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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 3 of 2017

Notice of Inquiry into the Proposed Merger between B.I.H. Brasseries Internationales Holdings Limited and Carlsberg Malawi Limited

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed merger between B.I.H Brasseries Internationales Holdings Limited (“**BIH**”) and Carlsberg Malawi Limited (“**Carlsberg**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The Parties have submitted that the acquiring undertaking, **BIH**, is holding Company of the Castel Group (“Castel”) and that Castel is a beverages company registered under the laws of France. Castel’s main business focus areas include the production of wine, beer, soft drinks and water. The parties have further submitted that Castel has operations in the following COMESA Member States: Democratic Republic of Congo, Ethiopia, and Madagascar.

The Parties have submitted that the target undertaking, **Carlsberg**, is a holding company registered under the laws of Malawi which has 100% shareholding in three (3) subsidiary companies in Malawi namely: Carlsberg Malawi Brewery Limited (CMBL), Malawi Distilleries Limited (MDL) and Southern Bottlers Limited (SOBO). **Carlsberg**, through its subsidiary companies, is involved in the in the manufacture, distribution, and sale of alcoholic and non-alcoholic beverages solely in the Malawian market. The products include Carlsberg brand beers and other local brands; spirits such as Malawi Gin, Premier Brandy and Powers Number 1; and soft drinks such as Coca-Cola, Fanta, sprite, drinking water, tonic and soda waters. Carlsberg’s operations in the Common Market are solely in Malawi.

The Parties have submitted that the **BIH** is acquiring sole control of **Carlsberg** following the purchase of 59.48% of the total share capital of Carlsberg which was initially held by Carlsberg Breweries A/S.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the merger is likely to substantially prevent or lessen competition within the Common Market and whether the merger is or would be contrary to the public interest as provided for under Article 26 of the Regulations. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the merging parties to submit written representations to the

Commission with regard to the subject matter of the proposed inquiry by emailing them to: wmwemba@comesa.int. All written representations should be sent to the Commission not later than **9th February, 2016**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Willard Mwemba, Manager Mergers and Acquisitions** on Tel: +265 (0) 1 772466 or E-mail wmwemba@comesa.int

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.