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Common Market for Eastern  
and Southern Africa

## **CCC Merger Inquiry Notice No. 19 of 2018**

### **Notice of Inquiry into the Proposed Merger involving Liquid Telecommunications Holdings Limited, CEC Liquid Telecommunication Limited and its subsidiary Hai Telecommunication Limited**

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 merger involving Liquid Telecommunication Holdings Limited (“**LTHL**”) and CEC Liquid Telecommunication Limited (“**CLT**”) and its subsidiary Hai Telecommunication Limited (“**Hai**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the proposed transaction entails LTHL acquiring sole control of CLT and Hai.

The parties have submitted that the acquirer, LTHL is a private holding company which is incorporated in Mauritius. LTHL and its subsidiaries (“LTHL Group”) are a leading independent data, voice and IP provider which supply wholesale fibre optic, satellite and international carrier services to telecommunication operators, mobile network operations, ISPs and businesses of all sizes. The LTHL Group offers a developed, secure and modern communication infrastructure across the southern, central and eastern African region and internationally via multiple sea cables. The parties have submitted that LTHL Group has operations in the following COMESA Member States: Democratic Republic of Congo, Kenya, Mauritius, Rwanda, Uganda, Zambia, and Zimbabwe.

The parties have submitted that the target, CLT and its subsidiary, Hai, are companies operating in Zambia which focus on telecommunications, multi-media and information technology industries in particular the design, development and convergence of those industries. The parties have also submitted that CLT has constructed a fibre optic network within the main commercial centres in Zambia and also provides two international links to Zimbabwe. It has further been submitted that CLT is one of Zambia’s main carriers of international internet traffic. The parties have submitted that CLT has operations in one COMESA Member State namely, Zambia.

The parties have submitted that Hai offers superfast internet and interoffice connectivity and leading-edge solutions to a wide range of customers in the home, business, and enterprise markets in Zambia. Hai’s customer base encompasses residential, small home office, medium and large enterprises.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the merger is likely to substantially prevent or lessen

competition within the Common Market and whether the merger is, or would be, contrary to 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 merging parties to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: [akamanga@comesa.int](mailto:akamanga@comesa.int). All written representations should be sent to the Commission not later than **11<sup>th</sup> July 2018**.

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, Economist - Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or E-mail [akamanga@comesa.int](mailto: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.