



**18 May, 2018**

**Statement regarding CICRA's decision to close an investigation into a suspected breach of competition law in the air transport sector on administrative priority grounds**

Parties:	Flybe Limited; Blue Islands Limited
Case reference:	C1220J
Issue:	Suspected anti-competitive arrangement in relation to air transport services
Relevant provision:	Competition (Jersey) Law 2005, Article 8

**Summary of closure decision**

The Channel Islands Competition and Regulatory Authorities (CICRA) have closed their investigation into the franchising arrangements between Blue Islands and Flybe on the grounds of administrative priorities. This decision does not amount to a statement as to whether any party to the arrangements infringed competition law and no inference to that effect should be made.

The investigation under Article 8 of the Competition (Jersey) Law 2005 was opened by CICRA in December 2016. It focussed on whether the arrangements restricted competition between Blue Islands and Flybe, either in terms of the prices each charged or in terms of the routes on which Blue Islands was permitted to fly.

Following a period of evidence gathering and assessment, CICRA considered whether to proceed with the investigation. CICRA has decided that it is no longer an

administrative priority at this time to continue an investigation under Article 8 in respect of this case.

CICRA have not reached a definitive view on the legality of the franchising arrangements. CICRA consider that franchising arrangements between competitors may give rise to concerns under Article 8 under certain circumstances. Therefore, the decision to close this investigation should not be taken as an indication or confirmation that the conduct under investigation is outside the scope of competition law, either currently or in the future, nor should it be taken to imply that CICRA would not prioritise investigations into franchising arrangements between competitors in the future. It is possible that CICRA could decide in the future to re-open the investigation, or to open a new investigation, on the basis of receiving further evidence of a suspected infringement of competition law or if CICRA's prioritisation assessment changes in respect of the matters within the scope of this investigation.

**ENDS**

**NOTES TO EDITORS:**

All enquiries should be directed in writing to CICRA chief executive, Michael Byrne, in Guernsey at Suite 4, 1st Floor, La Plaiderie Chambers, La Plaiderie, St Peter Port, Guernsey, GY1 1WG or in Jersey at the Jersey Competition Regulatory Authority, 2nd Floor, Salisbury House, 1 - 9 Union Street, St Helier, Jersey JE2 3RF. Alternatively email [info@bicra.je](mailto:info@bicra.je).

**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.