

SOUTH AFRICA / JUDGMENT

# Anglo American PLC v Samancor Holdings Proprietary Limited and Others (019901) [2015] ZACT 2 (7 January 2015)

[2015] ZACT 2

## COURT

Competition Tribunal

## BEFORE

Andreas Wessels, Mondo Mazwai, Imraan Valodia

## CASE / FILE NUMBER

019901

Source: saflii.org · Research copy typeset by Esheria. Not court-issued or certified.

## COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: 019901

In the matter between:

ANGLO AMERICAN PLC.....Primary Acquiring Firm

And

SAMANCOR HOLDINGS PROPRIETARY LIMITED.....Primary Target Firms

GROOTE EYLANDT MINING COMPANY

PROPRIETARY LIMITED

SAMANCOR AG

Panel: Andreas Wessels (Presiding Member)

: Mondo Mazwai (Tribunal Member)

: Prof Imraan Valodia (Tribunal Member)

Heard on: 10 December 2014

Order Issued on : 10 December 2014

Reasons Issued on : 07 January 2015

Reasons for Decision

## Approval

- [1] On 10 December 2014, the Competition Tribunal (“Tribunal”) unconditionally approved the acquisition by Anglo American Pic (“Anglo American”) of joint control over Samancor Holdings Proprietary Limited (“Samancor Holdings”),

Groote Eylandt Mining Company Proprietary Limited (“GEMCO”) and Samancor AG (collectively referred to as “Samancor”).

- [2] The reasons for approving the proposed transaction follow.

## Parties to transaction

### Primary acquiring firm

- [3] The primary acquiring firm is Anglo American, a company incorporated in accordance with the company laws of England. Anglo American is a public company with a premium listing on the London Stock Exchange and secondary listings on the Johannesburg Stock Exchange, SWX Swiss Exchange, Botswana Stock Exchange and Namibian Stock Exchange. Anglo American is not controlled by any single shareholder.
- [4] Relevant for purposes of the competition assessment of this transaction is that Samancor is a manganese joint venture in terms of which BHP Billiton Limited and BHP Billiton Pic (collectively referred to as BHP Billiton) holds 60% of the issued share capital, while Anglo American holds the remaining 40%.
- [5] Anglo American has a portfolio of mining assets and natural resources which includes platinum group metals, diamonds, copper, iron ore, metallurgical coal, nickel, niobium and thermal coal, as well as interests in the production of manganese ore and manganese alloys through its interest in Samancor.

### Primary target firms

- [6] The primary target firms are Samancor (Samancor Holdings, GEMCO and Samancor AG). Samancor Holdings is a firm incorporated in terms of the laws of South Africa. Samancor Holdings holds a 100% interest in GEMCO and Samancor AG.
- [7] As stated above, pre-merger Samancor Holdings is controlled by BHP Billiton which holds 60% of its issued share capital, while Anglo American holds the remaining 40%.
- [8] Samancor is a producer of manganese ore and manganese alloys in South Africa and in Australia.
- [9] BHP Billiton is a public company registered in Australia. BHP Billiton is not controlled by any single firm or individual. BHP Billiton is a global resources company producing commodities such as aluminium, nickel, manganese, coal, copper and iron ore. None of these activities are relevant to this transaction other than manganese.

### Proposed transaction and rationale

[10] As discussed above, Samancor is a 60:40 manganese joint venture between BHP Billiton and Anglo American.

[11] The proposed transaction does not amount to a sale or transfer of shares or assets, but merely makes changes to the governance

structure of Samancor specifically by improving the shareholder rights of Anglo American. As a result of the proposed transaction,

Anglo American will be acquiring additional rights in relation to Samancor including the right to veto the business plan and/or budget, material projects and transactions, as well as the appointment of senior management. This constitutes an acquisition of control for the purposes of section 12(2)(g) of the Competition Act<sup>1</sup>.

[12] The merging parties submitted that that the internal restructuring relating to Samancor is part of a broader proposal by BHP Billiton to demerge certain aspects of its business.

### Impact on competition

[13] According to the Commission's findings, the proposed transaction does not give rise to a horizontal overlap of the merging parties' activities since Anglo American is not involved in the mining of manganese ore or the production of manganese alloys, other than through its current shareholding in the Samancor joint venture.

[14] We concur with the Commission's competition assessment, i.e. that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market.

### Public interest

[15] The merging parties confirmed that the proposed transaction will not result in an adverse impact on employment<sup>2</sup>

[16] The proposed transaction further raises no other public interest concerns.

### Conclusion

[17] In light of the above we conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market. In addition, no public interest issues arise from the proposed transactions. Accordingly we approve the proposed transaction unconditionally.

07 January 2015

DATE

Andreas Wessels

Mondo Mazwai and Imraan Valodia concurring

Tribunal Researcher: Derrick Bowles

For the merging parties: Anton Roets of Nortons Inc for the acquiring firm

Jean Meijer of Bowman Gilfillan for the target firms

For the Commission: Maanda Lambani and Nompucuko Nontombana

<sup>1</sup>Act No. 89 of 1998, as amended.

<sup>2</sup>Inter alia merger record page 9.

---

## Source & reproduction note

Judgment wording, source notices and original paragraph numbers are retained. Esheria supplies the layout and this PDF's page numbers; these are not the source pagination. This is a research copy, not an official or certified court document. Check quotations, citations and publication restrictions against the original source before relying on it.

**ORIGINAL SOURCE**      <https://www.saflii.org/za/cases/ZACT/2015/2.html>

**CASE PAGE**              <https://chat.esheria.ai/case-law/south-africa/anglo-american-plc-v-samancor-holdings-proprietary-limited-and-others-unknown-topic-act-2015>

Prepared on 10 October 2026 · Esheria