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Common Market for Eastern  
and Southern Africa

## **CCC Merger Inquiry Notice No. 26 of 2017**

### **Notice of Inquiry into the Proposed Acquisition by Delta Corporation Limited of the Traditional Beer Businesses of Anheuser-Busch InBev SA/NV in Zambia and Malawi**

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations of 2004 (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 Delta Corporation Limited (“**Delta**”) of Anheuser-Busch InBev SA/NV’s (“**AB InBev**”) traditional beer businesses in Zambia and Malawi, currently conducted by National Breweries Plc (“**NatBrew**”) and Malawi Traditional Beverages Limited (“**MTB**”) (collectively the “**Target Firms**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquiring undertaking, Delta, is a Zimbabwean public company with its registered business at Sable House, Northridge Close Borrowdale, Harare, Zimbabwe which is listed on the Zimbabwe Stock Exchange. The parties have also submitted that Delta, through Delta Beverages Private Limited, supplies alcoholic and non-alcoholic beverages which include shumba maheu, supersip yoghurt, sparkling soft drinks, lager beer, traditional beer, barley malt beer and spirits. The parties have submitted that Delta has operations in the following COMESA Member States: Malawi, Zambia, and Zimbabwe.

The parties have submitted that one of the target firms, NatBrew, is a public company incorporated in accordance with the Laws of Zambia with its business address at Plot No. 6438, Mungwi Road, Heavy Industrial Area, Lusaka, Zambia and is listed on the Lusaka Stock Exchange. The parties have also submitted that NatBrew is controlled by Heinrich’s Syndicate Limited which is indirectly controlled by AB InBev. The parties have submitted that NatBrew is active in the production and distribution of traditional beer under the brand names Chibuku Super Shake and Chibuku Super in Zambia.

The parties have submitted that the other target firm, MTB, is a private company incorporated in accordance with the Laws of Malawi and has no activities other than holding the shares in Chibuku Products Limited (“**CPL**”). The parties have submitted the CPL is a private company incorporated under the Laws of Malawi which is active in the production, distribution and marketing of traditional beer and maheu marketed in Malawi under the regional brands Chibuku and Maheu, respectively.

The Parties have submitted that the transaction involves the proposed acquisition of control by Delta of the target firms, NatBrew and MTB.

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 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 merging parties to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: [wmwemba@comesa.int](mailto:wmwemba@comesa.int). All written representations should be sent to the Commission not later than **16<sup>th</sup> November, 2017**.

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 [wmwemba@comesa.int](mailto:wmwemba@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.