## **NOTICE 393 OF 2014**

## **COMPETITION COMMISSION**

## APPLICATION FOR AN EXEMPTION

Notice is hereby given in terms of Schedule 1 of the Competition Act, No. 89 of 1998, as amended ("the Competition Act") that certain Built Environment Professional Councils ("the Professional Councils"), have applied to the Competition Commission ("the Commission"), to be exempted from the provisions of Chapter 2 of the Competition Act. The Professional Councils that applied for exemption are:

- (i) The South African Council for Property Valuers Profession ("SACPVP") a statutory body established in terms of the Property Valuers Profession Act, 47 of 2000;
- (ii) The South African Council for the Architectural Profession ("SACAP") a statutory body established in terms of the Architectural Profession Act, 44 of 2000;
- (iii) The South African Council for the Quantity Surveying Profession ("SACQSP") a statutory body established in terms of the Quantity Surveying Profession Act, 49 of 2000; and
- (iv) The Engineering Council of South Africa ("ECSA") a statutory body established in terms of the Engineering Profession Act, 46 of 2000.

The above Professional Councils regulate professionals working within different disciplines/professions of the built environment. The exemption applications relate to the publication of Professional Fee Guidelines ("the Fee Guidelines") by the Professional Councils. The exemption applications were filed in terms of Schedule 1 Part A read with Part B of the Competition Act.

The Fee Guidelines are mandated by the statutes regulating each Professional Council, and are published with the intention to provide guidelines to professionals within the built environment in respect of the fees charged for their services to consumers. In addition, the Fee Guidelines provide guidelines to consumers when engaging professionals within the built environment to procure professional services.

In terms of Schedule 1 Part A (2) of the Competition Act:

"The Competition Commission may exempt all or part of the rules of a professional association from the provisions of Part A of Chapter 2 of the Competition Act for a specified period if, having regard to internationally applied norms, any restriction contained in those rules that has the effect of substantially preventing or lessening competition in a market is reasonably required to maintain-

- (a) professional standards; or
- (b) the ordinary function of the profession."

The Professional Councils seek to be exempted from the provisions of Chapter 2 of the Competition Act on the basis that the Fee Guidelines are reasonably required to maintain (i) the professional standards and (i) the ordinary function of the profession(s) as provided for in terms of Schedule 1 Part A (2) of the Competition Act.

Notice regarding the above applications is hereby published in terms of Schedule 1 Part A (3) of the Competition Act to allow interested parties or stakeholders to make written representations to the Commission as to why the applications should or should not be granted. All representations must reach the Commission within 20 business days from the date of the publication of this notice.

Kindly specify the case number of the Professional Council when making representation(s) to the Commission. The case numbers are as follows:

- (i) SACPVP 2014Mar0095;
- (ii) SACAP 2014Feb0033;
- (iii) SACQSP 2014Feb0035; and
- (iv) ECSA 2014Jan0026.

Representations should be emailed to <a href="mbongisenin@compcom.co.za/tlabom@compcom.co.za">mbongisenin@compcom.co.za/tlabom@compcom.co.za</a>

Alternatively, they can be posted to the Commission for the attention of Mr Mbongiseni Ndlovu / Mr Tlabo Mabye Competition Commission South Africa Enforcement and Exemptions Division Private Bag X23 Lynnwood Ridge 0040

For enquiries, please contact Mr Mbongiseni Ndlovu at (012) 394 5165 or Mr Tlabo Mabye at (012) 394 3403.