

 competition commission <small>shaping markets, furthering progress</small>	10 th Floor, Hennessy Court, Pope Hennessy Street Port Louis 11404 T : (230) 211-2005 F: (230) 211 3107 E: info@competitioncommission.mu www.competitioncommission.mu	
MEDIA RELEASE		
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<h2 style="text-align: center;">Approved mergers with regional dimensions and affecting markets in Mauritius</h2>		

The COMESA Competition Commission, after consulting the Competition Commission of Mauritius (“Competition Commission”), approves the following mergers which involves Mauritian markets:

1. **Mauvilac Industries Limited and Akzo Nobel Coatings International B.V;**
2. **Pioneer Food Group Limited and PepsiCo, Inc.; and**
3. **Vindémia Group S.A.S and Groupe Bernard Hayot.**

Merger control is an integral role of competition authorities around the world, including the Competition Commission of Mauritius. The Competition Act 2007 (the “Act”) mandates the Competition Commission of Mauritius to review mergers impacting Mauritius and where they substantially lessen competition, to impose appropriate remedies or block the transaction, after factoring in any offsetting public benefits. Mauritius being a Member State of the COMESA (Common Market for Eastern and Southern Africa), the Competition Commission of Mauritius works in close collaboration with the COMESA Competition Commission to review mergers having a regional dimension, but which may impact the Mauritian market.

Mergers between companies operating in several COMESA Member States and meeting certain turnover and asset thresholds must seek the approval of the COMESA Competition Commission. In turn, the COMESA Competition Commission notifies the Competition Commission of Mauritius of mergers which may affect Mauritius and seeks the views of the Competition Commission of Mauritius prior to taking a decision on such matters.

For the year ending June 2020, the Competition Commission of Mauritius has reviewed several mergers out of which 30 had a regional dimension and were reviewed in collaboration with the COMESA Competition Commission. Several of those regional mergers affect Mauritius. For instance, in June 2020, the COMESA Competition Commission, in consultation with the Competition Commission of Mauritius, has approved, subject to certain conditions, the acquisition of Mauvilac Industries Limited by Akzo Nobel Coatings International B.V. Earlier in March, the acquisition of Pioneer Food Group Limited by PepsiCo,

Inc. was cleared after certain assurances being given by the party. Similarly, in February, the acquisition of Vindémia Group S.A.S by Groupe Bernard Hayot was approved. More information on these three transactions is provided below.

Merger involving Akzo Nobel Coatings International B.V. and Mauvilac Industries Limited

The AkzoNobel group, a global manufacturer and distributor of paint which is active in over 150 countries, including Mauritius, had proposed to acquire Mauvilac Industries Limited, through Akzo Nobel Coatings International B.V. The AkzoNobel group is among the largest paints and related products manufacturer and supplier in the world and supplies brands like Dulux and International. Mauvilac Industries Limited is a locally incorporated company involved in the manufacture and supply of paints and related products at local and regional level, including Mauvilac branded paints.

During the review of the transaction, certain players on the market expressed some concerns with the transaction. Although the AkzoNobel group was active in Mauritius before the transaction, it had a relatively low market share. As such, the transaction is unlikely in itself to significantly increase the market concentration in supply of paints in Mauritius. However, concerns were expressed that the transaction may increase the incentive of the acquirer to engage in tying and bundling to the detriment of competition. Concerns were also expressed that it may shift its production to other countries to the detriment of the local economy and public benefit.

Akzo Nobel Coatings International B.V offered undertakings (commitments) that it will not condition the supply of Mauvilac paints on a requirement or obligation for retailers to also purchase Dulux/International paint brands. It further committed that production of paints in Mauritius by Mauvilac will be continued. These undertakings are valid for a period of 3 and 10 years respectively. These undertakings addressed the competition concerns and as such, the transaction was approved subject to the undertakings.

The full decision can be accessed [here](#).

Merger involving Groupe Bernard Hayot and Vindemia Group S.A.S

The Groupe Bernard Hayot proposed to acquire all the issued share capital of Vindémia Group S.A.S, from Casino group.

The Groupe Bernard Hayot is present in 17 territories and operates in mass retailing, automotive distribution and industrial activities. In Mauritius, Groupe Bernard Hayot distributes motor vehicles of the brand “Hyundai” through Bamyris Motors Ltd. It is also present through Global Business Companies incorporated in Mauritius.

Vindémia Group S.A.S, is a leading food retailer with hypermarkets, supermarkets and convenience stores. In Mauritius, it mainly owns and operates Somags Ltée which trades as “Jumbo Score” hypermarkets, “Jumbo Express” supermarkets and “Vival” convenience stores, and Distrilog Ltd.

No competition issues were found, and the transaction was approved.

The full decision can be accessed [here](#).

Merger involving Pioneer Food Group Limited by PepsiCo, Inc.

Another cross-border transaction affecting Mauritius is the acquisition of Pioneer Food Group Limited by PepsiCo, Inc. The latter is an American company which supplies international brands such as Pepsi, Doritos, Lay's, Quaker Oats and Tropicana. Pioneer Food Group Limited is a South African company, which also supplies well-known brands, including Ceres Juice, Fruitree and Liqui-fruits and a variety of breakfast cereals of the brand Bokomo. Several of the products of the parties are supplied in Mauritius through different distributors.

Certain products supplied by these two parties were competing in Mauritius and some players expressed certain potential competition issues. However, following additional clarifications from the parties, the Competition Commission found no competition issues. The transaction was approved.

The full decision can be accessed [here](#).

The Executive Director said:

“The COMESA Competition Commission and Competition Commission of Mauritius have complementary mandates. While the Competition Commission of Mauritius enforces competition law at the national level, the COMESA Competition Commission enforces competition law at the regional level of the COMESA Member States.

We work in close collaboration with the COMESA Competition Commission when dealing with competition matters having a regional dimension. Since the establishment of the COMESA Competition Commission, we have collaborated in the review of more than 120 regional merger transactions affecting Mauritius.

This collaboration is very important for Mauritius, more so given that we are a small country and hence a small market for regional and global players. Additionally, several of the regional players are not physically present in Mauritius. Hence, the collaboration with the COMESA Competition Commission assists us to ensure that the local market is not harmed by transactions taking place in other countries or at the regional level, for the ultimate benefit of the Mauritian economy.”

-----**End of media release**-----

Background note for editors:

The COMESA Competition Commission is a regional body established under Article 6 of the COMESA Competition Regulations which were issued in the COMESA Official Gazette Vol.9 No. 2 as Decision No.43 of Notice No. 2 of 2004.

The COMESA Competition Commission reviews merger transactions which have a regional dimension by virtue of the fact that the parties operate in two or more COMESA member states.

By virtue of the COMESA Competition Regulations, where a member state is affected or is likely to be affected by a proposed transaction, the COMESA Competition Commission notifies the Member State of the transaction and seeks its views on same.

The Board of Commissioners of the COMESA Competition Commission, which is its adjudicative body, appoints an ad-hoc Committee of Initial Determinations (“CID”) to make decisions on notifications, in accordance with Article 13 of the Regulations.

Mr. Deshmuk Kowlessur, Executive Director of the Competition Commission of Mauritius, is one of the Commissioners of the COMESA Competition Commission and often forms part of its CID.

The Competition Commission of Mauritius is also mandated to review mergers. When a merger is at the national level, it is reviewed by the Competition Commission of Mauritius. When it involves mergers with a regional dimension and affecting Mauritius, these mergers are reviewed by the COMESA Competition Commission in collaboration with the Competition Commission of Mauritius.