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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 8 of 2020

Notice of Inquiry into the Proposed Acquisition of Assets of Samfuel Limited by KenolKobil Plc

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 KenolKobil Plc and Samfuel Limited, intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the proposed transaction entails the disposal by Samfuel Limited of ten (10) petroleum retail outlets in Zambia to KenolKobil Plc through Kobil Zambia Limited (“**Kobil Zambia**”).

It has been submitted that the acquiring undertaking, KenolKobil Plc, is a company incorporated in Kenya with registration number C.6/59 and whose address is 5th Floor, Avenue Building, Rose Avenue, Off Lenana Road, P.O. Box 44202 or 30322, 00100 GPO, Nairobi, Kenya. KenolKobil is acting through its subsidiary, Kobil Zambia Limited, a private limited liability company incorporated under the laws of the Republic of Zambia. The KenolKobil group is an indigenous Kenyan oil marketing conglomerate that markets petroleum products in the downstream market and trades in refined petroleum products which include motor fuels, industrial oils, LPG, aviation fuels, lubricants and various other specialist oils. KenolKobil also has subsidiaries in Uganda, Rwanda, Burundi and Ethiopia. It has been submitted that KenolKobil Plc operates in the following COMESA Member States: Burundi, Ethiopia, Kenya, Rwanda, Uganda and Zambia.

It has been submitted that the seller, Samfuel Limited is private limited liability company incorporated under the laws of the Republic of Zambia with its registered business address at Plot No. 8264 Kabwe Road, Post Office Box Number 71451, Lusaka, Zambia. The core business of Samfuel is the storage, distribution and supply of petroleum products, lubricants, bitumen and chemicals in Zambia. It has been submitted that Samfuel has operations only in one COMESA Member State, namely Zambia.

The parties have submitted that given the relatively small market shares that the parties have in the Common Market, the Proposed Transaction is not expected to have any negative effect on competition or the public interest in the Common Market.

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: sbooluck@comesa.int. All written representations should be sent to the Commission not later than **28th 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 **Ms. Sandya Booluck, Senior Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or E-mail sbooluck@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.