



competition commission
south africa

Media Release

For Immediate Release

09 March 2023

**ADDRESSING THE STATE OF DISASTER ON ENERGY: CALL FOR PUBLIC COMMENTS ON
DRAFT BLOCK EXEMPTION REGULATIONS FOR ENERGY SUPPLIERS AND USERS**

Following the declaration of a National State of Disaster to address the energy crisis, the Minister of Trade, Industry and Competition Ebrahim Patel yesterday published draft exemptions from certain parts of competition laws, to enable companies to collaborate on energy matters.

Minister Patel has, in terms of section 10(10) of the Competition Act, gazetted a notice calling for the public to comment on the draft Block Exemptions for energy suppliers and users.

The purpose of the two draft Block Exemptions is to exempt a category of agreements and practices among energy suppliers and users from the application of sections 4 and 5 of the Act. The sections of the Act prohibit restrictive horizontal and vertical practices and agreements. The specific categories of agreements and practices are detailed in the gazetted notice.

The Block Exemptions allow for greater coordination between and among energy suppliers and users respectively in response to the electricity supply constraint during the National State of Disaster.

The first draft Block Exemption for energy suppliers is aimed at increasing and optimising the supply of energy in the market as well as reducing the cost of energy supply.

The second draft Block Exemption for energy users is geared at enabling collaboration to secure backup or alternative energy supply, reduce energy costs and promote the optimisation and efficient use of energy supply.

“The proposed exemptions are intended to provide greater flexibility for collaboration between competitors where this can assist with addressing South Africa’s energy challenges. Members of the public have an opportunity to comment before a final decision is made. The terms of the proposed exemptions can be found on the website of the Competition Commission and from the dtic,” said Minister Patel.

The public and interested stakeholders are invited to submit comments in writing within a period of 15 days from the publication of the gazetted notice to AAppolis@thedtic.gov.za or IGalodikwe@thedtic.gov.za.

The gazetted notice is available on the Commission's website at <https://www.compcom.co.za/wp-content/uploads/2023/03/48182-8-3-TradeIndComp-Comp-Comm-Comments-Energy-Block-Exemptions.pdf>

[ENDS]

Issued by:

Siyabulela Makunga, Spokesperson

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 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