



Competition Commission of Mauritius  
1<sup>st</sup> Floor, GM Tower  
7 Maupin Street  
Port Louis  
Tel. No. 211-2005  
Fax No. 211-3107  
email: [info@ccm.mu](mailto:info@ccm.mu)

## MEDIA RELEASE

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### **PUBLIC VERSION OF CCM FINAL REPORT ON IMPORTATION OF SLAUGHTER CATTLE IN MAURITIUS.**

The Competition Commission has on the 14<sup>th</sup> September 2011 released a public version of its Final Report on the investigation concerning the Importation of Slaughter Cattle in Mauritius. In the report, the Executive Director finds that Socovia Ltee is in a monopoly situation in terms of Section 46 of the Competition Act 2007 and that it appears that Socovia has been refusing to grant potential competitors and even non-competitors access to the cattle carrier it charters to import slaughter cattle to Mauritius. The report further finds that Socovia's refusal to allow access to the cattle carrier it charters, is exclusionary, but potentially legitimate denial of access by a commercial enterprise. The Executive Director has also proposed potential remedies which it believes might remedy anti-competitive conducts.

A hearing will be conducted before any decision is taken by the Commissioners.

The public version of the report has been excised for confidential and commercially sensitive information. The public report can be accessed on [www.ccm.mu](http://www.ccm.mu).

#### **Notes for editors:**

##### *The Competition Act*

The Competition Act 2007 came fully into effect on November 25th 2009, and is enforced by the Competition Commission of Mauritius, the CCM. Sub-parts II and III of Part III of the Competition Act 2007, cover restrictive practices described under 'Other restrictive agreements' and 'Monopoly situations'.

To take action, the CCM must find that the conduct of an enterprise in a monopoly situation restricts, prevents or distorts competition or otherwise exploits the monopoly situation. We refer to such conduct

as 'abuse of monopoly'. Where the Executive Director has reasonable grounds to believe that abuse is occurring, or will occur, he may launch an investigation.

*Monopoly abuse:*

It is not in itself any breach of the law for an enterprise to be in a monopoly situation. However, as per Section 46(2) of the Competition Act, enterprises which hold monopoly positions may be in breach of the abuse or exploit any market power this position confers upon them. The question for the CCM is whether such enterprises are engaged in conduct which restricts, prevents or distorts competition (such as using their market position to exclude rival enterprises) or otherwise exploiting the monopoly situation.

The CCM takes the view that, in most markets, free competition is an effective guarantor of the interests of consumers and is likely best to promote the efficiency, adaptability and competitiveness of the economy of Mauritius. Significant weakening of competition will therefore have adverse effects.

Consequently, if the CCM finds evidence of behaviour that is preventing, restricting or distorting competition, on the part of an enterprise with market power, in a monopoly situation, it will normally expect that such behaviour will have adverse effects on consumers or the economy as a whole.

Following an Investigation, the CCM has the power to force changes in company behaviour and will consider behavioural undertakings offered by the investigated party or parties.

*Further information:*

For further information see the CCM's website at [www.ccm.mu](http://www.ccm.mu), and the CCM's Procedural Rules and Guidelines: 'CCM 1 - Procedural Rules', 'CCM 4 - Monopoly situations and non-collusive agreements' and 'CCM 6 - Remedies and Penalties', all available on the web site.