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Law no. 10/2013: Mozambique Competition Law

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Law no. 10/2013 of the Republic of Mozambique, establishing the legal regime of competition in the course of economic activities, was published on 11.04.2013 ("Competition Law").

This new Law was enacted following the Competition Policy approved by the Council of Ministers on 24.07.2007, which provided for the adoption of legislation on this matter and for the creation of an authority responsible for its enforcement.

The Competition Law thus begins by creating the *Autoridade Reguladora da Concorrência* (Competition Regulatory Authority), whose Statutes are still to be approved by the Council of Ministers, although the Law already establishes the administrative and financial autonomy of this entity and defines the guiding principles of its activity.

Regarding the competition regime itself, the new Law is based on two pillars: anti-competitive practices and merger control.

The anti-competitive practices include agreements between undertakings – both between competitors (horizontal agreements) and between companies in different market levels (vertical agreements) – that restrict competition, abuse of a dominant position and abuse of economic dependence.

In the immediate future, the rules on abuse of a dominant position may be especially relevant in view of the liberalization that was made of several previously state-controlled industries, such as telecommunications, ports, railways or banking.

The Competition Law also provides for the possibility of companies obtaining an exemption to the prohibition of anti-competitive practices from the *Autoridade Reguladora da Concorrência*, providing certain conditions are fulfilled and upon request to that entity.

Finally, a system of merger control is established, although the setting of the criteria that determine whether a transaction is subject to the obligation of prior notification to the *Autoridade Reguladora da Concorrência* are referred to the rules implementing the Competition Law, which must be approved by the Council of Ministers within 90 days after the entry into force of the Law.

The Competition Law enters into force 90 days after its publication.

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