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Common Market for Eastern
and Southern Africa

14th December 2021

CCC Merger Inquiry Notice No. 33 of 2021

Notice of Inquiry into the Proposed Acquisition of certain shares and assets of Suez S.A. and its affiliates by Sonate Bidco

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 by Sonate Bidco ("**Sonate**" the "**the primary acquiring undertaking**") of certain shares and assets of Suez S.A. ("**Suez**") and its affiliates as well as certain international assets ("**New Suez**" the "**target undertaking**"), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The proposed transaction involves the acquisition of certain shares and assets of Suez and its affiliates comprising in particular Suez's municipal water management and recycling & recovery of non-hazardous waste business in France as well as certain international assets by a consortium composed of Global Infrastructure Management LLC ("**GIP**"), Meridiam SAS ("**Meridiam**"), Caisse des depots et consignations ("**CDC**") and CNP Assurances, a subsidiary of the CDC (together the "**CDC Group**") (the "**Consortium**").

Following implementation of the proposed transaction, New Suez will be wholly owned by a special purpose vehicle, Sonate which is controlled by Sonate Topco (as to 100%), an entity established by the Consortium and jointly by GIP and Meridiam. Upon closing of the proposed transaction, GIP will hold 40 – 41% of the capital of Sonate Topco, Meridiam will hold 40-41% and CDC Group will hold 18-20%. The scope of the assets, entities and activities of Suez to be ultimately acquired by the Consortium to form the New Suez will include;

- in relation to the European Union: (i) France, the activities of municipal water management, non-hazardous waste management and urban cleaning, (ii) in Italy, the municipal water management activities as well as its minority shareholding in Acea S.p.A ("**ACEA**"), (iii) in Poland and the Czech Republic, the activities of municipal water management, (iv) part of the digital and smart

solutions through the sale of the majority of the “global business unit” Smart & Environmental Solutions” (**SES**);

- in relation to outside of the European Union, the perimeter will include the assets, entities and activities of Suez related to: (i) the management of municipal water and certain waste in Africa including its participation in *Lyonnaise des Eaux de Casablanca (“Lydec”)* in Morocco, (ii) the activities related to the management of municipal water in India, Bangladesh and Sri Lanka, (iii) the municipal water management and the infrastructure design and construction businesses in China, as well as of the Suyu Groups businesses, and two industrial incinerators in Shanghai and Suzhou, (iv) the municipal water management businesses in Australia, and (v) the businesses in Uzbekistan, Azerbaijan, Turkmenistan and Kazakhstan.

Sonate is a company established under the laws of France with its principal business address at 3 boulevard de Sebastopol, 75002 Paris, France as a consortium vehicle established solely for the purpose of the proposed transaction. Sonate is jointly controlled by Meridiam and GIP (collectively the “**acquiring group**”). GIP is an independent infrastructure fund manager headquartered in New York City with a focus on transportation, energy, waste and water sectors. GIP does not operate, have assets nor derive any revenue in any COMESA Member State. Meridiam is a global firm based in France specialized in developing, financing and long-term management of sustainable public infrastructure projects in three core sectors namely: mobility, energy transition and environment, and social infrastructure. Meridiam operates in only one COMESA Member State namely, Madagascar.

New Suez is a company controlled by Suez, a company established under the laws of France with its principal business as Tour CB 21, 16 Plan de l’Iris, Paris La Defense Cedex 1, France, 92040. Suez is active in the water and waste industry. It supplies high-quality water suitable for every type of use and ensure the protection of this common good. Suez recovers waste water and waste to convert them into new resources. New Suez operates in Comoros, Egypt, Kenya, Madagascar, Mauritius, Tunisia and Uganda. The activities of New Suez include municipal water activities and consultancy services. It operates drinking water cycle value chain for its customers, both public authorities and private customers. Its operations include: studies and master plans, modelling of networked and natural water flows and engineering of water management infrastructure projects; engineering, design and construction of water treatment facilities through treatment infrastructure; drinking water pumping, storage and distribution; and wastewater collection and treatment services.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether or not the Proposed Transaction is likely to substantially prevent or lessen competition within the Common Market and whether the Proposed Transaction 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 parties to the proposed transaction to submit written representations to the Commission with regard to the subject matter relating to the inquiry by emailing them to: akamanga@comesa.int. All written representations should be sent to the Commission not later than **25th January 2022**.

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 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.