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<u>CCC Restrictive Business Practices (RBP)</u> <u>Notice No. 4 of 2018.</u>

Notice of Inquiry into the Wirtgen Group and The Motor & Engineering Company of Ethiopia Limited S.C

It is hereby notified in terms of Rule 61(4) of the COMESA Competition Rules (the "Rules") that the COMESA Competition Commission (the "Commission") is reviewing an agreement concluded between Wirtgen Group ("Wirtgen Group") and The Motor & Engineering Company of Ethiopia ("MOENCO").

The parties have submitted that under, the Agreement, **MOENCO** is granted rights by the Wirtgen Group to market machines, parts and accessories as an independent distributor in the territory of Ethiopia and Djibouti.

The Parties have submitted that **Wirtgen**, is a Germany company with its principal business address at Reinhard Wirtgen Strasse 2, 53578 Windhagen, Germany. Wirtgen is an internationally operating group of companies in the Construction machinery sector incorporating the product brands: Wirtgen, Vogele, Hamm, Kleemann, Benninghoven and Ciber. With these six brands, Wirtgen encompasses the entire process chain in road construction, from process, mixing, paving and compacting, to rehabilitation as well as mining and quarrying equipment. Wirtgen also manufactures and supplies milling machines, recyclers as well as slip-form pavers for road construction.

The parties have further submitted that **MOENCO** is an Ethiopian company with its business address at 5727, Addis Ababa, Ethiopia. MOENCO is one of the largest motor companies in Ethiopia representing about 20 brands of different categories such as mini truck, light duty trucks, used heavy duty trucks, used excavator, used asphalt paver used concrete pump, used wheel loader, used cranes, freezer trucks, used aerial, platform, special purpose trucks, used garbage trucks, fire trucks, cargo trucks, container trucks etc.

The Commission shall assess the Agreement in order to determine whether it is compatible with the Common Market. Pursuant to Article 16 of the COMESA Competition Regulations (the "Regulations"), agreements which are incompatible with Common Market are prohibited if they are likely to have an effect on trade between Member States and have as their object the prevention, restriction or distortion of competition within the Common Market.

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: <u>jmwesige@comesa.int</u>. All written representations should be sent to the Commission not later than 23rd February, 2018.

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. John Mwesige**, on Tel: +265 (0)1772466.

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.