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CCC Merger Inquiry Notice No. 37 of 2018

Notice of Inquiry into the Proposed Acquisition of Assets of Delta Petroleum Uganda Limited and Delta Petroleum Rwanda Limited by KenolKobil Plc

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 of assets of Delta Petroleum Uganda Limited ("Delta Uganda") and Delta Petroleum Rwanda Limited ("Delta Rwanda") (together, the "Target Undertakings") by KenolKobil Plc ("KenolKobil"), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquiring undertaking, KenolKobil, is a public company incorporated in Kenya with registration number C.6/59. The KenolKobil Group is an indigenous Kenyan oil marketing conglomerate that markets petroleum products in the downstream market and trades in refined petroleum products which include motor fuels, industrial oils, LPG, aviation fuels, lubricants and various other specialist oils. In the Common Market, the KenolKobil Group subsidiaries operate in Burundi, Ethiopia, Kenya, Rwanda, Uganda and Zambia.

The parties have submitted that the target undertakings are part of the Delta Group. Delta Uganda is a private limited liability company incorporated under the laws of the Republic of Uganda, with its registered address at Annex A Ruth Towers, Hannington Road, Post Office Box Number 10983, Kampala, Uganda. The core business of Delta Uganda is the sourcing, importation and distribution of both white oils (Diesel, Super, and Kerosene) and black oils (Bitumen and Fuel Oil).

The parties have submitted that Delta Rwanda is a private limited liability company incorporated under the laws of the Republic of Rwanda, with its registered business address at Muhima, P.O. Box 3160, Kigali, Rwanda. Delta Rwanda is an oil marketing company that trade in refined petroleum products which include motor fuels, industrial oils, LPG, fuels, lubricants, and various other specialist oils.

KenolKobil is acting through its wholly-owned subsidiaries, Kobil Uganda Limited ("**Kobil Uganda**") and Kobil Petroleum Rwanda Limited ("**Kobil Rwanda**") for purposes of the transaction notified. The proposed transaction involves the acquisition by Kobil Uganda of 23

service stations owned/operated by Delta Uganda in Uganda, and the simultaneous acquisition by Kobil Rwanda of 10 service stations owned/operated by Delta Rwanda in Rwanda.

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: sbooluck@comesa.int. All written representations should be sent to the Commission not later than 18th January 2019.

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 **Ms. Sandya Booluck, Economist, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or sbooluck@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.