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> 16 September 2024 CCC Merger Inquiry Notice No. 35 of 2024

## Notice of Inquiry into the Proposed Acquisition by Canal+ International SAS of MC Vision Ltd

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 Canal+ International SAS ("Canal+") of MC Vision Ltd (the "MC Vision"), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that Canal+ is a company incorporated under the laws of France and is a wholly owned subsidiary of Groupe Canal+. Groupe Canal+, in turn, is owned by a publicly traded Societas Europaea based in Paris, Vivendi S.E. The parties further submitted that Canal+ is a Pay-TV broadcaster, engaged in the production, bundling and distribution of audiovisual content across various genres, predominantly in French. Canal+ has been operating around the world, directly or indirectly, for more than 30 years. It broadcasts in the French Overseas Departments as well as in foreign countries (e.g. the African continent, Asia-pacific and Europe). In the Common Market, Canal+ operates in Burundi, Comoros, the Democratic Republic of Congo, Djibouti, Egypt, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Tunisia, Uganda and Zambia.

The parties have submitted that MC Vision, a company incorporated in Mauritius, has been operating solely in the Pay-TV industry in this country for almost 25 years. It holds a Subscription Television Direct to Home Satellite Broadcasting and Rebroadcasting Services Provider Licence duly issued by the Broadcasting Authority, first granted in 1997 and renewed since then (the ongoing license has been granted in 2022 for 5 years). MC Vision is involved in the distribution of TV channels and content to consumers and hotels through Direct-To-Home and Internet (the "Downstream" Pay-TV market). The parties further submitted that Canal+ is a historical partner of MC Vision in the Downstream Pay-TV market. In the Common Market, MC Vision operates only in Mauritius.

The parties have submitted that, since 2020, the business of MC Vision, led by the significant drop in its subscriber base has had a significant negative impact on its market shares and profitability, debt figures and equity. The declining performances are due to (i) the impact of the COVID-19, (ii) a reduced competitive edge in the provision of sports content due to its inability to secure broadcasting rights of important

sports events, (iii) the rise of direct to consumer competitors (e.g. Netflix, Disney+, Amazon Prime Video), (iv) the significant technological evolutions (from satellite to OTT, decoders) and (v) the massive impact of pirate operators.

The parties have submitted that the Proposed Transaction would allow MC Vision to carry-out the significant investments that are required to face these difficulties and challenges and offer its subscribers attractive contents with the state-of the- art technology.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether 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 of the proposed inquiry by emailing them to: <a href="mailto:mdebessay@comesacompetition.org">mdebessay@comesacompetition.org</a>. All written representations should be sent to the Commission not later than **7 October 2024.** 

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. Mengistu Debessay**, **Senior Analyst**, **Competition Division** on Tel: +265 (0) 111 772 466 or mdebessay@comesacompetition.org.

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.