DEPARTMENT OF EMPLOYMENT AND LABOUR

NO. R. 6930 **12 December 2025**

NOTICE IN TERMS OF THE COMPETITION ACT NO. 89 OF 1998 (AS AMENDED)

BLOCK EXEMPTION FOR THE PROMOTION OF EXPORTS, 2025

1. I, Mr. Mpho Parks Tau, Minister of Trade, Industry and Competition, after consultation with the Competition Commission, hereby in terms of section 10(10) read with section 78(1) of the Competition Act, 1998 (Act No. 89 of 1998) as amended (the Competition Act), make the Regulations as set out in the Schedule hereto.

2. The purpose of these Regulations is to give effect to the purposes of the Act as set out in section 2 of the Act by exempting specific categories of agreements or practices from the application of sections 4(1)(a), 4(1)(b)(i), 4(1)(b)(ii) and 5(1) of the Act in order to mitigate the economic impact of the global trade tariff changes and to contribute to the resilience and growth of South African exports.

3. These Regulations will come into effect on the date of publication hereof in the Gazette.

MR MPHO PARKS TAU, MP
MINISTER OF TRADE, INDUSTRY AND COMPETITION
DATE: 27/11/2025

SCHEDULE

Definition

1. In these Regulations any word or expression to which a meaning has been assigned in the Act shall bear that meaning and, unless the context otherwise indicates –

"Act" means the Competition Act No. 89 of 1998, as amended;
"Agreement" has the same meaning as in section 1(1)(ii) of the Act;
"Coordination" refers to an agreement or concerted practice or decision by an association of firms as contemplated in section 4(1) of the Act;
"Firm" includes a person (juristic or natural), association, partnership or a trust;
"HDP Firms" means firms owned and controlled by historically disadvantaged persons in terms of section 3(2) of the Act;
"Independent Third Party" refers to a person or firm, with no direct or indirect interest in the relevant Firms, appointed, inter alia, to facilitate the sharing of Competitively sensitive information by individual firms, and the aggregation of such competitively sensitive information amongst exporters;
"Minister" unless otherwise specified, means the Minister of Trade, Industry and Competition;
"SMMEs" means small business, micro business or medium-sized business as defined by the Minister in Government Gazette No. 987 of 12 July 2019 or its successor in title, or business, as the context dictates and as defined by section 1 of the Act;
"the Commission" means the Competition Commission, a juristic person established in terms of section 19 of the Act; and
"the dtic" means the Department of Trade, Industry and Competition.

Purpose

2. The purpose of these Regulations is to give effect to the purposes of the Act as set out in Section 2, by exempting specific categories of agreements or practices from the application of Sections 4(1)(a), 4(1)(b)(i), 4(1)(b)(ii) and 5(1) of the Act in

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order to mitigate the economic impact of the global trade tariff changes and to contribute to the resilience and growth of South African exports.

Category of agreements or practices exempted

3. The Minister hereby exempts the following categories of agreements or practices in the export markets from the application of sections 4(1)(a), 4(1)(b)(i), 4(1)(b)(ii) and 5(1) of the Act in order to mitigate the economic impact of the global trade tariff changes and to contribute to the resilience and growth of South African exports:

3.1. Coordination aimed at achieving economies of scale and efficiencies in the export markets with the object of improving the competitiveness of South African export products; or

3.2. Coordination on sharing or offsetting the landed costs faced in the export markets; or

3.3. Coordination on joint financing or joint development of infrastructure required for exports, including both export infrastructure in South Africa, transit points and the export destination; or

3.4. Coordination on funding and sharing export related market information including information on import regulations and product regulations in the export markets; or

3.5. Coordination on the sharing of export related information on aggregated export prices or aggregated export volumes in the export markets:

3.5.1. through an independent third party funded by parties to the coordination; and

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3.5.2. in agricultural markets determined by the dtic, on a case-by-case basis, as requiring the coordination contemplated in sub-regulation 3.5; and

3.5.3. only if such information is strictly necessary to support the export of agricultural products identified by the dtic; or

3.6. Coordination on sharing the cost of shipment, storage, inspection facilities, freight, consolidation hubs, insurance and other logistics costs in the export markets; or

3.7. Coordination on the collective marketing of South African goods as a brand in the export markets; or

3.8. Coordination on the joint negotiation of protocols of export programmes and compliance with quality specifications or standards of goods in the export markets; or

3.9. Coordination on the joint negotiation or joint contracting with overseas buyers where such engagement is required or requested by foreign governments.

Exclusions

4. These Regulations exclude:

4.1. Market allocation of goods and services sold to end customers or consumers;

4.2. Collusive tendering for goods and services intended for sale to end customers or consumers;

4.3. Resale price maintenance of goods and services sold to end customers or consumers;

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4.4. Commercial agreements between exporters and domestic rail and ports infrastructure providers; and

4.5. Any merger transaction.

In-scope confirmation by the Commission

5. Firms that wish to enter into agreements or engage in practices covered by the exemption contained in these Regulations must first seek confirmation from the Commission in writing whether the agreement or practice falls within the scope of these Regulations before implementation.

6. The request to the Commission for in-scope confirmation contemplated in regulation 5 must, *inter alia*, include the parties to the proposed agreements, the terms of the proposed agreements and the implementation timeline.

7. The Commission, after consultation with the dtic, may:

7.1. confirm in writing if the agreement or practice falls within the scope of these Regulations with or without safeguards necessary to ensure that the collaboration among Firms is limited to the agreements or practices contemplated in regulation 3 in the export markets; or

7.2. if the agreement or practice does not fall within the scope of these Regulations, advise the Firms accordingly.

8. No agreement or practice contemplated in these Regulations may be implemented unless confirmation has been provided by the Commission in terms of regulation 7.

9. Subject to regulation 10, the Commission must make the decision contemplated in regulation 7 within 30 business days of receipt of the request for confirmation.

10. The Commission may extend the 30 business days contemplated in regulation 9 by a further period not exceeding 30 business days if it has good cause to do so.

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11. If the Commission has not made a decision and has not extended the 30 business days period contemplated in regulation 9, or has not made a decision within the extended 30 business days period contemplated in regulation 10, the agreement or practice shall be regarded as having been confirmed as falling within the scope of these Regulations.

Revocation of confirmation

12. The Commission may revoke the confirmation granted in terms of regulation 7 if:

    12.1. there is a breach of safeguards made in terms of sub-regulation 7.1; or

    12.2. the collaboration among the Firms exceeds the exemption granted in terms of these Regulations; or

    12.3. the confirmation was granted on the basis of false information; or

    12.4. the reason for granting the confirmation no longer exists.

13. The Commission shall notify the relevant firms in writing of its intention to revoke the confirmation and shall afford the relevant firms an opportunity to make representations within a reasonable time before making a decision to revoke the confirmation.

HDP and SMME Participation

14. HDP Firms and SMMEs at all levels of the value chain must be afforded an opportunity to opt-in to agreements and/or practices including the negotiations of the agreements or practices entered into in terms of these Regulations.

Scope of the exemption

15. The scope of these Regulations is limited only to:

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15.1. firms exporting goods or services from South Africa to the export markets; and

15.2. agreements and/or practices specified under regulation 3 solely relating to all export markets and export products.

16. The agreements and/or practices exempted in these Regulations include the exchange of information strictly necessary for the purposes of the conclusion and implementation of the agreements and/or practices.

Monitoring

17. Firms who participate in any agreements or practices falling within the scope of these exemptions must notify the Commission and the dtic of the agreement or practice within 15 business days of its implementation via the following:

17.1. Notification to the Commission should be sent to exemption.conditions@compcom.co.za.

17.2. Notifications to the dtic should be sent to exemption.conditions@thedtic.gov.za.

18. Firms who participate in any agreements or practices falling within the scope of these exemptions must keep accurate written records of meetings held, correspondence related to the exempted agreements and practices, and exchanges of competitively sensitive information strictly necessary for the purposes of the implementation of agreements or practices contemplated in regulation 3.

19. The Commission may, at any time, request the record of the minutes of meetings held, correspondence related to the exempted agreements and practices, or exchanges of competitively sensitive information strictly necessary for the purposes of the implementation of agreements or practices contemplated in these regulations.

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Amendments to Regulations

20. The areas of collaboration exempted in these Regulations may be expanded or reduced by the Minister, after consultation with the Commission, by notice published in the Government Gazette in terms of these Regulations.

Short Title

21. These Regulations shall be called the *Block Exemption for the Promotion of Exports, 2025*.

Commencement and duration

22. These Regulations come into effect on the date of publication in the Government Gazette and shall endure for a period of 5 years, which period can be extended by the Minister, by notice in the Government Gazette, after consultation with the Commission and taking into account tariffs in the export markets.

Winding down of agreements and practices

23. The Minister, after consultation with the Commission may, by notice in the Government Gazette, provide a reasonable period to Firms that have participated in any agreements or practices falling within the scope of these exemptions to wind-down such agreements or practices before the withdrawal of these Regulations.

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