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**GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS**

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**ECONOMIC DEVELOPMENT DEPARTMENT****NO. 1239****12 OCTOBER 2016****COMPETITION COMMISSION****NOTICE IN TERMS OF SECTION 10(7) OF THE COMPETITION ACT 89 OF 1998 (AS AMENDED): SOUTH AFRICAN PETROLEUM INDUSTRY ASSOCIATION GRANTED CONDITIONAL EXEMPTION**

On 22 December 2015, the South African Petroleum Industry Association (“SAPIA”) 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 from 1 January 2016 ending on 31 December 2020.

The exemption granted by the Commission covers a wide range of agreements and practices which, according to SAPIA, are required to ensure the continuity and stability of liquid fuels supply to various sectors and geographic locations of the South African economy. In particular, the exemption covers agreements and practices in the petroleum and refinery industry which are considered by the Commission to be in contravention of Sections 4(1)(a) and (b) of the Act.

The Commission has previously, in response to the above mentioned application, granted SAPIA a conditional exemption in terms of Section 10(2)(a) of the Act for a period of 6 (six) months starting from 1 January 2016 and ending on 30 June 2016, which was extended to 30 September 2016. SAPIA based its application on the premise that the aforesaid agreements and practices are required to obtain the objective set out under Section 10(3)(b)(iv) of the Act. This is after the Minister of Economic Development Department designated the petroleum and refinery industry for a period of 6 (six) months starting on 1 January ending on 30 June 2016 and a further industry designation for a period of 3 (three) months which ended on 30 September 2016.

Following, the expiry of the exemption and the industry designation, the Minister of Economic Development Department has designated the industry for another period of 3 (three) months ending 31 December 2016.

Notice is hereby given in terms of Section 10(7) of the Act, that the Commission has granted SAPIA a 3 (three) months exemption ending 31 December 2016 on the same terms and conditions as the previous exemption which was granted to SAPIA in February 2016.

After the analysis of the facts, the Commission is satisfied that SAPIA's exemption will contribute towards maintaining the economic stability of the petroleum and refinery industry for the period starting on 1 October 2016 and ending on 31 December 2016.

SAPIA 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.

Further queries should be directed to either:

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Competition Commission of SA  
Enforcement and Exemptions Division,  
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**In correspondence kindly refer to the following case number: 2015Dec0741**