DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 4561

28 March 2024

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 89 of 1998, as amended ("the Act") to be exempted from certain provisions of section 4 of the Act ("2015 Exemption"). The exemption was sought for a period of 5 (five) years from 1 January 2016 ending on 31 December 2020.¹

Notice is hereby given in terms of section 10(7) of the Act that the Commission has extended the 2015 Exemption for a period of three (03) months from 01 March 2024 up to and including 31 May 2024, and 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. 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.

The Commission has previously, in response to the afore-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. Following the expiry of the afore-mentioned short-term conditional exemption, the Commission extended such exemption several times with the previous extension ending on 29 February 2024.

¹ See Commission Case Number 2015Dec0741

On 23 February 2024, the Minister of Trade, Industry and Competition recently granted the petroleum industry designation status for a further three (03) months from 01 March 2024 up to and including 31 May 2024.² Accordingly, the Commission has also granted SAPIA a conditional exemption in respect of its 2015 Exemption in terms of section 10(3) of the Act for a further three (03) months from 01 May 2024 up to and including 31 May 2024.

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 Mr. Marlon Dasarath at MarlonD@compcom.co.za.

In correspondence, kindly refer to the following case number: 2015DEC0741

² See Government Gazette Vol. 704 No. 50177