Advancing Regional Integration through Competitive Markets and Empowered Consumers

Case File No. CCCC/MER/07/33/2026

Decision[1] of the 10th Meeting of the Panel Responsible for Determinations Regarding the Proposed Formation of a Full-function Joint Venture between Watson BidCo B.V. and Syngenta Crop Protection AG

ECONOMIC SECTOR: Floriculture

COMESA COMPETITION AND CONSUMER COMMISSION
04 SEP 2026

4 September 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 is 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 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 28 July 2026, the COMESA Competition and Consumer Commission (the "**Commission**") received a notification of a merger regarding the Proposed Formation of a Full-function Joint Venture (the "**Joint Venture**") by Watson BidCo B.V. ("**Dümmen Orange SPV**") and Syngenta Crop Protection AG ("**SCPAG**"), 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

SCPAG

3. SCPAG is a swiss stock corporation incorporated under Swiss law with its registered office at Rosentalstrasse 67, 4058 Basel, Switzerland. SCPAG is part of a group led by Syngenta Group Company Limited (Shanghai, PRC) ("**SGCL**"), the parent company of multiple subsidiaries across different countries (together, the "**Syngenta Group**"). The Syngenta Group is ultimately controlled by Sinochem Holdings

Corporation Ltd. The Syngenta Group is an agribusiness operating in the crop protection and seeds markets worldwide. Its activities include the development, production, and sale of crop protection products such as fungicides, herbicides, insecticides, and growth regulators.

4. In certain markets, the Syngenta Group also offers crop protection services, such as soil scans, plot specific variety recommendations, and resistance management. The Syngenta Group also has an active division in the ornamental plant sector, where it focuses on seeds and cuttings for ornamental plants. This division constitutes the Syngenta APP Assets and is a breeder and propagator of annuals, perennials, and pot plants. Syngenta APP Assets will be contributed to the Joint Venture.

5. In the Common Market, the Syngenta Group operates in the Democratic Republic of Congo, Egypt, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda, Zambia and Zimbabwe. Further, Syngenta APP Assets does not regularly trade in COMESA, and in 2025 it had *de minimis* seed sales stemming from its ornamental plant breeding business in respect of the breeding of annuals in Kenya and Libya; and perennials in Kenya.

Dümmen Orange SPV

6. Dümmen Orange SPV is a limited liability company incorporated under Dutch law with its registered office at Oudecampsweg 35C, 2678 NN De Lier, the Netherlands. It is the sole shareholder of Dümmen Orange Holding B.V. ("**Dümmen Orange Holding**"). Dümmen Orange Holding is the parent company of multiple subsidiaries across different countries (together, the "**Dümmen Orange Group**").

7. The Dümmen Orange Group is an international breeder and propagator in the ornamental plant sector. Through sustained investment in research and development, including the use of advanced breeding techniques, the company develops proprietary varieties across a broad range of ornamental plant categories. Globally, the company develops genetics for cut flowers, but also for annuals, perennials, and pot plants. Dümmen Orange Group supplies cuttings and young plants to growers worldwide.

8. In the Common Market, the Dümmen Orange Group is active in annuals, pot plants and cut flowers and it operates in Egypt, Ethiopia, Kenya, Mauritius, Rwanda, Tunisia and Uganda.

Jurisdiction of the Commission

9. 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), 41(6), 41(7) 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.

10. The undertakings concerned have operations in two or more Member States. The undertakings concerned derived turnover/held assets of more than the threshold of USD60 million in the Common Market and they each derived turnover/held assets 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(6) and 41(8) of the Regulations.

Details of the Merger

11. The notified transaction concerns Dümmen Orange SPV transferring all its shares in Dümmen Orange Holding to the Joint Venture entity, while SCPAG will carve out and transfer its ornamental plant breeding business unit, referred to as the "Syngenta APP Assets", to the Joint Venture.

Competition Analysis

Consideration of the Relevant Markets

Relevant Product Market

12. The Panel noted that a relevant product market comprises of all those products and/or services which are regarded as interchangeable or substitutable by a consumer or customer, by reason of the products' characteristics, their prices and their intended use.

13. The Panel noted that according to the activities of the merging parties, the activities relevant to the proposed transaction concern the breeding and propagation of ornamental plants (including annual bedding plants, perennial bedding plants and pot plants); and the breeding and propagation of cut flowers. The Panel observed that both the Syngenta Group and the Dümmen Orange Group were active in annuals, perennials and pot plants. The Panel further observed that, the Dümmen Orange Group was also active in cut flowers. For purposes of defining the relevant markets

and conducting a competitive assessment, the Panel therefore focused on these products.

Ornamental plants

14. The Panel noted that ornamental plants, also referred to as garden plants, are cultivated primarily for their aesthetic appeal, encompassing various characteristics such as color, shape, and fragrance.[2] They are primarily intended for ornamental purposes but can also be used in landscaping, enhancing spatial structure and contributing to environmental quality. Ornamental plants are diverse and span a wide range of categories including trees, shrubs, climbing plants, grasses, succulents, aquatic species, herbaceous perennials and annuals.

15. The Panel particularly observed that the merging parties were active in the breeding and propagation of perennials, annuals, pot plants and cut flowers. The Panel noted that perennials are a type of ornamental plant which live for more than two years.[3] Once they are planted, they regrow every year and have a specific blooming season depending on the variety. On the contrary, annuals complete their entire life cycle in a single growing season, they sprout, bloom, produce seeds and die within a year, thus requiring replanting every year. Annuals are often cheap to purchase as opposed to perennials which have a high upfront cost of purchase but in the long term need no re-planting. Pot plants on the other hand are ornamental plants that are planted in containers and are usually meant for indoors. Accordingly, the Panel noted that ornamental plants may be distinguishable, such that customers are likely to purchase them depending on the intended purpose that matches the characteristics of each plant.

16. With regards to cut flowers, the Panel noted that the U.S. federal regulatory code defines a cut flower as "…the severed portion of a plant, including the inflorescence and any parts of the plant attached to it, in a fresh state and not for planting."[4] Further, cut flowers are part of plants, characteristically including the blooms or inflorescences and some attached plant materials, but not including roots and soil.[5] The propagation of cut flowers can be by means of seed, cuttings (either stem tips or rooted cuttings), bulbs, or grafting. The flowers are then harvested when the proper stem length and inflorescence required for sale in the wholesale market are reached. Cut flowers are typically packaged using "wet packs" to allow the flowers to remain in water throughout their transport. They are thereafter transported by refrigerated truck or by air to customers. The Panel further observed that cut flowers may be categorised into two types, namely:

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[2] https://biologynotesonline.com/ornamental-plants-definition-characteristics-types-examples/ , accessed on 4 September 2026
[3] https://www.gardenia.net/guide/perennial-definition-guide-to-choosing-the-best-perennial-plants , accessed on 4 September 2026
[4] https://scienceinsights.org/what-is-a-cut-flower-definition-and-survival-science/ accessed on 4 September 2026
[5] US International Trade Commission, Cut Flower Industry and Trade Summary Report 2003. Other floriculture crops, such as potted flowering plants, garden plants, or ornamental grasses are not covered in this report as they constitute different product markets from a demand and supply perspective.

i. *fresh cut flowers* which are highly perishable because they maintain only limited life-supporting processes by taking water up through their stems. Fresh cut flowers are used for decorative purposes such as vase arrangements and bouquets, or gifts on special occasions; and

ii. *preserved cut flowers* which are fresh cut flowers that have been dehydrated, preserved with a chemical solution and then air- or oven-dried. These are used typically in corsages, wreathes and similar ornamental articles.

17. The Panel considered that perennials, annuals, pot plants and cut flowers can be construed as separate markets. The Panel further noted case precedent of the Committee Responsible for Initial Determinations ("**CID**") in **De Ollies B.V./Fides Holdings B.V.**[6], which acknowledged that the propagation and sale of fresh cut flowers was a separate market from other horticultural products.

18. The Panel further observed that ornamental plant categories differ in terms of their biological characteristics, propagation requirements, growing conditions, intended applications and customer demand. For instance, the Panel noted that growers purchasing cut flower genetics are generally distinct from customers purchasing annual bedding plants, perennials or pot plants. As such, demand-side substitution between these categories was likely to be limited on account of the differences in each type of the plant.

19. With respect to breeding, the Panel noted that this would require significant investments in research and development, specialised propagation facilities, proprietary genetics and intellectual property. Consequently, breeders cannot readily switch production between ornamental categories without incurring significant costs including time. Therefore, the Panel noted that supply-side substitution was also likely to be limited depending on the type of ornamental plant in question.

20. The Panel noted that the only activity of overlap between the parties within the Common Market arose in respect of annual bedding plants (in 2025) and perennial bedding plants (in 2024). However, the overlap was not significant given that the revenues generated by the parties in these segments within COMESA were negligible.

21. The Panel further observed that the only segment where there was material commercial presence in COMESA was cut flowers, where the Dümmen Orange Group recorded a significant revenue in 2025 while the Syngenta Group recorded no revenues. The Panel also noted that the Dümmen Orange Group also generated revenue in pot plants while the Syngenta Group recorded no revenues. The Panel accordingly noted that there is no meaningful overlap in the segment where commercial activity is most significant, namely cut flowers.

[6] See Decision of the Twenty Ninth Committee Responsible for Initial Determinations on the Application for Authorisation of the Acquisition of De Ollies B.V. by Fides Holdings B.V. dated 15 March 2017

22. The Panel noted from the above that the only market where the parties' activity overlapped in the Common Market was the market for the annuals, although their market shares were dismal. However, the Panel observed that post-merger the Joint Venture would generally be active in the breeding and propagation of ornamental plants (namely, annual bedding plants, perennial bedding plants and pot plants; and the breeding and propagation of cut flowers.

23. Based on the foregoing assessment and without prejudice to its approach in similar future cases, the Panel determined the relevant product markets as the:

a) breeding and propagation of ornamental plants (with a potential segmentation into annual bedding plants, perennial bedding plants, pot plants); and

b) breeding and propagation of cut flowers.

Relevant Geographic Market

24. The Panel noted that the COMESA Guidelines on Market Definition define the relevant geographic market as comprising *"**...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**".*[7]

25. The Panel noted that breeding and propagation of ornamental plants and cut flowers is characterised by international trade in plant genetics, cross-border distribution networks and global research programmes. The Panel noted that Kenya and Ethiopia operate as important regional and international horticultural hubs and serve customers throughout COMESA. The Panel further noted that Kenya produces more cut roses and commands about 40% of the European supply with a 7% global market share.[8] This was largely due to the ideal climate, high-altitude farms around Lake Naivasha, Mount Kenya, and Thika that create perfect conditions for propagation of cut flowers. The Panel further observed that Ethiopia is a secondary supplier with distinct advantages such as high-altitude farms at 2,000+ meters which produces exceptional quality flowers and the cooler temperatures create darker reds, vibrant color, and superior vase life exceeding those from Kenyan. Further, Ethiopian roses command premium positioning in specialty markets with Netherlands accounting for 80% of the imports. The Panel concluded that the demand for cut rose flowers is likely to be global.

26. The Panel further observed that major ornamental breeders operate internationally and compete across a number of jurisdictions, including throughout COMESA. Some of the

[7] See Paragraph 8 of the COMESA Guidelines on Market Definition
[8] https://exportready.africa/sourcing-from-africa/sourcing-african-cut-flowers-supply-chain/ , accessed on 4 September 2026

key competitors include Kordes, De Ruiter, Interplant, Florensis, Selecta One and Ball Horticultural, all of which possess international breeding and distribution capabilities.

27. The Panel observed that competition occurs at a wide geographic scope and potentially global. Therefore, based on the foregoing the Panel considered the relevant geographic market to be global.

Conclusion on Relevant Markets

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

   a. **global market for the breeding and propagation of ornamental plants (with a potential segmentation into annual bedding plants, perennial bedding plants and pot plants):**

   b. **global market for the breeding and propagation of cut flowers.**

Consideration of Substantial Lessening of Competition or "Effect" Test

Market Shares and Concentration

29. The Panel noted the parties submission that the Dümmen Orange Group holds an estimated market share of approximately 30% in cut flower breeding within COMESA while Syngenta records no meaningful market share. The Panel further noted that the market for cut flower breeding was characterised by other significant competitors such Kordes, De Ruiter, Interplant and a number of smaller competitors whose market shares were presented as in Table 1 below.

Table 1: Market share for the cut flower breeding in COMESA

Undertaking	**Estimated Share**
Dümmen Orange Group	[20 – 30]%[9]
Syngenta APP Assets	0%
Kordes	[10 – 20]%
De Ruiter	[10 – 20]%
Interplant	[10 – 20]%

[9] Dümmen Orange submitted these market shares as confidential. It was further submitted that owing to the absence of independent market share statistics for the breeding of cut flowers in COMESA, the market shares provided constitute the best estimates of the management of the merging parties based on their knowledge of and experience in the relevant industry. Dümmen Orange Group has provided its market share based on the crops it sells; however, this does not cover the full range of crops available in the broader market for the breeding and propagation of cut flowers. The estimated total market size against which Dümmen Orange Group's share has been calculated therefore reflects only those crop categories in which it is active and does not account for additional crop categories served by other market participants. As a result, the total market is likely larger than the estimates used, and the market share figure presented is consequently likely to overstate Dümmen the Orange Group's actual market position.

Other smaller competitors	[20 – 30]%
Total	**100%**

30. The Panel considered that the proposed transaction would not alter the market structure for cut flowers given that the Syngenta Group was not active in this market. The Panel further considered that the merged entity would continue to face competition from the other players in this market.

31. With respect to the annuals, perennials and pot plants, the Panel considered the parties' submission that their presence in the COMESA in these markets was *de minimis* as evidenced by their derived revenues. The Panel further considered that in the only market of overlap, namely annuals, the change in the market structure would be insignificant to strengthen the Joint Venture's market power in this market. The Panel further observed that in the market for perennials and pot plants there would be no change in the respective market structures since there was no overlap.

32. The Panel further observed that significant competitive constraints would continue to be imposed by well-established breeders of ornamental plants and cut flowers including Kordes, De Ruiter, Interplant, Florensis, Selecta One and Ball Horticultural.

33. The Panel therefore concluded that the proposed transaction was unlikely to significantly lessen competition in the identified relevant markets.

Determination

34. The Panel was satisfied that, pursuant to Regulation 47, the merger was not likely to substantially lessen competition in the Common Market or a substantial part of it, nor would it significantly affect public interest.

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

Dated this 4th day of September 2026