



Groceries Code Adjudicator

Letter to overseas suppliers from Christine Tacon, the UK Groceries Code Adjudicator

Dear Groceries Supplier,

The UK has legal protection for direct suppliers of groceries to the ten largest UK groceries retailers. The Groceries Supply Code of Practice (the Code) is designed to regulate the relationship between designated retailers and their direct suppliers whether those suppliers are based inside or outside the UK.

I am writing to you because you are a direct supplier to one of the regulated retailers. This means that retailers must treat you fairly and lawfully across a range of supply chain practices.

My role as Groceries Code Adjudicator (GCA) is to monitor and encourage compliance with and enforce the Code. To do this job effectively I rely on suppliers and others to provide me with information and evidence about how the ten regulated retailers treat their suppliers.

One of the ways I receive information is through my annual survey and I want to encourage you to complete this. The retailer you supply will let you know when the survey is open and how to respond.

Supplier information helps me to identify the main issues I need to work on with the retailers. Since my appointment I have worked collaboratively with them to encourage changes in behaviour and make progress for suppliers. There is information on my website – www.gov.uk/gca – about my current top issues and progress achieved. It also contains case studies that clarify my approach to specific issues raised with me.

I have attached some answers to frequently asked questions about the Code and my role. To keep up to date with latest developments you can also subscribe to my quarterly newsletter. Details are on my website.

I hope you find this information helpful. I am always ready to receive information on Code-related issues and you can be confident that I will treat all information confidentially. Contact me at enquiries@gca.gsi.gov.uk.

Yours sincerely

Christine Tacon.

Questions and Answers about the Groceries Supply Code of Practice (the Code) and the Groceries Code Adjudicator (GCA)

Which retailers are covered by the Code?

The Code covers the ten largest UK supermarkets with a UK annual groceries turnover of more than £1 billion. They are Aldi Stores Ltd, Asda Stores Ltd, Co-operative Group Ltd, Iceland Foods Ltd, Lidl UK GmbH, Marks & Spencer plc, Wm Morrison Supermarkets plc, J Sainsbury plc, Tesco plc and Waitrose Limited.

What protections for direct suppliers are set out in the Code?

The Code obliges the ten regulated retailers to deal fairly and lawfully with their direct suppliers in relation to a range of supply chain practices. These include: making payments on time; not varying supply agreements without notice; paying compensation for forecasting errors; not charging for shrinkage or wastage. There are also restrictions on listing fees and marketing costs and particular processes that should be followed when retailers are de-listing suppliers. This list is not exhaustive and full details are available on www.gov.uk/gca.

I am a food producer dealing with a supermarket through a third party.

Does the Code help me?

No, the Code only covers relationships between the ten regulated retailers and their direct suppliers. However, if you have information about Code-related issues between a retailer and a direct supplier, I would welcome receiving it.

Are there other areas not covered by the Code?

Yes. Suppliers have contacted me about pricing, food safety and labelling but they are not covered by the Code and therefore are outside my remit.

Can the GCA give me advice about an issue I have been having with a retailer?

The GCA cannot advise suppliers who have an issue with a large retailer about whether that retailer has breached the Code. This is because I may later be asked to arbitrate between the supplier and the retailer or may launch an investigation into the practice. However, if asked, my office will often be able to direct suppliers to the relevant part of the Code, a case study or guidance.

Is there anything I can do to help resolve issues I might have with a retailer?

I encourage suppliers to approach the retailers' Code Compliance Officers because they can deal with issues quickly and, where needed, discreetly. Suppliers should also seek opportunities through their trade associations or others to get training in the Code. A good understanding of the Code will support suppliers in negotiations with retailers' buyers who must, by law, be trained in it.

What powers does the GCA have?

The GCA can investigate suspected breaches of the Code and can arbitrate in disputes between regulated retailers and their direct suppliers. The GCA does not have to use these formal regulatory tools, though. I have made significant progress for suppliers by working collaboratively with the retailers.