



## Stay Ahead of the FCCPC Pricing Directive: What You Need to Know to Avoid Penalties

The Federal Competition and Consumer Protection Commission (FCCPC) recently issued a directive targeting price fixing and gouging practices. This regulatory move was accompanied by a one-month moratorium from August 29 to September 29, 2024, providing businesses with time to adjust to the new directive. Here is an overview of the directive, its implications, and actionable steps for stakeholders.

### Key Highlights of the Directive

- **Tackling Price Fixing and Gouging:** The FCCPC is cracking down on unfair pricing practices, focusing on price fixing—where businesses collaborate to set prices—and price gouging, where prices are excessively inflated during periods of scarcity.
- **Legal Authority for the Directive:** Under Section 17 of the Federal Competition and Consumer Protection Act (FCCPA), the FCCPC has the authority to investigate, penalize, and take enforcement action against companies engaging in anti-competitive practices like price fixing and exploitative pricing.
- **How FCCPC is Enforcing Compliance:** Although the FCCPC does not regulate prices, it ensures



competition laws/regulations are upheld by monitoring price hikes, investigating complaints, and taking swift action against violators of fair competition standards.

- **Enforcement Timeline:** The one-month moratorium between August 29 and September 29, 2024, has now expired. The FCCPC is expected to begin enforcement action, applying penalties for violations of the FCCPA and holding businesses accountable for non-compliance.

### What This Means for Stakeholders

#### 1. Consumers:

- **Fairer Pricing for Essential Goods:** The FCCPC's directive is expected to promote more competitive and fairer pricing, particularly for essential goods and services, which will benefit consumers across Nigeria.

- **Consumer Vigilance:** Consumers are encouraged to stay vigilant and report any suspicious pricing behavior, including potential price gouging or fixing to the FCCPC.

#### 2. Businesses:

- **Re-evaluate Pricing Models:** Producers and marketers must evaluate their current pricing models to ensure they comply with FCCPA, along with its associated regulations and guidelines or risk facing heavy penalties for violations.

- **Build Internal Compliance Programs:** Implement comprehensive internal compliance programs to meet regulatory standards. Employees should be trained on pricing practices, and detailed records of pricing decisions should be maintained.

- **Stay Ahead of Market Trends:** Monitoring market trends will help businesses make informed decisions and avoid unintentional breaches of FCCPA and associated regulations.

- **Post-Moratorium Compliance:** With the one-month moratorium now over and no extension announcement made, businesses must promptly align their pricing strategies with FCCPC's guidelines to avoid enforcement action.

### Stay Ahead with SimmonsCooper Partners

The FCCPC's directive requires businesses to comply with new regulations aimed at promoting market fairness and protecting consumers. With enforcement on the horizon, businesses must act swiftly to align with the FCCPC's guidelines. For advice on implementing competition compliance programs, please contact us at [info@scp-law.com](mailto:info@scp-law.com) or visit our website at [www.scp-law.com](http://www.scp-law.com).