



**GIS MARKETING &  
COMMUNICATIONS**  
CAYMAN ISLANDS GOVERNMENT

## MEDIA RELEASE

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**FOR IMMEDIATE RELEASE**

### **Reform of Fuels Markets Proposed**

Government is working to establish, for the first time, an oversight body for the local fuels market.

Public input is currently invited into the proposed reform of the fuels markets in the Cayman Islands. These issues are covered in the discussion paper, *The Regulation of the Fuel Markets in the Cayman Islands*, which is now available for review.

Specifically, the Government will incorporate the fuels markets under the responsibilities of a new regulatory agency which will come into effect later this year.

The discussion paper proposes a phased approach. First, amendments will be made to the Dangerous Substances Handling and Storage Law, requiring the industry to provide specific pricing and cost information.

These amendments were enacted last October.

Next, will be the enactment of a Fuels Markets Bill, which will allow the OCR to analyse data, assess retail prices and competition, and take necessary measures to promote fair competition.

Price controls are a last resort but the Government will do whatever it takes, said Minister responsible for infrastructure, Hon. Kurt Tibbetts. Welcoming this milestone, he added that Cabinet has decided to establish the multi-sector agency to be known as the Office of Competition and Regulation (OCR).

This regulatory body which will assume all responsibilities and functions of the existing Information Communications Technology Authority (ICTA), as well as those of the Electricity Regulatory Authority (ERA), will also have the responsibility for the fuels markets guided by a Fuels Market Law.

The draft document is posted on the website of the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure (PLAHI). [www.plahi@gov.ky](mailto:www.plahi@gov.ky). Printed copies are also available at the Government Administration Building, and at public libraries.

The scope is even a bit wider, as the OCR will also assume the economic regulatory responsibilities of the Water Authority Cayman (WAC), encompassing water production and supply, as well as wastewater collection and treatment, added Minister Tibbetts.

He said that the OCR would have a critical function, by facilitating economic development and innovation in these sectors. The expectation is that it could become a major driver in facilitating the development of a new pillar in our economy, added Mr. Tibbetts.

Consumer value and protection will be one of the primary considerations. As the local fuels markets (and its pricing mechanisms) are closely tied to economic activity, the OCR's oversight of this sector will be critical.

The long-time background issues include Government's objective of promoting competition, as well as transparency, within the fuel industry. To facilitate this process, officials have been engaged for some months now in meetings with industry representatives.

Under this new plan, the Petroleum Inspectorate will be fully integrated into the OCR, which would assume responsibility for the functions of the Inspectorate. Government's existing policies which relate to fuel imports will guide the new legislation. Some factors are economic efficiency, security of supply, public safety, and environmental sustainability.

OCR will take responsibility for ensuring the implementation of the policy. As the public discussion paper further outlines, the jurisdiction of the new OCR will include the transport, trade, and distribution (wholesale and retail) of all fuel products and importantly to advise Cabinet on the state of competition in the sector.

Members of the public are encouraged to review the discussion paper, and to submit their feedback by email [ministry.plah@gov.ky](mailto:ministry.plah@gov.ky) or, in writing to: Fuel Markets Discussion Paper, PLAHI Ministry Government Administration Building.

The deadline for public feedback is 15 July, 2016.

**(GIS)**

**For the official Cayman Islands Government web portal, [www.gov.ky](http://www.gov.ky):**

Web title: Public Feedback on Fuel

Web blurb: New agency to combine Government's regulatory functions.