



**competition commission**  
*south africa*

**Media Statement**

**For Immediate Release**

**19 May 2022**

**COMMISSION WELCOMES THE SETTLEMENT REACHED BETWEEN THREE CONSTRUCTION COMPANIES AND THE CITY OF CAPE TOWN ON COLLUSION AND BID-RIGGING**

The Competition Commission South Africa (Commission) welcomes the multi-million-rand settlement agreement reached between three major construction companies and the City of Cape Town in the civil case against them for alleged collusion in the construction of the 2010 World Cup Green Point Stadium.

The JSE-listed construction companies Stefanutti Stocks, WBHO, and Aveng on Wednesday announced that they had agreed to settle the civil damages claim that was lodged following claims of collusion and bid-rigging on the construction of the Green Point Stadium, now called the Cape Town Stadium, ahead of the 2010 FIFA World Cup.

In June 2013, the Commission announced that 15 construction companies agreed to pay fines that collectively totalled R1.46bn for collusive tendering. The settlements were reached in terms of the construction fast-track settlement process which started in February 2011. The Commission had found that the companies colluded to create the illusion of competition by submitting bogus tenders or cover pricing, to allow an alleged conspirator to win a tender.

The Competition Tribunal confirmed the settlement agreements in July 2013.

The settlement includes an annual payment of R10,5 million each by Stefanutti Stocks, WBHO, and Aveng over the next three years and a commitment to Corporate Social Investment projects in the Cape Town district by WBHO and Stefanutti.

“This is a ground-breaking and precedent setting victory for taxpayers and competition regulators alike. It affirms our long-held position that there is always a recourse for third parties to recoup unduly generated income and profits, through civil litigation, outside of competition regulation avenues. We have no doubt that this precedent will be emulated in various other sectors for the full realization of social and economic justice. The construction bid-rigging cartel was one of the most extensive ever uncovered by the

Competition Commission, affecting most major public works projects from all spheres of government as well as major private sector projects,” says Competition Commissioner Tembinkosi Bonakele.

**[ENDS]**

**Issued by:**

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