

# Competition Tribunal commences hearing on SAA-Takatso merger

The Competition Tribunal in Pretoria today initiated a two-day hearing on the merger between Takatso Aviation Consortium and South African Airways (SAA).



Source: SAA/[Tourism Update](#)

In May, the Competition Commission recommended the tribunal's approval for the 51% transfer of SAA shares to Takatso, subject to specified conditions being fulfilled.

Under the agreement, Takatso would secure a 51% share of SAA and commit a two-year capital injection of R3bn, while the state retains 49%.

Lift Airline, jointly owned by Global Aviation and Syanix, holds a 20% stake in Takatso.

One of the conditions of the transfer of SAA shares to Takatso entails excluding minority partners (Global Aviation and Syranix) from the consortium to prevent a reduction in competition within the domestic airline market.

Concerns arise regarding their access to "competitively sensitive" data if they maintain their stake.

The second aspect of the agreement involves implementing a "moratorium on retrenchments related to the merger" and

ensuring a minimum staff level is maintained at SAA.

After being grounded for financial reasons, SAA aircraft returned to the skies two years ago, marking a significant milestone in their operational revival.

The airline has recorded a historic operating profit for the first time since then.

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