

DEPARTMENT OF ECONOMIC DEVELOPMENT

NO. 131

23 FEBRUARY 2018

COMPETITION COMMISSION

NOTICE IN TERMS OF SECTION 10(7) OF THE COMPETITION ACT NO. 89 OF 1998 (AS AMENDED) - THE COMPETITION COMMISSION OF SOUTH AFRICA - NOTICE OF GRANTED CONDITIONAL EXEMPTION

1. On 8 August 2017 the National Health Network ("**NHN**") filed an exemption application ("**Application**") with the Competition Commission ("**Commission**") in terms of section 10(3)(b)(ii) of the Competition Act No. 89 of 1998, as amended ("**Act**") for the extension of its current exemption from certain provisions of Chapter 2 of the Act. The conduct for which the extension of the exemption was sought relates to collective bargaining between the shareholders of the NHN and individual medical schemes and administrations, as well as agreements that result from the collective bargaining.
2. Exemption for the abovementioned conduct has been granted by the Commission on three previous occasions with the most recent application expiring on 31 December 2017 ("**Current Conditional Exemption**").
3. In addition to the extension of its Current Conditional Exemption, the NHN sought a further exemption to engage on behalf of its members in global fee negotiations with medical schemes, administrators, the state and healthcare providers (professional associations) and to undertake collective or centralised procurement.¹
4. The Commission is in the process of finalising its investigation in relation to the aforementioned Application. As such, it was not in a position to make a finding in terms of section 10(2) of the Act before the expiry of the Current Conditional Exemption on 31 December 2017.

¹ Competition Commission case number 2017AUG0020.

5. Notice is hereby given in terms of Section 10(7) of the Act, that the Commission has extended NHN's Current Conditional Exemption for a period of 4 (four) months starting from 1 January 2018 up to and including 30 April 2018. The conditions are similar to the conditions given by the Commission in granting NHN the exemption under Government Notice 867 of 10 October 2014 and published in Government Gazette Notice No. 38059.
6. The NHN or any other person with substantial financial or other 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.
7. Further queries should be directed to:

Mr Derrick Bowles

Competition Commission of SA
Enforcement and Exemptions Division,
Private Bag X23,
Lynnwood Ridge, 0040
Tel: 012 762 6917
Email: DerrickB2@compcom.co.za

8. Kindly make use of the following case number when sending correspondences in relation to this notice: Case No: **2017AUG0020**.