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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 11 of 2017

Notice of Inquiry into the Proposed Acquisition of 57.73% of the shares in General Motors East Africa Limited by Isuzu Motors Limited

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed acquisition of shares in General Motors East Africa Limited (hereinafter referred to as “**GMEA**”) by Isuzu Motors Limited (hereinafter referred to as “**Isuzu**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The Parties have submitted that the acquiring undertaking, **Isuzu**, is a Japanese registered company whose registered address is at 6-26-1, Minami-oi, Shinagawa-Ku, Tokyo 140-8722, Japan. It has further been submitted that Isuzu was founded in 1916 and is one of the longest existing motor vehicle manufacturing companies in Japan with a specialization in commercial vehicles and diesel engines. It has further been submitted that Isuzu owns majority shareholding in a South African registered company known as Isuzu Trucks South Africa (Pty) Limited (ITSA). ITSA exports commercial vehicles into four COMESA Member States, namely: Malawi, Swaziland, Zambia and Zimbabwe.

The Parties have submitted that the target undertaking, GMEA, is a Kenyan registered company founded in 1975 as a joint venture between the Government of Kenya and General Motors Company. It has been submitted that GMEA started assembling vehicles in 1977 and they are the largest manufacturer of commercial vehicles in Kenya. It has been submitted that GMEA’s manufacturing plant in Nairobi assembles a wide range of Isuzu motor vehicles and also retails fully built Chevrolet vehicles which are sold in Kenya, Uganda, and Rwanda.

The Parties have submitted that the proposed transaction involves a sale of 57.73% of the shares in GMEA to Isuzu.

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 and whether the merger is or would be contrary to the public interest as provided for under Article 26 of the Regulations. 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 **17th May, 2017**.

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. Ali Kamanga, Economist - Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or E-mail akamanga@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.