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Round Table on:

"Enforcement of competition policy in the food retail sector "

Contribution

by

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The views expressed are those of the author(s) and do not necessarily reflect the views of UNCTAD



15th SESSION OF THE IGE ON COMPETITION LAW AND POLICY

COMPETITION ISSUES IN THE FOOD RETAIL SECTOR

**Competition and
Consumer Protection
Branch**

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The new economic paradigm: supermarket platform

- **Distribution: economic function of ensuring the flow of products from production to consumption**
- **Food retailing stands out the most significant changes in market structure**
- **Supermarkets: powerful platforms that provide services to both consumers and suppliers**
- **Unfair commercial practices in the relations between manufacturers and retailers**



Market Structure and Competition

- **High concentration: oligopolistic sector**
- **Legal barriers to entry and expansion**
- **Economic and strategic barriers**
- **Transparency**
- **Consumer behaviour**
- **Own brands development: effects on choice and innovation**



Main practices likely to impede competition in food retail sector

- **Access foreclosure**
- **Pricing practices**
- **Non pricing practices**
- **Effects on the consumers welfare in terms of choice and innovation**



Measures to Address Competition Problems in the Food Retail Sector

- Competition Law remedies
- Regulatory remedies (access and competition in store, separation of activities for the independent brands, confidentiality of complaints , independent authority)
- Voluntary supply chain initiatives (good practices initiatives)



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