## GENERAL NOTICES • ALGEMENE KENNISGEWINGS

## ECONOMIC DEVELOPMENT DEPARTMENT NOTICE 448 OF 2016

Date: July 2016

## COMPETITION COMMISSION

NOTICE IN TERMS OF SECTION 10(7) OF THE COMPETITION ACT 89 OF 1998 (AS AMENDED): SOUTH AFRICAN PETROLEUM INDUSTRY ASSOCIATION GRANTED CONDITIONAL EXEMPTION

On 22 December 2015, the South African Petroleum Industry Association ("SAPIA") and its members applied to the Competition Commission of South Africa ("Commission") in terms of Section 10(1)(b) of the Competition Act No 89 of 1998, as amended (the "Act") to be exempted from certain provisions of Section 4 of the Act. The exemption was sought for a period of five (5) years from 1 January 2016 ending on 31 December 2020.

Notice is hereby given in terms of Section 10(7) of the Act, that the Commission has extended the SAPIA exemption with 3 (three) months starting from 1 July 2016 ending 30 September 2016 on the same terms and conditions as published in Government Gazette No.34651 of 7 October 2011.

The exemption granted by the Commission covers a wide range of agreements and practices which, according to SAPIA, are required to ensure the continuity and stability of liquid fuels supply to various sectors and geographic locations of the South African economy. In particular, the exemption covers agreements and practices in the petroleum and refinery industry which are considered by the Commission to be in contravention of Sections 4(1)(a) and (b) of the Act.

The Commission has previously, in response to the above mentioned application, granted SAPIA a conditional exemption in terms of Section 10(2)(a) of the Act for a period of 6 (six) months starting from 01 January 2016 and ending on 30 June 2016. SAPIA based its application on the premise that the aforesaid agreements and practices are required to obtain the objective set out under Section 10(3)(b)(iv) of the Act. This is after the Minister of Economic Development Department has designated the petroleum and refinery industry for a period of 6 (six) months starting on 01 January ending on 30 June 2016. Following, the expiry of the exemption and the industry designation, the Minister has designated the industry for a further period of 3 (three) months ending 30 September 2016.

The Commission is satisfied that SAPIA's exemption will contribute towards maintaining the economic stability of the petroleum and refinery industry for the period starting on 01 July 2016 and ending on 30 September 2016.

SAPIA or any other person with substantial financial interest affected by this decision may appeal it to the Competition Tribunal in the prescribed manner in terms of Section 10(8) of the Act.

Further queries should be directed to either:

Mr Themba Mahlangu / Ms Selelo Ramohlola Competition Commission of SA Enforcement and Exemptions Division, Private Bag X23, Lynnwood Ridge, 0040

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In correspondence kindly refer to the following case number: 2015Dec0741