



The effects of fair competition and consumer protection Act No. 5 of 2018 against anti-competitive practices in Zanzibar

Salha Abdulrahman Seif¹, Sikujua Omar Hamdan²

¹ Faculty of Law, Zanzibar University, Zanzibar

² Lecturer of Law, Faculty Law, Zanzibar University, Zanzibar

Abstract

This study examined the existing Fair Competition and Consumer Protection Act No.5 of 2018 particularly in Anti-Competitive business practices. The study sampled a total of 30 respondents using sampling techniques. Data were collected using Interviews as tools for collecting data. The data analysis was done in descriptive way because it is easy for understanding. The researched was analysed in relying with the objectives. The findings were such as consumers, Business man, some staffs from Ministry of Trade and Industrial development and even Zanzibar National Chamber of Commerce are not conversant with Fair Competition and Consumer Protection Act No.5 of 2018 particularly anti-competitive business practices which cut out the objectives in which the problem exists.

Keywords: Competition law, Zanzibar national chamber of commerce, fair competition

Introduction

The researcher studies the concept of Competition law against anti-competitive Practices. Competition law is the body of legislation intended to prevent market distortion caused by anti-competitive practices on the part of businesses. The purpose of competition law is to prohibit firms or individual from engaging in conduct which will distort the competitive process and harm competition by prohibiting unethical practices such as output restriction between competitors, merger, price fixing, counterfeiting, formation of cartels, monopolization and the like designed to garner greater market share than what could be realized through honest competition.

The first competition law in the World was enacted by Canada in the Year 1889 followed by Sherman Act, 1890 by United States of America. Thereafter, in 1914, the federal trade commission was established through Federal Trade Commission Act, 1914 and the Clayton Act, 1914 was enacted. From there different Antitrust Laws was developed from different part of the World. The system of competition law is generally concerned with practices that are harmful to the competition process in particular competition law is concerned with anti-competitive agreements, abusive behavior, public restriction of competition and mergers.

In Modern world most of the Jurisdiction in their economy policy support private ownership and market driven economy, whereby most of the country put in a place a specific Competition law in order to address among other anticompetitive business practices. In the late 90's the Zanzibar Government allow private ownership of the major means of economy which lead to the creation of viable regulatory framework in the country. Finally, the effort lead into the enactment of the Fair Competition and Consumer Protection Act No.5 of 2018.

Anti-Competitive Business Practices refers to a wide range of business practices in which a firm or group of firms may engage in order to restrict inter-firm competition to maintain or increase their relative market position and profits without necessarily providing goods and services at a lower cost or of higher quality.

The Fair Competition and Consumer Protection Act No.5 of 2018 establish an Institution to be known as The Fair Competition Commission to exercise according to the jurisdiction, power and authority includes to monitor, control and prohibit any act likely to adversely affect competition and trading in Zanzibar. The existing Competition piece of legislation cover Restrictive Business Practices under Part IV, misleading and deceptive conducts under Part V and unfair business practices under Part VI. The focus will be under the Restrictive business practices but mainly on Anti-Competitive Practices.

The effects of anti-competitive practices include not just difficulty for smaller companies entering or succeeding in a market, but also higher consumer prices, poorer service and less innovation.

Anti-Competitive Practice defined under section 2 of the Fair Competition and Consumer Protection Act to includes activities like price fixing, marketing monopolization, collusion, formation of cartels, group boycott, hoarding, products bundling, tying and the likes." Also, Section 43 of the Act state about the prohibition of any agreement, decisions or practices which have an object of prevention, restriction or distortion of Competition.

So, this study explores the effects of Fair Competition and Consumer Protection Act No.5 of 2018 against the Anti-Competitive Business Practice in Zanzibar, since the competition aspect is dynamic. Therefore, the study observes what has been provided by the existing piece of legislation and the contemporary competition matter which is out in the ream.

Background of the Study

After independence in 1961, the United Republic of Tanzania inherited a market economy system, which prevailed up to 1967, when the Arusha Declaration was made. The Declaration emphasized the self-reliance of the Tanzanian people and collective farming in rural areas and questioned the benefits to the Tanzanian people of foreign or privately owned industries as agents of economic

development. The Government nationalized major industries, created cooperatives in the agricultural sector and adopted the Regulation of Prices Act 1973, which set up the National Price Commission. State control was eventually relinquished through structural reforms but the Government still plays a decisive role in how business is conducted in the United Republic of Tanzania. The nationalization of key sectors, such as banking, insurance, pension funds, national retail, geoprocessing and the national transport system, resulted in highly concentrated and monopolized industrial structures. Collective agricultural schemes removed all forms of innovativeness in the agricultural sector, while the State imposed itself as a monopsony buyer, distributor and seller of agricultural produce. State ownership in most of the key industrial sectors brought about the lack of recapitalization and accountability, and less innovation. Economic stagnation, the oil price shocks of the 1970s and falling prices of the country's main commodity exports contributed to economic decline in the 1980s. Following the resignation of President Nyerere, an economic reform program was introduced. The economic transformation required an overhaul of the whole political and legal system. The Zanzibar Fair Competition Commission (ZFCC) is an autonomous government institution established under section 4 the Fair Competition and Consumer Protection Act, No.5 of 2018 to ensure that Competition is allowed to regulate the competitive market also to prevent significant market dominance, price fixing and extortion of monopoly to the detriment of the consumer and market instability.

For many years Zanzibar economy was centralized and all major means of economy was controlled and owned by the Government, until 90's during which the country embarked on a programme of trade liberalization and privatization of state-owned enterprises. This led to establishment of the Competition authority. Before the existing Act, there was a Unit implemented the function of Fair Trade and consumer Protection which was under the department of Trade and Marketing Promotion in the Ministry of Trade and Industry Zanzibar which was governed by Price controlled Act No. 12 of 1985, that was repealed by Zanzibar Fair Trading and Consumer Protection Act, No. 2 of 1995. Later on, Fair Competition and Consumer Protection Act No.5 of 2018 repealed the Zanzibar Fair Trading and Consumer Protection Act, No. 2 of 1995.

Fair Competition and Consumer Protection Act has been enacted due to the following reasons; firstly, each member state of East African community must have in place an Institution which protect consumer and issues of Competition and Secondly the growth of Zanzibar's economy led to the need of the establishment of Institution which deals with the protection of Consumer and ensure the effective Competition of trade in Zanzibar. And as it is known the Institution cannot stand alone without having a piece of legislation.

Therefore, establishment of Fair Competition Commission is a significant step of the Revolutionary Government of Zanzibar to establish a market driven economy, with the essence of protecting the welfare of people of Zanzibar and promoting fair competition in market and preventing unfair conduct.

Research Methodology

The researcher employed qualitative research design. Because its produce in-depth and illustrative information in

order to understand the various dimensions of the problem under analysis. The study employed both primary and secondary sources so as to give more accurate results. Example of Primary sources are Statutes, Court cases, text books, Articles and Journals, while Secondary source are websites, Reports.

1. Area of the Study

The study conducted in Urban West region, which is one of the five (5) regions in Zanzibar. The selection area of the study made purposely due to the fact that most of trade, commerce, enforcement Institution are within in that particular area. The researcher chooses the area for easily data collection and get meaningful research.

2. Sample Population and Sample Size

The study target different personnel from different places of Urban West Region make them of thirty (30) respondents who actively participate in trade related matters in order to ensure good coverage of information. It includes the existing and former Director General of Zanzibar Fair Competition Commission (2), Three internal directors from Zanzibar Fair Competition Commission (3), Three legal division Personnel (3), Chairman of the Board of Directors, Executive Director, Chairman of trade and Investment Committee of the Board and Chairman of the Research Policy and Advocacy Committee of the Board from Zanzibar National Chamber of Commerce (4), Ministerial Director of Trade and three subordinate staff (4), Evergreen Company limited (2), Yaseer Provision Store (2), Amour & son's Company Limited (2), Bopar Enterprises Limited (2), Zenj Merchandise Company Limited (2), Four normal Personnel as Consumer (4).

2.1 Sampling Techniques

The study employed Purposive Sampling. The purposive sampling techniques are techniques where the researcher purposively targets a group of people reliable for the study. The study will use Purposive sampling because the issue of competition is a new phenomenon to the People of Zanzibar, the study intends to checks the awareness of fair competition and the effective of trade. Moreover, the researcher aims at addressing the challenges for the betterment of new mechanism in order to have a strong Fair Competition and Consumer Protection Act No.5 of 2018.

2.2 Data Collection

The nature of the study is to review the Fair Competition and Consumer Protection Act no.5 of 2018; therefore, the laws shall be the cornerstone of the study. However, the Interview will be used as a tool for data collection in order to examine the community member awareness to the said law.

2.3 Interview

The interviews are basically an interaction, where questions are posed or a discussion takes place between two or more people with a specific purpose in mind. This method is ultimate for providing first-hand information to the researcher. In this study the researcher uses structured and unstructured form of interviews due to flexibility to questioning. The researcher uses this kind of interviews because it gives chances for both researcher and respondents to discuss, also it serves time with full information and can

be changed or adopted to meet the respondents' intelligence, understand or belief. Also, it will help to get first-hand information.

2.4 Data Analysis

In this study data presented in descriptive way. The description uses not only in analysis but also in provision of the legislation that administer anti-competitive business practices to make a clear understanding of the fact in hand. Hence to reason out throughout law and discussions of the respondent of the adequacy of the Fair Competition and Consumer Protection Act No.5 of 2018.

Literature Review

The study reviews a number of literatures as the most important and significant part of the research to find out what is already written by writers and eminent scholars in the related aspect of anti-competitive business practices. Sayed state that; a vibrant and effective competition law framework is essential for the growth of any economy. It helps in regulating a fair market devoid of any anti-competitive practices that cause harm to the customers as well as the business. Competition law is an essential tool to maintain balance in the market by ensuring that any producer will sell his products in the market only at the price which the market is prepared to bear. Also, to ensure there is a perfect competition in the market whereby the producer is the price maker with no capacity to affect the price by his own unilateral action. But then, every good rule can be abused in today's market companies have tried different means to manipulate the end result of competition law.

The prominent economist Adam has highlighted about the market economy and the role of self-interest and competition as a visible and invisible factor. He argues that most of the economic activity we see around us is the result of self-interest behavior. He says it is not from the kindness of the butcher, the brewer, or the baker that we expect our dinner but from this regard to their own interest. He also argues that competition is the regulator of economic activity, his belief is that competition is the invisible factor, which helps the market to decide about the prices and which tends the manufacture and the seller to be innovative with respect to products and flexible with respect to pricing. In today's economy every company is straggling by using any means to acquire market power. After acquiring that power, they started to misusing their power by controlling the market and fixing the prices. Due to this trend the governments have tried to control them by making the law, but still they devised new strategies against those laws.

Halima establishes three authorities with both investigatory and punitive powers to apply penalties and sanctions for example to anti-competitive and manipulative practices in the natural gas sector. The law does not exactly specify what it deems to be harmful competition outright; rather it requires the FCC and FCT, as expert bodies, to the impact of companies, taking into consideration current and expected infringements

Nomani It is generally opined that the Competition will bite you if you keep running, and if you stand still, they will swallow you'. The competition attracts as magnetizing factor for economic rivalry between market and customers besides increasing economic efficiency and equally prone to volatility and collusive behavior. This has underlined the

need for competition law to control anti - competitive behaviors.

Merso state that anti-competitive agreement means Explicit or implicit agreements among business persons with the effect of avoiding or limiting trade competition in the market may take place during transactions or relationships between business persons.

Ivy described an anti-competitive practice is an action conducted by one or more businesses to make it difficult or impossible for other companies to enter or succeed in their market. The market distortion resulting from anti-competitive practices can result in higher prices, poorer service and a stifling of innovation, among other effects. As such, anti-competitive practices are illegal in most countries and are prohibited. Anti-competitive practices may be single-company efforts or may involve agreements among two or more businesses. Collusion involves unethical collaboration among competitors to exert unwarranted control over a given market. Companies may collaborate to establish and agree upon anti-competitive practices that will increase their domination of a given market.

Hassan anti-competitive practice has implications for the economic growth and development of nations. Such practices restrict competition and deteriorate consumer welfare by creating entry barriers and price increases, which lead to efficiency and innovation concern.

It is worth mentioning that the quantitative effects of anti-competitive business practices are not easy to demonstrate. The most obvious effect of such practices is seen in the form of price increases in markets involving output-restricting or price fixing cartels and dominant firms abusing their market power. In such cases, consumers are the ones who suffer directly from restricted competition. Anti-competitive practices have implications for the economic growth and development of nations. Such practices restrict competition and deteriorate consumer welfare by creating entry barriers and price increases, which lead to efficiency and innovation concerns.

The main regulation in the field of anti-competitive practices is, internally, the Competition Law, harmonized with the European *acquis* in the field of competition. By anti-competitive practices we mean "any agreements between enterprises, decisions of enterprise associations and concerted practices, which have as their object or have the effect of preventing, restricting or distorting competition on the Romanian market or on a part of it". Anti-competitive practices or anti-trust law traditionally designates two types of business behavior likely to harm competition: anti-competitive agreements (antitrust or cartels) and abuse of a dominant position.

Anti-competitive agreements are concentrations or collusions between two or more enterprises that have as their object or have the effect of preventing, restricting or distorting competition on the Romanian market or on a part of it, while the abuse of a dominant position is the act of an enterprise using of its position of economic power in a market to limit or exclude any competition. As the doctrine stated, by preventing competition we should understand the creation of an "integral obstacle capable of paralyzing it. The restriction denotes the destruction in part of the freedom of the economic agents in the threatened sector, preventing them from adopting certain convenient decisions, without, however, excluding all of them. Finally, the distortion of competition means, according to the generally shared

opinion, the fact of making changes to the exchange conditions, as they result from the market structure and the conjuncture"

Josef et.al, demonstrate anti-competitive behavior as behavior which can be characterized into two general types: exclusionary abuse—an act of the firm (or a group of firms) to prevent entry of potential firms or exploitative abuse – referring to actual abuse of market power. Examples of exclusionary abuse are predatory pricing, arrangement to divide the market, unjustly raising rival's cost and unjustified refusal to deal with other firms. Examples of exploitative abuse include cartel agreement to fix prices (such as set price above competitive levels) and limit levels of output.

Richard provided that a system of competition law which is intended to protect the process of competition will typically be concerned with three issues: firstly, anti-competitive agreements that have the object or effect of preventing, restricting or distorting competition; secondly, abusive behaviour by a monopolist firm or by a dominant firm with significant market power that could be harmful to consumer welfare and thirdly, mergers that would reduce (or which have reduced) rivalry between firms in the market, again with detrimental consequences for consumer welfare.

However, from these literature reviews very little interventions have been made which are not adequate to address underlying problem, of which is the main focus of the study.

Data Presentation, Analysis and Discussion

1. Data collection

In the course of the study, 30 respondents were involved in the data collection as planned. During the course of research, the Respondents were the existing and former Director General of Zanzibar Fair Competition Commission (2), Three internal directors from Zanzibar Fair Competition Commission (3), Three legal division Personnel (3), Chairman of the Board of Directors, Executive Director, Chairman of trade and Investment Committee of the Board and Chairman of the Research Policy and Advocacy Committee of the Board from Zanzibar National Chamber of Commerce (4), Ministerial Director of Trade and three subordinate staff (4), Evergreen Company limited (2), Yaseer Provision Store (2), Amour & son's Company Limited (2), Bopar Enterprises Limited (2), Zenj Merchandise Company Limited (2), Four normal Personnel as Consumer (4). In addition to that, researcher conducts the study at West Urban region of Zanzibar where most of the business are transacted so as to address on the issue of anti-competitive practice. Out of 30 respondents, 27 respondents were captured and only 3 not captured. Surprisingly, many of the respondents were not aware of the Fair Competition and Consumer Protection Act No.5 of 2018 and they don't know the issues of anti-competitive business practices. So, it was not easy to capture the questions asked. Unexpectedly, the business man was bit of arrogant, not cooperative and used to be busy with their business activities.

2. Analysis of the interviews

The researcher analysis the data accordingly relying to the respondent's discussion and opinions. During analyses the respondents from Consumer were represented by symbol (C01.), Business (B02), Internal Directors (D03), Legal division Personnel (L04.), Ministerial Director and

subordinate staff (S05), Chairman of the Board of Directors, Executive Director, Chairman of trade and Investment Committee of the Board and Chairman of the Research Policy and Advocacy Committee of the Board from Zanzibar National Chamber of Commerce (Z06).

3. Understanding on Anti-Competitive Business Practices

Anti-competitive practices are sometimes known as restrictive practices. There are methods used by firms in a market to restrict the competition. The main motive for these practices is to increase prices so the firms can benefit from higher sales revenue. In the Case of:

Fair Competition Commission V. Tanga Fresh Limited (TFL); this case involved acquisition of assets of the dying companies. In this case Tanga Fresh Limited acquired assets of Moran Dairy Limited and International Food Processors Limited prior to notification to the Commission. Tanga Fresh Limited was provisionally required to pay a fine of equal to 8% for each transaction. It was held that:

“The purpose of the Act is not to protect businesses from the working of the market; it is to protect the public from the failure of the market. The law directs itself not against conduct which is competitive, even severely so, but against conduct which unfairly tends to destroy competition itself.”

And finally, the two transactions were consolidated and Tanga Fresh Limited was ordered to pay 5% of its audited turnover for the year 2012.

There are many different ways firms try to reduce the competition in the market including: Restricting output; this is when several firms in a market agree to restrict their production output in order to increase the average prices of the products they are selling or by market sharing/dividing territories this is when firms agree to let individual firms control certain parts of the markets (usually on a geographical basis) so that each firm can become a dominant supply in one part of the market. In the case of:

Fair Competition Commission V. Serengeti Breweries Ltd & Tanzania Breweries Limited; It was alleged that the respondent was entering into branding agreements with bar owners which excluded the complainant in the market. Such agreements fall within the category of vertical agreements since they are entered into between the manufacturer and retailers. These agreements are not prohibited per se unless they have an effect of preventing, restricting or distorting competition in the market. The FCC held that;

“From the provisions of section 8 (1) of the FCA, 2003 it is clear that the branding agreements whether in writing or oral, which the respondent (TBL) has entered into with bar owners had the object, the effect or likely effect of preventing, restricting and distorting competition in the Tanzania beer market.”

Another way is by Price fixing is when firms in a market agree to set the same prices for their products. As a result, every firm who takes part in this practice will see an increase in sales revenue. And lastly is bid rigging; this is when the bidding of a contract for the sale of goods and services is predetermined by all the firms involved. Bid rigging begins with all firms agreeing that one firm will win the contract. This firm will then put a bid in that is slightly lower than all the other bids. In the Case of:

Fair Competition Commission v. Oil Marketing Companies. The Commission through investigation established 13 Oil Marketing Companies (OMCs) through their association Tanzania Association of Oil Marketing Companies (TAOMAC) agreed collectively not to supply petrol and diesel for 3 days in August, 2011.

Being satisfied that the OMCs collectively engaged in prohibited agreement through their association, the Commission ordered each OMC to pay a fine of equal to 5% of their audited annual turnover for the year 2011.

It was examined in another case of:

Fair Competition Commission v. Arusha Municipal Council It is about an agreement entered between the Arusha Municipal Council and Skytel (an outdoor advert company) in relation to outdoor advertisement which was found to favour the latter and excluded other players in the relevant market. The Arusha Municipal Council was found guilty and was penalized for contravening section 8 of the Fair Competition Act No. 8 of 2003.

BO2. The respondents submitted that, anticompetitive practice means ruckus which happen in the market. That ruckus led to the distortion of competition in the market and ruin the welfare of citizen. It happens in Zanzibar and we don't see any action. It has ruin us a lot in business. Moreover, the respondents BO2. argued that they are not familiar with anti-competitive issues and they a little knowledge concerning with competition. Their focus is on businesses. And from the Commission they usually heard on issues of indicative prices. Again, the respondent's had a view that they don't know about anti-competitive business practices.

Moreover, the respondents from the community indicates that anti-competitive practice is the new phenomena. And they never heard of such things before.

The research shows that majority of consumer and business man are unaware of anti-competitive business practices while they are the main user of the Fair Competition and Consumer Protection Act N0.5 of 2018. This means there is high possibilities to lose their rights.

CO1. The respondent submitted that for her understanding anti-competitive practices mean anything which is prohibited and not good for human consumption example harmful rice.

DO3. In pursuant of this, the respondent state that anticompetitive practices include any agreements, decision or practices which have an object of prevention, restriction or distortion of competition. Those activities are price fixing, group boycott, holding of products etc. and it can be conducted by individual/group of people/competitors. In addition to that, the respondent added that the knows about the function of the Fair Competition Commission and not about anti-competitive practices. Furthermore, the respondent understand anti-competitive practices as practices which lead to the distortion of the competition in the market and cause harm to Consumers. Example: Enterprises are doing hoarding in order to increase price of goods; this thing harm the consumer by taking the scenario of demand and supply.

LO4. The respondent submitted that anti-competitive are business practices that prevent or reduce competition in a market or is an action conducted by one or more businesses to make it difficult or impossible for other companies to enter or succeed in their market. The good example is hoarding as provided under Section 46. Players are doing

hoarding in order to create scarcity in the market and increase the price of goods. This is anticompetitive business practice as they distort competition. In addition to that the other respondent had a view that agreements among competitors to prevent, restrict or distort competition. A particularly serious type of anti-competitive agreement would be those made by cartels. Cartel agreements are usually to fix prices, to rig competitive tendering process.

Furthermore, the respondent state that anti-competitive business practices mean any agreement, decisions or practices which have an object of prevention, restriction or distortion of Competition.

The researcher concurs with the respondents as those issues mentioned by them in one way or another can reduce or distort competition in the market.

Apart from that, Former Director General of the ZFCC submitted that, anti-competitive practice is an attempt to prevent or reduce competition in a market. Such as creation of monopoly, bid rigging, cartels, collude, price fixing and even group boycotts. However, these examples are not extorting there are other issue of anti-competitive which includes as follow cross merger effect, concerted practice, abuse of buyer power and jointly dominant

Moreover, the Director General of the ZFCC provide that best example of anti-competitive practice is cartel which has not been mentioned at all in the Fair Competition and Consumer Protection Act, anti-competitive is the situation where by players agreeing to reduce or prevent fair competition in the market economy.

Let us put in our mind that when the respondents say players, they mean number of competitors in the Market.

SO5. The respondents submitted that they don't know about anticompetitive business practices. On the same from respondent argued that anti-competitive practices mean dumping, Misrepresentation of products or services that cause injuries to consumers, also we can say it is trademark infringement, imports surge, deceptive pricing and price fixing. The research observes that some of the answers are questionable as they are contrary to Section 43 (2) (a-e) of the Fair Competition and Consumer Protection Act No. 5 of 2018. Example: Misrepresentation of products or services, trademark infringement, imports surge, deceptive pricing are not anti-competitive business practices these are misleading and deceptive conducts.

ZO6. The respondent provided that, he doesn't have enough knowledge on competition but he continues to say that; it is the situation whereby Players are doing monopoly in a business. They act as they own the products and they don't want anyone to sell such products. Even in the Government itself, there are some sought of monopoly. Example; When the Government ordered that all the printing shall be done in this office or this kind of service must be done in this office, it is hinder the investment and that is not fair competition. And if the Government want to do business, they have to compete.

Fair Competition and Consumer Protection Act No.5 of 2018 on anti-competitive issues

CO1. The respondent submitted that she never heard of such Act. Moreover, the respondent claimed to the author that "you decided to give me a new thing today, what I ever heard is only constitution"

In addition to that, the respondent state that I don't know anything concerning the issue of competition or Act.

Surprisingly, the other respondent provide that I don't know what Fair Competition and Consumer Protection Act no.5 of 2018 state on anti-competitive issues.

B02. The respondents argued that they don't focus much on laws and they don't know how far the Act provide for anti-competitive issues.

DO3. The respondent Fair Competition Act No 5 of 2018, provides few provisions on Anti-Competitive issues but it has left crucial matter such as cross merger effect, cartel, concerted practice, abuse of buyer power, jointly dominant, exemption of merger, exemption of agreement. Apart from that, the other respondent reply that he is not familiar with the issues of anti-competitive practices.

The researcher observes that, some of the respondents are even not clear with anticompetitive business practices this situation in most cases resulted to inapplicability of the Fair Competition and Consumer Protection Act No.5 of 2018. Example: issue of Petroleum business in Zanzibar, every month Zanzibar Utilities Regulatory Authority (ZURA) provide price structure for Petroleum products per litre. It was expected that it will be used as an indicative price unfortunately, it is used as fixed prices. Example in April 2023, Petrol per litre was 2780/=, Diesel per litre 2900/=, Kerosene per litre 2921/= and Jet A1 per litre 2500/=. These were intended to be used as indicative but they are used as fixed Price as people are unaware of anticompetitive business practices. In additional the respondent provide that Fair Competition and Consumer Protection Act did not provide much on anti-competitive issues, however she did not clarify further on the issue this show the respondent is not familiar to participate in the field work.

LO4. The respondents argued that Fair Competition and Consumer Protection Act has a few things concerning anti-competitive issues and yet are not practiced in Zanzibar.

Former Director General and Director General from the Fair Competition Commission submitted that the Act did not provide much on anti-competitive issues.

ZO6. The respondent argued that they don't have any knowledge concerning the Act and they don't know if the issues of anti-competitive practices have been covered or not. Issues of anti-competitive practices itself is not well understood to them.

Present situation on Policy of Fair Competition and Consumer Protection Act No.5 of 2018

C01, B02, S05 and ZO6. The respondents submitted that they don't know whether there is policy or not.

D03. L04. The respondents, Former and Existing Director General of Fair Competition Commission state that there is no policy concerning Competition in Zanzibar.

3.1 Laws on Anti-competitive Issues in Zanzibar

The respondents clearly answered the question in different way as follows;

In responding DO3. pursuant to this, the respondent examined that, Zanzibar Anti-Corruption Economic Crimes Act under section 46 provide that;

"A person who hoards any goods for the purpose of restricting or control supply or circulation of such goods in order to manipulate price of the said goods to his benefit or the competitive advantage, commits an offence of economic crime under this Act".

But other respondents (DO3 and LO4) argued that there are no other laws concerning anti-competitive issues in Zanzibar.

CO1. BO2.S05. ZO6. The respondents reply that they are not aware if there are any other laws concerning anti-competitive issues in Zanzibar.

The researcher observes that the challenges mentioned by the respondents are very significant and there is need for amendment of the Fair Competition and Consumer Protection Act No. 5 of 2018 so as to have effectiveness in its implementation.

Conclusions

This study has looked and review the existing Fair Competition and Consumer Protection Act No.5 of 2018 for Zanzibar and addressing the gapes in Anti-Competitive business practices. It has examined the existing shortcoming in the competition Act in relation to different competition legislation which include omission of crucial provisions, absence of competition policy and other challenges along the implementation of the Fair Competition and Consumer Protection Act No.5 of 2018. The study recommends that having a comprehensive competition policy and an enactment of new legislation as the way forward to assist the commission on implementing of its function efficiently and effectively.

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