

What are the Grocery Goods Regulations?

On 30 April 2016, the Consumer Protection Act 2007 (Grocery Goods Undertakings) Regulations 2016, known as the Grocery Goods Regulations took effect placing obligations on grocery businesses.

What is the purpose of the Grocery Goods Regulations?

The Minister for Jobs, Enterprise and Innovation introduced the Regulations to bring more predictability and certainty into the trade relationships between suppliers of food and drink and grocery businesses operating in Ireland. The Regulations follow a commitment made in the Programme for Government 2011-2016 to deal with a number of unfair trading practices.

Who do the Grocery Goods Regulations apply to?

The Regulations apply to “Relevant Grocery Goods Undertakings” (“RGGUs”) i.e. retailers and wholesalers of food and drink operating in Ireland who have, or are part of a group of related companies that has, a worldwide turnover in excess of €50 million.

What do the Grocery Goods Regulations mean?

From 30 April 2016, all contracts entered into or renewed between RGGUs and suppliers of food and drink must be in writing and expressed in clear, understandable language. Contracts entered into prior to this date are not covered by the Regulations until such time as they are renewed, if that is the case. The Regulations specifically relate to the direct business relationship between a supplier and a RGGU, which can be either a wholesaler or a retailer. However, the wholesaler – retailer relationship is not within the remit of the Regulations.

What are the provisions of the Grocery Goods Regulations?

- Contracts cannot be changed, terminated or renewed unless provided for in the contract
- RGGUs are required to pay a supplier within 30 days, unless otherwise provided for in the contract
- RGGUs are required to prepare forecasts of the grocery goods required on request from a supplier
- RGGUs are prohibited from seeking payments from a supplier for: stocking/displaying/listing grocery goods, promotions, marketing costs, retention/increased allocation/better positioning of shelf space, wastage and shrinkage - unless in specified circumstances and provided for in the contract
- RGGUs are prohibited from seeking payment from a supplier for advertising or display of grocery goods in the RGGU’s premises
- A RGGU cannot require a supplier to obtain goods and services from a third party from whom it receives payment except in specified circumstances
- A party to a contract will not be liable for delay or failure to perform the contract due to situations beyond its control.

Is there guidance available on interpreting the Grocery Goods Regulations?

The Department of Jobs, Enterprise and Innovation published [Guidelines](#) on the Regulations. These Guidelines provide information and guidance on the provisions of the Regulations. The legislative

basis for the Regulations is contained in Part 6 of the Competition and Consumer Protection Act 2014 which amends the Consumer Protection Act 2007. This legislation contains a number of definitions which are referred to in the Regulations and which may provide further clarity when interpreting the Regulations.

What must a RGGU do?

RGGUs are required to:

- Maintain records of specified dealings with suppliers of food and drink and compliance-related records for inspection by the CCPC
- Appoint and train appropriate staff members to be responsible for compliance with the Regulations and for informing other staff about how the Regulations will be implemented
- Appoint a “Liaison Officer” who will deal directly with the CCPC
- Submit an annual compliance report to the CCPC

Are there any key dates to be aware of?

RGGUs are encouraged to prioritise appointing a Liaison Officer, who should be notified to the CCPC "as soon as practicable".

RGGUs should also be aware of the following dates:

30 April 2016 – all grocery goods contracts, entered into or renewed from this date must be in writing. Records of specified dealings with suppliers and compliance related records should be maintained

30 July 2016 – staff members should be appointed and trained to be responsible for compliance with the Regulations and for informing other staff about their implementation

31 March 2017 – the first annual compliance report covering the period from 30 April to 31 December 2016 should be submitted on or before this date

What are the CCPC’s powers?

The CCPC’s powers are provided for in [Part 6 of the Competition and Consumer Protection Act 2014](#). The CCPC can:

- Monitor whether RGGUs are complying with the Regulations by carrying out inspections of their premises
- Investigate complaints into potential breaches of the Regulations
- Issue contravention notices and initiate prosecutions through the Courts against RGGUs in the event of non-compliance.

What about suppliers?

Suppliers are encouraged to familiarise themselves with the Regulations and to engage with RGGUs on the changes arising from them. Representative bodies may also provide training and guidance on the Regulations.

How is the CCPC going to approach this role?

The CCPC expects that RGGUs will comply fully with the Regulations and is currently engaging with RGGUs in this regard. The CCPC is keen to promote a culture of compliance across the grocery sector and will be engaging with different stakeholders over the coming months.

How can somebody address a query or make a complaint to the CCPC?

Queries relating to the Regulations can be emailed to grocery@ccpc.ie . Any complaints alleging non-compliance by RGGUs with the provisions of the Regulations should be sent via post to: Regulation Unit, Competition and Consumer Protection Commission, PO Box 12585, Dublin 1 or by email to grocery@ccpc.ie .