



**CICRA**

CHANNEL  
ISLANDS  
COMPETITION  
& REGULATORY  
AUTHORITIES

**MAKING MARKETS WORK**

# COMPETING FAIRLY IN BUSINESS

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## AN AT-A-GLANCE GUIDE TO COMPETITION LAW IN THE CHANNEL ISLANDS

The Competition Authority is an independent body that makes markets work. We positively enable, encourage and where necessary compel businesses to behave fairly for the economic benefit of each other and consumers.

## AN AT-A-GLANCE GUIDE TO COMPETITION LAW IN THE CHANNEL ISLANDS

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**Strong competition encourages businesses to offer the best products at the best prices for the benefit of their customers.**

Competition law helps ensure that all businesses play by the rules and protects businesses from those who are acting unfairly. When competition is strong and fair, businesses, consumers and the Channel Islands as a whole will benefit.

The golden rule is that businesses need to decide on their commercial strategy themselves and without discussing this with competitors. This means taking their own decisions on things like the prices they charge, the customers they sell to and whether to bid for particular contracts.

Businesses that do not play by the rules can face serious consequences. In the Channel Islands, anti-competitive contracts are not enforceable. And companies can be fined up to 10% of turnover if they break the competition law.

*In this leaflet, you can find out more about the most harmful types of anti-competitive behaviour.*

## SHARING MARKETS OR CUSTOMERS

**Each business must make its own decisions about where it sells and who it sells to.**

If businesses agree not to supply each other's customers, this can lead to less choice and higher prices. Victims may be consumers, government (and indirectly taxpayers) or other businesses, who end up getting worse services or overpaying.

## PRICE FIXING

**Businesses must not agree or discuss with each other what prices they will charge their customers. This includes agreeing on, or talking about, things that make up the price, such as the amount of rebate, discount and margin.**

Price fixing is bad for competition and for customers because it often leads to higher prices. This means that customers – who can be other businesses as well as consumers – often end up paying over the odds.

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**PRICE FIXING  
IS BAD FOR  
COMPETITION**

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## COLLECTIVE BOYCOTTS

**Businesses must not agree to work together to keep others out.**

It is part of free competition for new businesses to come into the market as they may be able to offer better products or lower prices. Working to keep them out means that customers can end up with less choice, reduced quality or more expensive products.



## BID RIGGING

**Each business should decide for itself whether to bid for a contract and how much it will bid.**

Buyers tender contracts to make sure they get the best product at the best price. If contractors don't bid fairly, buyers will lose out. In public contracts, this can mean that tax payers' money is wasted.

## WHY COMPETITION LAW?

**The principle of fairness is a value we all recognise.**

When competition is fair, businesses that provide customers with the best products at the best prices succeed. Where competition is unfair, those same businesses lose out and even struggle to survive. This harms fair-dealing businesses, consumers and the economies of the Channel Islands.

Enforcing Channel Islands' competition law is one of the main areas of the Competition Authority's work.

We want to promote fair competition – educating and supporting businesses to comply where we can, but taking more formal action where needed, to make sure that value and choice are protected.

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**FAIRNESS IS  
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RECOGNISE**

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## MAKING MARKETS WORK

**Economies grow most strongly in a fair and competitive environment. The Channel Islands are no exception.**

The governments in both Jersey and Guernsey have given the Channel Islands Competition & Regulatory Authorities (The Competition Authority) the task of protecting fair competition. Both governments have passed laws to enable us to do so.

We have wide ranging powers that allow us to take formal action. We also use informal interventions where appropriate to enable and encourage businesses to comply with the law.

The Competition Authority is a fully pan-Channel Island body. We employ a skilled team in offices in Jersey and Guernsey.



To find out more about how competition law can affect your business, please contact us:

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