



CICRA media release

30 March 2016

CICRA finds ATF Fuels in breach of competition law

The Channel Islands Competition and Regulatory Authorities (CICRA) has found that ATF Overseas Holdings Limited, trading as ATF Fuels, has abused its dominant position by its unfair discriminatory behaviour in the supply of aviation fuel at Jersey airport.

Following a complaint from Aviation Beauport Holdings Limited (ABP), CICRA investigated the behaviour of ATF - which is the sole supplier of aviation fuel into aircraft at Jersey airport.

The investigation found that ATF discriminated against ABP by refusing to supply fuel in specific circumstances and unfairly discriminating in terms of price.

CICRA chief executive, Michael Byrne, said: "ABP has been prevented from offering a bundle of services that included the provision of aviation fuel to its customers who have, consequently, seen their choices restricted. ATF used its position to prevent ABP's customers from making alternative arrangements for purchasing fuel at Jersey airport, obliging them to make their fuel purchase arrangements exclusively with ATF when this service could also have been provided through a bundle of services provided by ABP.

"ATF also unfairly discriminated in its pricing in respect of sales of Jet A1 aviation fuel to ABP - one of the largest buyers of aviation fuel at Jersey airport and a potential reseller of that fuel. It did this by charging ABP higher prices than other comparable customers. This has caused harm to the business by requiring it to pay higher prices for its fuel than would otherwise be the case.

"ATF, as the sole provider of aviation fuel at Jersey airport, has therefore harmed the competitive process by reducing competition and choice and unduly increased the costs and prices of a service it provides. ATF has been unable to justify why it has behaved in this way.

“For these reasons we have concluded that ATF abused a dominant market position prohibited by Article 16 of the 2005 Law.

“This is an example of where CICRA works independently to ensure that competition is fair and appropriate within the islands; it goes to the heart of protecting consumers from unfair practices and ensures they receive the best value and choice which is ultimately of benefit to the island as a whole.”

The full report of the investigation is with the parties involved and will be available to the public after confidential information has been removed. A summary of the decision can be found below or on CICRA's website: www.cicra.je.

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NOTES TO EDITORS:

About CICRA:

The Channel Islands Competition and Regulatory Authorities or 'CICRA' is the name given to the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Competition and Regulatory Authority (GCRA) (formerly the Office of Utility Regulation). The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001, and the GCRA was established under The Guernsey Competition and Regulatory Authority Ordinance, 2012. In Jersey, the telecoms and postal sectors are regulated by the JCRA, which is also responsible for administering and enforcing the Competition (Jersey) Law 2005. In Guernsey the telecoms, postal and electricity sectors are regulated by the GCRA, which is also responsible for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.

By working together and sharing resources and expertise between the islands, CICRA strives to ensure that consumers in all the Channel Islands receive best value, choice and access to high quality services.