



**Advice of the Commission to the  
Minister of Business, Enterprise,  
Commerce and Consumer Protection**

**Study of the cement market**

**1<sup>st</sup> July 2011**

**CCM/AS/001/MS001**

## **Background**

In July 2010, the Executive Director (ED) of the Competition Commission (CCM) announced the launching of a market study into the conditions of competition existing in the cement industry in Mauritius through consultations with various stakeholders in the industry.

Following the publishing of the final report purporting to this study in April 2011, the Commissioners of the Commission, exceptionally decided to hold a public hearing relating to the aforesaid final report in order to give an opportunity to the stakeholders in the industry to air their views, especially in light of the Government's recent decision to liberalise trading in the cement market.

The aforementioned public hearing took place on 24<sup>th</sup> June 2010 and several stakeholders were present and were given the opportunity to place on record their opinions. Amongst the organisations present were parastatal bodies, cement importers, construction companies, consumer protection institutions and a number of other interested persons and groupings.

## **Observations and Advice**

Following both the hearing and Government's decision to liberalise commercial dealings in the cement market, the Commissioners, by virtue of section 19 of the Competition Act, observe and advise as follows:

1. We commend the Executive Director (ED) and his team for the report that has been produced, which examined several crucial considerations, drawing several valid and compelling conclusions.
2. The Government announced the liberalisation of the importation of cement and the price of bagged cement as from the 1<sup>st</sup> July 2011. It should be noted that this liberalisation of prices relates to the bagged cement market only, as the prices in the loose cement market are already liberalised.
3. The industry had been for several decades, highly regulated, through Regulations imposed by Government, managed and administered by the parastatal body, the State Trading Corporation (STC), and had taken the form of three main types of intervention prior to 1<sup>st</sup> July 2011, namely: