

Nigerian competition watchdog fines British American Tobacco \$110m

By [MacDonald Dzirutwe](#)

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Nigeria's competition commission has ordered British American Tobacco (BAT) to pay a \$110m fine following allegations of market dominance abuse and infringement of public health regulations, the watchdog said on Wednesday, 27 December.



File photo: A woman poses with a cigarette in front of BAT (British American Tobacco) logo in this illustration taken 26 July 2022. Reuters/Dado Ruvic/Illustration/File Photo

The Federal Competition & Consumer Protection Commission (FCCPC) said the maker of Lucky Strike and Dunhill cigarettes had also penalised retailers for providing equal platforms for its competitors' products.

BAT spokesperson Aaron Shardey referred Reuters to BAT's 2023 half-year annual report, which confirmed the FCCPC investigation and penalty.

The fine is the highest ever levied by the Nigerian competition commission. FCCPC chief executive Babatunde Irukera told Reuters that the fine is a "consent order", which is equivalent to a plea bargain and not subject to appeal.

"In resolution of an investigation over a broad range of anticompetitive conduct including abuse of dominance, seeking to frustrate competitors...and infringement of public health control regulations, British American Tobacco and FCCPC entered into a consent order including a penalty of \$110 million," the competition agency said on social media platform X.

“ Release: In resolution of an investigation over a broad range of anticompetitive conduct including abuse of dominance, seeking to frustrate competitors, penalise retailers for providing equal platforms for product display of competitors, product introduction in violation of... pic.twitter.com/LvuBS07rWp— FCCPC Nigeria (@fccpcnigeria) [December 27, 2023](#) ”

The FCCPC said it initiated an investigation into BAT and affiliated companies in 2020 and obtained a federal court order to search multiple BAT sites and those of service providers for evidence used in a forensic analysis.

It added that additional investigation and analysis of evidence established multiple violations of competition laws.

The FCCPC will monitor BAT for 24 months to ensure appropriate behaviour and business practice consistent with prevailing competition laws and tobacco control efforts, the watchdog said.

"In exchange for BAT parties fulfilling their obligations under the consent order, the commission withdrew pending criminal charges against BAT Nigeria and at least one employee with respect to obstructing the commission," FCCPC said.

ABOUT THE AUTHOR

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