



CICRA

CHANNEL
ISLANDS
COMPETITION
& REGULATORY
AUTHORITIES

MAKING MARKETS WORK

COMPETING FAIRLY IN BUSINESS

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 FOR TRADE ASSOCIATIONS

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.

Trade associations have an important role to play in promoting the interests of their members. But where a trade association behaves anti-competitively, both the association and its members can face serious consequences.

Anti-competitive contracts are not enforceable in the Channel Islands. And companies can be fined up to 10% of turnover if they break the competition law.

This at-a-glance guide sets out some simple dos and don'ts for trade associations.

For more information, visit:

www.cicra.gg/legal-frameworks/guidelines/trade-associations/

WHAT DO TRADE ASSOCIATIONS NEED TO KNOW ABOUT COMPETITION LAW?

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. Trade associations must not make decisions that require or encourage businesses to share commercially sensitive information or to take commercial decisions together.

They can minimise the risk of these things happening by:

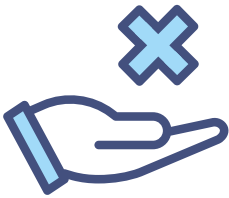
- Having their own competition compliance policy, which they share with members
- Reading a compliance statement at the beginning of each meeting, reminding members about the competition law rules

**SET YOUR OWN
COMMERCIAL
STRATEGY**



DON'T...

- Encourage or let members use the association to exchange commercially sensitive information
- Require members to give the association commercially sensitive information
- Issue formal or informal pricing recommendations to members
- Develop association rules that discourage members from competing, such as a rule banning price advertising
- Develop any industry standards that prevent members from competing



DO...

- Remember that the trade association, as well as its members, can be held responsible for breaching competition law
- Have a competition compliance policy and provide copies for members
- Prepare a competition compliance statement and read it out before meetings
- Make sure that requirements for admission to the association are fair, proportionate and non-discriminatory

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.

**FAIRNESS IS
A VALUE WE
RECOGNISE**



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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