

Cofece-016-2022

Cofece investigates possible relative monopolistic practices in the market of access to commercial spaces and the provision of commercial services in the airports of the South-Southeast of Mexico

- The flow of passengers transiting the investigated zone on amounted to more than 9.35 million in 2020.
- This inquiry should not be understood as a prejudgment, but as an action by the authority to verify compliance with the Federal Economic Competition Law.
- If the realization of a relative monopolistic practice is proven, the responsible economic agent or agents could be sanctioned.

Mexico City, May 18, 2022.- The Investigative Authority of the Federal Economic Competition Commission (Cofece or Commission) published today, on its website and in the Federal Official Gazette (DOF, per its initials in Spanish), the extract of the initiation agreement of the *ex officio* investigation, file number IO-002-2021, for the possible conduction of relative monopolistic practices in the market of access to commercial spaces and the provision of commercial services at airports in the South-Southeast of Mexico and its related services.

Relative monopolistic practices are acts, contracts, agreements or procedures carried out by one or several economic agents with substantial market power and that have, or could have, the object or effect of unduly displacing other market participants, substantially impeding their access, or establishing exclusive advantages in favor of one or several economic agents. Examples of these practices are tied purchases or sales, exclusivities, discriminatory prices or treatment, raising costs for other economic agents and refusal to deal, among others.

Airports function as companies that provide multiple services since, in addition to providing aeronautical services, they offer commercial services aimed at satisfying the needs of users of their terminals. These spaces are strategically located as public areas available to consumers in general, or exclusive spaces for passengers before or after boarding a flight.

The inquiry analyzes the access to obtain commercial spaces in said airport zones in order to provide a service or sell a product, which is known as commercial services. This investigation is relevant considering that, for example, in 2020, 9.35 million passengers transited the airports in the South and Southeast of the country, which is of great importance for tourism nationwide¹.

¹ The airports of Cancun, Merida, Campeche, Ciudad del Carmen, Cozumel, Chetumal, Minatitlan, Tuxtla Gutierrez, Oaxaca, Villahermosa, Bays of Huatulco, Palenque, Poza Rica, Tapachula, Acapulco, Veracruz,



This investigation, that initiated on November 30, 2021, should not be understood as a prejudgment of the responsibility of any economic agent. The foregoing, since so far no violations to regulations on economic competition matters have been definitively identified, nor the subject or subjects, 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 working days, counted from the date in which the investigation began, which may be extended for an equal term up to four times.

If by the end of the investigation no elements that presume the realization of said anticompetitive practice are found, the Board of COFECE may resolve its closure. In the case that elements that presume an infringement of the Law are found, those who are responsible will be called to a trial-like procedure to present their defense.

If the relative monopolistic practice is proven, the responsible economic agents could be sanctioned with fines of up to 8% of their income and the order to suppress the conduct.

Extract of the initiation agreement of the investigation (in Spanish)

What is a relative monopolistic practice? (In Spanish)

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MORE COMPETITION FOR A STRONGER MEXICO

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.

Cozumel, Puebla, Puerto Escondido, Ixtapa are included. Information obtained from: <u>https://www.datatur.sectur.gob.mx/Documentos%20compartidos/DatosAbiertos_ASA.zip</u>