

## **COFECE investigates possible monopolistic practices in the market of integration, installation, maintenance and commercialization of equipment, accessories and spare parts for the exploitation of industrial gases in the national territory**

- The Investigative Authority has indications to suppose that anticompetitive agreements were carried out in said market.
- The investigation shall not be understood as a prejudgment, but as an action by the authority to verify compliance with the Federal Economic Competition Law.

**Mexico City, January 05, 2022.-** The Investigative Authority of the Federal Economic Competition Commission (COFECE or Commission) published today in the *Federal Official Gazette* (DOF, per its initials in Spanish) and on its website, the notice of initiation of an *ex officio* investigation for possible absolute monopolistic practices in the market of the integration, installation, maintenance and commercialization of equipment, accessories and spare parts for the exploitation of industrial gases in the national territory.

The object of the inquiry is a possible anticompetitive agreement regarding the infrastructure needed to exploit industrial gases, which are used in various sectors, such as energy, health, food and chemical industries, as well as construction and production of advanced electronics, to name a few.

Absolute monopolistic practices are contracts, agreements or arrangements between competing economic agents, whose purpose or effect is manipulation of prices, restriction or constraint of supply or demand, division or segmentation of markets, concertation or coordination of bids in tenders, as well as exchanging information between them to carry out any of the above conducts.

This investigation, case file IO-001-2021, which is being made public today, shall not be understood as a prejudgment on the responsibility of any economic agent, since so far no violations to the regulation on matters of economic competition have been identified, nor the subject(s) who, if applicable, would be considered as probable responsible at the end of this investigation.



The timeframe for this inquiry is of up to 120 business days, counted from June 25, 2021, date in which the investigation began, which may be extended for an equal term up to four times.

If at the end of the investigation no elements are found that presume an anticompetitive practice has been carried out, the Board of Commissioners could resolve its closure. In case there are grounds that indicate an infringement of the *Federal Economic Competition Law* (LFCE), those who result probable responsible will be called to a trial-like procedure to present their defense

In accordance with the *LFCE*, if an absolute monopolistic practice is confirmed, the economic agents may be fined with up to 10% of their income. In case the Board proves a recidivism case, the fine could be imposed of up to twice the corresponding amount. Those who had contributed, promoted or induced these practices could also be sanctioned. Pursuant the Federal Criminal Code, the natural persons who had participated in the celebration, execution or order of these type of agreements between competitors could go to prison for up to 10 years. In this sense, the Immunity Program works as a resource for those who had participated in these conducts to cooperate with COFECE in exchange for a reduction of the potential sanction, as well as an exemption from criminal liability.

[Extract of the initiation of investigation agreement: IO-001-2021 \(in Spanish\)](#)

[What is an absolute monopolistic practice? \(in Spanish\)](#)

[Know the Immunity Program](#)

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*The Mexican Federal Economic Competition Commission is responsible for ensuring competition and free market access. In this way, it contributes to the people's welfare and the efficient functioning of the markets. Through its work, it seeks better conditions for consumers, that more services are offered with higher quality and that there is "level playing field" for companies.*

