



Media Statement

For Immediate Release

29 October 2024

**COMMISSION WELCOMES TRIBUNAL DECISION TO PROHIBIT THE PROPOSED MERGER
BETWEEN VODACOM AND MAZIV**

The Competition Commission (Commission) welcomes the decision by the Competition Tribunal (“Tribunal”) to prohibit the proposed merger between Vodacom (Pty) Ltd (“Vodacom”) and Business Venture Investments no 2213 Proprietary Limited (“Newco”/ “Maziv”). The proposed merger would have resulted in the country’s largest mobile operator, Vodacom, acquiring a controlling interest in one of South Africa’s largest fibre infrastructure players, Maziv. Vodacom also has fibre assets which would have been transferred to Maziv.

The Tribunal’s order, handed down on Tuesday, 29 October 2024, follows the Commission’s initial recommendation on 08 August 2023 that the proposed merger be prohibited.

The Commission looks forward to the Tribunal’s reasons for its decision.

[ENDS]

Issued by:

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BACKGROUND

On 08 August 2023, the Commission recommended to the Competition Tribunal that the proposed merger between Vodacom and Maziv be prohibited. This followed findings by the Commission that the proposed merger will result in a substantial lessening of competition, particularly in the market for 5G Fixed Wireless Access (FWA) and fibre. Both Maziv and Vodacom had significant pre-merger plans to expand coverage, particularly in underserved low-income areas. The Commission found that the proposed merger will likely prevent or lessen this competitive rivalry and deprive low-income consumers of the benefits that fixed competition exerts on mobile products such as lower prices.

In addition, the Commission found that the merger creates the ability and incentive to partially foreclose or otherwise disadvantage rival MNOs, other internet service providers and fibre operators. The merger amplified the merged entity's incentive to preference their own retail businesses over those of competitors.

The Commission found that the remedies put forward by the merger parties did not adequately address the anti-competitive effects of the merger. There were no significant benefits arising from the proposed merger that were not already independently planned prior to the merger or were not already in place.