



FOR IMMEDIATE RELEASE:

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The Competition Authority of Kenya (CAK) is a Statutory Agency established by section 7 of the Competition Act No. 12 of 2010. The Authority is mandated to promote and safeguard competition in the Kenyan economy, control abuse of buyer power, and protect consumers from unfair and misleading market conduct.

The Competition Act prohibits practices which limit or diminish competition, and sets out the applicable penalties for parties who infringe the law.

Towards enhancing the efficiency and effectiveness of its enforcement activities, the Authority has operationalized a reward scheme. The **Informant Reward Scheme** provides a mechanism and framework for informants to receive financial incentives in exchange for actionable information in the course of the Authority's investigations.

The Scheme is targeted at persons with credible intelligence regarding restrictive trade practices, mainly cartel-like conduct. Such conduct includes agreements between undertakings to fix purchase and selling prices, maintenance of minimum resale prices, controlling production levels and market allocation, and collusive tendering.

The scope of the programme also extends to misrepresentation and safety of products, abuse of dominance, abuse of buyer power, mergers and acquisitions implemented without approval, and unconscionable conduct.

The Scheme became effective on **January 1, 2021**.

“Cartels, which harm consumers through impeding choice, innovation and increasing prices, flourish under a veil of secrecy,” said Mr. Wang’ombe Kariuki, the Authority’s Director-General.

“Through this Scheme, the Authority has the objective of deepening its intelligence gathering capacity with regard to such clandestine operations using informants who are close to the conduct, but not party to it.”

Under the Scheme, the Authority is committed to ensuring that the identity of informants is not compromised.

A confidential informant, for instance, can be an employee who was directed by their superiors to attend a meeting between competing firms where price fixing was discussed, but did not actively participate in the decision-making.

An informant who provides credible intelligence leading to closure of an investigation through penalization, is entitled to up to **1% of the ADMINISTRATIVE PENALTY** imposed by the Authority. However, the payment shall not exceed **Ksh.1 Million**.

More information regarding the Informant Reward Scheme is available on the Authority’s Website: www.cak.go.ke

Prospective informants and persons seeking further information about the Informant Reward Scheme are encouraged to immediately contact the Authority through emailing informant@cak.go.ke

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