

UK appoints regulator to protect grocery suppliers

GENERAL RETAILERS

A new government adjudicator charged with enforcing better treatment of UK supermarket suppliers was formally established yesterday, with powers to launch investigations and hand out fines to retailers.

As Groceries Code Adjudicator, Christine Tacon, who was managing director of the Co-operative Group's farming subsidiary, will receive complaints and arbitrate disputes between food suppliers and the UK's 10 supermarket chains with a turnover greater than £1bn.

Retailers found in breach of the Groceries Code, which covers abuses such as retrospective changes to supply agreements and payment delays, could be forced to publish apologies or fined.

Retailers have voiced concerns about the adjudicator, but Andrew Opie from the

British Retail Consortium said, "We're ready to work with the adjudicator. It's important we have a constructive relationship."

Mr Opie stressed the adjudicator needed to make it clear that complaints would be limited to direct suppliers to supermarkets, and not the entire supply chain.

"Unfortunately, for whatever reason, whether it's communications from pressure groups or discussions in parliament, the expectations have been raised."

Deborah Cawood of the National Farmers Union said: "We hope that, by improving the business environment for direct suppliers, this will in turn improve the health of UK farming."

The adjudicator does not expect to launch investigations until the end of the year, pending a consultation.

Andrew Bowman