Advancing Regional Integration through Competitive Markets and Empowered Consumers

Case File No. CCCC/MER/04/19/2026

Decision[1] of the 6th Meeting of the Panel Responsible for Determinations Regarding the Proposed Acquisition of Warner Bros. Discovery, Inc. by Paramount Skydance Corporation

ECONOMIC SECTOR: Entertainment and Media

COMESA COMPETITION COMMISSION
03 JUL 2026

3 July 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, 2025 (the "**Regulations**"):

Desirous of the overriding 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 Charter 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 15 May 2026, the COMESA Competition and Consumer Commission (the "**Commission**") received a notification regarding the proposed acquisition of Warner Bros. Discovery, Inc ("**Warner Bros**") (the "**Target Firm**") by Paramount Skydance Corporation ("**Paramount**") (the "**Acquiring Firm**"), 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 and/or is likely to significantly affect public interest in the Common Market.

The Parties

Paramount (the "Acquiring Firm")

3. Paramount, a Skydance Corporation (Nasdaq: PSKY), is a global media and entertainment company, comprised of three business segments, namely Studios, Direct-to-Consumer, and TV Media. The company's portfolio includes Paramount Pictures, Paramount Television, CBS, CBS News, CBS Sports, Nickelodeon, MTV,

COMESA COMPETITION COMMISSION
0 3 JUL 2026

BET, Comedy Central, SHOWTIME®, Paramount+, Pluto TV, Skydance Animation, Film, Television, and Interactive/Games, and the newly established Paramount Sports Entertainment.

4. In the Common Market, the Acquiring Firm operates in all the Member States.

Warner Bros (the "Target Firm")

5. Warner Bros is a publicly listed (Nasdaq: WBD) in the United States of America and a global media and entertainment company that creates and distributes a portfolio of content and products across television, film, streaming and interactive gaming. Warner Bros' portfolio of brands and production assets includes, among others, Discovery Channel, CNN, DC Studios, New Line Cinema, TNT Sports, Eurosport, HBO Max, HBO, Warner Bros. Motion Picture Group, Warner Bros. Television Group (WBTVG), and Warner Bros. Games.

6. In the Common Market, the Target Firm operates in Burundi, Djibouti, Egypt, Eswatini, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda, Zambia and Zimbabwe.

Jurisdiction of the Commission

7. Regulation 42(1) of the Regulations requires a 'notifiable merger' to be notified to the Commission prior to its implementation. Only mergers in the digital market that satisfy the prescribed thresholds pursuant to Regulation 41(7) and 41(8) of the Regulations are regarded as notifiable. The merger notification thresholds for mergers in the digital market are prescribed under Rule 23(2) of the Rules which provides that:

"A merger in the digital market shall be notifiable if it meets the transaction value of USD250 million."

8. The Panel noted that at least one of the parties to the merger has operations in two or more Member States. Further, the transaction value of the proposed merger was at least USD250 million. The Panel was thus satisfied that the transaction constitutes a notifiable transaction within the meaning of Regulation 41(7) and 41(8) of the Regulations.

Details of the Merger

9. The notified transaction concerns the acquisition of sole control of Warner Bros by Paramount.

COMESA COMPETITION COMMISSION
0 3 JUL 2026

Competition Analysis

Consideration of the Relevant Markets

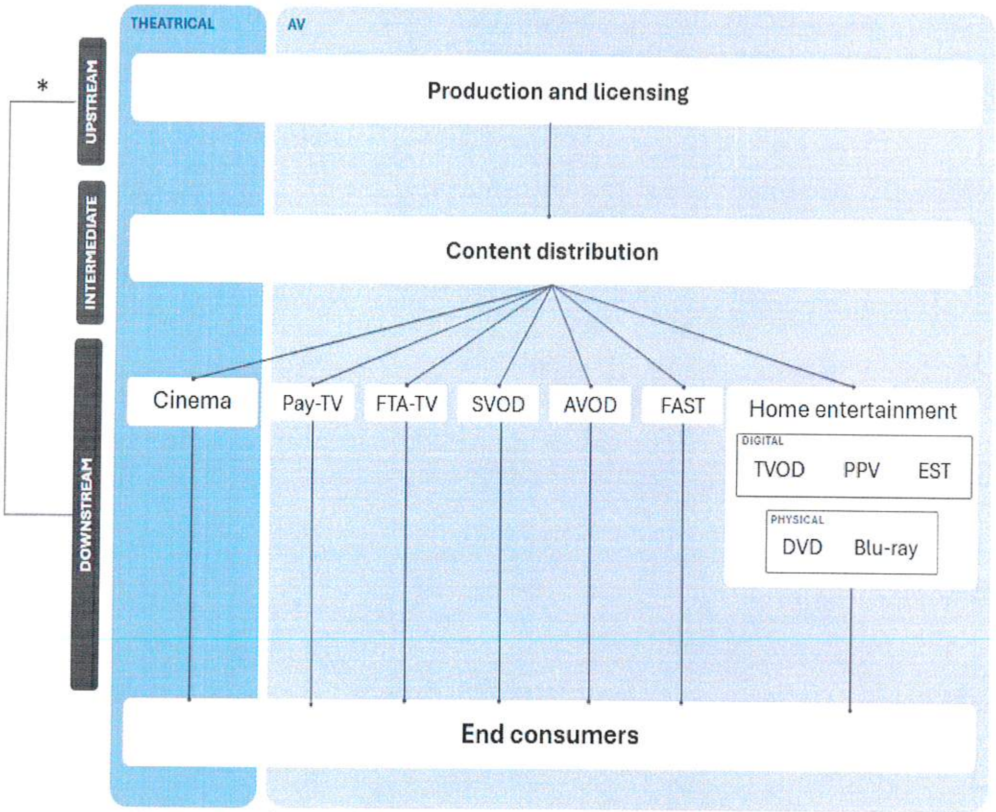
10. In the determination of the relevant market, which is divided into relevant product and relevant geographic markets, the Panel is guided by the COMESA Guidelines on Market Definition and other authorities on the subject.

Relevant Product Market

11. 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]

12. The Panel noted that the proposed transaction primarily concerned the audiovisual ("**AV**") industry, where content is distributed in each of the theatrical and AV value chains as illustrated in Figure 1 below.

Figure 1: Content distribution under the AV industry



* *In some cases, disintermediation occurs as downstream operators may license directly from producers*

[2] Paragraph 7 of the COMESA Guidelines on Market Definition

13. The Panel noted the parties' submissions that the AV industry has traditionally been split into:

a. the theatrical distribution value chain, centred on feature films and cinema exhibition; and

b. AV value chain, focused on television and home entertainment.

14. The Panel observed from Figure 1 that content is distributed in each of the theatrical distribution and AV value chains, along three different levels, namely the upstream, intermediate and downstream.

15. The Panel observed that the upstream level encompasses the production of content (including feature films and other AV content) and the licensing of the distribution rights of such content to companies active in the intermediate level (such as theatrical or wholesale distributors) or the downstream level (such as Subscription Video on Demand ("**SVOD**") services). The Panel noted the parties' submission that the production of content includes, *inter alia*, financing, script development, casting of actors and directors, shooting, and post-production. Studios and independent production companies produce films and other AV content in various ways, including through collaboration with, and acquisitions from other production companies and studios.

16. The Panel observed that the intermediate level covers the wholesale distribution of content, (for example the wholesale supply of TV channels, such as MultiChoice – recently acquired by Canal+, and the availability in certain cases, of SVOD services to Multichannel Video Programming Distributors ("**MVPDs**") and other content aggregators, as well as the licensing out of exhibition rights to theatrical exhibitors for onward distribution), and related marketing activities.

17. The Panel observed that in both the theatrical distribution and AV value chains, distribution is carried out either by third-party distributors who specialise in distributing content either individually, in aggregate or through self-distribution by film and AV content producers. The Panel noted the parties' submissions that currently, many companies active at the downstream level of the AV distribution value chain acquire content directly from upstream companies, without the intermediation of companies active at the distribution level. Further, the wholesale level of the AV value chain also includes traditional TV broadcasters who package content that they have acquired or produced in-house into linear TV channels and/or non-linear AV services which are then supplied to retail providers of AV content and then broadcast to end consumers.

18. The Panel noted that the downstream level includes theatrical exhibition and the retail provision of AV content to end consumers via linear TV channels, SVOD or other means.

19. The Panel also noted the parties' submissions that in the Common Market, the Acquiring Firm was active in the :

   i. production and licensing of distribution rights of films for cinemas;

   ii. distribution of films for theatrical release to exhibitors;

   iii. production and supply of AV content; and

   iv. wholesale supply of TV channels.

20. The Panel further noted that in the Common Market, the Target Firm was active in the :

   i. production and licensing of distribution rights of films for cinemas;

   ii. production and supply of AV content; and

   iii. wholesale supply of TV channels.

21. Based on the activities of the merging parties in the Common Market, the Panel observed that there is a horizontal and potential vertical overlap in the upstream markets for the: (i) production and licensing of distribution rights of films for cinemas, (ii) production and supply of AV content, and wholesale supply of TV channels. For purposes of conducting its competitive assessment, the Panel focused on the markets below.

Production and licensing of distribution rights of films for cinemas

22. The Panel noted the parties' submission that Paramount is mostly active at the upstream level in the market for the production and licensing of distribution rights of films for theatrical release.[3] [redacted] Further, within the context of the Common Market, Paramount has [redacted].The Panel further noted that Warner Bros is [redacted] active in the upstream market for the production and licensing of distribution rights of films for theatrical release and [redacted].Warner Bros [redacted] for the distribution of theatrical films. Further, Warner Bros produces multiple films for global theatrical release annually, with several co-productions with major studios.

23. The Panel considered that the production and licensing of distribution rights to third-party distributors of films for theatrical release constitutes a separate product market from the distribution of films for theatrical release to exhibitors, as they involve different commercial activities (such as marketing, promoting films) carried out by different players, with the exhibitors being the distributors' consumers.[4] Therefore, the Panel considered that the production and licensing of distribution rights of firms

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[3] Paragraph 9.5.3 of Exhibit B of parties' submissions for the merger filing.
[4] See Case M.8785-The Walt Disney Company/Twenty-First Century Fox

for theatrical release as a relevant market given both parties are active in this market.

Production and wholesale supply of AV content

24. The Panel noted the parties' submissions that Paramount is active in the upstream market for the production and wholesale supply of AV content through its TV Media and Studios segments including CBS Studios, Paramount Television Studios and Paramount Pictures.

25. The Panel further noted that Paramount is primarily active on the supply side of the market and as a vertically integrated player, it produces AV content[redacted]. Additionally, Paramount produces content commissioned by third parties, and licenses AV content to third parties. Such content may consist of either:

    (i) "off-the-shelf" catalogue content, which has already been produced and is subsequently licensed for further exploitation; or

    (ii) commissioned AV content, which is commissioned by and produced for a third party pursuant to a commissioning agreement with upfront funding and defined delivery and rights terms.

26. The Panel noted the parties' submission that while [redacted]

27. The Panel observed that Paramount is also active on the demand-side of the market, where it acts as a licensee of AV content from third parties active in the upstream market. [redacted]

28. The Panel noted from the parties' submission that in the Common Market, Paramount licenses AV content.[redacted]

29. The Panel further noted that Warner Bros is globally active in the upstream market for the production and wholesale supply of AV content through its 'Studios' business segment, which oversees the portfolio of Warner Bros' television businesses, including worldwide production, traditional and digital supply, and broadcasting.

30. The Panel noted the parties' submission that Warner Bros is primarily active on the supply side of the market and as a vertically integrated player, it produces AV content.[redacted]

31. The Panel further noted that Warner Bros is also active on the demand side of the market, where it licenses AV content. [redacted] Additionally, Warner Bros [redacted]

32. The Panel observed from the parties' submissions that in the Common Market, Warner Bros is not active in the production and supply of commissioned content, but instead licenses AV content.[redacted]

33. The Panel considered the decisional practice[5] of the Committee Responsible for Initial Determinations ("**CID**") that the wholesale supply of AV content entails the licensing of TV channels or content rights to broadcasters, distributors or platforms. The CID previously observed[6] that licensing of individual content rights refers to the process through which the rights owner of specific AV content (including films, TV shows or sports events) grants a third party the right to commercially exploit the content by broadcasting, streaming or reselling it. On the supply-side, right owners include film studios such as the merging parties, sport leagues (such as English Premier League and FIFA World Cup) and FTA broadcasters which produce certain content such as local shows or local news. On the demand side, the licensees are TV channels providers such as the merging parties and providers of AV content via Over-The-Top ("**OTT**") such as Amazon Prime or Netflix. The CID previously considered[7] that licensing rights may also be given for specific countries or regions.

34. The Panel noted the CID[8] decisional practice which considered that on the supply-side, the merging parties produce AV content mainly for use in their own downstream operations and consequently considered that the production and wholesale supply of AV content is one activity. The CID[9] also considered that the supply side of the market for the production of AV content consists of AV production entities while on the demand side, this content is consumed either by the downstream operations of the AV content producer or is demanded by third parties such as entities other than the AV content producer and this content can either be produced as per the customer's requirements or be in the form of broadcasting rights for pre-produced content.

35. The CID[10] also previously noted that at the upstream level, production can be distinguished according to the manner in which it is supplied by the producer, notably, whether the content is for exclusive use in the producer's downstream operations; whether it is produced for a customer which has commissioned its production or whether broadcasting rights for pre-produced content is being supplied.

36. The Panel considered the activities of the merging parties and the CID's decisional practice and construed that the production and wholesale supply of AV content was a relevant market.

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[5] Decision of the 120th Meeting of the CID Regarding the proposed merger involving Groupe Canal+ SA and MultiChoice Group Limited
[6] Ibid.
[7] Decision of the 120th Meeting of the CID Regarding the proposed merger involving Groupe Canal+ SA and MultiChoice Group Limited
[8] Ibid.
[9] Ibid.
[10] Ibid.

Wholesale supply of TV channels

37. The Panel noted the parties' submission that in this intermediate market for the wholesale supply of TV channels, Paramount's activities consist of its linear TV channels, which feature a mix of entertainment, films, series and kids' programming. The parties submitted that TV channels are delivered to cable, satellite, IPTV and OTT aggregators, with [redacted] .The parties submitted that in the Common Market, Paramount's TV channels include Nickelodeon, Comedy Central, NickToons, Nick Jr. and MTV.

38. The Panel also noted the parties' submission that Warner Bros wholesales a broad portfolio of linear TV channels, offering a mix of entertainment, films, series, sports, children, lifestyle and factual programming. In the Common Market, the Target Firm's linear television channels that [redacted] include: FafaFeat, Discovery Channel, CNN International, Investigation Discovery (ID), TLC, Discovery Family, Real Time, TNT Africa, Food Network, HGTV, Toonami, Cartoonito, Cartoon Network, Boing, Warner TV, Animal Planet, TCM and Travel Channel.

39. The Panel observed from the parties' submissions that the wholesale supply of TV channels sits between the upstream production and licensing of AV content, and the downstream retail provision of content to end customers. Further, wholesale suppliers packaged content into TV channels for Multichannel Video Programming Distributors. However, with the rise of VOD services, TV channels are now also available in some VOD services. VOD providers would typically offer content on a non-linear basis, enabling customers to select from a catalogue to watch at their own convenience. Some VOD services also provide linear viewing options.

40. The parties submitted that the wholesale level of the AV value chain comprises wholesale suppliers that package AV content (acquired or produced in-house) into linear TV channels and/or non-linear AV services. These packaged services are then supplied to retail providers of AV content and ultimately made available to end customers.

41. The Panel observed that in its decisional practice[11], the CID noted that at the upstream level, there is a market for the wholesale supply of basic TV channels where AV content is packaged into linear TV channels. Once the content has been acquired from producers and aggregated into channels, these channels may be sold to the operators downstream. The CID[12] also noted that basic content is mostly acquired on a non-exclusive basis and can therefore be made available to downstream operators also on a non-exclusive basis. The Panel also noted that the CID identified a market for the wholesale supply of premium TV channels, under

[11] Decision of the 120th Meeting of the CID Regarding the proposed merger involving Groupe Canal+ SA and MultiChoice Group Limited.
[12] Ibid.

which the content is acquired and made available on an exclusive basis, contrary to the basic TV channel. The premium nature of such TV channel emanates from the fact the AV content being distributed is pursuant to acquisition of exclusive rights to distribute the content. The CID[13] concluded that at wholesale level, the market for wholesale supply of pay-TV channels can be delineated into basic and premium, similar to the delineation made for downstream markets for pay-TV channels where end-consumers tend to distinguish between premium TV channels (which may require additional payments in order to access) and basic TV channels (which may be accessed at relatively lower prices).

42. The CID[14] also considered that the market for the wholesale supply of pay-TV channels should not be further segmented according to the type of infrastructure used for delivery to the customer (such as cable, satellite, OTH, OTT and IPTV) since the competitive conditions in the market for the wholesale supply of pay TV channels, and any possible segmentation, would not change irrespective of the distribution technology and the type of infrastructure used for the distribution of the TV channels.

43. The Panel considered that the merging parties were both active in the wholesale supply of pay-TV channels and consistent with the CID's decisional practice, defined a market for the wholesale supply of pay-TV channels, which could be delineated into premium and basic TV-channels.

44. Based on the foregoing assessment, and without prejudice to the Panel's approach to similar cases in future, the relevant product markets were identified as the:

    a. production and licensing of distribution rights (to third-party distributors) of films for theatrical release;

    b. production and wholesale supply of AV content; and

    c. wholesale supply of pay-TV channels (which can be delineated into basic and premium Pay-TV channels).

Relevant Geographic Market

45. The Panel 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".***

[13] Ibid.
[14] Ibid.

46. The Panel noted that the geographic market for licensing of distribution rights of films for theatrical release can be defined as national in scope.[15] The Panel noted the parties' submission that their third-party licenses or distribution rights cover certain countries in the Common Market, and considered that the affected countries where the licenses and distribution rights apply are likely to be the respective geographic markets. The Panel noted that the production and distribution rights of films theatrical release apply to Djibouti, Egypt, Rwanda and Mauritius which for purposes of this assessment were considered as the relevant geographic markets.

Production and wholesale supply of AV content

47. The Panel noted from the parties' submissions that content licensing and acquisition is undertaken by content providers and broadcasters on a national basis. Therefore, the Panel considered that players in this market are likely to be constrained by competitive conditions homogenous to respective national markets where content providers and broadcasters are licenced to operate. Thus, the Panel considered that for purposes of this transaction, the geographic market for the supply of AV content was national in scope.

Wholesale supply of TV channels (premium and basic TV-Channels)

48. The Panel noted that the merging parties commercialise their channels to downstream operators within the Common Market [redacted] The Panel noted that in its past decisional practice[16], the CID held the view that the respective relevant geographic markets for basic and premium pay-TV channels were the distinct Member States in which the merging parties operated. Therefore, in line with the CID's case precedent, the Panel similarly considered that the relevant geographic markets for the wholesale supply of basic and premium TV channels were national in scope and pertained to Egypt, Eswatini, Ethiopia, Kenya, Malawi, Mauritius, Tunisia, Uganda, Zambia and Zimbabwe, where the merging parties operate.

Conclusion on Relevant Markets

49. Based on the foregoing assessment, and without prejudice to the Panel's approach in similar future cases, the relevant markets were identified as:

   a. **the production and licensing of distribution rights (to third-party distributors) of films for theatrical release in Djibouti, Egypt, Rwanda and Mauritius;**

[15] See Case M.8785-The Walt Disney Company/Twenty-First Century Fox
[16] Ibid

b. **the production and wholesale supply of AV content in Djibouti, Egypt, Kenya, Libya, Mauritius, Seychelles, Tunisia and Uganda; and**

c. **the wholesale supply of pay-TV channels (which can be delineated into basic and premium pay-TV channels) in Egypt, Eswatini, Ethiopia, Kenya, Malawi, Mauritius, Tunisia, Uganda, Zambia, and Zimbabwe.**

Consideration of Substantial Lessening of Competition or "Effect" Test

Market Shares and Concentration

50. The Panel observed that the operations of the merging parties in the Common Market were *de minimis*. The Panel noted from the parties' submissions that Paramount's turnover attributable to the Common Market was approximately [redacted] % of its global revenue while Warner Bros' turnover attributable to COMESA was approximately [redacted] % of its global revenue. The Panel noted the limited presence of the parties in the Common Market and considered that the transaction was unlikely to significantly alter the relevant markets despite the horizontal overlaps.

Production and licensing of distribution rights (to third-party distributors) of films for theatrical release

51. The Panel observed that in the Common Market, the merging parties faced competition from players such as Disney, Universal and Sony which are provide their services through third party distributors. The Panel for instance noted that Disney distributes its channels through Multichoice (Canal+).[17]

52. The Panel considered the parties' submissions that the market for the production and licensing of distribution rights of films for theatrical release in the Common Market is highly competitive, dynamic, and hit-driven, with outcomes determined on a title-by-title basis rather than static shares. The Panel considered that post-transaction, the merged entity will continue to face strong competitive constraints from leading US studios, large streaming studios, and independent financiers/production companies.

Production and wholesale supply of AV content

53. The Panel noted the parties' submissions that the market for the production of AV content, including licensing of off-the-shelf library titles and commissioned works, is highly fragmented and competitive. The Panel considered that post-transaction, the merged entity will still face strong competitive constraints from Global studio groups and streaming-backed producers, international production groups and aggregators as well as from MultiChoice (Canal+).

[17] https://www.dstv.com/en-na/news/118735/disney-channel-moves-to-channel-315-on-dstv/ , accessed on 3 July 2026

Wholesale supply of pay TV channels

54. The Panel noted that Paramount is likely to be competitively constrained by other distributors such as Walt Disney Company. Further, Warner Bros faced competition from among others Walt Disney Company, NBC Universal, FOX, Netflix and Amazon.

55. The Panel additionally considered the parties' submissions that post-transaction, the merged entity would face strong competitive constraints from channel groups at the global level such as Disney, NBC Universal, Fox Corporation, and AMC Networks and in the Common Market, from MultiChoice (Canal+).

56. The Panel considered that given the presence of numerous competitors in the relevant markets, coupled with the *de minimis* revenue derived by parties in the Common Market, the proposed merger was not likely to significantly alter the market structure of the relevant markets.

Determination

57. The Panel was satisfied that, pursuant to Regulation 47, 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.

58. The Panel, therefore, approved the merger pursuant to Regulation 48 of the Regulations.

Dated this 3rd day of July 2026

Commissioner Mahmoud Momtaz (Chairperson)

Commissioner Lloyds Vincent Nkhoma **Commissioner Luyamba Kizito Mpamba**