

Cofece-021-2022

Cofece investigates the market of maritime transport services for passengers and goods in Quintana Roo

- *The Investigative Authority has indications of the possible existence of agreements between competitors to manipulate prices, restrict or eliminate the supply of the service, or segment the market.*
- *The transport sector is a priority for the Commission due to its cross-cutting nature and impact on multiple economic activities.*

Mexico City, July 13, 2022.- The Investigative Authority of the Federal Economic Competition Commission (Cofece or Commission) published today on its website and in the Federal Official Gazette, the notice of the initiation of an ex officio investigation, for the possible realization of absolute monopolistic practices in the market of maritime transport services in the state of Quintana Roo.

The investigation includes the maritime transport services of goods and passengers specifically in the state of Quintana Roo, activities that are of the utmost importance both for the inhabitants and workers in the area, as well as for tourists, since it allows the mobility of persons and goods between the state and its insular zones. In 2021, this form of transport served more than 9 million passengers on ferries that provide service in this entity (Isla Mujeres, Playa del Carmen, Cozumel and Chetumal), and more than 1 and a half million tons of general cargo were mobilized in the Ports of Quintana Roo (Punta Sam, Isla Mujeres, Puerto Morelos, Cozumel and Punta Venado).

It is important to mention that, in accordance with the Commission's 2022-2025 Strategic Plan, the activities of transport and logistics are priorities because they allow the movement of goods, as well as transport of passengers.

In accordance with Article 53 of the Federal Economic Competition law (LFCE, per its initials in Spanish, or Law), absolute monopolistic practices are possible arrangements or combinations between competing economic agents, whose purpose or effect is the manipulation of prices, restriction or constraint of supply or demand, segmentation of markets, as well as the exchange of information between them to carry out any of the above conducts. This *ex officio* investigation, identified with the file number IO-004-2021, shall not

be understood as a prejudgment, but as an action by the authority to verify compliance with the LFCE.

The timeframe for this inquiry is up to 120 business days, counted from the 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 the realization of said anticompetitive practice, the Board of Commissioners could resolve its closure. In case there are grounds that presume 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 the existence of an absolute monopolistic practices is proved, economic agents could be fined with up to 10% of their income. Also, those who have collaborated, facilitated or induced the realization of these practices could be sanctioned economically. Natural persons that could have participated in the celebration, execution or ordering of this type of agreements between competitors, could be sanctioned with prison for up to 10 years in accordance with Article 254 bis of the Federal Criminal Code. Nonetheless, it is important to mention that those who have participated in this type of conduct, can adhere to the benefits of the Immunity and Reduction of Sanctions Program offered by the Commission.

Extract of the investigation initiation agreement (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.