

Namibia court gives Wal-Mart thumbs up

The world's largest retailer Wal-Mart has confirmed that the High Court of Namibia has unanimously upheld its application to invalidate all conditions attached by the Namibian Competition Commission on its approval of the proposed acquisition of Massmart (MSM).



"Competition approvals have now been received in all required jurisdictions, with the exception of SA.

"The South African Competition Tribunal hearings are set to resume on May 9", the company said on Friday, 29 April 2011.

US-based Wal-Mart Stores has planned a merger with SA's Massmart by acquiring 51% of the shareholding in the SA retailer company, in a deal worth about R17 billion.

Massmart's Namibian subsidiaries include Game, Makro, Windhoek Cash & Carry and Builders Warehouse.

The merger transaction includes 14 countries, and has been approved by competition regulators in Tanzania, Malawi, Zambia and Swaziland.

The Namibian Competition Commission decided on 9 February to approve the merger with a set of conditions attached, one of which was that there should be no employment losses as a result of the merger.

However, Judge Dave Smuts said that the reason given for this was very poorly formulated and that there was no rational link between this condition and the reason that was given.