

**AN INVENTORY OF ALLEGATIONS OF ANTI-COMPETITIVE
PRACTICES IN SUB-SAHARAN AFRICA**

By

Simon J. Evenett
University of Oxford and The Brookings Institution

and

Frédéric Jenny
ESSEC, Paris

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Abstract:

This paper summarises our efforts to date to assemble a comprehensive database of allegations of anti-competitive practices made in Sub-Saharan Africa publications, principally in newspapers and other periodicals. Although the findings from this approach must be interpreted with care, we believe this paper represents the first comprehensive attempt to assess the prevalence of different types of anti-competitive practices in Sub-Saharan Africa. So far we have located 120 distinct allegations of anti-competitive practices in 68 lines of business in 12 African nations since 1995. By a large margin the most frequent allegation concerns cartels, especially outside of South Africa. Allegations against foreign firms, some of which are African, range between a quarter and two-fifths of the total number of allegations, suggesting that plenty of domestic firms are the subject of allegations too. There are 12 lines of business where allegations are made in more than one Sub-Saharan African country. Many of those lines of business directly affect the well-being of the poor, those employed in the agricultural sector, and small business.

Table 1: Allegations of anti-competitive acts in Sub-Saharan Africa, by year.

Year	Number of allegations	Percentage
1995	1	0.8
1997	5	4.2
1998	6	5.0
1999	10	8.3
2000	27	22.5
2001	11	9.2
2002	21	17.5
2003	28	23.3
2004	9	7.5
Not specified	2	1.7
Total	120	100

Table 2: Allegations of anti-competitive acts in Sub-Saharan Africa, by country.

Country	Number of			Lines of business that were the subject of more than one allegation in a given country.
	allegations.	articles or entries.	lines of business.	
Gabon	1	1	1	
Ghana	3	3	3	
Kenya	21	20	13	Beer, Fertilisers, Insurance, and Petroleum.
Madagascar	1	1	1	
Malawi	15	15	12	Bakery/Bread, Beer, and Sugar.
Namibia	2	2	1	Beer.
Nigeria	3	3	3	
South Africa	42	46	30	Airlines, Cellular telephones, Cement, Computer network service provision, Telecommunications, Value-added network services.
Tanzania	2	2	2	
Uganda	5	5	5	
Zambia	12	12	8	Beer, Poultry, and Petroleum.
Zimbabwe	15	15	12	Cement.
Total	122	125	68*	

* The total number of reported lines of business refers to the total number of different lines of business.

CORRECTED Table 3: Who makes allegations of anti-competitive acts in Sub-Saharan Africa?

Sample	Number of allegations made by...								Total
	Purchasers	Government	Legislators	Civil Society	Competitors	Franchisees	News article describes act.	Unspecified.	
All nations	15	41	3	25	29	4	7	10	134
	<i>11.20%</i>	<i>30.60%</i>	<i>2.20%</i>	<i>18.70%</i>	<i>21.60%</i>	<i>3.00%</i>	<i>5.20%</i>	<i>7.50%</i>	100%
All nations except South Africa	11	29	3	22	8	1	7	4	85
	<i>12.90%</i>	<i>34.10%</i>	<i>3.50%</i>	<i>25.90%</i>	<i>9.40%</i>	<i>1.20%</i>	<i>8.20%</i>	<i>4.70%</i>	100%
South Africa	4	12	0	3	21	3	0	6	49
	<i>8.20%</i>	<i>24.50%</i>	<i>0.00%</i>	<i>6.10%</i>	<i>42.90%</i>	<i>6.10%</i>	<i>0.00%</i>	<i>12.20%</i>	100%
All nations except South Africa, Zambia, and Zimbabwe	8	10	3	20	7	0	5	3	56
	<i>14.29%</i>	<i>17.86%</i>	<i>5.36%</i>	<i>35.71%</i>	<i>12.50%</i>	<i>0.00%</i>	<i>8.93%</i>	<i>5.36%</i>	100%
South Africa, Zambia, and Zimbabwe	7	31	0	5	22	4	2	7	78
	<i>9.00%</i>	<i>39.70%</i>	<i>0.00%</i>	<i>6.40%</i>	<i>28.20%</i>	<i>5.10%</i>	<i>2.60%</i>	<i>9.00%</i>	100%
Pre-2001	10	14	3	7	13	2	1	4	54
	<i>18.50%</i>	<i>25.90%</i>	<i>5.60%</i>	<i>13.00%</i>	<i>24.10%</i>	<i>3.70%</i>	<i>1.90%</i>	<i>7.40%</i>	100%
Post-2001	5	25	0	18	16	2	6	6	78
	<i>6.40%</i>	<i>32.10%</i>	<i>0.00%</i>	<i>23.10%</i>	<i>20.50%</i>	<i>2.60%</i>	<i>7.70%</i>	<i>7.70%</i>	100%

Table 4: Accusations of anti-competitive practices against foreign firms operating in Sub-Saharan Africa.

Sample	Number of allegations that explicitly mention a foreign firm or its subsidiaries		Number of allegations where a foreign firm is not mentioned		Total
	Total	Where the foreign firm is accused	Total	Line of business is one where foreign firms operate	
All nations	36	33	84	15	120
	<i>30.0%</i>	<i>27.5%</i>	<i>70.0%</i>	<i>12.5%</i>	<i>100.0%</i>
All nations except South Africa	21	20	57	12	78
	<i>26.9%</i>	<i>25.6%</i>	<i>73.1%</i>	<i>15.4%</i>	<i>100.0%</i>
South Africa	15	13	26	1	41
	<i>36.6%</i>	<i>31.7%</i>	<i>63.4%</i>	<i>2.4%</i>	<i>100.0%</i>
All nations except South Africa, Zambia, and Zimbabwe	16	15	35	6	51
	<i>31.4%</i>	<i>29.4%</i>	<i>68.6%</i>	<i>11.8%</i>	<i>100.0%</i>
South Africa, Zambia, and Zimbabwe	20	18	49	7	69
	<i>29.0%</i>	<i>26.1%</i>	<i>71.0%</i>	<i>10.1%</i>	<i>100.0%</i>
Pre-2001	14	14	35	8	49
	<i>28.6%</i>	<i>28.6%</i>	<i>71.4%</i>	<i>16.3%</i>	<i>100.0%</i>
Post-2001	22	19	47	4	69
	<i>31.9%</i>	<i>27.5%</i>	<i>68.1%</i>	<i>5.8%</i>	<i>100.0%</i>

Table 5: Allegations of private anti-competitive acts in Sub-Saharan Africa, by act.

Anti-competitive practice.	Entire sample.		Entire sample, except allegations by horizontal competitors.		Entire sample, except South Africa.		Allegations before 2001.		Allegations since 1 January 2001.		Allegation specifically naming foreign firms or their subsidiaries.		Allegations involving foreign firms or subsidiaries or in sectors where such firms are usually active.		Allegations where no foreign firms are named and the sector is one where foreign firms do not usually operate.	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
Horizontal agreements, principally cartels	53	37.9%	49	47.6%	42	51.9%	26	44.8%	27	31.4%	15	41.7%	22	43.1%	31	34.4%
Collusion	12	8.6%	11	10.7%	8	9.9%	2	3.4%	10	11.6%	0	0.0%	3	5.9%	9	10.0%
Abuse of a dominant position	11	7.9%	7	6.8%	3	3.8%	3	5.2%	8	9.8%	3	8.3%	3	5.9%	9	10.0%
Predatory conduct	10	7.1%	6	5.8%	5	6.2%	5	8.6%	5	5.8%	2	5.6%	3	5.9%	7	7.8%
Unspecified anti-competitive practice	10	7.1%	7	6.8%	10	12.3%	5	8.6%	5	5.8%	3	8.3%	4	7.8%	6	6.7%
Anti-competitive merger	8	5.7%	4	3.9%	3	3.8%	2	3.4%	6	7.3%	3	8.3%	4	7.8%	4	4.4%
Discrimination between purchasers	7	5.0%	3	2.9%	0	0.0%	3	5.2%	4	4.7%	1	2.8%	1	2.0%	6	6.7%
Denial of infrastructure	6	4.3%	4	3.9%	0	0.0%	1	1.7%	5	5.8%	0	0.0%	0	0.0%	6	6.7%
Vertical agreements	6	4.3%	1	1.0%	4	4.9%	2	3.4%	4	4.7%	3	8.3%	4	7.8%	2	2.2%
Monopolistic practices	4	2.9%	4	3.9%	4	4.9%	1	1.7%	3	3.5%	0	0.0%	1	2.0%	3	3.3%
Resale price maintenance	4	2.9%	3	2.9%	1	1.2%	1	1.7%	3	3.5%	3	8.3%	3	5.9%	1	1.1%
Bundling	3	2.1%	1	1.0%	1	1.2%	0	0.0%	3	3.5%	0	0.0%	0	0.0%	3	3.3%
Cross-subsidisation	2	1.4%	2	1.9%	0	0.0%	1	1.7%	1	1.2%	0	0.0%	0	0.0%	2	2.2%
Tying	2	1.4%	0	0.0%	0	0.0%	1	1.7%	1	1.2%	2	5.6%	2	3.9%	0	0.0%
Ban on franchising	1	0.7%	0	0.0%	0	0.0%	5	8.6%	0	0.0%	1	2.8%	1	2.0%	0	0.0%
Violation of merger control regulations	1	0.7%	1	1.0%	0	0.0%	0	0.0%	1	1.2%	0	0.0%	0	0.0%	1	1.1%
Total	140	100%	103	100%	81	100%	54	100%	86	100%	36	100%	51	100%	90	100%

Table 6: Are some lines of business more susceptible to allegations of anti-competitive practices?

Line of business where allegations were made in more than one Sub-Saharan African country.	Number of allegations.	Number of countries where allegations were made.	Names of countries where allegations were made.
Beer	9	6	Kenya, Malawi, Namibia, Tanzania, Uganda, Zambia.
Petroleum	8	5	Kenya, Malawi, Uganda, Tanzania, Zambia.
Cement	6	4	Madagascar, Malawi, South Africa, Zimbabwe.
Sugar	5	4	Kenya, Malawi, South Africa, Zimbabwe.
Cellular telephones	5	3	Nigeria, South Africa, Zimbabwe.
Fertiliser	4	3	Kenya, Zambia, Zimbabwe.
Banking	2	2	Uganda, Zimbabwe.
Cotton	2	2	Malawi, Zimbabwe.
Health Care	2	2	South Africa, Zimbabwe.
Pharmaceuticals	3	2	South Africa, Zimbabwe.
Taxis	2	2	South Africa, Malawi.
Telecommunications (type not specified)	2	2	Uganda, South Africa
Total	50	9*	

* Total number of countries, avoiding double counting.

