



**OFFICIAL GAZETTE**

of the

**COMMON MARKET FOR EASTERN  
AND SOUTHERN AFRICA (COMESA)**

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**RULES ON THE DETERMINATION OF MERGER  
NOTIFICATION THRESHOLD**

It is hereby notified that the Board, having regard to Article 39 of the Regulations and with the approval of the Council, makes the following Rules:

### **Rule 1 Citation**

These Rules may be cited as the Rules on the Determination of Merger Notification Threshold.

### **Rule 2 Interpretation**

In these Rules unless the context otherwise requires:

**“Acquiring firm”** means a firm that as a result of a merger:

- i. would directly or indirectly acquire, or establish direct or indirect control over the whole or part of the business of another firm; or
- ii. has direct or indirect control over the whole or part of the business of the firm contemplated in paragraph (i);

**“Board”** means the Board of Commissioners established by Article 12 of the Regulations;

**“Common Market”** means the Common Market for Eastern and Southern Africa (COMESA), established by Article 1 of the Treaty;

**“Council”** means the Council of Ministers of the Common Market established by Article 7 of the Treaty;

**“Member State”** means a Member State of the Common Market;

**“Merger”** means merger as defined in Article 23 of the Regulations;

**“Regulations”** means the COMESA Competition Regulations of 2004;

**“Target firm”** means a firm that as a result of a merger:

- i. the whole or part of whose business would be directly or indirectly controlled by an acquiring firm; or
- ii. would directly or indirectly transfer control of the whole or part of its business to an acquiring firm.

### **Rule 2 Purpose**

The purpose of these Rules is to prescribe the threshold and a method of the calculation of the annual turnover of the assets in relation to the notification of mergers in the Common Market.

**Rule 3  
Scope**

These Rules shall apply to all mergers with a regional dimension.

**Rule 4  
Threshold**

Where both the acquiring and the target firm, or either the acquiring firm or the target firm, operate in two or more Member States, the merger shall be notified in accordance with Article 23 of the Regulations subject to the following thresholds:

- (a) the combined worldwide aggregate annual turnover or the combined worldwide aggregate value of assets, whichever is higher, of all firms to the merger in the Common Market equals or exceeds COM\$ Zero; and
- (b) the aggregate annual turnover or the aggregate value of assets, whichever is higher, of each or at least two firms to the merger in the Common Market equals or exceeds COM\$ Zero.

**Rule 5  
Method of Calculation**

Notwithstanding the provisions of Article 23 (4)(b) of the Regulations, no method is prescribed for the calculation of annual turnover and assets.

**Rule 6  
Amendment of Rules**

The Board may amend these Rules and the amendments shall enter into force upon approval by the Council.

**Rule 7  
Entry into Force**

These Rules shall enter into force upon approval by the Council.