



MEDIA STATEMENT

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Competition Commission initiates complaints in piped gas and petroleum products

Pursuant to receiving leniency applications from Sasol Gas related to cartel conduct in the supply and pricing of piped gas, the Competition Commission has initiated an investigation, citing respondents including Egoli Gas (Pty) Ltd, Spring Lights Gas (Pty) Ltd, and Coal Energy and Power Resources Ltd. The conduct being investigated involves market allocation and/or price fixing agreements.

The Commission has also initiated an investigation into anti-competitive conduct in relation to a range of products in the petroleum value chain, citing the past and present members of the South African Petroleum Industry Association (SAPIA) and the Southern African Bitumen and Tar Association (SABITA). The Commission has received leniency applications from Sasol Oil related to the conduct being investigated.

Sasol seeks to engage with Competition Commission on possible contraventions by Sasol Nitro division of Sasol Chemical Industries

Following a complaint lodged by Nutriflo cc, the Competition Commission initiated an investigation in 2003 and uncovered evidence of anti-competitive conduct including of a collusive nature on the part of Sasol Nitro, a division of Sasol Chemical Industries Ltd, Yara (South Africa) (Pty) Ltd (formerly Kynoch) and Omnia Fertiliser Ltd, contravening section 4 of the Competition Act. The Commission subsequently referred these allegations to the Tribunal for determination in 2006. The Tribunal has still to hear the case.

During 2007, the Competition Commission initiated a further complaint related to anti-competitive conduct on the part of Foskor (Pty) Ltd and Sasol's Sasol Nitro division alleging that the two respondents had *inter alia* colluded to divide the phosphoric acid market between themselves, in violation of section 4 of the Competition Act. The initiation by the Commission followed a leniency application, and the investigation is still underway.

The products involved in these cases relate to forms of ammonium nitrate, other nitrogenous fertilizer products, and phosphoric acid, which is used in the production of fertilizer and other products. The Commission can now reveal that Sasol has recently approached the Commission with a view to reaching settlement on these matters.

Resolving cases of alleged collusion

The Commission welcomes the approaches received recently in the form of both applications for leniency and possible settlement, where leniency would not apply. Through cooperation by companies in these ways the Commission is able to resolve cases more rapidly and effectively, to put an end to collusion and ensure more competitive prices.

ENDS

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