



THE SENATE
OF THE PARLIAMENT OF THE CZECH REPUBLIC

9TH TERM

282nd

RESOLUTION OF THE SENATE

Delivered on the 12th session held on 21st August 2013

on the Green Paper On unfair trading practices in the business-to-business food and non-food supply chain in Europe /Senate Press no. K 037/09/

The Senate

I.

1. Welcomes

the European Commission's interest in activities of retail chains and their impact on the supplier-retailer relationships in the EU Member States, and considers launching a public consultation as an important step which should seek stakeholders' opinions on any further regulation of this issue at European level;

2. Considers

the issue of unfair trading practices in the business-to-business supply chain crucial with regard to the impact of these practices on suppliers (e.g. farmers and food producers) through constant downward pressure on their margins, which may ultimately have a negative impact on consumers themselves in the form of declining product quality;

3. Adds

that the Green Paper may have been more specific, especially in the context of possible measures to improve the situation of suppliers to retail chains;

II.

1. Is of the opinion

that a possible solution at EU level concerning abuse of significant market power could take the form of a general framework of minimum requirements for supplier-retailer relationships which are to be fulfilled by the national legislation, adding that this legislation should allow for sufficient space to reflect national specifics;

2. Recalls

that the Czech Republic has introduced Act No. 395/2009 on Significant Market Power in the Sale of Agricultural and Food Products, the application of which has improved the behaviour of retailers on the Czech market;

3. Points out

the most important benefits of the Czech legislation in the field of significant market power, such as the prohibition of refunds, shortening the deadline to pay invoices within 30 days, limitation of transferring business risk to suppliers and fierce fight against retrospective fees not included in the contracts;

4. Does not agree

with the Commission's critical stance towards so-called territorial limitation of supply (i.e. commitment by a retail chain to offer local produce), because regional products, which are supported in this manner, usually display better taste and nutritional properties, their production and transport have a smaller impact on the environment, they are fresher and also support employment in a given region;

5. Suggests

that the European Commission could, to a large extent, seek inspiration from the Czech practice when drawing up a potential future regulation on unfair business practices in supply chain;

III.

1. Requests

the Government to inform the Senate about the way this position was taken into account and about further initiatives following this Green Paper;

2. Authorises

the President of the Senate to forward this Resolution to the European Commission.

Milan Štěch
sign manual
President of the Senate

Vladimír Plaček
sign manual
Senate Verifier