



**FTCNewsLine** is an on-line quarterly newsletter of the **FAIR TRADING COMMISSION** that contains information on competition matters dealt with by the Fair Trading Commission as well as other competition agencies from around the world. The aim is to provide readers with insights into some of the matters that are prosecuted in other jurisdictions; and to assist businesses and consumers in better identifying issues that may pose competition concerns.

Competition legislation is specific to each jurisdiction and activities that are prohibited in one jurisdiction are not necessarily prohibited in other jurisdictions. For information on the prohibitions under the Jamaica's competition legislation, the **FAIR COMPETITION ACT (FCA)**, please visit our website at [www.jftc.gov.jm](http://www.jftc.gov.jm).

## In this Special Issue we feature responses from regulatory and competition authorities to natural disasters.

### FTC's response to Hurricane Melissa

In October 2025, Jamaica and other Caribbean nations were severely impacted by Hurricane Melissa—a powerful storm that caused widespread damage and disruption. This disaster has prompted adjustments in the administration, enforcement and advocacy activities of the Fair Trading Competition (FTC) to maintain market stability and protect consumers in Jamaica.

To support economic recovery, stabilize markets, protect consumers, ensure fair competition and prevent exploitation, the FTC has implemented the following mandate-aligned measures:

- **Monitor and act against price collusion:** Investigate parallel price increases to detect coordination among competitors, particularly in markets for essential goods and services.
- **Rapid enforcement against abuse of dominance:** Closely monitor large firms for unfair pricing, refusal to supply smaller competitors, and exclusive dealing arrangements that restricts market access. These actions aim to prevent dominant firms from hoarding supplies or excluding smaller businesses, ensuring a fair recovery for all.
- **Facilitate temporary market flexibility and cooperation:** Allow pro-competitive collaboration among competitors to coordinate logistics and distribution solely to address critical shortages of essentials. Such must be necessary, time-limited, and exclude any price-fixing.
- **Fast-track disaster-related complaints and investigations:** Prioritize urgent reports of anti-competitive conduct, especially cases involving essential goods and services. Act decisively against businesses that exploit the crisis through unfair pricing, collusion, or other harmful practices.

- **Support MSMEs in re-entering the market:** Monitor and address business activities that block market access for micro, small, and medium sized enterprises.
- **Partner with other agencies:** Collaborate with other agencies including the Ministry of Industry, Investment and Commerce to share complaints, data and to coordinate market recovery strategies.

While the FTC will permit limited coordination between competitors during this recovery period, such measures must ensure the security of supply; be clearly in the public interest; benefit of consumers; address critical arising from the hurricane; and last no longer than is necessary.

Price fixing is strictly prohibited, and the FTC remains vigilant in discouraging such practices. Likely complaints post-Hurricane-Melissa are:

- **Exploitative pricing by dominant firms:** Unjustified, steep price increases on essentials such as water, fuel, building materials, and emergency repairs.
- **Connectivity and service failures:** Extended outages and delays in restoring critical services coupled with inadequate billing credits for downtime.
- **Exclusive dealing and refusal to deal:** Businesses refusing engage with smaller competitors or imposing anti-competitive conditions for transactions.

### Other Regulatory and Competition Authorities' Response to Natural Disasters

In the wake of natural disasters, the actions of government regulatory and competition authorities are critical to stabilizing markets and protecting vulnerable consumers. The strategies employed by agencies across the Caribbean and the wider world offer a vital blueprint for maintaining fair competition during emergencies.

Within the Caribbean, the approach is often characterized by swift price control and rigorous enforcement. Following the devastation of Hurricane Maria in 2017, Puerto Rico's Department of Consumer Affairs (DACO) became a model of active intervention. It imposed strict price caps on over 20 essential items from water and fuel to generators and construction materials and backed this with thousands of store inspections, levying hefty fines against businesses engaged in price gouging. Similarly, after Hurricane Dorian in 2019, The Bahamas demonstrated vigilant oversight. The government expanded its list of price-controlled goods, while the Competition Commission emphasized its role in investigating potential collusion between suppliers to ensure that market shortages were not exacerbated by illegal anti-competitive agreements.

Beyond the Caribbean region, international authorities use more sophisticated tools, including formal authorizations for necessary cooperation. In the United States, State Attorneys General in hurricane-prone states like Texas and Florida activate emergency units to investigate price gouging on everything from hotel rooms to building materials, often resulting in a high volume of complaints and lawsuits. The Federal Trade Commission (FTC) complements this by focusing on consumer education and pursuing nationwide scams, such as those involving fraudulent contractors or fake charities.

Meanwhile, the Australian Competition & Consumer Commission (ACCC) showcased a multi-pronged strategy during the 2019-2020 bushfires. It publicly identified and shamed businesses for "unconscionable conduct," such as price gouging on face masks, and warned the public about

scams involving fake charity fundraisers. Most notably, the ACCC granted interim authorization for competing banks to coordinate on financial relief measures for victims, providing a legal safe harbour for cooperation that served the public interest.

This principle of guiding business conduct during a crisis is also evident in Japan. After the 2011 earthquake and tsunami, the Japan Fair Trade Commission immediately warned against unjustifiable price increases and established a dedicated task force for complaints. Crucially, it also published clear guidelines to help businesses understand how they could collaborate on production and distribution to alleviate shortages without violating antitrust law. This proactive guidance helps prevent anti-competitive behaviour before it starts.

Finally, the European Commission provides a robust framework applicable to any major crisis. It can issue official guidance clarifying that certain types of cooperation to ensure the supply and fair distribution of scarce essential goods are compatible with antitrust rules. However, this flexibility is balanced with a firm commitment to aggressively pursue any cartels that attempt to use the crisis as a cover for illegal price-fixing.

Together, these global examples highlight a consistent theme, a strategic blend of strict enforcement against exploitation and smart, temporary flexibility to facilitate essential cooperation.

### **Global Cases/Complaints Arising from Natural Disasters**

In the chaotic aftermath of natural disasters, competition authorities worldwide are often flooded with complaints as markets become disrupted and consumers turn vulnerable. The types of cases investigated reveal a common pattern of exploitative and anti-competitive behaviour that emerges during crises.

#### **United States & Caribbean: A Focus on Price Gouging**

Following hurricanes like Katrina, Harvey, and Maria, the most prevalent complaints involved extreme price gouging. In the U.S., state attorneys general in Texas, Florida, and Louisiana have pursued thousands of cases against retailers for spiking prices on essential goods like water, gasoline, and hotel rooms. Similarly, Puerto Rico's Department of Consumer Affairs (DACO) became a model for aggressive enforcement after Hurricane Maria, imposing strict price controls and issuing massive fines to stores for overcharging on items from generators to milk.

#### **Australia: Unconscionable Conduct and Scams**

During the devastating 2019-2020 bushfires, the Australian Competition & Consumer Commission (ACCC) focused on two key areas. First, it targeted unconscionable conduct, investigating businesses that drastically inflated prices for face masks and air purifiers. Second, it cracked down on deceptive fundraising, taking action against fake charities and businesses that falsely claimed proceeds from sales would support fire victims.

#### **Japan & Korea: Collusion and Misleading Advertising**

After the 2011 earthquake and tsunami, Japan's Fair Trade Commission (JFTC) acted swiftly against suppliers of fuel and construction materials for "unjustifiable price increases" and potential collusion. In a similar vein, following other crises, the Korea Fair Trade Commission (KFTC) has taken enforcement action against dozens of businesses for misleadingly advertising that their products could prevent or cure a health crisis, exploiting public fears.

In summary, the global experience shows that competition authorities must pivot rapidly post-disaster to combat price gouging, collusion among suppliers, deceptive advertising, and scams. Their role is crucial in preventing the disaster itself from being compounded by widespread market abuse.

### **The FTC's Commitment to Supporting the Recovery Process**

In the wake of Hurricane Melissa's disruption, the FTC reaffirms its commitment to Jamaica's businesses and consumers. Market stability is critical during this period of recovery, and the FTC is dedicated to ensuring that rebuilding efforts are not compromised by anti-competitive practices.

Our team will vigorously monitor the marketplace for unfair pricing, collusion, and deceptive claims, taking swift decisive action against any entity seeking to exploit this time of vulnerability. We also, encourage the public to remain vigilant and report any suspicious market activity. Together, we can restore confidence, strengthen our economy and ensure a fair and competitive marketplace for all.