

**IN THE MATTER BEFORE THE BOARD
OF THE COMPETITION AND CONSUMER
PROTECTION COMMISSION**

BETWEEN

**BOOKMAKERS AND iGAMING
ASSOCIATION OF ZAMBIA**

COMPLAINANT

AND

MTN MOBILE MONEY LIMITED

RESPONDENT

BEFORE:

**Commissioner Angela Kafunda
Commissioner Sikambala M. Musune
Commissioner Derrick Sikombe
Commissioner Pelmel H. Bonda
Commissioner Onesmus Mudenda
Commissioner Bishop Dr. Wilfred Chiyesu**

**- Chairperson
- V. Chairperson
- Member
- Member
- Member
- Member**

DECISION

Below is a summary of the facts and findings presented by the Commission to the Board of the Commission following investigations carried out in the above case:

INTRODUCTION

It was submitted that:

1. On 3rd November 2023, the Competition and Consumer Protection Commission ("the Commission") initiated investigations against MTN Mobile Money Limited ("MTN Money" or the "Respondent") after receiving a complaint from the Bookmakers and iGaming Association of Zambia ("BiGA" or the "Complainant") bordering on abuse of dominance and unfair trading practices by MTN Money. The specifics of the allegations were as follows:
 - *Allegation 1:* Betting companies were charged higher fees by MTN Money compared to utility providers like DSTV, GOtv, ZRA, and ZESCO;
 - *Allegation 2:* Although aggregators offered lower fees (1% vs MTN's 4–5%), MTN allegedly barred betting companies from using them and threatened to cut off aggregator access if they dealt with betting companies;
 - *Allegation 3:* During system failures, betting companies bore customer losses without refunds or compensation from MTN; and,
 - *Allegation 4:* MTN allegedly charged betting companies in Zambia higher collection fees than those applied to similar services in other African countries.

INVESTIGATIONS CONDUCTED

It was submitted that:

2. Investigations were instituted into this case by way of sending a Notice of Investigation (NoI) to MTN Money requesting them to submit certain information necessary for the investigation. The Commission also conducted research and relevant stakeholder holder consultations with Aggregators, betting companies, other mobile money service providers, and sector regulators to get more information on how the sector operates.

LEGAL PROVISIONS AND ASSESSMENT TESTS

Legal Provisions

It was submitted that:

3. The alleged conduct by MTN Money appeared to be a contravention of Section 16 as read together with Section 15 of the under the Competition and Consumer Protection Act No. 24 of 2010 as amended by Act No. 21 of 2023 ("the Act").
4. Section 15 of the Act states that: *A dominant position exists in relation to the supply of goods or services in Zambia, if—*
 - a) *Thirty percent or more of those goods or services are supplied or acquired by one enterprise; or*
 - b) *Sixty percent or more of those goods or services are supplied or acquired by not more than three enterprises.*
5. Sections 16(1) of the Act states that: *"An enterprise shall refrain from any act or conduct if, through abuse or acquisition of a dominant position of market power, the act or conduct **limits access to markets** or otherwise unduly restrains competition, or has or is likely to have adverse effect on trade or the economy in general."*
6. Sections 16(2) states that: For purposes of this Part, "abuse of a dominant position" includes: -
 - c) *Applying dissimilar conditions to equivalent transactions with other trading parties;*
7. Section 58(1) of the Act states that: *"The Commission may, where anti-competitive conduct or an unfair trading practice falls within the scope of this Act, give an enterprise directions, in writing, that the Commission considers appropriate to ensure that the enterprise ceases to engage in that anti-competitive conduct or unfair trading practice."*
8. Section 59(1) of the Act states that: *"Where the Commission determines, that an enterprise is a party to a restrictive agreement referred to under section eight, nine, ten or twelve or that it is a party to a **dominant position** within the terms of section sixteen, and that—*

(b) in relation to the dominant position, any conduct of the enterprise—

- (i) has the object or effect of preventing, restricting or distorting competition; or*
- (ii) in any other way, constitutes exploitation of the monopoly situation, the Commission may give the enterprise such directions as it considers necessary, reasonable and practicable to—*

A. remedy, mitigate or prevent the adverse effects on competition that the Commission has identified; or

B. remedy, mitigate or prevent any detrimental effects on users and consumers so far as they have resulted from, or are likely to result from, the adverse effects on, or the absence of, competition.

Assessment Tests

It was submitted that:

9. In the investigation and assessment of potential and/or likely violations of the competition provisions of the Act, the Commission takes a multiple assessment approach, that is, carries out a number of tests to ascertain whether the alleged violations have or are likely to result in any negative effects on the market, to the consumer, fair trade or the economy in general.
10. For the purposes of Section 16(1), the following assessments had to be proved;
 - (i) Whether there is an enterprise;*
 - (ii) Whether there is an enterprise which is in a dominant position;*
 - (iii) Whether MTN Money has market power;*
 - (iv) Whether there is a conduct; and,*
 - (v) Whether the conduct is likely to limit access to markets or unduly restrain competition or have or is likely to have adverse effect on trade; or the economy in general;*
11. With regards to Section 16 (2) (c);
 - (i) Whether the parties applied dissimilar conditions to equivalent transactions with other trading parties;*

THE PARTIES

The Complainant – Bookmakers and iGaming Association of Zambia (BiGA)

It was submitted that:

12. The Complainant is the Bookmakers and iGaming Association of Zambia (BiGA). BiGA is an association of betting and gaming companies whose objectives are to lobby, liaise and engage with the government on various legislative and policy issues that affect the Zambian betting industry. BiGA is headquartered at 38 Lukanga Road, Roma, Lusaka, Zambia. BiGA has about twelve members namely, Bolabet, Galsport, 1Xbet, Extreme Sports, Evergreen Sports Bet, Castlebet, Skival Limited, Betbio, Betika, MWOs, Emerald Bay (Betway) and 22bet.¹

The Respondent - MTN Mobile Money Limited ("MTN Money")

It was submitted that:

13. The Respondent is MTN Money, a duly registered company under the Patents and Companies Registration Agency (PACRA). MTN Money is a financial service provider which can be accessed on the phone and offers services like sending and receiving money, bill payment, international money remittance services as well as loans and savings at the comfort of a mobile phone.²

RELEVANT FINDINGS

Operations of MTN Money

It was submitted that:

14. MTN Money is a mobile money service provider offering traditional services such as cash-in, cash-out, deposits, withdrawals, and bank-to-wallet/wallet-to-bank transfers. Beyond these, MTN Money also operates as a payment platform facilitating transactions between individuals and merchants, including government agencies, utilities, and betting companies. Merchants integrated onto the platform include entities like Zambia Revenue Authority (ZRA), National Pensions Scheme Authority (NAPSA), ZESCO, DStv, GOtv, and Lusaka Water and Sanitation Company (LWSC), among others.

¹ Office of the Registrar of Societies Printout
² PACRA Printout by MTN Money

Role of Aggregators and Regulation

It was submitted that:

21. Aggregators link mobile money operators, banks, merchants, and customers through services like bank-to-wallet transfers, collections, and SMS gateways. Before integration, aggregators conduct due diligence, including company registration and KYC verification. Major aggregators in Zambia include Cellulant, Kazang, PayNow, NetOne, Probase, and cGrate (543 Kense Kense).
22. Regulatory oversight is provided by the Bank of Zambia (BoZ) under the National Payment Systems Act (2007). BoZ ensures integrity and security within the payment ecosystem but does not set price thresholds for transactions. Fees charged between mobile money operators, merchants, and aggregators are commercially negotiated rather than regulated.
23. The Financial Intelligence Centre (FIC) also plays a role by regulating betting, gaming, and mobile money operators under the FIC Act No. 46 of 2010 (amended in 2020). Both betting companies and mobile money providers are considered reporting entities required to comply with AML/CFT obligations such as customer due diligence, record keeping, and suspicious transaction reporting.

The Betting Industry and Use of Mobile Money

It was submitted that:

24. Betting activities in Zambia are regulated by the Betting Control and Licensing Board, with tax oversight from the Ministry of Finance and National Planning. The expansion of online platforms has led to a surge in betting, particularly among younger demographics.
25. The Commission established two main betting methods:
 - Physical betting: customers pay cash at betting outlets.
 - Online betting: users deposit funds into digital betting accounts via mobile money, Kazang vouchers, or Visa cards.
26. A Commission survey revealed that 100% of betting customers prefer mobile money due to its convenience. Many betting platforms, including Betway, Betpawa, Sportybet, Bolabet, and Castlebet, rely solely on mobile money.

Thus, mobile money is the primary payment channel enabling betting operations in Zambia.

27. Betting companies pay collection and disbursement fees to MTN Money. Collection fees apply when customers deposit funds into betting accounts, while disbursement fees apply when winnings are transferred back to customers' wallets.

Review of Contracts and Pricing

It was submitted that:

23. A review of contracts between MTN Money and various merchant categories was undertaken and it was found that:

- Utility Companies (e.g., ZESCO, LWSC) – charged a flat 2% collection fee.
- Government Agencies (e.g., ZRA) – are not charged directly; fees are borne by customers.
- Betting Companies – charged higher rates under a tiered billing model ranging from 4% to 2.5%, depending on transaction volume.
- Aggregators – charged between 1.05% and 1.5%, or revenue-sharing arrangements (e.g., 55–60% of merchant fees shared with MTN Money).

29. It was further found that in 2024, MTN Money raised collection fees to a flat rate of 4.5%, prompting concerns from BiGA. BiGA's analysis revealed that this increase would consume approximately 30% of operators' gross income, severely affecting profitability when combined with the 25% presumptive tax on betting revenues.

Transaction Analysis and Comparative Assessment

It was submitted that:

30. Data reviewed for 2023 revealed substantial disparities in transaction volumes:

- Betting companies: approximately 27.5 million transactions.

- Utility providers: approximately 1.29 million transactions.
31. It was found that betting companies such as SportyBet and 1xBet handled significantly larger transaction values daily compared to service providers like Multichoice Zambia, who had fewer and smaller payments.
32. A Comparative analysis of MTN's collection fees across African countries showed that Zambia's 4.5% rate is the highest. Other countries charge between 1.0% and 2.36%, with Zambia's rate nearly double or quadruple the regional average.

MARKET DEFINITION

The Relevant Market

It was submitted by the Technical Committee (TC) of the Board that:

33. The relevant markets were two;
- I. Upstream Market: The provision of the MTN mobile money payment platforms for processing of payments in Zambia; and,
 - II. Downstream Market: The provision of betting services in Zambia.

It was submitted by the TC that:

34. The two defined markets are functionally distinct but interdependent in that the market for the provision of betting services is heavily dependent on the market for the provision of the MTN mobile money payment platforms. The MTN mobile money payment platform is essential for betting companies to conduct their business. Mobile money payments are a primary method for betting customer transactions, and betting companies depend heavily on mobile money platforms to conduct their business.

Competition Analysis and Relevant Observations

It was submitted by the TC that:

35. The defined market for the provision of the MTN mobile money payment platform for processing of payments in Zambia is a distinct market as the payment platform provided by MTN Money is not interchangeable from the perspective of MTN customers. Further, relevant findings showed that betting companies cannot operate effectively without access to MTN Money platform which enables them to access the MTN customer base. Based on the

distinctiveness of this defined market, the Commission found that MTN Money was the only market player in the defined relevant market for the provision of the MTN mobile money payment platform for processing of payments in Zambia. MTN has exclusive control over access to its own mobile money platform. MTN Money is therefore said to have a 100% market shares in the aforementioned relevant market.

36. It was found that MTN Money has market power and enjoys a position economic advantage and/or market power and can behave to an appreciable extent independently of its competitors by issuing directives to its contracted merchants.

Analysis regarding Section 16 of the Act

Consideration of Abuse of dominance

It was submitted by the TC that:

14. Section 16(1) of the Act defines abuse of dominance as engaging in *“any act or conduct if, through abuse or acquisition of a dominant position of market power, the act or conduct limits access to markets or otherwise unduly restrains competition, or has or is likely to have adverse effect on trade or the economy in general.”*
15. Therefore, in the analysis of the conduct, the following assessment tests were used:

Whether MTN Money is an enterprise;

It was submitted by the TC that:

16. Section 2 of the Act defines an enterprise. Specifically, the Act states that unless the context otherwise requires, an *“enterprise” means a firm, partnership, joint-venture, corporation, company, association and other juridical persons, which engage in commercial activities, and includes their branches, subsidiaries, affiliates or other entities, directly or indirectly, controlled by them”.*
17. MTN Money is a Zambian registered company with the PACRA. The registered office of MTN Money is Zambezi Road Roma Park, Lusaka, Zambia.³ MTN Money is a financial service provider which can be accessed on the phone and

³https://www.airtel.co.zm/home_investor_zm.

offers services like sending and receiving money, bill payment, international money remittance services as well as loans and savings at the comfort of a mobile phone.⁴ Therefore, MTN Money is an enterprise as envisaged by the Act.

Whether MTN Money is an enterprise which is in a dominant position of market power;

It was submitted by the TC that:

18. Section 15 of the Act states that, “a dominant position exists in relation to the supply of goods or services in Zambia, if thirty percent or more of those goods or services are supplied or acquired by one enterprise; or sixty percent or more of those goods or services are supplied or acquired by not more than three enterprises.” Section 2 of the Act defines “dominant position” as meaning, “a situation where an enterprise or a group of enterprises possesses such economic strength in a market as to make it possible for it to operate in that market, and to adjust prices or output, without effective constraint from competitors or potential competitors;”
19. The defined market for the provision of the MTN mobile money payment platforms for processing of payments in Zambia, MTN Money was found to be the only market player, which entails that MTN Money has 100% market shares in the defined relevant market. Thus, it is held that MTN Money’s market shares are above the 30% single dominance threshold prescribed under the Act. As such, MTN Money can be held to be in a dominant position of market power as envisaged under Section 15 of the Act.

Whether MTN Money has market power;

It was submitted by the TC that:

20. According to Section 16(1) “an enterprise shall refrain from an act or conduct if, through abuse or acquisition of a **dominant position of market power**, the act or conduct limits access to markets or otherwise unduly restrains competition or has or is likely to have adverse effect on trade or the economy in general”.
21. Based on this, it is noted that by virtue of an enterprise being dominant they are presumed to have market power. That is, if an enterprise is dominant, the Commission need not prove that the enterprise has market power as being

⁴ PACRA Printout MTN Money (annexure 6)

dominant construes market power on the enterprise. The Commission notes that MTN Money is dominant in the provision of the MTN mobile money payment platform. As such, by virtue of being dominant, MTN Money can be construed to have market power and thus *"enjoys a position economic advantage and/or market power and can behave to an appreciable extent independently of its competitors by issuing directives to its contracted merchants."*

Whether there is a Conduct;

It was submitted by the TC that:

22. The competition assessment focused on the following Conducts:

- I. MTN Money prohibiting aggregators from processing of payments of betting companies using the MTN payment platform- Section 16 (1); and,
- II. MTN Money applying dissimilar conditions to betting companies in comparison to utility companies/service providers such as DSTV and ZESCO - Section 16(2) (c).

Whether the conduct is likely to limit access to markets or unduly restrains competition or have or is likely to have adverse effect on trade or the economy in general;

It was submitted by the TC that:

23. MTN is a monopoly in the provision of the MTN mobile money payment platforms. It was found that for betting companies, access to this mobile money payment platform is essential for conducting business, as it is a primary payment method used by customers for placing bets and making withdraws. MTN Money's mobile money payment platform is an essential facility for betting companies. Because mobile payments are a primary method for customer transactions, betting companies depend heavily on MTN Money's platform to conduct business. As such, the market for provision of betting services to a large extent is dependent on the market for the provision of mobile money payment platforms. As a result of this dependency, MTN Money is able to use its position to limit alternatives available to betting companies.

24. It was found that MTN Money had prohibited aggregators such as PawaPay from on-boarding betting companies through their platforms. The

Commission reviewed a letter dated 8th October 2024⁵ addressed to PawaPay from MTN Money which read in part:

“3. Aggregation of Betting Services; please note that aggregation of betting services is no longer permitted.”

25. Aggregators are potential competitors in the market for mobile payment processing. Findings by the Commission showed that Aggregators such as Kazang and PawaPay have been refused from on-boarding betting companies. This refusal by MTN Money effectively denies access to a viable and competitive alternative for processing payments. Aggregators could offer mobile money payment solutions to betting companies using MTN Money's platform (just like resellers or intermediaries). But MTN blocks them from doing so.
26. MTN Money, by nature, has exclusive control over its own mobile money payment platform giving it a 100% share of that platform. Aggregators, if granted access, would be able to offer alternative payment solutions to betting companies using the MTN infrastructure which they are already integrated on. However, by refusing Aggregators to on-board betting companies, MTN forecloses competition in this market and effectively eliminates any opportunity for aggregators to compete. This conduct maintains MTN's dominant position and prevents lower-cost, innovative alternatives from entering the market. If Aggregators were allowed to on-board betting companies, they could potentially offer better services or lower prices to betting companies.
27. Restricting Aggregators from on-boarding betting companies prevents Aggregators from freely offering their services to the betting market, which could otherwise foster competition in payment processing. This constrains Aggregators from accessing betting companies and also intimidates potential competitors by making them vulnerable to losing essential access if they choose to compete in the betting payment space. Such conduct deters Aggregators from offering their services to betting companies, thereby foreclosing a critical avenue of competition. By cutting off Aggregators' access to the betting companies, MTN Money maintains its monopoly over payment processing for betting companies, thus preventing any meaningful competition in this space and sustaining its control over the terms, fees, and conditions of service.

⁵ Letter from MTN Money to PawaPay dated 8th October 2024 attached as annexure 13

28. The lack of competition means betting companies are forced to accept high transaction fees from MTN Money, as they lack access to more affordable options offered that could have been offered by aggregators. These increased costs can lead betting companies to raise fees for their customers, therefore reduce service offerings, or limit investments in improved service quality, ultimately harming consumer welfare.
29. By denying Aggregators' access to betting companies, MTN Money limits options for betting companies, making betting companies entirely reliant on its platform, regardless of the high fees. This lack of alternatives leads to increased costs of doing business for betting companies. The lack of competition resulting from the restriction of access reduces efficiency in the market and stifles innovation in the market for provision of payment platforms.
30. The conduct by MTN Money is anti-competitive because by limiting Aggregators access to betting companies, MTN Money is foreclosing the market for the provision of payment platforms to betting companies from being accessed by Aggregators. MTN Money is a dominant firm, therefore when it restricts access of betting companies to alternative suppliers (aggregators), it effectively eliminates potential competition and forecloses the market for the provision of MTN mobile money payment platforms. It is observed that this conduct forces the players in the market for the provision of betting services who are dependent on the payment platform for their business operations to accept the terms set by MTN Money only regardless of how unfavorable they may be. MTN Money is able to leverage its dominance in the provision of mobile money payment platforms to exclude potential lower-cost providers, thereby maintaining its high fee structure without the threat of competitive pressure.
31. By reducing competition and imposing high fees, MTN Money enhances barriers to entry in the market for provision of payment platforms, reducing overall business efficiency for Aggregators who are unable to effectively compete with MTN Money for business from betting customers as well as betting customers who cannot access cheaper services from Aggregators. This can discourage investment and growth in the mobile money sector and the digital economy more broadly. If such restrictive practices become common, they could set a precedent that discourages innovation and competition across sectors reliant on mobile money payment platforms, from e-commerce to small businesses, which could have long-term adverse effects on Zambia's trade and economic growth.

32. ***It was hence held that the Conduct by MTN Money of prohibiting Aggregators from processing of payments of betting companies using the MTN payment platform is anti-competitive as it limits access to markets and has the likelihood of having adverse effects on trade. The Conduct is hence in violation Section 16(1) of the Act.***

Analysis with regard to Section 16 (2)(c)

33. It was found that there were differences in the transaction volumes between betting companies and utility companies and/or other service providers. The Commission found that for the year 2023, the betting sector processed 27,545,554.00 compared to utility services who had volumes of 1,290,350.00 for the year 2023. It was found that betting companies had significantly higher volumes than utility companies/service providers which could be the reason for the differential prices applied by MTN money.
34. ***Based on the differences in transaction volumes, the transactions relating to betting companies are not equivalent to the transactions relating to utility companies. As such, MTN money cannot be said to be applying dissimilar conditions to equivalent transactions.***

BOARD DELIBERATIONS

37. The Board deliberated on the matter and determined the relevant markets to be;
- I. Upstream Market: The provision of the MTN mobile money payment platform for processing of payments in Zambia; and,
 - II. Downstream Market: The provision of betting services in Zambia.
35. The Board deliberated that the Conduct by MTN Money of prohibiting Aggregators from processing of payments of betting companies using the MTN payment platform is anti-competitive as it limits access to markets and has the likelihood of having adverse effects on trade. The Conduct is hence in violation Section 16(1) of the Act.
36. The Board deliberated that based on the differences in transaction volumes, the transactions relating to betting companies are not equivalent to the transactions relating to utility companies. As such, MTN money cannot be said to be applying dissimilar conditions to equivalent transactions.

BOARD DIRECTIVES

37. The Board gave the following directives.

- I. MTN Money is fined 3% of their 2023 annual turnover for violating Section 16 of the Act pursuant to Section 16 (3) of the Act;
- II. MTN money is ordered to submit it's 2023 audited financial statements for calculation of the fine pursuant to Section 58(3) of the Act;
- III. MTN Money is ordered to cease and desist from engaging in anti-competitive conduct of limiting access to markets by prohibiting aggregators from processing of payments of betting companies using the MTN payment platform. MTN Money is ordered to immediately (upon receipt of Board Decision) communicate to all Aggregators and betting companies stating that no aggregators will be prohibited from processing of payments of betting companies using the MTN Money payment platform pursuant to Section 59 of the Act;
- IV. MTN Money is ordered, within thirty (30) days of receipt of Board Decision, to notify the agreements (contracts) it holds with betting companies and Aggregators for review by the Commission in accordance with Section 14 of Act;
- V. The issue relating to differential pricing being applied by MTN in different countries is flagged to COMESA Competition Commission for review at regional level; and
- VI. The Commission conducts a compliance training for MTN Money Management within thirty (30) days of receipt of Board Decision, aimed at raising awareness of the Competition and Consumer Protection Law pursuant to Section 5 of the Act.

Note: Any party aggrieved with this order or directive may, within thirty (30) days of receiving the order to direction, appeal to the Competition and Consumer Protection Tribunal.

Dated this 10th October 2025


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Chairperson

Competition and Consumer Protection Commission