

Egypt threatens Apple with legal action under competition law

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Football fans pose for a "selfie" photograph taken with an iPhone in this file picture taken in Cairo on March 15, 2018

Egypt has warned it will take legal action against Apple if the US tech giant fails to remove alleged "restrictions" on local distributors within 60 days.



A decree threatening action was published in the official gazette on Monday after accusations from Egypt's Competition Authority that Apple had violated the country's competition law.

It said the company had "isolated the Egyptian market geographically" by restricting sales to distributors in the country from their counterparts abroad.

The authority also alleged Apple had restricted "parallel imports" of its products on the Egyptian market.

"Apple has managed, through its <u>marketing strategy</u> and contracts, to ban all forms of parallel imports and banned distributors generally and authorised ones in Egypt particularly from importing from any authorised distributor outside Egypt," the statement read.

According to the authority, Apple's actions had caused an "unjustified" increase in prices of its products in Egypt, exceeding those in the United Arab Emirates, Saudi Arabia, Kuwait as well as the United States.

Legal action would be pursued against Apple and Arab Business Machine (ABM), Apple's distributor based in the UAE, if the company does not eliminate the restrictions within 60 days, the decree said.

Apple did not immediately respond to an AFP request for comment.

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