



DO'S AND DON'TS FOR ASSOCIATIONS

This guide is developed pursuant to Section 9 of the Competition Act which provides that the Authority shall promote public knowledge and understanding of the obligations, rights and remedies under the Act and also under the general mandate of the Competition Act to develop a culture of competition in the economy through advisory services. This guide is targeted at industry associations. This guide may be reproduced for educational purposes at no cost.

DO'S

- Do establish an effective compliance program; and have a written competition law compliance policy along with regular training session especially for new members;
- Do exercise care when collecting and sharing competitively sensitive information within the association. Use a third party to collect the information and have it disseminated in an aggregated form;
- Do ensure that measures are in place to prevent the disclosure of

competitively sensitive information among individual association members.

- Do ensure that association meetings have agendas and that minutes accurately reflect attendance and discussions;
- Do ensure that attendees use caution during association meetings. A member of a trade association is deemed to be a party to an agreement or practice of the association unless expressly notifying the association in writing that he disassociates himself entirely from an agreement made by that association.;
- Do allow all members to attend annual and other general meetings so as not to exclude a specific firm or category of the association's membership;
- Do ensure that the exercise of standard-setting and other statutorily granted self-regulatory powers is appropriately related to the regulatory mandate established by the Competition Act No.12 of 2010;
- Do ensure that association set common standards are freely available and open for all to use;

- Do ensure that rules, codes of conduct or standards (rules) include a clear statement of objectives, expectations and responsibilities, as well as a transparent dispute resolution mechanism;
- Do ensure open consultations in the development of any rules;
- Do undertake an internal or external compliance review/Audit to identify any anticompetitive past or current practices, rules and regulation.

DON'TS

- Don't enter into agreements or any recommendation with fellow members on prices (including minimum price), pricing formulae, margins, discount structures, rebates, terms of sale, transport and delivery costs, sales and production volumes, customer allocation, geographic allocation, bid rigging or collusive tendering or any other practice that restricts competition;
- Don't agree or even discuss company pricing policies or any other strategic policies;

- Don't exchange competitively sensitive information in particular individual member information on recent past and future pricing, sales volumes, pricing formulae, production capacity, costs, etc.
- Don't engage in communications at association meetings or social events about competitively sensitive information, such as private meetings between competitors under the pretext of association meetings;
- Don't use unreasonable disciplinary measures to coerce members to provide information or data for information sharing purposes;
- Don't establish arbitrary criteria for membership that will exclude a competitor or category of competitors from membership in the association;
- Don't impose sanctions or discriminate against members that do not adhere to rules with respect to competitively important considerations;
- Don't use rules to establish prices, mandate levels or types of services, restrict advertising, or exclude viable competitors from the market;
- Don't use standard-setting to artificially provide some competitors with a competitive advantage over others, including firms with the potential to enter the market; and
- Don't make materially false or misleading representations to the public promoting the business interests of the association's members.

In case of further clarifications regarding the contents of this guide, you may contact
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