



## JONES DAY AFRICA LEGAL NEWS

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### Note From the Editors



#### The Treachery of Images

by *Javade Chaudhri, Washington, and Rémy Fekete, Paris*

Most people are familiar with the famous painting by René Magritte called "The Treachery of Images" (1928). The picture shows a pipe and below it the caption "This is not a pipe."

In Africa, as in Europe or in the Middle East, as French cartoonist Sempé (well-known to aficionados of *New Yorker* covers) would draw it, "All becomes complicated" (1962).

Recent events are also worthy of titles in the Magritte style, proving author Oscar Wilde right when he said, "Life imitates art far more than art imitates Life" (*The Decay of Lying*, 1891).

- "This is not a risk of regional instability": On October 1, 2017, supporters of Ambazonia, an English-speaking minority in southern Cameroon, declared their independence. Harsh repression ensued.
- "This is not a forced resignation": On November 4, 2017, Saad al-Hariri, Lebanon's Prime Minister and President of the Council of Ministers, announced his resignation on Riyadh's al-Arabiya channel. What ultimately transpires in Lebanon is anybody's guess.

And finally (which is not the least surreal):

- "This is not a military takeover": On November 15, 2017, Major General Sibusiso Moyo, after forcibly taking control of the Zimbabwean presidency, parliament, courts, government offices, and media, appeared dressed in military fatigues on state television and announced, "This is not a military takeover." Well, perhaps it is not because a civilian, the ex-vice president, took over.

"Since these mysteries are beyond us, let's pretend we arranged them" (Cocteau, *Les Mariés de la Tour Eiffel*, 1921). Some recent political mysteries, however, we want no part of, except to survive them.

With that attempt at conveying that we presume to be lawyers of the arts and letters, let us turn to our beloved continent of Africa and some recent developments. Our abiding theme and belief remains one of optimism, and to paraphrase Martin Luther King Jr., the arc of African development bends toward advances in human development and the rule of law.

We focus on two important themes first:

1. That infrastructure projects, for all the difficulties of inadequate regulatory frameworks, continue to be developed, especially in the all-important areas of energy production and telecommunications. Of particular interest is the fact that many of these projects are focused on renewable energy, often aimed at assisting off-the-grid underserved populations. With energy comes communications, education, commerce, and delivery of health services.
2. Many countries on the continent continue to make improvements to facilitate the ease of doing business and advancing the implementation of laws and regulations. While these improvements are

inconsistent, the World Bank's Doing Business updates for some countries convey an optimistic picture.

## Financing/Banking

### Africa

Euromena Fund LP, a Lebanese private equity structure, is working on establishing a \$200 million Fund for businesses in Africa. The Fund will be in the form of loans and should close in 2018.

### Cameroon

The European Union and the Cameroonian Government have signed a financing agreement for a sectoral reform contract. As part of this commitment, Cameroon will receive €96 million for the 2017–2019 cycle.

### Ecobank

Ecobank has received \$390 million in financial support from Qatar National Bank, its largest shareholder, and South African investors in a recent \$400 million convertible debt issuance.

### ECOWAS

The creation of a single ECOWAS currency will be postponed for seven to 10 years. The information was given by the president of the ECOWAS Commission, Marcel de Souza, who claims that "It will be impossible to have a single ECOWAS currency for 2020."

### Egypt

Société Generale Group (France) and Sumitomo Mitsui Banking Corporation (Japan) will provide \$400 million raised by Japan Bank for International Cooperation to finance a renewable energy project in Egypt. This project involves the construction, possession, and operation of a wind energy park for 20 years.

Three Egyptian banks granted a syndicated loan of PLN 1.2 billion (US\$67.9 million) to a local agro-industrial company (Evergrow for Specialized Fertilizers Company) to increase fertilizer production capacity in the Egyptian market.

Al Ahli Bank, the Egyptian subsidiary of Qatar National Bank, is planning to increase its capital by \$78.2 million or 8.9 billion Egyptian pounds.

### Eritrea

Eritrea and the African Development Bank have signed agreements to fund two major projects valued at \$41 million. These projects focus on sustainable livelihoods and drought resilience.

### Ghana

South Korea contributed \$9 million to Ghana for rice development in the Central Region.

### Kenya

The Japanese Government provided a \$340 million loan to fund the second phase of the Mombasa Port Expansion Project, which is expected to start by January 2018. The recent election issues have slowed some business activities but after the re-election of President Uhuru Kenyatta, there seems to be a return to normalcy.

### Morocco

The French Development Agency has granted a \$94 million loan to Morocco to finance the final tranche of the Tangier-Casablanca high-speed line project. The \$2 billion project is funded by several Moroccan partners, including France, Saudi Arabia, Kuwait, and the United Arab Emirates.

### Nigeria

The Development Bank of Nigeria provided \$13.98 million to Fortis Microfinance Bank PLC, Microfinance Bank Ltd, and NPF Microfinance to finance 20,000 small and medium-sized enterprises.

The Central Bank announced that it has injected \$285.7 million into the interbank foreign exchange market in late October, followed by an additional \$195 million in November, to meet dollar demands in four sectors of the economy.

The government has announced that it will devote \$334 million to the development of Nigerian agriculture in 2018, an increase of 29 percent over 2017.

### South Africa

The South African banking group FirstRand acquired Aldermore, a British bank, for \$1.3 billion.

### Tanzania

The United Kingdom's Department for International Development will provide \$450 million to Tanzania. This aid will be directed toward projects improving the quality of education, as well as projects aimed at strengthening roads and port infrastructures. In addition, the funding will encourage the agricultural sector and the food industry through the renovation and construction of new meat and cotton treatment factories.

## **Tunisia**

The African Development Bank has announced that it will grant a loan of €32.5 million to finance the Tunisian project for valorization of irrigated perimeters and development of agricultural value chains.

## **Uganda**

The Emerging Africa Infrastructure Fund and the Dutch development bank FMO will provide \$29.3 million to refinance the 13 MW Bugoye hydroelectric power station in Kasese, western Uganda.

## **Digital**

### **Algeria**

The Algerian Ministry of Communication plans to grant licenses to seven private television channels. The ministry has issued a decree launching a call for applications for the licensing of private television channels.

### **Angola**

The installation of the South Atlantic Cable System ("SACS"), a subsea cable that will extend more than 6,500 km to Fortaleza, Brazil, began on the Angolan coast in Quissama. SACS will be the first direct link between Africa and South America and is being constructed by NEC Corporation. The installation of SACS is considered a strategic project for Angola to advance the region's digital economy and to improve global communications. Currently, it takes approximately 300 milliseconds to connect between Angola and Brazil. With SACS, the time lag is expected to be reduced to approximately 60 milliseconds.

### **Burkina Faso**

The Burkina Faso Minister of Communication announced that the migration to digital TV should be effective at the end of January 2018.

### **Burundi**

The Burundian Government has passed a bill to ratify a \$32.6 million concessional loan granted by Exim Bank of China for the implementation of the digital radio and television migration project in Burundi.

### **Gabon**

Gabon will deploy very high speed internet via its electric network. A tripartite agreement bringing together the Department of Water and Energy, the Energy and Water Corporation of Gabon, and the Africa Vivendi Group, was signed in Libreville on August 18, 2017, to offer very high speed internet to a large number of customers at affordable prices.

The Canal+ group launched the first commercial tests of the triple play offer. The Vivendi Africa Group has already obtained a license in Gabon to provide access to fiber-optic broadband internet.

### **Ghana**

The Ghanaian Government has announced that it is preparing a new regulation for the broadcast of advertising on television channels and radio stations.

### **Kenya**

Digital operations represented 86 percent of the operations carried out by Kenya Commercial Bank customers during the first half of 2017, according to indicators published on the Nairobi Securities Exchange. At the end of the first half of 2016, operations carried out in agencies accounted for 22 percent; this year, they represented only 14 percent of the total operations.

### **Mauritania**

Mauritania's Radio and Television Broadcasting Service suspended the broadcasting of all private satellite channels in the country for five days during October 2017 to recover the channels' unpaid bills. The channel was permitted to broadcast on the national network only from 22h to noon.

### **Nigeria**

The Exim Bank of China is planning to enter into negotiations with the Nigerian Government for the full funding of the NIPTI 2 national backbone network, which will complement the NIPTI 1 fibre-optic rollout, by extending the network nationwide. The funding is estimated to cost 100 billion NGN (\$272 million).

### **Zambia**

TopStar, the company responsible for implementing digital terrestrial television, or DTT, in Zambia, announced that the migration of the country to digital TV will be completed by December 31, 2017.

## **Politics / Diplomacy / Justice**

### **Angola**

João Lourenço, President of the Republic since September 26, 2017, dismissed Isabel dos Santos (daughter of his predecessor José Eduardo dos Santos) the president of the state-owned oil company, Sonangol, as well as all the company's board members.

## **BDEAC**

The Development Bank of the Central African States ("BDEAC") has announced that it will release \$3 million to support the free movement of people among the six member states of the Economic Community of Central African States ("CEMAC").

## **Benin**

The administrative census to quantify Benin's population was launched on November 1, 2017, in Cotonou. This project aims to provide the country with a national digital file containing the identity of all citizens.

## **Cape Verde**

The Council of Ministers has adopted a draft budget for 2018 valued at \$650 million, which is based in particular on the tax relief for more than 80 percent of individual Cape Verdean taxpayers. The African Development Bank will provide \$23 million of this budget.

## **CEMAC**

The conference decided to cancel the mass of arrears accumulated by the CEMAC member states under the Community Integration Tax.

## **Equatorial Guinea**

Equatorial Guinea abolished entry visas for all nationals of CEMAC countries.

## **Gabon**

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## **Nigeria**

The Court of Justice of ECOWAS has ordered Nigeria to pay \$244 million in damages for its inability to clear the areas affected by Biafra's civil war that took place from 1967 to 1970.

## **OHADA**

Jones Day is advising the Organization for the Harmonization of Business Law in Africa ("OHADA") in reforming its arbitration act and creating a mediation act. Founded in 1993, OHADA is an international organization based in Yaoundé, Cameroon, grouping together 17 Member States from mostly French-speaking Central and Western Africa. It aims to promote regional economic development through the harmonization of its Member States' business laws. To date, OHADA has adopted nine Uniform Acts, which apply in each of its Member States. The Uniform Act on Arbitration adopted in 1999 is one of these acts. OHADA also relies on its regional institutions, including the Common Court of Justice and Arbitration ("CCJA"), whose Arbitration Rules are also subject to this reform. On November 23 and 24, 2017, the 45th Ordinary Session of the OHADA Council of Ministers was held in Conakry, in the Republic of Guinea. The Council, composed of the Ministers of Justice and Finance of each of the 17 OHADA Member States, adopted three texts: the revised Uniform Act on Arbitration Law, the revised Rules of Arbitration of the CCJA, and a new Uniform Act on Mediation, the 10th Uniform Act of OHADA.

## **ICT / Telecommunications**

### **Benin**

On June 21, 2017, the Council of Ministers announced the restructuring of public telecommunications operators. Benin Telecom Infrastructure, owner of the national fiber network, will see its assets transferred to an investments company. Benin Telecom Services, specialized in fixed mobile and broadband services, will be sold. The mobile operator, Libercom, will be dissolved.

### **Cameroon**

Telecoms regulator will handle the "unpaid bill" dispute between Orange and Camtel.

Afrimax, the Cameroonian subsidiary of the operator Vodafone, has announced its decision to put an end to its activities in the country. Previously, the Ministry of Posts and Telecommunications and the Telecommunications Regulatory Authority proceeded to the withdrawal of its license and suspension of its services.

### **Djibouti**

Somalia and Djibouti announced enhanced cooperation in areas such as regional interconnection, terrestrial fiber-optic networks, cybersecurity, ICT regulations, cross-border signal problems, spectrum management, and numbering plans. The two countries are also discussing the Djibouti Africa Regional Express fiber-optic submarine cable project, which will run from Djibouti to Mombasa.

### **Ghana**

The Ghana National Communications Authority has approved the merger between Bharti Ghana Limited (Airtel) and Millicom Ghana Limited (Tigo). The merged entities' license to operate the 3G will be valid until January 25, 2024. Their license for 2G will be valid until October 30, 2021.

### **Guinea**

The Regulatory Authority for Posts and Telecommunications of Guinea has announced its desire to acquire a system for controlling electromagnetic radiation generated by telecom towers and to which people are

exposed. The Guinea regulator wants to rely on the information provided by the system to determine the most appropriate location for the implementation of telecom infrastructure to protect the health of the population.

### **Kenya**

Safaricom adopted Huawei's end-to-end fiber to the home ("FTTH") solution to rapidly deploy the FTTH network and expand its capability to new home broadband services. Kenya's fixed broadband penetration rate is lower than 1 percent and fails to meet the network requirements of home and enterprise users.

Safaricom Kenya announced the opening of its M-Pesa money transfer platform to third-party applications. The platform previously had been exclusively associated with services such as M-Shwari of Commercial Bank of Africa, KCB M-Pesa of KCB Group, M-Kopa, or M-Kesho.

### **Sierra Leone**

Gambian mobile operator Qcell is planning to launch mobile services in Sierra Leone after it secured an operating concession from the regulator.

Orange has announced the launch of its brand in Sierra Leone. Airtel Sierra Leone, acquired in July 2016 by Orange with its Senegalese partner Sonatel, became Orange Sierra Leone.

### **Tanzania**

Regulatory changes in Tanzania require all of the telecommunications companies to float at least 25 percent of their shares on the Dar es Salaam Stock exchange. The South African mobile operator Vodacom has concluded the initial public offering of its Tanzanian subsidiary with the largest IPO in the 19-year history of the Tanzanian Stock Exchange. Vodacom Tanzania's shares closed at 900 Tanzanian shillings, which is almost 6 percent higher than the 850 shilling listing price.

Two months after its initial public offering, Vodacom announced it will distribute \$11.5 million in dividends to its shareholders.

### **Zambia**

Zambia has been required by the London Supreme Court to compensate the Libyan Investment Authority, which is the Libyan Government's investment fund, for \$380 million for the forced nationalization of Zamtel.

## **Investments**

### **Africa**

The African ICT and internet sector attracted \$1.9 billion in foreign direct investments ("FDI") for 18 projects in 2016. FDIs declined by 25 percent in 2016, as 24 projects have been funded by foreign funds in 2015, compared to 18 in 2016.

At the global level, according to the OECD, China was the largest investor in Africa in 2015-2016 (\$38.4 billion), followed by the United Arab Emirates (\$14.9 billion), and Italy, largest European investor, with a total of \$11.6 billion, more than the United States (\$10.4 billion).

### **Algeria**

Sonatrach wants to invest \$2 billion in the largest gas field in Algeria, which produces between 190 and 210 million cubic meters of natural gas per day.

### **Egypt**

EFG Hermes, an Egyptian investment bank, and Egyptian Arab Land Bank concluded an agreement of 50 million Egyptian pounds (\$2.79 million) to jointly provide sale and lease-back solutions for Egyptian small and medium enterprises.

A Sino-Egyptian investment of \$753 million is earmarked to create an industrial zone in Egypt dedicated to textile production. This investment is expected to create 90,000 jobs in all segments of the textile industry.

### **Ivory Coast**

The *Société de gestion et d'intermédiation africaine*, a subsidiary of the Ivorian Bank Corporation, has launched an online trading platform for investors of the Regional Stock Exchange.

### **Ghana**

A consortium composed of the French group Eiffage and the German RMT Industrie-und Elektrotechnik GmbH has been awarded a \$120 million contract for the extension of the port of Tema. The work is funded by the Government of France.

### **Morocco**

SAHAM Finances has signed a strategic business partnership with leading insurance companies including Sompo Japan Nipponkoa Insurance Inc. and South Africa-based Sanlam Emerging Markets (Pty) Ltd. to promote Japanese investments in Africa.

## Zimbabwe

The Malawi-based First Merchants Bank is planning to invest \$15 million in Barclay Zimbabwe, which it recently acquired.

## Regulations and Sanctions

### Benin

A Council of Ministers meeting on the August 2, 2017, revoked Bell Benin Communication's ("BBCOM") telecoms license for failure to meet its operating obligations regarding continuity of service and nonpayment of debts. The Authority for Regulation of Electronic Communications & Post had initiated a sanction procedure for BBCOM in March 2017, having found that the company had accumulated debts of at least 30.44 billion XOF (\$54.70 million).

### Nigeria

In Nigeria, the telecommunications regulator threatened operators that still allow the use of pre-recorded SIM cards. Any operator that provides pre-recorded SIM cards will be sanctioned by the NCC (the Nigerian Communications Commission), which claims that SIM cards are being used for criminal purposes.

### Senegal

The Authority of Regulation of Telecommunications and Posts in Senegal ("ARTP") gave notice to mobile operators Orange, Tigo, and Espresso for shortcomings in the quality of their services. In the formal notice letter dated August 16, 2017, sent by the ARTP to each telecommunications company, the regulator claims that these problems were found as a result of an on-ground assessment of the quality of voice calls.

### South Africa

The Independent Communications Authority of South African has extended its termination rates by 12 months. They were expected to expire on September 30, 2017.

## M&A

### Africa

Helios Investment Partners is executing one of Africa's bigger 2017 private equity deals by acquiring the Africa-based Fertilizer and Inputs Holding from Louis Dreyfus in July. According to *The Financial Times*, the deal value is approximately \$200 million, split equally between debt and equity.

### Algeria

The French communications group Havas has established itself in Algeria with the acquisition of 49 percent of the shares of two companies: Ganfood, a creative and consulting agency, and HVS, a media agency.

### Burkina-Faso

Mining company Avesoro Resources will acquire the Balogo and Youga gold mines—including the entities that own the projects: MNG Gold Burkina, Cayman Burkina Mines, MNG Gold Exploration, AAA Exploration, and Jersey Netiana Mining—for \$65.9 million.

### Democratic Republic of Congo

Ortac Resources has increased its stake in the capital of Casa Mining, which is its active subsidiary on the Misisi gold project. Orta Resources' stake now stands at 70.09 percent and is planned to rise to 100 percent.

### Egypt

In order to strengthen its presence in Egypt, TPay Mobile, the mobile payment platform that connects consumers, businesses, and mobile operators, has acquired its rival DCBEgypt. The two companies plan to finalize the merger of their operational systems shortly and without suspending or delaying the services provided to their users and subscribers.

A Saudi private equity firm has sold all of its shares (38 percent) in the capital of Orchidia Pharmaceutical Industries, an Egyptian manufacturer of medical products for eye health. The buyer, the Egyptian-American Enterprise Fund, is a U.S.-based private equity and venture capital firm specializing in investments in Egypt and established by the U.S. Government.

### South Africa

African Rainbow Capital, a majority black-owned investment company, has listed part of its portfolio on the Johannesburg Stock Exchange. The listed entity is known as ARC Investments and includes nearly half of ARC's financial services assets as well as all of the company's nonfinancial services interests. The offer is expected to raise about \$309 million in the market.

### Tanzania

The Vodacom Group subsidiary in Tanzania sold its 24.06 percent stake in Helios Towers, Africa's local subsidiary, for \$58.5 million. It sold its stake in Helios Towers Tanzania Ltd to that company's parent

company, HTA Holdings.

## Oil, Energy, Mining & Infrastructure

### Angola

OAP, an Angolan company providing integrity management services to oil and gas operators and contractors, and COLD PAD, a French company that provides innovative structural bonding solutions for the offshore industry, signed a partnership agreement to help their Angolan clients best address the local floating production storage and offloading structural maintenance market.

### Botswana

The Botswana Power Company proposes to build a 100 MW solar power plant as well as a series of one MW solar power plants for rural villages. To that end, the company is seeking \$200 million in funding from the Climate Change Fund. At the present time, virtually all of Botswana's electricity comes from coal plants.

### Ghana

The mining company Cardinal Resources wants to raise approximately \$10 million to finance the exploration and development of its Namdini gold project in Ghana.

### Guinea

The Ministry of Mines has announced that the Koubia bauxite project, managed by Australian Alliance Mining Commodities, is expected to go into production in 2019, saying that this should enable the country to reach its goal of tripling its bauxite volumes to 60 million tons in 2020. The Australian miner expects to invest up to \$670 million in the mine in its first five years.

### Lesotho

The mining company Lucapa Diamond released a new development plan for its Mothae diamond project that is expected to generate gross revenues of \$776 million over 13 years of production.

### Mali

Mining company Robex Resources has announced the start of a new drilling program (16,525 meters) on its Nampala gold project in Mali.

### Mozambique

The listed company Savannah Resources has increased its shares from 20 to 100 percent in Matilda Minerals Limited, an entity holding exploration rights of 180 km<sup>2</sup> on the deposit of heavy sand mineral in Jangamo. Savannah Resources will pay 100,000 Australian dollars in return (about £60,000) by issuing 1.19 million common shares at a price of 5.056 p/unit.

The U.S. Securities and Exchange Commission, the agency charged with protecting investors from dangerous or illegal financial practices by publicly listed companies, said the Rio Tinto group has artificially increased the value of a former coal subsidiary in Mozambique.

### Nigeria

The new petroleum code is expected to be adopted in the second quarter of 2018. The new code is divided into three parts. The first part, on governance, was adopted by the Senate and must be approved by the House of Representatives. The other two parts deals with taxation and local content.

As part of its policy of diversifying the economy and attracting foreign investors, Nigeria's Solid Minerals Development Fund ("SMDF") plans to invest \$42 million in 2018 to better develop the country's mining sector and make it more attractive to investors. SMDF also hopes to receive a loan of up to \$600 million from the Nigerian Sovereign Wealth Trust.

### Senegal

A report from the Extractive Industries Transparency Initiative indicates that the extractive sector (mining and hydrocarbons) generated revenues of \$207.5 million.

### South Africa

The platinum group Impala Platinum has acquired 15 percent of the Waterberg platinum group metals project in South Africa for \$30 million.

The South African High Court has issued a decision overturning regulations promulgated by the Department of Mineral Resources. The Court held that the Department did not have the authority to issue regulations regarding environmental regulations pertaining to hydraulic fracking.

### Sudan

With trade sanctions having been lifted, Sudan is looking for numerous investment opportunities. The government is in discussions with Norway's Scatec Solar to construct a 400 MW solar project that would cost \$450 million. Sudan's current energy production is only 3,000 MW, so this plant would increase energy production significantly.

## Tanzania

Edenville Energy has entered into a five-year coal offtake agreement with Riftcot in the Rukwa project in Tanzania. Riftcot will buy up to 75 percent of annual production, according to the terms of the agreement.

The Swedish company VR Holding AB had proposed to build the largest wind power farm with a capacity of 600 MW off the coast of Kenya near Malindi. However, the Kenya Ministry of Energy rejected the project for various reasons, and VR Holding has now decided to construct this project in Tanzania. The proposed investment is \$2.5 billion.

## Zambia

The removal of state energy subsidies and the resulting new Zambian electricity tariff of 9.30 c/kWh (USD) introduced in April 2017 led to a dispute between Glencore's Mopani Copper Mines ("MCM") and Zambia's Copperbelt Energy Corporation and resulted in a reduction in electricity supply to MCM to 94 MW against 130 MW. The threat of layoffs of thousands of MCM employees led to an agreement facilitated by the government.

## Infrastructure

### Guinea

The International Company of Works in Morocco will build two micro-dams with a total capacity of 110 MW. The construction work will last 36 months and should cost \$400 million. Several donors, including the Islamic Development Bank, will participate in funds mobilization.

### South Africa

Public railway operators in South Africa and Swaziland have approved the further development of the 150 km freight railway line project linking Mpumalanga (South Africa) to Sidvokodvo (Swaziland).

## Antitrust/ Competition Law

### Burkina Faso

On April 27, 2017, a new Competition Act was passed into law in Burkina Faso. This new Competition Act modifies the provisions of the previous Competition Act that came into effect in 1994 and was last amended in 2001. The new Competition Act, which was unanimously adopted by the National Assembly, aims to harmonize national and regional rules (e.g., regarding state aids and subsidies) and clarifies the relationships between the national and regional competition authorities. It significantly increases the penalties payable by firms transgressing competition laws, the number of investigations from the competition authority, and the protection offered to consumers.

### Egypt

Egypt is considering a pre-merger notification law that may subject global transactions to reporting requirements in Egypt. The draft law establishes a pre-merger control regime. It also sets strict deadlines for merger clearance. The proposed law would put Egypt law more in line with other countries in the region.

### Kenya

Kenya is making good progress with its latest efforts to strengthen competition regulations, but there are still question marks over some key areas. These include the rules that will govern the work of the newly established Competition Tribunal and, more controversially, a High Court ruling in early June 2017 restoring the competition powers of the Communications Authority of Kenya, the regulator of that sector.

In May 2017, the Competition Authority of Kenya issued a directive requiring telecommunication companies and financial institutions that provide mobile money services to provide real-time notifications of the cost of the transactions to the customers (before transactions are completed). The directive, which apparently responds to consumer complaints, is to be implemented in stages and will affect mobile money services offered through apps, USSD codes, and SIM toolkits. The objective of the directive is to provide for consumer protection and fair pricing through a consumer-friendly and transparent system of tariff reporting.

### Nigeria

The Federal Competition and Consumer Protection Bill of 2017 was passed by the Senate and the House of Representatives of Nigeria in March 2017 and in June 2017. It will, among other things, establish the Federal Competition and Consumer Protection Commission and the Competition and Consumer Protection Tribunal. The bill will become law once the President of Nigeria has given his assent.

The chairman of Seaports Terminal Operators Association of Nigeria, Princess Vicky Haastrup, has called on the federal government to urgently enact an antitrust law to promote competition and discourage monopoly in all facets of the nation's economy.

### South Africa

On July 14, 2017, the Competition Commission of South Africa published Draft Guidelines on the Exchange of Information between Competitors under the Competition Act 89 of 1998. This follows the implementation of Guidelines for the Assessment of Public Interest Provisions in Mergers and Guidelines



for the Determination of Administrative Penalties (for prohibited conduct) and the publication of Draft Guidelines for the Determination of Administrative Penalties for Failure to Notify a Merger and Implementation of a Merger (which is still to be finalized).

The Commission's guidelines suggest safeguards to mitigate the risks associated with the exchange of competitively sensitive information between competitors. The Guidelines further indicate that the Commission is more likely to be suspicious about a dissemination of information through public announcements (generally referred to as signaling).

#### **Tanzania**

In June 2017, the Government of Tanzania published the Fair Competition Threshold for Notification of a Merger Amendment Order, 2017, which revises the thresholds for the compulsory notification of mergers in Tanzania. The merger notification threshold is calculated with reference to the combined value of the assets of the merging parties or the turnover of the merging parties, and it has now increased to 3.5 billion TZS (approximately \$1.5 million).


#### **Tunisia**

During the Common Market Summit of Eastern and Southern Africa held in October 2017, Tunisia became the 20th COMESA member state. Bilateral discussions between COMESA and the Tunisian Government are underway to facilitate Tunisia's accession to the COMESA Treaty in 2018. This means that Tunisia will join the list of countries in which COMESA competition regulations apply.

#### **Zimbabwe**

The Zimbabwe Competition and Tariff Commission ("ZCC") has adopted a policy document setting out its approach to competition regulations in Zimbabwe. This policy document will not be relied on for purposes of amending the existing competition laws in Zimbabwe, but rather serves as a guideline indicating the policy approach that the ZCC will follow regarding merger controls, cartel enforcements, and abuse of dominance. The policy regulates, among other matters, the harmonization of the ZCC processes with the processes of the Common Market for Eastern and Southern Africa. Although the COMESA competition law regime has not yet been adopted in Zimbabwe, the ZCC will adopt processes similar to the COMESA processes. This includes reducing the time period in which it will consider mergers from 90 days to 60 days.

Tariffs for voice calls have been subject for intervention by the Postal and Telecommunications Regulatory Authority of Zimbabwe, which is launching a cost analysis to assess whether pricing in the telecommunications industry is fair and competitive.

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