



competition commission
south africa

Weekly Media Statement

For Immediate Release

28 May 2020

LATEST DECISIONS BY THE COMPETITION COMMISSION

1.1 CEVA Logistics AG (CEVA)/ AMI Worldwide Limited (AMI)

The Commission has conditionally approved the proposed merger whereby CEVA intends to acquire AMI.

CEVA is a wholly owned subsidiary of CMA CGM S.A (CMA CGM). CMA CGM is a French container transportation and shipping company headquartered in Marseille. Its business activities include container liner shipping and port terminal services. CEVA is a Switzerland-based company involved in freight forwarding services, including air and ocean freight, ground transportation, customs brokerage and other value-added services; as well as contract logistics, including warehousing services, inbound logistics and manufacturing support. In South Africa, CEVA's operations are conducted through its wholly owned subsidiary CEVA Logistics South Africa Proprietary Limited (CEVA SA).

The subsidiaries within AMI are international freight forwarding and logistics businesses operating in Africa, Middle East and China. In South Africa, AMI operates through Manica Holdings Limited and Manica South Africa Proprietary Limited (together Manica SA). Manica SA provides a complete portfolio of freight forwarding and warehousing services across South Africa. These include: in-land transportation using its own truck fleet with a management or tracking system as well as third party trucks; air freight and rail services; over or cross border shipment; intermodal

solutions; commodities expertise and logistics; handling of warehousing (bonded and unbonded) and distribution; and door to door delivery.

There has also been history of cartel conduct in both the upstream and downstream markets impacted by the merger. However, it is the Commission's view that the proposed merger is unlikely to facilitate or enhance collusion in either of the markets.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets.

To address the potential concerns on retrenchments that may occur post-merger, the Commission will impose a condition capping the number of job losses at 10 employees and restricting it to management level and skilled employees (employees with qualification higher than matric/ Grade 12) for a period of at least 2 years.

1.2 AfroCentric Health (RF) (Pty) Ltd (AfroCentric Health)/ Dental Information Systems (Pty) Ltd (DENIS)

The Commission has recommended that the Competition Tribunal approve the proposed transaction whereby AfroCentric Health intends to acquire DENIS from EOH Abantu (Pty) Ltd (EOH Abantu) without conditions.

The AfroCentric Group is an investment holding company invested in the healthcare sector. Of relevance to the proposed transaction are the activities of the AfroCentric Group as health administrator and managed health care organisation.

DENIS is a registered managed care organisation specialising in managing dental benefits. DENIS offers a set of dental benefits, managed by a rules-based management system, which enables dental costs to be effectively managed to the benefit of patients, the medical schemes and dentists alike.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

[ENDS]

Issued by:

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