

COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM203Feb21

In the matter between:

Revego Africa Energy Fund Partnership Managers
(Pty) Ltd an *en commandite* partnership acting
through Revego General Partner (RF) (Pty) Ltd

Primary Acquiring Firm

And

Aurora Wind Power (RF) (Pty) Ltd

Primary Target Firm

Panel: E Daniels (Presiding Member)
Y Carrim (Tribunal Panel Member)
A Ndoni (Tribunal Panel Member)

Heard on: 25 May 2021
Order Issued on: 25 May 2021
Reasons Issued on: 25 May 2021

ORDER

Further to the recommendation of the Competition Commission in terms of section 14A(1)(b) of the Competition Act, 1998 ("the Act") the Competition Tribunal orders that—

1. the merger between the abovementioned parties be approved in terms of section 16(2)(a) of the Act; and
2. a Merger Clearance Certificate be issued in terms of Competition Tribunal Rule 35(5)(a).

Enver Daniels

Presiding Member
Mr Enver Daniels

25 May 2021
Date

Concurring: Ms Yasmin Carrim and Ms Andiswa Ndoni

Merger Clearance Certificate

Date : 25 May 2021

To : Nortons Attorneys

Case Number: LM203Feb21

Revego Africa Energy Fund Partnership Managers (Pty) Ltd an *en commandite* partnership represented by Revego General Partner (RF) (Pty) Ltd And Aurora Wind Power (RF) (Pty) Ltd

Notice CT 10

About this Notice

This notice is issued in terms of section 16 of the Competition Act.

You may appeal against this decision to the Competition Appeal Court within 20 business days.

You applied to the Competition Commission on **19 February 2021** for merger approval in accordance with Chapter 3 of the Competition Act.

Your merger was referred to the Competition Tribunal in terms of section 14A of the Act, or was the subject of a Request for consideration by the Tribunal in terms of section 16(1) of the Act.

After reviewing all relevant information, and the recommendation or decision of the Competition Commission, the Competition Tribunal approves the merger in terms of section 16(2) of the Act, for the reasons set out in the Reasons for Decision.

This approval is subject to:

☒ no conditions.

☐ the conditions listed on the attached sheet.

The Competition Tribunal has the authority in terms of section 16(3) of the Competition Act to revoke this approval if

- a) it was granted on the basis of incorrect information for which a party to the merger was responsible.
- b) the approval was obtained by deceit.
- c) a firm concerned has breached an obligation attached to this approval.

Contacting the Tribunal

The Competition Tribunal
Private Bag X24
Sunnyside
Pretoria 0132
Republic of South Africa
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The Registrar, Competition Tribunal

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COMPETITION TRIBUNAL OF SOUTH AFRICA

Case no: LM203Feb21

Revego Africa Energy Fund Partnership Managers (Pty) Ltd, (Primary Acquiring Firm)
an en commandite partnership, represented by Revego
General Partner (Rf) (Pty) Ltd
and
Aurora Wind Power (Rf) (Pty) Ltd (Primary Target Firm)

REASONS FOR DECISION

- [1] On 25 May 2021, the Competition Tribunal unconditionally approved a large merger between Revego Africa Energy Fund Partnership Managers (Pty) Ltd, an en commandite partnership, represented by Revego General Partner (RF) Proprietary Limited in its capacity as General Partner ("Revego") and Aurora Wind Power (RF) (Pty) Ltd ("Aurora"). Upon completion of the proposed transaction, Aurora will be jointly controlled by Revego as well as GDF SUEZ Energy Asia Turkey and Southern Africa B.V., an existing shareholder.
- [2] Revego is wholly owned by Revego Fund Managers (Pty) Ltd ("RFM"), which is also the fund manager of the Fund Partnership and exerts management control over the Fund Partnership. Revego is ultimately controlled by Investec and does not directly or indirectly control any firm in South Africa. Revego manages third party funds and provides intermediary services on a discretionary basis. As a fund manager, Revego is responsible for the sourcing and managing of investments in operating renewable energy projects in South Africa and broader sub-Saharan Africa. The acquiring group has no other interests in renewable energy projects, nor does Revego nor RFM.
- [3] Aurora is a renewable energy Independent Power Producer ("IPP") and does not directly or indirectly control any firm in South Africa. Aurora is responsible for the development, construction, operation, and maintenance of the 94 MW West Coast One wind farm situated in Vredenburg, Western Cape in terms of a non-negotiable, standardized Power Purchase Agreement ("PPA"). Aurora is one of 112 renewable energy IPP projects which form part of the broader Renewable Energy Independent Power Producers Procurement Programme ("REIPPPP") which is operated and underwritten by The Department of Mineral Resources and Energy.
- [4] The Competition Commission found no horizontal overlaps in the activities of the merger parties and assessed the potential for this transaction to create information exchange concerns considering Investec's minor interest¹ in the renewable energy project Kathu Solar Park, a 100MW Greenfield Concentrated Solar Power (CSP) project with parabolic trough and molten salt storage technology (the "Kathu Project") located in the town of Kathu, Northern Cape. The Commission is of the view that the acquiring group's minority shareholding in Kathu is unlikely to raise information

¹ Shareholding of 7.5%.

exchange concerns as Investec will not have control of either firms or will not have the right to appoint directors.

- [5] Though the merging parties stated that no duplication in employment positions will arise as a result of the transaction, the Commission sought an undertaking to this effect. The merging parties provided an unequivocal statement to this effect for a period of 3 years which satisfied the Commission. The proposed transaction does not raise any other public interest concerns
- [6] We concluded that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market, or to have a negative impact on the public interest and we too are satisfied with the unequivocal undertaking provided by the merging parties in respect of employment.

Mr Enver Daniels

Ms Yasmin Carrim and Ms Andiswa Ndoni concurring

25 May 2021

Date

Tribunal Case Manager:

For the Merging Parties:

For the Commission:

Mpumelelo Tshabalala

Anton Roets and Avias Ngwenya

Ratshidaho Maphwanya and Boitumelo Makgabo