



**COMESA Competition Commission**

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**Common Market for Eastern  
and Southern Africa**

## **COMESA Competition Commission commences Phase 2 review of the acquisition of Metal Fabricators of Zambia Plc by Reunert Limited**

**Lilongwe, 21<sup>st</sup> July 2016**

The COMESA Competition Commission (the “Commission”) has commenced a Phase 2 review to assess whether the acquisition of Metal Fabricators of Zambia Plc (“Zamefa”) by Reunert Limited (“Reunert”), which was notified to the Commission on 14<sup>th</sup> June 2016, is in line with the COMESA Competition Regulations (the “Regulations”). The phase 2 will continue until the end of the 120- day review period from the date of notification.

The Commission has preliminary concerns that the transaction may lessen competition in the markets for copper products in the Common Market. The Commission's initial assessment has shown that the acquisition will result in a merger of an upstream producer of copper rods with a downstream producer of copper cables, conductors and wires.

The Commission will conduct an in-depth assessment of the transaction to determine whether these initial concerns are confirmed. The opening of a phase 2 review does not prejudice the outcome of the Commission’s assessment.

### ***Parties Involved***

Reunert is a public company listed on the Johannesburg Stock Exchange. Established in 1888 in South Africa, the Reunert group manages a portfolio of businesses in the following fields:

- (i) electrical engineering, through its subsidiary CBi-Electric: African Cables (the relevant subsidiary for the purposes of this transaction) which designs and manufactures a comprehensive range of electrical energy cables up to 132 Kv and conducts up to 765 Kv. It is also involved in the installation and maintenance of medium and high-voltage cable systems, circuit breakers and switchgear;
- (ii) information and communication technologies, through its subsidiary Nashua; and
- (iii) applied electronics, through its subsidiary Reutech.

Zamefa is a Zambian based manufacturer of copper rod which supplies its products throughout sub-Saharan Africa. It also manufactures small volumes of copper and aluminium wire, cable, and conductor products. Zamefa is ultimately controlled by General Cable Corporation, a company incorporated under the laws of Delaware in the United States of America.

More information is available on the Commission's [Merger Cases](#) webpage, under the case number [MER/05/11/2016](#).

If you wish to seek further details and/ or clarifications on any aspect of this transaction, you may get in touch with **Mr. Willard Mwemba, Manager for Mergers and Acquisitions**, on +265 (0) 1 772 466 or via email at [wmwemba@comesa.int](mailto:wmwemba@comesa.int).