



REPUBLIQUE DU BURUNDI



MINISTRE DU COMMERCE,
DU TRANSPORT, DE L'INDUSTRIE
ET DU TOURISME

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE COMESA COMPETITION COMMISSION

AND

THE MINISTRY OF TRADE, TRANSPORT, INDUSTRY & TOURISM

**REGARDING COOPERATION IN THE APPLICATION AND
ENFORCEMENT OF THE COMESA COMPETITION REGULATIONS**

JANUARY, 2023

Two handwritten signatures in blue ink, one on the left and one on the right, positioned at the bottom right of the page.

MEMORANDUM OF UNDERSTANDING BETWEEN THE COMESA COMPETITION COMMISSION AND MINISTRY OF TRADE, TRANSPORT, INDUSTRY & TOURISM REGARDING THE COOPERATION IN THE APPLICATION AND IMPLEMENTATION OF THE COMESA COMPETITION REGULATIONS

The COMESA Competition Commission (the "Commission") and the Ministry of Trade, Transport, Industry & Tourism (Hereinafter referred to as the "Parties"):

RECOGNISING:

The provisions of Article 55(3) of the Treaty establishing the Common Market for Eastern and Southern Africa (COMESA) under which the COMESA Competition Regulations ("the Regulations") are promulgated;

The provisions of Article 6 of the Regulations establishing the Commission and Article 7(1) of the Regulations which mandates the Commission to apply the provisions of the Regulations with regard to trade between Member States and be responsible for promoting competition within the Common Market;

The provisions of Article 7(2) of the Regulations which empower the Commission among others to: monitor and investigate anti-competitive practices within the Common Market and mediate disputes between Member States; initiate cooperation with competition authorities of Member States; help Member States promote national competition laws and institutions with the objective of harmonization with the Regulations and ensure uniform application of the same; assist Member States in the implementation of its decisions; support to Member States in promoting and protecting consumer welfare; facilitate the exchange of relevant information and expertise;

The need for Member States to give effect to the principles of regional competition Regulations and Rules and to use moderation and self-restraint in the interest of co-operation in the field of anti-competitive business practices;

The desirability of setting standards for procedures by which the Commission can act as a forum for exchange of views, consultations and conciliations on matters relating to anti-competitive practices affecting COMESA regional and international trade;

The provisions of Articles 24(8 and 26(6) of the Regulations which provides for the referral of a merger application for consideration under the Member State's national competition law, and for the Commission to work with the relevant Member States in conducting merger enquiries, respectively;

The provisions of Rule 40 of the COMESA Competition Rules ("the Rules") which provides for close and constant liaison between the Commission and the competition



authorities of the Member States in establishing the existence of infringements of Articles 16 or 18 of the Regulations in the applications and notifications by undertakings;

The provisions of Rules 41(1), 43(1) and 44 of the Rules which mandates the Commission to: obtain all necessary information from the Governments and competition authorities of the Member States and from undertakings and association of undertakings; to request competition authorities of Member States to undertake investigations which the Commission deems to be necessary; and for officials of the Commission to carry out investigations in Member States in consultation with the competent authorities of Member States in whose territory the investigation is to be made, respectively;

CONSCIOUS:

That Burundi is a member of COMESA, a regional economic community, which has the objective of promoting regional economic integration through trade liberalization and investment;

That Burundi promulgated Law No. 1/06 of 25 March 2010 on the legal system for competition in Burundi;

CONSIDERING:

That Member States should cooperate at regional level in the implementation of their respective national competition and consumer legislation in order to eliminate the harmful effects of anti-competitive practices;

That closer cooperation between the Commission and competition authorities of COMESA Member States in the form of notification, exchange of information, coordination of actions, and consultation among Member States should be encouraged;

CONSCIOUS OF:

Article 7(2) (d) of the Regulations which mandates the Commission to cooperate with competition authorities of Member States in order to accomplish the mandate of promoting competition in the Common Market.

Now, therefore, the Parties agree as follows:



Article 1

Definitions

In this Memorandum of Understanding;

1. "Anti-competitive" means a conduct which restrains competition between the Member States and is not otherwise exempt by law or authorised in a manner required by the Regulations;
2. "COMESA" means the Common Market for Eastern and Southern Africa established by Article 1 of the Treaty;
3. "Competition authorities" means:
 - (a) for COMESA, the COMESA Competition Commission established by Article 6 of the Regulations, and
 - (b) for the Republic of Burundi, the Ministry of Trade, Transport, Industry and Tourism;
4. "Competition law(s)" means:
 - (a) for the Commission, the Regulations promulgated under Article 55 (3) of the Treaty establishing the Common Market,
 - (b) for the Republic of Burundi, the Law No. 1/06 of 25 March 2010 on the legal system for competition; and
 - (c) for both the Commission and the Ministry of Trade, Transport, Industry and Tourism, any such other laws or regulations as the Parties shall jointly agree to be a "competition law" for the purpose of this Memorandum of Understanding;
5. "Enforcement activities" means any application of competition law by way of investigation or proceedings conducted by the competition authority of a Party;
6. "Member State" means a Member State of the Common Market;
7. "Regional Dimension" means conduct or practice affecting two or more Member States;
8. "Territory" means:
 - (a) For COMESA, the Common Market; and
 - (b) For the Republic of Burundi, the territory of Burundi;

Handwritten initials 'JF' in blue ink on the left, and a large, stylized signature in black ink on the right.

9. "Treaty" means the Treaty Establishing the Common Market for Eastern and Southern Africa.

Article 2

Purpose of this Memorandum of Understanding

The purpose of this Memorandum of Understanding is to promote and facilitate cooperation and coordination between Parties in the harmonization of regional and national laws and policies and lessen the possibilities or impact of conflicts.

Article 3

Notification

1. Each Party shall notify the other Party in writing whenever it becomes aware that its enforcement activities may affect interests of the other Party.
2. Enforcement activities as to which notification generally will be appropriate include those that:
 - (a) Are relevant to enforcement activities of the competition authority;
 - (b) Involve anticompetitive activities (other than a merger or acquisition) carried out in whole or significant part of the Common Market;
 - (c) Involve conduct believed to have been required, encouraged or approved by a Party; or
 - (d) Involve remedies that would, in significant respects, require or prohibit conduct affecting the Common Market.
3. With respect to mergers or acquisitions, each Party will notify the other Party with any significant information that comes to its attention regarding mergers with a regional dimension that it believes is relevant to, or may warrant, enforcement activity by the Commission.
4. Each Party shall notify the other Party whenever it intervenes or otherwise participate in a regulatory or judicial proceeding that does not arise from its enforcement activities, if the issues addressed in the intervention or participation may affect the interests of the other Party.
5. Notifications shall be made as soon as possible and shall include the nature of the activities under investigation and the legal provisions concerned and will be

 

sufficiently detailed to enable the notified Party to make an initial evaluation of the effect of the activities on its territory.

Article 4

Obligations of the Parties

1. The Parties shall take all appropriate measures, whether general or particular, to ensure fulfillment of the obligations arising out of this Memorandum of Understanding or resulting from action taken by the Parties under this Memorandum of Understanding. The Parties shall facilitate the achievement of the objective of the COMESA Treaty and purpose of the Memorandum of Understanding and in so doing, shall abstain from taking any measure which could jeopardise the attainment of the objectives of this Memorandum of Understanding.
2. The Parties may, but shall not be obliged to, implement in their laws more extensive provisions against restrictive business practices than is required by this Memorandum of Understanding, provided that such provisions do not contravene the provisions of this Memorandum of Understanding.
3. The Parties shall be free to determine the appropriate method of implementing the provisions of this Memorandum of Understanding within their national legal system and practice as long as such method of implementation enhances the efficient and effective attainment of the objectives of this Memorandum of Understanding .

Article 5

Exchange of Information

1. The Parties acknowledge that it is in their interest to cooperate in the detection of anti-competitive practices to the extent compatible with Article 55 of the Treaty and important interests, and within their reasonable available resources. The Parties further acknowledge that it is in their common interest to share information, which will facilitate the effective application of the Regulations and promote better understanding of each other's enforcement policies and activities.
2. Each Party will provide the other Party with any information that comes to its attention regarding anti-competitive business practices that the Party believes is relevant to, or may warrant, enforcement activity by the other Party.

 

3. The information shared between the Parties shall be used solely for the purpose of implementing this Memorandum of Understanding

Article 6

Coordination of Enforcement Activities

1. The Parties shall render assistance to each other in their enforcement activities, to the extent compatible with their respective competition laws and the respective interests, and within the reasonably available resources.
2. The Parties shall cooperate in the enforcement of the competition laws and share information which will facilitate effective implementation of the respective laws.
3. The Parties shall, in this regard, assist each other in the enforcement of the competition laws through:
 - (a) assisting the Party, upon request, in locating and securing evidence and voluntary compliance with requests for information from undertakings or natural persons within the respective jurisdiction
 - (b) assisting the requesting Party with such information within the other Party's possession as the requesting Party may specify as relevant to the enforcement of the Regulations
 - (c) assisting the Party with any information that comes to the attention of the other Party about anti-competitive activities that may be relevant to or may warrant enforcement activity of the beneficiary Party
4. A Party may notify the other Party and may request that the other Party initiate appropriate enforcement activities. The notification shall be as specific as possible about the nature of the anti-competitive activities and their effects on its territory.
5. Upon receipt of a notification, the notified Party shall advise the notifying Party of its decision. If enforcement activities are initiated, the notified Party shall advise the notifying Party of their outcome and, to the extent possible, of interim developments.
6. The requested Party shall assist in the investigations which the requesting Party considers to be necessary. Such investigations shall be carried out with the assistance of officials of the requesting Party, upon request, in accordance with the respective Party's laws.



7. In cases where the Parties have an interest in pursuing enforcement activities with regard to related situations, they may agree that it is in their mutual interest to coordinate their enforcement activities. In considering whether particular enforcement activities should be coordinated, the Parties shall take account of the following factors, among others:
 - (a) the opportunity to make more efficient use of their resources devoted to the enforcement activities;
 - (b) the relative abilities of the Parties to obtain information necessary to conduct the enforcement activities;
 - (c) the effect of such coordination on the ability of both Parties to achieve the objectives of their enforcement activities; and
 - (d) the possibility of reducing costs incurred by persons subject to the enforcement activities.
8. In any coordination arrangement, each Party shall conduct its enforcement activities expeditiously and, insofar as possible, consistently with the enforcement objectives of their respective competition laws.
9. The Parties shall carry out the investigations expeditiously and consistent with their relevant laws and shall take into account the enforcement objectives of the respective laws and the deadlines stipulated in their respective competition laws.
10. Nothing in this Article limits the discretion of the notified Party under its competition laws and enforcement policies as to whether or not to undertake enforcement activities with respect to the notified anti-competitive activities, or precludes the notifying Party from undertaking enforcement activities with respect to such anticompetitive activities.

Article 7

Avoidance of Conflicts over Enforcement Activities

1. The Parties agree that it is in their common interest to minimize any potentially adverse effects of their enforcement activities in as far as the application of the respective competition laws are concerned.
2. Each Party shall seek, at all stages in its enforcement activities, to take into account the important interests of the other Party in decisions as to whether or not to initiate an investigation or proceeding, the scope of an investigation or

 

proceeding, the nature of the remedies or penalties sought, and in other ways, as appropriate.

3. Any divergent views arising out of the enforcement of the respective competition laws will be addressed in a timely and practicable manner as circumstances may permit.

Article 8

Consultations

1. Each Party agrees to consult promptly with the other Party in response to a request by the other Party for consultations regarding any matter related to this Memorandum of Understanding and to attempt to conclude consultations expeditiously with a view to reaching mutually satisfactory conclusions.
2. Any request for consultations shall include the reasons thereof and shall state whether procedural time limits or other considerations require that the consultations to be expedited. These consultations shall take place at the appropriate level, which may include consultations between the heads of the competition authorities concerned.
3. In each consultation under paragraph 1, each Party shall take into account the principles of cooperation set forth in this Memorandum of Understanding and shall be prepared to explain to the other Party the specific results of its application of those principles to the issue that is the subject of consultation.
4. A Party shall, as soon as practical, inform the other Party of any amendment made to its competition laws as well as any change in the enforcement practice of its competition authority that may affect the operation of this Memorandum of Understanding. Upon request of either Party, the Parties shall hold consultations in order to assess the specific implications of such amendments or changes for this Memorandum of Understanding, and in particular to determine whether this Memorandum of Understanding should be amended pursuant to paragraph 3 of Article 14.
5. The Parties shall meet at the appropriate level, at the request of either Party to among others:
 - (a) exchange information on their current enforcement efforts and priorities in relation to the competition laws of each Party;
 - (b) exchange views on economic sectors of common interest;



- (c) discuss policy issues of mutual interest; and
- (d) discuss other matters of mutual interest relating to the application of the competition laws of each Party.

Article 9

Technical Assistance and Capacity Building

1. The Parties shall pursue technical assistance and capacity building programs through integrated strategies that incorporate economic, social, cultural, environmental and institutional elements that are unique to each Party. In this context and within the framework of development policies and reforms pursued by the Parties; the Parties' cooperation framework and orientation shall take into account the different levels of development as well as the economic needs of each Party and the difficulties faced in meeting their obligations under this Memorandum of Understanding.
2. The technical assistance and capacity building programs shall pay systematic attention to institutional aspects and in this context shall support the efforts of either Party to develop and strengthen structures, institutions and procedures that help to enhance the effective enforcement of the competition laws and policies within their respective territories. In this context, the Parties shall:
 - (a) jointly mobilize resources for capacity building aimed at assisting the Parties in the establishment and/or strengthening of the respective competition laws and enforcement agencies;
 - (b) jointly facilitate and develop competition and consumer protection advocacy programmes involving the sensitisation of policy makers, parliamentarians, the judiciary, the business community, and the general public about the role of competition and consumer laws and policies;
 - (c) jointly facilitate the establishment of a mechanism to enable the Parties to take the necessary steps to adopt, strengthen and implement the necessary competition and consumer protection laws within their respective territories.

Article 10

Confidentiality of Information

1. Notwithstanding any other provision of this Memorandum of Understanding, neither Party is required to provide information to the other Party if disclosure of that information to the requesting Party is prohibited by the law of the Party

 

possessing the information, or would be incompatible with important interests of the Party possessing the information.

2. Each Party agrees to maintain, to the fullest extent possible, the confidentiality of significant information provided to it in confidence by the other Party under this Memorandum of Understanding and to oppose, to the fullest extent possible, any application for disclosure of such information by a third party that is not authorized by the Party that supplied the information.

Article 11

Communication under this Memorandum of Understanding

1. Communications under this Memorandum of Understanding shall be made in any of the preferred of the COMESA official languages.
2. Communications under this Memorandum of Understanding shall be carried out in writing and by direct communication among the Parties.
3. Each Party shall designate a Desk Officer for the purpose of liaison in the enforcement of the respective competition laws.

Article 12

Existing Law

Nothing in this Memorandum of Understanding shall be interpreted in a manner inconsistent with the existing laws, or as requiring any change in the competition laws of the Parties.

Article 13

Dispute settlement

The Parties shall endeavor to settle any dispute arising from the interpretation or application of this Memorandum of Understanding amicably through consultation or negotiation between themselves. If the Parties fail to reach an amicable solution, the provisions of Article 14 (2) shall apply.



Article 14

Entry into Force, Termination and Review

1. This Memorandum of Understanding shall enter into force upon signature by the Parties.
2. This Memorandum of Understanding will remain in force in respect of both Parties until 60 days after the date on which any Party notifies the other in writing that it wishes to terminate it.
3. At any time, 24 months after entry into force, the Parties may review this Memorandum of Understanding with a view of adopting further arrangements as may be desirable to enhance cooperation in the enforcement of the respective competition laws.

IN WITNESS WHEREOF, the undersigned, have signed this Memorandum of Understanding in English and French, both versions being equally authentic

Done in Bujumbura, Burundi, on this 27 day of JANUARY 2023.

For COMESA Competition Commission



Dr. Willard MWEMBA
Director & CEO

For the Ministry of Trade, Transport,
Industry and Tourism



Mrs. Marie Chantal NIJIMBERE
Minister