



## MERGER DECISION NO 25 OF 2022

### DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL OF BOLLORÉ AFRICA LOGISTICS SAS BY SAS SHIPPING AGENCIES SERVICES S.À R.L. FROM BOLLORÉ SE

#### Introduction of the Merging Parties

Pursuant to section 53(4)(a)(ii) of the Competition Act, 2018 (“the Act”), notice is hereby given on the decision made by the Competition and Consumer Authority (“the Authority”) in relation to the proposed acquisition of 100% of the issued share capital of Bolloré Africa Logistics SAS (“BAL” or “Primary Target Enterprise”) by SAS Shipping Agencies Services S.à r.l. (“SAS Lux” or “Primary Acquiring Enterprise”) from Bolloré SE. The transaction was notified to the Authority on 11<sup>th</sup> July 2022 and the merger assessment was completed on 12<sup>th</sup> August 2022.

The Primary Acquiring Enterprise, SAS Lux, is a private limited liability company incorporated under the Laws of the Grand Duchy of Luxembourg. SAS Lux is indirectly controlled by MSC Mediterranean Shipping Company S.A. (“MSC”). MSC is, in turn, controlled by MSC Mediterranean Shipping Company Holding S.A. (“MSC Holding”), which is the ultimate holding company of the MSC group. In Botswana, MSC Holding indirectly controls Mediterranean Shipping Company (Botswana) [Pty] Ltd (“MSC Botswana”). MSC Botswana does not control any enterprise.

On the other hand, the Primary Target Enterprise, BAL, is a wholly owned subsidiary of Bolloré SE, a company incorporated under the Laws of France. BAL controls many enterprises across the world including Bolloré Transport & Logistics Botswana [Pty] Ltd (“BTL Botswana”) which is registered in accordance with the Laws of Botswana.

#### Relevant Markets

The assessment of the proposed merger indicates that the activities of the merging parties in Botswana are different and as such, they are not direct rivals. In Botswana, the MSC group has marginal activities, which are ancillary to MSC’s deep-sea container liner shipping activities (including dry and reefer cargo) between the port of Durban in South Africa and the Gaborone Container Terminal (“GabCon”).

On the other hand, BAL has limited activities in the provision of freight forwarding services (sea freight forwarding services and air freight forwarding services) and contract logistics services. As part of its freight forwarding activities, BAL is able to arrange land transportation to/from the port/airport to its customers in Botswana by subcontracting these transportation services to third-party operators.

In view of the nature of the products and services offered by the Merging Parties, the Authority has concluded to define the relevant market as the provision of freight forwarding services as well as activities related to deep-sea container liner shipping in Botswana.

### **Competitive Analysis and Public Interest**

In the assessment of Substantial Lessening of Competition, the Merging Parties are not active in the same market and are not direct competitors therefore, the merger will not alter the level of competition in the relevant market. As such, the Authority does not expect the proposed transaction to give rise to a Substantial Lessening of Competition; restrict trade or the provision of services; or to endanger the continuity of supplies in the relevant market in Botswana.

The Authority does not anticipate that the implementation of the proposed merger will result in any market share accretion for any entity in Botswana. The status quo of the relevant market will prevail post-merger and the Merged Enterprise will continue to face competition from a number of competitors that are existing in Botswana. In terms of Public Interest, The proposed transaction will not have any adverse effect on public interest issues in Botswana. No job losses are anticipated in Botswana as a result of the proposed transaction.

### **The Determination**

The Authority determined through the analysis of the facts of the merger that the structure of the relevant market will not change upon the implementation of the proposed merger and the proposed transaction is not likely to result in any adverse effects on competition, nor endanger the continuity of services in the relevant market in Botswana. Furthermore, the proposed merger will not have any negative effect on public interest matters in Botswana as per the provisions of section 52(2) of the Competition Act 2018.

Pursuant to the provision of section 53 of the Act, the Authority has unconditionally approved the proposed acquisition of 100% of the issued share capital of Bolloré Africa Logistics SAS by SAS Shipping Agencies Services S.à r.l. from Bolloré SE.

However, as stated under Section 61 of the Act, this approval does not override or negate any other mandatory statutory approvals or processes that any of the parties to this merger must comply with under the Laws of Botswana.

Dated at Gaborone on this 12th day of August 2022.

Tebelelo Pule, Chief Executive Officer, Competition and Consumer Authority,  
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