

## COMPETITION COUNCIL NOW OPERATIONAL IN MOROCCO

### THE NEW LAW ON COMPETITION

Law no. 104-12 on the Freedom of Prices and Competition, adopted in June 2014, entered into force on 3 December 2015.

On 17 November 2018, Mr Driss Guerraoui was nominated by the King of Morocco as new President of the Competition Council. The other members of the Council were appointed on 13 December 2018. With these nominations, the Competition Council will now be able to fully carry out its functions.

The new law on competition substantially changes the competition law landscape in Morocco, aligning it for the most part with rules applicable in the European Union as regards anti-competitive practices. Indeed, the new law:

- increases the investigation powers of the Competition Council (dawn raids, investigations following a complaint, ex officio proceedings, etc.);
- increases the Competition Council's sanctioning powers (criminal and financial sanctions that can reach 10% of the concerned company's turnover);
- gives the Competition Council tools that are similar to those existing within the European Union (leniency programme, commitment proceedings, exemptions, etc.).

As regards merger control, contemplated transactions must be notified to the Competition Council and authorized prior to their implementation if one of the three following criteria is fulfilled:

- (i) the undertakings that are parties to the concentration have generated altogether, during the previous calendar year, more than 40% of the sales, purchases or other transactions on a national market of identical or substitutable goods, products or services; or
- (ii) the combined aggregated worldwide turnover, excluding taxes, of all undertakings or groups of legal or natural persons party to the contemplated concentration exceeds 750 million dirhams (i.e. approx. 70 million euros); or
- (iii) the combined aggregated turnover, excluding taxes, achieved in Morocco by at least two undertakings or groups of legal or natural persons party to the contemplated concentration exceeds 250 million dirhams (i.e. approx. 23 million euros).

### OUR FIRM'S EXPERTISE

Considering the impact of this new law, Gide started working on the matter as early as 2015 so that it would be in a position to quickly and efficiently assist its clients in Morocco.

To this end, our firm has set up a mixed team that combines the in-depth technical expertise in competition law of the Brussels office with that of Casablanca office.

Since the entry into force of the new law, this team has assisted a number of companies in implementing compliance programmes or monitoring investigations initiated by the Competition Council.

Additionally, Gide has notified more than fifteen operations to the Competition Council on behalf of Moroccan operators, European and US groups alike. Main transactions include ABB/GEIS, BD/Bard, Engie/Finattech, HP/Samsung Printer Business, Volvo Morocco/SMT Morocco, etc.

## **GIDE, AN ESTABLISHED PRESENCE IN MOROCCO**

Present in Casablanca since 2003, Gide is one of the rare firms in Morocco to be able to offer legal assistance that covers all fields of business law (mergers & acquisitions, financing, privatisations, international arbitration etc.).

Gide acts throughout the Kingdom, following the location of the companies it assists. Our lawyers have recognised experience in Moroccan law and can also draw on the full legal support of the firm's other specialised teams.

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