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ECONOMIC DEVELOPMENT DEPARTMENT

NO. 720

15 JUNE 2016

COMPETITION COMMISSION**NOTICE IN TERMS OF SECTION 10(7) OF THE COMPETITION ACT 89 OF 1998 (AS AMENDED):****REFUSAL TO GRANT THE ASSOCIATION OF SHIPPING LINES AN EXEMPTION
CASE NUMBER: 2014MAR0082**

On 5 March 2014, the Association of Shipping Lines ("ASL") 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 commencing from the date the Commission grants the exemption.

Notice is hereby given in terms of Section 10(7) of the Act that the Commission has, in response to the above mentioned application, refused to grant ASL an exemption.

The exemption applied for by ASL relates to the category of agreement and/or practices to be concluded by ASL members which includes: Slot Charter Agreement; Slot Exchange Agreement; Vessel Sharing Agreement and Multi Carrier Contracts collectively referred to as Suit of Agreements. ASL indicated that the Suit of Agreements are unlikely to contravene any section of the Act and are mainly pro-competitive. It is against this background that the Commission decided to not grant ASL the Exemption as the Suite of Agreement or practices forming part of the exemption application does not constitute a prohibited practice as contemplated in chapter 2 of the Act.

ASL 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.

Enquiries in this regard may be addressed to: **Mr Themba Mahlangu / Ms Selelo Ramohlola**
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