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Round Table on:

"Enforcement of competition policy in the food retail sector"

Contribution

by

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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)