



NEWS RELEASE

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Greater certainty and reduced costs for business after Competition Authority and economic Committee work to bring in law changes

Guernsey businesses and prospective investors, franchises and other commercial chains no longer need to register agreements, for approval, where they fall into a category deemed unlikely to be harmful, following work carried out by the Committee for Economic Development (“CfED”), the Finance Sector Development team, the Law Officers and the Guernsey Competition and Regulatory Authority (the “GCRA”).

The Legal Director, of the GCRA, Sarah Livestro said: *“Experience has shown that a large number of commercial arrangements can be positive for consumers, and economies, but the broad application of competition law can mean parties incur costs, and delay, in obtaining legal assurance that these arrangements don t fall foul of competition law. This introduces a burden on business, which is avoidable, and could even cause some businesses not to locate in Guernsey as a jurisdiction. To date this has not been a substantive issue but following a forward-looking initiative with the CfED, the Finance Sector Development team and the Law Officers, I am pleased to say that a programme of review has led to specific legislative changes to modernise our legal framework to reduce the burden on business and give them greater certainty.”*

Chairman of the GCRA, Chris Bolt said: *“As Guernsey 's competition authority, we seek to promote value and choice for Guernsey consumers. We will use the powers given to us in law in an open and flexible way, intervening only where we believe that this will bring a tangible benefit and doing so in a proportionate way. The changes in the law introduced by the Committee for Economic Development supports those aims by reducing the burden on businesses where there is no need for us to intervene. This will benefit the Guernsey economy, its businesses and its consumers.”*

Deputy Nick Moakes, Finance Sector lead on the Committee *for* Economic Development said: “The need to ensure Guernsey remains the jurisdiction of choice for businesses is a priority for this Committee and, indeed, this States Assembly. We will continue to work to remove red-tape, which places an unnecessary burden on business, where the risk to competition is low. I am therefore pleased that this Committee has been able to meet this policy objective through the hard work of the Finance Sector Development team, the Guernsey Competition and Regulatory Authority and the Law Officers.”

The regulation, referred to as the **Vertical Agreements Block Exemption**, is in effect. Further details can be found at the GCRA website by selecting this link [C1570G - Vertical Block Exemption - Information Note | GCRA](#).

ENDS

NOTES TO EDITORS:

About the Guernsey Competition & Regulatory Authority:

The Guernsey Competition & Regulatory Authority (GCRA) (formerly the Office of Utility Regulation) was established under The Guernsey Competition & Regulatory Authority Ordinance, 2012. The GCRA is responsible for regulating the telecoms, postal and electricity sectors and for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.