Undertakings Given by The Confédération Africaine De Football to the COMESA Competition Commission in the Investigation into Agreements Entered Between The Confédération Africaine De Football And Lagardère Sports SAS Relating to The Commercialisation of Commercial Rights of CAF Competitions

## Case No. RFA/01/01/2017

## INTERPRETATION

- The following terms shall have the meaning assigned to them hereunder, namely:
  - a. "CAF" means the Confédération Africaine de Football;
  - b. "CID" means the Committee Responsible for Initial Determination established in terms of Article 13 of the Regulations;
  - "Commission" means the COMESA Competition Commission established in terms of Article 6 of the Regulations.
  - d. "Common Market" means the Common Market for Eastern and Southern Africa established in terms of Article 1 of the COMESA Treaty; and
  - e. "Regulations" means the COMESA Competition Regulations, December 2004.

## BACKGROUND

- On 13<sup>th</sup> February 2017, the Commission commenced an investigation, pursuant to Article 22 of the Regulations, into a possible violation of Part 3 of the Regulations by CAF. On 16<sup>th</sup> April 2019, the Commission issued a notice of investigation against Lagardère Sports S.A.S ("Lagardère Sports"). The Commission's investigation was concerned with two agreements entered into between CAF and Lagardère Sports¹ for the commercialisation of commercial rights for competitions organised by CAF:
  - Long Form Contract between CAF and Sportfive Relating to Marketing the Marketing and Media Rights for CAF Competitions signed on 3<sup>rd</sup> October 2007; and,
  - Full Form Agreement between the CAF and Lagardère Sports Relating to Commercialisation of Commercial Rights of CAF Competitions signed on 28<sup>th</sup> September 2016 but which is deemed to have taken effect retroactively on 11<sup>th</sup> June 2015.
- The Commission found concerns with respect to the following:
  - the award of intermediation rights for CAF competitions in the absence of an open and competitive tender process;
  - ii. the long-term duration of the exclusive contract for the award of intermediation rights for CAF competition; and

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Formerly known as Sportfive.

- the inclusion of right of first refusal in the two agreements, which further extended the duration of said agreements.
- 4. The investigation established that such conduct restricts competition in the Common Market and is in violation of the Regulations. Pursuant to several discussions with the Commission, CAF provided undertakings as reflected below in order to alleviate the competitive harm identified during the investigation ("Undertakings").
- 5. CAF emphasizes that the Undertakings reflect its full cooperation with the Commission, its desire to amicably resolve the investigation in good faith, and its dedication to ensuring competition law is upheld in the Common Market. CAF maintains that the Undertakings are made without prejudice to any of CAF's legal rights which may be exercised at present or in the future at CAF's sole discretion.

#### UNDERTAKINGS

- CAF hereby makes the following Undertakings:
  - a. CAF undertakes to eliminate all right of first refusal clauses, or similar preferential renewal clauses, from its existing and future exclusive agreements relating to the intermediation of commercial rights of CAF competitions within the Common Market.
  - b. CAF undertakes to award all future exclusive agreements relating to the intermediation of commercial rights of CAF competitions within the Common Market on the basis of an open, transparent, and non-discriminatory tender process, based on a set of objective criteria which shall be shared with the Commission prior to launching the tender. CAF shall continue to publish the results of all tender exercises conducted on its website, subject to redaction of confidential information.
  - c. CAF shall not enter into new exclusive agreements for the intermediation of commercial rights of CAF competitions within the Common Market for a duration that exceeds four years.
  - d. Where CAF has justifiable grounds to enter into a future exclusive agreement for the intermediation of commercial rights of CAF competitions within the Common Market for a duration which exceeds a duration of four years, CAF shall notify the Commission for authorisation of such agreement pursuant to Article 20 of the Regulations.

# MONITORING AND COMPLIANCE WITH THE UNDERTAKINGS

 CAF shall, within thirty (30) days of each anniversary of the decision of the Appeals Board in case number CCC/APPEAL/JR/3/1/2022 on 16 December 2022, for a period of three years, submit to the Commission an affidavit from a senior official from CAF confirming compliance by CAF with these Undertakings.

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## VARIATION OF THESE UNDERTAKINGS

- CAF may at any time, on good cause shown, apply to the Commission to consent to the waiver, relaxation, modification and/or substitution of these Undertakings.
- All correspondence in relation to these Undertakings shall be submitted to the Director and CEO of the COMESA Competition Commission at the following address: compcom@comesa.int.

THUS DONE AND SIGNED AT CAIRO ON THIS 26H DAY OF FEBRUARY 2023

NAME: VERON MOSENGO-OMBA

TITLE: GENERAL SECRETARY

(Authorised Signatory)

SIGNED:

For: CAF

ACCEPTED BY THE COMESA COMPETITION COMMISSION APPEALS BOARD HELD ON 16 DECEMBER 2022

SIGNED ON THIS . O. 7 DAY OF March 2023

NAME: Dr Willard Mwemba

TITLE: Director and Chief Executive Officer

SIGNED: ....

For: The COMESA Competition Commission