



ERCA Imposes First Remedies for Merger Clearance

On 8 August 2025, the Council of the ECOWAS Regional Competition Authority (ERCA) approved the acquisition of sole control over MultiChoice by Canal+ with remedies. This decision is the first conditional merger clearance issued by ERCA since it started enforcing the ECOWAS merger control regime in October 2024.

From a policy perspective, the decision signals a certain maturity of the ECOWAS merger control regime and the ERCA's willingness to engage in substantive competitive assessments and impose remedies where necessary. It also confirms that transactions with a regional footprint—particularly in sectors combining content, infrastructure and consumer access—will be subject to a multi-layered review incorporating both competition and broader policy considerations.

The transaction and procedural background

The transaction concerned Canal+'s progressive increase in its shareholding in MultiChoice, moving from approx. 45.2% to a stake that gave Canal+ sole control. The notification was submitted on 24 March 2025 and declared complete on 2 May 2025, following satisfaction of the procedural requirements under the ECOWAS merger control regime. The ERCA's review was comparatively quick, taking just over three months from completeness to decision, easing concerns about the impact ECOWAS filings would have on deal flows given the ECOWAS merger control regime having been recently implemented.

Market definition and competitive framework

ERCA's analysis vertical and horizontal impacts of the transaction on the audiovisual market

within the ECOWAS region. At the upstream level, the ERCA considered the wholesale supply of audiovisual content. At the downstream level, it examined the retail provision of audiovisual services through satellite broadcasting (DTH), digital terrestrial television (DTT), and over-the-top (OTT) streaming platforms.

When addressing geographical limitations of the market the ERCA identified exhibits strong linguistic segmentation, with Canal+ primarily active in Francophone markets and MultiChoice in Anglophone markets. This segmentation played a central role in the competitive assessment, as this segmentation—in the view of the ERCA—effectively limiting the degree of direct horizontal overlap between the parties.

At the same time, the ERCA did not confine its analysis strictly to national markets. While it ultimately concluded that competition concerns were limited at the national level, it nevertheless acknowledged that the combined entity would hold a significant position at the regional level, indicating a dual-layer analytical approach balancing national effects with regional market structure.

Assessment of competitive effects

The ERCA concluded that the transaction was unlikely to result in a substantial lessening of competition, particularly when assessed within individual ECOWAS Member States. They rested this conclusion on three principal considerations.

First, the limited horizontal overlap due to linguistic segmentation reducing the likelihood of unilateral effects. The parties were not, in most instances, each other's closest competitors in the same linguistic markets.

Second, the ERCA recognized the presence of alternative competitive constraints, including regional broadcasters and global streaming platforms. The ERCA considered these players capable of exerting sufficient pressure to mitigate potential post-merger price increases or quality degradation.

Third, they viewed the transaction as largely consolidating existing market positions rather than creating new dominance, a conclusion consistent with parallel assessments in other jurisdictions reviewing the same transaction.

Identification of concerns and theory of harm

Despite clearing the transaction on core competition grounds, the ERCA expressly acknowledged several concerns raised during the investigation, including by market participants and consumers. These concerns centered on the risk that the combined entity could leverage its position to exercise market power at a regional level. The ERCA was concerned that this could lead to increase subscription prices or degrade service quality, while also reducing the diversity of audiovisual content available to consumers.

The ERCA also was sensitive to the strategic importance of audiovisual markets in West Africa, not only from an economic standpoint but also in terms of cultural representation and media plurality. This broader framing of concerns suggests that ERCA's emerging decisional practice is likely to incorporate elements akin to public interest or media plurality considerations, even where not explicitly codified as separate legal tests.

Remedies and conditional approval

To address these concerns the ERCA imposed several behavioral remedies. These included obligations to maintain a diverse range of audiovisual offerings across both French- and English-speaking programming, to preserve existing distribution arrangements, and to comply with ongoing reporting and price notification requirements to enable regulatory monitoring.

These remedies and their design provide a valuable insight into the ERCA's practice. They are framed in relatively broad and principle-based terms, rather than detailed or prescriptive

commitments. This suggests that the ERCA is prioritizing flexibility and ongoing supervision over rigid ex ante intervention. Moreover, the inclusion of price notification and reporting obligations introduces a form of ex post regulatory oversight, allowing the ERCA to monitor market behavior and intervene where deemed necessary. Finally, the remedies explicitly include non-price dimensions of competition, in particular content diversity and access, which are central to the audiovisual sector.

Takeaway

The decision adopted by the ERCA must be viewed within the broader context of the multi-jurisdictional review of the acquisition of MultiChoice Group by Canal+, which was notified across several African jurisdictions, including under the regional merger control regime of COMESA. This parallel scrutiny underscores the increasingly interconnected and overlapping landscape of regulatory M&A on the continent. domestic jurisdictions may be triggered by the same transaction. Against that backdrop, the ERCA's intervention is significant, as it positions the ERCA as an increasingly central actor in merger control review in West African and signals a potential evolution towards more coordinated or streamlined regional oversight.

Substantively, the decision provides the first clear indication of ERCA's emerging analytical framework. The Authority demonstrated that it is willing to adopt a pragmatic and effects-based approach to merger control, while at the same time extending its analysis beyond narrow price-based metrics to encompass broader considerations relating to consumer outcomes, market structure and content diversity. The approach to impose behavioral remedies based on regional concerns in a transaction that was not found to give rise to a substantial lessening of competition at national level further suggests the ERCA's focus on cross-boarder issues rather

than them understanding themselves as a direct competitor to domestic regulators.



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