



COMESA Competition Commission

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Common Market for Eastern
and Southern Africa

6th April 2022

CCC Merger Inquiry Notice No. 20 of 2022

Notice of Inquiry into the Proposed Merger involving CDC Group plc and Klinchenberg B.V.

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 of joint control by CDC Group plc (“**CDC**” or the “**Acquiring Undertaking**”), together with Norfund, of Klinchenberg B.V. (“**Klinchenberg**” or the “**Target Undertaking**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

CDC is a public limited company incorporated under the company laws of England and Wales, with its business address at 123 Victoria Street, SW1E 6DE, London, United Kingdom. It is wholly owned by the Foreign Commonwealth and Development Office of the government of the United Kingdom, and it is the United Kingdom’s development finance institution. The mandate of CDC as a development finance institution is to invest in projects which help to achieve the United Nations’ Sustainable Development Goals in developing countries. Within the Common Market for Eastern and Southern African (the “**Common Market**”), CDC operates in the Democratic Republic of Congo, Egypt, Kenya, Malawi, Mauritius, Rwanda, Uganda, Zambia and Zimbabwe.

Klinchenberg is a newly formed Dutch entity incorporated under the company laws of the Netherlands, with its business address at Zuidplein 36, WTC - Tower H, 1077 XV Amsterdam, The Netherlands. Klinchenberg is wholly owned by Norfund, the Norwegian Investment Fund for Developing Countries. Norfund’s mandate as a development finance institution is to invest in projects which help to achieve the United Nations’ Sustainable Development Goals in developing countries. Within the Common Market, Klinchenberg operates in Madagascar, Rwanda and Uganda.

The transaction involves the proposed acquisition of joint control by CDC together with Norfund of Klinchenberg. As part of a presale re-organisation being undertaken in connection with the proposed transaction, Norfund's 49% interest in certain hydropower infrastructure projects in Sub-Saharan Africa, including indirect ownership interests in the share capital of each of SN Development BV (under formation), SN Madagascar BV (under formation) and SN Power Invest Netherlands BV, will be contributed to Klinchenberg. It was further submitted that SN Development BV, SN Madagascar BV,

and SN Power Invest Netherlands BV are currently (or will prior to the completion of the presale re-organisation be) controlled by Scatec ASA (Scatec) and Norfund. Scatec is a renewable energy power producer, headquartered in Norway, which develops, owns and operates solar, wind and hydro power plants and storage solutions. Pursuant to the proposed transaction, CDC will acquire control (indirectly, through its acquisition of joint control of Klinchenberg) of SN Development BV, SN Madagascar BV and SN Power Invest Netherlands BV. Scatec will maintain a controlling interest in these entities and, accordingly, they will continue to be, jointly (indirectly) controlled by Norfund, Scatec, and CDC after the proposed transaction. Following the proposed transaction, Norfund and CDC will fund the development and construction of hydropower projects across sub-Saharan Africa through Klinchenberg.

The Commission will, in accordance with Article 26 of the provisions of the Regulations, determine, among other things, whether or not the proposed merger 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.

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 of the proposed inquiry by emailing them to: akamanga@comesa.int. All written representations should be sent to the Commission not later than **25th April 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.