

COFECE-03-2018

COFECE Notified Diverse Economic Agents of a Statement of Probable Responsibility for Possible Absolute Monopolistic Practices in the Market for Public Air Passenger Transport

- *The Investigative Authority's Statement of Probable Responsibility establishes that the notified economic agents and individuals, all competitors among them, possibly entered into agreements with the object or the effect of fixing or manipulating the base price of the services provided in said market.*
- *With the notification of the statement, a trial-like procedure is initiated, in which the notified parties may address COFECE's allegations*

Mexico City, January 21, 2018.- The Federal Economic Competition Commission (COFECE or Commission) notified diverse economic agents of their probable responsibility for carrying out absolute monopolistic practices in the market for public air passenger transport to and from Mexican territory.

The investigation began on February 3, 2015, under file IO-002-2015, and concluded on November 21, 2017 with the Statement of Probable Responsibility issued by the Investigative Authority, in which it indicated having knowledge of facts that possibly derived in contracts, agreements, arrangements or combinations amongst competing economic agents participating in the said market, with the object or the effect of fixing or manipulating the base price of the services they offer.

The notification of the Statement of Probable Responsibility establishes the initiation of the case's trial-like procedure, which will be conducted by the Commission's Technical Secretariat. During which the alleged offenders have the right to argue in their favor and submit evidence related to the allegations presented against them. Once the facts have been addressed, the evidence processed and the corresponding arguments presented, COFECE's Board of Commissioners may issue a resolution as per the law.

According to the Federal Economic Competition Law, if existence of an absolute monopolistic practice is proven, the economic agents may be sanctioned with fines of up to 10% of their annual income. Individuals who have contributed, encouraged, induced or

participated in the commission of such conducts, could be fined with up to 180 thousand UMAs “Units of Measure and Update” (one UMA is equivalent to 80.60 pesos).

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The Federal Economic Competition Commission is entrusted with safeguarding competition and free market access. Through this, it contributes to consumer welfare and the efficient functioning of the markets. Through its work it seeks better conditions for consumers, greater output and better services and a “level playing field” for companies.