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Common Market for Eastern
and Southern Africa

Case File No. CCC/MER/4/9/2019

Decision¹ of the Fifty-Sixth (56th) Committee Responsible for Initial Determination Regarding the Proposed Merger Involving African Wildlife Holdings Partnership and Wilderness Holdings Limited

ECONOMIC SECTOR: Tourism and Travel

3rd May 2019

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 Where possible the information omitted has been replaced by ranges of figures or a general description.

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Information and Relevant Background

1. On 26th March 2019, the COMESA Competition Commission (hereinafter referred to as the “**Commission**”) received a notification for approval of a merger involving African Wildlife Holdings Partnership (“**AWH Partnership**”) and Wilderness Holdings Limited (“**Wilderness**”).
2. The transaction was notified with the Commission under Article 24(1) of the COMESA Competition Regulations, 2004 (the “**Regulations**”). Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the proposed 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. The Committee Responsible for Initial Determination (the “**CID**”) established that the parties operate in more than one COMESA Member State and they meet the prescribed notification thresholds. This therefore means that the regional dimension requirement under Article 23(3) of the Regulations is satisfied and asserts jurisdiction on the Commission to assess the transaction.

The Parties

AWH Partnership (the Acquiring Undertaking)

4. AWH Partnership is an unincorporated *en commandite* partnership formed by an individual, Keith Norman William Vincent, Cork Bush Proprietary Limited (Cork Bush) and African Wildlife Holdings Limited (“AWH Limited”). The parties further submitted that AWH Partnership is an affiliate of FS Investment Management LP (“FS Investors”), a private investment entity with a long term, captive pool of capital which it invests in a variety of asset classes, in multiple sectors and geographies, and in enterprises at varying stages of development. In the Common Market, the acquiring group has operations in Seychelles only.

Wilderness (the Target Undertaking)

5. Wilderness is a public company incorporated under the laws of Botswana and listed on the Botswana Stock Exchange and the Johannesburg Stock Exchange Limited. Wilderness operates some 48 safari camps and lodges in Botswana, Rwanda, Kenya, Namibia, South Africa, Zambia and Zimbabwe and offers vertically integrated packages incorporating various reservations; and air and ground transfer activities. Wilderness operates under various brands, namely Wilderness Safaris, Wilderness Air, Governors’ Camp Collection and Governors’ Aviation.
6. Wilderness has operations in the following COMESA Member States: Kenya, Rwanda, Zambia and Zimbabwe.

Nature of the Transaction

7. It was submitted that AWH Partnership intends to make an offer to acquire all the issued ordinary shares in the stated capital of Wilderness that are not already held by it. Pursuant to the proposed transaction, AWH Partnership will acquire control of Wilderness.

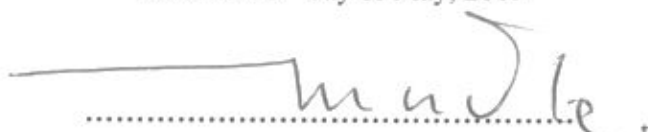
Competition Analysis

8. The CID defined the relevant markets as follows:
- a) The provision of global travel services;
 - b) The national provision of safari hotel accommodation services in Kenya, Rwanda, Zambia and Zimbabwe; and
 - c) The provision of air charter services.
9. The CID observed that the proposed transaction is not likely to result in a change in the market structure due to the absence of any horizontal overlap in the activities of the parties as they were not competitors pre-merger.

Determination

10. The CID determined that the merger is not likely to substantially lessen and prevent competition in the Common Market or any substantial part of it. It was also determined that the merger transaction does not affect a substantial part of the Common Market. Consequently, the transaction is not likely to negatively affect trade between Member States. The CID therefore approved the transaction.
11. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 3rd day of May, 2019



Commissioner Patrick Okilangole (Chairperson)



Commissioner Brian Lingela
(Member)



Commissioner Thembelihle Dube Nee Dlamini
(Member)