

# COMPETITION REGULATOR PRESENTATION TO THE PORTFOLIO COMMITTEE ON TRADE, INDUSTRY AND COMPETITION

24 July 2024



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

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# TRANSFORMATION AND COMPETITION

## **PURPOSE:**

Develop and roll out policy interventions that promote transformation and competition issues through effective economic planning, aligned investment and development policy tools.

# Transformation and Competition Clusters

## 1. MERGERS AND ACQUISITIONS'S ROLE

- Review all merger filings and recommend to the Minister merger participation in line with Public Interest Grounds (Section 12A(3) of the Competition Act).

## 2. CONDITIONS MONITORING AND IMPLEMENTATION

- To monitor, review, and report on implementing the Competition Settlement order resulting from mergers and acquisitions by Merger Parties.

## 3. MARKET INQUIRIES AND ABUSE OF DOMINANCE

- To participate in market inquiries, mergers/acquisitions and abuse of dominance cases. Monitor and report on the impact of the implementation of concluded market inquiries and settlement orders.

## 4. B-BBEE and BLACK INDUSTRIALIST

- Linking B-BBEE with the lead sectors identified for industrial policy to promote and facilitate growth and development;
- Play oversight role to ensure proper monitoring of programmes (Equity Equivalent Investment Programme (EEIP), B-BBEE Facilitators etc); and Y.E.S
- Advocacy of Black Industrialist Policy targeting private and public sectors.

## 5. Oversight of the Social Employment Fund

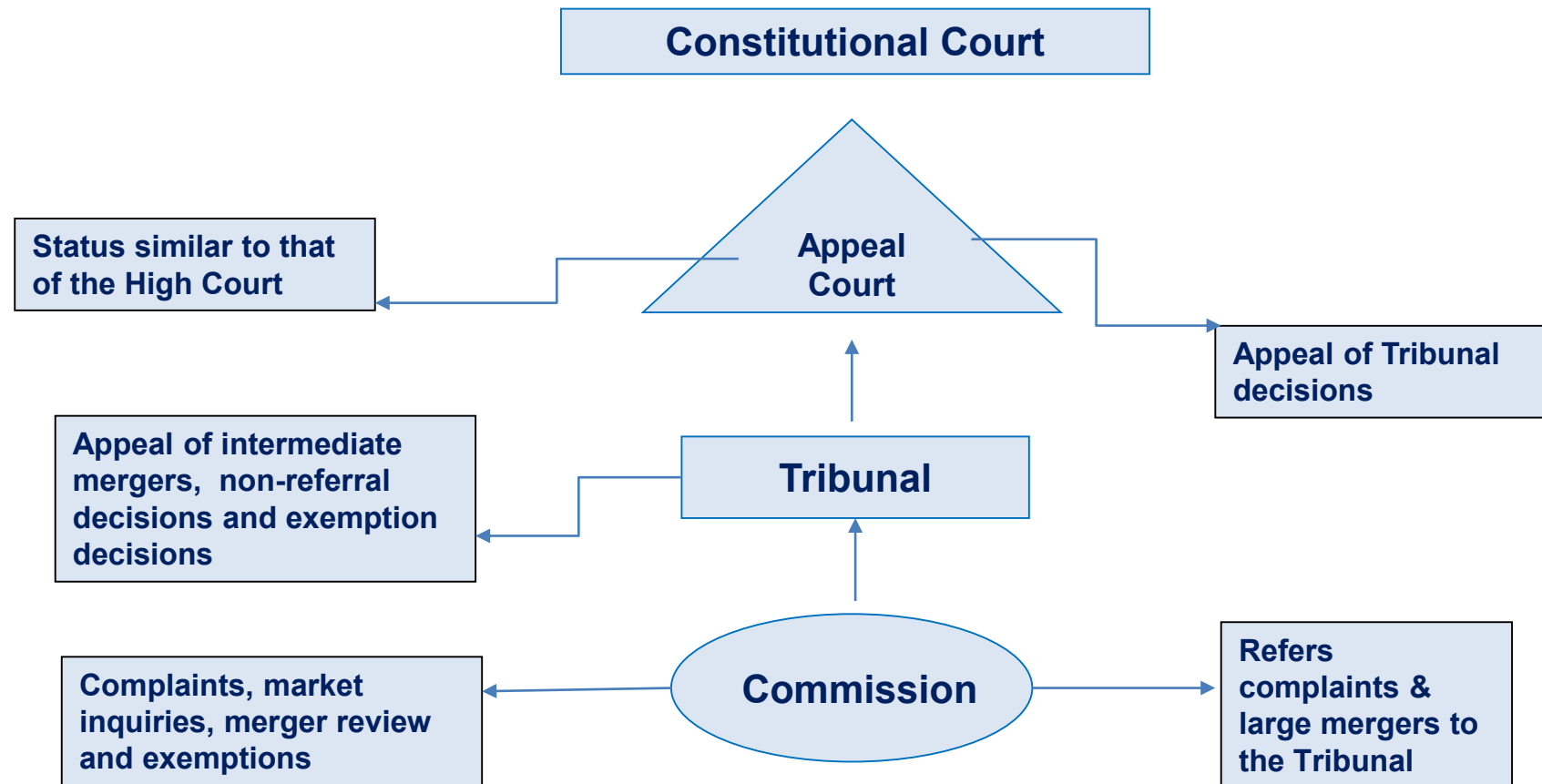
# **Entities under the Transformation and Competition Branch**

**Competition Commission  
BEE Commission  
Competition Tribunal**

# COMPETITION COMMISSION

# The constitution of the Competition Commission

- The Competition Commission is one of three statutory bodies constituted in terms of the Competition Act, No 89 of 1998.



# LEGISLATIVE MANDATE

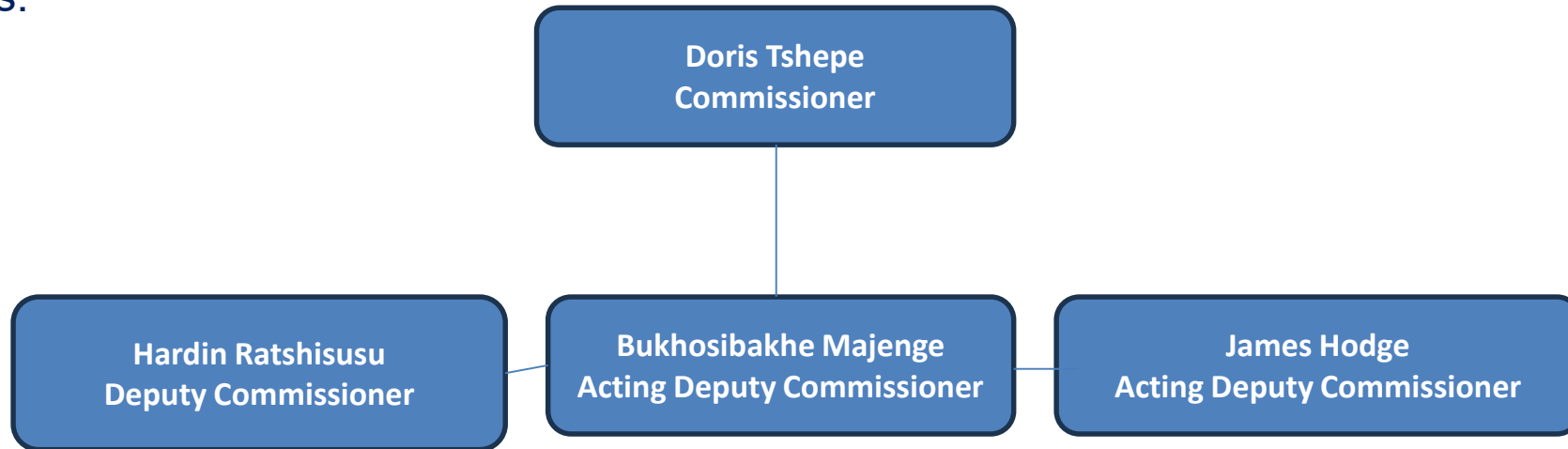
The Commission investigates complaints, assesses mergers, evaluates exemption applications, undertakes market inquiries and advocacy, in order to achieve equity and efficiency in the South African economy.

Purpose of the Competition Act is to promote and maintain competition in order to:

- Promote efficiency and development of the economy;
- Provide consumers with competitive prices and product choices;
- Ensure SMME's an equitable opportunity in the economy;
- Advance economic welfare of South Africans;
- Expand opportunities for South African participation in world markets;
- Promote greater spread of ownership, in particular HDI's.

# The Executive Team

The executive team of the Competition Commission comprises of the Commissioner Ms. Doris Tshepe, the Deputy Commissioner Mr. Hardin Ratshisusu, and Acting Deputy Commissioners Mr. Bukhosibakhe Majenge and Mr. James Hodge. The macro structure of the Competition Commission can be depicted as follows:



# COMPETITION TRIBUNAL



*"A vibrant, competitive and inclusive economy"*

# THE COMPETITION TRIBUNAL

- ❖ It adjudicates on competition matters (mergers and prohibited practices).
- ❖ It functions like a court of first instance in balancing the interests of various stakeholders (government, business, workers and consumers) before it.
- ❖ It exercises its functions in accordance with the Act and the Constitution without fear, favour or prejudice.

# THE COMPETITION TRIBUNAL

❖ **The Tribunal can, among others:**

- a) prohibit or approve (with or without conditions) large mergers after consideration of the Commission's recommendation;
- b) prohibit or approve (with or without conditions) intermediate mergers decided by the Commission and brought to it for consideration;
- c) adjudicate matters in relation to any conduct prohibited in terms of chapters 2 or 3 of the Act;
- d) determine appeals arising from market inquiries;
- e) consider consent agreements; and
- f) grant an order for costs in terms of section 57 of the Act.
- g) Once the Tribunal arrives at a decision, it is required to publish its reasons.

# LEGISLATIVE MANDATE

- ❖ The Tribunal derives its legislative mandate from the Competition Act and its purpose is to promote and maintain competition in the Republic in order to:
  - a) promote the efficiency, adaptability and development of the economy;
  - b) provide consumers with competitive prices and product choices;
  - c) promote employment and advance the social and economic welfare of South Africans;
  - d) expand opportunities for South African participation in world markets and recognise the role of foreign competition in the Republic;
  - e) ensure that small and medium-sized enterprises have an equitable opportunity to participate in the economy;
  - f) promote a greater spread of ownership, in particular to increase the ownership stakes of historically disadvantaged persons; and
  - g) detect and address conditions in the market for any particular goods or services, or any behaviour within such a market, that tends to impede, restrict or distort competition in connection with the supply or acquisition of those goods or services within the Republic.

# The End

