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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 1 of 2020

Notice of Inquiry into the Proposed Merger Involving Equity Group Holdings Plc and Banque Commerciale du Congo

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 proposed merger involving the Equity Group Holdings Plc (**“the Acquirer”**) and Banque Commerciale du Congo (**“the target”**), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the proposed transaction involves an acquisition of 66.53% of the total issued share capital of Banque Commerciale de Congo by Equity Group Holdings Plc.

The parties have submitted that the acquirer, Equity Group Holdings Plc, is a public limited liability company established under the laws of the Republic of Kenya. It is listed on the Nairobi Securities Exchange, Uganda Securities Exchange and Rwanda Stock Exchange. The acquirer currently has six (6) banking subsidiaries which provide an extensive menu of financial services in the countries where it has operations. It also has six (6) non-banking subsidiaries engaged in providing investment banking and stock-broking; custodial services; insurance agency; consulting; infrastructure services; and social initiatives and interventions. The parties have submitted that the acquirer have operations in following Member States of the Common Market for Eastern and Southern Africa: the Democratic Republic of Congo, Kenya, Rwanda and Uganda.

The parties have submitted that the target undertaking, Banque Commerciale du Congo, is a leading financial institution incorporated in the Democratic Republic of Congo. It commenced its operations in 1952. Its services extend to large local, international, corporate and institutional players, small and medium enterprises traders and active professionals in the formal sector of the economy along with private individuals, companies and state agents. The target has one subsidiary, Immobiliere De La Agence De La Gombe whose main activity is holding real estate properties. It has also been submitted that the target maintains and develops a network of 29 branches spread throughout the Democratic Republic of Congo to sustain its clients in the areas of economic growth. The parties have submitted that the target undertaking has operations in one COMESA Member State namely the Democratic Republic of Congo.

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 **4th February, 2020**.

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.