Panel Responsible for Determinations Regarding the sale and transfer of 100% of shares in Macquarie AirFinance Limited to Dubai Aerospace Enterprise (DAE) Ltd

ECONOMIC SECTOR: Aviation



15 May 2026

¹ In the published version of this decision, the COMESA Competition and Consumer Protection Commission has omitted or replaced information by ranges of figures or a general description, due regard had to the legitimate interest of undertakings in the protection of their business secrets, pursuant to Rule 37 of the COMESA Competition and Consumer Protection Rules 2025.

The Panel Responsible for Determinations,

The Panel Responsible for Determinations (“**Panel**”) established pursuant to Regulation 20 of the COMESA Competition and Consumer Protection Regulations (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 Chapter Four thereof;

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 10 April 2026, the COMESA Competition and Consumer Commission (the “**Commission**”) received a notification of a merger between Dubai Aerospace Enterprise (DAE) Ltd (“**DAE**” or the “**Acquiring Firm**”) and Macquarie AirFinance Limited (“**MAF**” or the “**Target**”), pursuant to Regulation 42(1) of the Regulations.
2. Pursuant to Regulation 47 of the Regulations, the Commission is required to determine whether or not the merger is likely to substantially lessen competition; or is likely to significantly affect public interest in the Common Market.

The Parties

DAE (the “Acquiring Firm”)

3. DAE is a globally active aircraft lessor headquartered in Dubai, serving over 200 airline customers in over 80 countries from six office locations in Dubai (HQ), Dublin, Amman, Singapore, Miami and Seattle. DAE is active in leasing regional narrow body and wide body aircraft. DAE consists of two divisions namely DAE Capital and DAE Engineering. In addition to aircraft leasing, DAE Capital carries out aircraft trading and provides aircraft investor services. DAE Engineering provides regional maintenance,



repair and overhaul (MRO) services to customers in Europe, Middle East, Africa, and Asia from its state-of-the-art facility in Amman, Jordan, accommodating up to 22 wide and narrow body aircraft.

4. DAE is ultimately owned by the Investment Corporation of Dubai (“ICD”) which is the principal investment arm of the Government of Dubai. ICD manages a broad portfolio of assets, both locally and internationally, across a wide spectrum of sectors. Major portfolio companies of ICD active in the air transportation sector are (i) Emirates Airline, an airline primarily active in air passenger transport and air cargo transport, (ii) dnata, a ground handling, cargo, catering, retail, and travel services provider, and (iii) flydubai, an airline primarily active in air passenger transport.
5. In the Common Market, DAE including ICD operates in Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda, Zambia and Zimbabwe.

MAF (the “Target”)

6. MAF is a globally active aircraft lessor of civil aviation aircraft headquartered in Dublin with office locations in London, San Francisco and Singapore. MAF has over 70 customers in 45 countries. MAF is primarily active in leasing narrow body aircraft, and to a lesser extent, wide body aircraft to passenger airlines. In addition to aircraft leasing, MAF carries out aircraft trading.
7. In the Common Market, MAF operates in Egypt and Ethiopia.

Jurisdiction of the Commission

8. Regulation 42(1) of the Regulations requires a ‘notifiable merger’ to be notified to the Commission prior to its implementation. Only mergers that satisfy the prescribed thresholds pursuant to Regulation 41(5) and 41(8) of the Regulations are regarded as notifiable mergers. The merger notification thresholds are prescribed under Rule 23(1) of the Rules which provides that:

Pursuant to Chapter Four of the Regulations, a merger 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 COM\$60 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 COM\$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.



9. The undertakings concerned have operations in two or more Member States. The undertakings concerned derived a turnover of more than the threshold of USD60 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 Panel was thus satisfied that the transaction constitutes a notifiable transaction within the meaning of Regulation 41(5) and 41(8) of the Regulations.

Details of the Merger

10. The notified transaction concerns the proposed sale and transfer of 100% of shares in MAF to DAE.

Competition Analysis

Consideration of the Relevant Markets

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

Relevant Product Market

12. The Panel 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
13. The Panel observed that the merging parties were both active in the provision of dry leasing of aircraft services in the global market and in the Common Market. DAE derived turnover from leasing aircraft in Egypt, Ethiopia, Kenya, Libya³, and Sudan. DAE also leased aircrafts operating in Mauritius and Tunisia. MAF is a globally active aircraft lessor of civil aviation aircraft. In the Common Market, MAF leases aircraft to airlines in Egypt and Ethiopia.
14. The Panel considered that since there was an overlap in the parties' activities for dry leasing of aircraft in Egypt and Ethiopia, it focused its assessment on the market for dry leasing for aircraft for passenger air transportation.

Dry leasing for aircraft

15. The Panel noted that leases are common in the aviation sector as they allow an airline to increase its capacity without having to incur significant financial costs, in order to

² Paragraph 7 of the COMESA Guidelines on Market Definition

³ The parties submitted that DAE was active in Libya until 25 February 2025.



serve a destination more frequently or to serve new destination. Leases are, as with any other lease agreement, time bound and may last for less than three months, three months and one year to more than one year.

16. The Panel noted that there are three main types of leasing: dry lease, wet lease and damp lease. Dry lease in the aviation sector refers to the provision of the aircraft only to the lessee, without any crew. The operational responsibility of the aircraft, its maintenance and insurance falls on the lessee. Dry leases are typically opted for by large airlines which have the operational capacity but lack aircrafts.
17. The Panel observed that wet lease is a contract by which the aircraft is leased with its crew, maintenance and insurance. Wet lease contracts are typically short-term transactions between two airlines.⁴ Under the wet lease agreement, the owner of the aircraft takes charge of its operational responsibility. The lessor operates the flights using its own air operator certificate and resources, for which it receives an income from the lessee which is usually a fixed price per “block hour”. Under a wet lease agreement, the lessee will fly the aircraft under its own code, determines its own ticket prices and provides passenger and ground handling services.⁵
18. The Panel noted that a damp lease constitutes a hybrid between a dry and wet lease which involves the provision of an aircraft with partial crew and support services.⁶
19. The Panel noted that, on the demand-side, the previous Committee Responsible for Initial Determinations decisional practice⁷ considered that there could be a likely distinction between the various types of leases, such that dry lease, wet lease and damp lease constitute separate markets. A customer requiring the services of a wet lease is not likely to, in the event of a 5 to 10% increase in the price of wet lease, switch to a dry lease as the characteristics and intended use of a wet lease would make it unsuitable for a dry lease.
20. The Panel further noted that, from a supply perspective, swiftly shifting from wet leasing to dry leasing or vice versa might not be easy, given the differences in the risks and costs that are involved such as crew, maintenance services and insurance.⁸
21. Given that the overlapping activities of the merging parties relate only to the market for dry leasing for aircraft, the Panel considered this as the relevant market for the assessment of the proposed transaction.

⁴ Case M.10231-AERCAP/GECAS/SES.

⁵ See Decision of the 118th Meeting of the Committee Responsible for Initial Determinations Regarding Proposed Acquisition by Dubai Aerospace Enterprise (DAE) Ltd of Nordic Aviation Capital Designated Activity Company, paragraph 21.

⁶ Ibid, paragraph 21

⁷ See Decision of the 106th Meeting of the Committee Responsible for Initial Determination regarding the Proposed Merger involving Avia Solutions Group (ASG) and AirExplore, s.r.o.

⁸ Ibid



22. The Panel noted that according to decisional practice at the Commission⁹, it has been held that dry leasing for aircraft can be further sub-divided into regional and large aircrafts, with the latter being sub-segmented further into narrow-body and wide-body aircraft. This was because aircrafts with different capacity are not considered substitutable as an airline would choose the aircraft type to be deployed on a specific route according to the actual or expected demand on a route to be able to operate the aircraft on a profitable basis.¹⁰
23. The Panel also noted that the European Commission (“EC”)¹¹ has also considered a segmentation of dry leasing according to aircraft size: wide-body (200-400 seats), narrow-body (100-200 seats) and regional aircraft which can be further sub-divided into aircraft of 30-50 seats and aircraft of 70-90 seats. However, the EC left the market for dry leasing broad and did not segment it further as the transaction did not raise competition concerns under any plausible market definition.
24. The Panel considered that in line with the Commission’s past decisional practice in similar cases and without prejudice to its approach in similar future cases, the relevant product markets were determined as:
- a. **the market for dry leasing for narrow-body large aircraft; and**
 - b. **the market for dry leasing for wide-body large aircraft.**

Relevant Geographic Market

25. The Panel noted that paragraph 8 of the COMESA 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**”.
26. The Panel noted the parties’ submission that the geographic market for dry leasing of large aircraft may be world-wide.
27. The Panel agreed with the parties’ submissions on the geographic market. The Panel noted that the Commission has previously considered¹² the geographic market for the broader aircraft leasing market as global given that aircraft can be easily sourced without requiring major costly modifications and aircrafts are a homogenous product which are generally standardised to allow common operation and maintenance across jurisdictions.

⁹ See Decision of the 119th Meeting of the Committee Responsible for Initial Determination regarding the proposed acquisition of Seven Aircraft by CL Financing Gold Limited from Peregrine Aviation Finance Limited.

¹⁰ Ibid.

¹¹ Case M.10231-AERCAP/GECAS/SES

¹² See Decision of the 86th Meeting of the Committee Responsible for Initial Determinations Regarding Proposed Transaction between SMBC Aviation Capital Limited and Goshawk Management Limited, paragraph 46



28. Accordingly, and noting that the outcome of the assessment is not likely to be affected under any alternative market definition in light of the limited market share accretion and insignificant post-merger market shares of the merged entity, the Panel construed the market for dry leasing for large aircraft (comprising narrow-body and wide body aircraft) as global.

Conclusion on Relevant Markets

29. Based on the foregoing assessment, and without prejudice to the Panel’s approach in similar future cases, the relevant market was identified as the
- a. global market for dry leasing of narrow-body large aircraft; and
 - b. global market for dry leasing of wide-body large aircraft.

Consideration of Substantial Lessening of Competition or “Effect” Test

Market Shares and Concentration

30. The Panel noted that the relevant market was fragmented and the market share accretion was not significant. The Panel observed that the post-merger market share of the merging parties would be [0-5%] and [0-5%] for narrow-body and wide-body aircraft respectively, that is below 15% which, in accordance with the COMESA Merger Assessment Guidelines for horizontal mergers, would not likely raise competition concerns.
31. The Panel also considered the parties’ submissions on the fleet size of global players and their competitors in Table 1 below. Pre-transaction, in terms of fleet size, neither DAE nor MAF can be said to be the most significant lessors on the global market.

Table 1: Fleet size of global lessors pre- and post-transaction

Name	Fleet size pre-transaction	Fleet size post-transaction
AerCap	████	████
SMBC Aviation Lease	████	████
Avolon	████	████
DAE/the merged entity	████	████
Air Lease Corporation	████	████
BBAM	████	████



ICBC Leasing	██████	██████
BOC Aviation	██████	██████
BOCOM Leasing	██████	██████
Aviation Capital Group	██████	██████
CDB Aviation	██████	██████
MAF	██████	██████

32. The Panel noted that, post-transaction, the merged entity would have █████ aircraft but there will remain competitive constraints given the number of lessors in the global market.
33. The Panel considered that due to the low market share of parties, the minimal accretion of shares post-merger and the competitive pressure to be exercised by remaining global markets on the merged entity, the proposed merger was not likely to lead to the creation or strengthening of market power of the parties in the relevant markets.

Determination

34. The Panel, therefore, determined that the merger was not likely to substantially prevent competition in the Common Market or a substantial part of it, nor would it significantly affect public interest.
35. This decision is adopted in accordance with Regulation 47 of the Regulations.

Dated this 15th day of May 2026

Commissioner Mahmoud Momtaz (Chairperson)

Commissioner Lloyds Vincent Nkhoma Commissioner Luyamba Kizito Mpamba

