



competition **commission**
south africa

Media Alert
For Immediate Release
31 August 2020

EXTENSION TO THE CALL FOR SUBMISSIONS ON THE FORESTRY SECTOR IMPACT ASSESSMENT

31 AUGUST 2020

Following the receipt of requests to extend the submission period, the Commission gives notice that stakeholders are given until **Wednesday, 16 September 2020** to make submissions on the preliminary findings of the impact study and the proposals made to remedy the concerns identified. Members of the public are requested to please provide all submissions to **Mr Yongama Njisane** on yongaman@compcom.co.za. The impact assessment is available on the Commission's website at www.compcom.co.za.

[ENDS]

Issued by:

Siyabulela Makunga, Head of Communication/Spokesperson

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 072 768 0238 / 067 421 9883

Email: SiyabulelaM@compcom.co.za

Find us on the following social media platforms:

Twitter: @CompComSA

Instagram: Competition Commission SA

Facebook, LinkedIn and YouTube: The Competition Commission South Africa

BACKGROUND

Section 21A of the Competition Act, No. 89 of 1998 (as amended) (“the Act”) provides for the Competition Commission (“Commission”) to conduct an impact study of any decision, ruling or judgement of the Commission, the Competition Tribunal (“Tribunal”) or the Competition Appeal Court (“CAC”).

In line with this, the Commission conducted an impact assessment of its cumulative decisions in the forestry sector. Specifically, the study assessed the impact of vertical integration on security of supply and the ability for non-vertically integrated players and smaller vertically integrated players’ ability to access logs. The study emanates from the concerns raised in several merger transactions and complaints investigated by the Commission since its inception which typically related to continuity of supply of timber from large vertically integrated firms. In addition, several complaints referred to the Commission also highlighted the challenges faced by small vertically integrated and non-integrated downstream players in accessing the supply of timber products for their downstream operations.