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## Cofece proposes key actions so that Mexicans can buy better quality beef at lower prices

• Cofece identified the existence of federal, state, and municipal regulations that hinder competition in different links of the beef production chain, thus harming consumers.

**México City, March 20, 2024.** The Federal Economic Competition Commission (Cofece or Commission) published a study in which the conditions of competition and free market access in the markets for the production, distribution, and retail of beef are analyzed. As part of the new phase of competition policy, the Commission recommended to implement several actions to eliminate regulatory obstacles, modernize production and encourage informed consumption, so that, based on a more competitive market, Mexican families can have access to higher-quality meat at better prices.

According to INEGI (acronym in Spanish for Instituto Nacional de Estadística y Geografía), beef is one of the most sought foods by Mexican families; however, particularly lower-income families cannot consume it to the same extent as higher-income families.

For this reason, through this study, the Commission proposes a series of key actions to facilitate the participation of more beef producers, distributors, and retailers, to increase supply, and improve price and quality for the benefit of consumers. The main recommendations are:

- 1. Reform the Sustainable Rural Development Law, the Livestock Organizations Law, and the Federal Animal Health Law; and that the National Council for Regulatory Improvement seeks to influence on the regulations of 31 states to remove regulatory obstacles and eliminate permits for the movement of livestock and livestock products at the state level since there are already federal permits. Eliminating this double regulation would result in a benefit of between 20 and 57 billion pesos per year for Mexicans.
- 2. That Profeco (the Office of the Federal Attorney for Consumer Protection) implements dissemination campaigns so that consumers and retailers recognize the quality and safety characteristics of meat, and that the product is handled appropriately. With better information, prices are adjusted to reflect the different quality and households will be able to make better purchasing decisions.
- 3. To design strategies to improve technology and modernize municipal and non-TIF slaughterhouses so that they achieve certification equivalent to TIF. This will allow the entry of small-scale cattle ranchers and enable more slaughterhouses to process high-quality and safe meat, allowing more people to have access to quality beef.

The objective of the recommendations is that, through the implementation of simple but effective rules, competition in the domestic beef market increases and Mexican families are able to access this product easier and with better information. These studies allow Cofece to detect and prevent competition problems in various markets that greater impact on the welfare of Mexican families, fostering a new era of economic competition policy that seeks to make the benefits for the entire population more tangible.

<u>Consult the complete Study here</u> (in Spanish)

## - 000 MORE COMPETITION FOR A STRONGER MEXICO 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.