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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 1 of 2016

Notice of Inquiry into the Transaction involving Yara Nederland BV, Greenbelt Fertilizer Ltd (Zambia), Greenbelt Africa Limited (Dubai), Greenbelt Fertilizer Ltd (Malawi) and Greenbelt Fertilizer Ltd (Mozambique)

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations hereinafter referred to as ("the Regulations") that the COMESA Competition Commission hereinafter referred to as ("the Commission") after receiving a notification in terms of Article 24 of the Regulations involving Yara Nederland BV hereinafter referred to as "Yara" and Greenbelt Fertilizer Ltd (Zambia), Greenbelt Africa Limited (Dubai), Greenbelt Fertilizer Ltd (Malawi) and Greenbelt Fertilizer Ltd (Mozambique) hereinafter collectively called "Greenbelt" intends to embark on an inquiry in terms of Article 26 of the Regulations.

We are informed by the parties Greenbelt focuses on fertilizer blending and marketing in the countries which they operate. The Group focusses on producing crop and soil specific fertilizers, primarily for the commercial farming sector, but also have some dealings with small scale farmers. Greenbelt also provides sampling and analysis of soil services for its customers. Greenbelt operates in Zambia, Malawi and Mozambique.

The parties have also informed us that Yara is mainly active in the production and marketing of mineral fertilizers and related nitrogen based chemicals. The parties have submitted that the transaction is aimed at strengthening Yara's downstream footprint and growth platform in Sub-Saharan Africa.

The parties have submitted that Yara Nederland BV and Yara Fertilizer Zambia Ltd have entered into agreements in terms of which:

- a) Yara Nederland BV acquires the shares in Greenbelt Fertilizer Ltd (Malawi) from CHC Commodities Ltd (99%) and Greenbelt Fertilizer Ltd (Zambia) (1%);
- b) Yara Nederland BV acquires the shares in Greenbelt Africa Ltd (which holds 100% of the shares in Greenbelt Fertilizantes da Mozambique, Limitada) from R N Coventry (33.33%), K N Coventry (33.33%) and C J Hawke (33.33%); and
- c) Yara Fertilizer Zambia Ltd purchases the business and certain assets of Greenbelt Fertilizer Ltd (Zambia) and an immovable property from CHC Commodities Ltd, being the shareholder of Greenbelt Fertilizer Ltd (Zambia).

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. 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 **Friday, 22nd January, 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.