



Hub and Spoke Arrangements under Moroccan Law

Hub and spoke arrangements sit at an increasingly contested intersection of competition law. They involve indirect coordination between competitors—the spokes—operating at the same level of the supply chain, through a common intermediary—the hub—which typically operates at a different level. The hub acts as a conduit for commercially sensitive information, enabling competitors to align their conduct without any direct contact between them. The concern is that the arrangement produces the same competitive harm as an outright horizontal cartel while preserving the formal appearance of independent bilateral relationships.

Moroccan competition law does not expressly define or regulate hub-and-spoke arrangements as a distinct legal category. Nor has the Moroccan Competition Council (MCC) issued specific guidance addressing the assessment of such indirect coordination structures under the Moroccan Competition Law. Hence, legal qualification remains inherently fact-specific and must be derived from general principles governing anticompetitive agreements and concerted practices.

Hub and spoke arrangements as indirect concerted practices

Under Art. 6 Moroccan Competition Law, concerted actions, agreements, undertakings or coalitions, whether express or tacit, are prohibited where they have the objective to or the effect of prevention, restriction, or distortion of competition on a market. This provision covers both formal agreements and any form of coordination between undertakings that substitutes independent commercial decision-making and results in a reduction of competitive autonomy in the market. In this context, hub and spoke arrangements may be assessed as a form

of indirect concerted practice where coordination between competing undertakings is facilitated through a common intermediary.

The legal characterization of such arrangements depends on whether the following elements are present:

- transmission of commercially sensitive information between undertakings operating at the same level of competition;
- the role of an intermediary acting as a communication channel or facilitator of alignment; and
- parallel conduct in the market that is unlikely to result from independent commercial decision-making.

The absence of direct communication between competing undertakings does not exclude the existence of a concerted practice where indirect exchanges result in a reduction of strategic uncertainty on the market.

Moroccan enforcement practice

While Moroccan law does not explicitly address hub and spoke arrangements, enforcement practice demonstrates a clear willingness to address indirect coordination and facilitate broad readings of concerted practices in concentrated or structured markets. For instance, the MCC in 2023 intervened in the fuel and hydrocarbons sector, after they concluded that major operators engaged in coordinated pricing practices affecting market outcomes. The MCC found that distributors in the market coordinated prices and aligned other market conduct. The MCC identified the fuel and hydrocarbons market as a highly concentrated sector characterized by repeated interactions between a limited number of operators and significant price transparency. The MCC considered this to be conducive to coordinated behavior. In their review the MCC focused on economic alignment of conduct in a structured distribution system, rather than

requiring proof of explicit bilateral agreements between all participating undertakings. The case therefore illustrates the authority's willingness to infer coordination from market behavior and structural conditions, particularly in sectors where pricing decisions are highly interdependent.

The MCC ultimately settled with nine distributors compelling them to pay a settlement amount that totaled approx. MAD 1.84 billion (approx. USD 180 million). The decision was accompanied by behavioral commitments, including enhanced reporting obligations over an extended period, reflecting the MCC's emphasis on ongoing market supervision rather than purely punitive intervention.

Hence, the MCC assesses restrictive practices based on their economic substance and market effects. The absence of specific guidance on hub and spoke arrangements does not prevent their qualification under the general prohibition of anticompetitive agreements and concerted practices. The key question is whether the structure of interactions—direct or indirect—replaces independent competitive behavior with coordinated market conduct. Specific attention is likely to be given to:

- the nature and sensitivity of information exchanged through the intermediary;
- the frequency and structure of indirect communications;
- the intermediary's degree of involvement in shaping market conduct; and
- the broader market context, including transparency and concentration.

Where indirect coordination through an intermediary results in alignment of competitive parameters, such arrangements may fall within the scope of prohibited concerted practices under the Moroccan Competition Law.

Key takeaways

Hub and spoke arrangements are not expressly regulated by the Moroccan Competition Law. Still, they may fall within the scope of the prohibition of anticompetitive agreements and concerted practices where they result in indirect coordination between competing undertakings. Moroccan enforcement practice shows increasing willingness to intervene in structured markets involving intermediaries, particularly where coordination affects pricing or access conditions. Accordingly, the assessment of such arrangements remains highly fact-dependent and grounded in economic substance. Parties should assume that indirect coordination mechanisms may be scrutinized in the same manner as direct horizontal conduct where market outcomes indicate reduced independent decision-making.



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