



Competition Commission of Mauritius  
10th Floor, Hennessy Court  
Cnr Suffren Road and Pope  
Hennessy Street  
Port Louis  
Tel. No. 211-2005  
Fax No. 211-3107  
email: info@ccm.mu

## MEDIA RELEASE

**Date:** 25/04/2018

**Ref:** CCM/DS/0023

### ADVICE TO REMOVE MINIMUM RESTRICTION ON IMPORTATION OF CATTLE

The Competition Commission of Mauritius (CCM) has issued an advice, pursuant to section 19 of the Competition Act 2007, for the removal of the minimum import restriction imposed by the Ministry of Agro Industry and Food Security (MAIFS) on the importation of cattle.

The advice is based on the recommendation of the Executive Director of the CCM, which was put to the Commission further to an enquiry initiated in June 2017. The enquiry followed a complaint made by the Consumer Advocacy Platform regarding the quantitative restriction and an alleged refusal to grant access to potential importers of cattle to state-owned quarantine facilities. The complaint was premised on a communiqué issued by the MAIFS on 3<sup>rd</sup> May 2017 a few weeks before the Eid-UI-Adha festival stipulated that any potential importer would be required to import a minimum of 500 heads and should already have quarantine facilities approved by the Division of Veterinary Services of the MAIFS. The latter issue of refusal of access was unfounded. MAIFS submitted that no application was made by any potential importers.

It has been submitted that the import restriction aims to secure adequate sanitary and phytosanitary conditions that would mitigate the risk of foot and mouth disease outbreaks on top of existing conditions. Stringent controls are already in place with regards to sanitary and phytosanitary conditions. Imported animals are subject to pre- and post-embarkation controls which are enacted under the Animal Disease Act 1925. Import permits issued under the Act lay down all the animal health conditions which the veterinary services of the export country have to certify.

On one hand, the measure of imposing quantitative restrictions has created a barrier to entry and has adversely affected competition in the supply of slaughter cattle for 'Qurbani' in Mauritius. On the other hand, it has not been demonstrated that risks of outbreak have been mitigated as a direct result

of the quantitative restriction. The Commission has therefore suggested that MAIFS considers adopting such other measures as requiring imported cattle to be vaccinated against foot and mouth disease prior to their embarkation to Mauritius instead of the quantitative restriction on importation of cattle.

The Commission considers that subjecting importation of cattle to a minimum of 500 heads significantly raises the costs of entry for potential importers. It has gathered that more than Rs 30 million would be required to import 500 heads. Novel and small importers would find it difficult to invest such capital. This could significantly deter entry and adversely affect competition in the supply of slaughter cattle in Mauritius.

Mr Deshmuk Kowlessur, Executive Director of the CCM said: “In achieving sectoral policy objectives, sometimes the process of competition is ignored and thus inadvertently harmed. The CCM on its part is mandated to make better provisions for the regulation of competition in Mauritius. Competition law makes provision for the Commission to advise Government under such circumstances. In the present matter, while there is full merit in regulating importation of cattle for sanitary and phytosanitary reasons, it is considered that other measures could achieve bio-security policy objectives without the need for quantitative restrictions e.g. vaccination against FMD. This would help safeguard the process of competition for the benefit of potential importers and end customers. There is a constant demand for cattle in Mauritius. We are here to ensure that competition dynamics work effectively for the sake of customers and businesses alike.”

***Background for editors:***

***The Competition Act***

The Competition Act 2007 ('the Act') came fully into effect on November 25<sup>th</sup> 2009, and is enforced by the Competition Commission.

Section 19 of the Act provides:

*“The commission may advise the Minister on any action taken or proposed to be taken by the State or any public body that may adversely affect competition in the supply of goods and services.”*

*‘Action’ evokes a broad range of measures, including policy directives. With respect to timing, both actions which have already been taken and prospective actions fall within the ambit of the provision.*

Measures taken by *“the State or any public body”* may form the basis for advice. The provision clearly covers action taken by any arm of Government, including Ministries and statutory bodies.

Only those actions which *“may adversely affect competition in the supply of goods and services”* may be subject to advice by the Commission. It is not required that the impugned action leads to actual effects on competition. Likely effects also fall within the scope of the provision. The Commission is required however to identify the markets in which such effects may be felt.

For further information, please see the CCM’s website at [www.ccm.mu](http://www.ccm.mu).