

Expanding Enforcement and Advocacy Tools to a State Level



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Introduction

In 2023, Mexico commemorated 30 years of the existence of a competition and anti-trust law, and a decade since the creation of the Federal Economic Competition Commission (Cofece or Commission from here on forth); an autonomous constitutional body responsible for foreseeing competition conditions in all markets in the territory, except for telecommunications and broadcasting¹.

There are four stages in the development of what is currently the Federal Economic Competition Law (FECL or Law, for the purposes of this document). The first was the elaboration of the a Federal Competition Law (FCL) in 1992. This Law included the conducts that would be deemed as unlawful and established a merger review system. When it entered into force in 1993, a competition authority was created.

The FCL set the foundations for a system of governance in matters of competition to be built through the years. The building blocks included the sanctioning of economic cartels and abuse of dominance², as well as a merger review system, that prevented anticompetitive problems to emerge in the markets. However, this first law lacked tools through which the Federal Competition Commission (FCC) could effectively detect and sanction unlawful conducts.

Consequently, in 2006 the first reform to the Competition Law took place. It empowered the FCC with greater investigative tools and established sanctions that would serve as a deterrent for anticompetitive conducts. One of the main elements of the reform included the faculty to conduct dawn raids, prior notification to the judiciary and the targeted economic agent. Additionally, a Leniency and Immunity Program was created, and new conducts were included as prohibited by the FCL.

In 2011, changes were made to both the FCL and the Federal Criminal Code to classify cartels as a crime to increase to risk of sanction. Alongside, the ability to conduct surprise dawn raids was granted to the Commission, enabling one of the primary investigative tools to obtain evidence to build cases, especially in cartel investigations. These changes strengthened the incentives to join the Leniency Program, reflected with 45 requests for Leniency applications the year after the new Law entered into force. The

1 In Mexico, the Federal Institute for Telecommunications is the regulating and competition authority in the telecommunications and broadcasting markets.

2 According to the Mexican law cartels are classified as Absolute Monopolistic Practices whilst abuse of dominance case are called Relative Monopolistic Practices.

Program has served as an important tool to effectively detect, investigate, and sanction cartels, along with useful information on the operation of these agreements.

Another major advancement was the determination that only final resolutions could be appealed through indirect amparo in Courts.³ Prior to this change every enforcing action the authority took could be appealed, greatly hindering the effective use of its faculties. Finally, the methodology for sanction quantification was modified, to be determined based on the economic agent's income instead of referring minimum wages – this allowed for significantly higher sanctions.

In 2013, a constitutional reform was made that repealed the previous FCL and created a new autonomous competition authority with its Federal Economic Competition Law. To carry out this reform, the best international practices were included in the new Law including new investigative powers, increasing penalties for obstructing procedures and additional administrative sanctions. In addition, the Investigative Authority was created, a unit within the Commission with technical autonomy to carry out investigations for cartels, abuse of dominant position, illicit mergers, and procedures to determine barriers to competition and essential facilities.

A retrospective

After 10 years of the existence of Cofece and 30 years of a regulatory framework in anti-trust and competition in the country, it was the Commission's obligation to carry out a retrospective analysis to identify achievements and areas of opportunity that still exist for a comprehensive application of competition policy in Mexico.

Main lessons

Sanctions must serve as a deterrent factor

The reforms made in 2011 to the FCL and the new Law demonstrated the importance of high monetary sanctions to be useful as a deterrent factor to engage in anticompetitive conducts. These must be greater than the potential profits that could be gained by economic agents through an illegal practice. Therefore, it is imperative that all tools available to the Commission are used to foster compliance and in cases of wrongdoing, to impose the highest available sanctions in the FECL.

³ Amparos (juicios de amparo) are administrative appeals used to challenge any act of authority that violates Human Rights of the governed. Consequently, Cofece's final resolutions can be appealed in de judiciary through this legal resource.

The importance of ex officio investigations

The Investigative Authority must have effective tools of detection to serve a dual purpose; discourage anticompetitive practices and promptly detect when these conducts are taking place. Additionally, an effective investigation toolkit must be available to collect information and data for robust Statement of Objections to be issued if a Law violation is found.

Innovative markets require for innovative procedures

The digitalization and globalization of our economies require for innovative procedures in the reactive front, but also in the use of preventive and advocacy tools. As such, it is important for public servants in the Commission to specialize themselves in the digital arena to adequately protect competition conditions in all national markets.

The autonomy of the Commission is key

The institutional design of the Commission is key for the effective use of its faculties and the ability to ensure competition conditions. This autonomy must include full management of its operations, including institutional organization; capacity to attract talent: ability to use all legal tools to realize its constitutional mandate; the use of its detection, investigation and sanctioning tools independently; and the capacity for national and international cooperation. The sum of these elements enables the impartiality and legality of its faculties when an adequate system of accountability exists.

Its essential to cooperate with national and international entities

To achieve the Commission's objectives, useful cooperation networks must be built with the academia, the private sector, and public authorities nationally. Additionally, international means of formal and informal cooperation are useful to share experiences, information and technical assistance. However, considering the interconnectedness of the global economy, second generation agreements need to be the new wave of international cooperation to promote the use of joint investigation tools between competition authorities.

Importance of preventive actions

The Commission must make effective use of its preventive tools in relation to merger review and the issuance of official opinions on regulatory projects⁴, public tenders,

⁴ According to article 12, subsections XII-XV the Commission may issue non-bidding opinions on programs or policies implemented by Public Authorities; on proposed provisions, rules, agreements, circulars and other general administrative acts; regarding legislative bills and regulatory proposals and executive orders in aspects related to free market access and economic competition; and regarding laws, regulations, agreements, circulars and administrative acts of general applicability in subjects related to free market access and economic competition.

connections and permits⁵. These allow to prevent for the emergence of competition problems such as barriers to entry, market structures that limit free market access or that facilitate anticompetitive behavior, among others. Preventing these problems before they emerge is more cost-effective and ensures the protection of competition conditions promptly.

Legal certainty and predictability on the Commission's proceedings should be ensured

The FECL contains various technical and economic concepts. Consequently, it is fundamental that the Commission issues documents that provide certainty on the application of the Law. This must include:

- Guidelines to provide certainty on investigation procedures, complex concepts included in the Law, on market dynamics and innovative matters.
- Technical Criteria to ensure predictability on specific proceedings.
- Regulatory Provisions to provide an official interpretation of the law and as a tool for the Judiciary.

The issuance of this type of documents is a fundamental tool to guide the actions of the Commission and ensure predictability, legality and impartiality on the use of its faculties.

Competition conditions must be tangible to all

For economic competition and free market access to be tangible to all, a transversal application of competition policy is essential. Consequently, the Commission must be effective in communicating these benefits to a wide range of sectors through the issuance of advocacy documents, outreach efforts, the creation of spaces of dialogue, educative material and other efforts that may contribute to achieve this objective.

Roadmap to expand achievements and learnings to a State level

Since the establishment of Cofece a decade ago, much knowledge has been accumulated on how to effectively enforce competition policy in Mexico. The initial years were dedicated to shaping the institutional design and operational framework of the Commission, whilst the last have focused on enforcing newly granted powers and issuing guidelines to provide legal certainty to economic agents on the application of the FECL.

⁵ The Commission, in accordance with articles 12, section XIX, 98 and 99 of the Federal Economic Competition Law (LFCE), as well as 111 of its provisions, has the power to issue an opinion on the incorporation of protective and promotional measures regarding economic competition in the processes of disincorporation of public entities and assets, as well as in the procedures of tenders, concessions, permits, licenses or similar figures carried out by public authorities.

A key learning from these years was the development of an Institutional Strategic Planning Model, allowing Cofece to achieve better results and generate greater impact through focused and prioritized actions, optimizing the use of resources. Consequently, the Commission establishes sector prioritization to efficiently use human, physical, and financial resources, focusing efforts where competition policy can yield greater benefits for consumer welfare and national economic development.

Sectors such as health, food and beverages, finance, transportation and logistics, energy, construction and real estate, public procurement, and digital markets are defined as a priority of the period 2022-2025⁶. While these sectors guide the proactive efforts of the Commission, the retrospective analysis served as an opportunity to identify where the resources of the Commission should be invested in the next three years⁷.

As a result, a Multiannual Strategic Agenda has been defined, including four main areas of action: i) Use of all legal resources available to the Commission to ensure its constitutional mandate; ii) Promote national and international collaboration; iii) Transition to the new competition policy era, and; iv) Ensure the operability of the Commission in accordance with today's challenges and opportunities⁸. In this document, focus will be given to point number ii) Promote national and international collaboration.

The importance of national collaboration

Public institutions have the legal mandate to ensure social wellbeing, an objective that can be better achieved by creating bridges between different powers and attributions. In addition, the collaboration between public and private entities is necessary to build comprehensive, effective, and innovative governments that respond to the needs of the population and act as facilitators for a sustained economic and social development.

Given its importance, the Commission has celebrated 23 agreements with public authorities⁹. These collaboration mechanisms are diverse, covering regulatory analysis of norms and procedures for public procurement, support in investigation procedures

6 The full version can be found in: <https://www.cofece.mx/wp-content/uploads/2022/11/PE2022-2025-ing-VF.pdf>

7 This timeframe was defined since January 2023, as the Plenary of the Commission was able to operate with its seven members, after a halt of almost three years in the appointment of all its members. And the Chair Commissioner was appointed in March 2023 for a period of four years, which end on February 2027.

8 The full Multiannual Strategic Agenda (2023-2027) will be published in 2024.

9 The agreements are celebrated with the Center for Economic Research and Teaching, A.C. (CIDE), the National Institute of Statistic and Geography (INEGI), the Tax Administration Office (for General Collection Administration), with the Trusts Established in Relation to Agriculture, the Tax Administration Office (Advanced Electronic Signature), the Secretariat of Public Function (DECLARANET), the Federal Consumer Protection Agency (PROFECO), the Mexican Social Security Institute (IMSS), the Secretariat of Finance and Public Credit (SHCP), the Ministry of Economy (Public Registry of Commerce and Real Estate Guarantees), the Federal Judicial Training School, the Federal Telecommunications Institute (IFT), the Tax Administration Office (hydrocarbons information), the Railway Transport Regulatory Agency (ARTF), the National Baking and Stock Commission (CNBV), the National Commission for the Protection and Defense of Users of Financial Services (CONDUSEF), the Energy Regulatory Commission (CRE) the National Bank of Mexico (Banxico), the Ministry of Public Service (SFP), with the Secretary of Foreign Relations (RELEX), with the State of Yucatan, the State of Jalisco and the State of Quintana Roo. All agreements can be consulted at: <https://www.cofece.mx/publicaciones/marco-juridico-y-normativo/>

and sanction enforcement, use of facilities, information exchange, among others. Most of the use given to formal collaboration agreements has to do with database consultations, to acquire support on the use of investigative tools and exchanging information.

Of the existing current agreements, 40% are used on a regular basis, whilst the rest have been useful for specific purposes. For example, the Commission has collaborated constantly with the Tax Administration Office since 2013, who has aided in the collection of more than 13 billion pesos of sanctions imposed throughout a decade by Cofece. In contrast, the agreement with the Railway Transport Regulatory Agency (ARTF, for its acronym in Spanish), was used to obtain information mostly through an investigation to determine the lack of competition conditions in specific routes for rail freight transport¹⁰ and a market study on the public freight rail transport service (2021)¹¹.

However, collaboration can also be achieved by celebrating roundtables between authorities, creating joint statements to guide specific activities, by request of any of the parties, as well as other formal and informal means of collaboration. To illustrate, in 2019, the Institute of the National Housing Fund for Workers (INVONAVIT, for its acronym in Spanish) requested Cofece to issue an opinion on its public procurement procedures. The Commission identified several areas of opportunity in its procurement processes and issued recommendations accordingly¹². These were implemented by the Institute, which translated in savings of more than 3 billion pesos, a year after its implementation.

Initiative to foster competition conditions at a State level

For economic competition and free market access to be tangible to all, a transversal application of competition policy must take place. For this reason, it is essential to collaborate closer to local and state governments to promote greater efficiency in the markets, through the promotion of better competition conditions, as well as the detection and elimination of possible regulatory obstacles within state regulations.

Cofece is the authority in Mexico responsible of guaranteeing free market access and competition conditions in all markets¹³ in the country¹⁴. However, it acts solely as a federal agency with limited resources, as the figure of State Attorney General does not exist in Mexico. Consequently, anticompetitive practices cannot be prosecuted by state prosecutors or any local figure.

10 Full press release on the case can be consulted in <https://www.cofece.mx/wp-content/uploads/2021/02/art-transFerrov-29abril2020.pdf#pdf>

11 The full study can be found in: https://www.cofece.mx/wp-content/uploads/2021/08/FERRO_doc-2021.pdf

12 The recommendations included: define cases for exception on public tenders, eliminate automatic contract renewals, replace the figure of special procedures to contract specialized services with public bidding, and maximize the number of notaries who can offer services to the Institute.

13 With the exception of broadcasting and telecommunications.

14 According to Article 12 of the FECL, the Commission's headquarters must be located in Mexico City, but delegations may be established outside. A faculty that has yet to be exercised.

In view of these limitations, one of the specific actions of the Multiannual Strategic Agenda is to implement an initiative to collaborate with state authorities to promote and effectively enforce competition law locally. The initiative includes four main areas of collaboration:

- **Review and analysis of regulatory instruments to identify obstacles to the competition process.** Regulatory projects or administrative acts will be analyzed by state. This could result in the issuance of reform initiatives that create a procompetitive environment for economic competition.
- **Technical training.** The Commission will provide training to state and/or municipal public servants in four subjects: i. Creation of procompetitive regulation; ii. Detection of possible collusive agreements in public tenders; iii. Detection and reporting of anticompetitive practices, and; iv. Guideline on the Commission's Leniency and Immunity Program.
- **Outreach efforts.** Cofece aims to expand the scope of its outreach actions to the private and academic sectors, to ensure competition policy is broadly known, along with its benefits.
- **Celebration of collaboration agreements.** Collaboration agreements will be signed with the aim of having official cooperation mechanisms focused on the detection of possible anti-competitive conduct and the review of regulatory framework. For these purposes, information exchange is key as it allows to build cases of wrongdoing and incentivizes the detection of illicit conducts by municipal and state public officials.

Establishing partnerships with regional authorities will amplify Cofece's ability to fulfill its mandate of monitoring market conditions, sanctioning anticompetitive practices, and advocating for procompetitive regulation.

Cooperation with State Governments

Forming alliances to leverage localized insights and manpower at the state level is vital to overcoming some of the capacity constraints a federal agency has. State agencies tend to have superior on-the-ground knowledge of the unique competition dynamics and regulatory issues faced by businesses and consumers in their jurisdictions. Acquiring knowledge of this expertise through collaborative initiatives can significantly bolster Cofece's detection efforts and help identify problematic practices or regulations that might otherwise fly under the radar. Joint enforcement and advocacy activities also enable more widespread monitoring for competition concerns relative to Cofece's capabilities when acting alone.

Another key benefit is having a consistent understanding of national competition policies across Mexico's states and regions. Partnerships between Cofece and local governments can promote alignment on competition law interpretation while addressing regional needs. They also facilitate cooperation on investigations crossing state borders. In this sense, coordination ensures fairness so that the same rules supporting access to competitive markets not only apply for both businesses and the consumers but are also understood regardless of their location in the country.

Additionally, outreach and promotion of competition policy requires tailored messaging and channels relative to each state's business composition, policymaker priorities, academic interests, and general awareness levels. Building partnerships with state governments that leverage localized insights make advocacy initiatives more resonant and impactful nationwide. This includes capacity building workshops, collaborative design of procompetitive regulation, education on compliance, academic symposia, and other state-specific initiatives.

Collaboration with the Academia

Partnerships with universities, research centers, and the academia, grants Cofece access to expert insights on competition policy impact, along with innovative thinking around enforcement mechanisms and existing regulatory framework. By building relations with the academia, Cofece strengthens internal technical skills while also boosting research outputs that inform evidence-based public policies aligned to Mexico's evolving economic landscape.

Collaboration between universities and public authorities facilitates the exchange of knowledge and resources. The combination of academic expertise and practical government experience results in a more comprehensive approach to addressing the economic challenges in enforcing antitrust policy. In addition, through promotion of joint research, universities can work on economic competition matters that have a direct impact on improving the social wellbeing in their State or municipality. This collaborative approach encourages the creation of more effective and sustainable solutions.

Another key aspect is the promotion of local economic development. Collaboration between academic institutions and the Commission can result in education and training programs that are aligned with the needs of the labor market, preparing students to contribute to the economic growth of the region.

Collaboration with the private sector

By closely collaborating with the Mexican private sector across regions, Cofece gains several advantages, starting with vital intelligence on market dynamics along with the identification of barriers and gaps in existing policy frameworks. Large corporations,

disruptive startups, small enterprises, sectorial associations, and regional chambers of commerce collectively offer rich insights into forces shaping competitive landscapes within their respective ecosystems. Consequently, building spaces of dialogue with them helps the Commission target problems that hinder competition and free market access.

In addition, private sector collaborations enable vital monitoring on the impact of Cofece's interventions. Such reviews enable for continuous improvement of the authority's interventions and how casework is perceived by the population. Such cooperation also aids greatly in advocacy work when promoting competition benefits and the importance of FECL compliance. The latter helps promote specific investigative and detection tools as the Leniency and Immunity Program in cartel cases and the Procedure for Waiver and Reduction of Sanctions for abuse of dominance cases.

Additionally, strategic private sector partnerships create opportunities to address awareness gaps around competition legalities which disproportionately affect smaller companies lacking ample compliance resources. By providing technical cooperation through trade associations and small business coalitions, key competitive dynamics deficiencies can be met through bespoke, accessible learning forums.

Report on the Initiative to Expand Enforcement and Advocacy Tools to a State Level

Since the creation of the initiative this year (2023), three collaboration agreements have been celebrated, with the State Governments of Yucatán, Jalisco and Quintana Roo. The progress that has been made in each case is as follows.

Yucatán

The collaboration agreement was signed on March, 2023 between Cofece and the Government of the State of Yucatán through its Planning and Evaluation Technical Secretariat¹⁵. The agreement's areas of collaboration include promotion and awareness of economic competition policy in the State, analysis of regulatory acts and projects to incorporate principles of competition and free market access. The first working tables took place in October and included collaboration with both the public and private sectors.

The visit marked an important milestone in strengthening cooperative ties between national and regional agencies responsible for fostering competitive market conditions. A series of collaboration events between Cofece and state authorities took place. The engagement series began with a ceremonial event promoting competition

15 The agreement can be found here: <https://www.cofece.mx/wp-content/uploads/2023/04/Convenio-Cofece-Yucatan.pdf>

policy alongside the Governor of Yucatán, Mauricio Vila Dosal, attended by top state cabinet officials, city mayors, university deans and private sector leaders. Cofece's Chairwoman Andrea Marván and Governor Vila delivered opening remarks emphasizing the importance of collaborative efforts between their institutions to foster competitive, innovative and consumer-friendly economic landscapes.

This was followed by a closed-door working meeting between Chairwoman Marván and Governor Vila, where opportunities for inter-agency coordination to bolster competition enforcement were discussed. Chairwoman Marván also met Yucatán's Secretary of Economic Development and the Technical Secretary of Planning and Evaluation to reinforce Cofece's commitment to strengthen ties with partners across state government. Additional collaborative actions were agreed to continue nurturing the collaboration.

In parallel, Cofece's officials conducted three specialized training workshops engaging over 100 delegates from Yucatán's state and municipal governments and regional business associations. These intensive sessions covered the best practices for FECL compliance and developing competitive business models, as well as the creation of pro-competitive regulations and procurement procedures.

The full day of events helped define future courses of action including potential joint initiatives around competition advocacy, regulatory analysis, investigation capacity-building and information exchange for these purposes. These advancements contribute to building effective means of collaboration between Cofece and the Government of Yucatán to ensure an environment for innovation, competition and sustainable economic growth is fostered.

Jalisco

On June 29, 2023, a collaboration agreement was signed between Cofece and the Government of the State of Jalisco¹⁶, assisted by the Secretariat for Economic Development. The purpose of this agreement includes the promotion and awareness of competition policy, the incorporation of competition principles into the legal framework of the state and joint advocacy activities to advance these objectives.

This agreement has result in three competition tours to the State. The first one enabled for the signing of the cooperation agreement, and strategic meetings took place to define the first lines of action that would be implemented to build a comprehensive, solid, and competitive economic development in the entity.

¹⁶ The agreement can be found in: <https://www.cofece.mx/wp-content/uploads/2023/07/Convenio-colaboracion-gobierno-de-Jalisco-Firmado.pdf>

Additionally, advocacy actions were implemented as Cofece's Chairwoman gave a keynote lecture to public officials and business representatives on the "Importance of competition policy in Mexico after 30 years of a competition law in the country and 10 years of Cofece". Subsequently, a conference on "Competition Policy in Mexico" was held for the Guadalajara Chamber of Commerce, with different representatives of the private sector to promote dialogue and competition principles. The above, with the purpose of promoting and raising awareness of competition principles in private sector organizations.

In the second tour to the entity, a working table was held to discuss certifications of real estate agents established in the Law of Accreditations of Real Estate Service Providers of the State of Jalisco, in which Cofece issued observations to promote economic competition in the sector. The Secretariat for Economic Growth and Development, as well as specialized organizations in the real estate sector were present at this meeting.

A second working group was held within the framework of the Tech Hub Act¹⁷ of Jalisco to present the challenges of competition policy in digital markets to entrepreneurs in the technology industry in the state and the members of the National Chamber of the Electronic Industry, Telecommunications, and Information Technologies (CANIETI, for its acronym in Spanish). Various queries from the business community regarding digital monopolistic risks were answered and ideas were exchanged on Artificial Intelligence and the ethical implications of using such technology.

Collaboration also took place with the academia, as a joint press conference was held by Cofece's Chairwoman and the Principal of the Administrative Center of Economic Sciences of the University of Guadalajara. In addition, Chairwoman Marván, presented a conference on the "Evolution and challenges of Competition Policy in Mexico" for students, researchers, and professors.

In this same tour, a conference titled "Importance of compliance programs within the framework of the Federal Economic Competition Law" was given to members of the National Association of Business Lawyers of Jalisco, as well as to the Employers' Confederation of the Mexican Republic (Coparmex, in Spanish).

Finally, a meeting was held with the Secretariat for Economic Development to continue defining actions and initiatives to implement the collaboration agreement.

In the final competition tour to the state of Jalisco¹⁸, Cofece's Chairwoman signed a Collaboration Agreement with the General Principal of the University of Guadalajara.

Additionally, a book commemorating the 30 years of competition law in Mexico and 10 years of Cofece was launched at the Guadalajara International Book Fair: "Economic competition policy in Mexico: retrospective, balances and challenges". In the same

17 Details on the initiative can be found in <https://coordinacioneconomia.jalisco.gob.mx/jalisco-tech-hub-act>

18 The third visit took place on November 27th, 2023

forum, the General Strategic Coordinator of Economic Growth and Development of Jalisco, moderated a panel in which the benefits of competition and the importance of creating spaces for collaboration between government, academic and private institutions was held.

Finally, the Commission is currently working on an opinion regarding the draft Regulation of the Law on the Registration and Accreditation for Real Estate Service Providers, at the request of the Government of the State of Jalisco.

Through a collaboration agreement and joint activities, Cofece and the Government of Jalisco are promoting competition policy awareness, incorporating competition principles into the state's legal framework, and advancing economic competitiveness. Key benefits include better understanding of competition impact across government, academic, and private sector entities via tailored lectures, conferences, and panel events. Outcomes also encompass practical initiatives like market regulation reviews and real estate industry consultations to reduce anti-competitive barriers for Jalisco's economy. Ultimately the partnership enables complementary efforts across agencies to foster fair, innovative, and welfare-enhancing market conditions.

Quintana Roo

A third collaboration agreement was signed between Cofece and the Government of the State of Quintana Roo¹⁹ in October 2023. Cofece and the Government of Quintana Roo will carry out various actions, such as technical training, conferences, and the provision workshops, with the aim of enhancing the benefits of economic competition in the state of Quintana Roo. The Commission will also conduct analysis of regulatory acts and projects to ensure procompetitive principles are being included in the local regulation. This collaboration will also strengthen the timely detection of anticompetitive conducts.

Upon the signing of the agreement Andrea Marván, Cofece's Chairwoman, pointed to the importance of building relations with state authorities to find juxtaposition points between the local public agenda and competition policy. On its part, the State Governor, Mara Lezama, indicated that collaboration with Cofece will be essential to reduce economic gaps and inequalities in Quintana Roo, as well as to guarantee that all economic agents have opportunities to access the free market.

The Government of Quintana Roo and Cofece are currently working on the first actions that will derive from the agreement, with a preliminary agenda to be implemented in December 2023 focusing on providing technical training for public officials on the creation of pro-competitive public procurement processes, as well as designing regulation considering principles of economic competition and free market access.

¹⁹ The agreement can be found in: <https://www.cofece.mx/wp-content/uploads/2023/10/Convenio-colaboracion-Cofece-Estado-Quintana-Roo.pdf>

Conclusion

A decade after the establishment of the Federal Economic Competition Commission, key insights have been gleaned regarding effective strategies for enforcing national competition policy. Foremost is a recognition that to fully achieve Cofece's mandate of overseeing competition and free market access in all the territory, proactive collaboration with strategic partners must be built.

Cofece's initiative to collaborate with state governments aims to promote competition, eliminate regulatory obstacles, provide training, and increase detection through information exchange and outreach efforts. On their part, academic partnerships offer access to expert insights on competition impact and policy, boosting Cofece's technical skills. Private sector relationships offer vital intelligence on market barriers, feedback on intervention impact, tailored technical compliance cooperation, and support for the available investigation toolkit.

Cofece has made collaboration with state governments one of the cornerstones of its new Multiannual Strategic Agenda. Early efforts have focused specifically on state-level governments given their frontline oversight roles closest to regional market activity. Agreements signed during 2023 with Yucatán, Jalisco and Quintana Roo provide a legal framework for cooperative training, advocacy, analysis, and enforcement initiatives tailored to each location's economic landscape.

While still early, these partnerships have already shown tangible impact through specialized capacity building workshops, targeted regulatory consultations, and joint identification of possible anticompetitive conducts. As collaboration channels mature, the vision is to forge an interlocking system with two-way flows of market intelligence, coordinated policy frameworks, and mutually reinforced monitoring efforts upholding national objectives.

Cofece's lessons from its retrospective analysis lie in recognizing partnerships as key to overcoming organizational constraints through combined strengths. Sustained engagement with external allies promises expanded oversight reach, consistency in FECL enforcement and ultimately, better fulfillment of the Commission's constitutional mandate.