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**Common Market for Eastern
and Southern Africa**

Case File No. CCC/MER/1/1/2022

**Decision¹ of the Eighty-Third (83rd) Committee Responsible
for Initial Determinations Regarding the Proposed Merger
involving General Atlantic L.P. and Greenlight Planet
Incorporated**

ECONOMIC SECTOR: Solar Energy

31 May 2022

¹ In the published version of this decision, some information has been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible, the information omitted has been replaced by ranges of figures or a general description.

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Introduction and Relevant Background

1. On 11th February 2022, the COMESA Competition Commission (the “**Commission**”) received a notification involving General Atlantic L.P. (“**General Atlantic**”) as the acquiring undertaking and Greenlight Planet Incorporated (“**Greenlight**”) , S.L.(“**Altadia**”) as the target undertaking, pursuant to Article 24(1) of the COMESA Competition Regulations of 2004 (the “**Regulations**”).
2. Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the transaction between the parties would or is likely to have the effect of substantially preventing or lessening competition or would be contrary to public interest in the Common Market.
3. Pursuant to Article 13(4) of the Regulations, there is established a Committee Responsible for Initial Determinations, referred to as the CID. The decision of the CID is set out below.

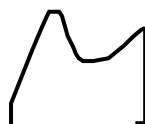
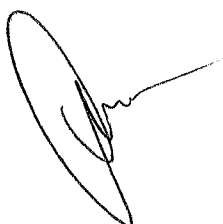
The Parties

General Atlantic (the acquiring undertaking)


4. The parties submitted that General Atlantic is a global growth private equity firm headquartered in New York, USA that provides capital and strategic support for growth companies. It has been a growth investor for more than four decades and currently has a portfolio of 169 companies in five regions.
5. The parties further submitted that, as a fundamental aspect of its investment strategy, General Atlantic invests in five global sectors, namely; Consumer, Financial Services, Healthcare, Technology and Life Sciences.
6. The parties submitted that the acquirer is active in Egypt and Mauritius in the Common Market through its portfolio companies, as listed in Table 1 below:

Table 1 – List of firms directly controlled by General Atlantic in the Common Market

Member State	Trade Name	Activities
Egypt	Argus Media	Argus Media is a leading global commodities price reporting agency that publishes market reports and data feeds containing price assessments, market commentary, and news on a full range of global commodities
	HireRight	HireRight is a leading global background screening company that offers innovative solutions to help organizations screen and manage their workforce.
	Kiwi.com	Kiwi.com is a leading online travel booking platform



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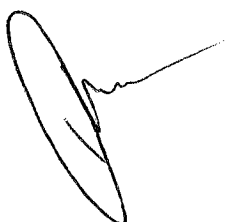


Member State	Trade Name	Activities
	Property Finder	Property Finder is a leading online real estate platform.
	Authentic Brands Group	Brand development, management, and licensing
	ParshipMeet Group	Online dating and matchmaking
	Riskified	Payment fraud management solution
	Tory Burch	Sale of clothes, jewelry, accessories, handbags and shoes
Mauritius	Argus Media	Argus Media is a leading global commodities price reporting agency that publishes market reports and data feeds containing price assessments, market commentary, and news on a full range of global commodities
	House of Anita Dongre	House of Anita Dongre is a leading retailer, designer, and manufacturer of women's apparel and accessories in India.
	Howden Group Holdings (Hyperion)	Howden Group Holdings is a specialty commercial insurance broker and underwriting agency.
	IIFL Wealth	IIFL Wealth Management is a leading Indian wealth management platform focused on high-net-worth families, offering wealth advisory solutions, asset management products, credit solutions, brokering, and distribution services

Greenlight (the target undertaking)

7. The parties have submitted that Greenlight is a corporation registered in Delaware (USA) and having its registered office at 1209 Orange Street, Wilmington, DE 19801, New Castle. Greenlight is active in the designing and distributing of solar home solutions for local populations that do not have access or have weak access to the electricity grid. It provides solar energy products including solar lamps and home energy systems under its Sun King™ brand.
8. In the Common Market, Greenlight is active in the sale and distribution of various solar products ranging from solar lanterns to complete home systems in Kenya, Uganda and Zambia.² Greenlight controls the following entities in the Common Market:

² It was noted from the parties' submission that Greenlight started operations in Zambia after the end of the financial year (March 2021) and has no audited financial statements. Its revenues in the country are negligible as sales only started in Q2 2021.

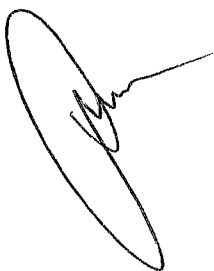




- a) Greenlight Planet Kenya Limited ("**Greenlight Kenya**") whose principal business address is Priory Place, Argwings Kodhek Road, P.O Box 30739 G.P.O, Nairobi, Kenya.
 - b) Greenlight Planet Uganda Limited ("**Greenlight Uganda**") whose principal business address is Nakawa Business Park, Kampala Road, P.O. Box 6031, Kampala, Uganda.
 - c) Greenlight Planet Zambia Limited ("**Greenlight Zambia**") whose principal business address is No. 5309, Dedan Kimathi Road, Kamwala, Lusaka, Lusaka Province, Zambia.
9. The key product categories offered by Greenlight in the Common Market are:
- Entry level lanterns - Pro / Boom
 - Entry level home systems - Home 60/120
 - Larger Home systems - Home 400/600
10. The parties submitted that Greenlight derives majority of its revenues from the sale of its products to individual retail customers in the Common Market, who are generally low income to middle income individual consumers.

Jurisdiction of the Commission

11. Article 24(1) of the Regulations requires 'notifiable mergers' to be notified to the Commission. Rule 4 of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation (the "**Merger Notification Thresholds Rules**") provides that:
- Any merger, where both the acquiring firm and the target firm, or either the acquiring firm or the target firm, operate in two or more Member States, shall be notifiable if:*
- a) *the combined annual turnover or combined value of assets, whichever is higher, in the Common Market of all parties to a merger equals or exceeds COM\$ 50 million; and*
 - b) *the annual turnover or value of assets, whichever is higher, in the Common Market of each of at least two of the parties to a merger equals or exceeds COM\$ 10 million, unless each of the parties to a merger achieves at least two-thirds of its aggregate turnover or assets in the Common Market within one and the same Member State.*
12. The merging parties have operations in more than two COMESA Member States. The parties' combined annual asset value in the Common Market exceeds the threshold of USD 50 million and they each hold asset value of more than USD 10 million in the Common Market. In addition, the merging parties do not achieve



more than two-thirds of their respective COMESA-wide asset value within one and the same Member State. The notified transaction is, therefore, notifiable to the Commission within the meaning of Article 23(5)(a) of the Regulations.

Details of the Merger

13. The parties have submitted that the acquirer intends to indirectly purchase through General Atlantic (GL) L.P. 124,222 Series D Preferred Shares (representing 44.7% of shares) and obtain certain control rights³ in the Target being the right for the Board director to be appointed by General Atlantic to veto termination or hiring of key employees and a business plan or budget which results in a change or reallocation exceeding USD 10 million.

Competitive Assessment

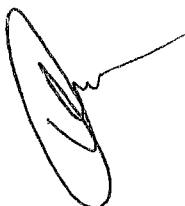
Relevant Markets

14. The CID noted that no categories of products and/or services supplied by the Acquiring Undertaking and Target may be considered as similar, reasonably interchangeable or substitutable. For this reason, the CID's assessment has focussed on the products supplied by the Target.
15. The target provides solar lanterns and complete solar home systems, mainly to low income to middle income individual consumers. Solar home systems refer to stand-alone systems, suitable for residential applications, such as home appliances, lighting, computers and water pumps. A solar home system is generally designed and sized to supply direct current and/or alternative current electrical appliances. It consists of PV modules connected to a PV charge controller, stand-alone inverter and battery system⁴. Off-grid solutions such as solar home systems can offer a viable solution to meet the electricity needs of rural households that are far from the grid and who use electricity primarily for lighting, phone charging, and powering radios, and, sometimes, TV or small refrigerator⁵.
16. The solar home systems can be segmented by solar module capacity (measured in Watt peak, Wp) which enable different level of electricity access:
 - 11 – 20.999 Wp, entry level (3-4 lights, phone charging, powering radio, fan etc.)

³ Paragraph 2 of Exhibit A – confidentiality of information claimed by the parties.

⁴ <https://www.sciencedirect.com/topics/engineering/solar-home-systems>, accessed on 8 April 2022.

⁵ J Coonyjoana *et al*, 'Shining a light on misconceptions about solar home systems', June 2021. Accessed at <https://blogs.worldbank.org/climatechange/shining-light-misconceptions-about-solar-home-systems>, on 8 April 2022.



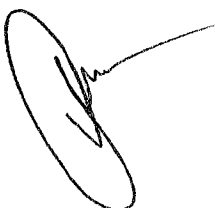
- 21 – 49.999 Wp, basic capacity (as above plus power for TV, additional lights, appliances & extended capacity)
 - 50 – 99.999 Wp, medium capacity (as above but with extended capacities)
 - 100 Wp and above, higher capacity (as above but with extended capacities)⁶.
17. Other types of off-grid solar products such as portable lanterns and multi-light systems can similarly be segmented by capacity. For instance, portable lanterns with 0 – 1.499 Wp can accommodate a single light, and 1.5 – 2.999 Wp can accommodate single light and mobile charging. Multi-light systems with 3 – 10.999 Wp can power multiple lights and mobile charging.
18. In view of the foregoing and having regard to the customer category targeted by Greenlight, the CID considered that the relevant product market should be limited to low voltage (i.e., below 100 Wp)⁷ solar products.

Relevant Geographic Market

19. From a supply point of view, the goods and services offered by the parties can be supplied from all over across the globe. In the last few decades, there has been a lot of focus and emphasis on renewable energy solutions, among them solar. A lot of suppliers have emerged, especially from China and the Middle East. This may in a first instance lead to a conclusion that the relevant geographic market is global.
20. However, on a careful and close consideration of the category of customers targeted by the parties, it is more likely than not that the market is national with a possibility of sub-markets within a country. From a demand perspective, the targeted segment of customers are poor, low income and rural customers who are located in areas where other forms and alternative sources of energy are absent. These areas also have peculiarities that make it challenging to reach the consumers.
21. On this basis, the CID concluded that the relevant geographic market for the retail supply of low-voltage solar products is **national** and relates to Kenya, Uganda and Zambia where the target has operations, with possibility of further delineation. However, given that this transaction is unlikely to raise competition

⁶ GOGLA 'Global Off-Grid Solar Market Report Semi-Annual Sales and Impact Data, July - December 2020, Page 103. Accessed at: https://www.gogla.org/sites/default/files/resource_docs/global_off-grid_solar_market_report_h2_2020.pdf on 8 April 2022.

⁷ This is consistent with the Commission's approach in the Merger Involving Mitsubishi Corporation, Bamboo Energy Fund S.A – SICAV RAIF and BBOXX Limited (CCC/MER/09/35/2019). Accessed at <https://www.comesacompetition.org/wp-content/uploads/2020/06/4.-Final-CID-Decision-BBOXX-Mitsubishi-Corporation.pdf> on 8 April 2022.





concerns, due to the absence of product and geographic overlap, such delimitation is immaterial.

Market Shares and Concentration

22. The parties submitted that Greenlight had 700,000 active individual customers, out of an off-grid population of over 273 million in the Common Market. The parties further submitted that the solar photovoltaic market in Kenya and the Common Market in general is highly competitive, with over 50 competitors.
23. Whilst market share information for the relevant markets was not available, the CID nonetheless noted the presence of several competitors in Kenya and Uganda, specifically in the solar energy market, as listed in Table 2 below. The CID further noted that, according to the Competition Authority of Kenya, in 2021, there were 599 licensed Solar PV contractors/vendors in Kenya.

Table 2: Greenlight's Top Competitors' information in the supply of alternative products in Kenya

Name of Provider	Products supplied
M-KOPA	<ul style="list-style-type: none"> • Entry level Solar Home System <ul style="list-style-type: none"> - Solar Classic • Solar Home System with TV
d.light	<ul style="list-style-type: none"> • Entry Level Lanterns <ul style="list-style-type: none"> - A2, S200, T200, S500 • Entry level Solar Home System - D335, D180
Solar Panda	<ul style="list-style-type: none"> • Solar Home System with TV -Solar Panda TV premium -Solar panda TV premium -Solar Panda TV upgrade
BBOX	<ul style="list-style-type: none"> • Entry level SHS <ul style="list-style-type: none"> - Bpower 20, 50 ,300 • PAYGo LPG and Water pumps
Engie Mobisol Kenya	<ul style="list-style-type: none"> • Entry Level Solar Home System – 10W • Solar Home System with TV • Mini Grids

24. In Uganda, it is reported that over 30,000 solar PV systems have been installed in rural areas⁸. Key players engaged in the provision of solar energy solutions in

⁸ <https://www.rvo.nl/sites/default/files/2019/02/Final-Energy-report-Uganda.pdf>, paragraph 10, accessed on 16th March 2022.

Uganda include Energy Systems Limited, New Age Solar Technologies Ltd, New Sun Limited, Solar Energy Uganda Limited (seul), Uganda Electronics & Computer Industries Ltd, UltraTec (U) Ltd, Yandalux, Fresca Investments (u) Ltd, and Sb Solar Systems.

25. The CID recalled from the parties' submission that the target's revenues in Zambia are negligible as sales only started in the second quarter of the financial year 2021. It is therefore unlikely that the market structure in Zambia would be affected by the Proposed Transaction, considering that the acquirer was not present in the relevant market pre-merger.
26. Thus, notwithstanding the absence of market share data, the CID noted that the relevant markets are characterised by the existence of many players. It is further noted that the market structure will remain the same post-merger.

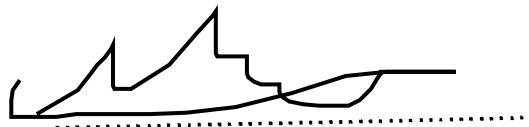
Consideration of Third-Party Views

27. Submissions were received from Kenya, Egypt, and Mauritius which did not raise any concerns as a result of the transaction given that the parties do not operate as competitors pre-merger.

Determination

28. Based on the foregoing reasons, the CID determined that the merger is not likely to substantially prevent or lessen competition in the Common Market or a substantial part of it, nor be contrary to public interest. The CID further determined that the transaction is unlikely to negatively affect trade between Member States.
29. The CID, therefore, approved this transaction. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 31st day of May 2022



Commissioner Mahmoud Momtaz (Chairperson)



Commissioner Vincent Nkhoma



Commissioner Islam Tagelsir Ahmed Alhasan