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20th April 2020

COMESA Competition Commission Concludes Assessment of Coca-Cola Beverages Africa’s Distribution Agreements

The COMESA Competition Commission (the “Commission”) wishes to inform interested stakeholders and the general public that on 3rd April 2020, it concluded the assessment of the distribution agreements entered into between Coca-Cola Beverages Africa (CCBA), an entity controlled by The Coca-Cola Company (“TCCC”), and third-party distributors in Comoros, Ethiopia, Kenya and Uganda.

CCBA submitted an application for authorisation of its distribution agreements with third-party distributors pursuant to Article 20 of the COMESA Competition Regulations (“the Regulations”) as reported on the Commission’s website. The Commission assessed the distribution agreements to determine, among other things, whether or not the agreements are likely to affect trade between Member States and have as their object or effect the prevention, restriction or distortion of competition within the Common Market.

The Commission noted that the distribution agreements contain clauses which may have the effect of restricting and further penalising distributors from engaging in passive sales. The Commission invited CCBA to propose Undertakings to remedy the likely harm.

The Commission determined that the proposed Undertakings made by CCBA were satisfactory to remedy the likely harm. Therefore, in accordance with Rule 62 of the COMESA Competition Rules, the Commission authorised the distribution agreements subject to the fulfilment of the Undertakings.

For any queries, please contact the Registrar, Ms Meti Disasa on tel: +265 1 772 466 or email mdisasa@comesa.int.