



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case no: LM197Feb21

Al Rayyan Holding LLC (Primary Acquiring Firm)

And

Enel Green Power Matimba 1 s.r.l (Primary Target Firm)

Heard on: 10 March 2021
Order Issued on: 10 March 2021
Reasons Issued on: 10 March 2021
Revised Reasons Issued on: 24 March 2021

REASONS FOR DECISION

- [1] On 10 March 2021, the Competition Tribunal unconditionally approved the large merger between Al Rayyan Holdings LLC (“Al Rayyan”) and Enel Green Power Matimba NewCo 1 s.r.l (“EGP Matimba NewCo 1”).
- [2] The transaction is an international transaction in which Al Rayyan, a company incorporated according to the laws of Qatar, will acquire 50% of the entire issued share capital held by Enel Green Power Matimba NewCo 1 from ENEL Green Power S.p.A, (“EGP”) both incorporated under the laws of Italy.
- [3] Post-merger, EGP Matimba NewCo 1 will be jointly controlled by Al Rayyan and EGP.
- [4] Al Rayyan has ██████████ in South Africa. Its controlling shareholder, Qatar Investment Authority (“QIA”) is ██████████ in South Africa through its ██████████ interest in Qatar Airways.
- [5] EGP Matimba NewCo 1 is a limited liability company to be incorporated under the laws of Italy as a subsidiary of EGP, which is in turn a wholly owned subsidiary of Enel S.p.A (“Enel”), a publicly listed Italian utility. Post-merger, EGP Matimba NewCo will hold EGP’s pre-existing 100% shareholding in Enel Green Power RSA Proprietary Limited (“EGP RSA”). EGP RSA is incorporated in accordance with the laws of the Republic of South Africa and wholly owns Enel Green Power RSA 2 (RF) (“EGP RSA 2”). EGP RSA 2 controls five R4 Project Companies which were awarded bids under round 4 (R4) of the Renewable Energy Independent Power Producer Procurement Programme (“REIPPPP”).
- [6] The Competition Commission (“Commission”) found no horizontal or vertical overlaps in the activities of the merging parties.

- [7] The proposed merger does not give rise to negative employment effects as no retrenchments are envisaged. The employees of the target firm will be transferred to the acquiring firm under the same terms of employment. In relation to the impact on Small Business and Black Economic Empowerment (“BEE”), the merged entity will reduce its shareholding in 4(four) of its renewable energy Project Companies by up to 5% which will increase the shareholding of the existing historically disadvantaged individuals (“HDI”) shareholders in each of the Project Companies.
- [8] Taking all of the above into consideration, we concluded that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any relevant market.
- [9] The proposed transaction does not give rise to any public interest concerns.

Signed by: Enver Daniels
Signed at: 2021-03-24 11:47:38 +02:00
Reason: Witnessing Enver Daniels

Enver Daniels

24 March 2021

Mr Enver Daniels

Date

Ms Mondo Mazwai and Ms Yasmin Carrim concurring.

Tribunal Case Manager:
For the Merging Parties:
For the Commission:

Lumkisa Jordan
Mark Griffiths of Norton Rose Fulbright
Wiri Gumbie and Rakgola Mokolo