

# Petroleum Industry gets exemption from Competition Commission

Participants in the South African Petroleum Industry Association (SAPIA) may enter into the collaborative exchange of information necessary to ensure the stability of supply, as well as efficient use of the supply chain facilities, following the granting of such an exemption by the Competition Commission of South Africa, following its application in April 2010.

This is despite an ongoing investigation by the Competition Commission into the alleged anti-competitive conduct in relation to a range of products in the petroleum value chain.

The application, which asks for exemption until December 2015, was granted on a short-term basis by the commission in 2010 and covers a wide range of agreements and practices in the petroleum and refinery industry.

As set out in the short-term exemption, granted during 2010 to accommodate the 2010 FIFA World Cup, the exemption does not extend to the wholesale, commercial and retail trade of liquid fuels supply but rather to the arrangements to ensure logistics and bulk supply.

"The exemption will go a long way in ensuring the continuity and stability of liquid fuel supply to the various sectors and geographical locations of the South African economy," says Avhaphani Tshifularo executive director of SAPIA.

"We are pleased that the exemption has been granted as it has been almost 18 months since the exemption application was submitted and, as the process is long, frustrating and expensive, we would not like to start the process over again.

"We look forward to the implementation of the exemption as it will enable the petroleum and refinery industry to ensure consistent delivery of much-needed liquid fuels to the South African industries," concludes Tshifularo.