

## Law no. 10/2013 Competition Legal Regime

On April 11, 2013, Law no. 10/2013, which establishes the legal framework for competition, was enacted.

This legal regime is a novelty in Mozambique. Up until now, no autonomous regulation regarding this matter existed in Mozambique, and the protection of free competition was enforced only through diplomas which regulate specific economic sectors.

The law enshrines the incorporation of a regulatory authority, the **Competition Authority**. Participating business associations, unions and consumers will have the role of guaranteeing the enforcement of competition rules set out in the act. To this end, the aforementioned authority has been granted sanctioning and investigative powers.

Anti-competition practices forbidden under the provisions of the Law are:

- (i) horizontal agreements;
- (ii) vertical agreements;
- (iii) abuse of dominant position.

The Competition Authority is also granted powers of merger control.

Finally, the Law regulates sanctioning procedures for the violation of the abovementioned practices, as well as the respective sanctions. These can reach up to 5% of turnover and may also involve ancillary sanctions such as the exclusion by the offender of public tenders, restructuring of shareholdings or sale of assets.