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**Common Market for Eastern  
and Southern Africa**

## Staff Paper No. 2017/09/LV/01

### **Decision<sup>1</sup> of the Thirty Fifth Committee Responsible for Initial Determination on the Application for Authorisation of the Acquisition of 100% shares in Barclays Bank Egypt S.A.E. by Attijariwafa Bank S.A.**

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#### **ECONOMIC SECTOR: Banking and Financial Services**

**30<sup>th</sup> September 2017**

*T.P.C*

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<sup>1</sup> In the published version of this decision, some information has been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible the information omitted has been replaced by ranges of figures or a general description.

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### **Information and Relevant Background**

1. On 21<sup>st</sup> April, 2017, the COMESA Competition Commission (hereinafter referred to as “the Commission”) received an application for authorisation of a merger between Attijariwafa Bank S.A. (hereinafter referred to as “AWB”) and Barclays Bank Egypt S.A.E. (hereinafter referred to as “BBE”).
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations, 2004 (hereinafter referred to as the “Regulations”). Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the proposed transaction between the parties would, or is likely to have the effect of substantially preventing or lessening competition or would be contrary to public interest in the Common Market.
3. The Committee Responsible for Initial Determination (hereinafter referred to as “the CID”) established that the parties operate in more than one COMESA Member State. This therefore means that the regional dimension requirement under Article 23(3) of the Regulations is satisfied and asserts jurisdiction on the Commission to assess the transaction.

### **The Parties**

#### **AWB**

4. AWB is a universal bank headquartered in Morocco offering a wide range of financial services including retail banking, private banking and corporate and investment. AWB is a wholly owned subsidiary of Société Nationale d'Investissement and is listed on the Casablanca Stock Exchange with a market capitalisation of USD 7.4 billion as of 30th September 2016.
5. The merging parties submitted that in the Common Market, entities controlled by AWB's parent company generate turnover and have assets in the Democratic Republic of Congo and Rwanda. These subsidiaries are involved in the wholesaling of mining, construction and civil engineering machinery; and motor vehicle sales.

#### **BBE**

6. The parties submitted that BBE is established under the Egyptian Investment Law. It offers a wide range of financial services including retail banking, private banking and corporate and investment in Egypt Only. BBE is ultimately owned by Barclays Banks Plc.

### **Nature of the Transaction**

7. The transaction entails AWB and its affiliates acquiring 100% of the total issued share capital of BBE from Barclays Bank Plc.

### **Competition Analysis**

8. The CID defined the relevant market as Retail, Corporate and Investment banking in Egypt.

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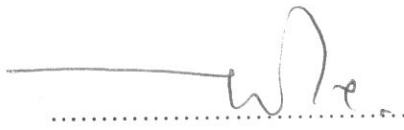
9. The CID observed that the merging parties' activities do not overlap in the Common Market. In view of this, the CID established that the transaction is not likely to substantially lessen competition in the Common Market.


**Determination**

10. The CID determined that the merger is compatible with the Common Market and is not likely to negate the single market imperative. The CID therefore approved the transaction without conditions.
11. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 30<sup>th</sup> day of September 2017

  
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Commissioner Thabisile Langa (Chairperson)

  
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Commissioner Patrick Okilangole  
(Member)

  
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Commissioner Chilufya Sampa  
(Member)

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