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PRESS RELEASE

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New Executive Director takes the helm of the Competition Commission of Mauritius

A new Executive Director took the helm of the Competition Commission of Mauritius (Competition Commission) as from today. Dr. Sean Ennis, 44, an economist, joined the CCM last week to ensure a smooth transition from the previous Executive Director, John Davies. He brings wide international experience in law and competition policy. He said: "I am pleased and honored to serve as Executive Director of the Competition Commission of Mauritius. The coming years will be an exciting time for CCM. A solid foundation has been established in a remarkably short time. Since its inception, CCM has launched more than 50 investigations and 10 investigations. The future will be time for the CCM to consolidate its impressive initial achievements and continue its mission to put an end to anti-competitive behavior in Mauritius while promoting competition everywhere. One of my ambitions is to see the Competition Commission of Mauritius become increasingly present in the life of Mauritians, considering more cases, taking more decisions, and giving more guidance to end barriers to entry that hamper the energizing effect of competition."

Rajiv Servansingh, Acting Chairman of the Commission stated: "We are pleased that Dr. Ennis has taken this position. In an era in which the correct operation of markets is becoming increasingly important for Mauritius, Dr. Ennis is the rare bird that we needed."

Dr. Ennis has a first class BA Hons in Economics from King's College, Cambridge from 1990 and subsequently obtained a Ph.D. in Economics from the University of California at Berkeley in 1996. Since then he has worked as senior economist in the Competition Division of the U.S. Department of Justice, the Directorate of Competition of the European Commission and, since 2003, at the OECD's Competition

Division.

Dr. Ennis, Executive Director said: "The authority has already acquired an international reputation, a remarkable achievement considering its youth. To celebrate the first anniversary of the CCM, we were able to attract leaders of both the South African and French authorities. My predecessor, John Davies and his team have done an exemplary job. I am looking forward to working with Commissioners, staff, other parts of government, private sector, consumer organizations and any interested party. I aim to ensure that the work of the Commission is of high technical quality in accordance with best international practices, both legally and economically. I am committed to maintaining the reputation of the CCM as fair, equitable, impartial and of the highest integrity. "

Competition is not an end in itself, he emphasized. It is a tool to encourage businesses to give the best of themselves. It is an important impetus for economic growth. It boosts productivity and efficiency, it disciplines managers, it motivates innovation and it accelerates adaptation to change. The OECD countries that have implemented pro-competition reforms have experienced higher growth rates and lower unemployment than those who failed to reform. They also proved to be more flexible and resilient to economic shocks.

The CCM's mission is to enforce competition law. Dr. Ennis said we must be clear about what this means and what it does not. Thus, he argued: "Competition law serves a valuable purpose and the results have an impact in the medium and long term. What does that mean for citizens? This means more choice and lower prices. But the realisation of choice in a small economy like Mauritius is a challenge. Economies of scale needed to operate a business cannot be afforded by very many competitors in Mauritius."

The Executive Director said that competition law is not equivalent to regulation of prices or markets. He said: "We cannot wave a magic wand and make competition happen. Instead, competition law works by finding cases of abuse of a dominant market position, cartels between competitors, or mergers that lead to anticompetitive results." Because the competition authorities operate using the law, they must follow established legal procedures for the collection of legitimate evidence, to give the parties the right to challenge evidence and to allow decisions to be made in appeal, ensuring a fair process for those accused of violations of the Competition Act. The Executive Director added: "A case involving a contravention may take a day to conclude, but competition cases are more complex. They require

detailed evidence and therefore they take time. That is why competition law is not a solution to market failures in the short term. But as competition law breaks down barriers to entry, helping small businesses grow and new businesses emerge, real competition will be seen and felt. Competition law ensures that the basic structure of an industry can evolve and change."

"Competition law requires evidence," said Dr. Ennis. If the CCM gets specific and credible evidence of violations of competition law, the CCM would act according to the Competition Act of 2007. Dr. Ennis said: "I want to emphasize that the finding of evidence is not an easy task. We are currently keeping a constant eye on the market. In the event of a price increase due to abuse of monopoly or collusive agreements, we will be firm and adopt the necessary measures. Businessmen do not come to our office to announce they coordinate a price increase. They do not do so in front of us. They do not appear before the media. This occurs behind closed doors!" The Commission encourages those who want to report anti-competitive practices to do by email (info@ccm.mu) or by phone at 211-2005. Dr. Ennis added: "When we have a good legal case, we will give all necessary elements to the Commissioners to take strong, firm and appropriate actions."

Greater competition can boost a country's growth and productivity. Conversely, restrictions on competition damage economic performance and are a source of delay in the economy. Dr. Ennis, Executive Director, concluded: "During my term at the Competition Commission, we will continue and expand our activity in the way already begun. This is a fully functional competition authority providing an active and independent service to citizens of Mauritius."