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**Common Market for Eastern
and Southern Africa**

Staff Paper No. 2017/03/JB/03

**Decision¹ of the Twenty Ninth Committee Responsible for Initial
Determination on the Application for Authorisation of the Acquisition of
De Ollies B.V by Fides Holdings B.V**

ECONOMIC SECTOR: FLORICULTURE

15th March, 2017 – Johannesburg, South Africa

¹ 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 Where possible the information omitted has been replaced by ranges of figures or a general description.

Information and Relevant Background

1. On 15 December 2016, the COMESA Competition Commission (hereinafter referred to as "the Commission") received a notification for approval of a merger from Fides Holding B.V (hereinafter referred to as "Fides") and De Ollies B.V (hereinafter referred to as "De Ollies").
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations (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

Fides

4. Fides is a private company with limited liability incorporated under the laws of The Netherlands. Fides is a breeder and producer of cut flowers. It has operations in Ethiopia, Kenya and Uganda.

De Ollies

5. The target undertaking, De Ollies is a private company with limited liability incorporated under the laws of The Netherlands. De Ollies, through its Kenyan and Ethiopian subsidiaries, is active in the field of breeding, propagation, growing and marketing of cut roses.

Nature of the Transaction

6. The Transaction involves the acquisition of the entire issued share capital of De Ollies by Fides. Upon completion of the purchase, Fides will be the legal and beneficial owner of the entire issued share capital of De Ollies.

Competition Analysis

7. The CID defined the relevant market as the global market for propagation and sale of fresh cut flowers. The CID established that the merger is not likely to substantially prevent or lessen competition in the relevant market and is not likely to be contrary to public interest provided under Article 26(3) of the Regulations.

Determination

8. The CID determined that the merger is not likely to negatively affect trade between Member States and is compatible with the Treaty establishing the Common Market for Eastern and Southern Africa. The CID therefore approved the transaction.
9. This decision is made in accordance with Article 26 of the Regulations.

Dated this 15th day of March, 2017



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Commissioner Matthews Chikankheni (Chairman)



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Commissioner Thabisile Langa (Member)



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Commissioner Chilufya Sampa (Member)