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PRESS RELEASE

COMPETITION AND CONSUMER AUTHORITY AND FOODS BOTSWANA REACH AGREEMENT ON MINIMUM PURCHASE QUANTITY FOR BRAN

The Competition and Consumer Authority (CCA), has reached a collaborative agreement with Foods Botswana (Pty) Limited ("Foods Botswana"), a 100% owned subsidiary of Sefalana Holding Company Limited regarding the minimum purchase quantity for bran. Bran is a milling by-product of sorghum, wheat, maize and other grains that can be used as an input in fodder production or directly fed to livestock.

Foods Botswana, which is based in Serowe, manufactures and produces sorghum, soya and maize products for retailing as well as Tsabana and Malutu produced exclusively for the Government feeding scheme.

On 10th July 2023, the CCA and Foods Botswana mutually agreed to reduce the minimum purchase quantity for bran from 30 tonnes to ten (10) tonnes to enhance access to bran for customers, including small businesses and individuals who may have been previously constrained.

The agreement, which aligns with the Authority's commitment to promoting a competitive and inclusive marketplace for the benefit of the consumers, also comes at an opportune moment when the Government of Botswana has just declared 2022/23 a severe arable agricultural drought year throughout the country. The Authority therefore commends Foods Botswana for its cooperation in reducing market concentration and improving consumer choice in the market for the retailing of bran.

The Authority's intervention was prompted by several complaints from consumers and stakeholders about access to bran from Foods Botswana. Initially, Foods Botswana had established a minimum purchase quantity of 30 metric tonnes, which seemed to limit market access and competition in the retailing of bran as only a few large businesses could meet the requirement leading to market concentration.

Based on that, the Authority engaged Foods Botswana to remove the identified market constraint and reduce the minimum purchase quantity of bran to allow access by many businesses.

This is effective from 21 July 2023 and customers can purchase a minimum of ten (10) tonnes of bran from Foods Botswana.



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Competition and Consumer Authority



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Foods Botswana