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ECONOMIC DEVELOPMENT DEPARTMENT

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AMENDED TERMS OF REFERENCE FOR THE GROCERY **RETAIL SECTOR MARKET INQUIRY**

October 2019

NO. 1419

1. BACKGROUND

The Competition Commission ("the Commission") initiated a market inquiry into the grocery retail sector in South Africa in terms of Chapter 4A of the Competition Act, No. 89 of 1998 (as amended) ("the Act") because it has reason to believe that there are features of the sector that prevent, distort or restrict competition.

The Commission gave notice in the Government Gazette¹ on 30 October 2015 announcing the establishment of the Grocery Retail Sector Market Inquiry ("the Inquiry") in terms of Section 43B(2) of the Act. In terms of the Notice, the Inquiry was expected to be completed by 29 May 2017. On 26 May 2017 the Commission gave notice in the Government Gazette² amending the timeline for completion of the Inquiry to 31 March 2018. The timeline for completion was further extended to 28 September 2018 as published in the Government Gazette³ on 28 September 2018. Furthermore, on 26 September 2018, the Commission gave notice in the Government Gazette⁴ to amend the timeline for the Inquiry to 31 October 2019. Lastly, an amendment to the completion date of the Inquiry to 31 October 2019 was published in the Government Gazette⁵ on 27 September 2019.

The Inquiry published its provisional findings and preliminary recommendations on 29 May 2019. Stakeholders had until 28 June 2019 to provide substantiated comments and submissions on the preliminary report. To date, the Inquiry has made substantive progress in engaging with stakeholders and the comments and submissions received, and the process is near completion.

2. AMENDMENT OF THE TERMS OF REFERENCE

In terms of section 43B(5) of the Act, the Commission may, by way of an amendment to the Terms of Reference, amend the scope of the Inquiry, or the time within which the Inquiry is expected to be completed, by further notice in the Gazette.

Having regard to the comments, submissions and information gathered by the Inquiry to date, the scope of the Inquiry remains unchanged. However, the Commission has decided to amend the completion date, to allow for it to finalise its engagement with comments and submissions

¹ Gazette No. 39347

² Gazette No. 40860

³ Gazette No.41512

⁴ Gazette No. 41932

⁵ Gazette No. 42730

received on the preliminary report, finalise and publish a final report of its investigation. In terms of the amendment, the Inquiry will be completed by **29 November 2019**.