Namibian Competition Commission

ANNUAL REPORT 2023/24

PROMOTING AND SAFEGUARDING COMPETITION FOR INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH

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ACRONYMS:

ABFP	Annual Business and Financial Plan
AEO	Authorised Economic Operator
AfCFTA	African Continental Free Trade Area
CCSA	Competition Commission of South Africa
CEO	Chief Executive Officer
CLP	Corporate Leniency Programme
DTT	Digital Terrestrial Television Network
EEC	Enforcement, Exemptions and Cartels
EME	Erongo Marine Enterprises (Pty) Ltd
ESLA	Exclusive Service Level Agreement
F&A	Finance and Administration
FNB	First National Bank of Namibia
GIPF	Government Institutions Pension Fund
HKIA	Hosea Kutako International Airport
ICN	International Competition Network
ICT	Information and Communication Technology
M&A	Mergers and Acquisitions
MSMEs	Micro, Small and Medium Enterprises
MEFT	Ministry of Environment, Forestry and Tourism
NAC	Namibia Airports Company
NaCC	Namibian Competition Commission
Nammed	Nammed Medical Aid Fund

NAMRA	Namibian Revenue Agency
Namport	Namibia Ports Authority
NAPHA	Namibia Professional Hunting Association
NBC	Namibian Broadcasting Corporation
NBL	Namibia Breweries Limited
NCP	National Competition Policy
NDP	National Development Plan
NIP	Namibia Institute of Pathology Limited
NMRC	Namibia Medicines Regulatory Council
NPI	Namibia Poultry Industries (Pty) Ltd
OEM	Original Equipment Manufacturer
Pathcare	Pathcare Namibia
Redforce	Redforce Debt Management
RHMAF	Renaissance Health Medica Aid Fund
SADC	Southern African Development Community
SAN	Security Association of Namibia
WCO	World Customs Organisation
WIAS	Windhoek Industrial and Agriculture Show
WKH	Weder, Kauta & Hoveka Inc
WSS	Windhoek Show Society
VAT	Value Added Tax

Legislation:
Competition Act No.2 of 2003
Prevention of Organised Crime Act No.29 of 2004
Property Valuers Act No.7 of 2012

CORPORATE CHARTER

1 2 3

VISION

Fair market competition for inclusive growth and development.

MISSION

To safeguard and enhance competition in the Namibian economy.

OUR VALUES

IMPARTIALITY
We shall be fair and equitable living our purpose and uphold principles of impartiality and confidentiality regardless of the circumstances.

ACCOUNTABILITY
We accept our responsibilities and are accountable for all our decisions and actions with regard to the use of the Commission's resources and execution of our duties.

CONSISTENCY
We are consistent in our approach in every instance, regardless of the circumstances and pressure that may be brought to bear. We conduct ourselves in a manner that is consistent with the position entrusted to us.

INTEGRITY
We act with honesty in everything we do and are determined to adhere to highest ethical principles at all times in executing the mandate of the Commission.

INNOVATION
We strive for continuous learning, seek for creative and innovative ways to change, solve tough problems and find better solutions in the execution of our mandate, both internally and for our clients.

OUR PROMISE

Fair competition, prosperous economy.

STRATEGIC GOALS AND OUTCOMES 2020-2025

1 **2** 3 4

STRATEGIC GOALS AND OUTCOMES 2020 - 2025

EXCELLENCE IN COMPETITION REGULATION ENFORCEMENT

To ensure effective enforcement of the Competition Act No.2 of 2003 as a contribution to creating competitive markets in line with the NDPs and Vision 2030

ENHANCED ADVOCACY AND STRATEGIC COLLABORATION

To enhance competition advocacy and strategic collaboration towards attaining competitive markets

OPERATIONAL EXCELLENCE

To develop the Commission as a high performing competition regulation agency through enhanced corporate governance, risk management and human capital management

CHAIRPERSON'S REMARKS

1 2 3 4 5

Andreas Penda Ithindi

Chairperson
Namibian Competition Commission

The Namibian Competition Commission (the Commission) was established in terms of the Competition Act No.2 of 2003 (the Act). It was officially inaugurated on 09 December 2009. In terms of the Act, the Commission is entrusted as the principal institution to promote and safeguard competition in Namibia and, therefore, promote the efficiency, adaptability and development of the Namibian economy.

The mandate of the Commission includes the following key responsibilities:

- Enforcing Competition Regulation: The Commission enforces competition regulation in Namibia in accordance with the Competition Act to ensure fair competition in the market.

- Handling Merger Applications and Investigations: The Commission deals with a significant number of merger applications and investigations to prevent anti-competitive practices and safeguard competition in the market.

- Undertaking Market Studies: As part of its mandate, the Commission conducts market studies to gain insights into market dynamics, identify areas where competition may be lacking, and take necessary actions to promote competition effectively as well as to inform policy reforms.

- Safeguarding Product Choices and Competitive Prices: The Commission aims to promote competition in the Namibian economy, safeguarding product choices and competitive prices to ensure consumer welfare.

- Stakeholder Engagement: The Commission needs to maintain stakeholder engagement to share information, foster compliance with competition law, policy and ensure continuous improvement in promoting fair competition.

- Adapting to Evolving Market Conditions: The Commission recognises the importance of staying abreast with business developments locally and internationally. Therefore, it adjusts its regulatory practices to respond to evolving market conditions, technological advancements, and economic complexity.

The Commission is a statutory body with a unique mandate that empowers it to adjudicate mergers and acquisitions within a statutory timeframe (within 150 days) and to make decisions on enforcement matters in respect of Chapter 3 of the Act. To fulfil this mandate, the Board established technical board meetings held at least once a month to consider these matters. In that respect, the Board held six (6) technical board meetings, at which 55 mergers were determined, 18 pre-investigations were initiated, and five (5) full investigations into anti-competitive restrictive business practices were concluded. Despite the significant challenges faced by the institution during the period under review, the Commission achieved 34 of its 61 set targets, resulting in an overall performance of 56%.

In line with strong corporate governance principles, the Board successfully held all four statutory board meetings to adjudicate on critical matters of the Commission. One was the regrading exercise by PriceWaterhouseCoopers consultancy to bring the Commission's human capital up to par with its peers in the market. The other was revamping the Commission's organisational structure, which has seen critical positions well-placed to improve the efficiency of its operations.

As a result of these activities, the Commission has become attractive to prospective job seekers amongst its sisters in the market.

In addition to the various mechanisms put in place to efficiently and effectively carry out its mandate, the Commission formulated a strategy designed to deepen its regulatory role by promoting and safeguarding competition for inclusive and sustainable economic growth. The strategy, running from 2020 to 2025, focused on the following three strategic pillars:

1. Excellence in Competition Regulation Enforcement
2. Advocacy and Strategic Collaboration
3. Operational Excellence

These pillars were carefully selected to ensure that the Commission's activities have maximum impact and contribute to Namibia's developmental agenda. As a stakeholder in the economic cluster, the Commission appreciates the triple challenges of inequality, unemployment, and poverty, and focuses on finding innovative and sustainable solutions through this new strategy.

While striving to combat cartel activities and ensure compliance, the Commission, similar to other competition authorities across the world, adopted several tools. One such tool is the Corporate Leniency Programme (CLP), aimed at combating cartel activities and encouraging compliance with competition law, thereby fostering a competitive environment that benefits both businesses and consumers.

The Commission has had an impact on promoting competition in the Namibian economy to safeguard a level playing field and consumer welfare. The Commission handled merger applications, investigations, and market studies while also adapting to evolving market conditions and technological advancements.

The Commission achieved these milestones with the commitment of the Government, through the Ministry of Industrialisation and Trade; the strategic guidance by the Board of Commissioners and the sheer dedication of its management and staff under the visionary leadership of the Chief Executive Officer and Secretary to the Commission.

I would like to take this opportunity to thank our previous Board Chairpersons, Commissioners, Stakeholders from the various sectors of the economy, and commission staff for their dedication and strong principles in establishing an institution of high integrity that stand firm on its values.

Andreas Penda Ithindi
Chairperson
Namibian Competition Commission

CHIEF EXECUTIVE OFFICER'S OVERVIEW

2 3 **4** 5 6

Vitalis Ndalikokule

Chief Executive Officer & Secretary to the Namibian Competition Commission

The Commission is in its fifteenth year of existence, having gone through significant developmental stages while implementing its mandate of competitive law enforcement.

During the 2023/2024 financial year, the Commission aimed to finalise its ongoing investigations and settlement negotiations. The main goal was two-fold: firstly, to ensure that contravening undertakings are held accountable for their unlawful conduct, and secondly, to ensure that potential contraveners are deterred from engaging in similar illegal conduct. The second strategic focus during the year under review was to enhance the Commission's advocacy and strategic collaboration. This included proactively engaging relevant stakeholders to educate and sensitise them about the harm anti-competitive conduct inflicts on the economy. Equally important is to invest and deploy adequate Information Technology infrastructure to ensure the Commission continues to execute its mandate effectively.

Like other government institutions, including the private sector, the Commission is still recovering from the COVID-19 pandemic. Some challenges include the high staff turnover experienced in the 2022/23 financial year and budgetary constraints, which made it even more difficult to replace key staff who left the Commission. Despite these challenges, the Commission has continued to build on its success and learn from its experiences to become an effective institution able to execute its mandate fully.

I am happy to highlight some of the Commission's achievements during the period under review. At the beginning of the financial year, the Commission had a staff complement of 24 and successfully recruited seven (7) new staff members to fill critical vacant positions.

Within the Commission, 55 mergers were determined, marking an increase of 31% compared to the 42 mergers in the 2022/23 financial year. In accordance with Chapter 3, Part I and Part II of the Act, the Commission screened 24 matters and investigated 19. Eighteen screenings were completed, with three referred for investigation. Five of the 19 matters investigated were concluded during the period under review, representing a significant milestone for the Commission in its enforcement efforts.

The Commission's performance during the period under review was facilitated by strong support from our line ministries. The Commission's performance, during the period under review, was facilitated through enhanced strategic collaboration and cooperation with the Ministry of Industrialisation and Trade and the Ministry of Finance and Public Enterprises. The Commission's budget has also improved by 60% compared to the 2022/23 financial year's budget. This has assisted the Commission in implementing significant projects to promote efficiency in executing its mandate, such as the revival of the Performance Management System (PMS) and Knowledge Management System (KMS), among others.

The Commission has worked tirelessly to finalise the Competition Bill, which is currently with the Minister of Industrialisation and Trade for input and subsequent transmission through the legislative process. It is important to note that the Commission has undertaken various awareness and advocacy initiatives to promote understanding of its mandate and ensure compliance with the Act among our stakeholders. As a strategic partner to national, regional, and international bodies, the Commission engaged in an institutional partnership with the

German competition authority to enhance capacity and share information. It has also collaborated strategically with select competition authorities in SADC through memoranda of understanding which facilitated joint investigations of cross-border mergers and cartels. The Commission participated in the ICN and SADC Cartel Working Group to build skills in cross-border cartel investigations and the AfCFTA through the Ministry of Industrialisation and Trade.

Through memoranda of agreements and understandings, the Commission has continued to strengthen its partnerships with other sector regulators across various industries, including telecommunications, electricity, banking, and government entities that hold regulatory oversight impacting competition regulation in the country.

The Commission has formulated an appropriate capacity structure to execute its work effectively and efficiently. Although it was not staffed to full capacity at the end of the reporting period, recruitments for the most critical positions were completed. The Commission's staff complement has the requisite expertise, qualifications and experience. Our vision is to become a team-oriented, efficient, performance-driven institution, relying on good corporate governance and strong leadership. Indicators which has become a measurable over the past 15 years, and still working hard to enhance these strengths over the next five years.

We extend our gratitude to the Ministry of Industrialisation and Trade, our Board Chairperson, Commissioners, all our stakeholders, the management and staff of the Commission for their support and commitment.

Vitalis Ndalikokule
Chief Executive Officer &
Secretary to the Namibian Competition Commission

GOVERNANCE, LEADERSHIP AND ORGANISATIONAL STRUCTURE

3 4 **5** 6 7

5.1 INTRODUCTION

The Commission consist of a Chairperson and not less than two nor more than four other members, all of whom are appointed by the Minister responsible for Industrialisation and Trade in terms of Section 5(1) of the Act. The Commission appoints the Secretary to the Commission, who is de facto the Chief Executive Officer of the Commission in terms of Section 13(1) of the Act. There are currently four Directors appointed to assist the CEO in the performance of the functions of the Commission.

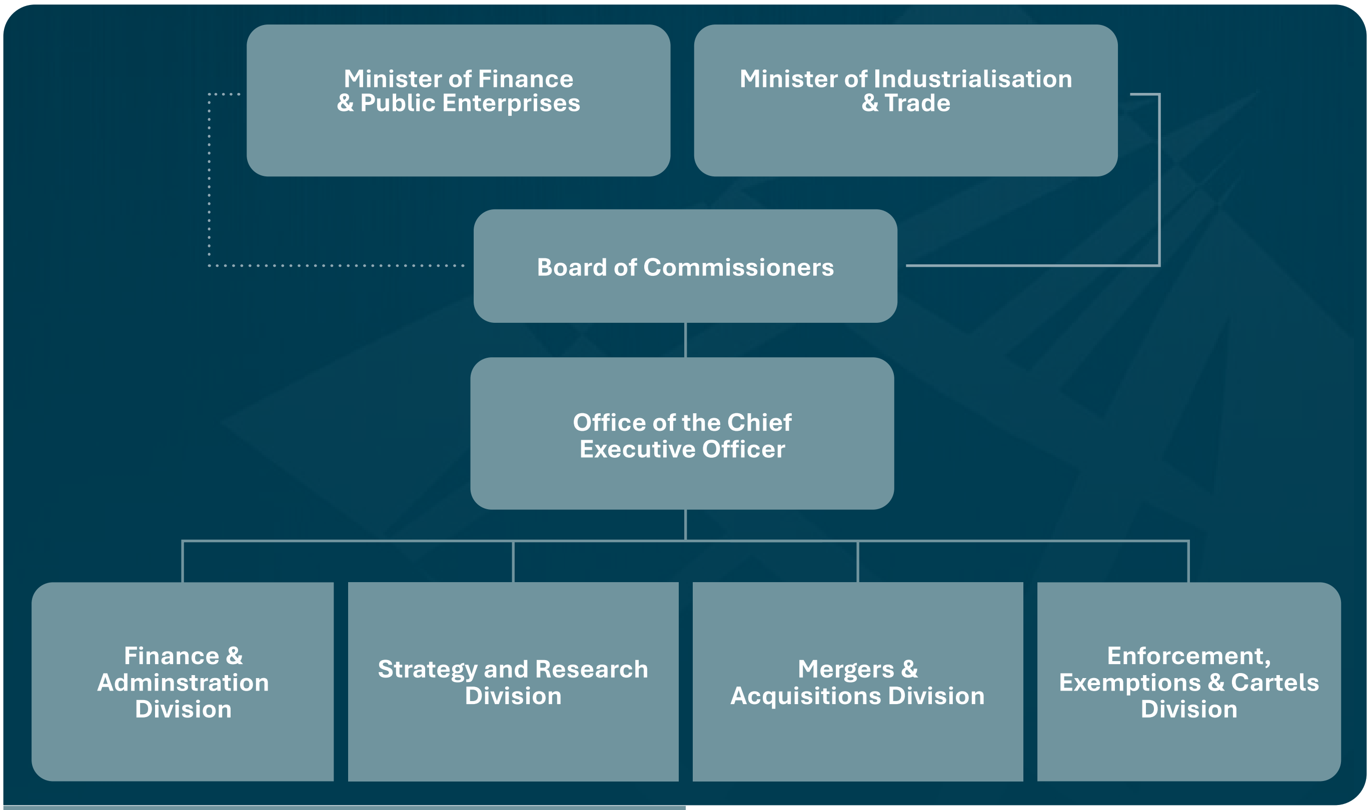

Figure 1: Organisational Structure of the Commission

BOARD *of* COMMISSIONERS

Mr. Andreas Penda Ithindi

Chairperson: Board of Commissioners

Ms. Isabella Angihinka Tjatjara

Deputy Chairperson: Board of Commissioners and Member: Finance, Audit, Risk and Human Capital Committee

Mr. Benjamin Esau Biwa

Board of Commissioners and Chairperson of Finance, Audit, Risk and Human Capital Committee

Ms. Irene Erna Simeon-Kurtz

Board of Commissioners

Mr. Siegfried Josua Neumann

Board of Commissioners and Member of Finance, Audit, Risk and Human Capital Committee

5.2 CORPORATE GOVERNANCE

5.2.1 THE BOARD OF COMMISSIONERS

Section 4 of the Act established the Commission as an independent juristic person subject only to the Namibian Constitution and the law. The same section stipulates that the Commission has jurisdiction throughout Namibia and is required to be impartial and perform its functions without fear, favour or prejudice.

The functions, powers and duties of the Commission are provided for in terms of Section 16 of the Act as follows:

a. To disseminate information to persons engaged in trade or commerce and the public with respect to the provisions of this Act and the functions of the Commission.

b. To liaise and exchange information, knowledge and expertise with authorities of other countries entrusted with functions similar to those of the Commission.

c. To carry out research into matters referred to the Commission by the Minister.

d. To advise the Minister on matters referred to the Commission by the Minister.

e. To implement measures to increase market transparency;

f. To be responsible for investigating contraventions of this Act by undertakings and for controlling mergers between undertakings.

g. Either on its own initiative or at the request of the Minister, to consult with the Minister on any matter which is of great economic or public interest.

h. To advise the Minister and any other Minister responsible for a relevant industry in relation to international agreements concerning competition matters governed by this Act.

Thus, the Commission has the statutory functions of investigating, remedying anti-competitive practices, inclusive of restrictive business practices, anti-competitive mergers, and opening up markets. It also has the functions of advocacy, education, and awareness. Other important functions and powers it is imbued with relate to cooperating, exchanging information with other competition authorities, advising the Government on matters related to public interest, sector regulation, and concerning competition matters.

Section 5 of the Act provides for the appointment of a Board of Commissioners, which comprises a chairperson and not less than two and no more than four additional members, all appointed by the Minister. Board members must possess expertise in industry, commerce, economics, law, accountancy, public administration, or consumer affairs.

The appointment by the Minister of Alternate Members of the Board is also provided for in the Act. Alternate Members attend Commission meetings in the absence of the Commissioners to whom they alternate.

In terms of Section 7 of the Act, Members of the Commission hold office for a term of three years and are eligible for reappointment for a further three-year period. Section 12(1) of the Act stipulates that, to exercise its functions, the Commission may establish “one or more committees of the Board of Commissioners to “exercise any power or perform any function of the Commission which the Commission may delegate or assign to the committee” – except the power to make rules. Section 12(2) provides that such committees may include non-commissioners with the relevant qualifications and experience.

The Commission established the Board Finance, Audit, Risk, and Human Capital Committee according to the Act during the reporting period. This Committee deals with all financial, auditing, risk-related, and human resources issues on the Commission’s behalf. The present membership comprises of Commissioners only.

Member	Designation	Tenure
Mr Andreas Penda Ithindi	➲ Board Chairperson	Term as Commissioner 1st August 2023 and his first term expires on 31st July 2026
Ms Isabella Tjatjara	➲ Deputy Chairperson ➲ Member of the Finance, Audit, Risk and Human Capital Committee	Term as Commissioner 1st May 2023 for a second term which expires on 30th April 2026
Mr Benjamin Biwa	➲ Member: Board of Commissioner ➲ Chairperson of the Finance, Audit, Risk and Human Capital Committee	Term as Commissioner 1st May 2023 and his first term expires on 30th April 2026
Ms Irene Simeon-Kurtz	➲ Member: Board of Commissioner	Term as Commissioner 1st May 2023 and her first term expires on 30th April 2026
Mr Siegfried Neumann	➲ Member: Board of Commissioner ➲ Member of the Finance, Audit, Risk and Human Capital Committee	Term as Commissioner 1st August 2023 and his first term expires on 31st July 2026

Table 1: Board of Commissioners appointments

In line with the State-owned Enterprises Governance Act, the Board must have at least one quarterly meeting and four annual meetings. During the period under review, the Commission had a total of 12 Board meetings of various kinds, as captured in Table 2 below.

Type of meeting	April 2023- 31 March 2024	Attendance
Ordinary Board Meeting	4	95%
Special Ordinary Board Meeting	1	100%
Technical Board Meeting	6	90%
Special Technical Board Meeting	1	100%
Total	12	96.25%

Table 2: Board activities during the reporting period

Name of Commissioner	Designation	Appointment Date	Number & Percentage of Meetings Attended – April 2023	
Linus Garoeb	Chairperson	1 May 2019	2/2	100%
Isabella Tjatjara	Member	1 November 2019	2/2	100%
Petronella Masabane	Member	20 February 2019	2/2	100%

Name of Commissioner	Designation	Appointment Date	Number & Percentage of Meetings Attended – May 2023 - March 2024	
Andreas Penda Ithindi	Chairperson	1 August 2023	9/10	90%
Isabella Tjatjara	Member	1 November 2019 (1stTerm) 1 May 2023 (2nd Term)	10/10	100%
Benjamin Biwa	Member	1 May 2023	9/10	90%
Siegfried Neumann	Member	1 August 2023	10/10	100%
Irene Simeon- Kurtz	Member	1 May 2023	8/10	80%

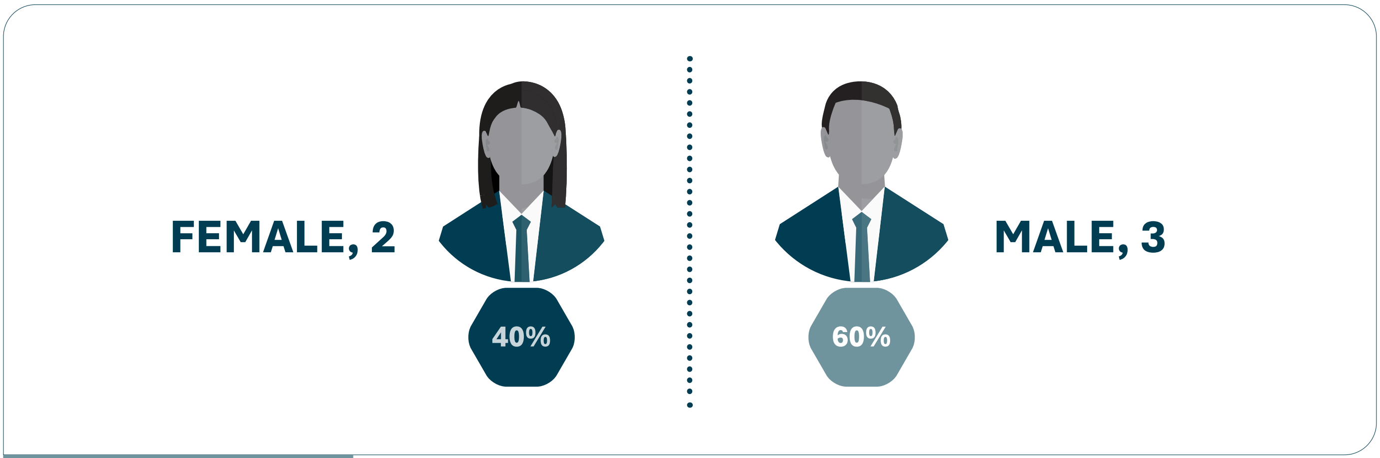

Figure 2: Board's gender

Ranges of expertise per board members.

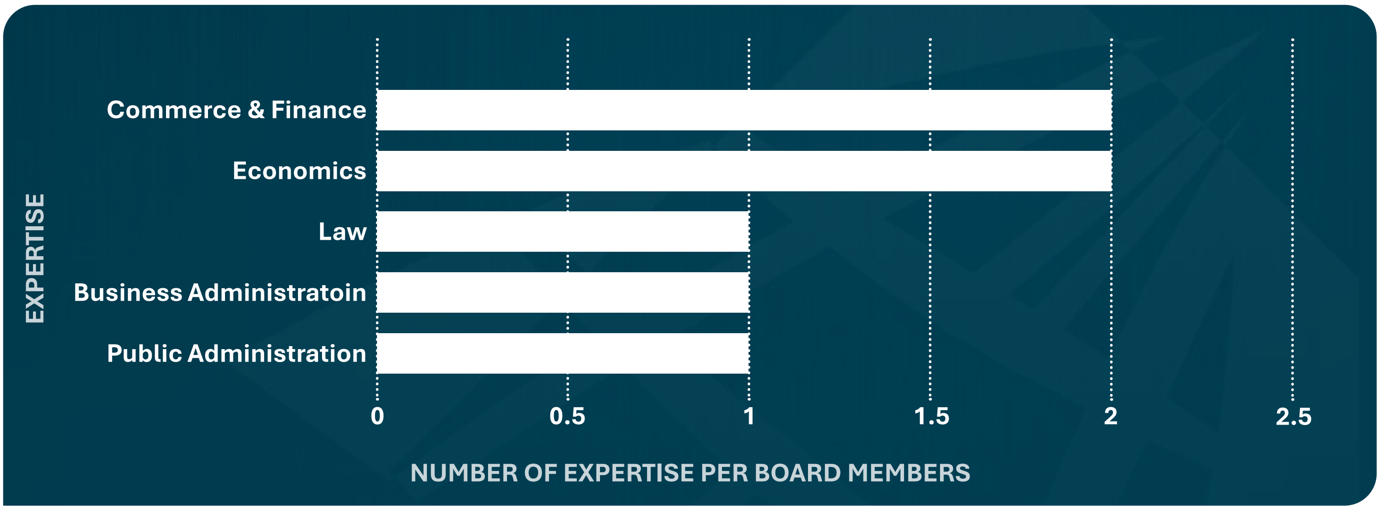

Figure 3: Board expertise

BOARD MEMBERS AREA OF EXPERTISE, SKILLS, EXPERIENCE AND QUALIFICATIONS.

CHAIRPERSON

MR. ANDREAS PENDA ITHINDI

Mr. Ithindi is the Chairperson of the Board of Commissioners. He was appointed on 1 August 2023 and his first term expires on 31 July 2026.

He holds an MSc. in Financial Economics and a B.A Degree in Mathematics and Economics. Mr. Ithindi is the Executive Director of the Ministry of Mines and Energy and serves as the Board of Trustee, Chairperson of the Government Institutions Pension Fund (GIPF).

DEPUTY CHAIRPERSON

MS. ISABELLA ANGIHINKA TJATJARA

Ms. Tjatjara is the Deputy Chairperson of the Board of Commissioners. She was appointed on 1 May 2023 for a second term, which expires on 31 April 2026.

She holds an LLB degree from the University of Namibia, a Certificate in Corporate Governance from the University of Cape Town, and a Certificate in Intellectual Property and Competition Law from the University of Stellenbosch. She is a legal consultant, social entrepreneur, and co-founder of RIVO Trading CC. Ms. Tjatjara is an Admitted Legal Practitioner of Namibia's High and Supreme Court, Founder and Practicing Lawyer at Isabella Tjatjara and Associated Incorporated, RIVO TRADING CC.

MR. BENJAMIN ESAU BIWA

Mr. Biwa is a member of the Board of Commissioners and a Chairperson of the Finance, Audit, Risk and Human Capital Committee. He was appointed on 1 May 2023 and his first term expires on 31 April 2026.

He holds a Master of Philosophy (MPhil) in Economics from the University of Essex, a Master of Science (MSc) in Financial Economics from the University of London, and a Bachelor of Economics degree from the University of Namibia. He is a General Manager at the National Youth Service Investment (Pty) Ltd."

Figure 4: Board area of expertise by skills and trade

MR. SIEGFRIED JOSUA NEUMANN

Mr. Neumann is a member of the Board of Commissioners. He was appointed on 1 August 2023 and his first term expires on 31 July 2026.

He holds a Master of Business Administration from the International University of Management, a Management Development Programme from the University of Stellenbosch, a Bachelor of Economics from the University of Namibia, a professional accreditation as a PRINCE2 practitioner, a Diploma in Cash Flow Analysis from Damelin School of Banking, a Certificate in Project Management from the University of Stellenbosch, and a Certificate in Legal Aspects of Credit Management from Ken Mills Pty Ltd. He is a Manager for Projects and Programmes at the Motor Vehicle Accident Fund.

MS. IRENE ERNA SIMEON-KURTZ

Ms. Simeon-Kurtz is a member of the Board of Commissioners. She was appointed on 1 May 2023 and her first term expires on 31 April 2026.

She holds a Master's degree in Public Administration (MPA), majoring in Public Policy and Political Governance from the University of Stellenbosch, South Africa, Master's Degree in International Business (MIB) from the Polytechnic of Namibia (now Namibia University of Science and Technology, Honours degree in Public Administration (BPubHons) from the University of Stellenbosch, a Post-Graduate Diploma in Marketing from Graduate School of Marketing (IMM) South Africa, a 3-Year Diploma in Marketing Management from Lyceum College accredited by the University of Pretoria, Senior Management Development Programme (SMDP) and Management Development Programme (MDP) from University of Stellenbosch Business School (USB), Certificate in Pension Fund Law (UNISA), Certificate in Strategic Marketing Management (Wits Business School), Certificate ALTX Board of Directors Induction Programme, Witwatersrand University Graduate School of Business Administration and various Strategic Thinking and Leadership Training courses. Ms Simeon-Kurtz is a Businesswoman and Mayor of Usakos.

5.2.2 THE ROLE OF THE MINISTER OF INDUSTRIALISATION AND TRADE IN COMPETITION REGULATION

In accordance with Section 49 of the Act, the Minister of Industrialisation and Trade reviews decisions by the Commission on mergers and acquisitions. However, in terms of Section 49(1), such reviews can only be undertaken if applied for by a party to the merger. Applications should be made within 30 days of the gazetting of the Commission's decision. After reviewing the Commission's decision, the Minister may, in terms of Section 49(3) of the Act, either:

- Overturn the decision
- Amend the decision by ordering restrictions or including conditions
- Confirm the decision

During this period, two mergers were submitted for review to the Minister of Industrialisation and Trade.

The first proposed transaction involved Afri-Track Group Holdings (Pty) Ltd acquiring Afri-Track Railway Construction (Pty) Ltd. The second proposed transaction submitted to the Minister for review concerned RWCo acquiring the entire issued share capital of SCHWENK Namibia from SCHWENK Zement International GmbH & Co. KG.

5.2.3 THE FUNCTION OF THE HIGH COURT OF NAMIBIA IN COMPETITION REGULATION REVIEW

In terms of Section 52 of the Act, the High Court of Namibia has the jurisdiction to hear and determine any matter arising from proceedings instituted in terms of such Act. Section 53 endows the High Court with the responsibility of imposing pecuniary penalties for breaching the provisions of the Act.

Executive MANAGEMENT

5.3 EXECUTIVE MANAGEMENT



Mr. Vitalis Ndalikokule
Chief Executive Officer and Secretary to the Commission

Mr. Werner Hamata CA(NAM)
Director: Finance & Administration

Mr. Johannes Ashipala
Director: Mergers & Acquisitions



Mrs. Loide Baard
Corporate Secretary & Legal Advisor

Ms. Taimi Amunkete
Acting Director: Strategy & Research

Mr. Paulus Hangula
Director: Enforcement, Exemptions & Cartels

Office of THE CEO

5.4 OFFICE OF THE CEO

The Secretariat is headed by the Secretary to the Commission, who serves in the capacity of the Chief Executive Officer (CEO) and is responsible for "(a) the formation and development of an efficient administration; and (b) the organisation, control, management and discipline of the staff of the Commission" (Section 13(2)). The CEO is also the accounting officer of the Commission, responsible for "(a) all income and expenditure of the Commission; and (b) all assets and the discharging of all liabilities of the Commission" (Section 17(4)).

The Office of the CEO is supported by a Corporate Secretary and Legal Advisor, the Governance, Risk and Compliance Officer, an Executive Assistant, and four (4) Directors who serve in the Executive Committee.

The Auditor General has given the Commission a clean bill of health in all external audits conducted to date.

Indeed, to address skills development and organisational capacity, which are essential to the Commission's success, staff must be exposed to targeted short-term training courses to enhance their knowledge of and practice in implementing the Act.

Directed by its Board, the Commission met its four Strategic Objectives with dedication and determination during the reporting period and completed its institutional development and strategic implementation phase.

The Commission for the reporting period has achieved 56%, as depicted in the table below.

Division	Target	Target met	Target not met	Performance Score
OCEO	3	3	0	100%
M & A	22	14	8	64%
EEC	9	7	2	78%
S&R	12	6	6	50%
F & A	15	3	12	20%
Total	**61**	**34**	**27**	**56%**

Table 3: Commission's performance for 2023/24

The Commission's performance was affected by human and financial resources constraints.

DIVISIONAL REPORTS

4 5 **6** 7

MERGERS AND ACQUISITIONS

6.1 MERGERS AND ACQUISITIONS

The Mergers and Acquisitions Division (M&A) administers Chapter 4 of the Competition Act No.2 of 2003 (the Act). In addition to administering the provisions of Chapter 4, the Division also provides advisory opinions, monitors compliance with conditions imposed on mergers and investigates contraventions of Chapter 4 of the Act.

This report covers all activities undertaken during the 2023/2024 financial year while reflecting on what transpired in the last financial year, 2022/2023. The report analyses mergers determined, compliance for conditioned mergers, advisory opinions received and issued, and contraventions of Chapter 4. The analysis of determined mergers is necessitated by the fact that information on mergers still under investigation may change before the cases are finalised and hence may, at times, change the report's outcome.

6.1.1 M&A PERFORMANCE AGAINST TARGETS

The Division had 22 targets and met 14 of its targets, achieving a performance score of 64%.

Division	Target	Target met	Target not met	Performance Score
M&A	22	14	8	64%

Table 4: M&A performance for 2023/24

The Division did not achieve most of its targets due to budgetary constraints and staff shortages.

6.1.2 MERGER ACTIVITIES

During the financial year 2023/2024, The Commission received 59 merger notifications, representing a 31% increase in the number of mergers notified compared to 45 merger notifications received during the 2022/2023 financial year.

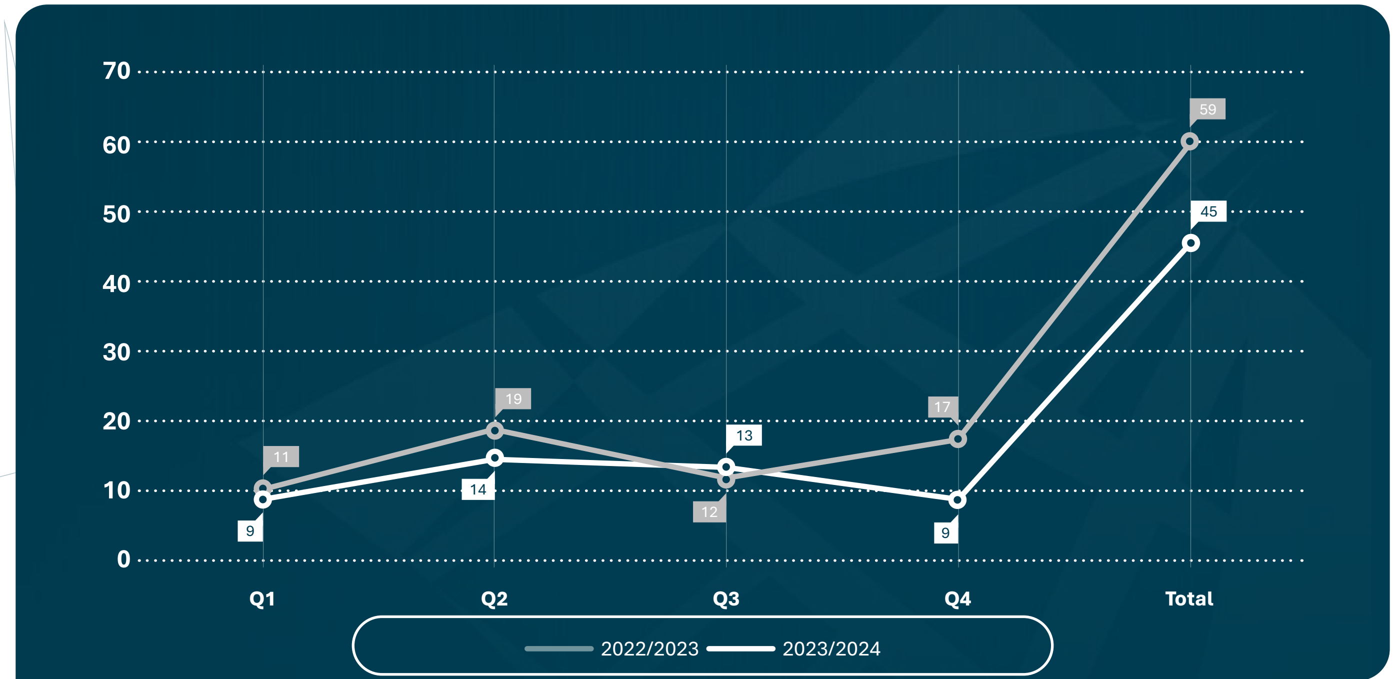

Figure 5: Total number of mergers notified.

In terms of adjudicated mergers, during the period under review, the Commission investigated and determined 55 mergers, which represent a 22% increase when compared to 42 mergers recorded in the previous financial year. This is illustrated graphically in Figure 6 below:

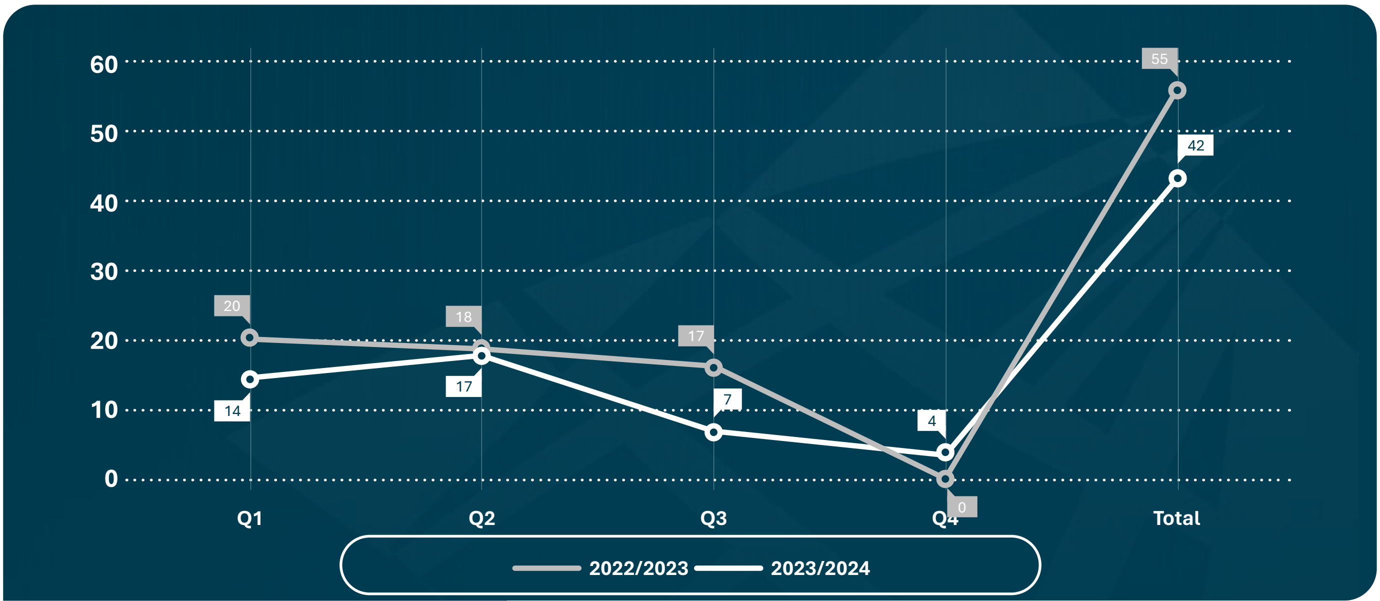

Figure 6: Mergers determined per year.

During the period under review, most mergers were determined during the first quarter, recording 20 cases. Compared to the 2022/2023 financial year, the number of mergers determined during Quarter 1 increased by 43%, increasing from 14 to 20. Those determined during quarter 2 increased by 6% from 17 to 18, those determined during quarter 3 increased by 143% from 7 to 17, while those determined during quarter 4, it decreased by 100% from 4 to 0.

The majority of mergers determined were classified as Phase 1 mergers. Compared to the 2022/2023 financial year, the number of phase 1 mergers increased by 40%, from 35 to 49; phase 2 mergers decreased by 43% from 7 to 4 and phase 3 mergers increased with 200% from 0 to 2 mergers. Phase 1 mergers accounted for 89% of the total mergers determined, phase 2 for 7%, and phase 3 for 4%. The aforesaid is graphically represented in Figure 7 below:

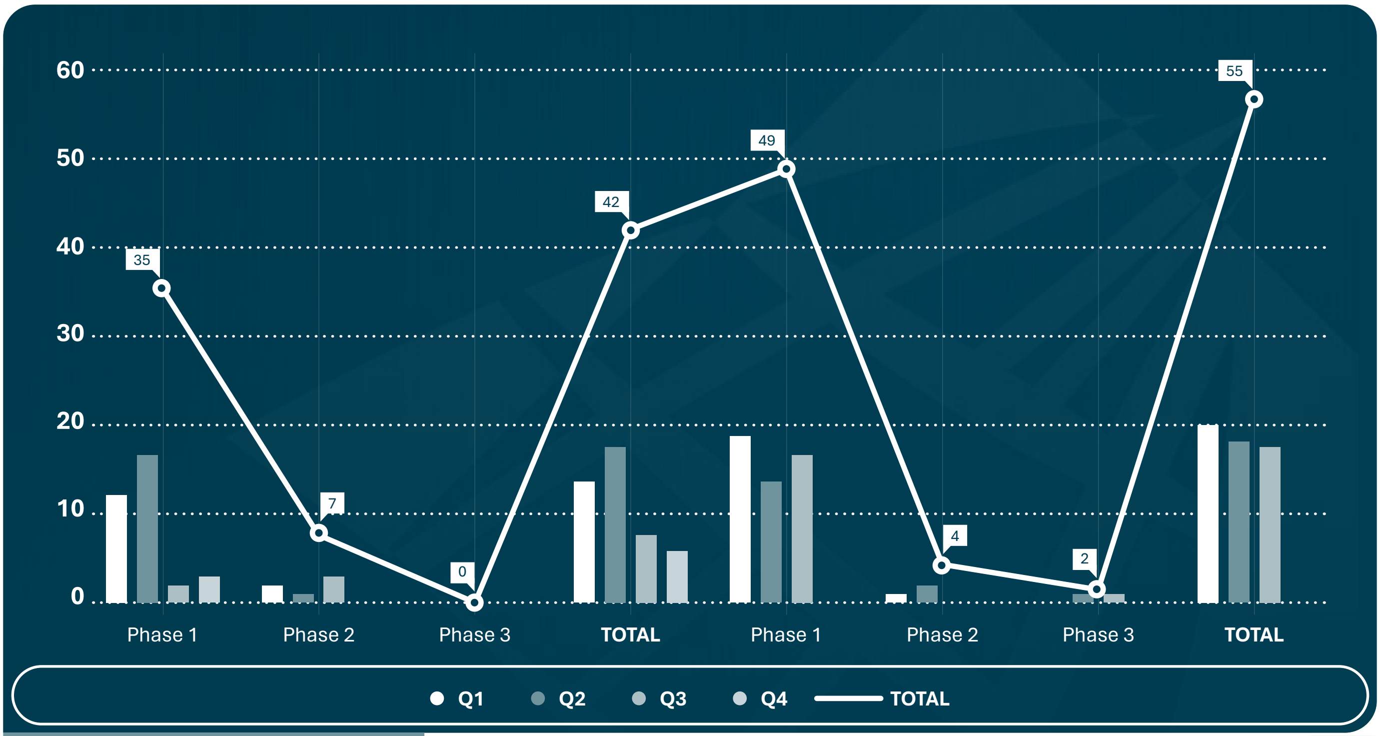

Figure 7: Merger Classification

6.1.2.1 OWNERSHIP

In trying to understand the geographical dynamics of undertakings involved in merger activities, the Commission looks at the ownership of such undertakings. In terms of target undertakings, of the 55 mergers determined during the period under review, the majority of acquired (target) undertakings were Namibian domiciled at 31, representing 56%, followed by South-African owned undertakings at 10 accounting for 18%, while those domiciled in Germany and Spain were two accounting for 4% and the rest of the target undertakings accounting for 2% are from other international jurisdictions.

Compared to the previous financial year, 2022/2023, the number of target undertakings owned by Namibians increased by 55%, from 20 to 31 cases. During the first quarter, the target undertakings owned by Namibians during the period under review increased by 57%, up from 7 to 11 recorded in 2022/2023. The second quarter recorded an increase of 9%, from 11 to 12 cases, while the third quarter saw an increase of 700%, rising from 1 to 8. The fourth quarter recorded a decrease of 100% from 1 to 0 case during the period under review.

The aforementioned is depicted in the below figures.

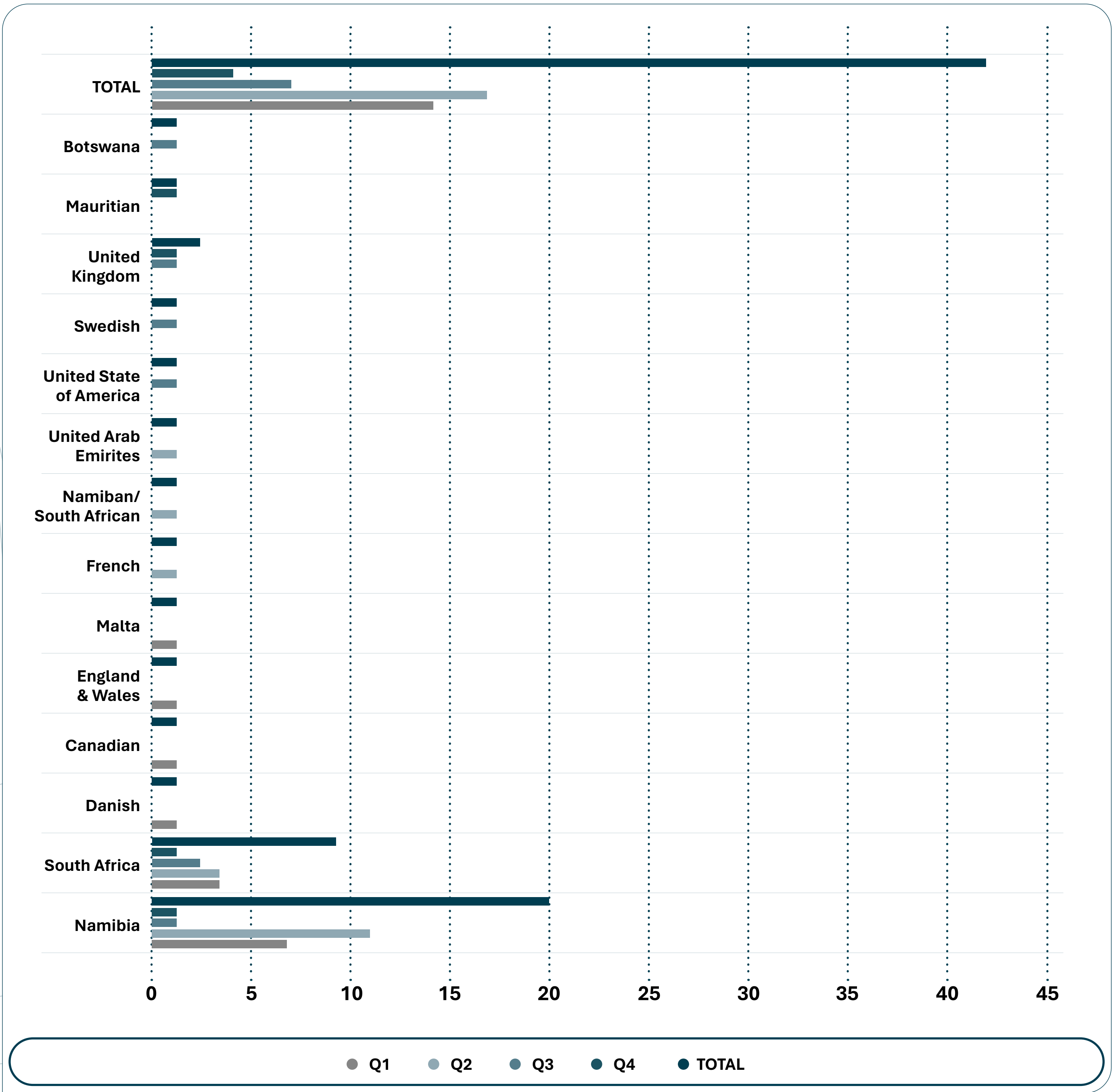

Figure 8: Ultimate ownership of target undertakings-2022/2023

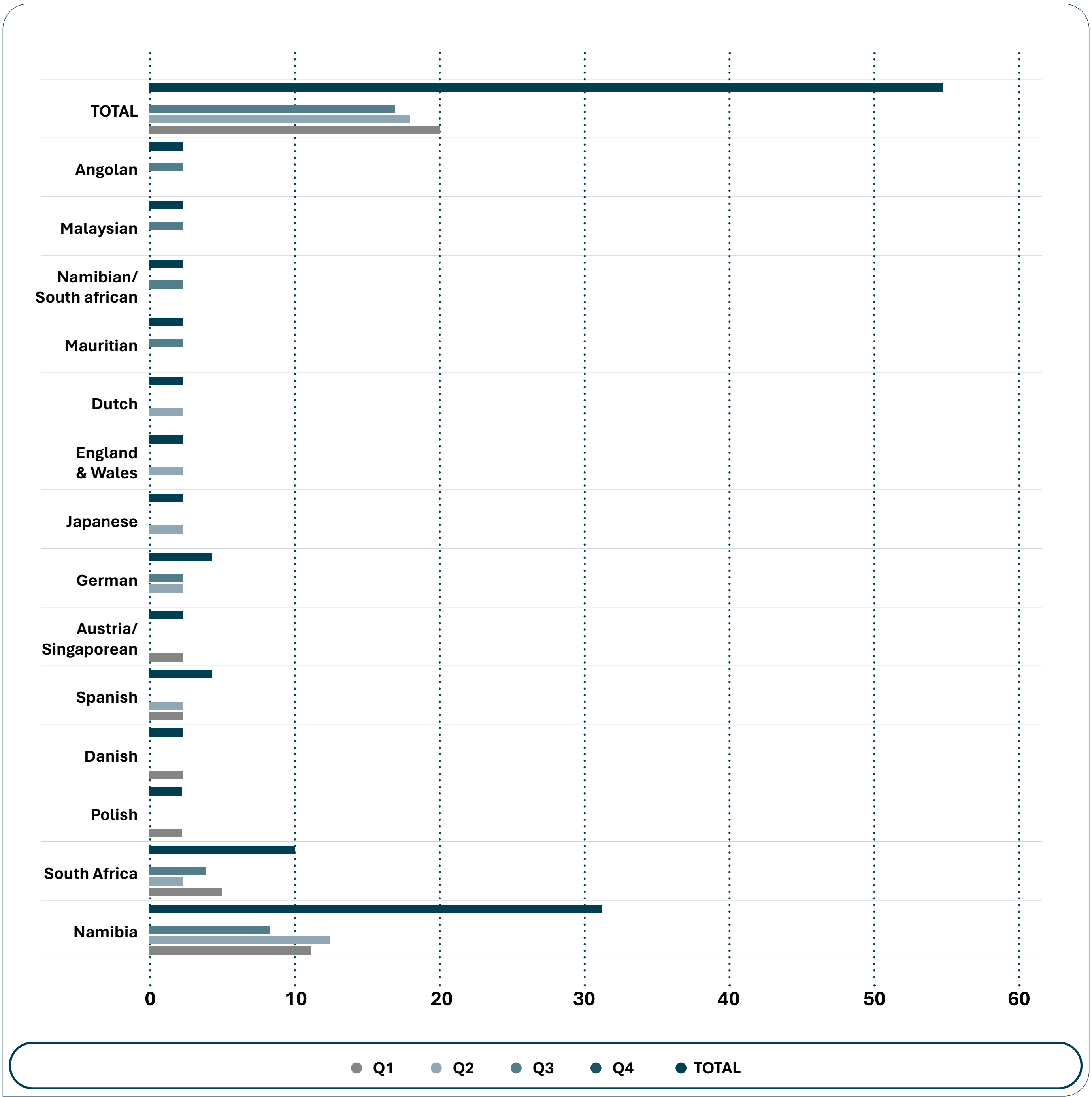

Figure 9: Ultimate ownership of target undertakings-2023/2024

The majority of acquiring undertakings are owned by Namibians, who account for 25 (45%). They are followed by South Africans, who have 13 cases (24%), and those owned by people from the United Kingdom and Mauritius, who have 3 cases each, accounting for 5%. French nationals accounted for 2 cases, representing 4%, and the remaining acquirers each account for 1 case.

In comparison to the previous financial year 2022/2023, the number of acquiring undertaking owned by Namibians increased by 79% from 14 to 25 cases. During quarter 1, the number of acquiring undertakings owned by Namibians increased by 500% from 2 to 12 cases. Quarter 2 recorded a decrease of 25% from 8 to 6 cases, and quarter 3 recorded an increase of 133% from 3 to 7 cases. In contrast, during quarter 4, the number of acquiring undertakings owned by Namibians decreased by 100% from 1 to 0 during the period under review. The aforementioned is depicted in the figures below.

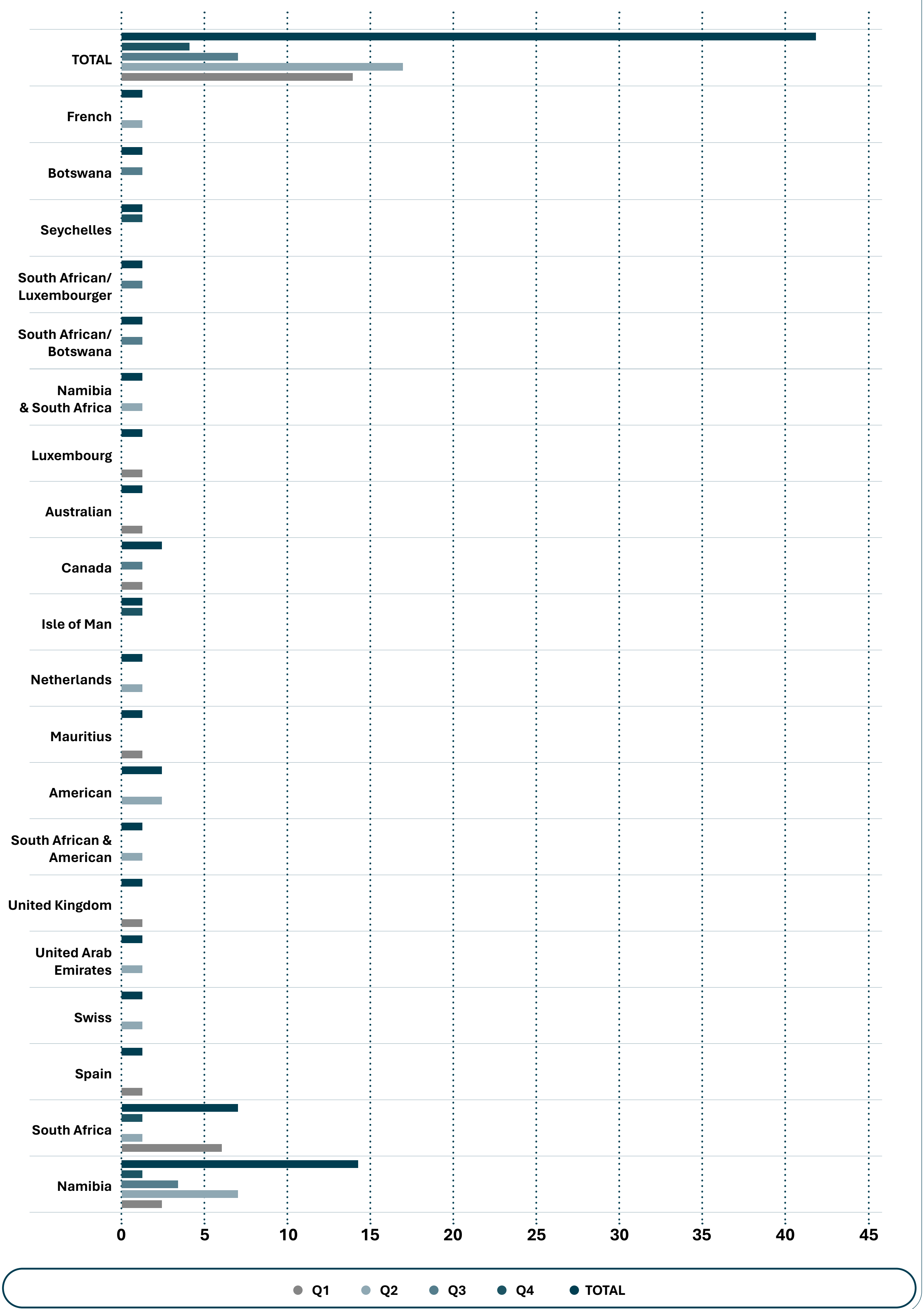

Figure 10: Ultimate ownership of acquiring undertakings-2022/2023.

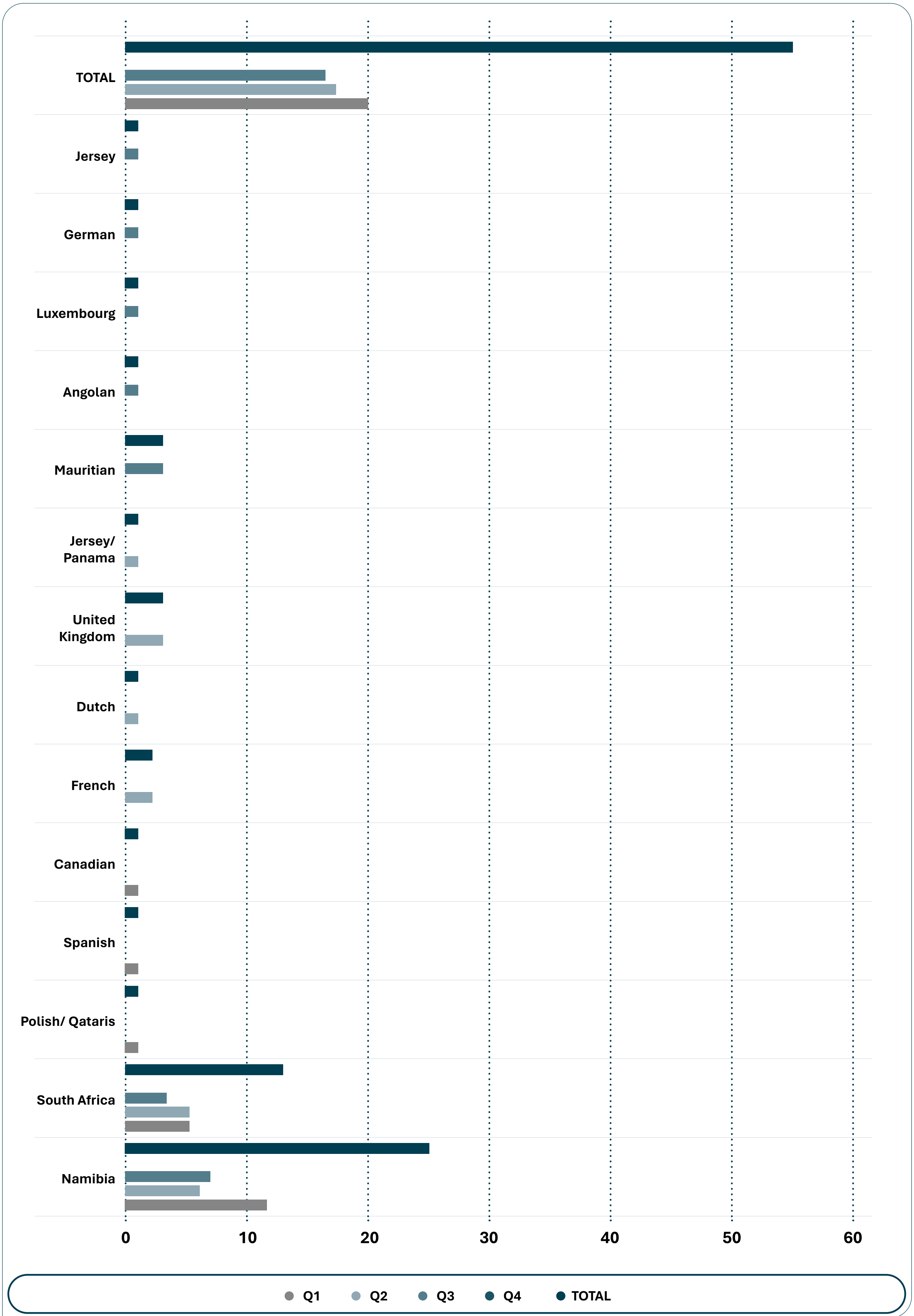

Figure 11: Ultimate ownership of acquiring undertakings-2023/2024.

6.1.2.2 TYPES OF MERGERS

There are three types of mergers: **vertical, horizontal, and conglomerate.** A vertical merger is the combination of two companies operating at different stages of the production process for a specific finished product or service. A **horizontal merger,** also referred to as horizontal integration, is the combination of two companies competing within the same or a similar industry. **In contrast, a conglomerate merger** involves firms engaged in entirely unrelated business activities.

Merger classifications by type are used to provide a coherent framework for explaining how a particular merger will be assessed and determining the appropriate theory of harm. To ascertain the type of merger, one examines all the economic activities, in which the merging parties are involved. Of the 55 mergers evaluated during the period under review, 21 are horizontal mergers, accounting for 38% of all determined mergers; 30 are conglomerate mergers, representing 55%; and there are 4 vertical mergers, constituting 7%.

Compared to the previous financial year, 2022/2023, the number of horizontal mergers fell by 16%, decreasing from 25 to 21 mergers. In contrast, conglomerate mergers increased significantly by 131%, rising from 13 to 30 mergers, while vertical mergers remained unchanged at 4 in both periods under review.

The aforementioned is graphically represented in **figure 12** below compared to the same quarter year on year.

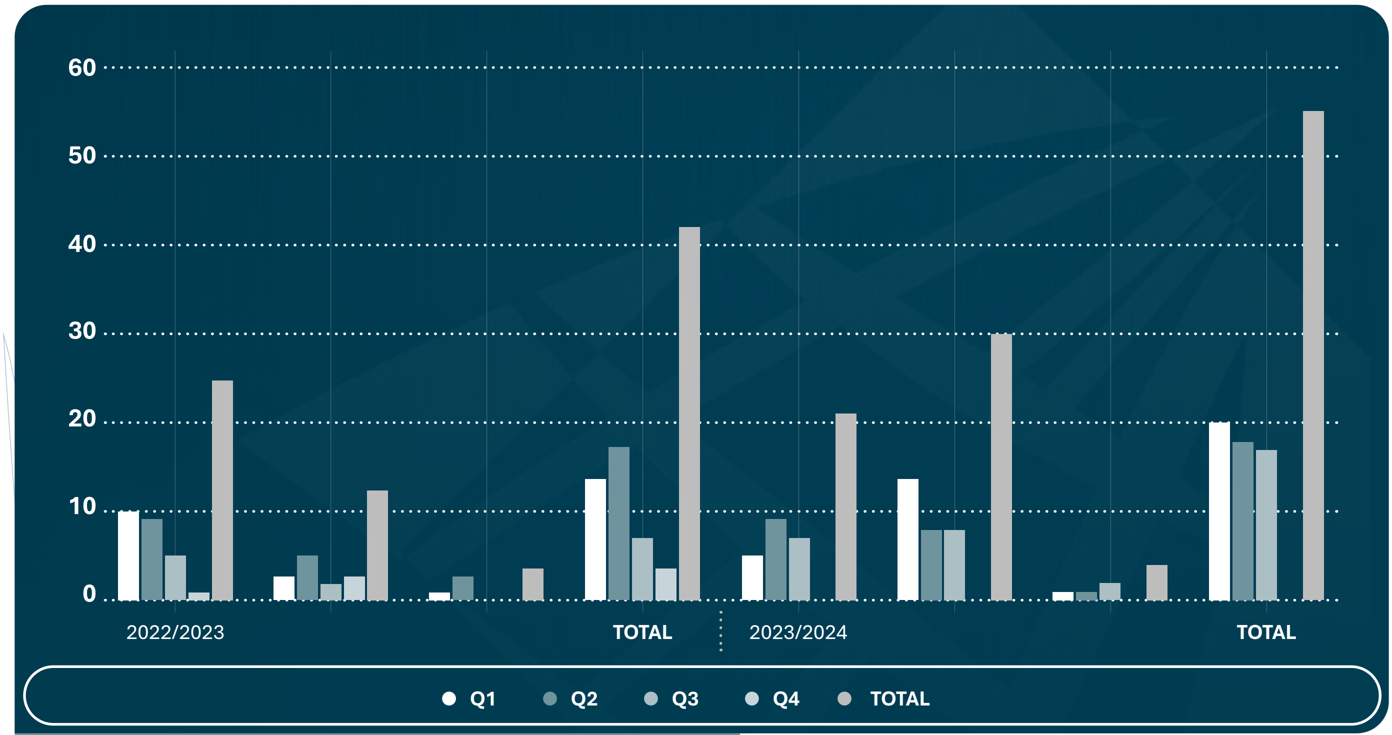

Figure 12: Mergers determined by merger type year on year

6.1.2.3 SECTORS

In terms of mergers determined in the different sectors, the majority of the 55 recorded mergers determined were recorded in the real estate and wholesale and retail trade sectors, each accounting for 18% (10) of the total. This was followed by the other services sector, which comprised 15% (8), and the agriculture, forestry and fishing sector, which represented 9% (5).

The manufacturing; electricity, gas, steam and air conditioning supply; transport and storage; and human health and social work activities sectors each accounted for 5% (3) of the identified mergers. The mining and quarrying; construction; accommodation and food services; information and communication; and financial and insurance activities sectors each represented 4% (2) of the determined mergers during the period under review.

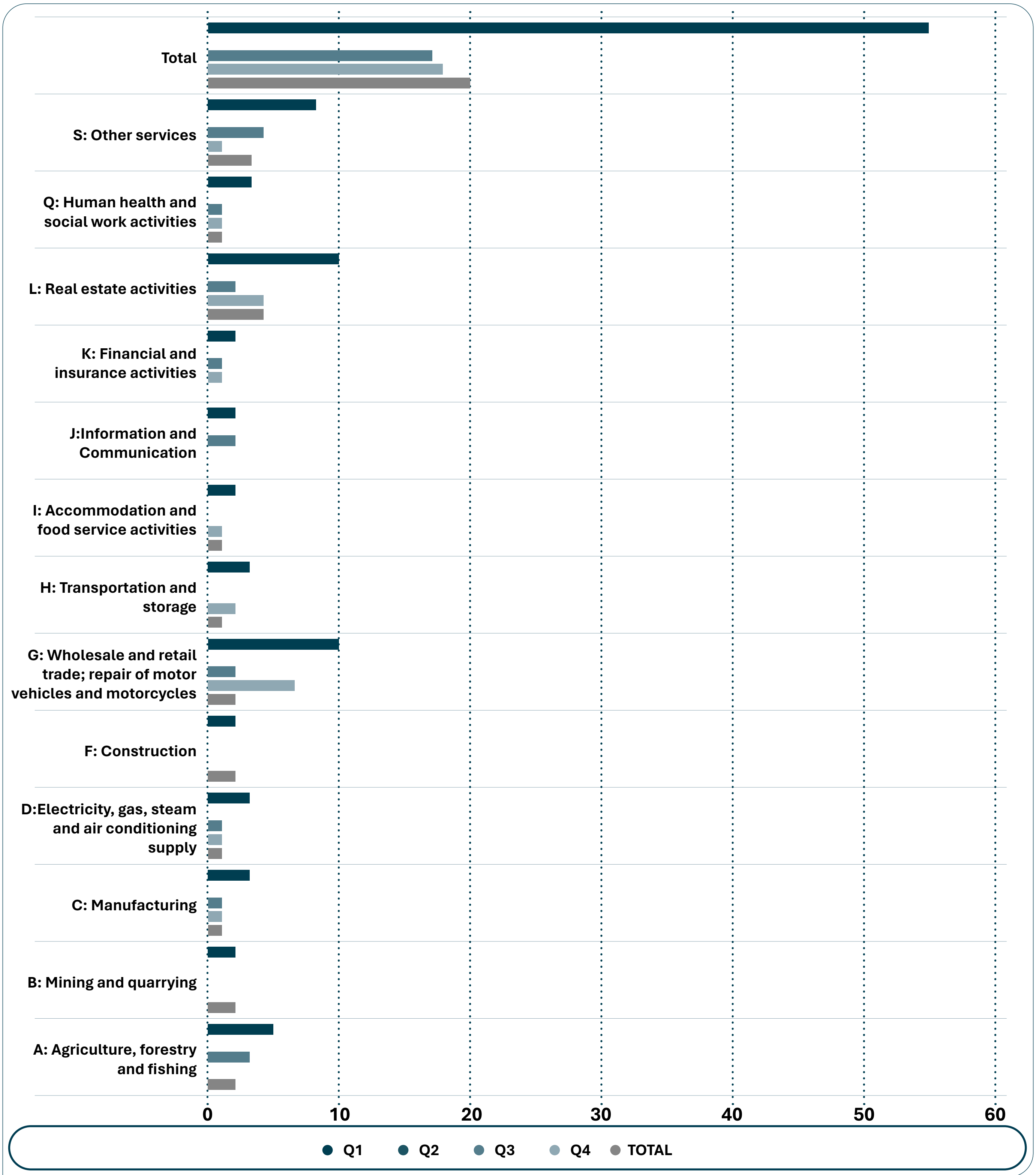

Figure 13: Mergers determined by sector per quarter -2023/2024

Compared to 2022/2023, during the period under review, fewer mergers were determined in the mining and quarrying, real estate sector, and professional, scientific, and technical activities and administrative and support service activities sector. The aforementioned is illustrated in Figure 14 below.

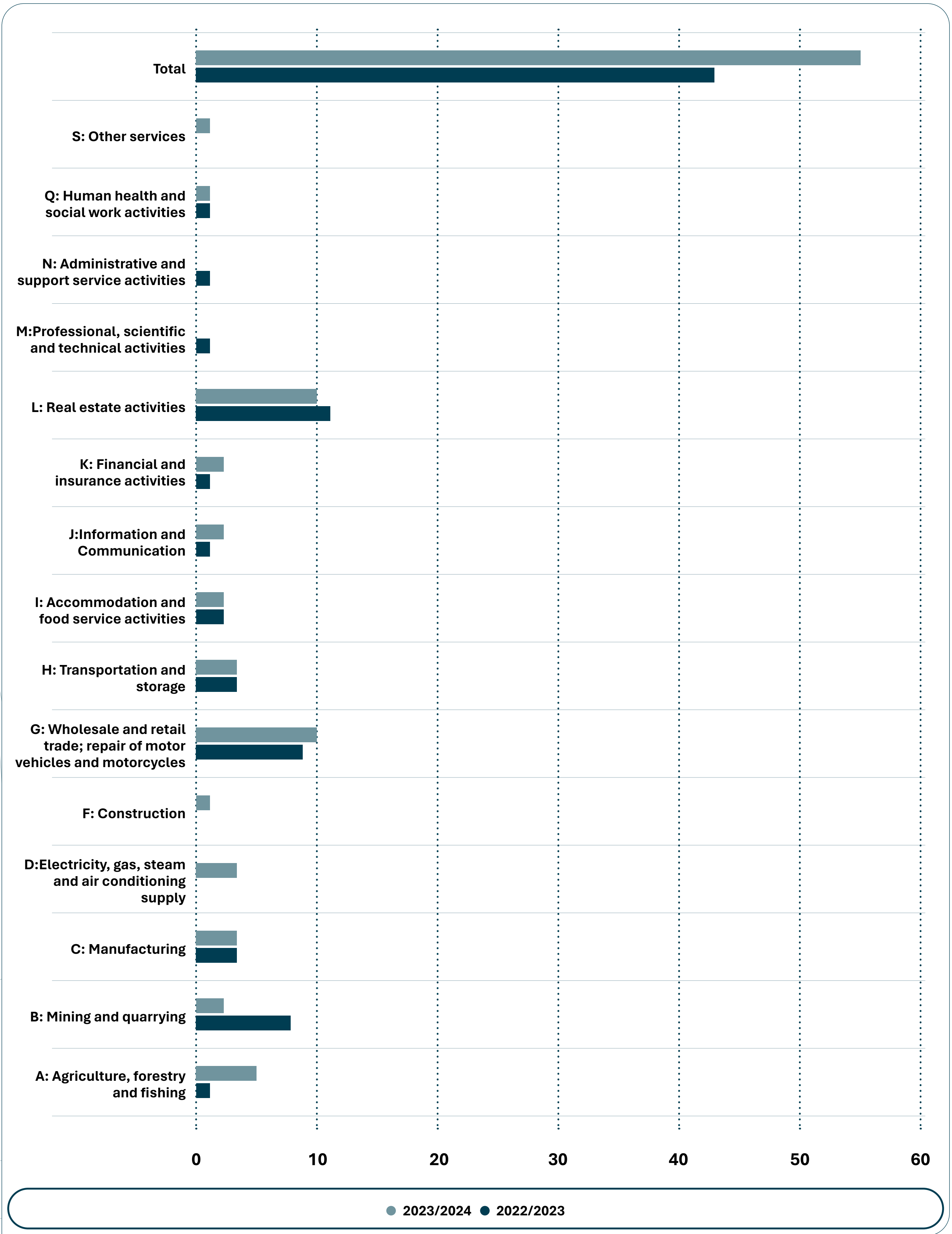

Figure 14: Mergers determined by sector year on year.

6.1.2.4 FILING FEES

Merger Filing fees received from notified mergers form a source of income for the Commission. The filing fees for the total number of mergers assessed during 2023/2024 decline/reduced by 9%, from N$9,715,000.00 in 2022/2023 to N$8,820,000.00 during the period under review as illustrated in Table 5 below.

Compared to 2022/2023, the merger filing fees for mergers determined in 2023/2024 decreased by 25%, 16%, and 28% in the first three quarters and increased by 100% in the fourth quarter. The differences, as mentioned above, are illustrated in the table below and represented graphically in Figure 15 below:

Filing fees	Q1	Q2	Q3	Q4	Total
2022/2023	3,655,000.00	3,700,000.00	2,360,000.00	-	9,715,000.00
2023/2024	2,725,000.00	3,120,000.00	1,700,000.00	1,275,000.00	8,820,000.00
Change in %	-25%	-16%	-28%	100%	-9%

Table 5: Filing fees for mergers determined per quarter year on year.

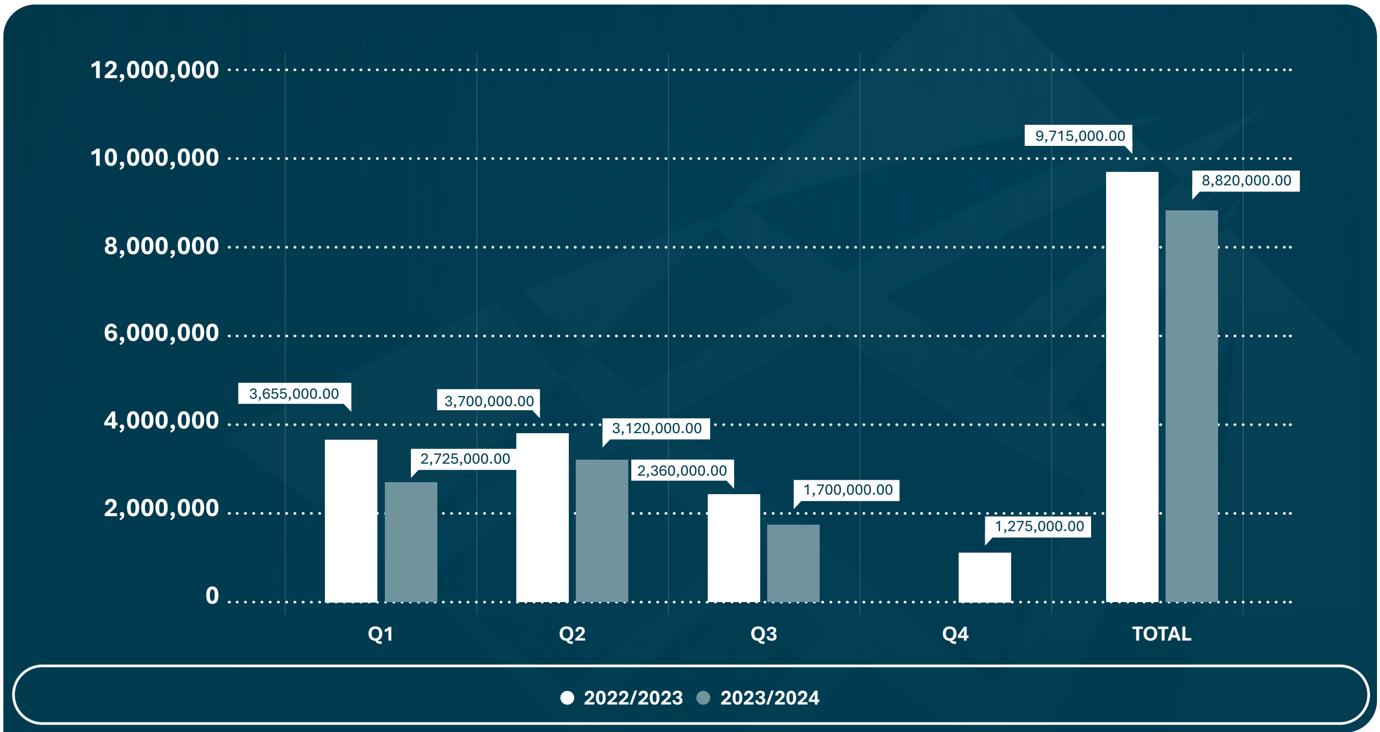

Figure 15: Filing fees for mergers determined per quarter year on year.

6.1.2.5 JOBS

Approximately 86 job losses were anticipated due to the implementation of the 55 determined mergers. Of these, 52 job losses were attributed to the proposed merger between Gondwana Holdings Limited and Heja Game Lodge CC. The proposed transaction involved the sale of the properties of Heja Game Lodge CC, where the lodge business was operated. Given that the acquirer intends to develop a mixed-use village instead of continuing lodging services, to the tourists, they indicated that they were unable to re-employ the 52 employees of Heja Game Lodge.

The Commission approved the merger with employment conditions after confirming that the job losses were directly related to the merger. The merged entity was required to re-employ a minimum of 30 employees from the target entity within the merged company or its subsidiaries. Consequently, of the 52 jobs, 30 would be retained. Given that the owners of Heja Game Lodge CC were not inclined to continue operating the business, close down, and retrench all employees in the absence of the merger, and retrench all employees if the merger does not proceed.

The remaining 34 job losses resulted from the proposed merger between Okapana

Service Station CC and TotalEnergies Marketing Namibia (Pty) Ltd (TotalEnergies Namibia). This transaction involved the sale of the Ice Station CC business and the property from the Giel Grobler Family Trust to TotalEnergies Namibia. Unfortunately, the merging parties indicated that they could not rehire the 34 employees of Okapana Service Station CC, as the sellers are exiting the market.

Furthermore, as the acquirer is a fuel wholesaler, they are legally prohibited from operating a retail service station. In light of these reasons and the interval between the completion of this transaction and the appointment of a new operator, job losses are unavoidable.

The Commission approved the merger with employment conditions to support current employees' job security. The stipulation was that TotalEnergies Namibia shall advance and advocate for the new (and any incoming) dealer taking over from Okapana Service Station and champion the employment of the 34 employees who were retrenched following the merger. TotalEnergies Namibia shall produce a list of the employees proposed for retrenchment, provide it to the incoming dealer, advocate for their employment, and submit a report to the Commission regarding these efforts. The report should specifically detail the progress of the named employees in the recruitment process, if applicable.

Out of the 55 mergers that were finalised, the target undertakings employed approximately 6,131 people in total. Due to uncertainties regarding job retention, the Commission conditionally approved seven mergers with employment stipulations, thereby securing the jobs of around 1,134 employees from the target undertakings. No information was provided on the anticipated number of jobs to be created post-merger. Compared to the previous financial year, 2022/2023, the total number of individuals employed by the target is not detailed. This information is graphically represented in Figure 16 below.

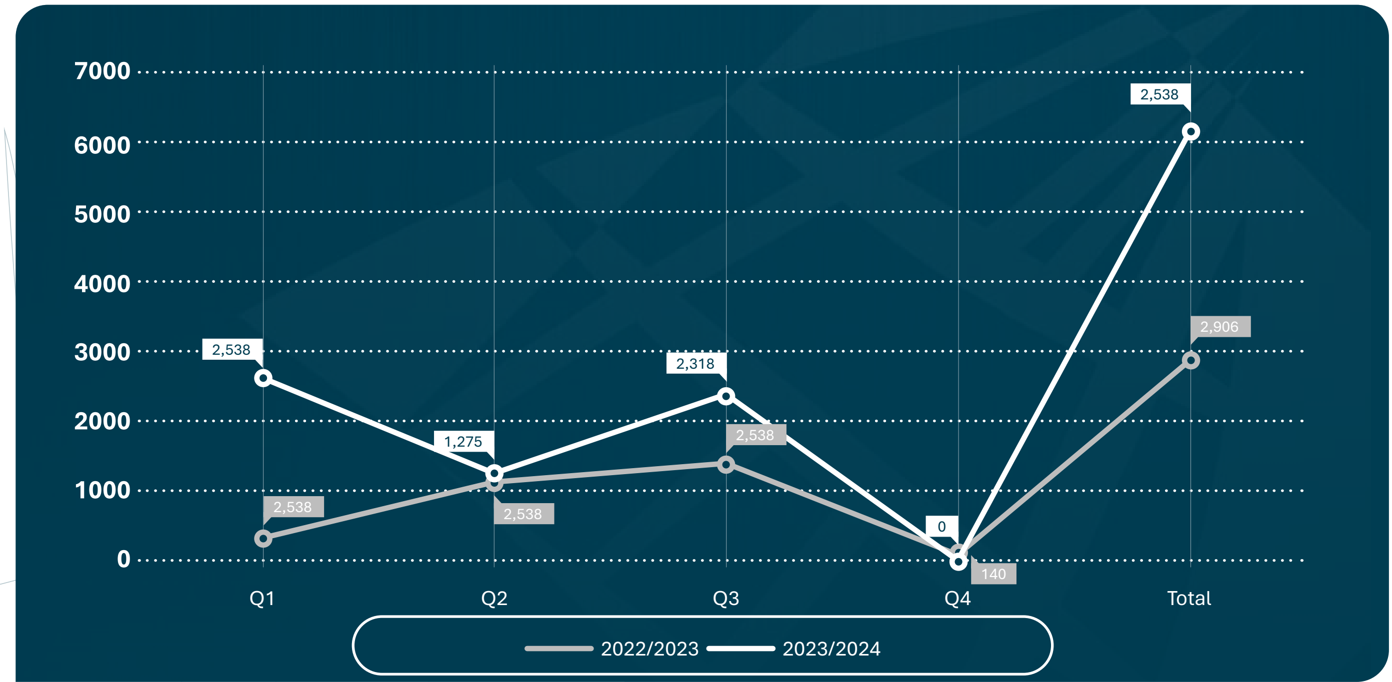

Figure 16: Employment per quarter year on year.

6.1.2.6 MERGER EXTENSIONS & REASONS THEREOF

Merger extensions arise from the provisions of sections 44(2) and 45 of the Act. Among the 55 mergers finalised during the review period, 40 (73%) were extended for additional periods, while only 15 (27%) were concluded within the 30-day period. In comparison to the previous reporting period, the number of extended mergers increased by 5%, from 38 to 40. At the same time, the number of non-extended mergers experienced a substantial increase of 275%, moving from 4 to 15 mergers. This information is further illustrated graphically in figure 17 below.

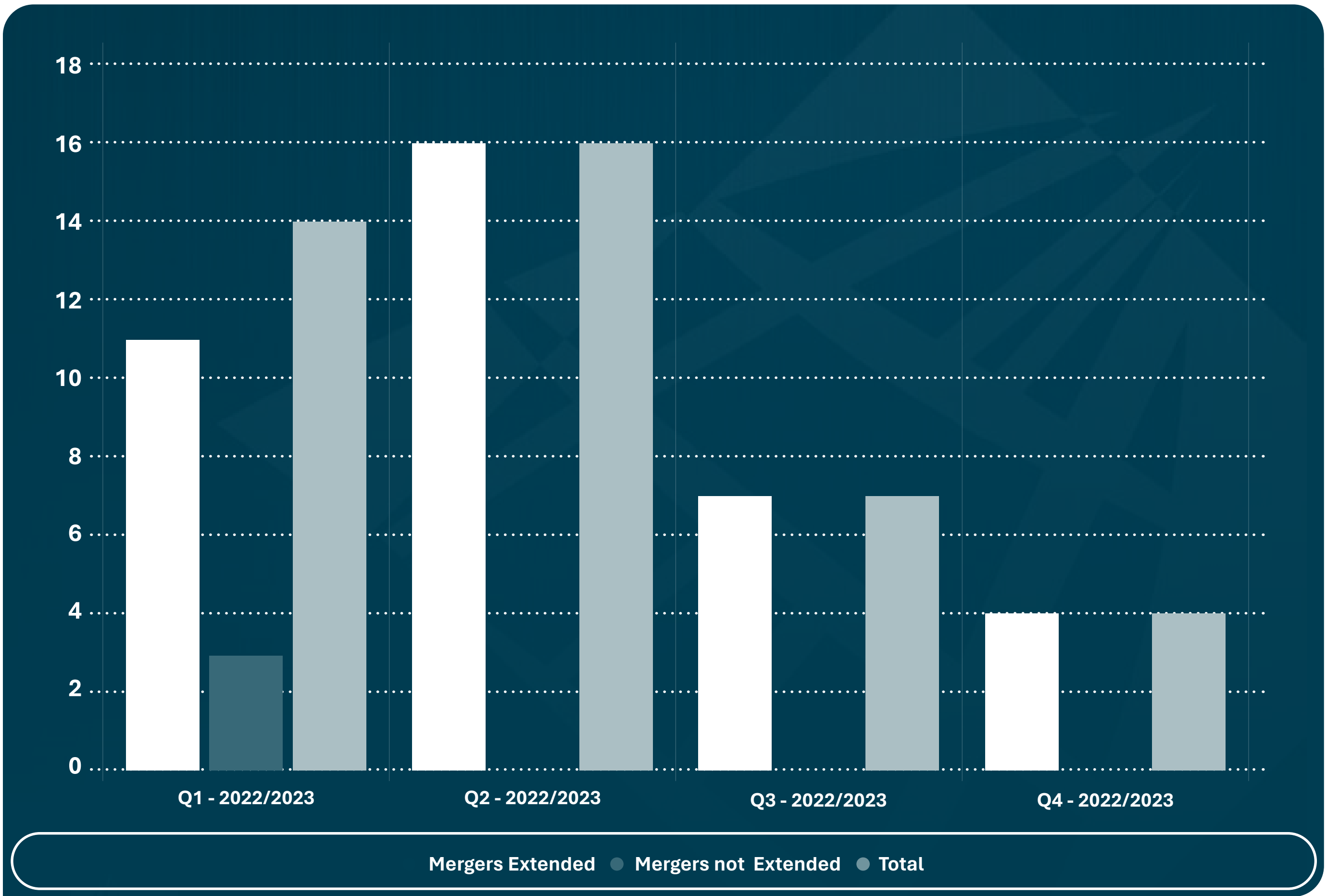

Figure 17: Mergers determined extension- 2022/2023.

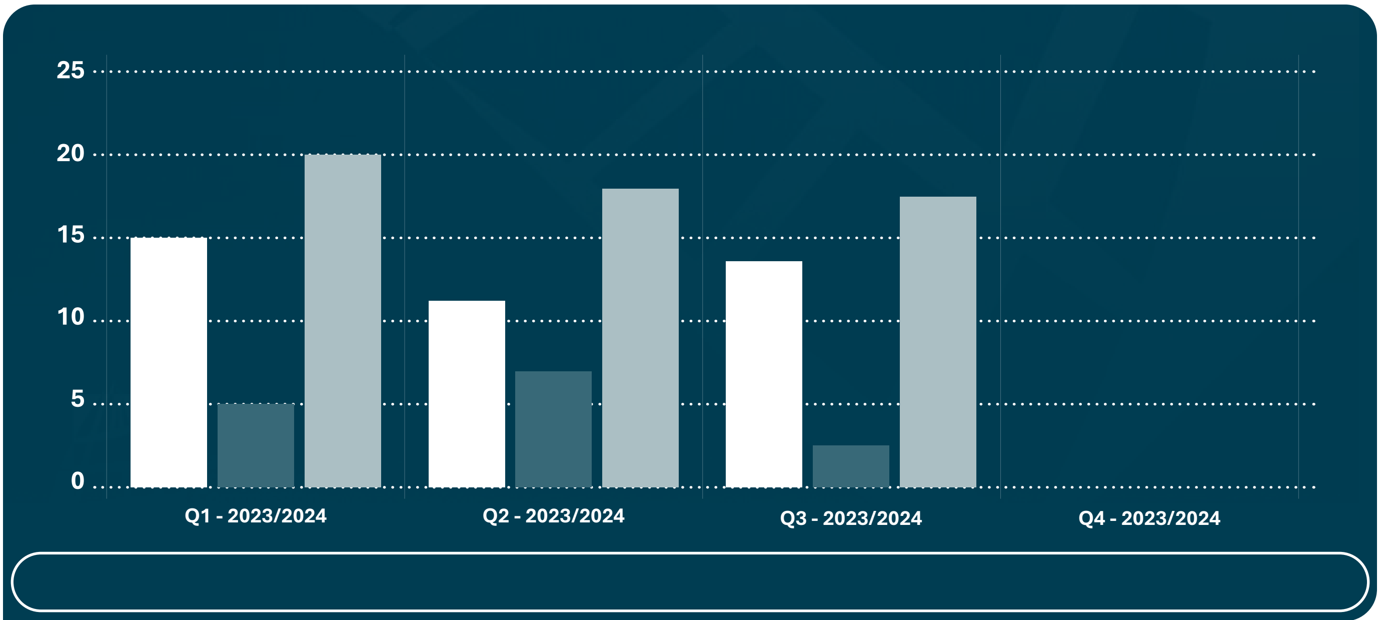

Figure 18: Mergers determined extension -2023/2024.

Extensions resulting from information requests accounted for 79% (30) of the extended mergers. A combination of information requests and complexity represented 18% (7), while 5% (3) were extended due to additional information requests, complexity, and calls for conferences. In comparison to the same quarter in the previous year, the number of mergers extended on account of information requests decreased by 19%, from 37 to 30 during the review period. Mergers extended due to information requests and complexity decreased by 13%, from 8 to 7. However, mergers extended because of additional information requests, complexity, and conference calls increased by 200%, from 1 to 3. The information is further illustrated graphically in Figure 19 below:

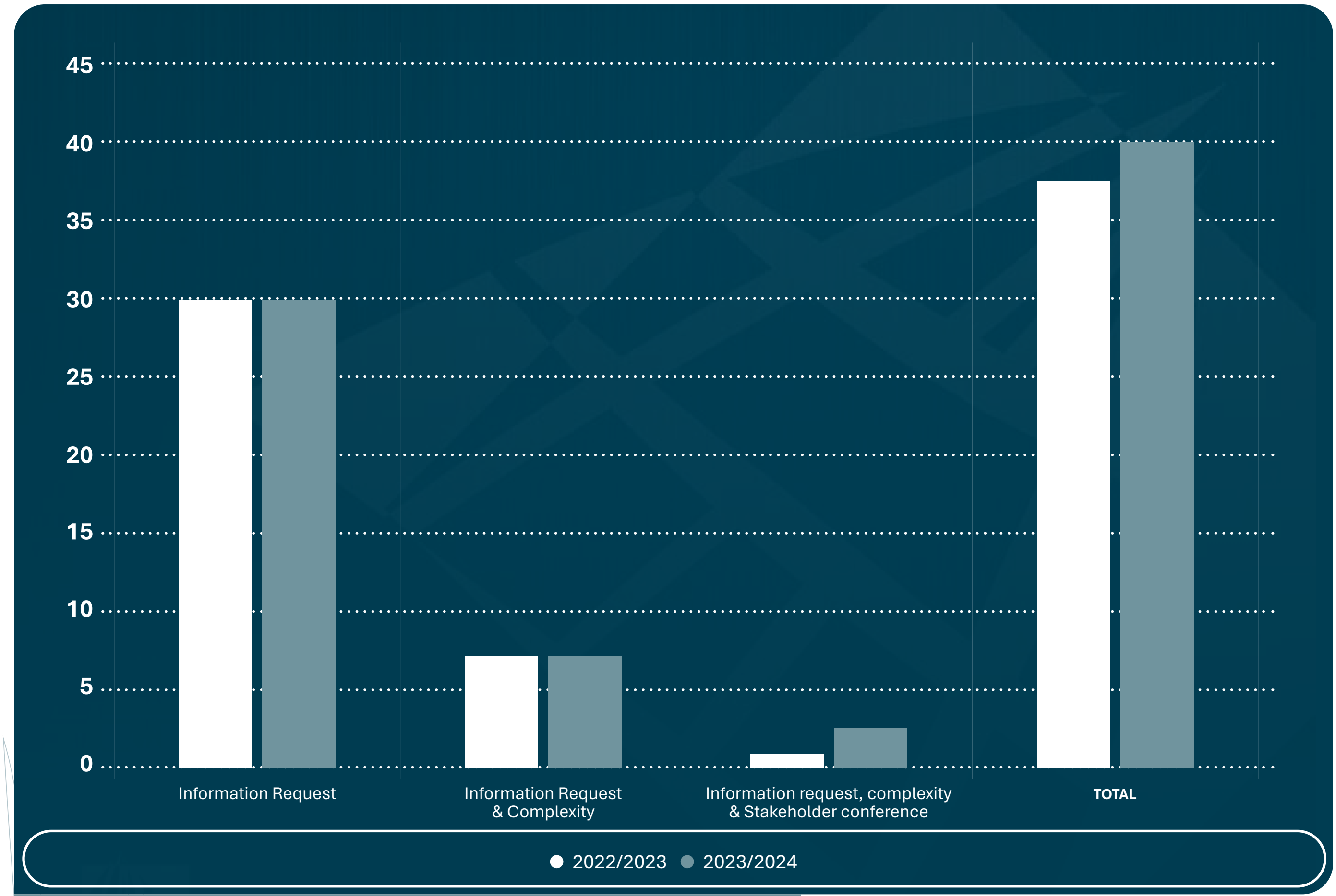

Figure 19: Reasons for Merger Extensions -2022/2023 & 2023/2024

6.1.2.7 DETERMINATIONS

According to Section 47 (1) of the Act, the Commission may unconditionally approve, conditionally approve, or prohibit a merger. The Commission considers Section 47 (2) of the Act when assessing proposed mergers. During the period under review , of the 55 mergers assessed, 45 (82%) were determined. were unconditionally approved, 10 (18%) were conditionally approved, and 1 (2%) was prohibited. In comparison to the previous year, the number of unconditionally approved mergers increased by 29%, rising from 35 to 45, while conditional approvals grew by 43%, from 7 to 10. Prohibited mergers surged by 100%, from 0 to 1. This information is graphically represented in Figure 20 below.

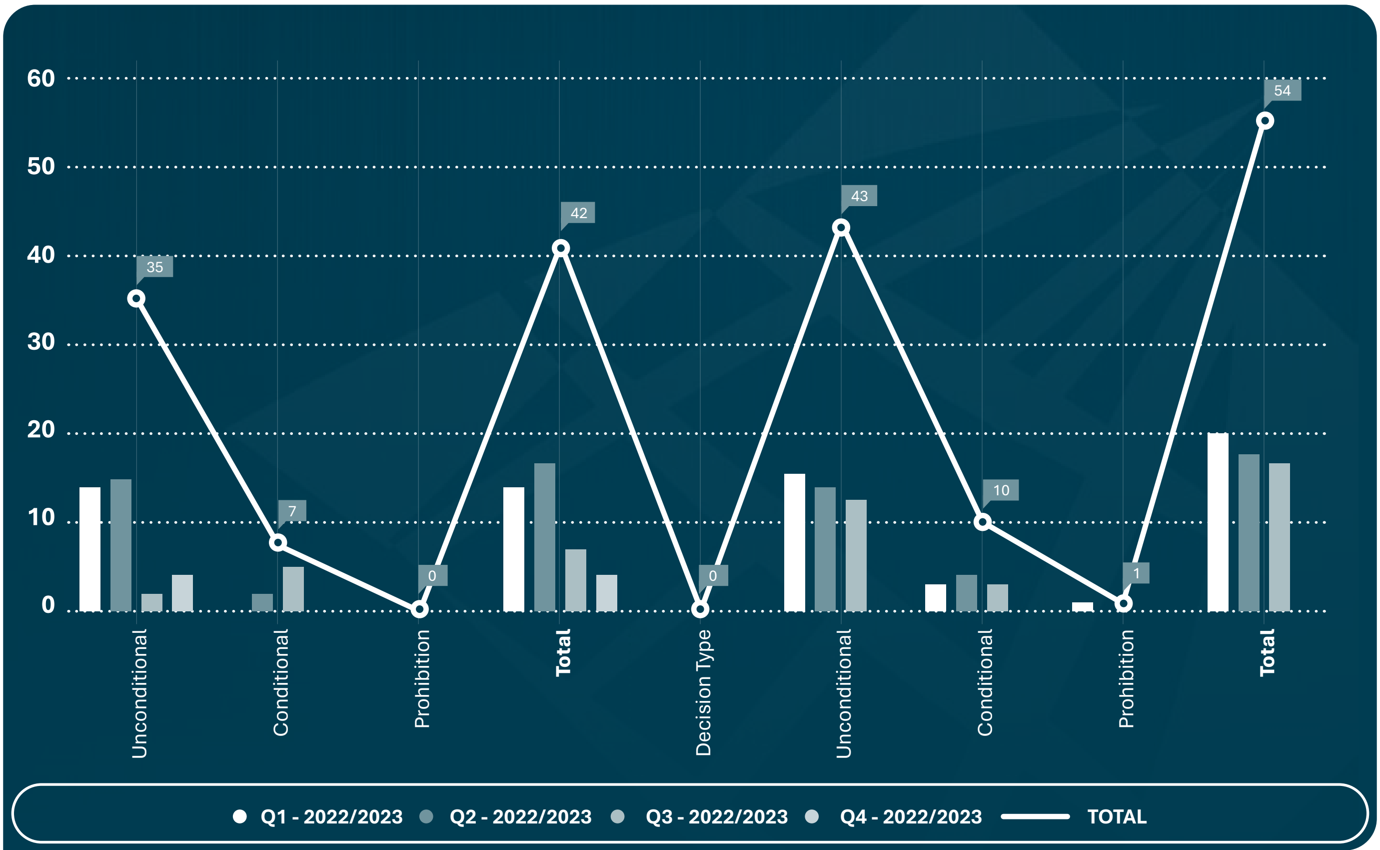

Figure 20: Determination type per quarter year on year.

6.1.2.8 ADVISORY OPINIONS

The Commission provides non-binding advisory opinions to the general public to help them understand the interpretation of the Act and its rules.

During the 2023/2024 financial year, the Commission received 16 advisory opinions.

The number of opinion requests was the same as in the 2022/2023 financial year. Furthermore, during the review period, the Commission issued 14 advisory opinions, indicating an 18% decrease compared to the 17 advisory opinions issued in the 2022/2023 financial year. This information is graphically illustrated in Figure 21 below.

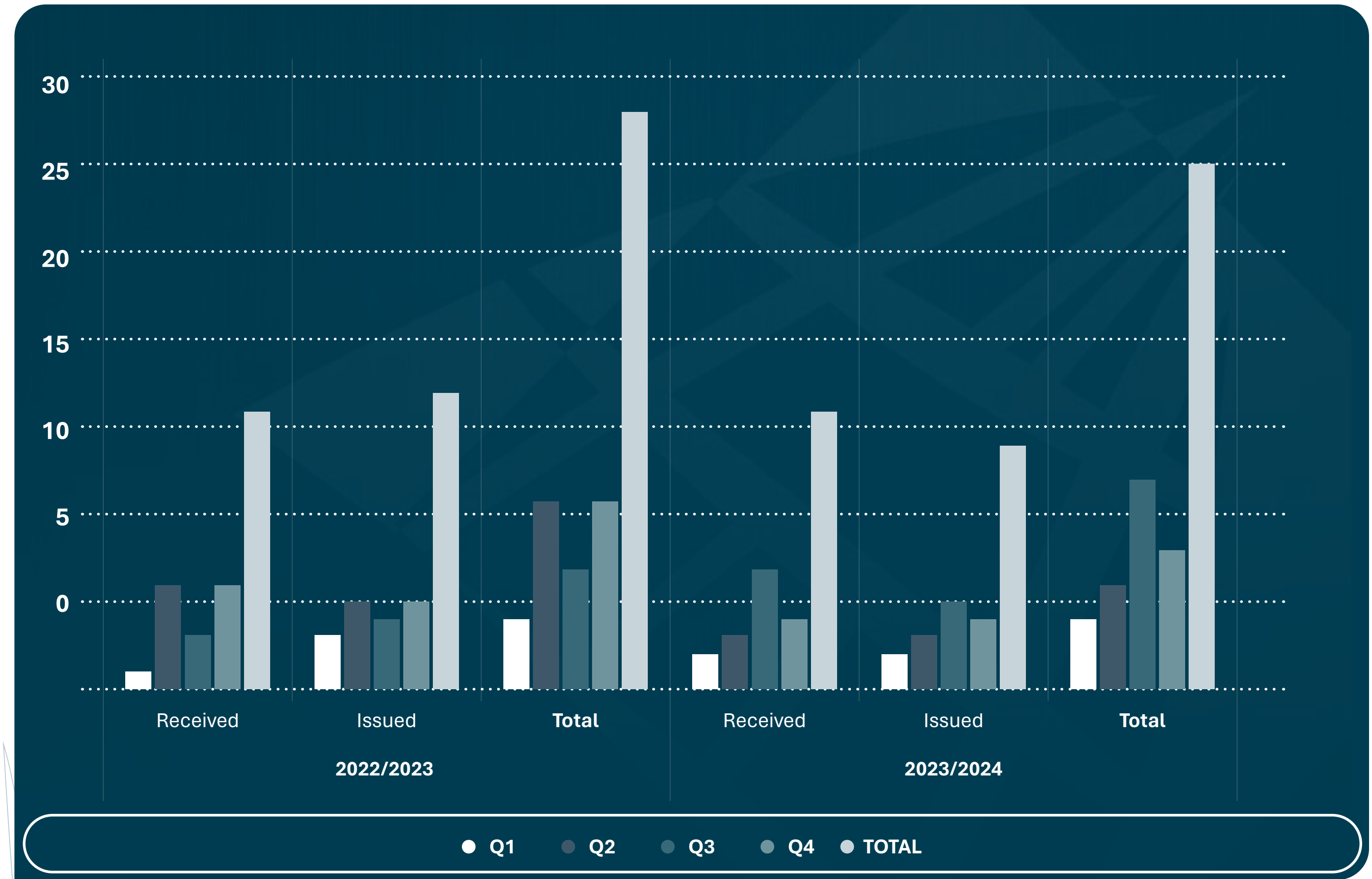

Figure 21: Advisory opinions received and issued during 2022/2023 and 2023/2024.

Most of the issues raised in the 2023/2024 financial year were related to merger thresholds, unlike the 2022/2023 financial year were the focus was on internal restructuring. Figures 22 and 23 below depict topical issues per quarter per year.

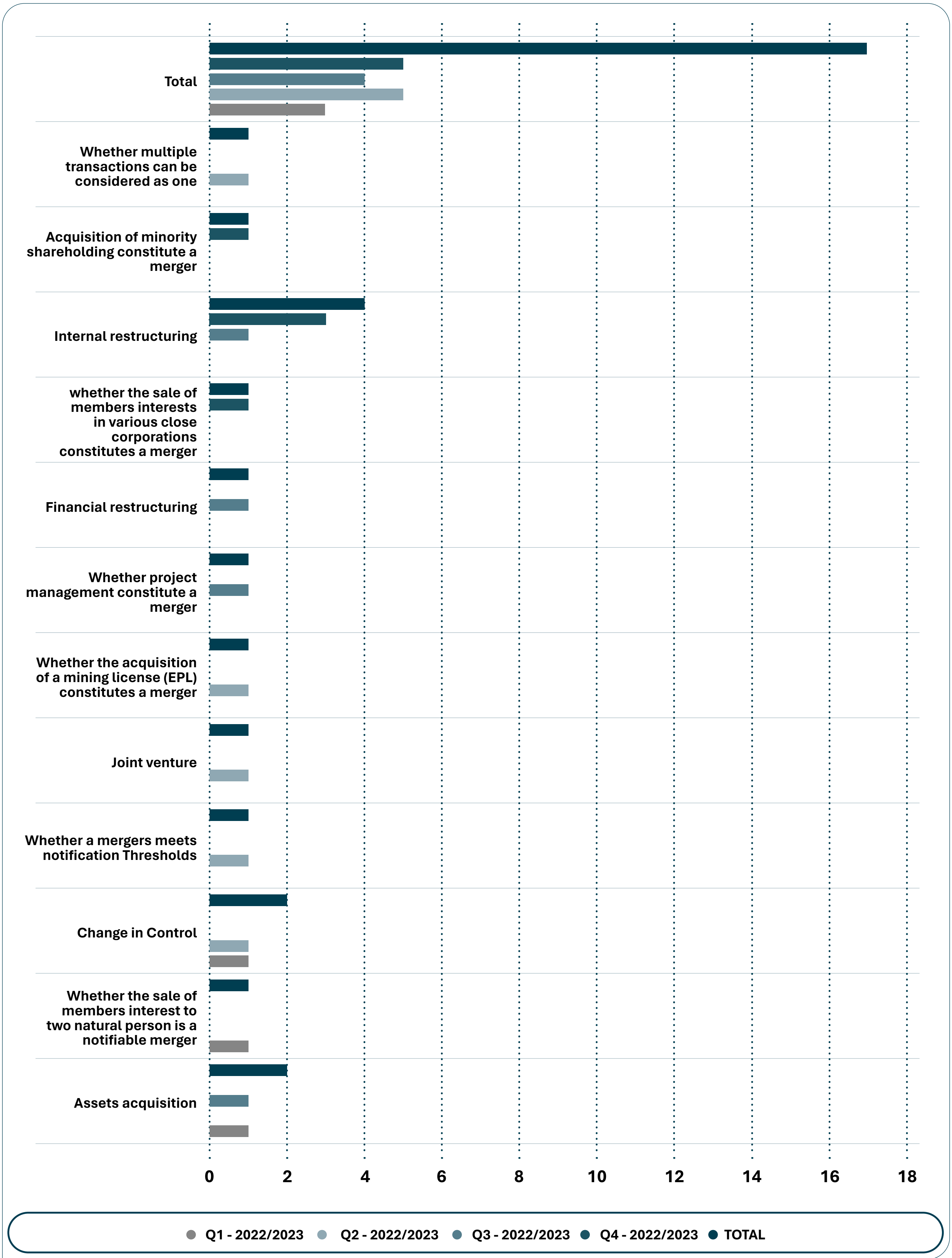

Figure 22: Topical areas of opinions issued during 2022/2023.

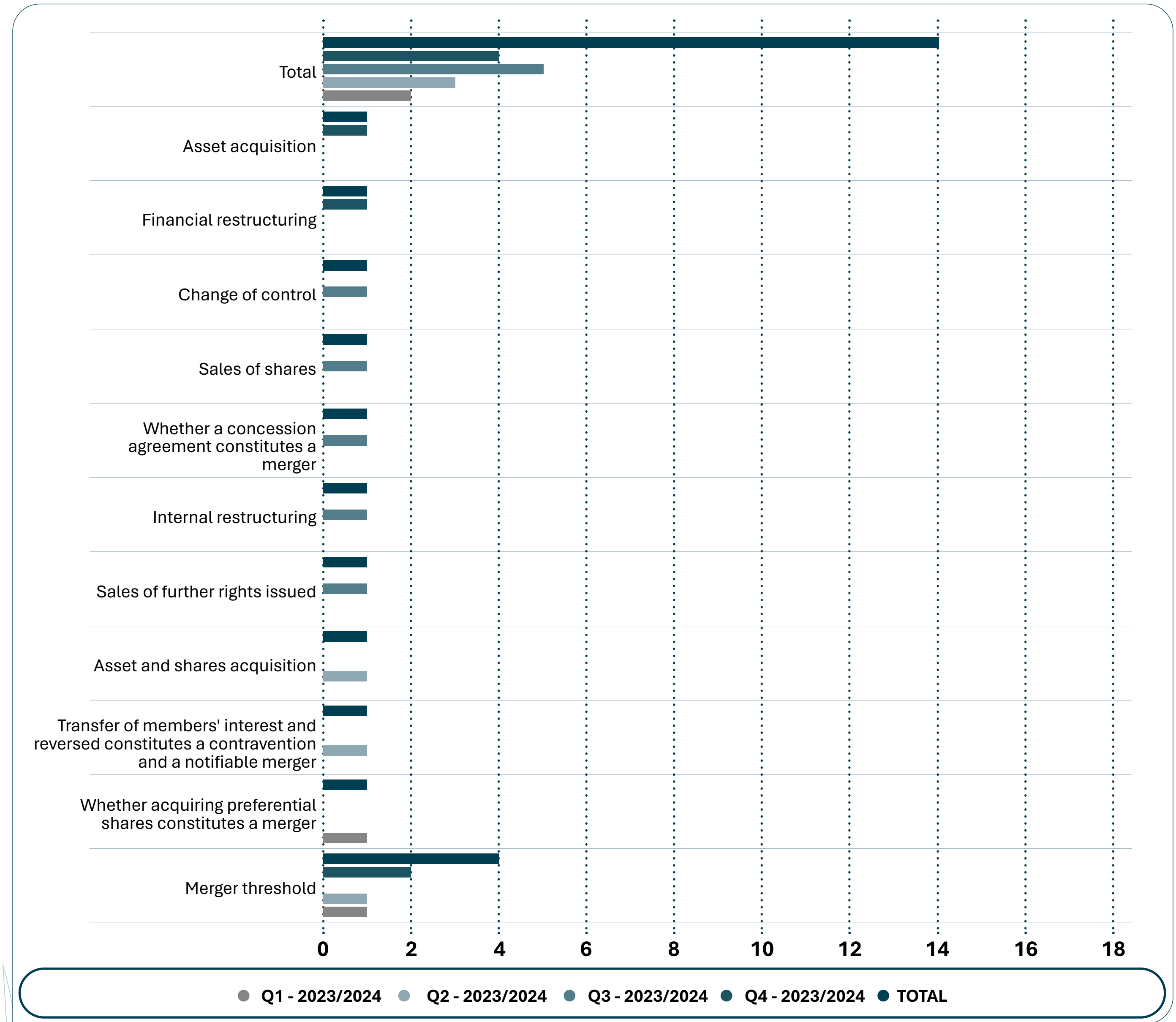

Figure 23: Topical areas of opinions issued during 2023/2024.

6.1.3 CONTRAVENTIONS OF CHAPTER 4

Contraventions, in terms of Chapter 4 of the Act, mostly relates to prior implementations and non-compliance with conditions imposed.

6.1.3.1 CONTRAVENTIONS APPROVED BY THE BOARD

6.1.3.1.1 ISMAEL GEI-KHOIBEB // GAMMA INVESTMENTS CC

The Commission alleged that Mr. Johannes !Gawaxab sold his 55% member interest in Gamma Investments CC to Mr. Gei-Khoibeb in contravention of the Act. The transaction amounted to a merger because, in terms of Section 42(3)(f) of the Act, Mr. Gei-Khoibeb acquired the majority of the members' interest in the CC.

6.1.3.1.2 MR. WANG ZHONGKE (MR. ZHONGKE) // HONG XIANG HOLDINGS LTD

The transaction relates to a transaction that occurred during 2019, where Mr. Zhongke (the primary acquirer) acquired all the shares in HXH Ltd (the target undertaking) from Ms. Qingmei (the seller) (the transaction). HXH Ltd holds 70% of the shares in Whale Rock Cement, and the transaction resulted in Mr. Zhongke acquiring or establishing direct or indirect control over Whale Rock Cement (a Namibian company). The transaction constituted a notifiable merger in terms of Section 44(1) of the Competition Act. However, the parties to the transaction failed to notify the Commission of the merger as required in terms of Section 44 of the Act.

6.1.3.1.3 CHOPPIES SUPERMARKETS NAMIBIA (PTY) LTD // JOHANNES JACOBUS DE JAGER T/A GROOTFONTEIN SUPERMARKET AND BOTTLE STORE

The Commission alleged that Choppies Supermarkets Namibia (Pty) Ltd and Grootfontein Supermarket and Bottle Store violated the Act. This transaction constituted a merger, evidenced by a memorandum of agreement signed by Choppies Supermarkets Namibia (Pty) Ltd on 12 May 2022 and by Mr. Johannes Jacobus De Jager, trading as Grootfontein Supermarket and Bottle Store, on 19 May 2022.

6.1.3.1.4 ICARE AFRICA // ERONGO MEDICAL GROUP

The Commission alleges that ICARE Africa acquired Erongo Medical Group in contravention of the Act. On March 11, 2010, ICARE Africa acquired 220 out of 418 shares in Erongo Medical Group, meaning ICARE Africa obtained the majority shareholding. The transaction amounted to a merger because it resulted in ICARE Africa acquiring most of the shareholding in Erongo Medical Group, in terms of Section 42(3)(a) of the Act. The transaction amounted to a merger because it resulted in ICARE Africa acquiring the majority of the shareholding in Erongo Medical Group in terms of Section 42(3)(a) of the Act.

Furthermore, the merger fell within the prescribed notification thresholds, as the Minister did not designate any thresholds at the time the transaction was concluded.

6.1.4 COMPLIANCE

During the period under review, the Commission assessed the extent to which 38 conditionally approved mergers complied with the imposed conditions.

6.1.5 REVIEW

Two mergers were forwarded for review to the Minister of Industrialisation and Trade (the Minister) during the period under review. The first proposed transaction involved Afri-Track Group Holdings (Pty) Ltd acquiring Afri-Track Railway Construction (Pty) Ltd. Although the proposed merger was not likely to prevent or lessen competition in Namibia, as envisaged by Section 47(2) of the Act, it did raise broader public interest concerns, on the basis that the primary target undertaking is subject to a provisional restraint order in terms of Section 25 of the Prevention of Organised Crime Act No.29 of 2004 ordered by the High Court of Namibia. Approval of the merger by the Commission would have aided the circumvention of the said order. Considering the broader public interest concerns emanating from the restraint order, the Commission prohibited the proposed merger, and the merging parties took the matter to the minister for review.

The second proposed transaction that was taken to the Minister for review involved RWCo acquiring the entire issued share capital of SCHWENK Namibia from SCHWENK Zement International GmbH C Co. KG. Although the proposed merger was not likely to prevent or lessen competition in Namibia, as envisaged by Section 47(2) of the Act, the transaction presented an opportunity to promote local ownership through increased Namibian Ownership in Ohorongo Cement. To achieve this objective, the merger was approved with a condition that the right of first refusal and/or call option of the acquiring and/or merged undertaking notwithstanding, at any stage after the implementation of the transaction, should any shareholding become available for purchase, the acquiring and/or merged undertaking shall be prohibited from acquiring any further shareholding for a period of one (1) year from the date of offering of such shareholding. This is to allow Namibian-owned undertakings the opportunity to acquire the shareholding. Should no Namibian entity successfully acquire the shareholding by the end of such year, the acquiring and/or merged undertaking shall be entitled to acquire shareholding, if so advised and/or elected. The merging parties did not agree with the condition and took the matter to the Minister for review.

The Minister has yet to decide on both matters.

ENFORCEMENT, EXEMPTIONS AND CARTELS

6.2 ENFORCEMENT, EXEMPTIONS AND CARTELS

The Enforcement, Exemptions, and Cartels (EEC) Division enforces Part I, II, and III of Chapter 3 of the Act. Part I prohibits restrictive horizontal and vertical agreements, concerted practices, and decisions by an association of undertakings that have an object or effect of preventing or substantially lessening competition. On the other hand, Part II prohibits the abuse of a dominant market position, and Part III provides for exemptions of certain restrictive business practices.

Through the EEC Division, the Commission investigates various anti-competitive practices such as collusive tendering, market allocation, and price fixing, which prevent competition between undertakings and harm consumers.

6.2.1 EEC PERFORMANCE AGAINST TARGETS

The Division had nine (9) targets and met seven of its targets, achieving a performance score of 78%.

Division	Target	Target met	Target not met	Performance Score
EEC	9	7	2	78%

Table 6: Divisional performance

Although the division's performance was satisfactory, it could have achieved more had it not prioritised certain urgent and long-overdue matters. During the period under review, the division's main aim was to finalise investigations carried over from previous financial years. The Division also prioritised investigations that significantly impact consumers in the poultry, retail, passenger transportation (online hailing), and banking sectors. Prioritising specific tasks meant that others were put on hold.

6.2.2 PERFORMANCE HIGHLIGHTS

During the period under review, the Commission screened twenty-four (24) complaints. Eighteen (18) of these screenings were completed, with three (3) of the completed complaints escalated to full investigations. The Commission handled 19 investigations, and five (5) were completed during the period under review. These investigations were focused on infringements of Part I of the Act, specifically related to Restrictive Agreements, Practices, and Decisions.

The majority of screenings were in the mining, transport, and arts and entertainment sectors, while most cases investigated were in the wholesale, retail trade and financial sectors.

Table 7 below indicates the number of matters the Commission handled over the last two years.

Matters	2022/2023	2023/2024
Screenings	15	24
Investigations	19	19
Exemptions	0	0
Section 38	3	2
Advisory Opinion	2	1
Total	39	46

Table 7: Matters handled

In terms of Section 40 (1), the Commission may agree to a settlement with the undertaking or undertakings concerned at any time during or after an investigation into an alleged infringement of Part I or II prohibition, outlining the terms to be submitted by the Commission by application to the Court for confirmation as an order of the Court. The agreement may include an imposition of a pecuniary penalty.

Table 8 below indicates the number of matters and the amount of the pecuniary penalty imposed over the last three years.

Penalty imposed per section of the Act	2022/2023		2023/2024	
Section of the Act	**No of cases**	**Amount**	**No of cases**	**Amount**
Restrictive Agreements, Practices, and Decisions	3	10,065,000	3	10,433,202.24
Abuse of Dominant Position				
Exemption of Certain Restrictive Practices				
Total	**3**	**10,065,000**	**3**	**10,433,202.24**

Table 8: Penalties imposed per section of the Act

Figure 24 and the table below indicates the number of screenings and investigations conducted, as well as the number of pecuniary penalties imposed across sectors over the past three years.

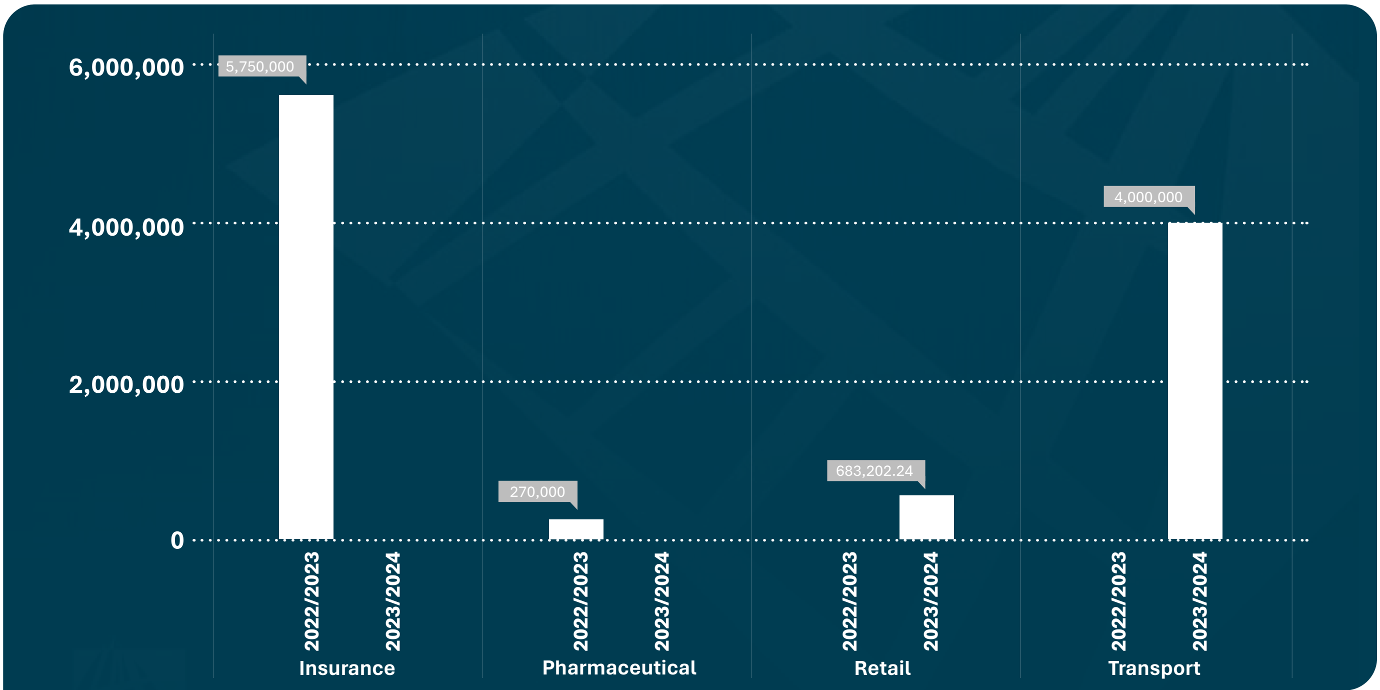

Figure 24: Penalties imposed per sector

	SCREENINGS		INVESTIGATIONS	
SECTOR	**2022/2023**	**2023/2024**	**2022/2023**	**2023/2024**
Agriculture, forestry, and fishing	3	1	2	3
Mining and Quarrying	0	2	0	0
Manufacturing	0	3	0	0
Construction	1	1	0	0
Wholesale and retail trade	2	9	5	6
Transport and storage	0	2	1	1
Accommodation and food service activities	1	0	1	1
Information and communication	0	0	2	2
Financial and insurance activities	1	3	4	4
Real Estate activities	1	0	2	1
Human health and social work activities	2	1	2	0
Arts, entertainment, and recreation	0	2	0	1
TOTAL	11	24	19	19

Table 9: Cases per sector

6.2.3 DESCRIPTIONS OF COMPLAINTS

6.2.3.1 REAL ESTATE COMPLAINT

On 23 May 2022, the Commission received a complaint from certain property valuers alleging that commercial banks are competing participants in the property valuation market. However, they disregard any valuations done by independent valuers who are not on the four commercial banks' panels. Furthermore, it has been alleged that the current market conditions are stringent and that initial entry and expansion into the market are challenging. The matter concerns the unfair treatment of independent property valuers who are not in the commercial banks' panels of property valuers. The Commission assessed the complaint and found that, the conduct persists in the market. Still, it does not amount to anti- competitive behaviour as it is a structural issue which should be resolved by the Ministry of Agriculture, Water and Land Reform through the establishment of the Namibia Council of Property Valuers Profession as per the Property Valuers Act No.7 of 2012. The Commission finalised this matter and recommended not initiating an investigation but rather issuing a media statement cautioning the banks and an advisory opinion to the Minister of Agriculture, Water and Land Reform to consider regulating the property valuers' market in Namibia.

Outcome: The Commission concluded that the matter did not constitute i-competitive practices and resolved to close the case. A formal communication was filed the Commission's decision not to investigate the matter. This was issued to the complainant; the matter was closed during the period under review.

6.2.3.2 BANKING WALLET COMPLAINT

The Commission received a complaint on 26 June 2023 from a member of the public against one of the commercial banks, alleging abuse of dominance in the informal sector by the said bank. It was alleged that the concerned bank is imposing on commercial clients that seek to utilise that bank's wallet services to move their banking accounts to that bank. This matter was, however, subsequently closed after the Complainant withdrew it.

Outcome: Due to the withdrawal of the matter by the Complainant, the matter was closed in the period under review.

6.2.3.3 CONSTRUCTION TENDER COMPLAINT

The Commission received a complaint on 29 September 2022, alleging that Reconnaissance Namibia (Recon Namibia) unfairly awarded tenders for constructing access roads in the Kavango East and West regions to a company affiliated with its consulting engineering firm. Recon Namibia is conducting oil and gas explorations in these two Kavango regions and requires access roads to the sites where it is drilling boreholes. A tender process was subsequently initiated to contract road-building companies for the construction of the access roads.

The Complainant further alleges that the company above submitted a tender significantly above the reasonable amount compared to the Complainant's company for constructing a 10 km access road in Wisdom Farm, one of the Kavango regions. After reviewing the matter, the Commission advised against initiating an investigation due to insufficient evidence indicating irregularities that hindered competition in the tendering process.

Outcome: During the review period, the decision was made not to initiate an investigation, and the case was closed.

6.2.3.4 WRISTBANDS SUPPLY COMPLAINT

The Commission received a complaint on 31 January 2023 regarding selling wristbands that provide consumers access to events. The Complainant stated that an exclusive arrangement exists between Pulse Wristband Namibia and Web tickets, wherein Web tickets only refer clients to Pulse Wristband, excluding the Complainant's business. After reviewing the matter, the Commission advised against initiating an investigation due to insufficient evidence of favouritism.

Web tickets, as all interested companies are encouraged to communicate their offerings to Web tickets for referrals.

Outcome: The Commission did not start an investigation, and the matter was closed.

6.2.3.5 EXHIBITION AND ENTERTAINMENT SECTOR COMPLAINT

The Commission received a complaint on 10 October 2022 against the Windhoek Show Society regarding the rejection of an application by Micro, Small and Medium Enterprises (MSMEs) to participate in the Windhoek Industrial and Agriculture Show (WIAS) in 2022 without any valid reason. The Complainant indicated that its application to provide entertainment services at the WIAS was rejected in favour of a South African company that has been exclusively contracted by the Windhoek Show Society over the years. The Commission reviewed the matter and decided to initiate an investigation on 10 August 2023.

Outcome: The Commission found prima facie evidence of possible anti-competitive practices that may warrant an investigation and initiated one.

6.2.3.6 WHEAT PRICES COMPLAINT

The Commission received a complaint on 17 May 2023 regarding an alleged unfair increase in wheat prices. The complainant claims to be a customer of Bakpro Complete Mix Flour. They operate a bakery in Otjinene, Omaheke Region, where they produce bread sold to local businesses in Otjinene, including Shoprite, which opened in May 2023. The complainant asserts that the price of Bakpro Complete Mix Flour has increased drastically over the past months, necessitating a rise in their bread prices to N$14.00 each to maintain profitability profit. However, it could not compete with the other bread suppliers at Shoprite, supplying loaves at N$9.99 each. After screening the matter, the Commission recommended not to initiate an investigation, as no evidence was found indicating that some suppliers are selling bread at retail prices lower than would unfairly squeeze the Complainant's position margins.

Outcome: The Commission has completed the screening process and found no prima facie evidence of possible anti-competitive conduct. Therefore, the matter has been closed.

6.2.3.7 COMMODITY PRICES IN LÜDERITZ

The Commission received a complaint on 25 April 2023 alleging that Spar in Lüderitz is overpricing its groceries, given that it is the only grocery shop in the town, to the detriment of consumers. This situation arose following the closure of OK Foods, which also operated in the town. A sample of prices for products sold at Spar was collected and analysed. Furthermore, a comparison was made with the prices of the same products at Spar in Windhoek to ascertain the price differences that could indicate whether Spar Lüderitz is engaging in overpricing. The analysis revealed that prices in Lüderitz were relatively similar to those in Windhoek. Outcome: The Commission has completed the screening process and found no prima facie evidence suggesting possible anti-competitive conduct closed.

6.2.3.8 REFILL WATER COMPLAINT

On 18 August 2023, the Commission received a complaint from a public member alleging that a supermarket in Windhoek sells refill water that appears to have a metallic and salty taste. Consequently, the Commission thoroughly assessed the complaint and established that it was not within the Commission's jurisdiction.

Outcome: The matter was referred to the Consumer Protection Unit, which is under the Ministry of Industrialisation and Trade. Subsequently, it was closed.

6.2.3.9 OVERCHARGING OF PLASTIC BAGS BY RETAILERS IN NAMIBIA

On 12 February 2024, the Commission encountered an article in the Brief newspaper in which the Minister of Environment, Forestry and Tourism expressed concerns about the prices charged by retailers for plastic bags. The Minister stated that retailers are charging above the legal amount of N$.50, while the government only collects the N$.50 as published in the Government Gazette of Namibia (Gazette No. 6967). The environmental levy of N$.50 on all plastic carrier bags was introduced on 2 August 2019 to discourage the use of plastic bags and control pollution. This levy is payable by importers and manufacturers of carrier bags to the Namibia Revenue Agency (NAMRA). The levy is paid quarterly to the Environmental Investment Fund to educate citizens on the responsible use of plastic bags and curb the irresponsible use of disposable plastics in Namibia. Currently, the levy is set at N$.50 per bag, and retailers do not collect it. However, retailers charge to recover the cost of the carrier bags.

Outcome: The Commission consulted with the Ministry of Environment, Forestry and Tourism (MEFT) in the period under review, and the screening process remains ongoing. The outcome will be reported in the next financial year.

6.2.3.10 REFUND COMPLAINT

The Commission received a complaint on 24 May 2023 about the issue of refund policies. It is alleged that a customer bought a particular product from a retail shop in Windhoek. However, upon purchasing that particular product, the shop owner indicated that they do not refund goods. Also, this information about the refund policy is not stipulated in or around the shop or referred to on the receipt. The Commission issued a formal communication to the Complainant informing them that the Commission does not have jurisdiction to investigate the matter as it is a consumer protection matter.

Outcome: The Commission referred the matter to the Consumer Protection Unit in the Ministry of Industrialisation and Trade. This matter has been closed.

6.2.3.11 UNFAIR PRICING OF LUBRICANTS COMPLAINT

The Commission received a complaint on May 16, 2023, alleging that Castrol Lubricants South Africa (the Respondent) is unfairly pricing the Complainant's lubricants while offering better prices to the Complainant’s competitors. On May 23, 2023, the Commission consulted with the Complainant to discuss the complaint. After the consultations, the Complainant advised the Commission that the matter had been resolved and withdrew the complaint.

Outcome: The Commission has resolved this matter within the specified period review.

6.2.3.12 EXCLUSIVE AGREEMENT IN THE ONLINE CORRIDOR SERVICES FOR THE CROSS-BORDER TRANSPORTATION OF FUEL

The Commission received a complaint on 16 June 2023 against Korridor Namibia (Pty) Ltd and Etango Petroleum Services Ltd, alleging a possible existence of an exclusive agreement between Korridor Namibia (Pty) Ltd and Etango Petroleum Services Ltd for the provision of online corridor services that enable transporters to order and pay online, particularly for cross-border transportation of fuel. The Complainant operates a transport business that transports fuel in Namibia and neighbouring countries, necessitating the services of an online corridor that allows customers to make instant payments for their deliveries. This service enhances efficiency in fuel delivery to cross-border customers by reducing the waiting period for payments to be processed before a delivery can be made.

The Complainant alleges that it attempted to subscribe to the platform, but Korridor Namibia (Pty) Ltd has consistently refused while allowing Etango Petroleum Services Ltd to subscribe. The Commission attempted to engage the Complainant on various occasions to request more information. However, there has been no response from the Complainant.

Outcome: The matter was closed in September 2023 because the Complainant failed to provide the requested information.

6.2.3.13 COMPLAINT IN THE BEER INDUSTRY

The Commission received a complaint on 2 June 2023 against NBL and AB-InBev alleging that NBL and AB-InBev are discriminating against certain businesses by refusing to allow them to offer the 3 for N$50.00 beer promotion while permitting or having permitted other businesses to offer that promotion. This practice allegedly resulted in some businesses being unable to generate sales and, as a result, being forced to exit the market due to their inability to compete with businesses offering three (3) for N$50.00 beer promotions for Windhoek Draught, Tafel Lager, Carling Black Label, and Castle Lite. The Complainant stated that he applied to NBL and AB-InBev to offer the three (3) for N$50.00 promotions, but his request was denied. The Commission engaged with the parties, and during consultations, it was found that the Complainant was not refused approval to offer the three (3) for N$50.00 beer promotions for both NBL and AB-InBev because by the time the Complainant applied, the NBL three (3) for N$50.00 beer promotion was nearing its end within a fortnight. At the same time, the AB-InBev promotion was also set to be discontinued toward the end of 2023. Therefore, the Complainant was advised by AB-InBev to consider the two (2) for N$30.00 beer promotion, which will replace the three (3) for N$50.00 beer promotion.

Outcome: The Division did not find any evidence suggesting that the parties were abusing their dominant positions in the relevant market. On 10 October 2023, the Commission communicated to the parties its decision not to initiate an investigation. The matter was closed.

6.2.3.14 EXCLUSIVE AGREEMENT IN THE SUPPLY OF SPENT GRAIN IN THE DAIRY INDUSTRY

On 19 January 2024, the Commission encountered an article in the Namibian Newspaper regarding a company named Travena Dairy in the Omaheke Region, which raised concerns about an alleged agreement between Namibia Breweries Limited (NBL) and Namibia Dairies (Pty) Ltd (Namibia Dairies), that operates a farm in Mariental. According to the article, this agreement allows NBL to sell used malted barley, a byproduct of the brewing process, exclusively for stock feed to Namibia Dairies. Prior to the tender process, local farmers had the opportunity to purchase this product directly from NBL; however, during the tender process, only 30% of the spent grain obtained by Namibia Dairies will be available for local farmers to buy directly from Namibia Dairies.

The Commission understands that by the end of 2023, NBL opted to optimise the provision of all used malted barley spent grain by initiating an open tender process to procure this product, accessible to local farmers. Furthermore, the information indicates that Namibia Dairies emerged as the successful bidder, securing the right to procure up to 100% of NBL's spent grain production for the year 2024. Consequently, due to this agreement, Travena Dairy asserts that if NBL does not reconsider the agreement, it may lead to a potential collapse of their businesses. It further stressed that the exclusive sale of used malted barley to Namibia Dairies has unfavourable and undesirable consequences for the dairy sector. The Commission held consultations with the parties in February 2024 to understand the nature of the agreement and considered the competition issues that may arise from the agreement.

Outcome: The Commission is still considering the matter, and it will be decided in the next financial year.

6.2.3.15 CLEARING AND FORWARDING INDUSTRY COMPLAINT

A complaint was received by The Commission on 23 October 2023 from a clearing agent alleging that the Namibian Revenue Agency (NAMRA) was applying dissimilar conditions to equivalent transactions against specific clearing agents, especially smaller clearing agents. This emanates from the recent implementation of the Authorised Economic Operator (AEO) system, which was developed by the World Customs Organisation (WCO) and is used by Customs Administrators to grant authorised traders such as importers, exporters, customs clearing agents, bonded area operators and transporters preferential treatments. The AEO will benefit accredited traders through accelerated national Value Added Tax (VAT) refunds and clearance, lowering the national nominal bonds and facilitating flexibility. However, to be certified for AEO status, traders are required to be equipped with an automated system capable of complying with AEO requirements, as well as significant financial resources. The Complainant asserts that these requirements are stringent and expensive to put in place, especially for MSMEs, and will place other traders at a competitive disadvantage, as the majority of them are not equipped with automated systems, which will further disadvantage them competitively. The Commission engaged NAMRA, and upon reviewing NAMRA's submissions, it was determined that the AEO system will be implemented in stages according to each category for the first time in Namibia. The AEO system is still in the piloting phase and will commence with importers and exporters. NAMRA has invited importers and exporters to express their interest in participating in the AEO programme, and to date, NAMRA has only received one expression of interest.

Outcome: The Commission found no prima facie evidence of possible abuse of a dominant position by NAMRA and recommended not initiating an investigation. The Commission's decision was communicated to the parties on 21 December 2023, 2023. The case was closed.

6.2.3.16 FAST FOOD COMPLAINT

The Commission received a complaint on 28 August 2023 against Hungry Lion Walvis Bay, alleging that it is abusing its dominance by directly and indirectly imposing unfair purchase or selling prices, potentially limiting and restricting market access after Hungry Lion Walvis Bay opened a fast-food outlet in the same complex as the Complainant in Walvis Bay. Following the opening of its doors, the Complainant lost most of its customers to Hungry Lion Walvis Bay. As a result, the Complainant is now unable to compete and faces the risk of market exit. The Commission assessed the matter and concluded that it does not amount to a possible abuse of dominance. Rather, the alleged conduct was found to be pro-competitive by providing consumers with product choice and competitive prices, in support of Section 2 of the Competition Act.

Outcome: The alleged conduct does not possibly contravene the Act, and the matter was closed during the period under review.

6.2.3.17 REPAIRS OF VEHICLES UNDER WARRANTY COMPLAINT

On 26 March 2024, the Commission received a complaint regarding the warranty conditions for maintenance and repairs of a courtesy vehicle provided to the Complainant by Jaguar Land Rover Windhoek (the Respondent). The Complainant alleges that the Respondent's courtesy vehicle sustained a dent while she was using it. Therefore, she is liable for the damage under the terms of the agreement she signed. She further claims that she obtained three quotations as required by the respondent but found them unaffordable, preferring instead to engage a panel beater of her choice, Jay Jay Body Works. Consequently, her request was denied, as only brand-approved panel beaters are permitted to be used. According to the Respondent's warranty conditions for maintenance and repairs of the courtesy vehicle, repairs can only be carried out by an Original Equipment Manufacturer (OEM) approved panel beater, as the Respondent must protect their products by adhering to their franchise agreement. As a result, the Complainant can only utilise one of the three quotations obtained from the approved OEM panel beaters

Status: The Commission is busy assessing the matter; the outcome will be reported in the next financial year.

6.2.3.18 REFUSAL OF MEDICAL AID FUNDS TO PAY MEDICAL DOCTOR'S CLAIMS COMPLAINT

The Commission received a complaint on 5 April 2023 regarding certain medical aid funds, namely the Renaissance Health Medica Aid Fund (RHMAF) and the Nammed Medica Aid Fund (Nammed), which refused to process and pay the Complainant's claims after attending to clients belonging to those medical aid funds. This refusal has resulted in the Complainant being unable to sustain his practice, and it will eventually lead to its closure should the conduct continue.

The Complainant further indicated that most of his clients in Tsumeb are members of the two medical aid funds.

Since the complaint pertains to medical aid funds, the Commission does not have jurisdiction as per the Supreme Court's judgment in the matter between the Commission and NAMAF, which was delivered on 19 July 2017 and found that the medical aid funds are not undertakings carrying on business for gain or reward.

Outcome: The outcome was communicated to the parties on 2 June 2023. This matter has been closed.

6.2.3.19 GROUND HANDLING SERVICES AT HOSEA KUTAKO INTERNATIONAL AIRPORT COMPLAINT

On 9 October 2023, the Commission received a complaint from Menzies Aviation Investment CC (Menzies) alleging abuse of dominance by Namibia Airports Company (NAC). The ground handling services license was scheduled for renewal in 2021; therefore, in August 2021, NAC sought interested bidders to submit bids for the supply of ground handling services at Hosea Kutako International Airport (HKIA). In the tender document, NAC set a minimum asking price of 18 percent of the revenue, an increase of 6 percent from the previous 12 percent charged by NAC to Menzies. Menzies was one of the six bidders who expressed interest in the tender. Consequently, Menzies lost the tender as it bid on the minimum asking price, whereas the tender invitation specified that it would be awarded to the highest bidder. Subsequently, the bid was awarded to Paragon Investment Holdings (Pty) Ltd JV Ethiopian Airlines (Paragon), which bid at 22 percent, reflecting an increase of 11 percent in revenue sharing annually.

Following the above, Menzies was dismayed and claimed that awarding the ground handling service tender was unfair and that the respondents engaged in collusive tendering to award Paragon the contract. According to the complainant, a revenue share of a 22 percent increase at 11 percent annually was excessive for the provision of ground handling services at HKIA, which could limit the number of airlines landing at HKIA and be detrimental to passengers, including tourists, as they would be charged exorbitant rates for flight tickets to cover the increased cost of production.

Status: The Commission is currently assessing the matter, and a decision will be announced in the next financial period year.

6.2.3.20 POSSIBLE ABUSE OF A DOMINANT POSITION IN THE DEBT COLLECTION MARKET ON BEHALF OF MUNICIPALITIES & LOCAL AUTHORITIES

On 7 September 2023, through social media, the Commission detected an article from a concerned citizen about Redforce Debt Management's possible dominance in Namibia's debt collection service provision market. The concerned citizen has raised that Redforce Debt Management (Redforce) is the only debt collection company that has been/ is being appointed by the municipalities, local authorities, and town councils in Namibia as a debt collector on their behalf.

The concerned citizen requested that the Commission investigate this matter. Following the article, the Commission has initiated a screening to ascertain whether the concerns raised have merit that suggest a potential contravention of the Act. Thus far, the Commission has discovered that Redforce has been awarded seven out of 14 tenders, indicating a dominant position despite the market containing over 100 other debt collectors in the country. The Commission is currently engaging with municipalities, local authorities, and town councils to ascertain the criteria they used to select debt collectors and why Redforce emerged as the winner for most tenders.

Status: The Commission is busy assessing the matter and expects an outcome in the next financial year.

6.2.3.21 SHIPS REPAIRS & MAINTENANCE COMPLAINT

On 25 September 2023, the Commission received a complaint alleging unfair treatment from Namdock Pty Ltd (Namdock). It is alleged that in 2014 the Complainant applied for a vendor number from Namdock without receiving a response and applied again in 2018, still with no success. Namdock is a subsidiary of Namibia Ports Authority (Namport) that has the sole mandate to repair port vessels and provide maintenance. Namdock outsources some of its functions to private businesses operating in the repairs and maintenance market for vessels. Namdock has a system that approves the registration of private businesses as Namdock vendors. Once a company is registered as a vendor, it is allocated a vendor number and becomes part of Namdock's vendors list. The Complainant alleges that Namdock is deliberately refusing to assign a vendor number to prevent it from being included on the Namdock vendors list as it cannot be part of the vendors list without having a vendor number. The Commission consulted with NAMDOCK on 26 January 2024, and again in March 2024. In March 2024, the Commission also consulted with the Complainant and another aggrieved party in Walvis Bay. The parties made various submissions to the Commission during and after the consultations, which are currently being assessed.

Status: The Commission is currently assessing the situation, and a decision will be announced in the next financial period year.

6.2.3.22 PRICE FIXING OF QUOTA USAGE FEES IN THE HORSE MACKEREL FISHING SUB-SECTOR COMPLAINT

The Commission received a complaint against Erongo Marine Enterprises (Pty) Ltd (EME), Namsov Fishing Enterprises (Pty) Ltd (Namsov), Venmar Fishing (Pty) Ltd (Venmar), and Seaflower Pelagic Processing (Pty) Ltd (Seaflower) in August 2023. A meeting was held with the informant on 18 August 2023 to discuss the nature of the complaint. During the meeting, the informant alleged a possible prohibited practice in the fishing industry, specifically collusion to fix the quota usage fees paid to the fishing quota right holders in the Horse Mackerel fishing sub-sector.

The informant submitted various quota usage fee agreements entered into by the Respondents and the Horse Mackerel fishing rights holders. The Commission has assessed that the Respondents potentially are engaged in price fixing as the quota usage fees offered to the fishing rights holders are the same.

Outcome: The Commission found prima facie evidence suggesting possible price fixing in contravention of the Competition Act. The Commission recommended starting an investigation initiated on 8 November 2023. This matter is now under investigation.

6.2.3.23 EXCLUSIVE DISTRIBUTION OF MOLOK PRODUCTS IN NAMIBIA COMPLAINT

The Commission received a complaint on 1 August 2023 against Rent-A-Drum alleges that Rent-A-Drum is the sole distributor of Molok container-lifting bags in Namibia and is abusing its dominant position within the Namibian economy. As Rent-A-Drum holds exclusive rights to supply Molok container-lifting bags in Namibia, it can disadvantage any other business attempting to supply these products to customers. The primary customers for Molok container-lifting bags are municipalities and town councils; thus, when they request bids for the supply of these bags, companies tendering alongside Rent-A-Drum are likely to be placed at a disadvantage by Rent-A-Drum, enabling it to secure the tender by ultimately submitting the lowest bid. The Complainant applied for a tender advertised by the Swakopmund Municipality, which invited bidders to submit proposals for supplying Molok container-lifting bags to Swakopmund Municipality.

The Complainant sourced a quotation from Rent-A-Drum for a bid. The Complainant emerged as the successful bidder, and upon enquiring with Rent-A-Drum about the validity of the quotation, was informed that the initial quote provided was incorrect and therefore invalid. Rent-A-Drum then issued a new quotation for a different amount to the Complainant. Subsequently, the Complainant reached out to Molok OY in Finland to source the products directly. However, the Complainant was redirected to Rent-A-Drum, which is Molok OY's sole distributor of Molok products in Namibia. The Complainant believes that Rent-A-Drum is abusing its dominance by offering companies varying quotations both before the tendering process and after the tender has been awarded to entities other than Rent-A-Drum. The Commission has engaged with Rent-A-Drum and Swakopmund Municipality to investigate the alleged conduct. Status: The Commission found prima facie evidence indicating an exclusive agreement between Rent-A-Drum and Molok OY, as well as possible abuse of dominance by Rent-A-Drum in contravention of the Competition Act. The Commission initiated an investigation against the parties on 8 November 2023.

6.2.3.24 RIDE HAILING IN WINDHOEK COMPLAINT

The Commission received a complaint on 24 April 2023, alleging that Yango and inDrive are engaging in activities that risk destroying the passenger transport sector, endangering passenger safety and adversely affecting the livelihoods of law-abiding, regulated transport operators. The Complainant alleges that Yango and inDrive, international online platforms allowing passengers and drivers to connect, offer cab-hailing services at lower prices, making it difficult for registered and regulated passenger transport businesses to compete within the sector.

The Commission has assessed the matter and found that utilising the services of Yango and inDrive requires a passenger to use an app to request either service by indicating their location and destination. The app calculates the fare payable by the passenger. Once the passenger is satisfied with the price, they can confirm the request.

The request will automatically go to the nearest Yango or inDrive driver, who will pick up the passenger and take them to the destination specified in the request. It has also been found that Yango and inDrive offer a direct transport service, unlike traditional taxis that pick up multiple passengers heading to different locations. This inconveniences passengers; Yango and inDrive provide convenience and competitive prices.

The Commission further discovered that Yango and inDrive are innovative passenger transport platforms that foster competition, in contrast to traditional passenger transportation methods, which tend to be costly and inconvenient. The Commission also noted that, while Yango and inDrive encourage competition, these platforms are also associated with risks to both passengers and drivers, including robbery, assault, and in some cases, fatalities.

Outcome: The Commission did not find prima facie evidence pointing to a possible contravention of the Competition Act. The Commission has, however, referred the matter to the Ministry of Works and Transport on 23rd September 2023 to address the regulatory issues and risks identified for both passengers and drivers. The matter was closed.

6.2.4 SUMMARY OF MATTERS UNDER INVESTIGATION

6.2.4.1 D. ISHUNA INVESTMENTS CC//RENT-A-DRUM

On 8 November 2023, the Commission initiated an investigation against Rent-A-Drum, Molok OY, and the Municipality of Swakopmund for possible restrictive business practices, specifically regarding an exclusive distribution agreement between Rent-A-Drum and Molok OY, as well as alleged abuse of dominance by Rent-A-Drum. Rent-A-Drum is the sole distributor of Molok container lifting bags in Namibia and may be misusing that dominant position in the Namibian economy.

As established in the pre-investigation, the Commission found prima facie evidence of a possible contravention of Sections 23 and 26 of the Competition Act. The Respondents were informed of the Commission's decision to commence an investigation on 16 November 2023. The Respondents submitted their responses to the Commission's investigation notices.

The investigation is still ongoing during this review period.

6.2.4.2 NACC//ERONGO MARINE ENTERPRISES & OTHERS

On November 8, 2023, the Commission initiated an investigation against Erongo Marine Enterprises (Pty) Ltd (EME), Namsov Fishing Enterprises (Pty) Ltd (Namsov), Venmar Fishing (Pty) Ltd (Venmar), and Seaflower Pelagic Processing (Pty) Ltd (Seaflower) for a possible prohibited practice in the fishing industry is specifically colluding to fix the quota usage fees that are paid to the holders of the Horse Mackerel fishing quota.

The Respondents were informed of the Commission's investigation on 9 November 2023. All parties submitted responses to the investigation notices and summons to appear before the Commission. Each concerned party has appeared before the Commission to provide information and evidence.

The investigation remains ongoing during this period review.

6.2.4.3 POULIC INVESTMENT CC // WINDHOEK SHOW SOCIETY

The Commission initiated an investigation into the complaint received on 5 October 2022, regarding the Windhoek Show Society (WSS) 's rejection of an application without any viable reason, as alluded to in the pre-investigation on 10 August 2023. After the investigation notices, the Respondents submitted to the Commission and also appeared before the Commission on 10 August 2023, to provide evidence and information in terms of Section 33 (4) of the Act.

The Commission assessed the Parties' submissions and finalised the investigation which found that the exclusive agreement between the Respondents is anti-competitive as it limits market access by preventing any other entertainment service provider from offering services at the annual WIAS for a period of 10 years.

The Respondents are found to have contravened Section 23 and 26 of the Competition Act. A proposed decision of a contravention was made on 19 December 2023 and communicated to the Respondents on 21 December 2023. The Respondents have been given another opportunity to make representations to the Commission within 30 days in response to the Commission's proposed decision in terms of Sections 36 and 37 of the Competition Act. WSS made representations to the Commission on 18 January 2024 requesting for consultation and settlement of the matter. The Commission is in engagements with the Respondents and a final decision in terms of section 38 will be made should the settlement negotiations fail.

The investigation remains ongoing during the period under review.

6.2.4.4 NAMIBIAN COMPETITION COMMISSION // NAMIBIA POWER CORPORATION (PROPRIETARY LIMITED), TELECOM NAMIBIA LIMITED & MOBILE TELECOMMUNICATIONS LIMITED

The Commission on 10 February 2023 initiated an investigation against NamPower, Telecom, and MTC for a possible contravention of the Act. In April 2022, the Commission was alerted by an informant about a possible existence of a restrictive "Tripartite agreement" between Nampower, Telecom, and MTC. The Commission assessed the tripartite agreement entered into between the Respondents and found prima facie evidence pointing to a possible contravention of the Competition Act by limiting market access and application of dissimilar conditions to equivalent transactions with other trading parties which had led to the investigation started. The tripartite agreement was found to be exclusive for a period of 10 years renewable for an additional one year starting from 1 June 2012 to 31 May 2022. The parties have been duly notified on the investigation and they submitted submissions to the Commission in response to the investigation notices.

The Commission is busy carrying out the investigation hence, the status of the investigation remains ongoing.

6.2.4.5 NAMIBIAN COMPETITION COMMISSION // NAMIBIA MEDICINES REGULATORY COUNCIL & OTHERS

The Commission on 6 April and 9 May 2022, initiated an investigation against Namibia Medicines Regulatory Council (NMRC), Pathcare Namibia (Pathcare), Diagnolab Namibia (Diagnolab), Langerhans Pharmacy (Langerhans Pharmacy), Covid Test Namibia and Namibia Institute of Pathology Limited (NIP) on the for possible overcharging of Covid-19 testing at testing facilities in Namibia. The investigation follows a probe into the same conduct that was conducted by the Competition Commission of South Africa (CCSA) which found laboratories to overcharge Covid-19 testing, however, the CCSA and the affected laboratories reached an agreement for the laboratories to lower the testing fees. The Commission received submissions from the Respondents following Forms four (4) and five (5) summons dated 19 May 2022. The Commission is still busy with the investigation.

The investigation remains ongoing during the period under review.

6.2.4.6 NAMIBIAN COMPETITION COMMISSION // NAMIB MILLS & NAMIBIA POULTRY INDUSTRY

The Commission on June 29 2022, initiated an investigation against Namib Mills (Pty) Ltd (Namib Mills) and Namibia Poultry Industries (Pty) Ltd (NPI) alleging refusal to sell certain products from their poultry supply and distribution range to Micro, Small & Medium Enterprises (MSMEs). It is further alleged that the Respondents do not allow certain MSMEs, especially new entrants in the market to purchase stock products categorised as ''tertiary range products'', as these products are accordingly reserved for their preferred well-established customers. After investigation notices, the Respondents made submissions to the Commission. The Commission has assessed the Respondents' submission and found that they contravened the Competition Act by limiting market access and application of dissimilar conditions to equivalent transaction against MSMEs in the poultry industry.

The Commission proposed a decision of an infringement on 19 December 2023. The Respondents were issued with the proposed decision as well as given an opportunity to make representations within 30 days following the proposed notice to the Commission. The Respondents made submissions and further requested an opportunity for an oral conference. A Section 12 Committee will be set up for the oral conference in the next financial year.

The investigation remains ongoing during the period under review.

6.2.4.7 JOHANNES J JACOBS// BANK WINDHOEK AND DR WEDER, KAUTA & HOVEKA

The Commission initiated an investigation against Bank Windhoek Limited (Bank Windhoek) and Weder, Kauta & Hoveka Inc (WKH) for allegedly entering into an Exclusive Service Level Agreement (ESLA), making WKH the exclusive and sole conveyancing attorneys for properties financed through Bank Windhoek to the exclusion of other conveyancing service providers in the conveyancing market. It is further alleged that Bank Windhoek disregards and declines potential financing to applicants, where applicants seek to make use of conveyancing services provided by firms other than WKH. A decision to start an investigation was made on 9 May 2022 and the Respondents were issued with investigation notices on 11 May 2022.

After the Respondents received the investigation notices, Bank Windhoek made submissions to the Commission in response to the investigation notices while WKH instituted a review application against the Commission in the High Court on 1 August 2022 requesting the High Court to compel the Commission to disclose information to WKH that led to the Commission's decision to start an investigation.

The High Court ruled in favour of the Commission on 4 October 2023. On 20 December 2023 the application for leave to appeal the Commission's decision to start an investigation against the parties was dismissed, and the case is postponed to 15 May 2024 for status hearing to determine the outcome of the review process in the Supreme court.

The investigation is on hold pending the outcome of the Supreme Court.

6.2.4.8 NAMIBIAN COMPETITION COMMISSION // WEDER, KAUTA & HOVEKA INC (WKH) AND PREFERRED LAND MANAGEMENT DEVELOPMENT HOLDING (PLMDH)

The Commission initiated an investigation into Weder, Kauta & Hoveka Inc (WKH) and Preferred Land Management Development Holding (PLMDH) concerning a possible exclusive agreement between PLMDH and WKH, which grants WKH the sole mandate for all property transfers at Osona Village. This agreement pertains to private individuals and natural persons, excluding developers, meaning that WKH will be the sole conveyancer responsible for executing such transfers whenever a property transfer occurs. A decision to commence the investigation was made on 9 May 2022, and the Respondents were served with investigation notices on 11 May 2022. Following receiving these notices, WKH lodged a review application against the Commission in the High Court on 1 August 2022, requesting the Court to compel the Commission to disclose the information that led to its decision to initiate the investigation.

The High Court ruled in favour of the Commission on 4 October 2023. On 20 December 2023, the application for leave to appeal the Commission's decision to initiate an investigation against the parties was dismissed, and the case has been postponed to 15 May 2024, for a status hearing to ascertain the outcome of the review process in the Supreme Court.

The investigation remains on hold pending the Supreme Court's decision.

6.2.4.9 NAMIBIAN COMPETITION COMMISSION // FNB & 9 OTHERS

On 10 March 2022, the Commission initiated an investigation against the Payment Association of Namibia (PAN) and nine registered commercial banks for their alleged collaboration concerning interchange fees, which could potentially lead to price fixing or market conditions in contravention of the Competition Act. The Respondents were served with investigation notices. In response, the Respondents submitted their statements to the Commission, which has duly taken them into account.

The Commission completed its investigation and found that the relevant provisions of Part 1 of the Act have been infringed, specifically Section 23(1) in conjunction with Section 23(2)(a) and Section 23(3)(a), based on the multilateral agreement via the PAN to fix the interchange fees. The Commission will issue a proposed decision on 4 April 2024, should the Board of Commissioners concur with the Commission in the next financial year.

The investigation remains ongoing during the period under review.

6.2.4.10 NAMIBIA COMPETITION COMMISSION // FNB & 4 OTHERS

On 10 March 2022, the Commission initiated an investigation against First National Bank of Namibia (FNB), Bank Windhoek, Nedbank, and Standard Bank for allegedly charging home loan clients an additional rate above the interest rate determined according to the client's financial profile if the client holds their primary transactional day-to-day account with a competing banking institution. Furthermore, the banks are accused of imposing unreasonably high and unfair prices for ancillary services, such as issuing home loan pre-approval letters and bank confirmation letters, where the fees do not reflect the direct costs associated with providing these services. The investigation also includes allegations of applying dissimilar conditions to equivalent transactions when providing fire insurance coverage to home loan clients. It is alleged that the fire cover premium for a select few brokers is incorporated into the mortgage repayment and payable annually, which results in the client paying a significantly lower premium. However, this option and benefit are available solely to members affiliated with brokers, while remaining independent brokers interested in this arrangement are excluded, effectively foreclosing them from this market. The Respondents have submitted their responses to the Commission regarding the investigation notices, and the Commission is currently considering these submissions.

The investigation remains ongoing during the period under review.

6.2.4.11 RETIREMENT FUND SOLUTION //GIPF & KULENI FUND ADMINISTRATORS AND ANOTHER

On 29 March, 2022, the Commission initiated an investigation against the Government Institutions Pension Fund (GIPF), Kuleni Preservation Fund (Pty) Ltd (KPF), and Kuleni Fund Administrators (Pty) Ltd (KFA), now known as Kuleni Financial Services (Pty) Ltd (KFS), alleging abuse of dominance and engagement in concerted restrictive practices. The allegations are substantiated by the fact that GIPF members who choose to withdraw their pension benefits before the retirement age and further opt to preserve their benefits by transferring them into a preservation fund, GIPF channels such funds exclusively to KPF in exclusion of other retirement and preservation funds available in the market. The respondents were issued investigation notices and have submitted responses to the Commission.

The investigation remains ongoing during the period under review.

6.2.4.12 PETER THORMAHLEN // NAMIBIA PROFESSIONAL HUNTING ASSOCIATION

On 19 May, 2022, the Commission initiated an investigation against the Namibia Professional Hunting. Association (NAPHA) on 19 May 2022 for allegedly refusing the Complainant's membership application, which restricts market access and may violate the Competition Act. According to the Complainant, NAPHA membership is a prerequisite for a professional hunter to apply for a trophy hunting licence from the Ministry of Environment, Forestry and Tourism. The Respondent received investigation notices and submitted responses to the Commission's investigation notices.

The Commission considered the submissions and completed its investigation, which found that the alleged conduct did not constitute a possible contravention of the Competition Act. This was based on the fact that NAPHA membership is neither a requirement nor a prerequisite for anyone wishing to apply for a trophy hunting licence from the Ministry of Environment, Forestry and Tourism.

The Complainant was informed of the Commission's decision on 10 November 2023. The case is closed.

6.2.4.13 STREET HOUSE // STUDIO EIGHTY-EIGHT & OTHERS

On 19 January 2022, the Commission initiated an investigation against Levi Strauss South Africa and Studio EightyEight. This investigation concerns the refusal to supply Streethouse (the "Complainant) with Levi's products, which are in high demand in Namibia. The alleged refusal to supply originates from Studio EightyEight, a competitor of the Complainant, and the parties have submitted Section 33 representations to the Commission in response to the investigation notices, denying any violations of the Act. The Commission is currently considering the Respondents' submissions regarding the investigation notices. Hence, the investigation is still ongoing during the period under review.

6.2.4.14 NACC // DAIMLER AG & OTHERS

In 2020, the Commission initiated an investigation against various OEMs, dealers, and OEM-approved panel beaters for engaging in restrictive agreements and abusing their dominant position. This investigation stemmed from a market study conducted by the Commission in 2017 within the automotive sector. It was launched to examine vertical exclusive distribution agreements, concerted practices, and territorial restrictions between OEMs and vehicle dealerships regarding the distribution of vehicles in Namibia. Additionally, it addressed restrictive practices by OEMs in appointing approved panel beaters and service agents/centres for vehicles under warranty, as well as the restrictions faced by vehicle dealerships and other retailers in selling OEM-approved vehicle parts. The Respondents were issued investigation notices, to which they submitted responses to the Commission. The Commission is currently reviewing these submissions.

The investigation remains ongoing during the period under review.

6.2.4.15 UGAB HARDWARE BUILD IT / CORNELIUS // SWAVET LTD NAMIBIA

On 16 March 2022, the Commission initiated an investigation against SWAVET (Pty) Ltd Namibia (SWAVET) and Agra Ltd Outjo Namibia (Agra) for allegations of refusing to supply SWAVET's products to the Complainant in Outjo due to the relationship between Agra and SWAVET. The Respondent was issued investigation notices to which it has submitted a response to the Commission. The Commission considered the

The Respondent's submission revealed that Agra and SWAVET have not agreed as contemplated by Section 23 of the Act. However, in relation as SWAVET, the Commission determined that SWAVET holds a dominant position in the relevant market and has abused this dominance in violation of Section 26(1) in conjunction with Section 26(2)(b) (which concerns limiting or restricting production, market outlets or access, investment, technical development, or technological progress) and Section 26(1) in conjunction with Section 26(2)(c) (which addresses applying dissimilar conditions to equivalent transactions with other trading parties) of the Act.

The Commission proposed an infringement decision on 19 December 2023. The Respondent was duly notified and given another opportunity to make representations to the Commission within 30 days of receipt of the proposed decision. The Respondent made representations, and the Commission is considering them.

The investigation remains ongoing during the period under review.

6.2.4.16 FISH REAPER HENTIES BAY// KINGFISHER SOUTH AFRICA AND COMPANY - ADRENALIN IMPORTERS DISTRIBUTORS

On 14 March 2022, the Commission initiated an investigation against Kingfisher South Africa & Company, Adrenalin Importers & Distributors, Cyril Caro (Pty) Ltd, and Leon Tackle Shop Henties Bay for allegedly refusing to supply fishing and angling products to the competitors of Lean Tackle Shop in Henties Bay. The Respondents were duly notified of the Commission's investigation and submitted their responses for the Commission's consideration.

The Commission completed its investigation and found a contravention regarding the refusal to supply fishing and angling products to competitors of Lean's Tackle Shop in Henties Bay. A proposed decision was issued on 13 December 2022, which also offered the Respondents another opportunity to make representations to the Commission within 30 days of receiving the proposed decision. The Respondents subsequently made representations that were considered, and the Commission confirmed its proposed decision, ultimately deciding on 19 December 2023 that the Respondents contravened the Act. The Respondents were duly notified of the Commission's final decision and its intention to initiate court proceedings against them. Kingfisher has proposed a settlement, the details of which are yet to be received by the Commission.

In the meantime, the Commission will institute court proceedings in the High Court against the Respondents.

6.2.4.17 KAOKO FEEDS AND LICKS CC // GOAL MAIZE FACTORY AND ONDANGWA FARMERS MARKET CC

On 14 March 2022, the Commission initiated an investigation against Goal Maize CC (Goal Maize) and Ondangwa

Farmers Market CC (Ondangwa Farmers Market) for allegedly entering into an exclusive agreement that designates Ondangwa Farmers Market as the sole distributor of Goal Maize's products in the northern regions of Namibia. Furthermore, they are accused of refusing to supply the Complainant with Goal Maize products due to the Complainant's location in Opuwo, Kunene Region, which falls within the areas designated under the exclusive agreement between the Respondents. The Respondents were notified of the Commission's investigation, to which only Goal Maize submitted responses. On 19 December 2023, the Commission determined that the Respondents had entered into an anti-competitive agreement in contravention of the Competition Act. The Respondents were informed and granted another opportunity to make representations to the Commission regarding its proposed decision. Goal Maize made a representation, while Ondangwa Farmers Market continued to refuse to submit responses. Consequently, in January 2024, the Commission instituted criminal proceedings against Ondangwa Farmers Market in accordance with Sections 61 and 64(c) of the Competition Act.

The investigation remains ongoing during the period under review.

6.2.4.18 THE AOPA & NACC//PUMA & NAC

On 4 September 2016, the Commission initiated an investigation against Puma and Namibia Airports Company (NAC) for abuse of a dominant position at Eros and Ondangwa airports due to Puma's excessive pricing of aviation fuel at the two airports. The Commission conducted a dawn raid at Puma's offices and depots in Windhoek to gather information about the investigation. Following the dawn raid, on 10 October 2016, Puma filed a review application in the High Court, challenging the legality of the Commission obtaining the warrant. On 8 November 2018, the High Court ruled in favour of Puma, stating that the search warrant was applied for by an official not duly designated under the Act. The Commission appealed the High Court's judgment to the Supreme Court, which dismissed the appeal on 8 September 2020. Following the Supreme Court ruling, Puma's seized documents were returned and the Commission initiated an additional investigation against Puma on 14 September 2020 concerning price discrimination related to aviation fuel at Eros and Ondangwa airports. Following the receipt of the second investigation notice, Puma invoked Section 40 of the Act to address the issue. The Commission and Puma settled for N$4 million on 22 February 2024, which will come into effect once it is made an order of the court.

The investigation has been finalised and will be closed once the consent agreement confirming the settlement of the matter is made an order of court.

6.2.4.19 ONE AFRICA TV//NAMIBIAN BROADCASTING CORPORATION

On 27 July 2023, the Commission initiated an investigation against the Namibian Broadcasting Corporation (NBC) concerning allegations of potentially anti-competitive unilateral conduct. The NBC is accused of suppressing competition by restricting market access for other free-to-air broadcasters on the Digital Terrestrial Television (DTT) Network. This action follows NBC's removal of One Africa TV and TBN from the DTT network after these parties declined to pay lease fees to NBC, which they deemed excessive and not reflective of the actual service provided. The Commission has issued investigation notices to NBC, which has submitted responses. As the Commission reviews these submissions, it has engaged an independent economic expert to furnish an objective economic analysis of the DTT network's cost implications and to assess whether the leasing fees charged to free-to-air broadcasters are excessive or fair. The investigation is still ongoing throughout the period under review.

6.2.5 MEASURES TO IMPROVE MARKET TRANSPARENCY

The majority of the Division's work involves screenings and investigations. However, it is important to note that not all screenings result in investigations, and not all investigations yield in findings of a contravention. In such instances, the relevant cases typically conclude. In some cases, the Commission may identify an adverse situation that does not necessarily arise from anti-competitive practices. Where appropriate, the Commission issues advisory opinions to relevant stakeholders, informing them of the unfavourable situation uncovered and recommending ways to effectively address such situations. These efforts by the Commission aim to assist stakeholders in tackling various challenges within any segment of the Namibian economy.

6.2.6 ADVISORY OPINION

6.2.6.1 SECURITY ASSOCIATION OF NAMIBIA

On 7 June 2023, the Security Association of Namibia (SAN) sought advice from the Division regarding the challenges SAN has faced with certain security companies in the industry. These companies reportedly charge service fees that are lower than is deemed reasonable for providing such security services. SAN wishes to recommend fees to its members, believing that these proposed fees are essential to ensure that all security companies can operate profitably and deliver quality services. This reflects SAN's perspective that such recommendations are vital for these companies' sustainable operation and service quality.

The advisory opinion aimed to assess the conduct brought to the Commission's attention and to determine whether it contravened Parts I and II of the Act. This opinion highlighted the relevant facts and applicable law. Subsequently, the Commission addressed any competition issues arising from the implementation of recommended fees to be charged by security companies that are members of SAN and considered any ancillary problems that might arise. After evaluating the request, on 21 July 2024, the Commission advised that SAN should not implement the recommended fees to be charged by its members, as this could potentially contravene Section 23(1) read in conjunction with Section 23(3)(a) of the Act. Furthermore, SAN was encouraged to apply for an exemption under Section 27 of the Act on behalf of its members.

6.2.7 SUMMARY OF SETTLEMENT NEGOTIATIONS

The Commission has entered into settlement agreements as detailed below:

i. Riso and Maxes for a combined amount of N$683,202,24
ii. Momentum (N$750,000)
iii. Santam (for N$5,000,000)
iv. Puma (for N$4,000,000)

The fines are to be paid into the state revenue fund.

6.2.8 CHAPTER 3 MATTERS SUBJECT TO LITIGATION

LITIGATIONS		
No.	**Case Name**	**Case Number**
1	Namibian Competition Commission // Santam Namibia & 7 Others	HC-MD-CIV-ACT-OTH-2021/03064
2	Namibian Competition Commission // Santam Namibia & 82 Others	HC-MD-CIV-ACT-OTH-2022/00404
3	Namibian Competition Commission // Pharmaceutical Society of Namibia & Others review application	HC-MD-CIV-MOT-REV-2022/00335
4	Namibian Competition Commission // Santam Namibia & 7 Others exception hearing	HC-MD-CIV-ACT-OTH-2021/03064
5	WKH, PLMDH Review Application	HC-MD-CIV-MOT-REV-2022/00355
6	WKH Review Application in the Bank Windhoek matter	HC-MD-CIV-MOT-REV-2022/00357
7	IGL (Pty) Ltd t/a Afrox // Triple J Energies (Pty) Ltd & Others	HC-MD-CIV-ACT-OTH-2020/01413

Table 10: Litigation matters

STRATEGY AND RESEARCH

6.3 STRATEGY AND RESEARCH

The Strategy and Research Division, formerly the Economics and Sector Research Division, consists of three subdivisions focusing on economic research, strategy, stakeholder engagement, and corporate communications. Within the research function, the Division conducts action-oriented studies on competition to support evidence-based regulation and policy. This involves assessing the economic impacts of competition cases, market investigations, and policy initiatives. Additionally, the division is responsible for conducting economic analyses of various cases and carrying out ancillary research into mergers and investigations of restrictive business practices. From a competition perspective, general market monitoring and knowledge generation also fall under its remit. Furthermore, as part of its research function, the Division is tasked with developing and implementing economic policy and advising the Minister of Industrialisation and Trade in accordance with Section 2 of the Act.

Other responsibilities of the Division include advocating for competition compliance. It also coordinates strategic collaborations and networks with other competition regulatory authorities and various sector regulators locally, regionally, and internationally to gain insights into best practices in competition regulation and enters into memoranda of understanding to co-regulate on issues that cut across various economic sectors.

During the period under review, the Division undertook two (2) market investigations in its quest to fulfil its mandate.

6.3.1 PERFORMANCE AGAINST TARGETS

The Division had nine targets and successfully met seven of them, resulting in a performance score of 50%.

Division	Target	Targets Met	Targets not met	Score
S&R	12	6	6	50%

Table 11: Performance against targets

6.3.2 PERFORMANCE HIGHLIGHTS

During the reporting period, the Division undertook activities across all its functions, namely research, strategy, stakeholder engagement, communication, and advocacy. Under the research function, ongoing activities include the Merger Notification Threshold and Filing Fees Study, the Piggery Market Impact Assessment, initiatives for implementing the National Competition Policy, and stakeholder consultations towards the finalisation of the Namibia Private Healthcare Sector Study. In terms of communication and advocacy, the Division employs various methods to share information about its activities and programmes while also receiving queries from the media and other stakeholders. These interactions provide the Commission with opportunities to engage, either face-to-face or through other means, with its diverse stakeholders to disseminate information and raise awareness. These includes stakeholder engagements across a variety of media platforms, such as radio, television, websites, and social media. Some of the Division's activities are discussed further below.

6.3.2.1 PIGGERY MARKET IMPACT ASSESSMENT

Ex-post evaluations of merger decisions can assist authorities in assessing the correctness of their decisions based on the information available at the time and whether the decision aligns with the jurisdiction's policy goals. Furthermore, it is essential to note that by conducting and making public ex-post merger analyses, competition authorities demonstrate greater transparency to the public and highlight the importance of enforcing competition laws. The Commission has yet to conduct a merger effect study to determine how its decisions impact the markets it has previously evaluated. In this merger case, the merits suggest that the merger would typically be deemed anti-competitive. However, the Commission considered and accepted the claimed efficiencies expected to arise from the merger's implementation, along with the understanding that the merger would enable the merged entity to compete successfully with imports once the industry's restrictions expire. Nevertheless, the Commission lacks any ex-post indication of whether its decision has realised the intended effects and whether benefits have accrued to market participants, particularly smaller producers and consumers. In the absence of this information, the Commission has no basis for assessing the correctness of its decision, which would be useful not only for this particular transaction but also for future transactions that may share similar merits.

The primary aim of this study is to evaluate how the market has changed following the merger, with specific objectives to:

i. Evaluate how the market has changed after the merger and analyse the competitive landscape, encompassing factors such as the level of competition, entry, import, export, and the role of smaller producers, among others.
ii. Provide an analysis of price trends in the market pre- and post-merger. The ongoing study will be finalised in the 2024/25 financial year.

6.3.2.2 REVIEW OF MERGER NOTIFICATION THRESHOLDS AND FILLING FEES

During the period under review, the division began work on the study of merger thresholds and filing fees. This study is designed to evaluate the merger notification thresholds and filing fees. Determining the appropriate cut-off for the size of undertakings is crucial, as it requires authorities to ascertain the level and scale at which an undertaking could influence competition. Setting thresholds too high may permit transactions that affect competition to go unchecked, potentially leading to detrimental effects on the market. Conversely, setting thresholds too low could impose an unnecessary administrative burden on competition authorities, necessitating the review of merger transactions involving undertakings that may not possess the power to impact competition.

Evolutions in the market may render current merger thresholds ineffective in subjecting potentially problematic mergers to the review process. This issue is best addressed by periodically reviewing existing thresholds and filing fees.

Similarly, the evolution of the market may make the current filing fee levels insufficient. This could happen if they no longer reflect the actual costs of the merger review process, placing an unfair burden on the Commission to shoulder a disproportionately large share of those expenses. Furthermore, these fees may not discourage unnecessary notifications from entities that lack full commitment, thereby imposing additional administrative burdens on the Commission. This issue is also addressed through periodic reviews to ensure that filing fees remain appropriate.

The objectives of the study are therefore to:

a. Review the current thresholds and propose the appropriate merger thresholds relevant to satisfy the provisions of the Competition Act.
b. Establish thresholds for merger notification based on internationally recognised criteria and principles.
c. Identify the criteria and principles that determine the merger thresholds.
d. Provide a review of existing merger filing fees;
e. Provide revised merger filing fees in line with current economic conditions as well as the needs of the Commission.
f. Highlight the criteria and principles for the proposed merger filing fees.

This study is currently ongoing and will be finalised in the 2024/25 financial year.

6.3.2.3 IMPLEMENTATION OF THE NATIONAL COMPETITION POLICY

Namibia's National Competition Policy (NCP) outlines specific principles, aims, and objectives that will guide the country's competition policy framework over a five-year period following its adoption. It also specifies the institutional framework essential for the effective implementation of the policy. Enacted in 2020, the policy provides a comprehensive framework for integrating competition policy, legislation, and regulations within the national development strategy to support long-term national objectives.

Several key deliverables have been developed for implementation over the medium term as part of the NCP. These include action items related to policy development, legislative development, competition impact assessment, competitive neutrality, state support measures, cross-border investment and transactions, public procurement, and impact assessments. The Ministry, in collaboration with the Commission and several agencies, is responsible for ensuring the implementation of these action items. A Committee on NCP will be established for this specific purpose, with its primary duty being to oversee this implementation. An implementation plan will be created to prioritise the action items for execution and to identify the necessary skills required.

Competition policy is acknowledged as a key driver of economic growth, offering a chance for markets to expand at both regional and international levels. Consequently, the AfCFTA considers competition policy essential for the implementation of the Free Trade Agreement.

The AfCFTA's Protocol on Competition aims to establish an integrated and unified African continental competition regime that enhances market efficiency, promotes inclusive growth, and achieves the structural transformation of African economies. Furthermore, the Protocol seeks to foster economic integration and sustainable development within the AfCFTA Market while managing the interrelationships of competition regimes and sectoral regulatory laws at national, regional, and continental levels.

Several key action items of the NCP relate directly to the objectives of the AfCFTA. Within a continental framework such as the AfCFTA, it is essential for national competition authorities to establish cooperation mechanisms regarding issues of competitive neutrality and state aid, as well as to develop a framework to effectively scrutinise cross-border investments and transactions to ensure they serve the public interest.

Furthermore, the AfCFTA mandates that each State Party inform the other State Parties of their laws, regulations, and international commitments related to the Protocol. If State Parties amend or introduce new laws, regulations, or commitments associated with the Protocol, they must notify the Secretariat within six months of these changes taking effect. Consequently, the amendment of the Competition Act necessitates this action upon enactment. Namibia, as a member of the AfCFTA, should therefore strive to implement its competition policy activities at the national level to ensure alignment with its continental counterparts and assist in achieving the goals of the AfCFTA through its participation at the continental level.

It is imperative for the Commission, along with the Ministry, to ensure the completion of key action items under the NCP and to align the national competition policy objectives with the broader regional objectives. The NCP is anticipated to be fully implemented in the 2026/27 financial year.

6.3.3 COMMUNICATIONS AND ADVOCACY

One of the Commission's key strategic pillars is advocacy and communication aimed at fostering a culture of competition. Competition authorities globally develop and implement strategic communication and advocacy methods to ensure effective public outreach, encourage compliance with competition laws, and communicate their law enforcement decisions. The primary goal of this communication and advocacy effort is to provide comprehensive marketing communications services and non-enforcement programmes and activities for industry stakeholders, focusing on media relations, marketing, design services, and internal communication and advocacy. Consequently, the Commission has established a strategy for advocacy and communication to create clear and consistent mechanisms designed to raise awareness of the Act and the Commission's role.

6.3.3.1 ADVOCACY AND AWARENESS CREATION

Through the Division, the Commission employs various communication methods to share its activities and address queries from the media and other stakeholders. This provides the Commission with opportunities to engage with its diverse stakeholders through both traditional and digital platforms, sharing and clarifying its activities. Numerous stakeholder engagement activities were conducted during the period under review. These activities are categorised as follows:

6.3.3.1.1 INTERNAL COMMUNICATION:

Internal communication is a crucial area that supports the internalisation of the Commission's mandate and fosters a cohesive workspace. Therefore, through the Division, the Commission ensures the ongoing provision of relevant information to staff members and offers communication platforms, such as internal email correspondence and staff meetings conducted through the Office of the CEO. The Division also manages the Commission's advertising needs.

6.3.3.1.2 DEVELOPMENT OF SOCIAL MEDIA POLICY

Social media has become an effective and highly relied-upon tool for individuals and organisations to communicate information and reach a broader audience. Utilising social media benefits the Commission by enhancing its marketing and publicity efforts while reducing costs through the promotion of its activities and initiatives on its social media platforms. However, given the ever-evolving technological landscape, social media poses a risk to the Commission's reputation and position when misused by employees and third parties. During the review period, the Division committed to developing the Commission's social media policy to provide guidance and outline general considerations for employees engaging on social media platforms, aiming to minimise any potential risks.

6.3.3.1.3 EXTERNAL COMMUNICATION:

External communication aims to enhance the Commission's reputation, promote its image, and build and maintain relationships with various stakeholders. It also provides platforms for the Commission to achieve its communication objectives, which include informing, educating, and persuading its external audiences regarding developments in executing its mandate.

6.3.4 STRATEGY AND STAKEHOLDER ENGAGEMENT

6.3.4.1 PERFORMANCE REVIEW

The Commission adopted a five-year Strategic Business Plan spanning from 2020 to 2025, and its implementation is presently in the fourth year. The activities detailed in the Strategic Plan are further elaborated in the Annual Business and Financial Plan (ABFP) for each financial year.

The activities outlined in the ABFP are designed to achieve the strategic goals set forth in the strategic plan, which directs the efforts and resources of the Commission towards enforcing the Act and fulfilling its mandate to safeguard and promote competition within the Namibian economy.

The Commission's ABFP outlines the Commission's priorities, strategic direction, financial overview, and supporting activities. To realise its strategic goals and meet the targets set out in the ABFP, the Commission monitors and evaluates the implementation of the ABFP through quarterly performance evaluations. The performance report seeks to assess the Commission's performance for the year and utilise the lessons learned to enhance performance in the upcoming financial year. The Division is responsible for monitoring and evaluating the Commission's performance. The Commission's performance is reported in Table 3 under the CEO's Office above.

6.3.4.2 PRODUCTION OF ANNUAL REPORTS 2021/22 AND 2022/23

The Commission is expected to produce an annual report six months after the close of the financial year. The reports for 2021/22 and 2022/23 have been outstanding, and the Commission has committed to compiling these reports during the reporting period and publishing the final versions. The annual report for 2021/22 was not produced in 2022/23 due to staff turnover and challenges arising from COVID-19. Consequently, it was compiled alongside the 2022/23 annual report during the reporting period.

FINANCE & ADMINISTRATION

6.4 FINANCE AND ADMINISTRATION

The Finance and Administration (F&A) Division provides essential support functions to the Commission, including human capital management; procurement and administrative services; financial management; information technology and records management.

6.4.1 F&A PERFORMANCE AGAINST TARGETS

The Division set15 targets and successfully achieved three resulting in a performance score of 20%.

Division	Target	Target met	Target not met	Performance Score
F & A	15	3	12	20%

Table 12: F&A performance

The Division did not meet 80% of its targets due to budget constraints and a shortage of staff. Most of the targets have been initiated and are ongoing; they were simply not completed by the end of the reporting period.

6.4.2 HUMAN CAPITAL

The Commission considers its human capital to be its most valuable asset. It aims to employ best practices consistently in managing its human resources and believes that enhancing capacities and developing talent are the most crucial aspects of resource allocation.

The Commission also believes that, due to the nature of its mandate and the shortage of necessary skills for effectively carrying it out, it is essential to implement best practices, including training, skill upgrades, and incentives, to retain its human capital.

6.4.3 STAFF COMPLEMENT

The Commission has a staff complement of 31 for the financial period. No resignations were recorded during the period under review. However, the Commission recruited seven staff members to fill critical positions. Additionally, the Commission employed five graduate interns to assist in the finance and administration, enforcement, mergers, and research divisions.

6.4.3.1 STAFF COMPLEMENT PER DIVISION

The figure below illustrates the number of employees in the Commission by Division:

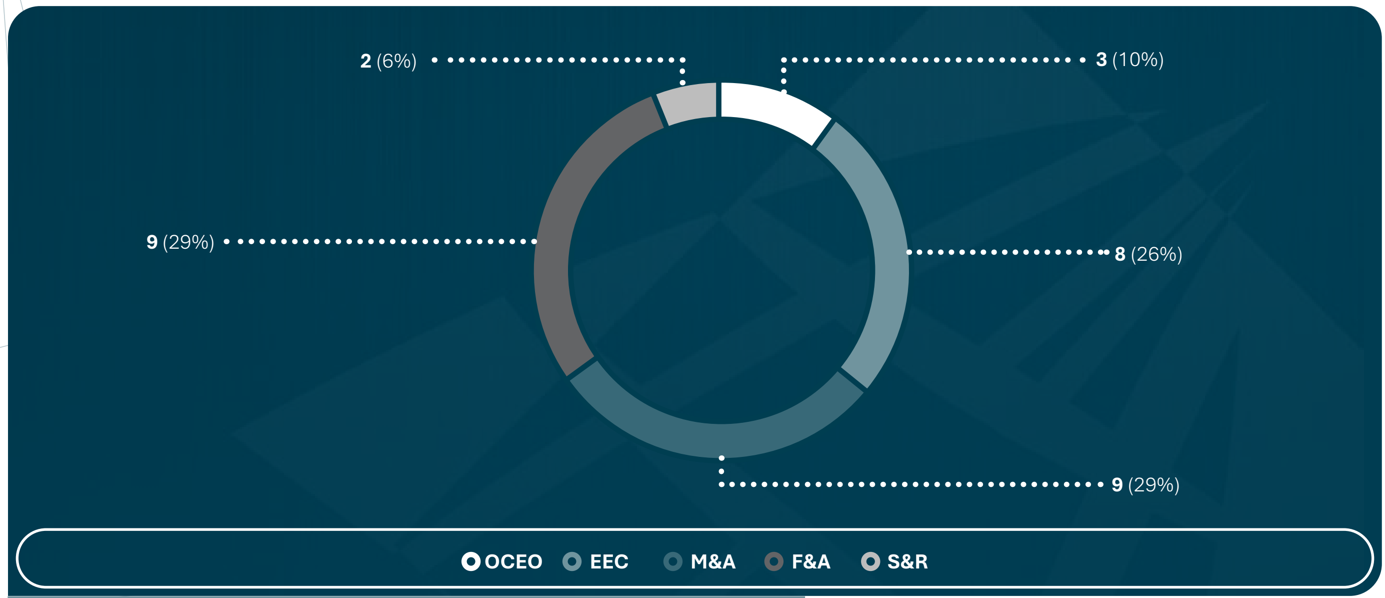

Figure 25: Number of employees in the Commission per Division

6.4.3.2 GRADUATE INTERNS PER DIVISION

The chart below illustrates the number of graduate interns in the Commission by division:

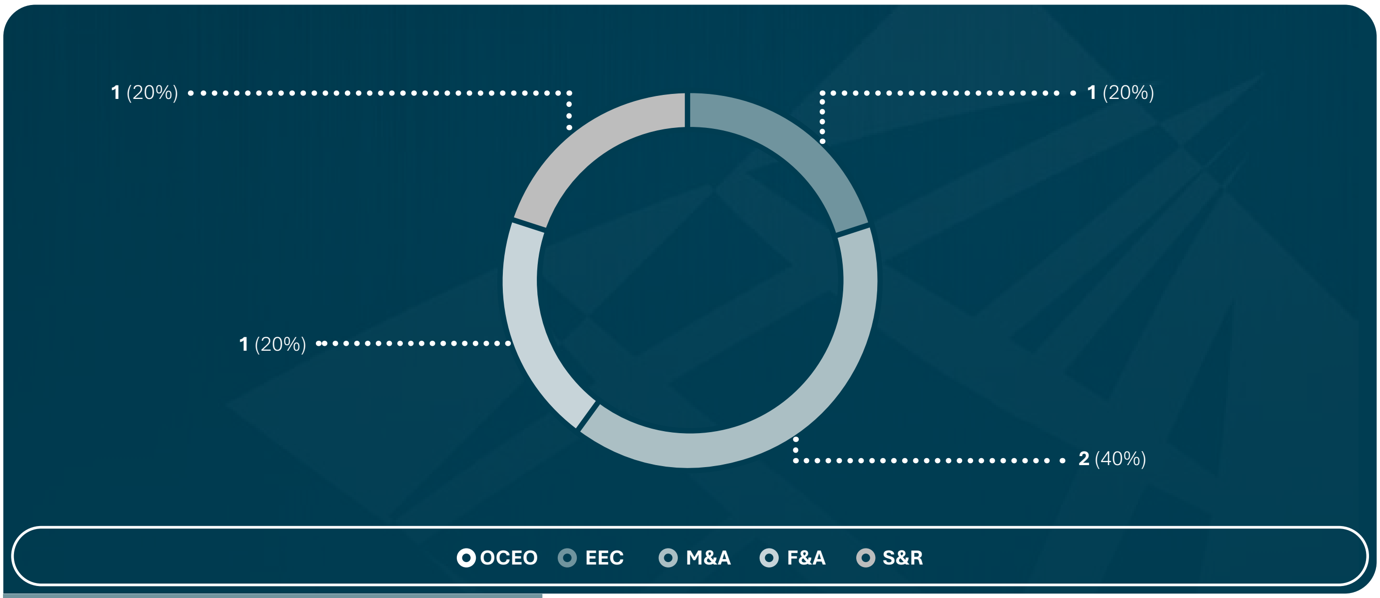

Figure 26: Number of interns per Division

The table below depicts the structural set-up of the Commission during the financial year.

Office/Division	Positions	No. of posts provided for	No. of posts filled
Office of the CEO and Secretary to the Commission	• Chief Executive Officer • Corporate Secretary/Legal Advisor • Executive Assistant to the CEO • Risk and Compliance Officer • Principal Legal Officer: Litigation • Senior Legal Officer: Litigation • Senior Legal Officer: Litigation • Assistant Corporate Secretary	8	3
Enforcement, Exemptions and Cartels Division	• Director • Principal Analyst: Legal • Principal Analyst: Economics • Senior Legal Analyst x 2 • Senior Analyst Economist • Legal Analyst (2) • Analyst Economist (3) • Administrative Assistant • Graduate Interns x 2	16	8
Mergers and Acquisitions Division	• Director • Principal Analyst: Legal • Principal Analyst: Economics • Senior Legal Analyst x 2 • Senior Analyst Economist • Legal Analyst x 4 • Analyst Economist x 4 • Administrative Assistant • Graduate Interns x 2	16	9
Strategy and Research Division	• Director • Senior Researcher • Senior Corporate Strategy • Corporate Communication Practitioner • Researcher • Administrative Assistant	6	2
Finance and Administration Division	• Director • Manager: Finance • Manager: Human Capital • Human Capital Practitioner • Office Administrator and Procurement Officer • OD & Wellness Practitioner • General manager IT • IT and Systems Administrator • Assistant Accountant • Records and Documentation Clerk • Administrative Assistant • Receptionist • Driver/Messenger • Graduate Interns x 2	15	9
Total		**61**	**31**

Table 13: Structural set-up as at 31 March 2024

6.4.4 ORGANISATIONAL DEVELOPMENT

Given the technical complexity of the Commission's operational mandate, staff development is a key priority. Consequently, the training and development programmes for the review period comprised interventions such as in-house capacity building, study grants, sabbatical assistance, and other tailored training in identified priority areas. Staff training and development are considered essential and ongoing efforts to ensure the Commission executes its mandate effectively, efficiently, and professionally.

Regarding the training interventions provided by external service providers, no training sessions were reported to have taken place during the reporting period. In contrast, during the previous period, three (3) staff members submitted requests for training, as detailed in the table below:

Short-Term Training / Conference Attendance: 19 June to 31 March 2024. The figure below presents the training costs incurred from October 2023 to 31 March 2024.

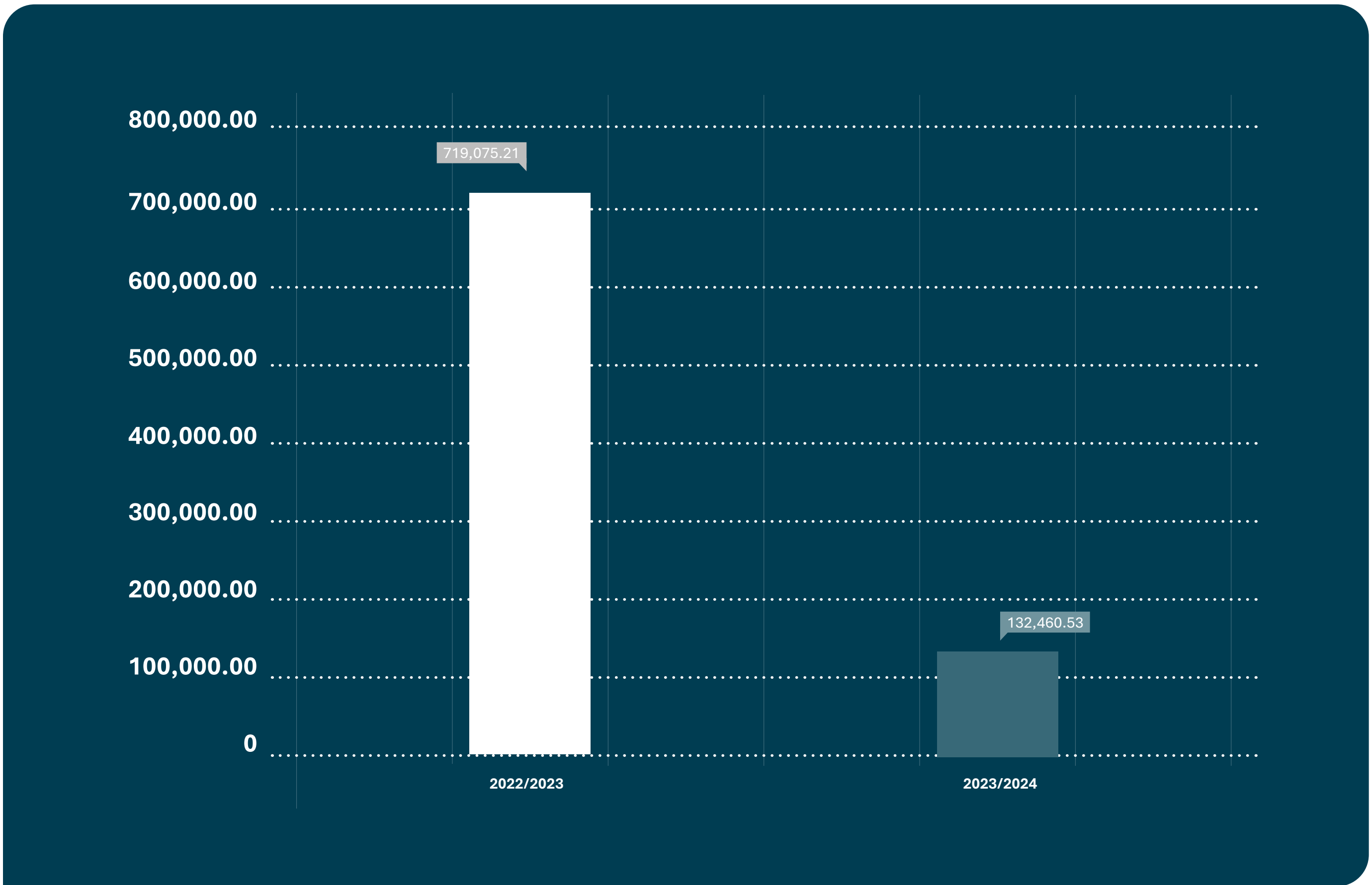

Figure 27: Training and Development

6.4.5 EFFECTIVE FINANCIAL MANAGEMENT

As a non-commercial, government-funded public enterprise, the Commission promotes fiscal responsibility and stewardship through effective financial planning, oversight, controls, and financial reporting and monitoring.

We are delighted to announce that we have received an unqualified external audit report, which underscores our dedication to sound financial practices.

6.4.6 INFORMATION AND COMMUNICATIONS TECHNOLOGY

The Information and Communication Technology (ICT) function is responsible for providing enabling technology that enhances efficiencies in the Commission's work, safeguards information resources, and ensures the continuity of the Commission's operations.

FINANCIAL STATEMENTS

5 6 7

NAMIBIAN COMPETITION COMMISSION
DRAFT ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Namibian Competition Commission for the financial year ended 31 March 2024 provided by the Accounting Officer as attached in Annexures A-F. These financial statements comprise the Statement of Financial Position Statement of Financial Performance Statement of Changes in Equity; Cash Flow Statement Notes to the Financial Statements for the year then ended and a summary of significant accounting policies.

In my opinion the financial statements present fairly in all material respects the financial position of the Namibian Competition Commission as at 31 March 2024 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

2. BASIS FOR UNQUALIFIED AUDIT OPINION

I conducted my audit in accordance with International Standards for Supreme Audit Institutions My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements in Namibia and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

3. KEY AUDIT MATTERS

Key audit matters are those matters that in my professional judgment were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole and in forming my opinion thereon and I do not provide a separate opinion on these matters I have determined that there are no such matters to report.

4. OTHER INFORMATION

Management is responsible for the other information The auditor's opinion on the financial statements does not cover the other information and accordingly the auditor does not express any form of assurance conclusion thereon In connection with my audit of the financial statements my responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated If based on the work we have performed I conclude that there is a material misstatement of this other information; we are required to report that fact I have nothing to report in this regard.

5. Audit of Key Performance Information

It was noted that the Commission did not fully implement its annual plan as only 56 % of the key performance targets (34 out of 61 targets) were implemented for the 2023/24 strategic review period.

Recommendation
It is recommended that the Commission ensures that all performance targets are achieved at year-end.

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and the Competition Act 2003 ((Act No.2 of 2003) and for such internal controls as management determines it necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements management is responsible for assessing the entity's ability to continue as a going concern disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so Those charged with governance are responsible of overseeing the entity's financial reporting process.

7. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error and to issue a report that includes my opinion Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) will always detect a material misstatement when it exists Misstatements can arise from fraud or error and are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards for Supreme Audit Institutions I exercise professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion forgery intentional omissions misrepresentations or the override of internal controls;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern If I conclude that a material uncertainty exists I am required to draw attention in my report to the related disclosures in the financial statements or if such disclosures are inadequate to modify my opinion My conclusions are based on the audit evidence obtained up to the date of my report However future events or conditions may cause the Entity to cease to continue as a going concern;

- Evaluate the overall presentation structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Communicate with those charged with governance regarding among other matters the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit;

- Provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable related safeguards;

From the matters communicated with those charged with governance I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters I describe these matters in my report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The financial statements were submitted by the Accounting Officer to the Auditor-General in compliance with Section 20 (3) of the Competition Act 2003 (Act No.2 of 2003).

Windhoek, September 2024

JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

GENERAL INFORMATION

Country of incorporation and domicile	:	Namibia
Nature of business and principal activities	:	The Commission is tasked with promoting competitive market conditions through investigations and prosecutions of anticompetitive activities, reviewing and approving mergers and exemption applications, and disseminating information to businesses, consumers and other stakeholders.
Secretary	:	Vitalis Ndalikokule
Business address	:	15 Eugene Marais Street Namibia Trade Forum Building Windhoek
Postal address	:	P. O. Box 2104, Windhoek, Namibia
Bankers	:	Bank Windhoek Limited
Auditors	:	Office of the Auditor-General

COMMISSION'S RESPONSIBILITY & APPROVAL

The Commission is required by the Competition Act (Act No.2 of 2003) to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Commission as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards and the Competition Act of Namibia (Act No.2 of 2003). The annual financial statements are prepared in accordance with International Financial Reporting Standards and Competition Act (Act No.2 of 2003) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Commissioners acknowledge that they are ultimately responsible for the system of internal financial control established by the Commission and place considerable importance on maintaining a strong control environment to enable the Commission to meet these responsibilities the Commission sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standard includes the proper delegation of responsibilities within a clearly defined framework effective accounting procedures and adequate segregation of duties to ensure an acceptable level risk.

These controls are monitored throughout the Commission and all employees are required to maintain the highest ethical standard in ensuring the Commission's business is concluded in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Commission is identifying assessing managing and monitoring all known forms of risk across the Commission. While operating risk cannot be fully eliminated, the Commission endeavours to minimise it by ensuring that appropriate infrastructure control systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Commissioners are of the opinion based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements, however, any system of internal financial control can provide only reasonable and not absolute assurance against material misstatement or loss. The Commissioners have reviewed its cash flow forecast for the years ended 31 March 2024 in light of this review and the current financial position they are satisfied that the Commission has or has access to adequate resources to continues in operational existence for the foreseeable future.

The annual financial statements set out as follows, which have been prepared on the going concern basis, were approved by the Commission, and were signed on its behalf by:

Penda Ithindi Chairperson of the Commission	Isabella Tjatjara Vice Chairperson of the Commission
20/11/2024 DATE	20 November 2024 DATE

SECRETARY'S REPORT

The Secretary has pleasure in submitting the report on the annual financial statements of the Namibian Competition Commission for the year ended 31 March 2024.

1. Incorporation
The Commission was established on 24 April 2003 in accordance with the promulgation of the Competition Act, 2003 (Act No.2 of 2003).

2. Nature of Business
The Commission is tasked with promoting competitive market conditions through investigations and prosecutions of anticompetitive activities, reviewing and approving mergers and exemption applications, and disseminating information to businesses, consumers, and other stakeholders. There have been no material changes to the nature of the Commission's business from the prior year.

3. Review of financial results and activities
The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year.
Full details of the financial position, results of operations and cash flows of the commission are set out in these annual financial statements.

4. Board of Commissioners
The Board of Commissioners in office at the date of this report are as follows:

Ms. Isabella Tjatjara	: Namibian
Ms. Irene Simeon-Kurtz	: Namibian
Mr. Benjamin Biwa	: Namibian
Mr. Andreas P. Iithindi	: Namibian
Mr. Siegfried J. Neumann	: Namibian

5. Commissioner's interests in contracts
During the financial year, no contracts were entered into which Commissioners had an interest, and which significantly affected the business of the Commission.

6. Events after the reporting period
The Commissioners are not aware of any material event, which occurred after the reporting date and up to the date of this report.

7. Going concern
The Commission incurred a net loss of N$ (20 943 185) (2023: N$ 9 981 832). Based on the cashflow forecast, the Commission will be able to operate for the foreseeable future.

8. Auditors
The Auditor General of Namibia continued in office as auditor for the Commission for the year 2024

9. Income tax status
The Commission is exempted from income tax in terms of Section 16(1)(e)(i) of the Income Tax Act No.24 of 1981. A written confirmation to this effect was received from the Ministry of Finance on 22 March 2011.

10. Secretary
The Commission's Corporate Secretary is Mrs. Loide Baard

Postal address:
P O Box 2104
Windhoek
Namibia

Business address:
15 Eugene Marais Street
NTF Building
Windhoek, Namibia

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	2024 N$	2023 Restated N$	2022 Restated N$
ASSETS				
Non-Current Assets		**1 870 426**	**614 562**	**466 005**
Property, plant and equipment	4	1 870 426	614 562	466 005
Current assets		**38 453 126**	**27 896 965**	**10 712 926**
Trade and other receivables	5	508 669	1 672 979	393 559
Other Financial Asset	8	24 327 452		
Cash and cash equivalents	6	515 548	17 549 196	9 980 166
Other Financial Asset held on behalf of Ministry of Finance	8	13 101 457	8 674 790	339 200
Total assets		**40 323 552**	**28 511 527**	**11 178 931**
EQUITY AND LIABILITIES				
Accumulated surplus		**16 254 972**	**13 198 155**	**6 179 988**
LIABILITIES				
Liabilities				
Current liabilities		**24 068 580**	**15 313 372**	**4 998 943**
Trade and other payables	9	8 759 645	5 167 814	3 190 193
Provisions	10	2 207 478	1 470 767	1 469 550
Penalties Payable to Ministry of Finance	11	13 101 457	8 674 790	339 200
Total Equity and Liabilities		**40 323 552**	**28 511 527**	**11 178 931**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	2024 N$	2023 Restated N$	2022 Restated N$
Revenue	14	10 132 702	13 688 500	7 730 881
Other Income		22 820	104 750	11 990
		10 155 522	**13 793 250**	**7 742 871**
Operating expenses	15	(33 944 056)	(24 636 151)	(22 373 899)
Operating profit/(loss)		**(23 788 534)**	**(10 842 901)**	**(14 631 028)**
Investment revenue	16	2 845 349	861 069	329 533
Total comprehensive income/(loss) for the year		**(20 943 184)**	**(9 981 832)**	**(14 301 495)**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	Accumulated surplus N$	Total equity N$
Balance as at 01 April 2022 as previously reported		**8 839 987**	**8 839 987**
➲ correction of material error	19	(2 660 000)	(2 660 000)
Balance as at 01 April 2022- Restated		**6 179 987**	**6 179 987**
➲ profit for the year as previously reported		6 100 169	6 100 169
➲ correction of material error	19	918 000	918 000
Balance as at 01 April 2023- Restated		**13 198 156**	**13 198 155**
Shareholder's contribution- government grant		24 000 000	24 000 000
Total comprehensive loss for the year		(20 943 184)	(20 943 184)
Balance as at 31 March 2024		**16 254 972**	**16 254 970**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	2024 N$	2023 Restated N$	2022 Restated N$
Cash generated from operations	17	**(13 748 041)**	**(1 861 249)**	**(11 423 525)**
Shareholder's contribution- Government grant		24 000 000	17 000 000	10 011 865
Finance costs		-	-	-
Net cash from operating activities		**10 251 959**	**15 138 751**	**(1 411 660)**
Cash flows from investing activities				
Purchase of property, plant and equipment	4	(1 399 656)	(193 383)	(30 215)
Proceeds from disposal of assets	4	22 819	98 183	-
Interest Income	16	2 762 961	861 069	329 533
Dividend Income	16	82 388	-	-
Addition to Investment		(42 428 909)		
Withdrawals of Investment		5 000 000	-	-
Net cash from Investing activities		**(35 960 397)**	**765 869**	**299 318**
Cash flows from financing activities				
Repayment of lease liabilities	**18**	-	-	-
Net cash from financing activities		**-**	**-**	**-**
Total cash movement for the year		**(25 708 438)**	**15 904 620**	**(1 112 342)**
Cash at beginning of the year		26 223 986	10 319 366	11 431 708
Total cash at end of the year	**6**	**515 548**	**26 223 986**	**10 319 366**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 **Basis of Preparation**

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards and International Financial Reporting Interpretations Committee interpretations issued and effective at the time of preparing these annual financial statements and the Competition Act No.2 of 2003. The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies, which follow and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars, which is the Commission's functional currency. These accounting policies are consistent with the previous period.

1.2 **Significant Judgements and Sources of Estimation Uncertainty**

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty trade receivables

The Commission assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Commission makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment testing

The Commission reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by several factors including significant changes in the manner of use of the assets or the strategy for the Commission's overall business, significant underperformance relative to expectations, based on historical or projected future operating results, together with economic factors such as significant negative industry or economic trends.

Useful life of property, plant and equipment

Management assess the appropriateness of the useful life of property, plant and equipment and intangible assets at the end of each reporting period. The useful lives of carports and cubicles, furniture and fixtures, motor vehicles, office equipment, IT equipment, and computer software are determined based on Commission replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount, are assessed separately to consider whether replacement will be necessary. When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge. The residual values of each asset are reviewed and adjusted if appropriate, at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in estimate.

Provisions

Provisions were raised and management determined an estimate based on the best information available. Additional disclosure of these estimates of provisions are included in note 10.

1.3 **Property, Plant and Equipment**

Property, plant, and equipment are tangible assets, which the Commission holds for its own use, or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Commission, and the cost of the item can be measured reliably.

Property, plant, and equipment is initially measured at cost. Cost includes all the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write of the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Commission. Leased assets are depreciated in a consistent manner over the shorter of their expected useful life and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Furniture and fixtures	3 Years
Motor vehicles	5 Years
IT equipment and software	3 Years
Office equipment	3 Years
Other fixed assets	3 Years
Cell phones	2 Years
Minor assets	1 Year

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.
The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Financial Instruments Classification

The Commission classifies financial assets and financial liabilities into the following categories:

- Held-to-maturity investment
- Loans and receivables
- Financial liabilities measured at amortised cost Classification depends on the purpose for which the financial instruments were obtained/incurred and takes place at initial recognition. Classification is reassessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Initial recognition and measurement

Financial instruments are recognised initially when the Commission becomes a party to the contractual provisions of the instruments.

The Commission classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability, or an equity instrument in accordance with the substance of the contractual arrangement.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument. Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss. Regular way purchases of financial assets are accounted for at trade date.

Subsequent measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses. Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses. Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Commission has transferred substantially all risks and rewards of ownership.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Commission establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of financial assets

At each reporting date, the Commission assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the Commission, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment. Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is re-versed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written of, the write of is made against the relevant allowance account. Subsequent recoveries of amounts previously written of are credited against operating expenses.

Trade and other receivables
Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written of are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables
Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Held-to-maturity
These financial assets are initially measured at fair value plus direct transaction costs.

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets that the Commission has the positive intention and ability to hold to maturity are classified as held-to-maturity.

1.5 TAX: Income Tax
No provision for tax is required as the Commission is exempt from taxation in terms of section 16(1)(e) of the Income Tax Act, No. 24 of 1981.

1.6 **Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted. Any contingent rent is expensed in the period they are incurred.

1.7 Impairment of Non-Financial Assets

The Commission assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Commission estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The recoverable amount of an asset or a cash- generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease. An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.8 Employee Benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. The Commission has no further payment obligations once the contributions have been paid.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Commission's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.9 Provisions and Contingencies

Provisions are recognised when:

- the Commission has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are note recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 13.

1.10 Revenue

Revenue includes amounts charged to merging parties, advisory opinions, and Exemption applications. These fees are based on a predetermined fee structure as per the Government Gazette. Revenue is recognised and measured in terms of IFRS 15 by following a five-step model framework as follows:

Step1: Identifying a contract with customer
Step2: Identifying the performance obligation in the contract
Step3: Determine the transaction price
Step4: Allocate the transaction price to the performance obligations in the contract
Step5: Recognise revenue when or as the entity satisfies a performance obligation

Merger Filling Fees

The merger threshold notification is satisfied as per the Government Gazette 5107 and in terms of Chapter 4 of the Competition Act (Act 2 of 2003). It is a requirement that the merger notification should be accompanied by the merger filling fee as per the Government Gazette 5107. The merger filling fees are recognised upon the determination of the merger.

Advisory Opinion Fees

The Commission charges a fee as per advisory opinion requested from the applicant and is recognised once issued to the applicant.

Exemption Applications

The exemption applications are determined after receipt of an application for exemption as per section 43(1) of the Competition Act (Act 2 of 2003). The exemption fees charged are recognised upon determination of the exemption.

1.11 Penalties

The Commission investigates contraventions of the Act and may institute legal proceedings in the High Court and requests the Court to impose a pecuniary penalty against the undertakings involved. Section 53(5) of the Act states that a pecuniary penalty payable in term of the Act must be paid into the State Revenue Fund.

The accepted practice of National Treasury is that no monies are directly paid to the National Revenue Funds by the fined entities but rather they are paid to the Commission, which pays the fines over into the state revenue fund.

The consent orders and orders of the High Court may allow the respondents to pay the settlement amount or administrative penalty over more than one financial year of the Competition Commission. This situation will result in an outstanding amount due to the National Revenue Fund, which will be collected by the Competition Commission.

In terms of Section 40(1) of the Competition Act, the settlement amounts and the administrative penalties are not listed as a source of finance for the Commission nor are the amounts of revenue defined in terms of IFRS 15. As such these amounts are not recognised in the statement of financial performance. Furthermore, the outstanding amounts do not meet the asset and liability definitions in terms of The Conceptual framework for financial reporting and are therefore not recognised on the statement of financial position of the Competition Commission.

Penalties levied and received
The Statement of Financial Position includes a financial asset and a financial liability relating to penalties levied and received. The financial asset and financial liability will be the same amount and are shown as “Other Financial Asset held on behalf of Ministry of Finance” and “Penalties Payable to Ministry of Finance” in the Statement of Financial Position.

For penalties levied but not yet received
Penalties levied but not yet received do not meet the requirements of a financial asset and financial liability in terms of the Conceptual framework for financial reporting, accordingly, are not presented in the Statement of Financial Position.

1.12 Government Grant
The government grant received during the year is recognised directly to Equity as shareholder’s contribution. The contributions were made by the government whilst acting in the capacity as a shareholder of the entity.

2. NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and Interpretations Effective and Adopted in the Current Year During the current financial year, the Commission has not adopted any new standard and interpretation that are relevant to its operations.

3. RISK MANAGEMENT Financial Risk Management
The Commission has a policy and framework on risk management. The strategic risk register is reviewed annually by management. The entity’s activities expose it to interest, credit and liquidity risks.

Liquidity Risk
The Commission’s risk to liquidity is a result of the funds available to cover future commitments. The Commission manages liquidity risk through an ongoing review of future commitments and facilities. Risk Cash flow forecasts are prepared annually and reviewed at the end of every quarter.

Interest Rate Risk
As the Commission has no significant interest-bearing assets, the Commission’s income and operating cash flows are substantially independent of changes in market interest rates.

The Commission is exposed to interest rate changes in respect of returns on its investments with financial institutions.

Financial assets exposed to Interest rate risk at year-end were as follows:

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

Credit Risk

	Current interest rate	Due in less than a year N$
Bank Windhoek Call Account Investments	3.75%	142 759
Bank Windhoek Credit cards	-	285 479
Bank Windhoek Fixed Deposit	3.75%	11
Bank Windhoek Cheque	3.75	87 300
Capricorn Investment Fund- Unit Trust	8.88%	37 428 909

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Commission only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Trade and other receivables comprise rental prepayments and staff related debtors. Management evaluated credit risk relating to customers on an ongoing basis and make adequate provision for doubtful debt where necessary.

Financial assets exposed to credit risk at year-end were as follows:
Foreign exchange risk

Financial Instrument	2024 N$	2023 N$	2022 N$
Cash and cash equivalents	515 548	26 223 985	10 319 366
Trade receivables	508 668	99 979	393 559
Capricorn Investment Fund	37 428 909		

The Commission is exposed to foreign exchange risk when it receives foreign dominated merger filling fees.

4. PROPERTY, PLANT AND EQUIPMENT

2024

Description	Cost/ Valuation (N$)	Accumulated Depreciation (N$)	Carrying Value (N$)
Right of use of Asset	-	-	-
Furniture & Fixtures	1 767 512	(1 597 085)	170 428
Motor Vehicles	1 067 691	(424 279)	643 412
IT Equipment	2 237 357	(1 496 536)	740 821
Other Fixed Assets	207 205	(112 447)	94 758
Office Equipment	190 181	(155 284)	34 897
Cell Phones	93 630	(93 130)	500
Minor Assets	343 650	(343 650)	-
Micro Economic Database	185 610	-	185 610
TOTAL	4 730 021	(4 115 458)	1 870 426

2023

Description	Cost/ Valuation (N$)	Accumulated Depreciation (N$)	Carrying Value (N$)
Right of use of Asset	-	-	-
Furniture & Fixtures	1 731 427	(1 590 403)	141 025
Motor Vehicles	530 348	(424 279)	106 069
IT Equipment	1 542 692	(1 443 801)	98 891
Other Fixed Assets	171 341	(90 336)	81 005
Office Equipment	144 872	(143 409)	1 462
Cell Phones	93 630	(93 130)	500
Minor Assets	330 100	(330 100)	-
Micro Economic Database	185 610	-	185 610
TOTAL	4 686 039	(4 220 034)	614 562

2022

Description	Cost/ Valuation (N$)	Accumulated Depreciation (N$)	Carrying Value (N$)
	N$	N$	N$
Right of use of Asset	-	-	-
Furniture & Fixtures	1 731 427	(1 590 403)	141 025
Motor Vehicles	530 348	(424 279)	106 069
IT Equipment	1 542 692	(1 443 801)	98 891
Other Fixed Assets	171 341	(90 336)	81 005
Office Equipment	144 872	(143 409)	1 462
Cell Phones	93 630	(93 130)	500
Minor Assets	330 100	(330 100)	-
Micro Economic Database	185 610	-	185 610
TOTAL	4 686 039	(4 220 034)	614 562

4. PROPERTY, PLANT AND EQUIPMENT (Continued)

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT – 2024

Description	Opening Balance N$	Additions N$	Written off N$	Depreciation N$	Total N$
Right of use of Asset	-			-	-
Furniture & Fixtures	141 025	36 085	-	(6 682)	170 429
Motor Vehicles	106 069	537 343	-	-	643 412
IT Equipment	98 891	731 503	-	(89 573)	740 821
Other Fixed Assets	81 005	35 865	-	(22 111)	94 758
Office Equipment	1 462	45 310	-	(11 876)	34 896
Cell Phones	499		-		499
Minor Assets	-	13 550	-	(13 550)	-
Micro Economic Database	185 610	-	-	-	185 610
TOTAL	**614 562**	**1 399 656**	**-**	**(143 792)**	**1 870 426**

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT – 2023

Description	Opening Balance N$	Additions N$	Written off N$	Depreciation N$	Total N$
Right of use of Asset	-			-	-
Furniture & Fixtures	144 530	-	-	(3 505)	141 026
Motor Vehicles	106 069	-	-	-	106 069
IT Equipment	20712	112 611	(4 206)	(30 226)	98 891
Other Fixed Assets	5 123	79 722	(2 511)	(1 329)	81 005
Office Equipment	1 462	-	-	-	1 462
Cell Phones	2 499		-	(2 000)	499
Minor Assets	-	1 050	-	(1 050)	-
Micro Economic Database	185 610	-	-		185 610
TOTAL	**466 005**	**193 383**	**(6 717)**	**(38 109)**	**614 562**

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT – 2022

Description	Opening Balance N$	Additions N$	Written off N$	Depreciation N$	Total N$
Right of use of Asset	-			-	-
Furniture & Fixtures	137 557	9 649	-	(2 676)	144 530
Motor Vehicles	106 069	-	-	-	106 069
IT Equipment	42 914	16 567	-	(38 769)	20 712
Other Fixed Assets	5 123	-	-	-	5 123
Office Equipment	1 462	-	-	-	1 462
Cell Phones	-	3 999	-	(1 500)	2 499
Minor Assets	-	-	-	-	-
Micro Economic Database	185 610	-	-	-	185 610
TOTAL	**478 736**	**30 215**	**-**	**(42 945)**	**466 005**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	2024(N$)	2023(N$)	2022(N$)
5. TRADE AND OTHER RECEIVABLES	**508 668**	**1 672 979**	**393 559**
Accrued Income	279 123	-	-
Prepaid Expenses	52 197	-	-
Other Receivables	177 348	99 979	393 559
Case Settlement fees receivables	-	1 573 000	-

Credit quality of trade and other receivables
The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Counterparties without external credit ratings			
Trade and other receivables	508 668	1 672 979	393 559
Fair value of trade and other receivables			
Trade and other receivables	508 668	1 672 979	393 559

The carrying amount of trade and other receivables approximates fair value.

Trade and other receivables past due but not impaired
Trade and other receivables which are less than three months past due are not considered to be impaired, except for those where management is aware of factors that render the debt doubtful at an earlier date. Trade and other receivables older than 121 days that were recovered subsequent to financial year-end, but prior to the signing of the annual financial statements have not been impaired. At 31 March 2023, N$ 0 (2022: N$ 0) was past due but not impaired.

6. CASH AND CASH EQUIVALENTS			
Cash and cash equivalent consist of:	515 548	26 223 985	10 319 366
Bank balances - Current account	87 300	488 052	1 191 190
Bank balances - Call account	142 759	18 093 096	7 225 946
Bank balances – Fixed deposit account	11	7 642 837	1 902 230
Bank Balance- Credit Cards	285 479	-	-

Credit quality of cash at bank and short-term deposit, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit rating (if available) or historical information about counter-party default rates:

Credit rating			
Bank Windhoek Limited (A1 +)	**515 548**	**26 223 985**	**10 319 366**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	2024(N$)	2023 (N$)	2022 (N$)
7. FINANCIAL ASSETS BY CATEGORY			
The accounting policies for financial instruments have been applied to the line items below:			
Loans and Receivables	1 024 216	27 896 964	10 712 925
Trade Receivables	508 668	1672 979	393 559
Cash and Cash Equivalents	515 548	26 223 985	10 319 366
8. OTHER FINANCIAL ASSETS			
Investments carried at Fair Value through Profit and Loss (FVPL)	**37 428 909**	-	-
Unit Trusts – Opening Balance	-	-	-
- Invested	42 428 909	-	-
- Withdrawals	(5 000 000)	-	-
Unit trusts are classified as current financial assets as it is the Commission to utilise the funds within the period not exceeding 12 months. It is considered that the carrying amount of the financial asset approximate their fair value.			
9. TRADE AND OTHER PAYABLES	**8 759 646**	**5 175 314**	**3 190 193**
Trade Payables	2 807 229	1 408 715	350 133
Accruals	10 845	-	141 197
Income received in Advance	5 565 000	3 706 667	2 660 000
Other Payables	376 572	52 432	38 863
Fair value of trade and other payables			
Trade and Other Payables	**8 759 646**	**5 175 314**	**3 190 193**
The carrying amount of trade and other payables approximates fair value.			

10. PROVISIONS

Reconciliations of provision - 2024	Opening balance	Additions	Utilised during the year	Total
Provision- Leave pay	1 470 767	1 316 966	(580 255)	2 207 478
	1 470 767	**1 316 966**	**(580 255)**	**2 207 478**
Reconciliations of provision- 2023				
Provision - Leave pay	1 469 550	1 510 572	(1 509 355)	1 470 767
	1 469 550	**1 510 572**	**(1 509 355)**	**1 470 767**
Reconciliations of provision – 2022				
Provision - Leave pay	1 780 464	1 854 205	(2 165 119)	1 469 550
	1 780 464	**1 854 205**	**(2 165 119)**	**1 469 550**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	2024(N$)	2023(N$)	2022(N$)
11. PENALTIES RECEIVED AND PENALTIES PAYABLE	13 101 457	8 674 790	339 200
Opening Balance	8 674 790	339 200	-
Penalties Collected	4 426 667	8 335 590	339 200
Less: Amounts paid to Ministry of Finance	-	-	-

An amount of N$ 4.43 million was collected in 2024 (2023:8.33 million & 2022: N$ 0.34 million). The penalties payable are held in the Commission's Capricorn Investment Fund-Unit Trust account and are represented by Other Financial Asset held on behalf of Ministry of Finance disclosed under current assets on the Statement of Financial Position.

	2024(N$)	2023(N$)	2022(N$)
Outstanding penalties amount at the beginning of the year	604 167	847 257	150 000
Add: Amounts of settlements and penalties levied by the High Court of Namibia	4 604 167	8 092 500	1 036 457
Less: Amounts Collected by Competition Commission	(4 426 667)	(8 335 590)	(339 200)
Outstanding penalties amount at the end of the year	**781 667**	**604 167**	**847 257**
12. FINANCIAL LIABILITIES BY CATEGORY			
The accounting policies for financial instruments have been applied to the line items below:			
Financial Liabilities at amortised cost			
Trade and other payables	**8 759 646**	**5 167 815**	**3 190 193**
13. CONTINGENT LIABILITIES			
Cases before the courts			

There are pending cases before the courts emanating from ongoing investigations by the Commission. The outcome thereof may result in legal costs awarded against or for the Commission.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	2024(N$)	2023 (N$)	2022 (N$)
14. REVENUE	**10 132 702**	**13 688 500**	**7 730 881**
Case Settlement Fees	299 500	4 755 920	40 000
Administrative Fee Income	8 202	7 580	8 381
Fee Income - Merger Filing Fees	9 715 000	8 820 000	7 637 500
Fee Income - Exemption Applications	-	-	-
Fee Income - Advisory Opinions	110 000	105 000	45 000
15. OPERATING PROFIT (LOSS)			
Operating profit (loss) for the year is stated after taking into account the following, amongst others:			
Remuneration, other than to employees			
Consulting and professional services	4 839 302	4 169 305	2 090 923
Leases			
Operating lease charges	**44 383**	**32 025**	**27 900**
Premises		-	-
Operating lease other	44 383	32 025	27 900
Depreciation and amortisation	**143 792**	**38 109**	**42 877**
Foreign Exchange Gain (Realised)	**-**	**505**	**-**
Expense by nature			
The total administrative expenses and other operating expenses are analysed by nature as follows:			
	33 944 056	**24 636 151**	**22 373 899**
Employee costs	23 657 130	17 611 057	16 662 510
Operating lease charges	44 382	32 025	27 900
Depreciation and amortisation	143 792	38 109	42 877
Foreign exchange loss	-	-	7 973
Legal expenses	-	-	-
Consulting and professional fees	4 868 233	4 169 305	2 090 923
Training and development	719 075	141 856	256 933
Membership and license fees	385 375	177 187	271 787
General operating expenditure	3 621 043	2 109 916	2 733 657
Statutory investigations	186 808	153 688	191 323
Research Studies	14 373	-	-
Advocacy and advertising	303 845	203 008	88 015
16. INVESTMENT INCOME			
Interest Income			
-Bank and Call Deposits	746 314	861 069	329 533
-Held to Maturity Investments	2 016 647	-	-
	2 762 961	861 069	329 533
Dividend Income			
-Unit Trust Account	82 388	-	-
	2 845 349	861 069	329 533

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	2024(N$)	2023(N$)	2022(N$)
17. CASH GENERATED FROM OPERATIONS			
Profit/(Loss) before taxation	(20 943 185)	(9 981 832)	(14 301 495)
Adjustments for:			
Depreciation and amortisation	143 792	38 109	42 945
Interest received	(2 762 961)	(861 069)	(329 533)
Dividend	(82 388)		
Gain on disposal of assets	(22 820)	(91 466)	
Finance charges	-	-	-
Movements in provisions	736 711	1 217	(310 914)
Changes in working capital:			
Trade and other receivables	1 164 311	(1 279 420)	47 695
Trade and other payables	8 018 501	10 313 211	3 427 776
Cash generated from operations	**(13 748 040)**	**(1 861 250)**	**(11 423 526)**

18. LEASES

The Commission leased office space in an office building from JHI for the period 1 April 2017 to 31 March 2021.

Amounts recognised in profit/loss		**-**	**-**
Depreciation of right-of-use assets		-	-
Interest expenses on lease liabilities		-	-
Lease Liability			
Analysed as:		-	-
		-	-
Non-current			
Current		-	-

The lease agreement with JHI has not been renewed and the Commission currently utilises office space provided by the Ministry of Industrialisation and Trade at a nil cost, until the Commission secures long term office space.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

19. CORRECTION OF ERROR

The financial statements of prior years were materially misrepresented due to the omission of applying the IFRS 15 standard for revenue recognition. The financial statements were also materially misstated due to the government grant which was recognised to the income statement as revenue instead of shareholder's contribution to equity. To address these errors, retrospective adjustment under IAS 8 is necessary. The financial statements of 2023 and 2022 have been restated to correct this error. The effect of the restatement on those financial statements is summarised below. There is no effect in 2024.

	2023(N$)	2022(N$)
Effect on Statement of Financial Performance		
Increase/(Decrease) in Revenue	(655 000)	(2 660 000)
Increase/(Decrease) in Revenue- Settlement fees	1 573 000	-
Increase/(Decrease) in Revenue- Government grant	(17 000 000)	(10 011 865)
(Decrease) in Profit	(16 082 000)	(12 671 865)
Effect on the Statemnet of Financial Position		
(Decrease) / Increase) in Liability	655 000	2 660 000
(Decrease)/ Increase in Assets	1 573 000	-
(Decrease)/ Increase in Shareholder's contribution	17 000 000	10 011 865
Overall Decrease /(increase) in Equity	918 000	(2 660 000)

20. REMUNRATION OF BOARD MEMBERS

Non - Executive Commissioners			
	722 608	**771 929**	**577 080**
Mr. Peter Carlson -(Term ended: 31 December 2022)		171 712	159 632
Ms. Grace Mohamed (Term ended: 17 September 2022)		64 038	101 236
Mr. Linus Garoeb (Term ended: 1 May 2023)	38 637	155 541	107 488
Ms. Petronella Masabane (Term ended: 1 May 2023)	26 688	235 638	101 236
Ms. Isabella Tjatjara (Re-appointed: 1 May 2023)	185 766	145 000	107 488
Mr. Andreas P. Ithindi (Appointed: 1 August 2023)	134 032		
Ms. Irene E. Simeon-Kurtz (Appointed: 1May 2023)	109 492		
Mr. Benjamin Biwa (Appointed: 1 May 2023)	113 635		
Mr. Siegfried J. Neumann (Appointed: 1 August 2023)	114 358		

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

21. RELATED PARTIES

Relationships
Ministry of Industrialisation and Trade Ministry of Finance and Public Enterprises

Members of Key Management

V Ndalikokule (Chief Executive Officer & Secretary to the Commission)
J Ashipala (Director: Mergers & Acquisitions)
P Hangula (Director: Enforcement, Exemptions & Cartels)
W Hamata (Director: Finance & Administration)
L Baard (Corporate Secretary & Legal Advisor)
N Lukolo (Manager: Human Capital)
L Kapenda (Manager: Finance Appointed on 01 July 2024)

	2024(N$)	2023(N$)	2022(N$)
Related party balances	**44 590 773**	**31 951 554**	**16 422 576**
Significant amounts included in cash and cash equivalents regarding related parties			
Penalties collected on behalf of Ministry of Finance	13 101 457	8 674 790	339 200
Significant transactions with related parties included in Shareholder's Equity			
Grants received from Ministry of Industrialisation and Trade	24 000 000	17 000 000	10 011 865
Significant transactions with related parties included in Trade and Other receivables.			
Other receivables from Ministry of Industrialisation and Trade	-	-	238 301
Compensation to key Management personnel			
Short-term employee benefits	7 489 316	6 276 764	5 833 210

	2024 (N$)	2023 (N$)	2022 (N$)
Revenue	**10 132 702**	**13 688 500**	**7 730 881**
Fee Income	9 825 000	8 925 000	7 682 500
Case Settlement Fee Income	299 500	4 755 920	40 000
Admin Fee Income	8 202	7 580	8 381
Other Income	**2 868 169**	**965 819**	**341 523**
Interest Received	2 762 961	861 069	329 533
Dividend Received	82 388		
Gain on Disposal of Assets	22 820	91 466	
Sundry Income		12 779	11 990
Gain on Foreign Exchange		505	
Operating expenses	**33 944 056**	**24 636 151**	**22 373 899**
Advertising	303 845	203 008	88 015
Auditing & Accounting Fees	-	-	-
Bank Charges	28 546	28 557	23 756
Board Sitting Fees & Related Expenses	811 713	819 838	577 080
Cleaning	195 982	186 469	171 243
Consulting and Professional Fees	4 868 233	4 169 305	2 090 922
Depreciation, Amortisation and Impairments	143 792	38 109	42 877
Employee Cost	23 657 130	17 611 057	16 662 508
Foreign Exchange Loss (realised)	27	-	7 973
Gazetting Expenses	20 129	38 599	18 207
Human Capital Expenses	568 511	161 973	182 831
Insurance	190 491	136 677	131 147
Legal Fees	-	-	-
Library Materials	-	11 731	5 366
Meetings	-	1 250	-
Motor Vehicle Expenses	40 192	32 086	46 169
Office Consumables	53 649	54 055	26 820
Postages	758	-	1 414
Printing & Stationery	283 238	194 244	154 203
Rent Copier Machines	44 383	32 025	27 900
Repairs & Maintenance	1 116 457	65 701	1 101 964
Security Services	138 529	105 210	4 685
Research Studies	14 373	-	-
Statutory Investigations	234 272	153 688	191 324
Subscriptions & Licenses	385 375	177 187	71 787
Telephone and Fax	94 795	233 892	220 356
Training	719 075	140 606	256 933
Water & Electricity	30 561	40 884	68 421
Profit/(Loss)	**(20 943 185)**	**(9 981 832)**	**(14 301 495)**

Namibian
Competition
Commission

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