

Cofece finds evidence of possible illegal agreements between suppliers of federal freight transportation

- *This is the main mode of transportation for cargo and merchandise.*
- *Freight transportation refers mainly to cargo trucks (not passenger trucks), whether trailers, semi-trailers, containers, or platforms, and transportation of hazardous materials.*

México City, April 9, 2024. The Investigative Authority of the Federal Economic Competition Commission (Cofece or Commission) found evidence indicating that federal freight transportation suppliers may have colluded to avoid competing among themselves to the detriment of consumers. For this reason, it initiated an ex officio investigation (under file IO-002-2023) aimed at determining if this type of illegal agreement had occurred.

As one of the cornerstones of the new competition policy, the Commission has paid special attention to markets that impact the costs of supply chains, since the existence of illegal conducts in these sectors restrict the purchasing possibilities of Mexican families.

Freight transportation is fundamental for the development of industry and commerce, given its role in ensuring that products and inputs reach consumers in the best conditions. According to data from the Ministry of Infrastructure, Communications, and Transportation, this mode of cargo transportation has been the most used and during 2022 it moved 56.8% of the cargo in the country in 2022. Furthermore, it becomes even more important in the context of relocation of companies to our country due to nearshoring.

From the beginning of the inquiry, the Investigative Authority of the Commission has a period of up to 120 working days, which may be extended up to four times, to conclude its investigation. If the existence of this type of illegal agreements is confirmed, those responsible will be called to a trial-like procedure to present their defense; therefore, the initiation of the investigation does not constitute any prejudgment.

According to the Federal Economic Competition Law, if the existence of an absolute monopolistic practice is proven, economic agents may be fined up to 10% of their income, and individuals who have participated in the implementation or execution of this type of agreement between competitors may be punished with up to 10 years of imprisonment in accordance with the Federal Criminal Code. However, it is important to mention that those who have participated or contributed to this type of conduct and provide valuable information for the investigation may be eligible for the benefits of the Immunity and Sanction Reduction Program (in Spanish) offered by Cofece.

As part of the new stage of competition policy, Cofece will use all powers available so that markets such as the freight transportation market operate without illegal agreements that directly harm the purchasing power of households and companies.

[Click here for the extract of the initiation agreement \(in Spanish\)](#)

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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.