FOLLOWING THE INTERVENTION OF THE PRESIDENT OF UOKIK, FARMERS AND SUPPLIERS RECEIVED OVER PLN 400 MILLION

* **Immediately following the intervention of President of UOKiK Tomasz Chróstny, the largest players on the agri-food market repaid their arrears towards minor contractors for an amount of PLN 400 million.**
* **Proceedings are pending that aim at investigating other forms of abusing contractual advantage in this sector.**

**[Warsaw, 29 May 2020]** The proceedings initiated in late April by President of UOKiK Tomasz Chróstny have already brought about first results. The Office examines whether the biggest actors in the agri-food market are not abusing their contractual advantage by postponing payment beyond the set deadline to suppliers or by imposing unfavourable commercial terms.

First of all, UOKiK analyzed payment data of 96 largest entities in the food and commercial sector. The vast majority - 70 entrepreneurs - were in arrears with payments towards farmers and suppliers. **The total amount of arrears amounted to almost PLN 1 billion, and the largest debtors were retail chains.**

Following the intervention of the President of UOKiK, 20 companies immediately settled the arrears in full, and another 37 companies repaid the outstanding amounts in part. **In total, entrepreneurs paid over 15 thousand invoices for the amount of nearly PLN 400 million.**

*“After our intervention, farmers and suppliers received nearly 400 million PLN in outstanding payments for their products. This proves that the office's intervention on the agri-food market was necessary. We are now urging the remaining entrepreneurs to immediately repay their outstanding payments in order to avoid drastic consequences of the proceedings relating to unfair use of their contractual advantage,”* says President of UOKiK Tomasz Chróstny.

Explanatory proceedings are still pending. The President of the Office is currently investigating whether the key players have changed their commercial practices to the detriment of smaller contractors during the epidemic, and he is also extending his investigation to other players.

“*Our proceedings are not only focused on payments.* We are currently examining thoroughly the provisions of the contracts concluded by the entrepreneurs concerned. We do not allow major market players to impose conditions on their contractors which are disproportionate and against the rules of social conduct,” adds President of UOKiK Tomasz Chróstny.

The unfair use of contractual advantage in the agri-food industry is subject to a financial penalty of up to 3% of the company's turnover.

Entrepreneur, farmer, if you are operating in the agri-food industry and your trading partner took the advantage of the COVID-19 situation to amend the terms and conditions of cooperation to your disadvantage or fails to make payments on time – notify UOKiK. We have created a special form to assist you with reporting any irregularities. Enter and fill it out <https://ankieta.uokik.gov.pl/formularz-zgloszenie-przewaga/>.