



Kang'ombe House, 5th Floor-West Wing
P.O.Box30742
Lilongwe3, Malawi
Tel: +265 (01) 772466
Email- compcom@comesa.int



Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 37 of 2019

Notice of Inquiry into the Merger Involving the Proposed Acquisition of 100% Shares in Iberafrica Power (E.A.) Limited by Africa Infrastructure Fund I K/S via AIF East Africa Power & Energy LLP

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 on the merger involving the acquisition of 100% shares in Iberafrica Power (E.A.) Limited (**“Iberafrica”**) by Africa Infrastructure Fund I K/S (**“AIF 1”**) via AIF East Africa Power & Energy LLP (**the “Acquirer”**), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquirer is a limited liability partnership incorporated in England and Wales and it is wholly owned by AIF 1. The acquirer has been established as a special purpose vehicle by AIF 1 to invest in, own and operate power and energy infrastructure assets in Kenya and has a target to invest up to US\$ 200 million in equity capital in greenfield and brownfield power and energy infrastructure assets in Kenya. AIF 1 is a Danish limited partnership established as an investment fund to create and enable opportunities through investments in African infrastructure whose purpose is to support sustainable economic growth and prosperity on the African continent. AIF is controlled by A.P. Moller Capital P/S which is an investment arm of the AP Moller Group. The AP Moller Group has operations in the following Member States of the Common Market for Eastern and Southern Africa (COMESA): Burundi, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Uganda, Zambia and Zimbabwe.

The parties have submitted that the target, Iberafrica, is a company incorporated in Kenya whose business address is at 1st Floor, Park Place Building, 2nd Parklands Avenue, Limuru Road, Nairobi, Kenya. Iberafrica currently owns and operates a 52.5 MW heavy fuel oil fueled Nairobi South Power Plant (NSPP II) situated at Lunga Lunga Road industrial area. It has been submitted that Iberafrica has a PPA with Kenya Power and Lighting Company (KPLC) for NSPP II which will expire in 2034. KPLC is the sole utility company licensed to purchase and distribute grid connected electricity in Kenya. The target is 100% controlled by First Independent Power (Kenya) Limited (FIPK), a Kenya private company limited by shares and wholly owned by Global Power Generation, S.A. which is in turn owned by Naturgy Energy Group, S.A. and Wren House Infrastructure Management Limited. Iberafrica has operations in one comesa Member State namely Kenya.

The parties have submitted that the proposed transaction concerns the acquisition of 100% shares in Iberafrica by AIF East Africa Power & Energy LLP from FIPK.

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: akamanga@comesa.int. All written representations should be sent to the Commission not later than **27th November, 2019**.

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, Senior Analyst - 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.