

Cofece investigates the possible existence of unlawful exclusivities in payment services, deposits and cash withdrawals in stores

- *Most Mexicans use cash as a payment method.*
- *It is important that the population that does not have access to traditional financial services, such as banks, has more options to make payments, deposits and withdrawals.*

Mexico City, September 04, 2024. The Investigative Authority of the Federal Economic Competition Commission (Cofece) initiated an ex officio investigation to determine whether any company abused its market power and established unlawful exclusivities in services that allow the population to make payments, deposits and cash withdrawals in stores. These services are important because they allow Mexicans to pay for goods and services or have cash at their disposal, even if they do not have a bank account.

When a dominant company establishes exclusivities, it forces its suppliers or marketers to only offer or purchase its products or services. As a result, by preventing the participation of other competitors, consumers have fewer options and are captive to the prices of the company that has exclusivity.

Cash continues to be the most used means of payment by Mexicans and is expected to remain so until 2027. According to a survey by the Bank of Mexico, 19% of Mexicans only have access to cash as a form of payment. Therefore, it is important that Mexicans without access to traditional financial services have several options that allow them to make payments, deposits and withdrawals at commercial establishments. Thus, competition in these services encourages financial inclusion and benefits people, since financial institutions offer better products and services with greater transparency and at lower costs.

If an anti-competitive conduct is proven, the responsible companies could be **fined up to 8% of their annual revenue**. In addition, the executives involved could be disqualified for up to 5 years and fined.

At Cofece, as part of our commitment to sanction and inhibit practices that threaten the welfare of the population, **we work to ensure that no anticompetitive conduct goes unpunished.**

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MORE COMPETITION FOR A STRONGER MEXICO

The Federal Economic Competition Commission safeguards competition and free market access.

Through its work, it seeks better conditions for consumers, that more services are supplied with higher quality, and that there is a "level playing field" for companies.