

Cofece preliminarily determines the lack of effective competition in the maritime transport of passengers and roll-on/roll-off cargo in Baja California Sur.

- *Only two companies -in a context of barriers to entry- offer roll-on/roll-off maritime transport services on the routes that connect Baja California Sur with Sinaloa, and only one of them provides passenger transport services.*
- *If the sense of the Preliminary Opinion is confirmed, the sectoral regulatory authority may establish the bases of tariff regulation in the services.*

Mexico City, June 12, 2023.- The Investigative Authority (IA) of the Federal Economic Competition Commission (Cofece or Commission) preliminarily determined that there are no conditions of effective competition in the maritime transport of passengers and roll-on/roll-off cargo, by ferry, on the Pichilingue-Topolobampo and Pichilingue-Mazatlán routes, between Baja California Sur and Sinaloa.

In the investigation, the IA identified very high levels of concentration in maritime transport services because:

- *Only two companies (*Transportación Marítima de California, S.A. de C.V.*, and *Baja Ferries, S.A.P.I. de C.V.*) have offered for several years the service of maritime transportation of roll-on/roll-off cargo on both routes connecting Baja California Sur with Sinaloa. In addition, *Baja Ferries* is the only company that provides maritime passenger transport on these routes.*
- *There are barriers to entry that make it difficult for more competitors to enter in the future, such as high investment amounts, limits to the participation of foreign capital in shipping companies, and lack of capacity of the port of Pichilingue to allow the entry of new competitors under the same conditions as the already established companies.*

The excerpt of the preliminary opinion of the file DC-001-2022 was published last Thursday in the Federal Official Gazette. The economic agents interested in this procedure may submit to Cofece their statements and arguments on this investigation, so that the Board of Commissioners issues the final resolution.

If the sense of the preliminary opinion is confirmed, regarding the lack of effective competition conditions, it will correspond to the Ministry of the Navy to establish the bases or tariff regulation, based on Articles 130 and 140 of the Maritime Navigation and Commerce Law.

[Click here for the excerpt of the preliminary opinion](#) (in Spanish)

[Read the infographic on investigations on barriers to competition](#) (in Spanish)

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The Federal Economic Competition Commission safeguards competition and free market access.

Through its work, it seeks better conditions for consumers, that more services are supplied with higher quality and that there is a “level-playing-field” for companies.