



# CENTRIQ

INSURANCE INNOVATION

## UPDATE ON REGULATORY STATUS

### COMPETITION LAW AMENDMENT ACT

<b>UPDATE</b>	<p>On 28 August 2009, President Zuma signed the Competition Amendment Act into law (Act No. 1 of 2009). The Amendment Act will come into force on a date to be proclaimed by the President. The signing of the Amendment Act concludes a legislative process which lasted no less than a year since it was first tabled in June 2008 and finally passed by Parliament in October 2008. However, President Motlanthe was concerned that certain provisions in the Amendment Act were unconstitutional and sent it back to Parliament for reconsideration, which returned it to him unchanged.</p> <p>The Amendment Act aims to introduce a number of new provisions and amend certain existing provisions in the Competition Act.</p> <p>The main provisions of the Amendment Act are discussed below. A number of these provisions are anticipated to be contentious.</p> <ul style="list-style-type: none"><li>• Firstly, various questions have arisen regarding the scope and application of several of them and those questions are likely to lead to litigation on their interpretation.</li><li>• Secondly, as many of the provisions require the competition authorities to act reasonably and in accordance with certain criteria, administrative justice disputes are likely to result from the exercise of these new functions.</li><li>• Finally, some of the provisions may lead to constitutional challenges.</li></ul>
<b>LEGAL STATUS / REGULATIONS</b>	<p>On 28 August 2009, President Zuma signed the Competition Amendment Act into law (Act No. 1 of 2009).</p>
<b>DATE ASSENTED BY THE PRESIDENT</b>	<p>Not applicable.</p>
<b>EFFECTIVE DATES</b>	<p>Awaiting the amendment to come into effect.</p>