



**competition commission**  
south africa

## **Media Statement**

**For Immediate Release**

**23 March 2023**

### **COMMISSION LAUNCHES FRESH PRODUCE MARKET INQUIRY**

The Competition Commission (Commission) has today, 23 March 2023, formally launched the Fresh Produce Market Inquiry (“FPMI”) in Tshwane. This launch follows the publication of the final terms of reference for the FPMI in the Government Gazette on 14 February 2023, in terms of section 43B of the Competition Act 89 of 1998 (as amended) (the “Act”).

In terms of section 43B (2) of the Act, the Commission must publish these terms of reference in the Government Gazette announcing the establishment of the market inquiry at least 20 business days before the market inquiry commences. The Commission has since determined that the FPMI will officially commence on 31 March 2023.

The purpose of the FPMI is to examine whether any features in the fresh produce value chain impede, restrict, or distort competition in the market.

“The food and agro-processing sector has been a priority for the Commission since 2008 due to its significant contribution to the economy broadly and its potential to serve as a driver of inclusive growth in the South African economy. It is for these reasons that the Commission, through the FPMI, intends to conduct an inquiry into the fresh produce value chain, in order to understand its functioning and the features, or combination of features, that may be impeding competition and participation,” said Commissioner Doris Tshepe in her opening remarks.

The market inquiry will focus on particular issues at each layer of the value chain, including the sale of fresh produce by the farmer to the customer (the retailer, processor, or export market).

The Commission has identified three themes that cover the entire fresh produce value chain. The themes are as follows:

- Efficiency of the value chain, with an emphasis on the dynamics around fresh produce market facilities.
- Market dynamics of key inputs and its impact on producers.

- Barriers to entry, expansion, and participation.

Deputy Commissioner Hardin Ratshisusu, who will be chairing the inquiry, said: “The main objective of the FPMI is to identify features, or combination of features, that inhibit or distort competition and participation in the fresh produce value chain. Where there are competition and/or public interest issues, the FPMI will provide recommendations to foster competition and ensure equitable and meaningful participation in the value chain for the benefit of all stakeholders as well as consumers in the economy.”

For the purposes of this inquiry, the FPMI will focus on selected fruits and vegetables that are representative of the fresh produce value chain. The identified fruits and vegetables account for at least 70% of the production and sale of these products throughout South Africa. They are:

- Five fruits - apples, citrus, bananas, pears, and table grapes.
- Six vegetables – potatoes, onions, carrots, cabbage, tomatoes, and spinach.

Among key stakeholders in attendance were representatives from Agri SA and CGA Grower Development Company.

The Commission has also, today, published the following important documents for the FPMI: Statement of Issues (SOI), guidelines for participation, and the administrative timetable.

Members of the public and stakeholders interested in participating in the FPMI are encouraged to visit the Commission’s website at <https://www.compcom.co.za/fresh-produce-market-inquiry/> to access the abovementioned documents.

**[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](mailto: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