

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 5658

13 December 2024

COMPETITION COMMISSION

NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

ACCENTURE INTERNATIONAL B.V

AND

PARTNERS IN PERFORMANCE HOLDINGS LTD

CASE NUMBER: 2024MAY0053

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission', that it has approved the transaction involving the abovementioned firms subject to conditions set out below:

Background

1. On 27 May 2024, the Competition Commission ("Commission") received notice of an intermediate merger whereby Accenture International B.V ("Accenture B.V") intends to acquire 100% of the share capital of PIP Remco Ltd (Guernsey) ("PIP Remco"), which owns 10% of the issued shares in Partners in Performance Holdings Ltd ("PIP BVI"). Accenture B.V also intends to directly acquire 90% of the issued share capital in PIP BVI. PIP Remco and PIP BVI are collectively referred to as the "Target Firms". Upon implementation of the proposed transaction, Accenture B.V will have sole control over the Target Firms.
2. The primary acquiring firm is Accenture B.V., a private limited liability company incorporated in the Netherlands. Accenture B.V is ultimately controlled by Accenture plc ("Accenture plc"), which in turn controls numerous entities in South Africa such as Accenture (South Africa) (Pty) Ltd ("Accenture SA"). Accenture B.V, all the firms controlling Accenture B.V and all the firms controlled by those firms will be referred to as the "Accenture Group".
3. Accenture plc is not controlled by historically disadvantaged persons (HDPs) as contemplated in the Competition Act No.89 of 1998, as amended (the "Act"). However, in South Africa, Accenture SA has some HDP ownership as contemplated in the Act.

4. The Accenture Group is a global organisation providing management consulting, technology, and outsourcing services.
5. The primary target firms are PIP Remco Ltd (“PIP Remco”) and Partners in Performance Holdings Ltd (“PIP BVI”). PIP BVI and PIP Remco are wholly owned by Magmar Investments Ltd (“Magmar Investments”). Pre-Merger, Magmar Investments owns 100% of PIP Remco and PIP BVI is owned as to 90% by Magmar Investments and as to 10% by PIP Remco.
6. PIP BVI controls Partners in Performance Holdings UK Limited (“PIP Holdings”), which in turn controls Partners in Performance South Africa (Pty) Ltd (“PIP SA”). PIP SA controls PIPware Ltd (“PIPware”). PIP Remco, PIP BVI and all the firms they control shall collectively be referred to as “PIP Group”.
7. The PIP Group currently has no ownership by HDPs as contemplated in the Act.
8. The PIP Group provides consulting services to, *inter alia*, the oil and gas, mining and metals, finance, construction, and healthcare sectors.

Competition Assessment

9. The Commission found that the proposed transaction is unlikely to result in any substantial prevention or lessening of competition in any relevant markets.

Public Interest considerations

10. To address employment concerns, the parties have tendered the commitments set out in **Annexure A**.
11. The merger does not raise any other public interest issues that require further intervention.
12. The Commission therefore conditionally approves the proposed transaction.

ANNEXURE A: CONDITIONS**ACCENTURE INTERNATIONAL B.V****AND****PARTNERS IN PERFORMANCE HOLDINGS LIMITED****AND****CASE NUMBER: 2024MAY0053**

CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1 In this document the following expressions bear the meanings assigned to them below and related expressions bear corresponding meanings -

- 1.1.1 **"Approval Date"** means the date referred to in the Commission's merger clearance certificate;
- 1.1.2 **"Acquiring Firm"** means Accenture International B.V (Netherlands);
- 1.1.3 **"Act"** means the Competition Act 89 of 1998, as amended;
- 1.1.4 **"Affected Employees"** means any employees of the South African Entities that may be retrenched as a result of the Merger for a period of 24 (twenty-four) months after the Moratorium Period;
- 1.1.5 **"Commission"** means the Competition Commission of South Africa;
- 1.1.6 **"Commission Rules"** mean the Rules for the Conduct of Proceedings in the Commission;
- 1.1.7 **"Conditions"** means these conditions contained in this Annexure A, agreed to by the Merged Entity and the Commission;
- 1.1.8 **"Days"** mean business days, being any day other than a Saturday, Sunday, or official public holiday in the Republic of South Africa;

- 1.1.9 **“Implementation Date”** means the date, occurring after the Approval Date, on which the Merger is implemented by the Merging Parties;
- 1.1.10 **“LRA”** means the Labour Relations Act No. 66 of 1995 (as amended);
- 1.1.11 **“Merged Entity”** means the combined firm resulting from the Merger between the Acquiring Firm, Accenture International B.V (Netherlands), Target Firms, Partners in Performance Holdings Limited (BVI) and PIP Remco Limited;
- 1.1.12 **“Merger”** means the acquisition of 100% of the issued share capital of the Target Firms, PIP Remco Limited and 90% of the issued share capital of Partners in Performance Holdings Limited (BVI) by the Acquiring Firm, Accenture International B.V (Netherlands);
- 1.1.13 **“Merging Parties”** means Accenture International B.V (Netherlands), Partners in Performance Holdings Limited (BVI) and PIP Remco Limited;
- 1.1.14 **“Moratorium Period”** means the period between the Approval Date and the Implementation Date and thereafter, a period of 2 (two) years from the Implementation Date;
- 1.1.15 **“PIP South Africa”** means Partners in Performance South Africa Proprietary Limited;
- 1.1.16 **“South Africa”** means the Republic of South Africa;
- 1.1.17 **“South African Entities”** means Accenture South Africa Proprietary Limited, PIP South Africa, and PIPware Proprietary Limited;
- 1.1.18 **“Target Firm(s)”** means Partners in Performance Holdings Limited (BVI) and PIP Remco Limited; and
- 1.1.19 **“Tribunal”** means the Competition Tribunal of South Africa.

2. CONDITIONS TO THE APPROVAL OF THE MERGER

2.1 EMPLOYMENT

- 2.1.1 The Merged Entity shall not retrench any employees of the South African Entities of as a result of the Merger, for the duration of the Moratorium Period.
- 2.1.2 For the sake of clarity, retrenchments do not include (i) voluntary separation arrangements; or (ii) voluntary early retirement packages , (iii) unreasonable refusals to be redeployed in accordance with the provisions of the LRA; (iv) resignations or retirements in the ordinary course of business; (v) retrenchments lawfully effected for operational requirements unrelated to the Merger; (vi) terminations in the ordinary course of business, including but not limited to, dismissals as a result of misconduct or poor performance; (vii) any decision not to renew or extend a contract of a contract order; and (viii) any transfer of employees to the employment of a third party as a result of any sale of business operations, including related assets and liabilities, or any joint venture or similar business arrangements.
- 2.1.3 Should the need to retrench employees of the South African Entities arise after the Moratorium Period, the Merged Entity shall for a further period of 24 (twenty-four) months after the Moratorium Period give preference to any such Affected Employees in relation to any vacancies that may arise within the South African Entities provided they have the requisite qualifications, skills, know-how and experience.

3. MONITORING OF COMPLIANCE WITH THE CONDITIONS

- 3.1 The Merging Parties shall inform the Commission in writing of the Implementation Date of the Merger within 5 (five) Days of its occurrence.
- 3.2 The Merging Parties shall circulate a copy of the Conditions to all their employees and/or their employee representatives and/or relevant trade unions of the South African Entities within 5 (five) Days of the Approval Date.
- 3.3 As proof of compliance thereof, the Merging Parties shall within 5 (five) Days of circulating the Conditions to all the employees and/or the employee representatives

and/or relevant trade unions of the South African Entities, provide the Commission with an affidavit by a senior official of each of the Merging Parties attesting to the circulation of the Conditions and attaching a copy of the notice sent.

- 3.4 The Merged Entity shall submit a report to the Commission on each anniversary of the Approval Date, setting out its compliance with clause 2.1 of the Conditions, for the duration of the Conditions. This report shall be accompanied by an affidavit, attested to by a director or other suitable person of the South African Entities, confirming the accuracy of the contents of the report.
- 3.5 Any employee of the South African Entities who believes that the Merging Parties have not complied with or have acted in breach of the Conditions may approach the Commission.
- 3.6 The Commission may request such additional information from the Merging Parties which the Commission from time to time regards as necessary for the monitoring of compliance with these Conditions.

4. APPARENT BREACH

- 4.1 An apparent breach by the Merging Parties of any of the Conditions shall be dealt with in terms of Rule 39 of the Commission Rules read together with Rule 37 of the Tribunal Rules.

5. VARIATION OF CONDITIONS

- 5.1 The Merging Parties may at any time, on good cause shown, apply to the Commission for the Conditions to be waived, relaxed, modified and/or substituted. Should a dispute arise in relation to the variation of the Conditions, the Merging Parties shall apply to the Tribunal, on good cause shown and on notice to the Commission, for the Conditions to be waived, relaxed, modified and/or substituted.

6. GENERAL

- 6.1 All correspondence in relation to these Conditions must be submitted to the following email addresses: mergerconditions@compcom.co.za and ministry@thedtic.gov.za.
- 6.2 Enquiries in this regard may be addressed to the Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298