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**Common Market for Eastern
and Southern Africa**

Case File No. CCC/MER/01/05/2025

**Decision¹ of the 120th Meeting of the Committee Responsible
for Initial Determinations Regarding the Proposed Merger
involving Groupe Canal+ SA and MultiChoice Group Limited**

ECONOMIC SECTOR: Media and Broadcasting



23 September 2025

Case File No. CCC/MER/01/05/2025

¹ In the published version of this decision, some information has been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible, the information omitted has been replaced by ranges of figures or a general description.

The Committee Responsible for Initial Determinations,

Cognisant of Article 55 of the Treaty establishing the Common Market for Eastern and Southern Africa (the “**COMESA Treaty**”);

Having regard to the COMESA Competition Regulations of 2004 (the “**Regulations**”), and in particular Part 4 thereof;

Mindful of the COMESA Competition Rules of 2004, as amended by the COMESA Competition [Amendment] Rules, 2014 (the “**Rules**”);

Conscious of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation of 2015;

Having regard to the COMESA Merger Assessment Guidelines of 2014;

Recalling the overriding need to establish a Common Market;

Recognising that anti-competitive mergers may constitute an obstacle to the achievement of economic growth, trade liberalization and economic efficiency in the COMESA Member States;

Considering that the continued growth in regionalization of business activities correspondingly increases the likelihood that anti-competitive mergers in one Member State may adversely affect competition in another Member State;

Desirous of the overriding COMESA Treaty objective of strengthening and achieving convergence of COMESA Member States’ economies through the attainment of full market integration;

Determines as follows:

Introduction and Relevant Background

1. On 5 February 2025, the COMESA Competition Commission (“the **Commission**”) received a notification regarding the Proposed Merger involving Groupe Canal+ SA (“**Canal+**” and together with its controllers and the controlled affiliates of its controllers, the “**Acquiring Group**”) and MultiChoice Group Limited (“**MCG**”), pursuant to Article 24(1) of the Regulations.
2. The 120-days period for the assessment of the transaction expired on 12 June 2025. Therefore, the Committee Responsible for Initial Determinations (“**CID**”) extended the timeline for assessment of the transaction to allow the Commission to further assess the likely competition concerns from the transaction.



3. Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the transaction would or is likely to have the effect of substantially preventing or lessening competition or would be contrary to public interest in the Common Market.
4. Pursuant to Article 13(4) of the Regulations, there is established a CID. The decision of the CID is set out below.

The Parties

Canal+ (the “Acquiring Firm”)

5. The parties submitted that the primary acquiring firm is Canal+. It is a société incorporated under the laws of France and is listed on the London Stock Exchange’s Main Market.
6. The parties further submitted that Canal+ is indirectly controlled by Bolloré Participations SE (“**Bolloré**”). All firms directly and indirectly controlled by Bolloré are referred to collectively as the “**Acquiring Group**”.
7. Canal+ is active through its subsidiaries in Africa, Asia and Europe. It is primarily engaged in audio-visual (“**AV**”) activities, including the broadcasting, production, distribution and marketing of primarily French-language films, television programmes and channels.
8. The parties submitted that Canal+ had approximately 26.4 million subscribers globally, including approximately 17 million outside of France in 2023.
9. In the Common Market, Canal+ primarily operates in the retail AV sector through various subsidiaries incorporated in and outside of the Common Market. Canal+ generated revenues in the Common Market through the retail supply of primarily French-language linear and non-linear subscription-based AV services under its own brands. The parties submitted that the Acquiring Group was also involved in the wholesale supply of AV programming content and channels (collectively “**AV content**”) in the Common Market.
10. The parties submitted that the activities of Canal+ in the Common Market related to:
 - a. the retail supply of AV services²;
 - b. the wholesale supply of AV content³;

² In this decision, AV services refer to how content is broadcasted to the audience.

³ In this decision, AV content refers to AV content is what is being delivered. It related to any form of moving images which is accompanied by audio, including news content, sports competitions, movies, series and documentaries.



- c. the sale of video games and books;
- d. the provision of subscription-based fibre-to-the-premises services;
- e. the provision of advertising, media consulting and communication services; and
- f. the provision of cinema and performance venues.

11. Canal+ is engaged in the wholesale supply of AV content to third parties based in the Common Market as follows:

a. In Mauritius, Canal+ International and its controlled affiliate, Canal+ Thematiques SASU (“**Canal+ Thematiques**”), supplied AV content to MC Vision Limited (**MC Vision**)⁴ and Parabole Mauritius. It supplied the [redacted] to MC Vision. It also supplied [redacted]⁸ channels to Parabole Mauritius.⁹

b. In Madagascar, Canal+ Thematiques supplied Parabole Madagascar with distribution rights for its [redacted]¹⁰ [redacted].¹¹

12. SPI International B.V (**SPI**)¹², an entity within the Acquiring Group, supplied AV content at the wholesale level to the following third parties in the Common Market:

⁴ The Proposed Acquisition of MC Vision Ltd by Canal+ International SAS was approved by the CID, at its 113th Meeting on 20 December 2024 for the rest of the Common Market, except for Mauritius, to which the Commission had granted a referral pursuant to Article 24(9) of the Regulations. The Competition Commission, Mauritius has recommended approval of the transaction with undertakings by the parties which is pending the appointment of the Executive Director of the CC

⁵ Comprises of [redacted] Information claimed as confidential by merging parties

⁶ [redacted] Information claimed as confidential by merging parties

⁷ [redacted] Information claimed as confidential by merging parties

⁸ [redacted] Information claimed as confidential by merging parties

⁹ Information claimed as confidential by merging parties

¹⁰ Comprises of [redacted] Information claimed as confidential by merging parties

¹¹ Information claimed as confidential by merging parties

¹² The Commission gathers that the Canal+ group has acquired 70% of shareholding of SPI. SPI is a global media company which operates 42 TV channels, multiple digital products across six continents. SPI is a significant player in content distribution and broadcasting worldwide. <https://spiintl.com/news/canal-group-completes-the-acquisition-of-70-of-global-media-group-spi-international> accessed on 23 September 2025



- a. Century Sun (Mauritius) Co. Ltd, a Mauritius incorporated channel distributor, with the [REDACTED]¹³ channel.¹⁴ Century Sun is affiliated to StarTimes, a China based media group. StarTimes supplies retail AV services in various Member States.¹⁵
 - b. Intelvision Ltd (Intelvision), a Seychelles incorporated broadcaster, with the [REDACTED] channels.¹⁶
 - c. Digital Virgo Asia Middle East Africa Limited (“**Digital Virgo AMEA**”), a Mauritius incorporated entity, with the [REDACTED] with rights to distribute, *inter alia*, in Egypt and Tunisia, as well as various other general entertainment channels with rights to distribute, *inter alia*, in Tunisia and the DRC.¹⁷
 - d. Telma International Carrier Services (Telma International), a Mauritius incorporated channel distributor, with the [REDACTED] channels with rights to distribute in Madagascar and Comoros.¹⁸
 - e. Wananchi Programming Limited (Wananchi), a Mauritius incorporated entity, with the [REDACTED] with rights to distribute, *inter alia*, in Kenya, Uganda, Malawi and Zambia.¹⁹
13. Canal+ (through StudioCanal SAS or its affiliates) also supplied Electronic Media Network (Pty) Ltd (M-Net), a South African incorporated subsidiary of MCG, with various library titles with distribution rights in, *inter alia*, the Common Market,²⁰ and Thema SAS wholesale supplied [REDACTED] channels²¹ with distribution rights in the Common Market.²² Canal+ International also supplied at the wholesale level, a French language add-on bouquet (French Add-Ons) which is available to

¹³ The [REDACTED] are general entertainment channels comprising of a wide range of library movies and series. Information claimed as confidential by merging parties

¹⁴ The Member States covered by the relevant agreement are Burundi, Comoros, the DRC, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, eSwatini, Uganda, Zambia and Zimbabwe. Information claimed as confidential by merging parties

¹⁵ [REDACTED]

¹⁶ Information claimed as confidential by merging parties. [REDACTED]

¹⁷ Information claimed as confidential by merging parties

¹⁸ Information claimed as confidential by merging parties. [REDACTED]

¹⁹ Information claimed as confidential by merging parties. [REDACTED]

²⁰ The Member States covered by the relevant agreement are Burundi, Comoros, the DRC, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, eSwatini, Uganda, Zambia and Zimbabwe. [REDACTED]

²¹ ROK Channels broadcast African-based dramas, movies, and series.

²² The Member States covered by the relevant agreement are: Burundi, Comoros, the DRC, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, eSwatini, Uganda, Zambia and Zimbabwe. [REDACTED]



subscribers of MCG's retail AV services as an add-on purchase²³ in Burundi, the DRC, Djibouti, Mauritius, Rwanda, Ethiopia, Seychelles, Eritrea, Kenya, Uganda and Zambia.²⁴

14. Zacu Entertainment, a subsidiary of Canal+, supplied the Rwanda Broadcasting Agency with the exclusive rights (for a one-year period) to [REDACTED] for distribution in Rwanda.²⁵
15. Canal+ Réunion supplied Cable and Wireless with rights for the distribution of [REDACTED] in Seychelles.
16. Canal+'s retail AV services are provided via traditional DTH satellite under the Canal+ brand, DTT under the Easy TV brand, as well as online by way of OTT transmission via its myCANAL website and mobile application.

MCG (the "Target")

17. MCG is a public listed company incorporated under the laws of South Africa, listed on the JSE Limited.
18. The parties submitted that MCG offers subscription-based AV services provided via DTH satellite and DTT transmission and on websites and mobile applications through the internet.
19. The parties submitted that MCG directly or indirectly controls the following firms that are incorporated in the Common Market:²⁶

Table 1: Entities controlled by MCG with operations in the Common Market

Entity	Member State
Ops SerCo Management Consulting Private Limited Company	Ethiopia
GOTV Kenya Limited	Kenya
Local Productions (Kenya) Limited	
MCH North Support Services Limited (Kenya)	
MultiChoice Kenya Limited	

²³ In the financial year ended 31 December 2023, Canal+'s revenues related to the French Add-Ons in the Common Market were from subscribers in Burundi, the DRC, Ethiopia, Eritrea, Kenya, Rwanda, Seychelles, Uganda and Zambia. Information claimed as confidential by merging parties.

²⁴ [REDACTED]

²⁵ Information claimed as confidential by merging parties.

²⁶ [REDACTED]



GOtv Malawi Limited	Malawi
GOtv Uganda Limited	Uganda
MultiChoice Uganda Limited (Uganda)	
GOtv Broadcasting Zambia Limited	Zambia
MultiChoice Zambia Holdings Limited	
MGH Southern Support Services Limited	

20. The parties also submitted that there are three entities of MCG not incorporated in the Common Market but that derive revenue from the Common Market, namely MAH, Irdeto B.V (a global digital cybersecurity business and media security service provider) and Showmax Africa.
21. In the Common Market, MCG primarily operates as a retailer of English-language AV services. It provides linear retail AV services to customers under the DStv and GOtv brands. It also provides the Showmax OTT subscription video-on-demand (**SVOD**) service. Its retail AV services are as follows:
- a. The linear DStv DTH service which is provided by MultiChoice Africa Holdings B.V (“**MAH**”)²⁷ in Burundi, Djibouti, the DRC, Eritrea, eSwatini, Ethiopia, Kenya, Malawi, Madagascar, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Uganda, Zambia and Zimbabwe. The DStv service is also available via OTT through the DStv Stream application and website and, on a limited VOD basis, the catch-up feature available via DTH and OTT;
 - b. The GOtv service which is equally available on OTT through the GOtv Stream application and website and can similarly be accessed on a limited VOD basis through the catch-up feature. The linear GOtv DTT service is provided in the Common Market by the following firms:
 - a) Kenya, by GOtv Kenya Limited;²⁸
 - b) Malawi, by GOtv Malawi Limited;²⁹
 - c) Uganda, by GOtv Uganda Limited;³⁰ and

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- d) Zambia, by GOtv Zambia Limited.³¹
- c. The Showmax service is a SVOD service, controlled by MCG through a [REDACTED], is provided by Showmax Africa Holdings Limited ("**Showmax Africa**")³² via OTT applications. It generated revenues from Kenya, Mauritius, Uganda and Zambia. Running on the Peacock platform, Showmax offers both international and local general entertainment programming content, as well as a dedicated mobile sports offering and Showmax Premier League.
22. MCG is also active in the wholesale supply of AV programming content in the Common Market as follows:
- a. [REDACTED], an MCG subsidiary, which produces AV programming content in Kenya, while MCG commissions the production of local AV programming content by third party producers in Ethiopia, Uganda and Zambia.³³ This AV content programming is not sold to any third party.
- b. M-Net supplied the [REDACTED]³⁴ with the [REDACTED] television shows.³⁵
23. MCG also sells commercial airtime for advertising space as an ancillary service on its retail AV services in the Common Market.³⁶
24. Multichoice Group is also active in the wholesale supply of AV content in the Common Market as follows:³⁷
- a. the supply of English add-on DStv bouquet (**English Add-Ons**) to Canal+.
- b. the production and commissioning of the production of its own AV programming content that is incorporated into its DStv and GOtv offerings.
- [REDACTED]. The parties confirmed that this AV programming content is not sold to any third party and is

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[REDACTED]



incorporated into MCG's retail AV services in the Common Market (and elsewhere in Africa).

- c. the supply to Canal+ (or its affiliates) of AV programming content with rights to distribute the AV programming content in the Common Market, including licensing rights to distribute:
 - a) various general entertainment content; and
 - b) ~~the sub-licensing of specific French language sports rights.~~
 - d. the supply through Electronic Media Network Proprietary Limited (**M-Net**) of limited AV programming content to third parties based in the Common Market.
25. The parties submitted that Iderto, a global digital cybersecurity business and media security service provider, [REDACTED] in the Common Market.

Jurisdiction of the Commission

26. Article 24(1) of the Regulations requires 'notifiable mergers' to be notified to the Commission. Rule 4 of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation (the "**Merger Notification Thresholds Rules**") provides that:

"Any merger, where both the acquiring firm and the target firm, or either the acquiring firm or the target firm, operate in two or more Member States, shall be notifiable if:

- a) *the combined annual turnover or combined value of assets, whichever is higher, in the Common Market of all parties to a merger equals or exceeds USD 50 million; and*
 - b) *the annual turnover or value of assets, whichever is higher, in the Common Market of each of at least two of the parties to a merger equals or exceeds USD 10 million, unless each of the parties to a merger achieves at least two-thirds of its aggregate turnover or assets in the Common Market within one and the same Member State".*
27. The undertakings concerned have operations in two or more Member States. The undertakings concerned derived a turnover of more than the threshold of USD 50 million in the Common Market and they each derived a turnover of more than USD 10 million in the Common Market. In addition, the parties do not hold more than two-thirds of their respective aggregate turnover or asset value in one and the same



Member State. The CID was thus satisfied that the transaction constitutes a notifiable transaction within the meaning of Article 23(5)(a) of the Regulations.

Details of the Merger

28. The notified transaction constitutes a mandatory offer by Canal+ to MCG shareholders in terms of section 123 of the South African Companies Act to acquire all or a portion of their MCG ordinary shares, conferring the sole control of MCG upon Canal+.
29. The parties submitted that on 4 June 2024, Canal+ and MCG issued the Combined Circular to advise MCG shareholders of the terms and conditions of the Offer, and to provide MCG shareholders with information relating to the Offer and the manner in which the Offer will be implemented.
30. The parties further submitted that if the Offer becomes unconditional, depending on the level of acceptance by MCG shareholders, Canal+ may acquire up to 100% of the issued ordinary shares of MCG. MCG shareholders who do not accept the Offer will remain MCG shareholders if the Offer becomes wholly unconditional and is implemented.

Competition Analysis

Consideration of the Relevant Markets

Relevant Product Market

31. Paragraph 7 of the Commission's Guidelines on Market Definition provides that a ***"relevant product market comprises all those products and/or services which are regarded as interchangeable or substitutable by the consumer/customer, by reason of the products' characteristics, their prices and their intended use"***.
32. The CID noted from the submissions of the parties that the activities of the Acquiring Group in the Common Market relate to the wholesale supply of programming content and channels (together **"pay TV channels"**), the retail supply of pay TV services, the sale of video games and books, the provision of subscription-based fibre-to-the-premises services, the provision of advertising, media consulting and communication services and the provision of cinema and performance venues.
33. The CID noted that the activities of MCG in the Common Market relate mainly to the retail supply of primarily English-language pay TV services and provision of linear retail AV services to customers under the DStv and GOtv brands. It also provides Showmax OTT subscription video-on-demand (**SVOD**) service. MCG is also active in the wholesale supply of pay TV channels in the Common Market.



34. The CID further noted that the merging parties also acquire AV content which they package for supply at the retail level within their own retail TV offering. The CID noted that part of this AV content is also supplied at the wholesale level to other pay TV providers.

Overview of the AV Sector

35. The CID observed that the AV sector consists of various stakeholders, including AV producers, AV right holders and AV content distributors which operate at different levels of the AV value chain. The CID further observed that the AV sector comprises of a series of interconnected stages through which AV content is developed, produced, distributed and commercialised.
36. The CID also observed that AV content constitutes of moving images accompanied by simultaneous sound and comprises of films, live and deferred sports, series, shows, live events and documentaries that are broadcasted over different media such as TV, laptops, computers and cell phones.
37. The CID noted that AV sector is a highly dynamic sector and is in constant transformation, driven by technological change and consumer preferences. The CID further noted that the AV sector is characterized by high-level vertical integration where the main operators operate at different levels of the value chain.
38. The CID observed that the main activities in the AV sector relate to:
- i. The production of AV content;
 - ii. The acquisition of AV content;
 - iii. The supply of AV content, including in the form of pay TV channels at the wholesale level; and
 - iv. The retail supply of AV services.
39. The CID considered that the production of AV content brings together creative, technical and financial resources to create TV programs and films. The CID further considered that AV content is the product of intellectual, artistic and technological efforts and the person who has produced the content owns the broadcasting rights of the content.
40. The CID noted that the production of AV content features at the upstream segment of the value chain. AV content is produced for two main purposes: (i) for internal use on the producer's own channels or retail TV services, if they are vertically integrated (referred to as *captive production*), or (ii) for sale to third-party clients,



such as broadcasters or platforms, (also referred to as *non-captive production*³⁸). Broadcasters acquire produced content to package it into linear streams, that is TV channels. Platform operators, including OTT operators acquire produced content to supply the same at the retail level on a non-linear basis, that is, on a pay-per-view basis or video-on-demand basis.

41. The CID observed that the production of AV content can also be segmented into content which has been produced on a commission basis and tailor-made to suit a client's needs, or content which is pre-produced and is available to third-party clients off-the-shelf. The core distinction between these two types of produced content lies in the fact that the costs of a tailor-made content is borne by the customer whereas for pre-produced content, the producer bears the costs. This said, for tailor-made content, the ownership rights for the commercial exploitation of the content are likely to accrue to the customer. On the other hand, the ownership rights for pre-produced content will lie with the production company and licensing rights will be granted subject to prevailing intellectual property laws and negotiation terms agreed upon by the right owner and the customer.
42. The CID noted that in some instances, AV production companies may be required by broadcasters or platform operators to play only a limited role, such as the provision of technical expertise.
43. The CID noted that third party broadcasters or content platform operators commission the production of TV content or acquire pre-produced TV content from AV production companies.

The supply of AV content at the wholesale level

44. The CID noted that the wholesale supply of AV content refers to the licensing of TV channels or content rights to broadcasters, distributors or platforms. It sits upstream in the audiovisual value chain and has a direct impact on competition in downstream markets such as pay TV, Free to Air ("FTA") broadcasting and VOD services.
45. In this level of the AV value chain, a distinction can be made with respect to:
 - i. The wholesale supply of TV channels; based on thematic content i.e., channels relating to sports, drama or movie or based on the nature of the AV content, i.e. where the content can be basic or premium; and

³⁸ European Commission DG Competition Case M.8354 - FOX / SKY pursuant to Article 6(1)(b) of Council Regulation No 139/20041 and Article 57 of the Agreement on the European Economic Area



- ii. The licensing of individual content rights, especially for premium content, including for specific high-budget blockbuster movies, e.g. US movies or major sports competitions, e.g. live football competitions.
46. The CID observed that the wholesale supply of TV channels refers to the business-to-business (“B2B”) activity of licensing or providing access to linear TV channels by channel owners to retail TV providers. The suppliers are TV channel owners or retail TV suppliers and include the merging parties who produce or acquire AV content, ~~aggregate the content into a linear TV schedule and package the AV content as a~~ channel. The channels are supplied against a license fee, which can be fixed or variable (levied per viewing or number of subscribers) or a minimum guarantee, which is a fixed payment levied irrespective of the number of views or number of subscribers. Channels can be supplied on an exclusive basis, that is to only one retail TV provider or as a bundle of varying nature and types of AV content.
47. The CID observed that licensing of individual content rights refers to the process through which the right owner of specific AV content (including a film, TV show or sports event) grants a third party the right to commercially exploit the content by broadcasting, streaming or reselling it. On the supply-side, right owners include film studios, sport leagues (such as English Premier League, FIFA World Cup for football matches) and FTA broadcasters which produce certain content such as local shows or local news. On the demand side, the licensees are TV channels providers, including the merging parties and providers of AV content via OTT such as Amazon Prime or Netflix. Licensing rights may also be given for specific countries or regions.
48. The CID considered that these markets are often assessed where the transaction raises vertical links, with the downstream markets for the retail supply of pay TV services. It is critical to ensure that this level of the market remains competitive as it plays a crucial role to ensure that end customers have choice and access to a range of content.

Retail supply of AV content

49. The CID noted that the retail supply of AV content refers to the supply of AV content directly to TV subscribers, who are the end consumers.
50. The CID considered that there are different models through which the AV content may be supplied to end users, namely on:
 - i. Pay TV basis, such as the merging parties;
 - ii. FTA basis, including supply by public and private FTA TV providers; and
 - iii. OTT platforms.



51. The CID considered that at the retail level, AV services can be supplied through different modes, namely, via cable, satellite, fiber, digital terrestrial or OTT.
52. The CID observed that the nature of the content differs across the models of retail supply of AV content. A retail TV provider which provides premium content including blockbuster movies and live sports is more popular and has a competitive edge over a retail TV supplier which does not have such content within its portfolio.

Merging Parties' activities

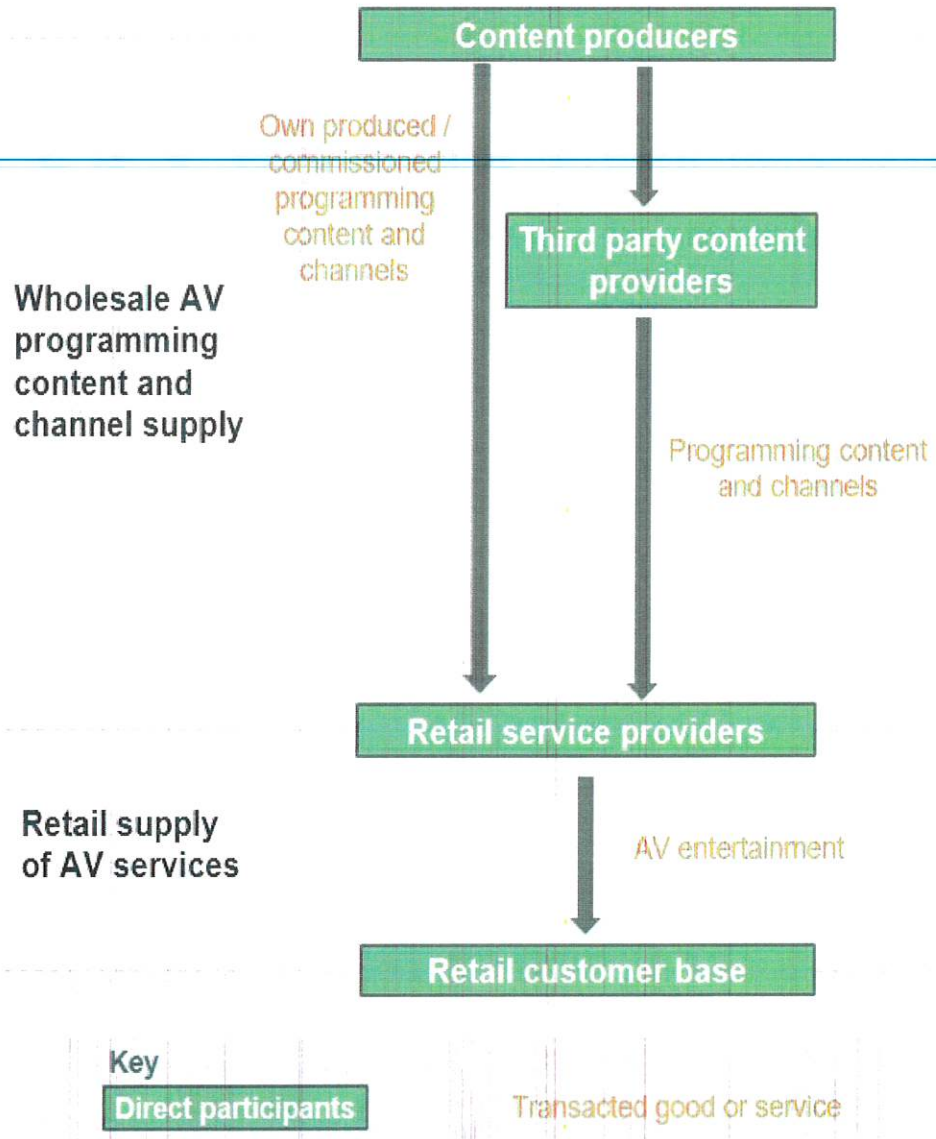
53. In view of the foregoing, the CID noted that both parties acquire AV content and operate at the retail level of the AV value chain. The CID further noted that the Acquiring Group is also involved in the wholesale supply of AV content. The CID noted the parties' clarifications that MCG is not generally engaged in the supply of AV content to third parties at the wholesale level in the Common Market. Its [REDACTED], which procured rights to broadcast very limited AV programming content, not channels, from MCG (i.e. the [REDACTED] and [REDACTED] show).³⁹ The CID noted that MCG's position that it has agreed to sell its DStv retail service bouquets to Mauritius Telecom Ltd for Mauritius Telecom Ltd to on-sell to customers of Mauritius Telecom Ltd's residential fixed broadband services in Mauritius using streaming technology (the streaming retail service is known as DStv Stream) through a Distribution Agreement. While the CID took note of the parties' submission that the Agreement with Mauritius Telecom Ltd is not a supply agreement, the CID was of the view that this is a misstatement by the parties. By virtue of the fact that Mauritius Telecom Ltd is a b2b customer, which on the parties' submissions, acquires content from MCG for on-sale to Mauritius Telecom Ltd's customers, this qualifies as wholesale supply from MCG. Based on the activities of the merging parties, the CID observed that the transaction raises both horizontal and vertical overlaps with respect to the acquisition of AV content, the wholesale supply of pay TV channels and the retail supply of pay TV services.
54. In line with Paragraph 8.4 of the COMESA Merger Assessment Guidelines, the CID's assessment of the relevant market(s) focussed on the horizontal overlap between the product and geographic relations supplied by the parties and for the non-horizontal link, the CID's assessment of the relevant markets was made in conjunction with applicable theories of harm, including non-coordinated and coordinated effects.

³⁹ Confidential information claimed by the merging parties



55. The CID noted the parties' submissions of the value chain for AV services as presented in Figure 1 below.

Figure 1 Value chain for AV services



56. The CID noted that the parties, in their submissions, broadly categorise the AV value chain into (i) the wholesale supply of AV content (comprising of AV programming content and channels) and (ii) the retail supply of AV services.



57. However, the CID observed that the parties' activities in the AV value chain are wide encompassing. The CID observed that Canal+'s activities in the AV sector also include the production of AV content. The CID further observed that MCG produces and commissions its own AV programming content that is incorporated into its DStv and GOtv offering. The CID, however, noted that not all content which is broadcast by the merging parties is produced by or on behalf of the merging parties. The merging parties also acquire broadcasting rights to AV content which they use in their downstream market.

58. To this end, the CID considered that the value chain comprises of four levels, namely:

- i. The upstream level of the value chain which relates to the production of AV content;
- ii. The upstream level of the value chain which relates to the acquisition of AV content;
- iii. The wholesale supply of pay TV channels; and
- iv. The retail supply of AV services, also known as pay TV services, to end users.

59. The CID noted that both Canal+ and MCG are active at all four levels of the AV value chain.

Upstream Market for the production of AV content

60. The CID noted that in the upstream market, both Canal+ and MCG produce AV content for consumption by their own downstream retail operations and also produce content commissioned by third party customers.

61. The CID noted that Local Productions (Kenya) Ltd, an MCG subsidiary, produces AV programming content in Kenya, while MCG commissions the production of local AV programming content by third party producers in Ethiopia, Uganda and Zambia.⁴⁰ The parties confirmed that this AV content programming is not sold to any third party.⁴¹

62. The CID observed that AV production companies produce AV content either for their own consumption or to supply to third party customers. Production of AV content is for own consumption where the entity is vertically integrated. In such instance, the AV content produced is packaged into TV channels.

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63. The CID noted that AV content produced can be supplied at the wholesale level, individually or packaged into channels to third party customers if the producer is into the wholesale supply of AV content. Third party customers are TV channel suppliers or retail TV providers, which incorporate the AV content into linear TV channels, or platform owners, which then retail the TV content to end users on a non-linear basis on traditional platforms such as OTT platforms.
64. The CID noted that on the supply-side, the merging parties produce AV content ~~mainly for use in their own downstream operations. For this reason, the CID~~ considered that the production and wholesale supply of AV content is one activity. The CID considered that the supply side of the AV content production market consists of AV production entities while on the demand side, this content is consumed either by the downstream operations of the AV content producer or is demanded by third parties, for example, entities other than the AV content producer and this content can be either produced as per the customer's requirements or be in the form of broadcasting rights for pre-produced content.
65. The CID noted that at the upstream level, production can be distinguished according to the manner in which it is supplied by the producer, notably, whether the content is for exclusive use in the producer's downstream operations; whether it is produced for a customer which has commissioned its production or whether broadcasting rights for pre-produced content is being supplied. This is because this industry is characterized by vertically integrated entities, like the merging parties and not all content is available for supply to third party customers.
66. The CID observed that vertically integrated entities produce AV content either via their in-house production studios or through independent studios for their own consumption in their retail provision of pay TV services.
67. Despite noting the parties' activities in the production of AV content, the CID concluded that the parties' activities in the production of AV content were minimal. The CID indeed noted that production of AV content by the merging parties is incidental to their operations. The CID noted that [REDACTED], an MCG subsidiary, produces AV programming content in Kenya and this is the only production undertaken by MCG in the Common Market.⁴² The CID further noted from the parties' submissions that during its financial year ended 31 March 2024, MCG's local production and commissioned production of content value in the Common Market was less than [REDACTED] of MCG's total spend on the production or commissioning of AV content. Canal+ on the other hand, has, through Zacu Entertainment, produced AV content in Rwanda. The parties submitted that the

⁴² [REDACTED]



production by Canal+ in Rwanda represents approximately only [REDACTED] of the total value of content produced by Canal+ globally.

68. For this reason, the CID was of the view that the production of AV content was not relevant to the assessment of the transaction since the activities of the merging parties in this relevant market are *de minimis* for the identification of competition concerns in the market for the production of AV content or to change the course of the competitive assessment or the conclusion of the transaction.

Acquisition of AV content

69. The CID observed that at the upstream level of the AV value chain, AV content is acquired by the merging parties from their own in-house production or from third parties.
70. The CID noted that AV content acquired is diverse and comprise of heterogeneous content. AV content comprises of a large variety of TV programmes of all genres, including cinema, series, reality shows, news, documentaries, kid content and sports.
71. The CID observed that retail TV suppliers have to include the widest range of AV content into their channels to make their product appealing to the highest number of viewers. The CID noted the merging parties' confirmation that their packages are designed to meet the requirements of a household which is likely to comprise of several members of varying ages.⁴³
72. The CID observed that the production capacity of a retail TV provider is likely to be limited and insufficient to produce all the content which is likely to make up a comprehensive package. For this reason, the CID noted that TV broadcasters acquire content from third parties.
73. The CID observed that content which is acquired by retail TV providers can be distinguished into either basic or premium on both the demand and supply side. Basic or non-premium content refers to content, which is typically non-exclusive, widely available, has low budget production cost and is acquired at a lower price. Such content includes news content, general entertainment such as lifestyle AV content, low budget movies, series and unscripted shows. The CID was of the view that this characterisation is important especially in countries with low disposable incomes where a bigger proportion of their income is spent on food items. Rashid et al. in a paper titled "***Determinants of household food expenditure in Tanzania:***

⁴³ Submissions of the merging parties during the Commission's onsite investigations in Kenya, Mauritius, Madagascar and Rwanda.



Implications on food security”, noted that food expenditure in developing countries particularly those in Sub-Saharan African countries constitutes about 65 – 70% of total household expenditure.⁴⁴ The CID concluded that the majority of consumers in this geographic space therefore are likely to be consumers of basic and affordable AV content.

74. The CID observed that as compared to basic content, premium content refers to content which is not widely available to the masses, is less affordable and in some instances more exposed to exclusive contracts. The CID noted that premium content relates to premium films and live sport events. Premium movies are produced by major Hollywood studios such as Universal Pictures, Paramount Pictures, Warner Bros., Walt Disney Studios and Columbia Pictures. Live sports events include live football matches of the UK Premier League football matches, of the European Champions League, Rugby union and league matches, Formula 1 competition and Confederation of African Football matches.
75. On the demand side, the CID was of the view that basic and premium AV content are not substitutable with each other, in view of the distinct content value and pricing as well as low-income factors especially in Sub-Saharan African countries. Premium content is high value content because it provides key differentiation and competitive edge in the downstream market.
76. The CID noted that premium AV content is acquired mostly in the form of exclusive rights to broadcast premium films; exclusive rights to broadcast football events that take place every year, for example, English Premier League and UEFA Champions League and exclusive rights to other sport events with due consideration given to the characteristics of this type of content and its prices. The demand in this market is essentially a derived demand and is guided by the demand at the downstream level.
77. The CID noted that the clientèle for the acquisition of premium AV content primarily consists of retail TV suppliers that require exclusive, high-value programming to attract and retain viewers or subscribers in the downstream market. Such retail TV suppliers rely on premium content to differentiate their services, enhance market competitiveness and retain their subscribers. The CID noted that the merging parties are acquirers of premium AV content from the producers and right owners of premium AV content. On the demand side, the CID noted that the clientèle for the acquisition of basic content are providers of entry-level package at the retail level which targets mass audience rather than niche subscribers.

⁴⁴ <https://agricultureandfoodsecurity.biomedcentral.com/articles/10.1186/s40066-023-00462-0> accessed on 23 September 2025



78. Hence, the CID was of the view that from the point of view of a TV broadcaster, that is, from the demand-side, different values and consequently different prices can be placed on basic and premium AV content. To this end, the CID considered that from a demand side, basic and premium AV content are unlikely to be substitutable. The CID acknowledged that in other jurisdictions, especially in Europe, there are mixed views on this. Others have argued that basic and premium AV content may belong to different markets while others have argued that they are in fact in the same market. The CID observed that the European Commission has also observed this inconclusive position and held that in the case where the transaction does not raise serious competition concerns, the market can be left open. For example, in the merger involving **United Group and Wind Hellas**,⁴⁵ the European Commission observed that:

“As to the distinction between basic and premium pay TV, the results of the market investigation were mixed. Two respondents, indicated that a distinction between basic and premium pay TV applies in Greece, pointing to differences in content offering, pricing conditions and in the ability to attract customers between premium pay TV channels and basic pay TV channels. The majority of respondents did not have a clear opinion on this issue, and no one replied that such distinction should not apply. For such reasons, the Commission considers that the exact market definition can be left open, as this does not affect the outcome of the assessment”.

79. However, the CID had a different view. The CID observed that the fact that the European Commission had not given a determinative position on the matter did not mean that a distinct premium and basic AV content market cannot be established. The CID further observed that the economical and income situations in Europe and Sub-Saharan African countries, where the merging parties have operations for purposes of this transaction differ significantly. In Europe the GDP/Capital in 2024 was recorded at **US\$62,433.60**⁴⁶ compared to **US\$4,949.80 in Sub-Saharan African countries**.⁴⁷ This situation immediately leads to the conclusion that the European Union is largely a high-income region while Sub-Saharan Africa is a low-income region. It may be argued therefore that while in Europe, the pricing of premium AV content may be higher than that of basic AV content, this may not be a bigger factor in market delineation compared to Sub-Saharan African countries

⁴⁵ Case M.10475 – UNITED GROUP/WIND HELLAS Commission decision pursuant to Article 6(1)(b) of Council Regulation No 139/2004 and Article 57 of the Agreement on the European Economic Area. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021M10475> accessed on 23 September 2025

⁴⁶ <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD?locations=EU> accessed on 23 September 2025

⁴⁷ <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD?locations=ZG> accessed on 23 September 2025



where each dollar counts and where, as observed above, the income is mostly spent on food. It would follow therefore that consumers in Sub-Saharan African countries are more price sensitive to non-food items supporting the position of the paper by Rashid et al. titled “**Determinants of household food expenditure in Tanzania: Implications on food security**” cited above. Lastly, the European Commission in the merger cited above left the market open because it concluded that any alternative relevant market definition would not alter the outcome of the case. In the merger in *casu*, the CID had identified serious competition concerns and therefore the CID is of the view that the market cannot be left open.

80. The CID considered that it was unlikely that a customer of basic AV content could easily shift from purchasing basic AV content to purchasing premium AV content in response to a price increase which although is small, may be significant. Conversely, it was also unlikely that a purchaser of premium AV content may easily shift to purchasing basic AV content in response to a price increase which although small may be significant. This was because the value and importance attached to premium AV content may be so significant to alter any purchasing decision in response to these market conditions. It should be noted that the demand at the downstream market of retail AV services was a major determinant of the demand at the upstream market of acquisition of AV content. Put differently, the demand at the upstream level is derived demand.
81. This distinction was further supported by the fact that generally, there are more subscribers of basic AV content than premium AV content in Sub-Saharan African countries. The reasons could be those advanced already that basic AV content is cheaper compared to premium AV content and therefore appeals to different consumer demographics.
82. The CID noted that according to Dataxis⁴⁸ among the 215 million households of the region (Sub-Saharan African countries), around 102 million had access to television in 2018. Even though the penetration is progressing, reaching 42% in 2018 compared to 40% in 2017, television has not yet fully penetrated into Sub-Saharan African homes. Of the 102 million who had access to TV, only 30 million had access to pay TV which generally provides premium AV content. This represents 29.412% of the total population with access to pay TV. It means that the percentage of people with access to TV with basic AV content was relatively high at 70.588%. With these statistics, it was immediately clear that the premium and basic AV content are in distinct markets at least in Sub-Saharan African countries where the parties operate.

⁴⁸ Sub-Saharan Africa T.V Market, 9 May 2019, https://dataxis.com/wp-content/uploads/2021/04/Sub_Saharan-Africa-market-overview-2019-A-contrasted-growth-1.pdf accessed on 23 September 2025



83. The CID noted that the acquisition rights to recent movies, live football competition which are played every year, other sports events such as Formula 1, US basketball tournaments and world cricket matches, football world cup command a high price. Premium content when acquired drives the market downstream. The CID noted that the Commission's on-site information gathering revealed that EPL is a content of high appeal in the downstream markets and is indeed a distinguishing feature of retail TV offerings.
84. The CID noted that during the Commission's on-site information gathering, interviews with [REDACTED] retail suppliers of pay TV services revealed that a distinction is indeed made from the retail supply of pay TV perspective between content which is basic and premium. The latter stakeholders confirmed that from the demand-side, i.e., the TV Broadcaster perspective, content which is premium are content which is high-appeal content and are sold at high prices. The CID noted that the acquisition of broadcasting rights to live sports events and premium movies are done by both merging parties.
85. In this regard, the CID was of the view that a distinction can be made between the acquisition of premium and basic content.
86. The CID noted that both merging parties acquire both premium and basic AV content and for this reason, was of the view that the respective acquisition of premium and basic content was among the affected markets to the transaction.

Wholesale Supply of pay TV channels

87. The CID noted that the Acquiring Group, through SPI, supplies pay TV channels at the wholesale level to various entities in the Common Market. Of relevance, the CID noted that SPI has the following customers in the Common Market:
- i. Century Sun (Mauritius) Co. Ltd, an affiliate of StarTimes, with the [REDACTED].⁴⁹ The parties submit that the [REDACTED] are general entertainment channels comprising of a wide range of library movies and series.⁵⁰
 - ii. Digital Virgo Asia Middle East Africa Limited, a Mauritius incorporated entity, with the [REDACTED] with rights to distribute *inter alia* in Egypt and Tunisia, as

⁴⁹ Information claimed as confidential by merging parties.

⁵⁰ Information claimed as confidential by merging parties.



well as various other general entertainment channels with rights to distribute *inter alia* in Tunisia and the DRC.⁵¹

88. The CID further noted that Zacu Entertainment, a subsidiary of Canal+, supplied the RBA with the [REDACTED] for distribution in Rwanda.
89. The CID noted that in Madagascar, Canal+ Thematiques supplied Parabole Madagascar with the distribution rights for its [REDACTED] channels. The CID further noted that in Mauritius, Canal+ Thematiques similarly supplied [REDACTED] with distribution rights to some of its channels.
90. The CID also noted that the Acquiring Group (through StudioCanal SAS or its affiliates) also supplied M-Net, a South African incorporated subsidiary of MCG, with various library titles with distribution rights *inter alia* in the Common Market, and Thema SAS wholesale supplied M-Net with the [REDACTED] with distribution rights in the Common Market.⁵² Canal+ International also wholesale supplied a French language add-on bouquet (**French Add-Ons**) which is available to subscribers of MCG's retail AV services as an add-on purchase in Burundi, the DRC, Djibouti, Mauritius, Rwanda, Ethiopia, Seychelles, Eritrea, Kenya, Uganda and Zambia.⁵³
91. The CID noted that MCG is also active in the wholesale supply of AV content in the Common Market as follows:
 - i. [REDACTED], an MCG subsidiary, produces AV programming content in Kenya, [REDACTED].
⁵⁴ This AV content programming is not sold to any third parties.
 - ii. M-Net supplied the [REDACTED] with the [REDACTED] and [REDACTED] television shows.
92. The CID further noted the information gathered by the Commission, notably that MCG supplies channels to Mauritius Telecom Ltd which relate to sports (football and other sports), movies and other general entertainment channels.
93. The CID noted that MCG wholesale supplied an English add-on DStv bouquet (**English Add-Ons**) which is available to subscribers of Canal+'s retail AV service

⁵¹ Information claimed as confidential by merging parties.

⁵² Information claimed as confidential by merging parties.

⁵³ Information claimed as confidential by merging parties.

⁵⁴ Information claimed as confidential by merging parties.



as an add-on purchase. The English Add-Ons were supplied by MAH to Canal+ (or its affiliates) for distribution in Burundi, the DRC and Rwanda.⁵⁵ MCG, through various subsidiaries, also supplied AV programming content for Canal+ (or its affiliates) to make available in the Common Market including licensing rights to distribute (i) various general entertainment programming content and (ii) the sub-licensing of specific French language sports rights.

94. The CID hence noted that both parties are engaged in the wholesale supply of pay TV channels to third parties in the Common Market, including supplying the channels to each other. The CID further noted that during its information gathering in Mauritius, the Commission gathered from a retail supplier of pay TV services that the merging parties also supply some of their pay TV channels to third party suppliers of pay TV services.⁵⁶
95. The CID noted therefore that at the upstream level, there is a market for the wholesale supply of basic TV channels where AV content is packaged into linear TV channels. Once the content has been acquired from the producer and aggregated into channels, these channels may be sold to the operators in the downstream market. As noted, basic content is mostly acquired on a non-exclusive basis and can therefore be made available to downstream operators also on a non-exclusive basis. The customers for the wholesale supply of basic pay TV channels, as evidenced from the parties' submissions, include national broadcasters, retailers of TV services and streaming platforms.
96. The CID observed that retail suppliers of pay TV services which do not operate in the upstream market source TV channels from suppliers, including the merging parties, to be able to conduct their activities in the downstream market.
97. The CID noted that the parties' activities overlap in the supply of pay TV channels. Therefore, the competitive assessment of the transaction is limited only to pay TV channels, which can be divided into basic and premium, as has been defined above.
98. Consistent with its approach in the definition of distinct markets for the acquisition of premium AV content and the acquisition of basic AV content, the CID concluded that even at wholesale level, a delineation of the market for wholesale of pay TV channels can similarly be made, i.e., the market can be segmented into basic or premium. The CID recalled that this approach is consistent as demand at the upstream markets is derived from demand in the downstream markets where this delineation can be observed.

⁵⁵

⁵⁶ Information gathered during meetings with [REDACTED]



99. This approach by the CID was not without merit. For example, the European Commission had identified a wholesale market for the supply of TV channels. Within that market, in certain decisions, the European Commission had further identified two separate product markets for: (i) FTA TV channels, and (ii) pay TV channels.⁵⁷ The European Commission further stated that, within the pay TV channels market, a further distinction could be made between: (i) basic pay TV channels, which are included in the basic subscription fee, and (ii) premium pay TV channels,⁵⁸ for which end customers pay a premium in addition to their basic subscription fee. In **Liberty Global / Corelio / W&W / De Vijver Media**⁵⁹, the European Commission concluded that, at the level of the wholesale supply of TV channels, there were two separate product markets, one consisting of the wholesale supply of premium pay TV channels and one consisting of the wholesale supply of basic pay TV/FTA channels. The European Commission also considered that there was no need to draw a distinction between linear TV channels and their non-linear ancillary services.⁶⁰ The CID has made no such distinction in this decision. However, the CID observed that in any case, this distinction can be dispensed with as any strict definition would not alter the outcome of the case. In view of this, the CID's assessment only focused on the linear TV channels.

100. The CID considered that the market for the wholesale supply of pay TV channels should not be further segmented according to the type of infrastructure used for delivery to the customer (such as cable, satellite, DTH, DTT and IPTV) since the competitive conditions in the market for the wholesale supply of pay TV channels, and any possible segmentation, would not change irrespective of the distribution technology and the type of infrastructure used for the distribution of the TV channels. Therefore, the CID did not focus on this categorization for the rest of its assessment.

Retail supply of pay TV services

101. The CID noted that the main activities of the merging parties relate to the retail supply of pay TV services.

102. In **MC Vision Ltd/Canal+ International SAS (2024)**, the CID considered that the downstream pay TV market centres on the retail distribution of pay TV services directly to consumers.⁶¹ This market includes subscription-based and prepaid

⁵⁷ M.7194 - Liberty Global / Corelio / W&W / De Vijver Media, paras. 90-91.

⁵⁸ M.8785 – The Walt Disney Company / Twenty-First Century Fox, para. 77; Commission decision of 15 June 2018 in Case M.8861 – Comcast / Sky, para. 50; Commission decision of 6 February 2018 in Case M.8665 – Discovery / Scripps, paras. 19- 20; M.8354 – Fox / Sky, paras. 80- 81.

⁵⁹ M.7194 - Liberty Global/ Corelio/ W&W/ De Vijver Media

⁶⁰ M.7194 - Liberty Global / Corelio / W&W / De Vijver Media, paras. 93-94.

⁶¹ Decision of the 113th Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Acquisition of MC Vision Ltd by Canal+ International SAS



models offering bundled TV channels and OTT services. OTT services, which deliver video, audio, and other media over the internet, bypass traditional distribution channels like cable, satellite, or broadcast television, adding flexibility and convenience for end-users. Competitive dynamics in the downstream market are driven by pricing strategies, accessibility, and content variety tailored to end consumer preferences. The downstream retail supply of pay TV services directly interfaces with end-users.

103. The first distinction to be made is that FTA is different from pay TV and constitutes a different relevant market as discussed above. It is recalled that according to Dataxis⁶² among the 215 million households of the region (Sub-Saharan African countries), around 102 million had access to television in 2018. Even though the penetration is progressing, reaching 42% in 2018 compared to 40% in 2017, television has not yet fully penetrated into Sub-Saharan African homes. Of the 102 million who had access to TV only 30 million had access to pay TV. This represents 29.412% of the population with access to pay TV. It means that the percentage of people with access to FTA was relatively high at 70.588%. With these statistics, it was immediately clear that FTA and pay TV in Sub-Saharan African countries which includes the Common Market are two distinct relevant product markets.
104. The CID considered that the market for pay TV and the market for FTA TV services constitute separate relevant product markets mainly due to the nature of competition between those two modes of broadcasting.⁶³ FTA TV relates to “*the broadcasting on a channel, either public or commercial, or programmes that are accessible to the public without payment*”.⁶⁴ Whereas “*pay TV is primarily financed by subscription fees, free-access television is financed by public authorities and/or advertising revenue*”.
105. The CID observed that pay TV broadcasters compete for subscribers while FTA TV broadcasters compete for advertising revenues. These different trading relationships result in different conditions of competition for the two types of television. The CID considered that the differences in the characteristics of pay TV and FTA TV in terms of pricing and contents (e.g. premium content such as live coverage of major sport events or first television screenings of recent films are often only available on pay TV) further supports the finding of separate markets.

⁶² Sub Saharan Africa T.V Market, 9 May 2019, https://dataxis.com/wp-content/uploads/2021/04/Sub_Saharan-Africa-market-overview-2019-A-contrasted-growth-1.pdf accessed on 23 September 2025

⁶³ EC Case CCOMP/M.2483, part B.

⁶⁴ See Market Definition in the media sector: a comparative analysis taken from http://ec.europa.eu/competition/sectors/media/documents/legal_analysis.pdf accessed on 23 September 2025



106. A review of case precedent confirms that pay TV and FTA TV are in separate product markets. For instance, in the **NewsCorp/Telepiu merger (2003)**, the European Commission acknowledged that FTA television may exercise a certain constraint on pay TV (in particular where FTA TV offers a wide choice of channels, some of which would include attractive content), but nevertheless concluded that FTA and pay TV fall in separate markets.⁶⁵ In **SFR/Télé2 (2007)**, the European Commission argued that the different types of financing and the fact that the offerings are not substitutable from a consumer's perspective since the FTA one is provided free of charge and the pay TV one requires a subscription fee justifies defining separate relevant markets.⁶⁶ In the **NewsCorp/Premiere decision (2008)**, the European Commission defined pay TV and FTA TV as distinct markets based on the type of content and programme schedules, limited demand-side substitutability due to the subscription fee and limited supply-side substitutability due to the different types of business models.⁶⁷
107. The CID noted that motivations for distinct pay TV and FTA TV markets that are highlighted in the case precedent are also relevant to the Common Market or markets in Africa more broadly. Pay TV and FTA TV have fundamentally different business models, which are further enforced by regulations. The advertisers that are attracted to the different platforms also vary due to the different characteristics of pay TV and FTA TV audiences.
108. The CID has also previously considered that a retail pay TV supplier advertises and markets the packages to sell to end customers.⁶⁸ The supplier also sells or rents a terminal to the subscriber, providing decoding and decryption and the reception equipment where the services are provided via satellite.
109. For the pay TV subscription, viewers have to pay a subscription to access to the services.
110. The CID has previously considered that a distinction can be made between pay TV and FTA services⁶⁹ given the differing nature of competition between the broadcasting modes.⁷⁰ The CID considered that retail suppliers of pay TV services compete for subscribers while FTA broadcasters compete for advertising revenues.

⁶⁵ COMP/M.2876 (para. 47). 2 April 2003.

⁶⁶ COMP/M.4505 (para 45). 8 July 2007.

⁶⁷ COMP/M.5121 (para. 17-20). 25 June 2008.

⁶⁸ Decision of the 113th Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Acquisition of Wananchi Group (Holdings) Limited by Axian Telecom Fibre Limited

⁶⁹ Decision of the 113th Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Acquisition of Wananchi Group (Holdings) Limited by Axian Telecom Fibre Limited

⁷⁰ Commission's investigation into the assessment of Agreements between Confédération Africaine de Football and Lagardère Sports S.A.S for the Commercialisation of Media and Marketing Rights of CAF Tournaments



These different trading relationships result in different conditions of competition for the two types of TV. The differences in the characteristics of pay TV and FTA in terms of pricing and content (e.g. premium content such as live coverage of major sport events or first TV screenings of recent films are often only available on pay TV) further supports the finding of separate markets.

111. The CID noted that this is further supported by the information gathering exercise conducted in the Member States where FTA providers confirmed that they do not compete with pay TV providers. They are in distinct market from pay TV providers. As already observed, FTA is usually financed by advertising or public funds and the viewer has no active role to play in this supply chain. In contrast, pay TV services offer a wide range of content, with arguably less advertising and allows a viewer to access content which would otherwise not be accessible to it. The CID noted that from the end viewer perspective, FTA and pay TV are not substitutable in terms of the AV content and channels available.
112. In this respect, the CID noted that there are some TV channels which are available only on pay TV. Additionally, AV content is broadcasted on pay TV first before it becomes available on Free TV. Further, households receiving exclusively FTA channels have been making up most of TV households for many years, despite the FTA's limitations in terms of number of channels and quality of content.⁷¹ The fact that most of these households have not shifted from FTA to pay TV despite the limited product offering of the latter leads to the conclusion that FTA and pay TV are not in the same market. The focus of the CID's assessment in this regard will be on pay TV.
113. The second distinction to make within the pay TV market is whether linear and non-linear pay TV services are in the same relevant product market. The CID had previously considered that within the retail pay TV market, a distinction can be drawn between linear and non-linear pay TV services.⁷² In linear TV services, content is provided according to the schedule set by the broadcaster or the provider, and the viewer has to view the content accordingly. Non-linear TV on the other hand, allows the viewer to pick the content he/she wishes to view and the time at which he/she wants to. Linear pay TV services and non-linear pay TV services are likely to differ in terms of content, viewing schedule and prices, such that they constitute a different product from a demand side.⁷³

⁷¹ Sub Saharan Africa T.V Market, 9 May 2019, https://dataxis.com/wp-content/uploads/2021/04/Sub_Saharan-Africa-market-overview-2019-A-contrasted-growth-1.pdf accessed on 23 September 2025

⁷² Ibid

⁷³ Ibid



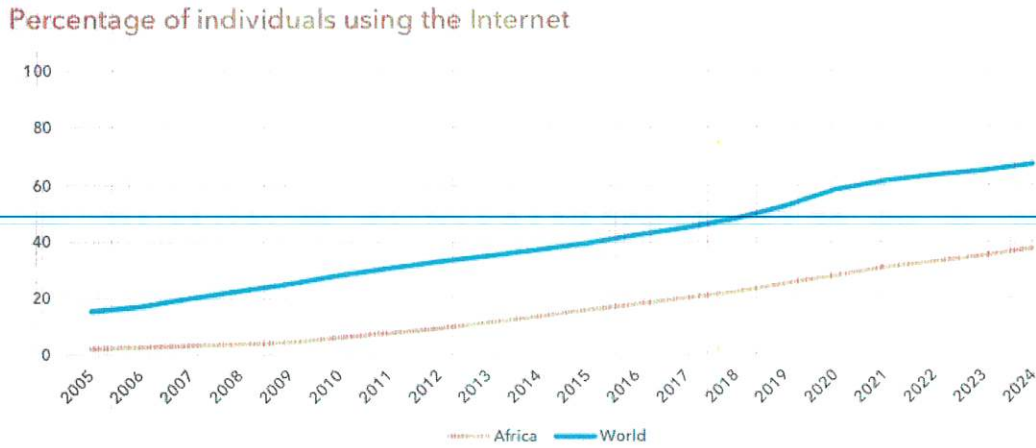
114. For this reason, the CID was of the view that linear pay TV and non-linear retail pay TV are likely to constitute different markets. The CID has also previously considered that the distribution technology through which the pay TV service is provided, such as terrestrial, satellite or fiber is also likely to make the product distinct.⁷⁴ This is because the equipment required for the supply and the reception of same differs. Linear TV relies on traditional broadcast infrastructure, while non-linear TV often utilizes the internet and streaming technology. Although the CID recognised that new technologies have increased the possibilities of convergence between TV broadcasting and other forms of mobile and digital broadcasting offerings, the CID considered that these other forms of media platform do not currently, nor is it expected to be in the near future, constitute a significant threat to traditional TV in African markets.
115. While the number of internet users on the continent continues to grow, the internet penetration is still relatively low. According to econfin agency,⁷⁵ Africa is seeing one of the fastest expansions of internet access in the world. But behind this rapid growth lies a patchwork of inequality that still leaves much of the continent offline. New figures from the International Telecommunication Union (“ITU”) show that internet access in Africa has grown at an average annual rate of 16.7% since 2005, more than double the global average of 8%. Even though the pace slowed over the last ten years, to 10.7% per year, it still outpaces the rest of the world, which grew at just 6.1% annually.

⁷⁴ Ibid

⁷⁵ Africa's Internet Growth Outpaces World, but Gaps in Access Remain Deep. <https://www.ecofinagency.com/news-digital/0506-47164-africa-s-internet-growth-outpaces-world-but-gaps-in-access-remain-deep> accessed on 23 September 2025



Figure 2: Percentage of individuals using the internet



116. As depicted in Figure 2 above, despite this strong progress, only 38% of Africans were connected to the internet in 2024, compared to a global average of 68%. This makes Africa the least connected region on Earth. These numbers reveal how deep-rooted economic and infrastructure challenges are holding back full digital inclusion in many parts of the continent.⁷⁶
117. The growth of internet TV is further said to be hampered by the high costs of data in Africa, which are among the world's highest.⁷⁷ It was reported that internet costs are quite prohibitive for unlocking meaningful use of the web in Africa, with 1GB costing an average of 18 percent of monthly income, while mobile — encompassing both the cost of the phone and of data, voice and messaging services — as a share of monthly income is at 11 percent in Africa, far higher than other regions, according to a 2016 GMSA report.⁷⁸
118. In view of the foregoing, the CID considered that a distinction between linear and non-linear TV can be established especially in regions where access to internet is still low due to a number of reasons among them low-income levels, high cost of internet and poor infrastructure. The CID observed that the parties are not significant players in the non-linear TV services. Therefore, for purposes of this transaction, the CID's focus shall be on linear TV services.

⁷⁶ Supra note 66

⁷⁷ <https://www.reuters.com/article/us-naspers-internet/in-africa-costly-data-slows-internet-tvs-growth-naspers-showmax-idUSKBN1HG1V3>

⁷⁸ Ibid



119. The third assessment to be made within the pay TV market is whether basic and premium TV services are in the same market. To understand this market better, the CID considered premium AV content and basic AV content as these are input into pay TV services as it has already established that basic and premium TV content are in distinct markets. *A fortiori*, premium and basic TV services are also distinct markets.
120. Basic or non-premium TV services are typically non-exclusive, widely available and ~~are acquired at a lower price. These services include news content, general entertainment such as lifestyle AV content, low budget movies, series and unscripted shows.~~ This characterisation is important especially in countries with low disposable income where a bigger proportion of people's income is spent on food items.
121. As compared to basic TV services, premium pay TV services refer to services that are not widely available to the masses, less affordable and in some instances are more exposed to exclusive contracts. This relates to premium films and live sport events. Premium movies are produced by major Hollywood studios such as Universal Pictures, Paramount Pictures, Warner Bros., Walt Disney Studios and Columbia Pictures. Live sports events include live football matches of the UK Premier League football matches, of the European Champions League, Rugby union and league matches, Formula 1 competition and Confederation of African Football matches.
122. On the demand side, the CID considered that basic and premium pay TV services are not substitutable with each other, in view of the distinct content value and pricing as well as low-income factors especially in Sub-Saharan African countries. Premium pay TV services are high value content because this provides key differentiation and competitive edge. This conclusion is supported by the Market Inquiry conducted by the CCPC regarding the assessment of pay TV services sector in Zambia. In its report, CCPC concluded that the DStv Compact, Compact Plus and Premium are classified as premium bouquets as they are outside the price range of wider pay TV in Zambia.
123. The CCPC market inquiry report observed that while budget TV services appear to be price sensitive as shown by the small variations in subscription fees over several bouquets from different providers, premium TV services appear to have no near substitutes. The CID observed that different bouquets offerings also support the conclusion these differences are due to different customer services. For example,



the CID noted that in Zambia DStv is considered to be in the premium TV services market and the following are its prices for its different bouquets since 1 April 2025:⁷⁹

- DStv Premium: K1,670 (USD 71.98). 140+ channels, 40+ HD channels.
- DStv Compact Plus: K1,090 (USD 46.98). 135+ channels, 30+ HD channels.
- DStv Compact: K720 (USD 31.03). 120+ channels, 20+ HD channels.
- DStv Family: K485 (USD 20.90). 95+ channels, 10 + HD channels.
- DStv Access: K255 (USD 10.99). 75+ channels, 7+ HD channels.
- DStv Lite: K165 (USD7.11).

124. The CID further noted that in Zambia, GOtv is considered to be in the basic TV services market, and the following are its prices for its different bouquets:⁸⁰

- GOtv Supa+ K720 (USD31.03). 75+ channels.
- GOtv Supa K435 (USD18.75). 65+ channels.
- GOtv Max K355 (USD15.30). 55+ channels.
- GOtv + K255 (USD10.99). 40+ channels.
- GOtv Value K165 (USD7.11). 25+ channels.
- GOtv Lite K45 (USD1.93). 15+ channels.

125. The CID noted that further reference can be made to another basic TV services supplier in Zambia called Muvi TV. Muvi TV Monthly Subscription costs K130 (USD5.6) and provides access to over 20 channels, according to Muvi TV on Facebook. The Zambian scenario is taken as a synopsis of what happens elsewhere as observed by the CID. In the interest of brevity however, Zambia has been cited to support the CID's assessment in this decision.

126. The CID observed that a careful assessment of the above channel and price offerings clearly reveal that premium TV service providers supply more channels at a higher price compared to basic TV service providers who supply less channels at a much lower price. *A priori*, movement within the premium TV bouquets is more likely than a cross between bouquets in each of premium or basic TV service offerings. The reasons for this are already advanced in this decision. An argument can be advanced that there is some level of competition between premium and basic

⁷⁹<https://www.dstv.com/en-zm/buy/compare-packages/> accessed on 23 September 2025

⁸⁰<https://www.gotvafrica.com/en-zm/compare-package/> accessed on 23 September 2025



TV services. Such an argument would be correct, but some competition does not mean effective competition. What is required in competition law and industrial organisation is effective competition which puts in check undertakings' behaviour by other undertakings for a sustainable period of time. This was echoed by the Ruling of the European Court of Justice in the **Hoffman La Roche v. the Commission** where the court observed the following with regard to dominance:⁸¹

“Such a position does not preclude some competition, which it does where there is a monopoly or a quasi-monopoly, but enables the undertaking which profits by it, if not to determine, at least to have an appreciable influence on the conditions under which that competition will develop, and in any case to act largely in disregard of it so long as such conduct does not operate to its detriment”.

127. The CID considered that reference can be drawn from this ruling with regard to the existence of competition even in markets that raise competition concerns. The CID noted that the European Court of Justice observed that for a competition concern to be addressed, it is not enough to only present some levels of competition but that it should be effective competition. The existence of competition concerns in the market does not imply that the market is devoid of all competition. It simply means that the levels of competition existing in that market are not sufficient to attenuate the fears.
128. Therefore, the CID noted that while there may be some levels of substitutability between the two product offerings in terms of price, it was important to note that there are other factors that would influence that substitutability, for example, the number of channels in each of the offerings by GOtv and DStv. Further, the CID observed that lower priced bouquets by DStv may be there to give an opportunity to consumers who may wish to migrate from GOtv to lower priced bouquets within DStv and be attracted to premium bouquets at a later stage.
129. Further, it may be a commercial strategy to keep consumers already on DStv, whose income may at one point does not support or afford more expensive bouquets. However, the first supposition is not effectively supported as such migration is unlikely to be effective given the price sensitivity and low-income levels of most consumers as already observed in this decision. Further, the costs observed here are not the only ones as migration to DStv may also mean additional costs in terms

⁸¹ Judgment of the Court of 13 February 1979. - Hoffmann-La Roche & Co. AG v Commission of the European Communities. - Dominant position. - Case 85/76.



of purchasing equipment and installation. In conclusion, two distinct markets exist; namely premium pay TV services and basic pay TV services.

130. Basic retail pay TV offers entry-level subscription packages comprised of general-interest channels for a relatively low monthly fee. Basic retail pay TV caters for the mass market and is made up of FTA channels and selected non-exclusive thematic channels. Basic pay TV channels have limited or no recently launched movies or major live sports. Premium retail pay TV channels have high value and scarce content such as live football matches and recently launched movies. Indeed, the CID noted that both the merging parties sell premium pay TV channels dedicated to sports or films on top of their basic packages. MCG in fact has a bouquet sold under the name of premium.
131. The CID was hence of the view that basic retail pay TV and premium retail pay TV are different business models considering the content offered, pricing, exclusivity and consumer expectations. Basic retail pay TV and premium retail pay TV cater for different market needs. Price-sensitive and low-income customers who have no preference for specific channels opt for basic retail pay TV channels, whereas premium retail pay TV is consumed by high income households who have preference for certain type of AV content, such as live sports for instance.
132. Considering the foregoing, the CID hence maintained its position that premium retail TV services and basic retail TV services are not substitutable.
133. Based on the foregoing assessment and without prejudice to the CID's approach in similar future cases, the relevant product markets were determined as:
 - i. **the acquisition of premium AV content;**
 - ii. **the acquisition of basic AV content;**
 - iii. **the wholesale supply of premium pay TV channels;**
 - iv. **the wholesale supply of basic pay TV channels;**
 - v. **the retail supply of premium pay TV services; and**
 - vi. **the retail supply of basic pay TV services.**

Relevant Geographic Market

134. The Commission's Guidelines on Market Definition define the relevant geographic market as comprising "***...the area in which the undertakings concerned are involved in the supply and demand of products or services, in which the conditions of competition are sufficiently homogeneous, and which can be***



distinguished from neighbouring areas because the conditions of competition are appreciably different in those areas.⁸²

The acquisition of basic AV content

135. As stated, given the diversity and heterogeneity of content, suppliers of such content are predominantly outside the Common market. The CID noted that it is incontrovertible that content produced within the Common Market is not sufficient to satisfy the downstream market both in terms of quality and choice. As already observed in this decision, there are a number of renowned companies engaged in the supply of AV content at global level where the merging parties acquire from. These among others include:

- (i) Paramount Global (formerly Viacom CBS)
- (ii) The Walt Disney Company
- (iii) NBCUniversal
- (iv) Comcast
- (v) Endeavor
- (vi) Fox Corporation
- (vii) News Corp
- (viii) Sony
- (ix) Discovery (now part of Warner Bros. Discovery)

136. The CID noted that all the above AV content providers operate at the global market level and the merging parties purchase some of its content from this market. For this reason, the CID was of the view that the geographic scope of the market for the acquisition of basic AV content is global. Consistent with the definition in the Commission's Market Definition Guidelines and jurisprudence, the global market is where the parties are involved in the demand of products that they require. The foregoing notwithstanding, the definition of the relevant geographic market can be left open as the transaction does not raise serious doubts as to its compatibility with the Regulations in this relevant product market.

The acquisition of premium AV content

137. The CID observed that the acquisition of premium AV content is from rights owners based in among others Europe, the United States, Asia and Africa. The CID noted

⁸² Paragraph 8



that the Commission had further gathered during its information gathering exercise that rights are acquired for a region, for instance, the African Continent or narrower regions thereof where Sub-Saharan African countries is one narrower region. For instance, the Commission gathered that the broadcasting rights for EPL matches are acquired for the Sub-Saharan region because the rights are sold for the Sub-Saharan region and not per country.

138. The CID considered that just like the acquisition of basic AV content, whose relevant geographic market although left open is global, the acquisition of premium AV content equally happens at global level from similar players as those identified for the market for the acquisition of basic AV content. For this reason, the CID was of the view that the geographic scope for the acquisition of premium AV content is also global. The foregoing notwithstanding, the CID considered that the definition of the relevant geographic market can be left open as the transaction does not raise serious doubts as to its compatibility with the Regulations in this relevant product market.

The wholesale supply of basic pay TV channels and the wholesale supply of premium pay TV channels

139. The CID noted that the merging parties commercialize their channels to downstream operators within the Common Market. The CID observed that pay TV channels are commercialized at the wholesale level per Member State. For instance, SPI has supplied channels to StarTimes and the Member States covered by the relevant agreement are Burundi, Comoros, the DRC, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, eSwatini, Uganda, Zambia and Zimbabwe.⁸³ The CID observed that Canal+ is predominant in French speaking Member States while MCG is predominant in English speaking Member States. Given this situation, it would not be far-fetched to conclude that the merging parties do not offer competitive discipline to each other in the Member States where each is predominant. It is common cause that the client base of Canal+ in the Member States where it has significant presence is French.
140. The CID therefore considered that it is unlikely that in the event Canal+ engaged in conduct generally prohibited by competition laws, MCG would quickly move in and provide choice to the viewers. This situation would also prevail in countries where MCG has significant presence. The CID considered that this implies the parties are not effective competitors in these Member States. Entry in response to any anti-competitive conduct or behavior is not foreseeable, likely and timely. This can be observed in the market in that for so many years the position of Canal+ in the

⁸³ [REDACTED]



Member States where it operates has never been threatened by the entry of MCG in those countries. The CID further observed that the market position of MCG has not been threatened by entry of Canal+ in the Member States where MCG is predominant. This situation has prevailed even where there have been complaints about the parties' conduct in some Member States as stated in this decision.

141. The CID observed that the only country where the situation may be different and the parties are likely to exert influence on each other's competitive behavior is Mauritius as can be deduced from the market shares of the parties when compared to their market shares in other Member States where both Canal+ and MCG operate. The CID observed that that both parties' presence in Mauritius is considerable which is also supported by the bilingual nature of Mauritius which provides a platform for the parties to compete.
142. For this reason, the CID was of the view that the respective relevant geographic market for basic and premium pay TV channels was the distinct Member States where both merging parties operate, namely Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda. Similarly, the European Commission, in its previous decisions, found the market for the wholesale supply of TV channels to be either national in scope,⁸⁴ sub-national,⁸⁵ or delineated by linguistically homogeneous areas encompassing more than one EU Member State.

Retail Provision of basic and premium pay TV services

143. The CID had previously observed that the downstream market, which pertains to the retail distribution of pay TV services, was national in scope.⁸⁶ This was due to the presence of distinct regulatory regimes, language barriers, and local consumer preferences that vary significantly across countries. Cultural factors and specific conditions of competition further reinforce the national boundaries of this market. Broadcasters are also required to comply with local regulations, including content quotas, censorship rules and licensing requirements, which further contribute to the national nature of the retail distribution of pay TV services. The parties submitted that the only Member States where they both provided retail AV service offerings are Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda. Considering the geographic overlap in the activities of the merging parties in the retail supply of basic and premium TV services, the CID was of the view that the geographic scope of the market is limited to the Member States in which the activities of the merging parties

⁸⁴ M.6369 – HBO / Ziggo / HBO Nederland, para. 39; Commission decision of 15 April 2013 in Case M.6880 – Liberty Global / Virgin Media, para. 41; Commission decision of 10 October 2014 in Case M.7000 – Liberty Global / Ziggo, para. 98; M.9299 – Discovery / Polsat / JV, para. 70.

⁸⁵ M.7194 Liberty Global / Corelio / W&W / De Vijver Media, para. 106 onwards.

⁸⁶ Supra note 85.



overlap. This conclusion is also not peculiar to the CID. For example, the European Commission has in the past considered that the geographic scope of the market for the retail provision of AV services could be either (i) national, since providers of retail AV services compete on a nation-wide basis; or (ii) limited to the coverage area of each respective cable operator.⁸⁷

Conclusion of Relevant Market Definition

144. For the purposes of assessing the proposed transaction, and without prejudice to the CID's approach in future similar cases, the CID identified the relevant markets as

- i. **the acquisition of basic AV content at global level;**
- ii. **the acquisition of premium AV content at global level;**
- iii. **the wholesale supply of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda;**
- iv. **the wholesale supply of premium pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda;**
- v. **the retail supply of basic pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda; and**
- vi. **the retail supply of premium pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda.**

Consideration of Substantial Lessening of Competition or "Effect" Test Market Shares and Concentration

Acquisition of basic AV content at the global level

145. The CID was not in possession of the exact market shares in the market for the acquisition of basic AV content at global level. As mentioned, this market is not characterized by significant exclusive agreements. The fact that the market is global leads to the conclusion that there are diverse suppliers of AV content and therefore, the merging parties are unlikely to exert any significant influence in this market. It is also not far-fetched to conclude that the acquirers are also significant in number thereby supporting the argument that the merged entity is unlikely to influence competitive dynamics in this market. A cursory search of the internet reveals the

⁸⁷ M.8785 - The Walt Disney Company / Twenty-First Century Fox, para. 100; M.9799 – Discovery / Polsat / JV, para. 86



following global players in the supply of AV content, both basic and premium, including:

- (i) Paramount Global (formerly Viacom CBS)
- (ii) The Walt Disney Company
- (iii) NBCUniversal
- (iv) Comcast
- (v) Endeavor
- (vi) Fox Corporation
- (vii) News Corp
- (viii) Sony
- (ix) Discovery (now part of Warner Bros. Discovery)

146. Added to the above list are right owners of AV content who may sell it directly to broadcasters. In view of the above, the CID was of the view that it is unlikely that the merging parties, as acquirers of basic AV content, are likely to have market power in this market. It is common cause that there are a lot of global players and hence the merging parties are unlikely to influence the market and would most likely be price takers. Beyond this, the CID has not undertaken a deeper assessment of this market because any such assessment is unlikely to reveal significant competition concerns.

Acquisition of premium AV content at the global level

147. The acquisition of premium AV content at the global level is likely to involve the same big players as for basic AV content. The picture emerging for the acquisition of basic AV content above is likely to be the same as that for the acquisition of premium AV content where the merged entity is not likely to exercise market power and is most likely to be a price taker and be affected by other competition parameters. Beyond this, the CID did not undertake a deeper assessment of this market because the conclusion of any further assessment is unlikely to reveal significant competition concerns. Notable, however, is that in the Common Market, only a few players, among them the merging parties and beIN Sports, are involved in the acquisition of premium content given their financial power and other capabilities that other firms may not have.



Wholesale supply of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

148. The CID did not have exact market shares in the market for the wholesale supply of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda. The CID however noted from the parties' submissions that there are numerous local, regional and international suppliers of AV content both in, and outside of, the Common Market, including A+E Networks Africa, A-List Media, AMC Networks, Jiffy Pictures, Nabwiso Films, Zebra Productions, BBC Studios, TNT Africa, Cartoon Network, and Boomerang, Globo, RTP, Univision, Telemundo, Zee Entertainment, the M6 Group, Banijay, itv studios, all3media, Newen Studios, Seven.One Studios (Red Arrow Studios International), Beta Group, Mediawan, Freemantle, Zion Films Group, Mugisha Emmanuel, Tuzuri Production, Greenland Pictures, Thousand Hills Empire, Niyitegeka Gratien, Benimana Ramadhan, Karekezi productions and Mutiganda Production.
149. Considering the number of wholesale suppliers of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda, the CID concluded that the merging parties are unlikely to hold market power and therefore this market shall not be analyzed further since competition concerns were unlikely to arise.

Wholesale supply of premium pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

150. As stated earlier, the merging parties supply their premium pay TV channels, namely the cinema and sports channels by Canal+ to [REDACTED] and the sports channels by MCG to Mauritius Telecom Ltd.
151. The parties submitted that no distinction should be made for premium content given the proliferation of varied and high-value AV content of different genres means there is a wide variety of AV content available to build an audience. The parties further submitted that the wholesale supply of AV content has become even more competitive given the explosion of AV content that has been driven by the rise of OTT offerings. In this regard, a number of global AV content producers that also provide their own retail AV service offerings, such as Disney and Amazon Prime Video, continue to supply AV content to other retail pay TV service providers. The parties submitted that they were not aware of any comprehensive data on the broad wholesale market for the supply of pay TV channels.



152. The parties, however, submitted the following information gathered from public sources on global content budgets by the parties and their competitors operating in the Common Market, per Table 2 below.

Table 2: Investment in Content⁸⁸

Entity	Investment in content per annum (approximate)
Disney	USD 25 bn
Amazon Prime Video	USD 19 bn
Netflix	USD 18 bn
Paramount+	USD 17 bn
Warner Brothers Discovery (including HBO)	USD 10 bn
Canal+	USD 4.1 bn
MCG	USD 1 bn

153. The parties submitted that their activities at the wholesale supply level to third parties in the Common Market is very limited.

154. The parties submitted that the Acquiring Group's turnover that was attributable to the Common Market for its wholesale supply of AV activities was similarly limited at approximately [REDACTED] in the financial year ended 31 December 2023. The majority of this [REDACTED] was supplied to [REDACTED]⁸⁹ Its supply to third parties based in the Common Market beyond [REDACTED] is therefore very limited.

155. The parties highlighted that MCG's total wholesale supply revenue related to the Common Market in the financial year ended 31 March 2024 was limited and, on a worst-case scenario, amounted to [REDACTED]

⁹⁰

156. The parties further submitted that Canal+'s supply of French Add-Ons was also limited. The parties submitted that [REDACTED]⁹¹ of MCG's subscriber base in the Common Market took up the French add-ons at the end of March 2024.

⁸⁸ Parties submissions dated 22 May 2025 in response to the Commission's information request dated 30 April 2025

⁸⁹ Information claimed as confidential by merging parties.

⁹⁰ Information claimed as confidential by merging parties.

⁹¹ Information claimed as confidential by merging parties.



157. The parties submitted that the Acquiring Group's wholesale supply in the Common Market has exclusively focused on the supply of general entertainment content of international origin. Its customers for channels in the Common Market are also located in Member States where MCG does not supply any AV content. The parties further submitted that the Acquiring Group's activities at the wholesale level do not overlap with that of MCG.
158. The CID noted the submissions of the parties and observed that the submissions do not relate specifically to wholesale supply of premium pay TV channels in the Common Market and therefore were not relevant when considering the parties' market share in the market for the wholesale supply of premium pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda.
159. The CID observed that the Commission's on-site information gathering revealed that premium channels are owned by the merging parties⁹² and therefore, despite not being in possession of their exact market shares, the CID considered that their market shares in this market are significant. While the CID noted the parties' submissions in Table 2 above, the CID considered that these figures relate generally to investment in content not necessarily market shares. The CID was concerned with the wholesale supply of premium pay TV channels, rather than the broad wholesale supply of TV channels. To this end, the information in Table 2 is inconclusive in the determination of the parties' market shares in the Common Market.
160. The CID noted the parties' submissions that they do not have market shares data on the broad market for the wholesale supply of pay TV channels. In view of this submission, the CID was of the view that it was reasonable to conclude that the parties would also not have data on market shares for the narrower segments of the wholesale supply of pay TV channels.
161. The CID observed that the only notable players in this market are the merging parties and beIN Sports. To support this conclusion, it is recalled that in the Common Market, the parties and beIN Sports are the main acquirers of premium AV content and therefore by implication are likely to be the main wholesale suppliers of premium AV channels. As also noted, such content is a differentiating factor and is a business model on its own. To this effect, the merging parties have substantial market power in this market. The CID was of the view that pay TV providers have no financial capacity and subscriber base to acquire such content.⁹³

⁹² Information gathering conducted by the Commission in Kenya, Mauritius, Madagascar and Rwanda.

⁹³ Meeting with [REDACTED]



162. While the CID noted the parties' submissions that the market for the wholesale supply of pay TV channels is fragmented and customers that seek content have numerous sources of supply, the CID remained of the view that the numerous suppliers are for the supply of basic pay TV channels not premium pay TV channels.
163. The CID further noted the parties' submissions that the broad wholesale market has become even more competitive given the explosion of content that has been driven by the rise of OTT services. A number of global AV content producers that also provide their own retail AV services, such as Disney and Amazon, remain a source of supply to downstream operators. The CID was however of the view that the market for premium content does not include OTT providers for a number of reasons among them, that OTT is not yet a significant competitor to DTH and DTT in the Common Market given the low internet penetration. Further, the CID's position, given the definition of premium AV is that content supplied under OTT is not premium. This is supported by the submission from [REDACTED] that OTT has low budget AV content, and this is not substitutable with premium content. Additionally, the CID noted that OTT players do not provide live sports because they do not acquire or supply any live sports competition.

Retail supply of basic pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

164. The CID did not have market shares for players in the market for retail supply of basic pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda. The CID, however, noted that there are a number of players offering basic pay TV services in these countries at the retail level. Among these are the merging parties, StarTimes in DRC, Madagascar and Rwanda, Bluesat and Telenum in DRC, Azam TV in Rwanda and Blueline in Madagascar.
165. The CID was of the view that there exists substitutability between the different offerings of the retailers of basic pay TV services. Additionally, the subscribers of basic pay TV services are likely to be price sensitive and therefore the different players are likely to pose significant competitive constraints to the merging parties in this market, such that the merging parties are unlikely to have market power. The price sensitivity of the customers in this market has already been demonstrated in the earlier part of this decision.
166. The parties provided the following estimated market share figures in the broad market for the retail supply of basic pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda, per Table 3 below.



Table 3: Estimated market shares by subscribers

Supplier	Market shares (%)
Burundi	
Canal+	50 - 60⁹⁴
MCG	0 - 5⁹⁵
StarTimes	30 - 40
Bakhresa Group (AzamTV)	0 - 5
Djibouti	
Canal+	40 - 50⁹⁶
MCG	0 - 5⁹⁷
beIN Media Group	50 - 60
OSN Group	5 - 10
DRC	
Canal+ group	60 - 70⁹⁸
MultiChoice Group	0 - 5⁹⁹
StarTimes	20 - 30
Solar Energy TV Group	0 - 5
Bleusat	0 - 5
MediaMarktSaturn Retail Group (Mediasat DRC)	0 - 5
Netflix Group	0 - 5
Trace Group (Trace Play)	0 - 5
Cote Ouest Group (KIWI)	0 - 5
Madagascar	

94
95
96
97
98
99



Canal+ group	70 - 80¹⁰⁰
MultiChoice Group	0 - 5¹⁰¹
StarTimes	10 - 20
Parabole Group	0 - 5
Gulfsat Madagascar	0 - 5
Axian Group (Telma TV Madagascar or "Yas")	0 - 5
Amazon Group	0 - 5
Netflix Group	0 - 5
Mauritius	
MC Vision	20 - 30¹⁰²
MultiChoice Group	10 - 30¹⁰³
Mauritius Telecom Ltd	30 - 40
Parabole Group	5 - 10
Netflix Group	5 - 10
Amazon Group	0 - 5
Walt Disney Company Limited	0 - 5
Apple Inc.	0 - 5
Rwanda	
Canal+ group	60 - 70¹⁰⁴
MultiChoice Group	0 - 10¹⁰⁵
StarTimes	20 - 30
iROKO Group	0 - 5

100
101
102

103
104
105



Bakhresa Group (Azam TV Rwanda)	0 - 5
MTN Group (Yello TV Rwanda)	0 - 5

167. The parties submitted that the transaction will not have significant effects on the market structure in the Member States where the parties both have retail AV service offerings. MCG's retail AV services are *de minimis* as it has less than ██████████¹⁰⁶ of the estimated subscribers in all the common Member States except for Mauritius and Rwanda. ~~The parties further submitted that this is because of the separate language focuses of the parties and the lack of substitutability between their services where MCG has an insignificant presence in Burundi, Djibouti, DRC and Madagascar, all of which do not recognize English as an official language.~~
168. The parties further submitted that the closest competitors within each language category will continue to exert a competitive constraint on each of the parties in the broad market for the retail supply of pay TV services. In Mauritius, competitors also include pay TV operators (Parabole, Mauritius Telecom Ltd), FTA TV providers (Mauritius Broadcasting Corporation), and OTT services (Netflix, iROKO, Amazon Prime, AppleTV+). In Rwanda, competitors include pay TV operators (StarTimes and Azam), FTA TV providers (RwandaTV, KC2, BTN TV and Flash Radio & TV) and OTT service providers (Netflix, iROKOTV and Amazon). The CID agreed with the parties' submissions that in the retail supply of basic pay TV services, competition concerns are unlikely to occur because the parties offer their services in distinct languages such as English and French in each of the countries where they operate, except for Mauritius and Rwanda. In other words, there is no overlap in the parties' activities in those countries. However, circumstances may be different in Rwanda and Mauritius where the parties' activities overlap. The parties have argued that even in Mauritius, their activities do not overlap and do not compete on the basis of different language offerings.
169. The CID inferred from the parties' submissions that it is their view that competition would only exist within the parameters of a distinct language and not across languages. The CID did not agree with this blanket supposition. The CID was of the view that in Member States where both English and French are spoken, competition across languages is not just a remote possibility but real. In Mauritius, where both English and French are significantly spoken, the parties are likely to exert significant competitive constraint on each other. Therefore, *ceteris paribus*, competition concerns were likely to arise in Mauritius post-merger. Rwanda, while officially an English-speaking country, the French legacy is still strong, therefore on a balance

¹⁰⁶ Information claimed as confidential by merging parties.



of probability, most people still speak more French than English.¹⁰⁷ This is likely to continue in the short to medium term. With this dynamic, the competitive constraint by the parties on each other on account of language is likely to be diminutive. The foregoing notwithstanding, generally, competition concerns in this market are unlikely to occur given that there are so many other players who are able to exert competitive discipline on the merged entity.

Retail supply of premium pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

170. Even in the absence of exact market shares, the CID observed that the parties are the only players in this market. beIN Sports is likely to be a competitor but not across all the identified Member States. The CID noted from the parties' own submissions that beIN Sports supplies retail premium pay TV services in Djibouti only and the content relates to premium sports. Given this and noting the analysis in the earlier part of this decision, the parties are the only suppliers of retail premium pay TV services in the identified Member States. However, competition concerns are unlikely to arise in any of the countries except Rwanda and Mauritius where both English and French are spoken. As already observed, the CID was of the view that in Member States where both English and French are spoken, competition across languages is not just a remote possibility but real. In Mauritius, where both English and French are significantly spoken, the parties are likely to exert significant competitive constraint on each other. Therefore, competition concerns are likely to arise in Mauritius post-merger. Rwanda, while officially an English-speaking country, the French legacy is still strong therefore on a balance of probability, most people still speak more French than English.¹⁰⁸ This is likely to continue in the short to medium term. With this dynamic, the competitive constraint by the parties on each other on account of language is likely to be diminutive. The CID therefore concluded that competition concerns were unlikely to arise post-merger in all the countries except Mauritius where the parties exert competitive constraint and offer choice to consumers who have the ability to switch between the two language offerings.

¹⁰⁷ Rwanda transitioned from French as the official language to English in 2008. <https://africa.cgtn.com/knowyourafrica-rwanda-change-of-national-language-from-french-to-english-overnight/> accessed on 23 September 2025

¹⁰⁸ Rwanda transitioned from French as the official language to English in 2008. <https://africa.cgtn.com/knowyourafrica-rwanda-change-of-national-language-from-french-to-english-overnight/> accessed on 23 September 2025



Barriers to Entry/Exit

The wholesale supply of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

171. The CID was of the view that the market for the wholesale supply of basic pay TV channels in the Common Market may on a balance of probability be unlikely to be characterised by significant barriers to entry. It is to be recalled that a number of companies in the Common Market are players in the global acquisition of basic AV content which is then packaged and sold at wholesale level as basic pay TV channels. While the market may be characterised by barriers to entry, notably, access costs to the content, limited variety of content, potential bundling with other channels, limited subscriber base to negotiate for favourable terms of supply, these are not prohibitive as may be evidenced from the number of players that have entered this market in the recent past.

The wholesale supply of premium pay TV channels in in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

172. The CID was of the view that this market is likely to be characterised by significant barriers to entry. Conditions in this market are likely to be affected and determined by antecedent factors and conditions in the acquisition of premium AV content. It is recalled that the merging parties are the major players in the acquisition of premium AV content in the Common Market. It therefore means that they are the only ones with the capability to supply premium pay T.V channels at wholesale level. The CID therefore concluded that the main barrier to entry would be the prohibitive cost of acquiring premium AV content and the exclusive contracts for long durations that exist upstream.

The retail supply of basic pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

173. The CID observed that the main barrier to entry is the fact that the customer base in this market is price sensitive and are low-income households. Another barrier to entry in this market will be switching costs to be incurred by the end customer to access the services of another basic pay TV service provider.



The retail supply of premium pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

174. The CID observed that the main barrier to entry in the market for premium pay TV services is related to the access of content in the upstream market. As noted earlier, premium pay TV channels are a business model. For this reason, the holders of such channels have an incentive to limit the supply of those channels to other providers of retail pay TV. For instance, the CID noted that the Commission has gathered from [REDACTED] that in spite of numerous requests, MCG had refused to give access to its premium sports channels. It is to be recalled that the merged entity shall be vertically integrated and is responsible for selling these channels to retail players where it is also a player. The merged entity is therefore likely to engage in input foreclosure making it difficult for its competitors at retail level to enter and establish themselves in the market. The CID also noted the submissions of [REDACTED] made to the Commission to the effect that access to premium content is limited by minimum guarantees which are charged by the merging parties to access the premium content.
175. Additionally, at the retail level, the CID was of the view that brand loyalty may also pose a barrier to entry, where customers may not be willing to change to another supplier of retail pay TV services. Investment in marketing and advertising is also required to create brand awareness and recognition.
176. The CID hence concluded that at both the upstream and downstream markets are characterized by significant barriers to entry and the main barrier being access to premium AV content. The acquisition of premium AV content remains expensive and requires significant resources. Enterprises with financial might are able to acquire premium AV content at the wholesale level for their downstream operations. The transaction will contribute to heightening barriers to entry in the relevant markets because it will bring together the two main acquirers and wholesale suppliers of premium AV content and basic TV channels and premium retail pay TV services. The CID was of the view that the transaction will increase the merged entity's subscriber's base, thereby giving it more financial muscle to bid for the premium AV content.

Consideration of Dominance/ Unilateral Effects

177. Unilateral effects may arise where, due to a merger, the merged entity finds it profitable to raise prices (or reduce output or quality) because of the loss of competition between the merged entities. Pre-merger, any increase in the price of one of the merging parties' products could have led to a diversion of its sales to the other party (depending on the extent of competition between them). However, post-



merger the competitive constraints that each firm imposed on the other is eliminated which may provide incentives for the merged entity to increase prices.

178. For unilateral effects to be present, the merged entity should be in a dominant position. A dominant position exists where the undertaking concerned is in a position of economic strength which enables it to prevent effective competition being maintained on the relevant market by giving it the power to behave to an appreciable extent independently of its competitors, its customers, and, ultimately, consumers. Dominance can be inferred from the undertakings' significant market shares or other market dynamics that may enable the undertaking to behave without competitive restraint such as high barriers to entry, lack of countervailing power and depressed innovation in the market among other factors.

The acquisition of basic AV content at the global level

179. The CID noted that this market is characterized by various actors and the parties' market shares are not likely to be significant. Further, the parties' financial and economic strength may not be significant at global level to enable the merged entity to influence the conditions under which competition develops in this market. Therefore, while the CID did not possess the exact market share of the players in this market, a review of the number of market players leads to a logical conclusion that the merged entity is unlikely to assume a position of dominance post-merger. Possession of dominance is a precondition to establish whether unilateral practices by a firm, or a group of firms in cases of joint or collective dominance, is abusive. In this market, dominance has not been established and the CID therefore observed that unilateral effects or abuse of dominance were unlikely to arise following the implementation of the merger.

The acquisition of premium AV content at the global level

180. As stated, both Canal+ and MCG are acquirers of premium AV content at the global level. The CID noted that another acquirer of premium sports content in the Common Market is beIN Sports. From the global acquisition of premium AV content, it is unlikely that the parties would hold a position of dominance given the presence of a number of players as the CID already observed. Just like in the market for global acquisition of basic AV content, in the market for the acquisition of premium AV content, the parties are unlikely to exercise influence on the conditions of competition in that market. Therefore, abuse of dominance in this market was unlikely. The CID noted however that premium content is acquired for broadcasting in the Common Market in the merging parties' own retail offering and to some extent, for supply to third party retail pay TV suppliers.



The wholesale supply of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

181. The CID noted that SPI is involved in the supply of AV content to retail pay TV suppliers generally in the Common Market, including in the affected Member States in this market. Most of these channels as noted earlier are not acquired on an exclusive basis in the Common Market, including in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda. Further, there are number of other firms that are involved in the supply of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda which are likely to discipline the competitive behaviour of the merged entity in this market. Therefore, in an event that the merged entity engaged in anti-competitive conduct, such behaviour would be to its detriment as its customers are likely to switch to alternative suppliers of basic pay TV channels. Unilateral effects are therefore unlikely to arise in this market.
182. Third party suppliers of retail pay TV channels have access to such content directly from the supplier or from other sources, and this will constrain the merged entity from exercising any dominance in the market for the wholesale supply of basic pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda.
183. Hence, considering that third party suppliers of retail pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda can still access the basic content from other suppliers and coupled with the fact that MCG is not a substantial supplier of basic pay TV channels in these Member States, except in Mauritius, the CID was of the view that the transaction would lead to limited market shares accretion and hence this overruled the likelihood of unilateral effects in this market post the transaction.

The wholesale supply of premium pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

184. The CID noted that in the market for the acquisition of premium content at the global level, the merging parties compete with broadcasters providing the same content across other continents. However, despite the acquisition being done on a global basis, the rights are being acquired by the merging parties for their operations in the Common Market. The CID further noted for instance that

and that Canal+ acquires *inter alia*



¹⁰⁹ Canal+ also has

185. The CID observed that premium AV content that is acquired at global level is thereafter supplied at the wholesale level to entities operating in the market for the retail supply premium pay TV channels. The CID therefore observed that the merged entity will hold a position of dominance for the wholesale supply of premium pay TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda because the merging parties are presently among the significant suppliers of premium pay TV channels in the Common Market. As stated, the only other potential supplier of premium content at the wholesale level is beIN Sports, which operates in Djibouti.
186. Prior to the transaction, MCG and Canal+ were competing to acquire premium content at the global level for supply in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda to different subscriber bases. After the transaction, the merged entity will be a position of economic and financial strength to be one of the few undertakings supplying premium pay TV channels in the Common Market. Without appropriate safeguards, the merged entity will have significantly more influence over market terms and conditions when dealing with its customers for premium pay TV channels than would have been the case prior to the transaction.
187. As observed above, premium AV content is acquired at global level. However, the competition dynamics in this case are likely to be observed in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda and arguably at Common Market level as this is where the parties supply the content through premium pay TV channels. In Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda, there are only a few players that are involved in the acquisition of premium AV content notably among them, the merging parties and beIN Sports. These companies would therefore have considerable market shares derived from their market position regarding the possession of premium AV content in the Common Market. Therefore, the transaction will lead to a consolidation and entrenchment of market power of the merged entity. The CID noted that the Commission has established that premium content is expensive to acquire. The CID further noted that the Commission has also gathered that premium content is mostly acquired on an exclusive basis. The CID was of the view that these factors are likely to consolidate the market position of the parties as they would be able to purchase premium AV content as a combined force post-merger which only them with the exception of beIN Sports would be able to possess for the supply of retail premium TV channels in the Common Market.

¹⁰⁹ Confidential information claimed by the merging parties.



188. The CID noted that in this market, premium content is acquired by the merging parties because they have the financial ability to bid for such rights. The CID further noted that the Commission has gathered from one stakeholder that it had bid to acquire the matches for the UEFA Champions league for a period of [REDACTED]. The CID noted that the Commission had also gathered that Canal+ had bid around USD470 million for the same rights, attesting to its financial capability to outbid others even before the transaction.
189. The CID noted that the Commission had also gathered that for two times, MCG had acquired rights to broadcast premium sports content directly without having to go through a bidding exercise.
190. The CID observed that right owners are rent seekers and will prefer to give rights to broadcasters with the highest number of viewers as this will allow them to extract maximum income from their investment.
191. The CID was therefore of the view that the transaction will entrench the market power of the merged entity in this market, given both its financial ability and the number of viewers which is required to access premium content. The CID considered that the transaction will therefore consolidate the market power of the merged entity in this market.
192. As stated, at the wholesale level, it is noted that Canal+ supplies premium pay TV channels to [REDACTED].¹¹⁰ The CID noted that [REDACTED] acquires premium pay TV channels from both merging parties.¹¹¹ [REDACTED] confirmed that it acquires premium pay TV channels from Canal+ for its operations at the retail level in both Mauritius and Madagascar.¹¹²
193. The CID noted that [REDACTED] stated that its revenue from its activities relating to the retail provision of DStv content via stream represents [REDACTED] of its revenue.¹¹³ [REDACTED] further stated that its retail supply of DStv content via stream [REDACTED].¹¹⁴
194. The CID observed that a deeper interrogation of this market is required. At first sight, it may be argued that the transaction was not likely to raise competition concerns in all the identified relevant geographic markets except Mauritius. This is because the

¹¹⁰ Confidential information claimed by merging parties

¹¹¹ Confidential information provided by [REDACTED] to the Commission

¹¹² Confidential information provided by [REDACTED] to the Commission

¹¹³ Confidential information provided by [REDACTED] to the Commission

¹¹⁴ Confidential information provided by [REDACTED] to the Commission



parties are not close competitors in the identified relevant geographic markets except Mauritius. However, given the merging parties' pre-merger market power emanating from its market positioning in each Member State where they operate, it is more likely than not that its market power will be more entrenched post the transaction. This is because the merger is likely to consolidate the financial position and asset portfolio of the merged entity. This would further enhance its content offering that it would possess thereby giving it an even stronger position of economic strength to behave independently of any player in the value chain. This situation is likely to be the same even at Common Market level where they were not effective competitors pre-merger. The merged entity will emerge strong and be able to acquire content in a manner that cannot be matched by most undertakings operating in the Common Market. Furthermore, its asset portfolio and financial position are likely to confer on it the ability to engage in anti-competitive conduct both in the identified national markets but also in the Common Market.

195. As noted, premium content is acquired mostly on an exclusive basis by the merging parties for a particular geographic region. Considering the cost of premium content, as noted above, not all retail suppliers of pay TV services can afford to acquire premium content directly from the source. For this reason, to be able to provide premium content at the retail level, retail pay TV suppliers rely on Canal+ and to some extent, MCG.
196. The CID noted that [REDACTED] have [REDACTED] confirmed that premium pay TV channels represent a major proportion of their revenue and if the supply is stopped by the merging parties, they will both go out of business.¹¹⁵
197. The CID reiterated that significant competition concerns were likely to arise in respect of the wholesale supply of premium pay TV channels. This is because the parties are among the main players with significant market shares supplying premium pay TV channels in the Common Market. The CID was of the view that the merger is therefore likely to entrench the market position of the parties which is likely to be abused. There is a relationship between this upstream market with the downstream retail supply of premium pay TV services. The entrenched position upstream is likely to have significant competition concerns at the downstream level as will be observed in the next paragraphs of this decision.
198. The CID was of the view that the transaction will therefore lead to a reduction in the number of suppliers for the wholesale supply of premium pay TV channels. The CID was therefore of the view that the transaction would lead to significant market share

¹¹⁵ Confidential information provided by [REDACTED] to the Commission



accretion in the market for the wholesale supply of premium pay TV channels, giving the merged entity's significant market power, thus leading to a significant reduction in competition in the market for the wholesale supply of premium TV channels in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda. The situation will be the same at Common Market level for reasons advanced above.

The retail supply of basic pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

199. The CID observed that the retail supply of basic pay TV services is contestable because the content which is broadcasted at basic level is mostly not exclusive and can be obtained from various sources other than the merged entity. The CID noted that there are a number of players in the supply of basic pay TV services given that the basic pay TV channels are relatively affordable to obtain and have less stringent conditions for example exclusive contract arrangements compared to the premium pay TV channels and services. The CID further noted that the customers in this market are price sensitive; and therefore, suppliers are involved in significant competition to keep their packages attractive to maintain their customers.

The retail supply of premium pay TV services in Burundi, Djibouti, DRC, Madagascar, Mauritius and Rwanda

200. The CID noted that the merging parties are involved in the retail supply of premium pay TV services in Burundi, DRC, Madagascar and Rwanda and in these Member States, retail pay TV services is supplied by the merging parties only. As stated in this decision, in Mauritius and Djibouti, there are other players in addition to the merging parties that supply this service. However, as also noted, in Mauritius, even if there are two other suppliers of premium pay TV services at the retail level, such content is acquired from the merging parties themselves.

201. The CID noted that the market share of MCG is minimal in Burundi, Djibouti, DRC, Madagascar and Rwanda. The CID however noted that the market shares of MCG is significant in Mauritius. The CID was therefore of the view that the transaction will lead to insignificant market share accretion. The CID however observed that the transaction will lead to significant market share accretion for the retail supply of premium pay TV services in Mauritius.

202. The CID noted the parties' submissions that the transaction will have insignificant effects on the market structure in the Member States where the parties both have retail AV service offerings. MCG's retail AV services are [REDACTED] as it has less [REDACTED]¹¹⁶ of the estimated subscribers in all the common Member States except

¹¹⁶ Confidential information claimed by the merging parties.



for Mauritius and Rwanda. The CID also noted the parties' further submissions that this is because of the separate language focuses of the parties and the lack of substitutability between their services where MCG has an insignificant presence in Burundi, Djibouti, DRC and Madagascar, all of which do not recognize English as an official language.

203. The CID also considered the parties' further submissions that the closest competitors within each language category will continue to exert a competitive ~~constraint on each of the parties in the relevant markets. In Mauritius, competitors~~ also include pay TV operators (Parabole, Mauritius Telecom Ltd), FTA TV providers (Mauritius Broadcasting Corporation), and OTT services (Netflix, iROKO, Amazon Prime, AppleTV+). In Rwanda, competitors include pay TV operators (StarTimes and Azam), FTA TV providers (RwandaTV, KC2, BTN TV and Flash Radio & TV) and OTT service providers (Netflix, iROKOtv and Amazon).
204. Even in the absence of exact market shares, the CID was certain that the parties are the only players in this market. beIN Sports is likely to be a competitor but not across all the identified Member States. The CID noted from the parties' own submissions that beIN sports supply premium pay TV services in Djibouti only and the content relates to premium sports. Further, the CID also observed that in Mauritius, other than the merging parties, there are other suppliers of premium retail pay TV services. It should however be noted that the other suppliers of premium pay TV services obtain pay TV channels from the merging parties. Given this and observing the analysis in the earlier part of this decision, the parties are the only suppliers of premium pay TV services in all the identified Member States, except Djibouti and Mauritius. The CID was however of the view that competition concerns are unlikely to arise in any of the countries except Rwanda and Mauritius where both English and French are spoken.
205. The CID recalled that the geographic market for this product had been defined as the national market of Burundi, Djibouti, DRC, Rwanda, Madagascar and Mauritius. An important consideration here is that the linguistic medium in which the premium pay TV services are supplied is material. The CID observed that all the countries mentioned above are predominantly French speaking except Mauritius and Rwanda in recent times. It has been observed generally that Canal+ has focused more on Francophone countries whereas MCG has focused more on Anglophone countries. The CID observed that at a more general level, it may appear that there is no competition between the parties pre-merger on account of language delineation. However, at a more detailed level, the CID was of the view that this may not be true in all circumstances.



206. This decision has analysed the market position of the parties in the identified countries and observed that the market position of MCG is diminutive compared to Canal+. This is because most of these countries except Mauritius and Rwanda are predominantly French speaking where Canal+ has a commanding presence. This inference can be made from Table 3 above. While the CID did not completely agree with the market shares in Table 3 because some players are not competitors to the merging parties for reasons advanced in this decision already, the figures provide useful proxies for assessment. The CID was satisfied that the transaction is unlikely to raise competition concerns in the identified Member States except in Mauritius and Rwanda. While Rwanda switched from French speaking to English speaking, the legacy of French is still stronger than English and this explains the reason why Canal+ has a stronger presence than MCG in Rwanda. The CID was of the view that this was likely to continue in the short to medium term. With this dynamic, the competitive constraint by the parties on each other on account of language is likely to be diminutive. The CID was therefore of the view that competition concerns are unlikely to arise post-merger in all the Member States except in Mauritius where the parties exert competitive constraint and offer choice to consumers who have the ability to switch between the two language offerings.
207. The CID noted that Mauritius is comfortably a bilingual country even more than Rwanda. This explains why both parties have comfortable market positions in Mauritius. The two are therefore able to provide competitive discipline to each other by offering viewers options. Furthermore, while not completely agreeing with the market shares in Table 3 for reasons already advanced in this decision, the CID noted that they give a useful indication of the parties' position in Mauritius. The consolidation of the parties' position in Mauritius is likely to diminish competition in the relevant market because the merged entity is likely to remain the only formidable player in the retail supply of premium pay TV services. This coupled with its significant position upstream at the wholesale supply of premium TV channels; the merged entity is likely to virtually eliminate competition at the downstream level through input foreclosure thereby frustrating entry and expansion.
208. An undertaking's market strength may also be inferred from its behaviour in the market. The CID noted that in the past, MCG has demonstrated market arrogance in a number of jurisdictions such as Malawi, Nigeria and Zimbabwe when Regulators in those jurisdictions attempted to address concerns against MCG. The CID further noted that it is common cause that MCG has threatened to pull out of some jurisdictions or even temporarily pulled out because it could not agree with the position of the Regulator. The CID observed that such disregard for Regulators in those jurisdictions could only be afforded because MCG had significant market



power in those jurisdictions. The CID was of the view that with the merger, the transaction will bring together two significant market players in the Common Market and most likely significantly increase their propensity for market misconduct. Inference to past conduct by competition authorities is not unusual in the determination of the outcome of a case. While the CID noted that this cannot be the sole determinant for making such a conclusion, the CID was of the view that it is one of the considerations. With regard to input foreclosure, the concern observed above, the CID recalled that the Commission's field investigations revealed that MCG has in the past refused to sub-license its premium content to retail suppliers of pay TV services. The CID was of the view that this behavior supports the conclusion that the merged entity is likely to engage in input foreclosure to frustrate competitors downstream. The CID discussed these in the sections that follow below.

Consideration of Vertical Effects

209. The CID noted that the transaction was likely to lead to significant market share accretion in the market for the wholesale supply of premium TV channels in Mauritius, which as noted, is an input in the downstream market for retail supply of premium pay TV services.
210. Considering that the merging parties supply premium pay TV channels to their downstream competitors engaged in the retail provision of pay TV services in Mauritius and Madagascar, the CID was concerned that this transaction may have vertical effects.
211. The CID was of the view that the market for the downstream supply of premium pay TV services will be vertically affected by the transaction if the merged entity post-merger has the ability and incentive to foreclose its rivals, and that foreclosure strategy will result in a substantial lessening of competition in the upstream or downstream market.

Input Foreclosure

212. Input foreclosure is likely to occur if the merged entity will have the ability and incentive to restrict the access to premium AV content to its competitors in the downstream markets in Mauritius. This restriction can be in the form of discriminatory prices that the merged entity offers to its downstream operations as compared to its competitors.
213. As posited earlier, the merging parties are the only wholesale suppliers of premium pay TV channels in Mauritius based on their exclusive acquisition of such content. After the transaction, the merged entity will have the ability and may also have the



incentive to withhold the supply of the premium pay TV channels to itself rather than continuing the supply to the existing retail suppliers of pay TV services.

214. The CID was of the view that vertical concerns are therefore more likely to arise in Mauritius than in other Member States as a result of the merger. This is because the parties were competitors before the merger at various levels of the value chain in Mauritius unlike in other Member States. The CID was therefore of the view that post-merger, the parties, not fearful of competitive repercussions, were likely to deny their competitors downstream their premium pay TV channels which are an important component for operations in the downstream market of the retail supply of premium pay TV services. The CID observed that this conclusion was not a mere supposition but had been equally observed in other countries where MCG did not face significant competitive pressure. The CID noted the information gathered by the Commission that MCG has refused to provide access to premium AV content to [REDACTED] prior to the transaction despite the latter's numerous requests.
215. As stated, the transaction will entrench the market power of the merged entity in the upstream markets, making it one of the few acquirers of premium AV content in the Common Market. The CID was also of the view that the transaction will also consolidate the merged entity's power in the retail supply of pay TV services. As the CID observed earlier, there are very few competitors who have the financial ability or the subscriber base to acquire such content in the upstream market which then is an input in the downstream market for the retail supply of premium pay TV services.
216. The CID also noted that it is a practice of Canal+ to acquire suppliers of AV Content. The CID further noted that Television Par Satellite, a French pay-TV provider and OCS were acquired by Canal+ in order to integrate the latter's offering into its own packages and removing the access of competitors to such suppliers.
217. As stated in this decision, pre-merger, the CID noted the evidence gathered by the Commission of categorical refusal for the wholesale supply of premium pay TV channels by MCG to new entrants in the Common Market. The CID concluded that the merged entity is likely to have the ability and incentive to cease the supply of those premium pay TV channels to its competitors in the downstream market, thereby increasing the costs of other retail suppliers of pay TV services and make their pay TV offering less attractive. The CID noted that this behaviour is also likely to be seen in the Common Market. Because of its market power in the upstream market for the wholesale supply of premium pay TV channels, the merged entity is likely to frustrate the entry of new undertakings in the downstream market for the



retail supply of premium pay TV services where itself will be a market player in the Common Market.

Consideration of Public Interests

218. In the consideration of public interest, the Commission takes into account matters provided for under Article 26(4) of the Regulations. The consideration of public interest under Article 26(4) of the Regulations focuses on ensuring that competition is maintained and promoted between persons producing or distributing commodities and services in the Common Market; promoting the interests of consumers, purchasers, and other users in the Common Market in regard to prices, quality and variety of such commodities and services; and promoting through competition, the reduction of costs and the development of new commodities and facilitating the entry of new competitors into existing markets.
219. The CID further observed that mergers should not result in the loss of employment in the Common Market as this would be inconsistent with Article 1 of the Regulations. Therefore, any merger that threatens the creation or maintenance of jobs may be considered inconsistent with the Regulations.
220. The CID noted that the notified transaction is likely to result into significant competition concerns as described in the competition assessment section of this decision and therefore by analogy and pursuant to Article 26(4) of the Regulations, the transaction is likely to be contrary to public interest.
221. The CID observed that the national competition agency of Zimbabwe had raised concerns relating to employment as there is an uncertainty about the fate the employees of MCG in its territory. This situation is inconsistent with Article 1 of the Regulations as addressed above.
222. The CID noted that the merging parties have been providing capacity building and support skill development of the AV industry. The CID was of the view that in accordance with Article 1 of the Regulations, this support is important as it helps to provide improved choice of AV content to end viewers and enhances economic growth of Member States. For this reason, the CID was of the view that this support is essential and should continue by the merged entity post the transaction.
223. The CID noted that the merging parties carry FTA channels in their bouquets. This provision is governed by existing agreements between the FTA provider and the merged entity. The CID noted that in Madagascar, the FTA broadcasters rely on the merging parties to reach viewers in the provinces where TV signal cannot be received via terrestrial.



224. The CID also noted that by incorporating the FTA channels in their packages, FTA broadcasters and especially, national broadcasters, are able to make their AV content available to the diaspora.
225. To this end, the CID was of the view that the inclusion of FTA channels in the pay TV packages of the merging parties is essential for the FTA, which are mostly non-profit making, to tap on the infrastructure of the merging parties and to reach a wider audience than they would have done by themselves.
226. The CID therefore concluded that the inclusion of FTA channels in the pay TV packages is essential to provide improved choice to consumers in accordance with Article 1 of the Regulations.

Determination

227. The CID concluded that the transaction is likely to substantially prevent or lessen competition in the following relevant markets:
- a. the wholesale supply of pay TV channels and the retail supply of pay TV services in Mauritius from the existing verticals links; and
 - b. the wholesale supply of premium pay TV channels and the retail supply of premium pay TV services at Common Market level. Notwithstanding the fact that the relevant market has been defined as national, the CID was of the view that the transaction would entrench the market power of the merged entity and combine the asset portfolio of the merging parties in the Common Market. The transaction would confer upon the merged entity enhanced financial power for the acquisition of premium content. Combining the premium content portfolio and channels of both MCG and Canal+, no other retail supplier of premium pay TV services will have a premium content range close to the merged entity. The CID considered that this effect is not merely speculative. As the CID noted in this decision, the pre-merger position of each merging party in the supply of premium content is unrivalled to the exception of Djibouti (where beIN Sports also operates). The merging parties are the main suppliers of premium content in the Common Market. The probability of abuse and foreclosure effects from the merged entity as explained is real. Pre-merger, the CID noted a categorical refusal of MCG to sub-license its premium pay TV channels to other retail providers of pay TV services in the Common Market. The CID observed that the current transaction presents both horizontal and vertical overlaps in the relevant markets. This made the CID's concerns over the likely preservation of pre-merger market power and enhancement of the same post-merger real.



228. The parties offered commitments to address the concerns likely to arise from this transaction.
229. Considering that the commitments remedy the significant competition concerns in some relevant markets and guided by its mandate to ensure that markets remain contested, the CID approved the transaction subject to the commitments attached to this decision.
230. This decision is adopted in accordance with Article 26 of the Regulations.
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Dated this 23rd day of September 2025

Commissioner Mahmoud Momtaz (Chairperson)

Commissioner Lloyds Vincent Nkhoma

Commissioner Vipin Naugah







ANNEX I – NON – CONFIDENTIAL COMMITMENTS





1. **DEFINITIONS**

For the purposes of these commitments, the following terms shall have the following meanings:

- 1.1 **beIN Sports France Service:** refers to the service published by beIN Sports France, composed as of 17 September 2025 of the beIN Sports France channels known as beIN Sports 1, beIN Sports 2, beIN Sports 3 and 7 beIN Sports Max channels.
- 1.2 **Canal+:** refers to Groupe Canal+ SAS (including its subsidiaries).
- 1.3 **CID:** refers to the Committee Responsible for Initial Determinations.
- 1.4 **CINE+OCS Service:** refers to the service published by Canal+ for France (composed of the following channels as of 17 September 2025: OCS, CINE+ Emotions, CINE+ Family, CINE+ Frisson, CINE+ Festival, CINE+ Classic) or any service edited by Canal+ which may replace it.
- 1.5 **Commission:** refers to the COMESA Competition Commission.
- 1.6 **Common Market:** refers to the Common Market for Eastern and Southern Africa.
- 1.7 **Implementation Date:** refers to the date on which the Proposed Transaction is implemented by the Parties.
- 1.8 **FTA:** refers to Free-To-Air.
- 1.9 
- 1.10 **MCG:** refers to MultiChoice Group Limited (including its subsidiaries).
- 1.11 
- 1.12 
- 1.13 **Parties:** refers to Canal+ and MCG.
- 1.14 **Proposed Transaction:** refers to the transaction involving the proposed acquisition by Canal+ of up to 100% of the issued ordinary shares of MCG that are not already owned by Canal+ (excluding treasury shares).
- 1.15 **Third-party Distributor:** refers to any company which (i) is not a subsidiary of Canal+, (ii) holds a Subscription Television Broadcasting Licence under section 19 and Part III, First Schedule of the Independent Broadcasting Authority Act 2000 (as amended) of the Republic of Mauritius and (iii) distributes or wishes to distribute in its Pay-tv offers the CINE+OCS Service and/or the beIN Sports France Service.
- 1.16 





2. **COMMITMENTS**

2.1 **EXISTING AGREEMENTS**

- 2.1.1 The Proposed Transaction will not result in the termination by Canal+ of its existing agreements as at the Implementation Date with [REDACTED].
- 2.1.2 The Proposed Transaction will not result in the termination by MCG of its existing agreements as at the Implementation Date with [REDACTED].
- 2.1.3 Contracts with FTA providers established in the Common Market entered into by MCG before the Implementation Date shall not be terminated by virtue of the Proposed Transaction for a period of 36 months from the Implementation Date.

2.2 **EMPLOYMENT**

For a period of 36 months, from the Implementation Date, the Parties will not terminate any employment contract of permanent employees in the Common Market of MCG as a result of the Proposed Transaction. Termination of a contract does not include: (i) voluntary retrenchment and/or voluntary separation arrangements; (ii) separation upon the agreement with employees; (iii) voluntary early retirement packages; (iv) unreasonable refusals to be redeployed; (v) resignations or retirements in the ordinary course of business; (vi) termination lawfully effected for operational requirements unrelated to the Proposed Transaction; (vii) terminations in the ordinary course of business, including but not limited to, dismissals as a result of misconduct or poor performance; and (viii) terminations at Senior Management Level where such changes are deemed necessary for legitimate business reasons.

2.3 **CAPACITY BUILDING AND SKILLS DEVELOPMENT**

The Parties shall continue to roll out appropriate aspects of their capacity building and skills development initiatives (which, prior to the Implementation Date, are named "Canal+ University" and "MultiChoice Talent Factory") or any successor programmes that are substantially similar in purpose irrespective of any re-branding or organisational integration that may occur following the Implementation Date.

2.4 **PROVISION OF THE CINE+OCS SERVICE TO THIRD-PARTY DISTRIBUTORS IN THE REPUBLIC OF MAURITIUS**

- 2.4.1 Canal+ undertakes, as long as the CINE+OCS Service exists:
 - 2.4.1.1 To continue the performance of the contracts related to the provision of the CINE+OCS Service to Third-party Distributors in force as at the Implementation Date until their respective term.
 - 2.4.1.2 Upon expiry of the contract(s) in question and provided that the interested Third-party Distributor(s) requested, at least three (3) months prior to the contract expiration date or, as the case may be, any shorter notice period stipulated in the said contract(s), to continue being provided with the CINE+OCS Service:



- [REDACTED]
- 2.4.1.2.1 to offer to continue providing the CINE+OCS Service to such distributor(s) on a non-exclusive basis, in accordance with the security and technical requirements of Canal+ in force at the time of such request, and
- 2.4.1.2.2 under the standard conditions in force at the time of the request, which shall be fair, reasonable, and non-discriminatory, ensuring that the conditions granted to these distributors are no less favourable, for comparable situations, than those granted to MC VISION.
- 2.4.1.3 To offer to any new interested Third-party Distributor which would so request or to any former Third-party Distributor of CINE+OCS Service which is no longer under contract which would so request to provide the CINE+OCS Service on a non-exclusive basis, in accordance with the security and technical requirements of Canal+ in force at the time of such request and under the conditions outlined in point 2.4.1.2 above.
- 2.4.1.4 To provide any Third-party Distributor which would so request the security and technical requirements of Canal+ in force at the time of such request.

2.5 PROVISION OF THE BEIN SPORTS FRANCE SERVICE TO THIRD-PARTY DISTRIBUTORS IN THE REPUBLIC OF MAURITIUS

- 2.5.1 Canal+ undertakes, subject to the rights and conditions granted to Canal+ by the publisher of the beIN Sports France Service for the distribution of the said service, in particular subject to the obligations associated with any blackouts that may be necessary in the Republic of Mauritius regarding the unavailability of certain broadcasting rights in this territory, to:
- 2.5.1.1 Continue the performance, until its term, of the contract related to the provision of the beIN Sports France Service to a Third-party Distributor in force as at the Implementation Date.
- 2.5.1.2 Upon expiry of the contract with the Third-party Distributor in question and provided that the latter requested, at least three (3) months prior to the expiry of its contract, or, as the case may be, any shorter notice period stipulated in the said contract, to be provided with the beIN Sports France Service:
- 2.5.1.2.1 offer to continue providing the beIN Sports France Service to such Third-party Distributor on a non-exclusive basis, in accordance with the security and technical requirements of Canal+ in force at the time of such request, and
- 2.5.1.2.2 under the standard conditions in force at the time of the request, which shall be fair, reasonable, and non-discriminatory, or
- 2.5.1.2.3 in the event MC VISION were to be provided with the beIN Sports France Service during the present commitments, under the conditions outlined in 2.5.1.2.2, ensuring that the conditions granted to this distributor are no less favourable, for comparable situations, than those granted to MC VISION.
- 2.5.1.3 Offer to any other Third-party Distributor which would so request, to provide the beIN Sports France Service on a non-exclusive basis, in accordance with the security and technical



[REDACTED]

requirements of Canal+ in force at the time of such request, and under the conditions outlined in paragraph 2.5.1.2.2 or 2.5.1.2.3 above.

2.5.1.4 To provide any Third-party Distributor which would so request the security and technical requirements of Canal+ in force at the time of such request.

3. DURATION

3.1 The commitments shall enter into force on the date of approval of the Proposed Transaction by the CID and shall be published in full on the Commission's website or any other platform that the Commission may deem necessary.

3.2 The commitments at paragraphs 2.1, 2.2 and 2.3 shall be effective for a period of thirty-six (36) months as from the Implementation Date.

3.3 The commitments at paragraphs 2.4 and 2.5 shall be effective for a period of five (5) years as from the Implementation Date.

4. COMPLIANCE REPORTING

4.1 The Parties shall submit, within thirty (30) days of each anniversary of the Implementation Date, for the next three (3) years, a comprehensive report detailing compliance with the commitments at paragraphs 2.1, 2.2 and 2.3. This does not, however, stop the Commission from undertaking periodic reviews of the markets to assess compliance.

4.2 Canal+ undertakes to notify the Commission of:

4.2.1 any request made by a Third-party Distributor as per paragraphs 2.4.1.2, 2.4.1.3, 2.4.1.4, 2.5.1.2, 2.5.1.3. or 2.5.1.4 above, within a period not exceeding thirty (30) working days as from the date of receipt of such request(s); and

4.2.2 its response(s) to the abovementioned request(s) as per paragraph 4.2.1 above, including the details of any cost/pricing element, within a period not exceeding thirty (30) working days as from the date of such response(s).

4.3 The Parties may, at any time, on good cause shown and on notice to the Commission, apply for any of the commitments to be waived, relaxed, modified or substituted. The Commission shall consider the application and determine whether or not the commitments should be waived, relaxed, modified or substituted.

LAETITIA MÉNASÉ



GENERAL COUNSEL OF GROUPE CANAL+ SAS

24 SEPTEMBER 2025