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Dear Interested Party

Request for submissions: Bunge's proposed merger with Viterra

The Australian Competition and Consumer Commission (**ACCC**) is seeking your views on Bunge Limited's (**Bunge**) proposed merger with Viterra Limited (**Viterra**) (the **proposed transaction**).

Bunge and Viterra both originate grains (including oilseeds) and market vegetable oils in Australia. Bunge provides storage and handling services and port terminal services in WA. Viterra provides storage and handling services and port terminal services primarily in SA. Further information on the proposed transaction and the merger parties is set out in **Attachment A**.

The ACCC's investigation is focused on the impact on competition. In particular, we are seeking your views on:

- how closely Viterra and Bunge compete with each other
- the likely impact of the proposed transaction on prices and/or service quality, and
- whether the proposed transaction is likely to give the combined Viterra/Bunge the ability and incentive to foreclose its competitors.

Further issues you may wish to address are set out in **Attachment B**.

This matter is public and you can forward this letter to anybody who may be interested.

The legal test which the ACCC applies in considering the proposed transaction is in section 50 of the *Competition and Consumer Act 2010*. Section 50 prohibits mergers and acquisitions that are likely to have the effect of substantially lessening competition in a market.

Please provide your response by **10 November 2023** via email with the title: *Submission re: Viterra/Bunge – attention Sophie Musker*. If you require more time to respond, please let us know.

If you would like to arrange a time to discuss the matter with ACCC officers, or have any questions about this letter, please contact Sophie Musker on (03) 9658 6408 or Victoria Xia on (02) 6243 1360.

Updates regarding the ACCC's investigation will be available on the ACCC's Public Mergers Register at [ACCC mergers register](#).

Confidentiality of submissions

The ACCC treats sensitive information it receives during a merger review as confidential, and will not publish your submission. We will not disclose submissions to third parties (except our advisors/consultants) unless compelled by law (for example, under freedom of information legislation or during court proceedings) or in accordance with s155AAA of the Competition and Consumer Act 2010. Where the ACCC is required to disclose confidential information, we will notify you in advance where possible so that you have an opportunity to be heard. Therefore please clearly indicate if any information you provide is confidential. Our [Informal Merger Review Process Guidelines](#) contain more information on confidentiality.

Yours sincerely



Daniel McCracken-Hewson
General Manager
Merger Investigations

Attachment A

The proposed transaction

Bunge is proposing to acquire 100% of the issued and outstanding share capital of Viterra. As part of the proposed transaction, Viterra's three main shareholders, Glencore PLC (**Glencore**), the Canada Pension Plan Investment Board (**CPPIB**) and the British Columbia Investment Management Corporation (**BCI**) would acquire an interest in Bunge.

Bunge

Bunge is an agribusiness and food company headquartered in Missouri, USA. In Australia, Bunge:

- originates grains (barley, wheat and oilseeds (rapeseed/canola)) primarily from WA,
- markets corn flour and lecithin, in WA, SA, Victoria and NSW and vegetable oil (sunflower oil) in QLD and NSW
- has two grain upcountry receival facilities in WA at Kukerin and Arthur River, and
- has storage facilities on land adjacent to the Bunbury port export terminal in WA operated by WAPRES. These storage facilities are connected to a ship loader at the Bunbury port terminal via a belt conveyor.

Viterra

Viterra is an agribusiness headquartered in the Netherlands. Viterra is currently owned by Glencore (49.99%), CPPIB (39.99%), BCI (9.99%) and Viterra Employee Benefit Trust (0.03%).

In Australia, Viterra:

- originates grains (barley, durum wheat, sorghum and wheat, oilseeds (rapeseed/canola), pulses (lentils, lupins, beans and peas)) and cotton,
- markets grains (barley, sorghum, and wheat, oilseeds (rapeseed/canola)), vegetable oil (sunflower oil), soybean meal, soybean hull, cotton and pulses (lentils, lupins, beans and peas),
- has 50 operational upcountry storage and handling facilities (48 in SA and 2 in Victoria),
- owns and operates 6 bulk grain loading facilities at port terminals located at Outer Harbour, Inner Harbour, Port Lincoln, Wallaroo, Port Giles and Thevenard in SA, and
- offers commodity rail haulage services.

Attachment B

1. Please provide a brief description of your business or organisation, including any commercial relationship(s) with Bunge and/or Viterra.

Origination and marketing of grains and vegetable oils

2. How closely do Bunge and Viterra compete for origination and marketing services? Please specify the location/s in which they compete and for what commodities (for example, specific types of grains, oilseeds and/or vegetable oils).
3. Identify and describe alternative suppliers that compete with Bunge and/or Viterra in origination and/or marketing. Please specify the location/s in which these suppliers compete with Bunge and Viterra and for what commodities (for example, specific types of grains, oilseeds and/or vegetable oils).
4. Do farmers or cooperatives supply numerous types of grains or focus on supplying specific kinds of grains? How feasible is it to switch to the supply of other kinds of grains? Please explain any costs or barriers to switching.
5. Describe any barriers to entry and expansion for the supply of origination and marketing services for grains and vegetable oils, including capital costs, the ease with which customers can switch suppliers, accreditation or regulatory requirements and any other relevant factors.

Storage and handling services and port terminal services

6. Describe how customers procure:
 - a. storage and handling services for grains, and
 - b. port terminal services for grains.
7. Describe whether grain (i) storage and handling services, (ii) rail haulage services and/or (iii) port terminal services, are bundled. In your response, please explain whether it is important or advantageous for agribusinesses to offer several services.
8. How closely do Bunge and Viterra compete for:
 - a. storage and handling services, and
 - b. port terminal services.
9. Identify and describe alternative suppliers in each of SA and WA that compete with Bunge and/or Viterra, for:
 - a. storage and handling services, and
 - b. port terminal services.
10. Discuss whether the proposed merger would increase a combined Bunge/Viterra's ability and incentive to foreclose its competitors (for example, limit access to storage and handling services and/or port terminal services).

Other information or competition issues

11. Provide any additional information or comments, or identify other competition issues, that you consider relevant to the ACCC's consideration of the proposed transaction.