



**Media Statement  
For Immediate Release  
18 October 2018**

## **LIQUEFIED PETROLEUM GAS COMPANIES TO BE PROSECUTED FOR PRICE FIXING**

The Commission has referred to the Competition Tribunal for prosecution five Liquefied Petroleum Gas (LPG) companies for cartel conduct.

Totalgaz Southern Africa (Pty) Ltd (Totalgaz), Oryx Oil South Africa (Pty) Ltd (Oryx), KayaGas (Pty) Ltd (KayaGas), Easigas (Pty) Ltd (Easigas) and African Oxygen Limited (Afrox) have been charged for fixing gas cylinder prices.

The Commission's investigation, which was initiated on 27 August 2015, found that from 2015 to date Totalgaz, Oryx, KayaGas, Easigas, and Afrox agreed on the amount to be paid as a deposit fee for the LPG cylinder by first time buyers of LPG. This conduct amounts to price fixing, which contravenes section 4(1)(b)(i) of the Competition Act 89 of 1998, as amended (the Act).

The Commission has asked the Tribunal to impose an administrative penalty of 10% of the annual turnover of each of Totalgaz, Oryx, KayaGas and Easigas. No administrative penalty is sought against Afrox.

### **BACKGROUND**

On 27 August 2015, Competition Commissioner, Tembinkosi Bonakele, initiated an investigation against the LPG companies for allegedly entering into an agreement and/or engaging in a concerted practice to fix the price paid as a deposit fee for LPG cylinders by first time buyers of LPG in contravention of section 4(1)(b)(i) of the Act.

On 14 October 2015, the Commission conducted a search and seizure operation at the premises of these companies and seized hard copy documents and electronic data.

**[ENDS]**

**Issued by:**  
Sipho Ngwema, Head of Communications  
On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 081 253 8889

Email: [SiphoN@compcom.co.za](mailto:SiphoN@compcom.co.za)

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