

Agri-Food Regulator

Unfair Trading Practices Survey

December 2024

Research background

- The Unfair Trading (UT) Regulations give effect to the provisions of the 2019 EU Directive on unfair trading practices in business-to-business relationships in the agricultural and food supply chain.
- Under these Regulations, weaker suppliers are protected from certain unfair trading practices by financially stronger buyers and provides that complaints can be made to the Regulator depending on the annual turnover of both parties.
- This is the third annual survey of primary producers' awareness and understanding of the regulations and is the first wave of research for the independent office of the Agri-Food Regulator.
- The primary objective of this survey was

"To measure awareness & understanding of the Agri-Food Regulator and to inform the unfair trading related issues of most concern to agri-food suppliers."

Research methodology

- The Agri-Food Regulator made the survey link available on their website and advertised it through social and print media. It was also distributed to farming organisations for onward transmission to their members.
- 246 primary producers responded to the online survey.
- The margin of error on a sample of this size is +/- 8.8% at the 95% Confidence level.



Online survey of primary producers



10-12 Minute Survey

Fieldwork took place between the 2nd – 20th October 2024.



Section 1

Unfair Trading Regulations

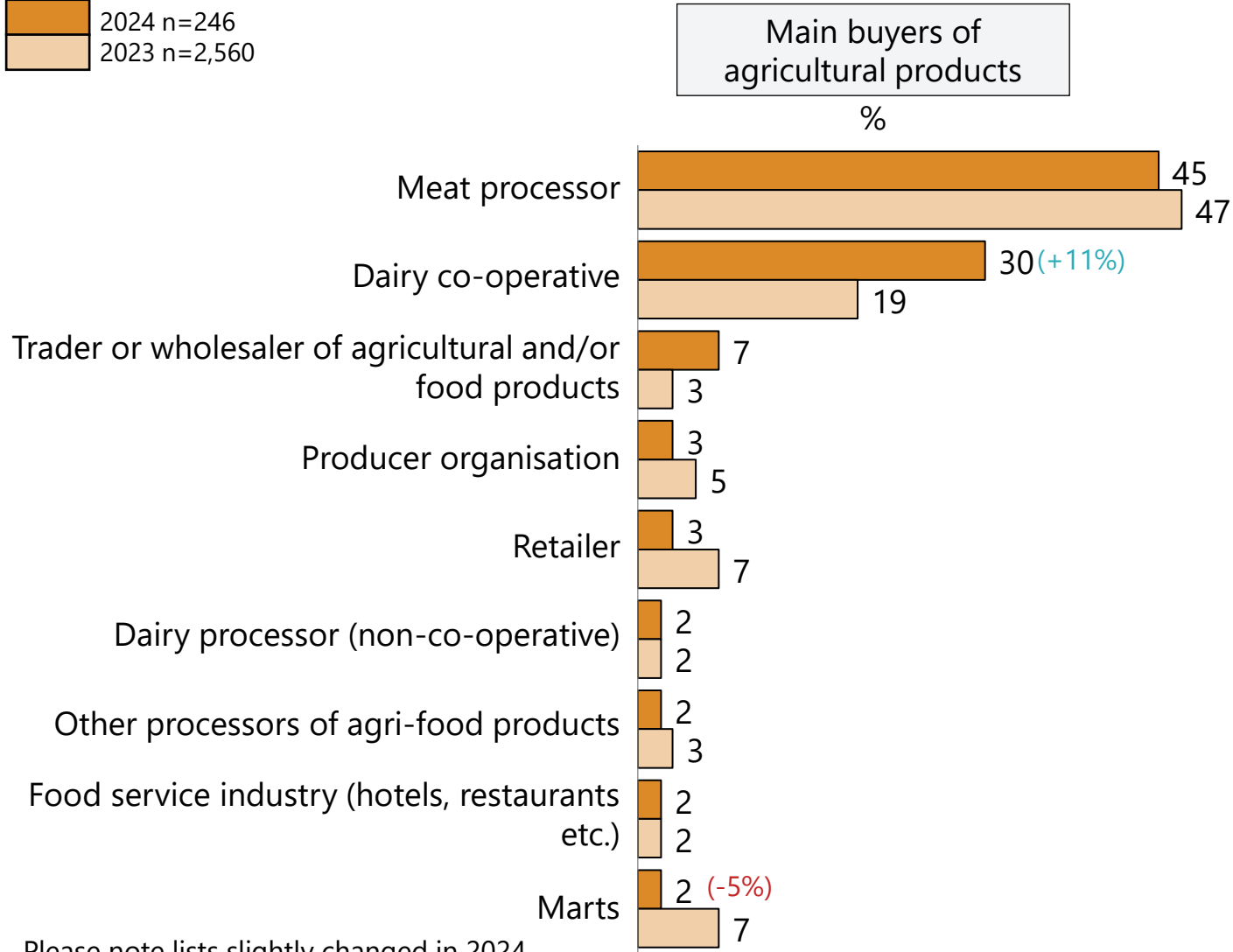


Profile of respondents

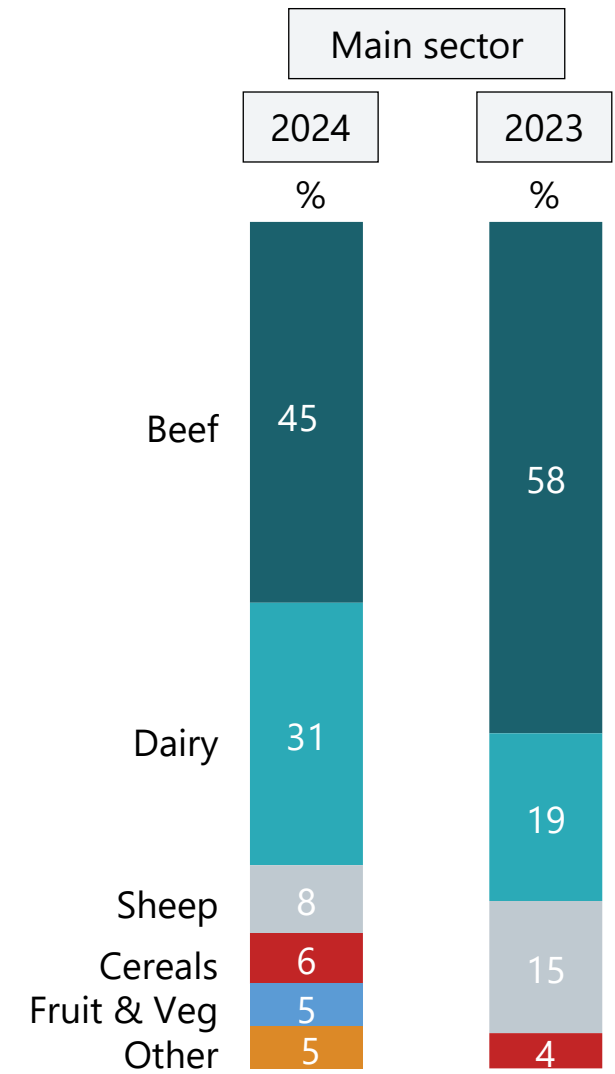
Base: Primary Producers – 246

Q. 2/1

2024 n=246
2023 n=2,560



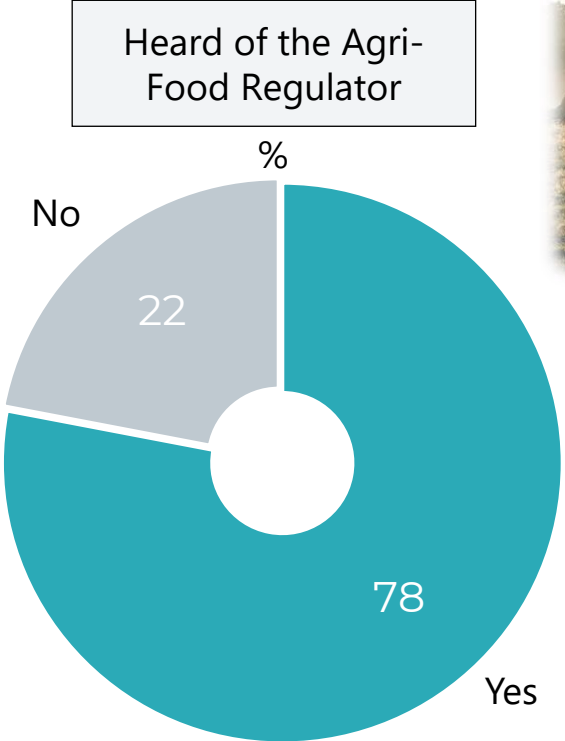
Please note lists slightly changed in 2024



The majority of producers who completed the survey were in the beef and dairy sectors and supplied meat processors and dairy co-ops.

Awareness of the Agri-Food Regulator

Base: Primary Producers – 246
Q. 3/4a



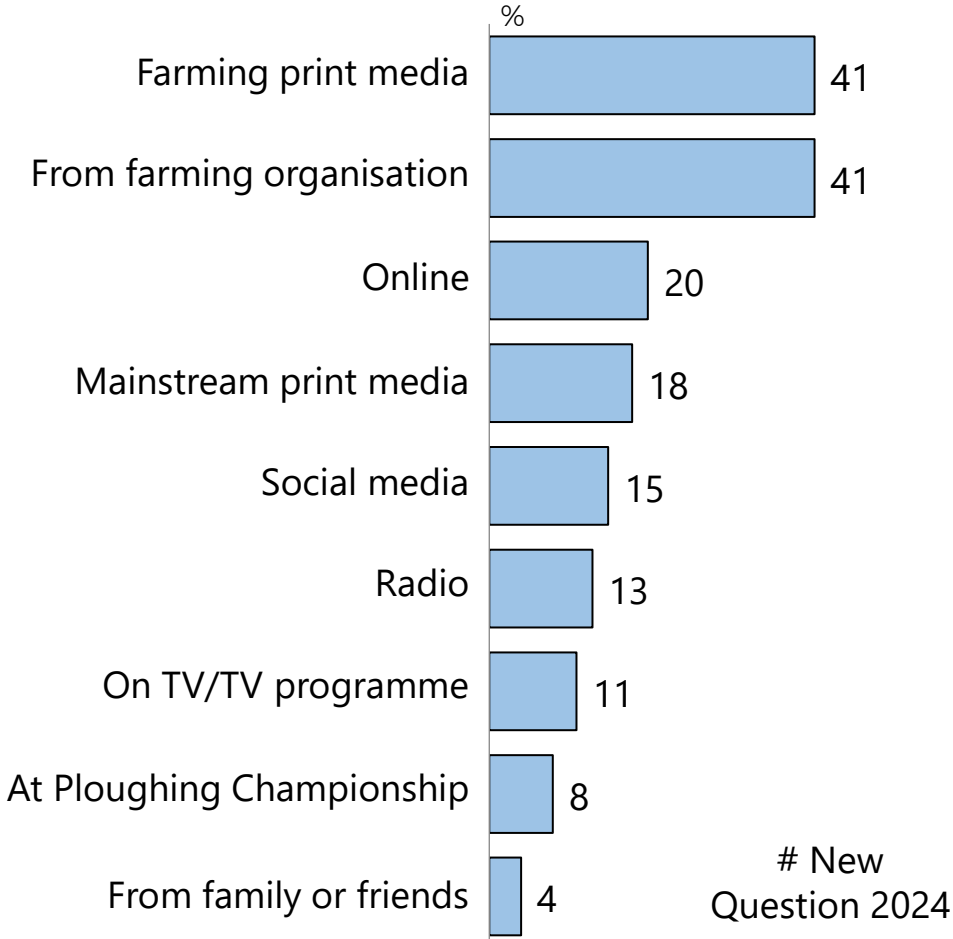
In 2023, 62% heard of the Unfair Trading Practices Regulations



New Question 2024

Base: All who heard of the Agri-Food Regulator - 193

Where heard



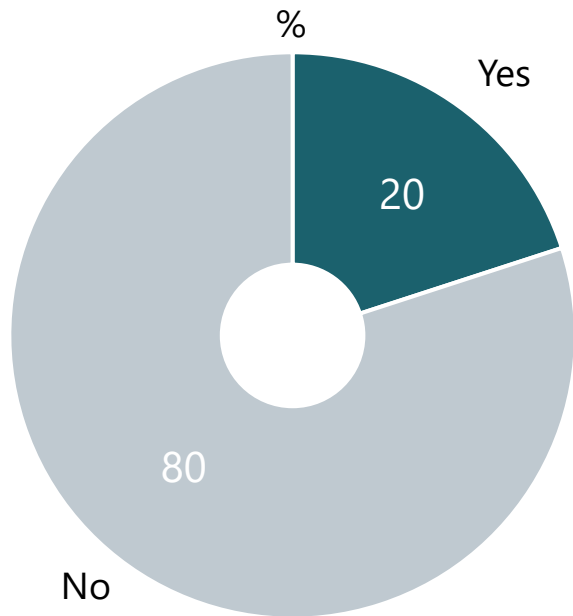
New Question 2024

Despite its relatively recent conception, the Agri-Food Regulator boasts high awareness, with 3 in 4 claiming to have heard of it previously. The most common channels through which this awareness was spread is farming print media and through farming organisations.

Understanding of the Agri-Food Regulator

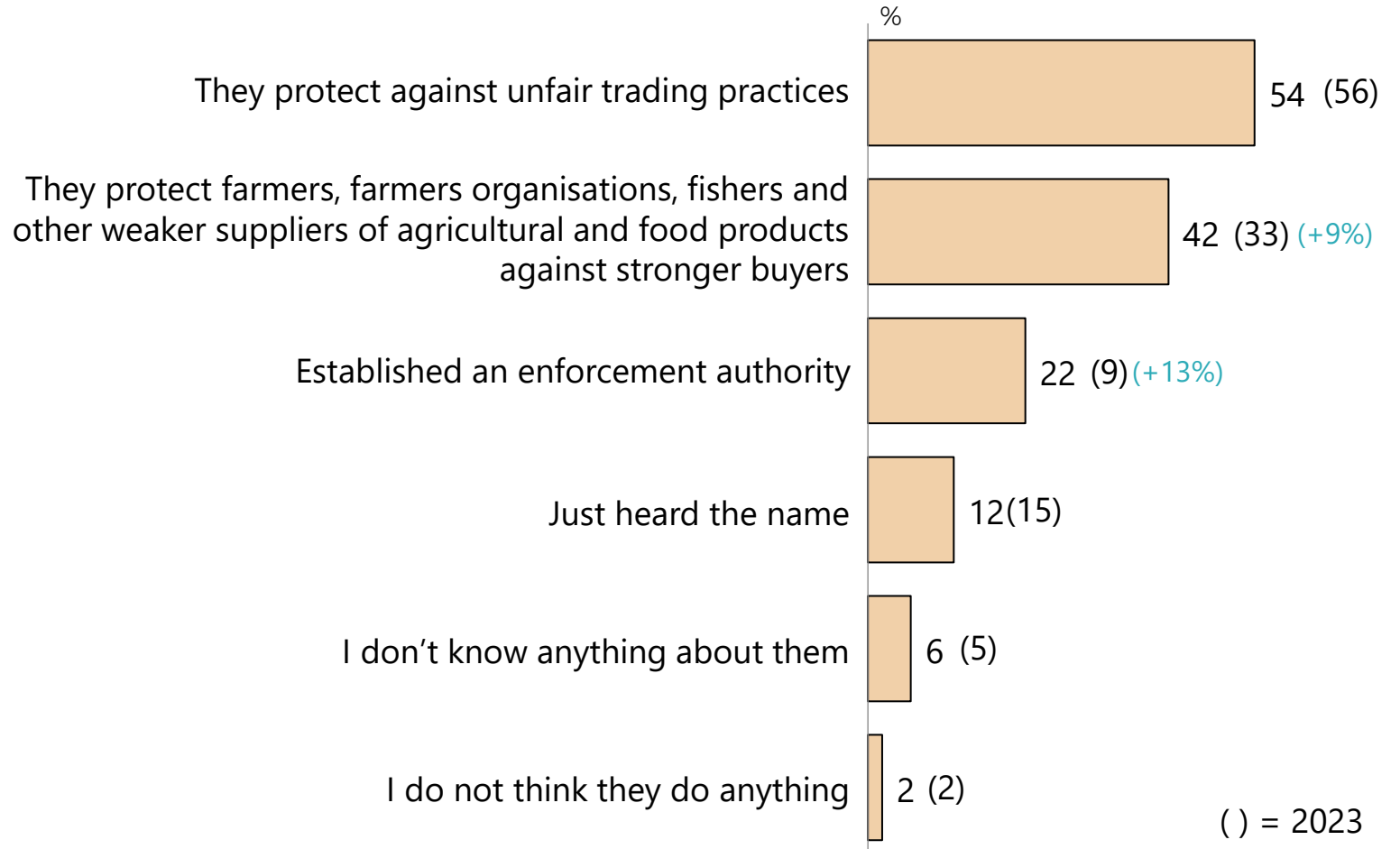
Base: All who heard of the Agri-Food Regulator - 193
Q. 4b/5

Ever visited the Agri-Food Regulator website



New Question 2024

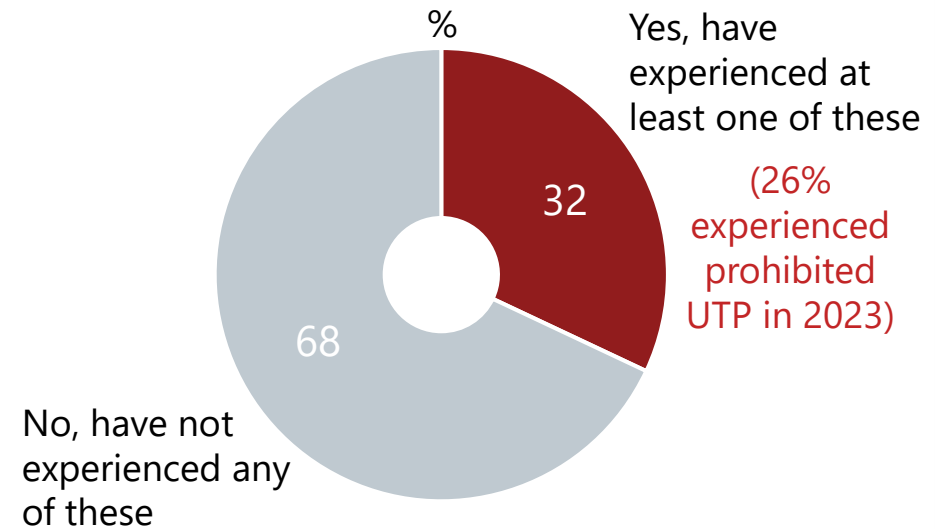
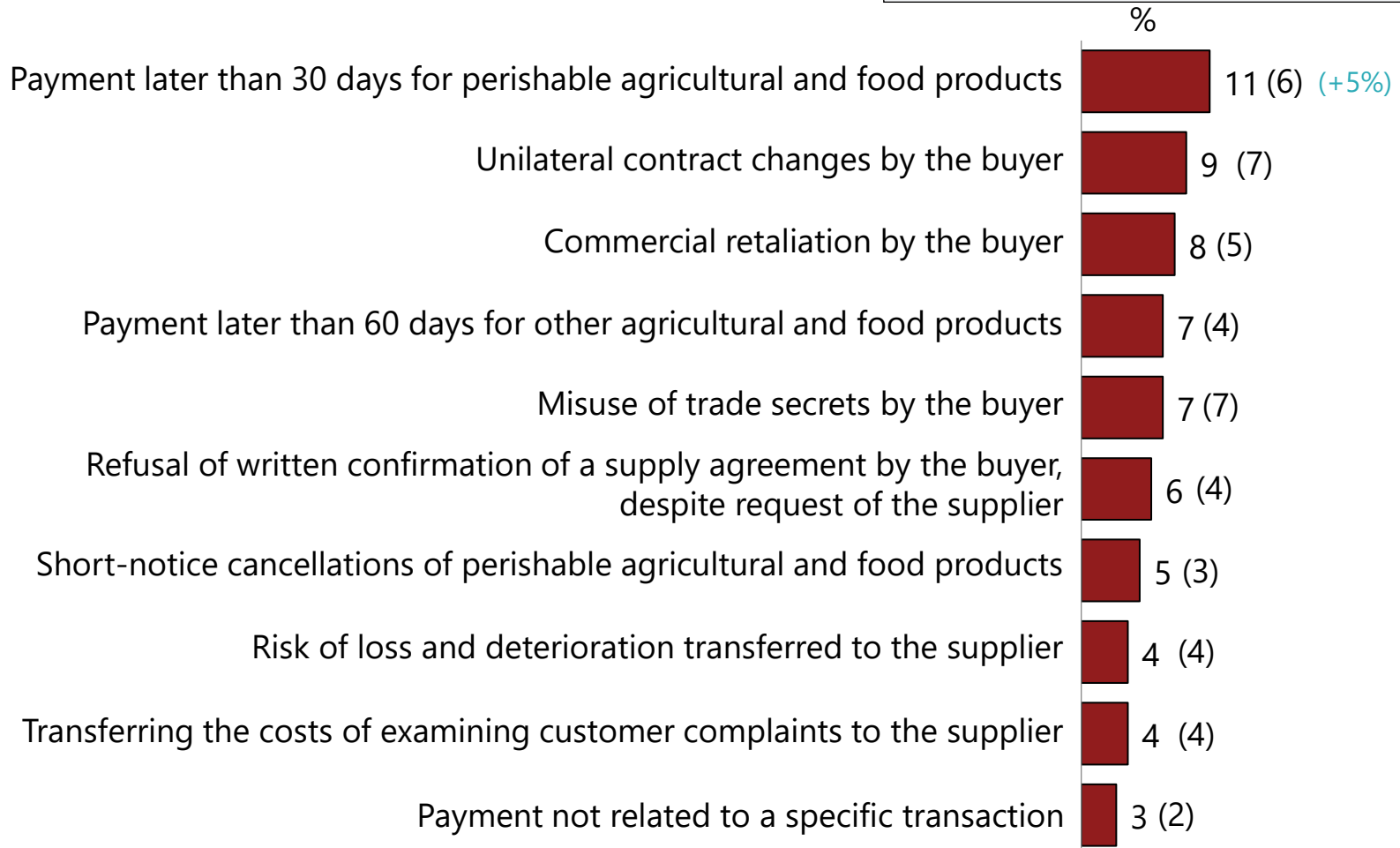
What do you understand by the Unfair Trading Regulations?



Of those who were aware of the Agri-Food Regulator, only 1 in 5 claimed to have visited the website. Generally, there was a strong understanding of the Unfair Trading Regulations amongst primary producers, an improvement versus 2023.

Experience of prohibited Unfair Trading practices

Experienced any prohibited Unfair Trading practice in the past year



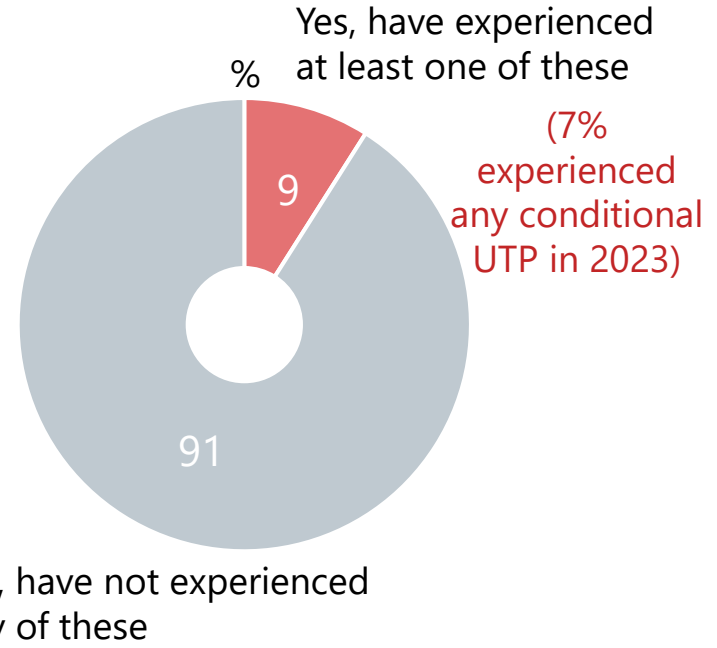
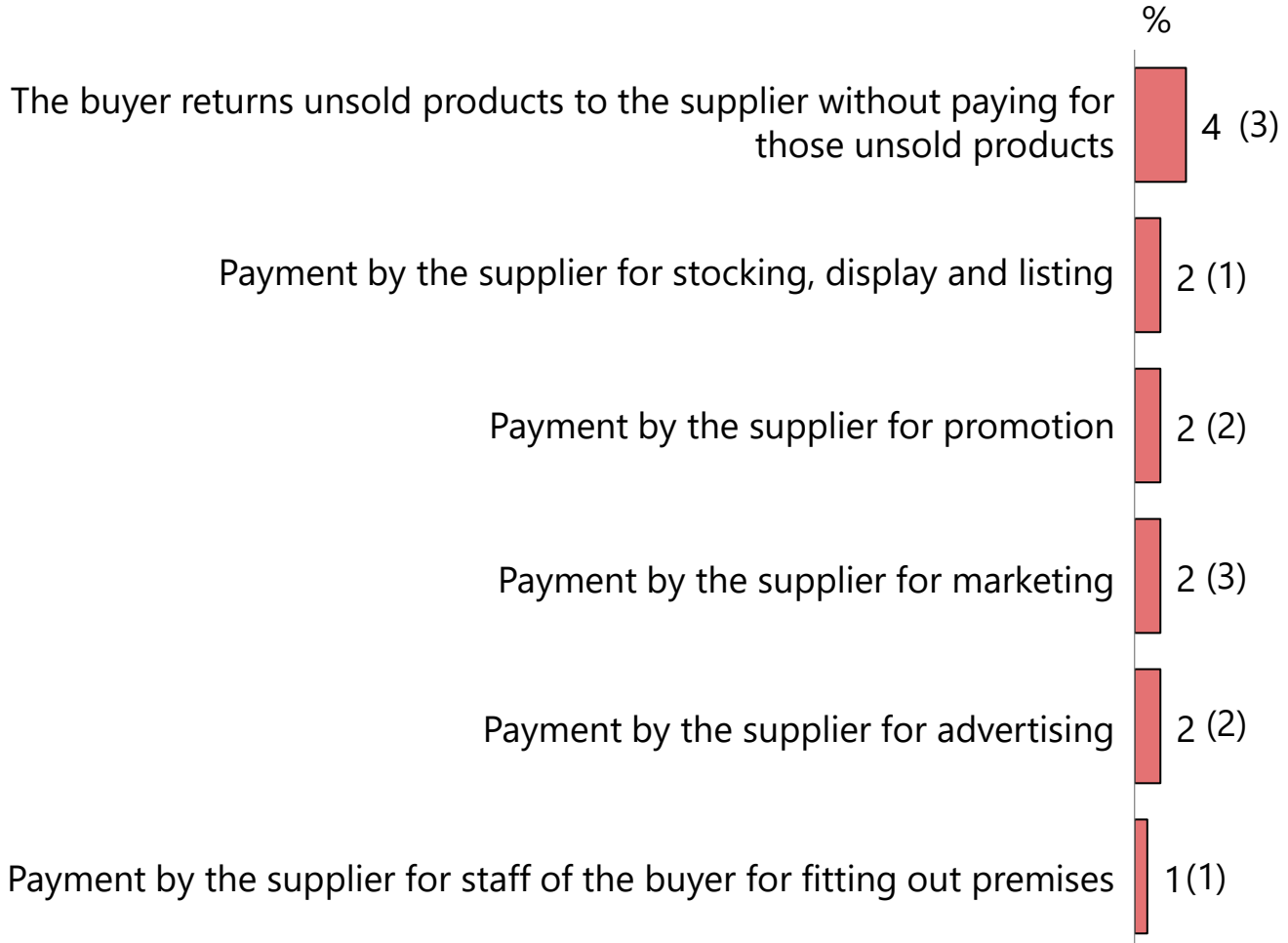
() = 2023

Nearly 1 in 3 primary producers claim to have been subject to a prohibited unfair trading practice in the past year. Over 1 in 10 experienced payment later than 30 days for perishable goods (an increase versus last year).

Experience of conditionally prohibited Unfair Trading practice

Base: Primary Producers – 246
Q. 7

Experienced any conditionally prohibited Unfair Trading Practices in the past year

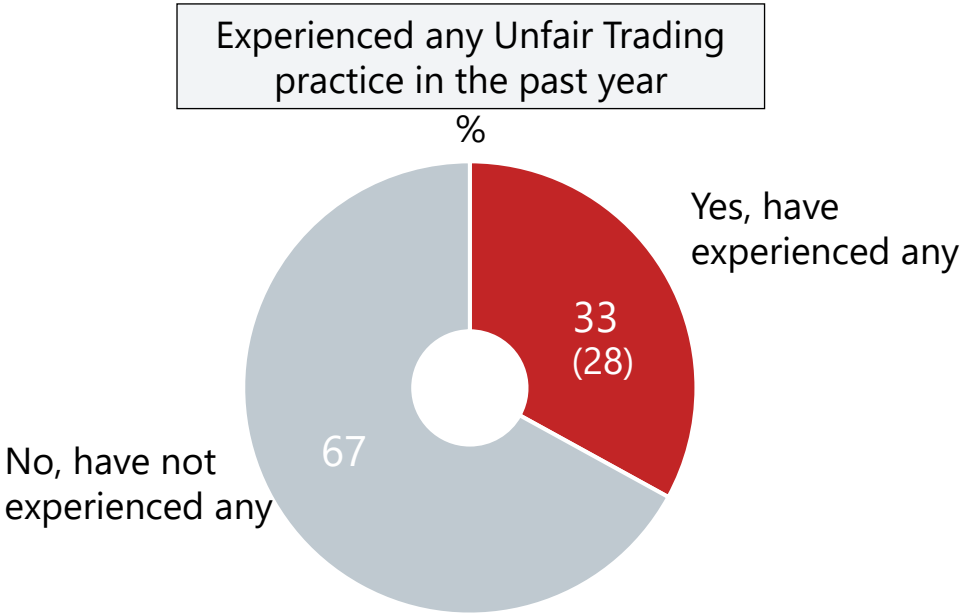


() = 2023

Less than 1 in 10 primary producers claimed to have experienced a conditionally prohibited unfair trading practice.

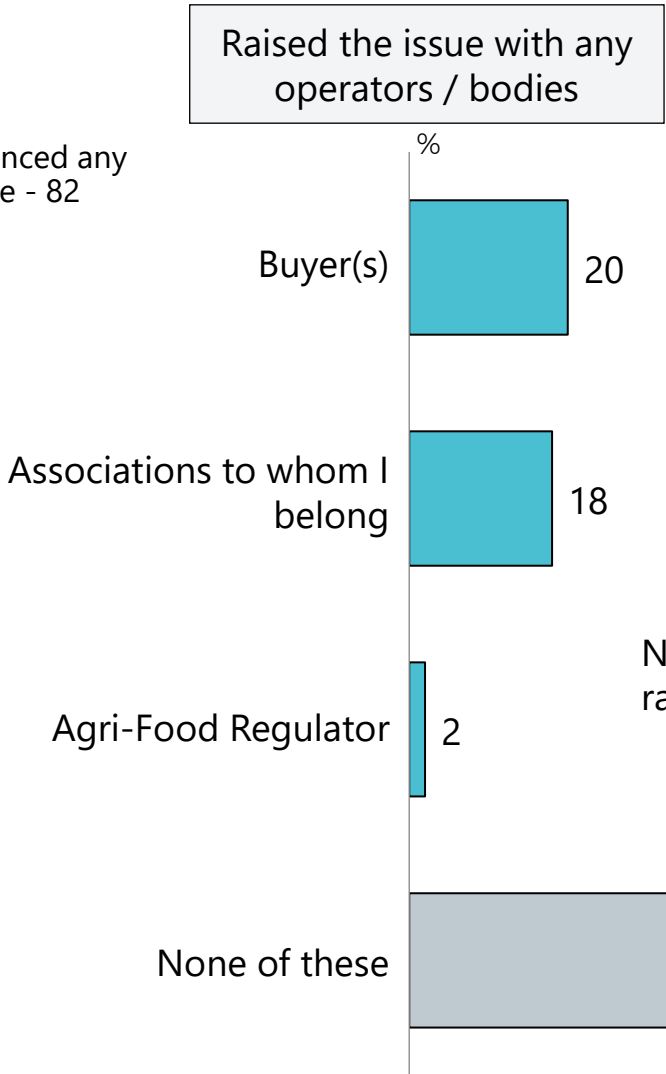
Experience of any Unfair Trading practice & whether raised issue

Base: Primary Producers – 246
Q. 6/7/8

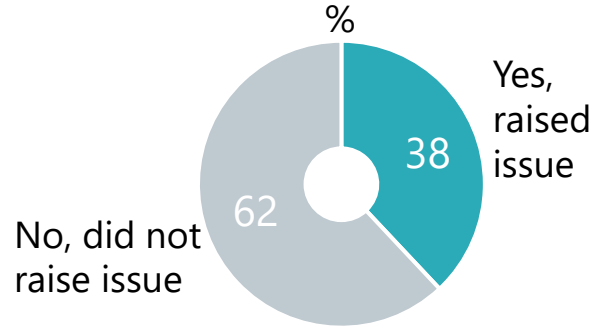


() = 2023

Base: All who experienced any unfair trading practice - 82



List changed in 2024



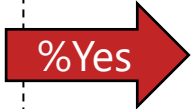
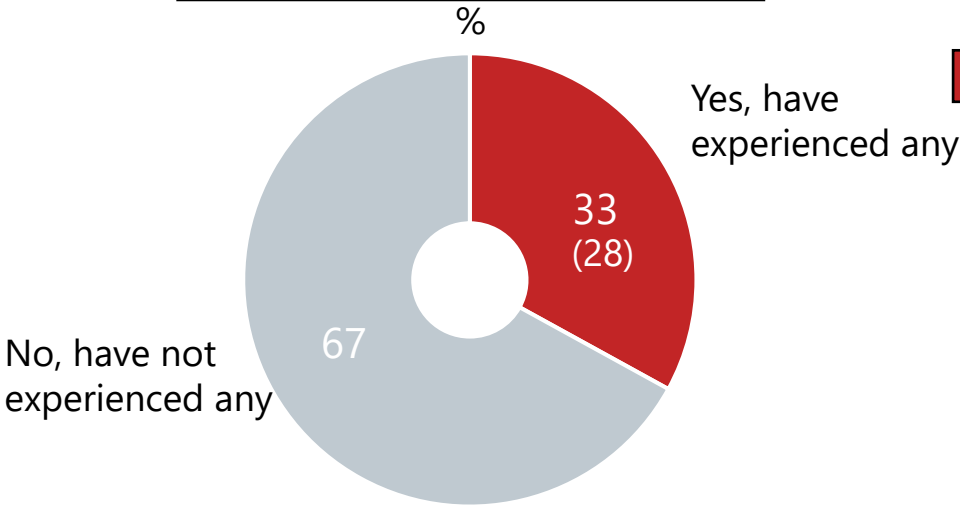
1 in 3 primary producers claim to have experienced any unfair trading practice. Of those, less than 4 in 10 raised the issue with any body.

Experience of & Unfair Trading practice subjected to

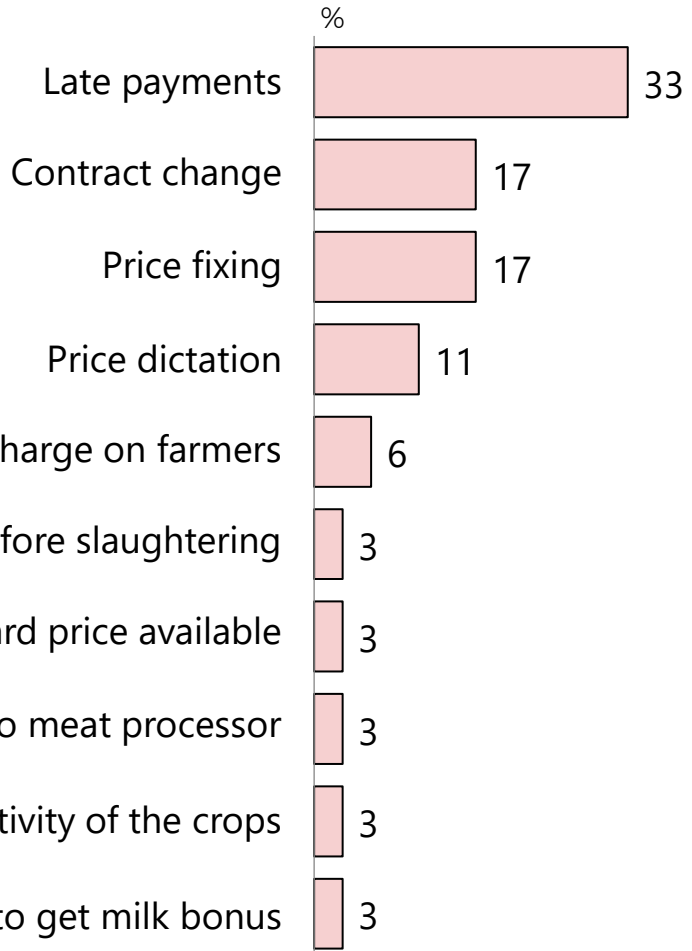
Base: Primary Producers – 246
Q. 6/7/9

What unfair trading practice subjected to?

Experienced any Unfair Trading practice in the past year



Base: All who experienced, in their opinion, an unfair trading practice – 36* [Optional Open-end]
*Caution small base size



No, have not experienced any

Yes, have experienced any

() = 2023

New Question 2024

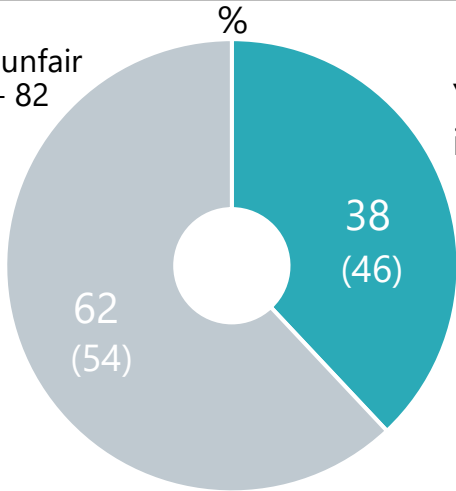
Low incidence of primary producers choosing to describe the unfair trading practice that they were subject to. However, of these 1 in 3 described late payments. Not all of these matters are covered by current UTP rules.

Whether raised issue & its outcome

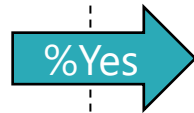
Base: All who experienced any unfair trading practice - 82
Q. 8/10

Base: All who experienced any unfair trading practice - 82

Raised the issue with any operator / body



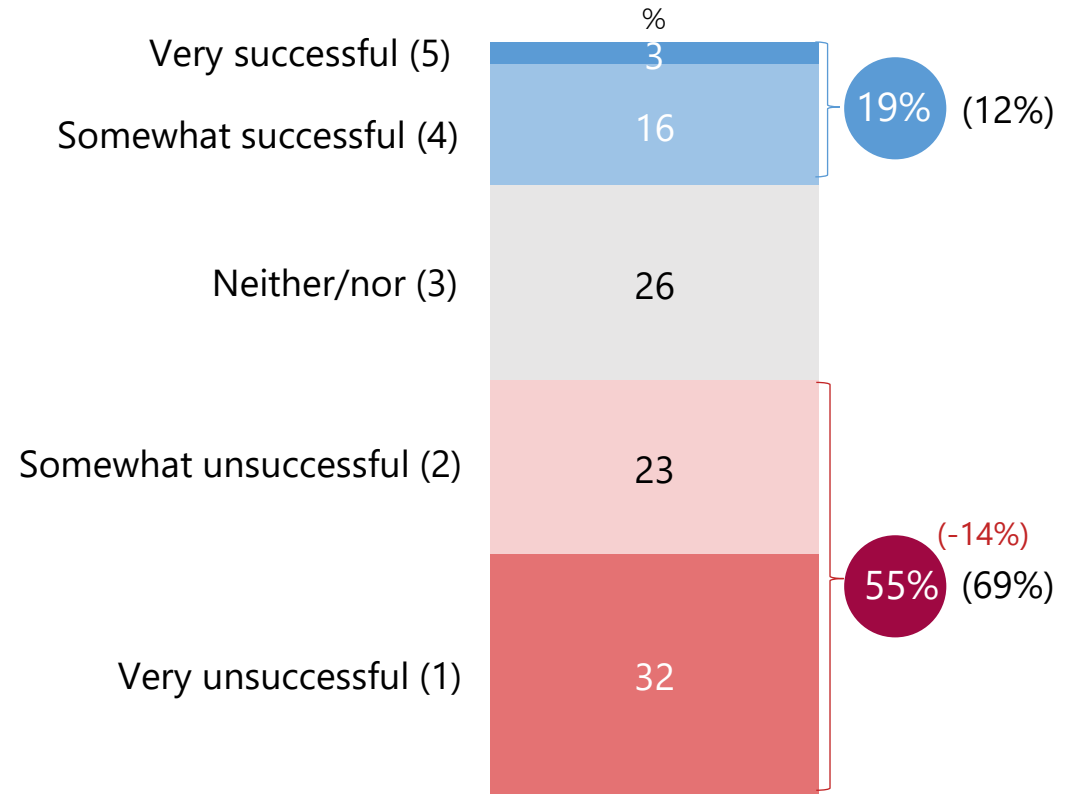
Yes, raised issue



Base: All who raised issue – 31*

*Caution small base size

Outcome of raising issue



19% (12%)

55% (69%) (-14%)

Mean: 2.4

() = 2023

() = 2023

Over half of those that raised the issue with any operator or body claim that the outcome was unsuccessful.

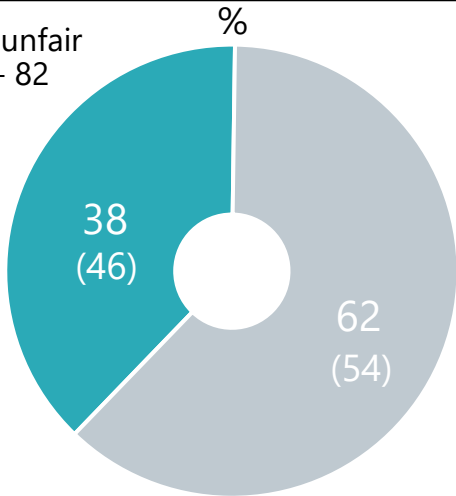
Why issue was not raised with anyone

Base: All who experienced any unfair trading practice - 82
Q. 8/11

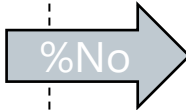
Base: All who experienced any unfair trading practice - 82

Yes, raised issue

Raised the issue with any operator / body

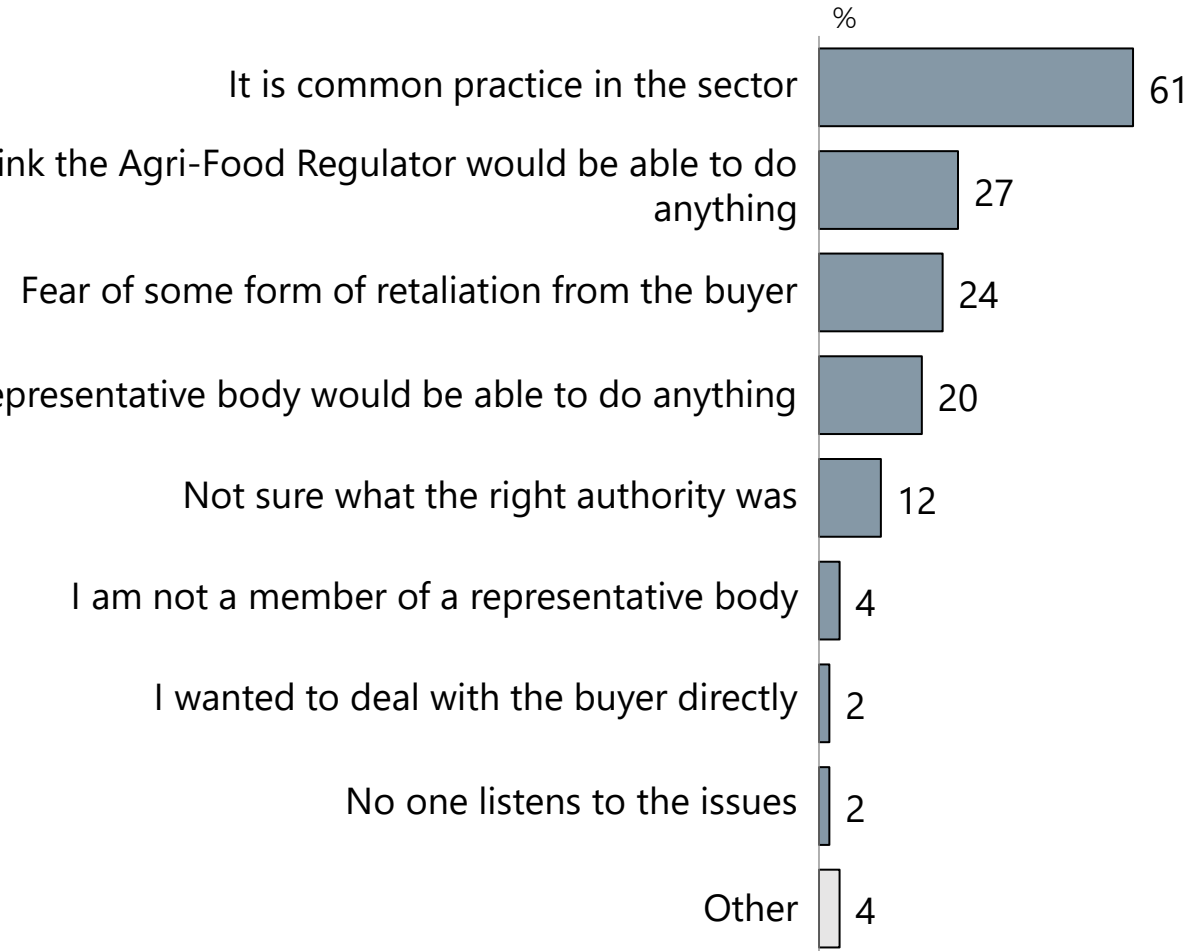


No, did not raise issue



Base: All who did not raise issue – 51

Why issue was not raised with anyone



Did not think my representative body would be able to do anything

Not sure what the right authority was

I am not a member of a representative body

I wanted to deal with the buyer directly

No one listens to the issues

Other

List changed in 2024

() = 2023

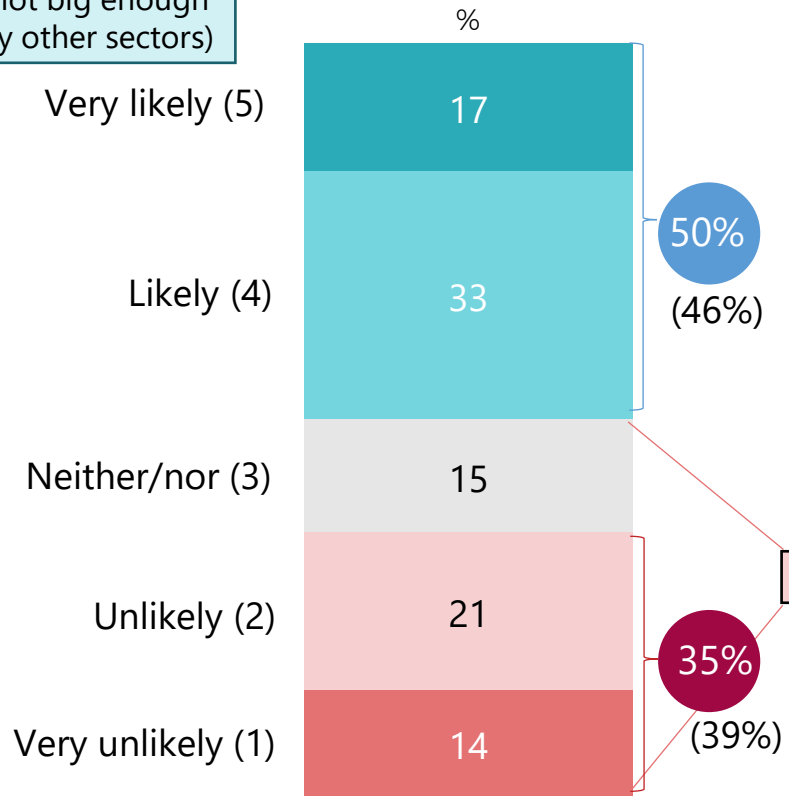
Over 6 in 10 did not raise their issue with anyone as they believe it is common practice in the sector. Around 1 in 4 did not think that the Agri-Food Regulator would be able to do anything to help.

Likelihood of raising issue with Agri-Food Regulator & reasons for not doing so

Base: Primary Producers – 246
Q. 12/13

Dairy – 49% Likely
Beef – 50% Likely
(Base sizes not big enough to analyse by other sectors)

Likelihood of raising an issue in future?

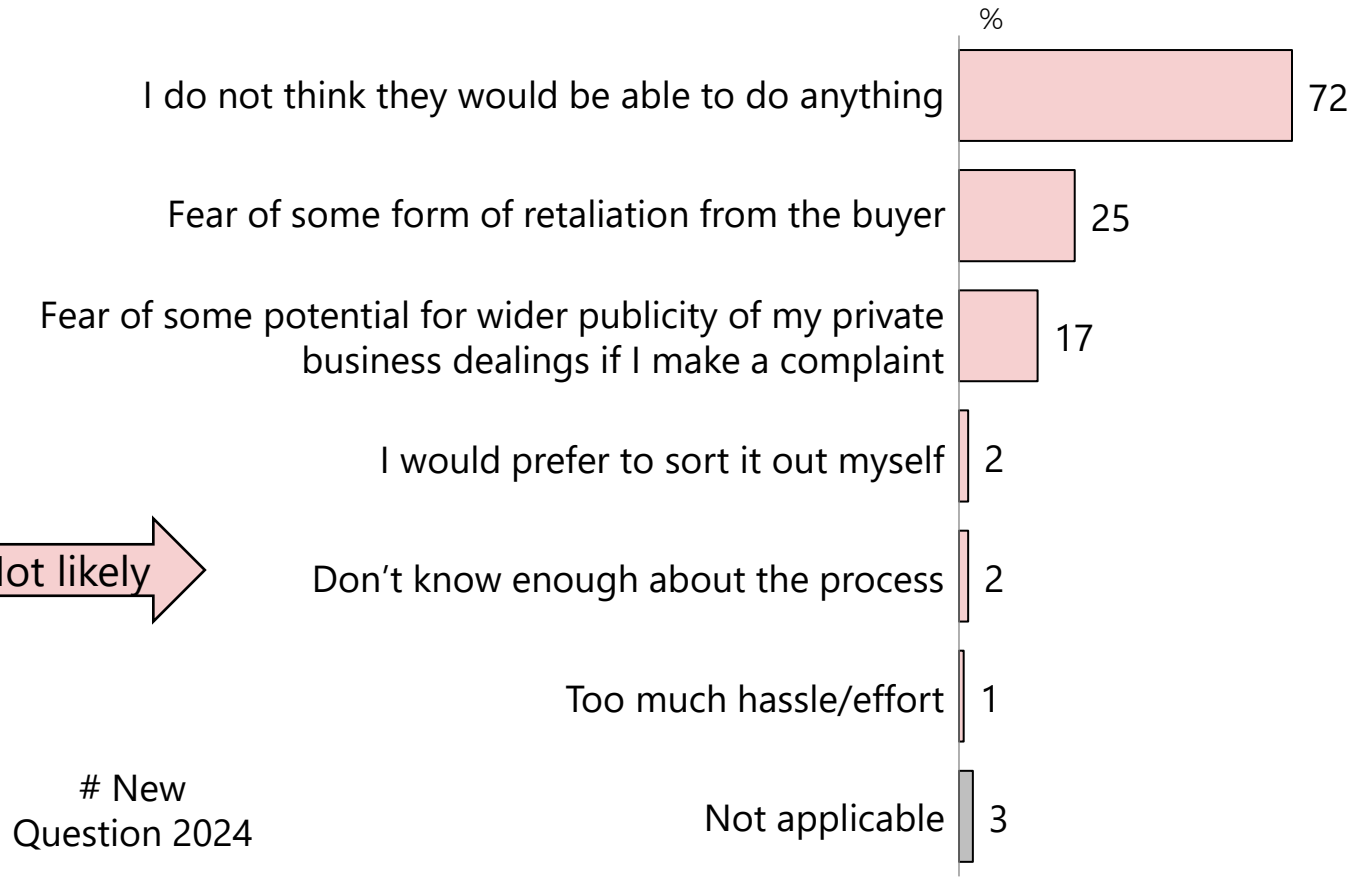


Mean: 3.2

() = 2023

Base: All who would not raise issue or make a complaint to the Agri-Food Regulator – 123

Reasons for not being likely to complain to Agri-Food Regulator in the future



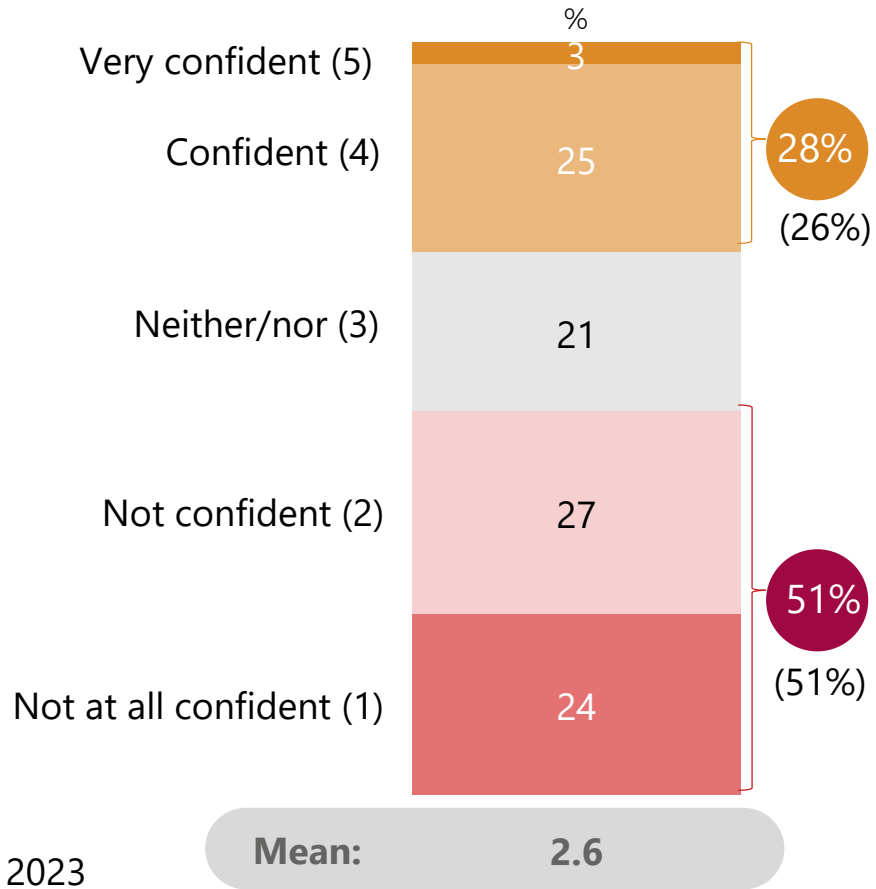
New Question 2024

50% Not likely

Half of all respondents claim to be neutral or unlikely to raise an issue with the Agri Food Regulator in the future. Over 7 in 10 cite that this is because they don't think the Regulator would be able to do anything.

Confidence in protection afforded under Unfair Trading Regulations

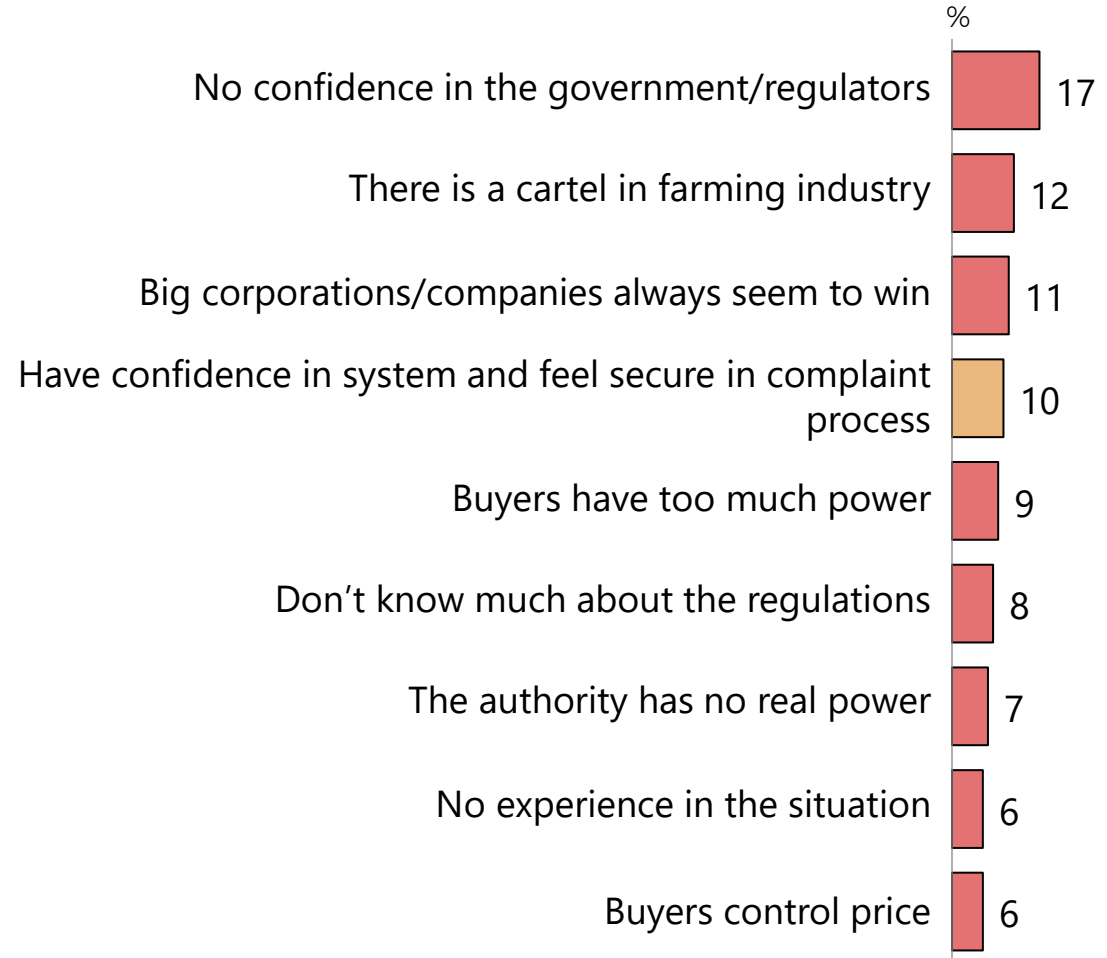
Base: Primary Producers – 246
Q. 14a/b



() = 2023

Base: All Primary Producers – 90
[OPTIONAL]

Reasons being or not being confident in protection against Unfair Trading practices



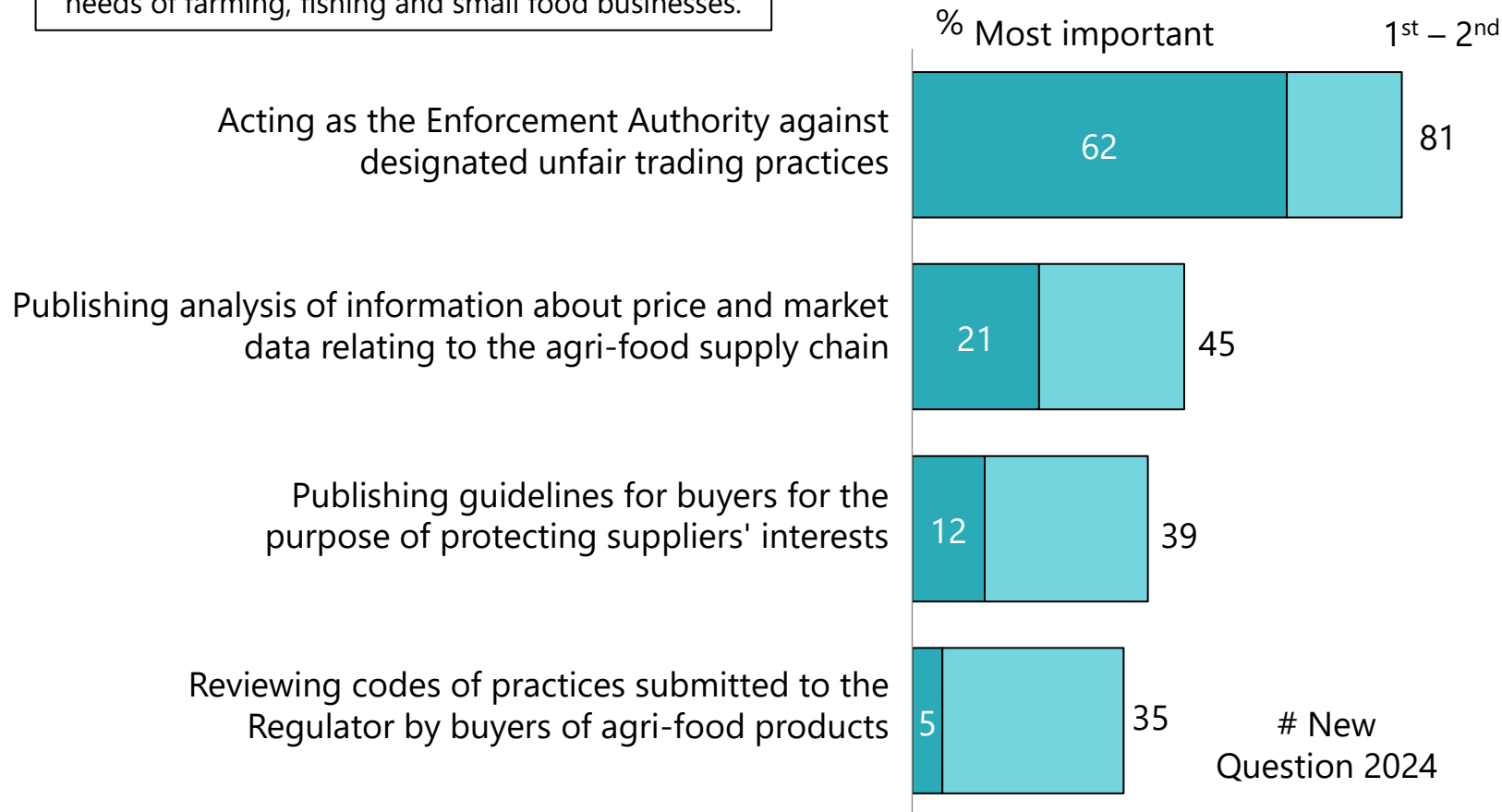
Under 3 in 10 respondents feel confident that the Unfair Trading Regulations offer them protection. Over half are not confident. 1 in 5 claim to have no confidence in the government/regulators.

Most important functions of the Regulator & whether would like to receive updates

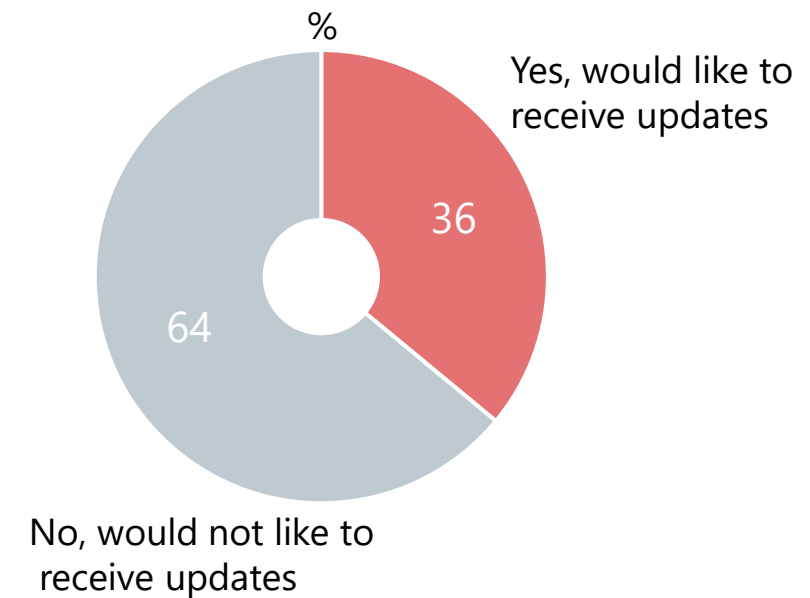
Base: Primary Producers – 246
Q. 15/16

The Agri-Food Regulator's role is to promote fairness and transparency in the agricultural and food supply chain with particular regard to the circumstances and needs of farming, fishing and small food businesses.

Functions Ranked
1st – 2nd



Like to receive updates from Agri-Food Regulator?

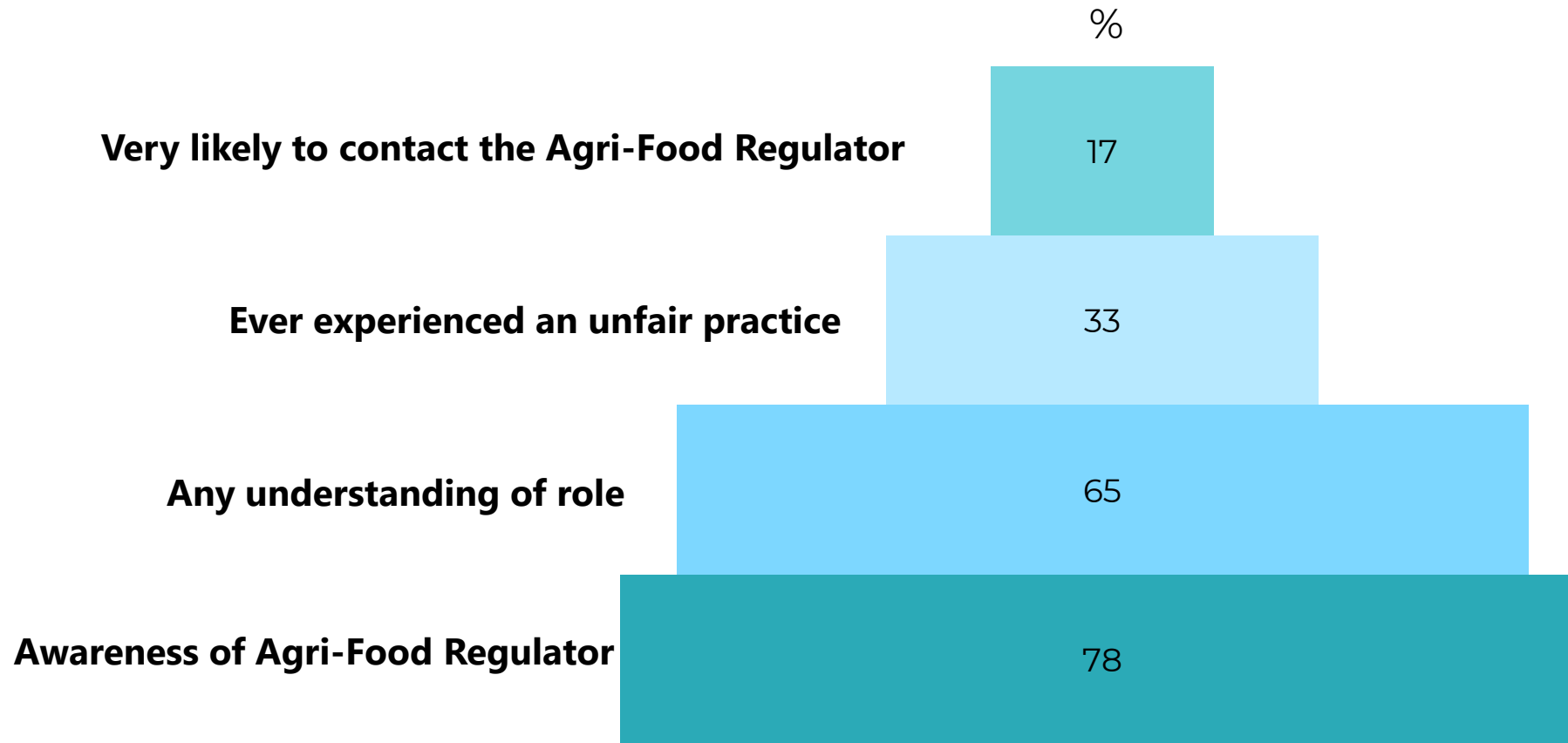


Over 6 in 10 believe that acting as the Enforcement Authority against designated unfair trading practices is the Agri Food Regulator's most important function, followed by publishing analysis of information about price and market data.

Key summary of findings

- 1. High awareness:** Despite its relatively recent conception, 78% of respondents are aware of the Agri-Food Regulator, primarily through farming print media and farming organisations. This is higher than awareness recorded for Unfair Trading Practices in 2023 (+16%). However, only 1 in 5 have visited the Regulator's website.
- 2. Understanding and confidence:** While producers generally report understanding the Unfair Trading (UT) Regulations, fewer than 1 in 3 feel confident these regulations afford them any protection in their relationship with their buyers. Many are skeptical due to perceived power imbalances with buyers and a lack of faith in regulatory authority.
- 3. Incidents of unfair practices:** Approximately 1 in 3 producers reported experiencing unfair trading practices in the past year (+5% versus 2023), such as delayed payments or unilateral contract changes. Among these, only 38% raised the issue, often deterred by the belief that unfair practices are common or by fear of retaliation.
- 4. Important functions of the Regulator:** Over 60% of respondents view enforcement against unfair trading as the Regulator's most crucial function. Producers also value the Regulator's role in publishing market data.
- 5. Reluctance to report issues:** A significant portion of producers remain hesitant to report issues, citing doubts about the Regulator's ability to effect change and concerns over retaliation or public exposure of business matters.

Summary of responses received



Very high awareness & understanding amongst respondents. 1 in 3 have been subject to an unfair trading practice in the past year. However, less than 1 in 5 claim to be very likely to contact the Agri-Food Regulator if they are subject to an unfair trading practice in the future.

In their own words

"Some practices are over 12 months ago. Most shops pay 35 days after end of month."

Primary Producer

"Milk supplied on the first days of any month is not paid until 18th or 19th of the following month thus exceeding 30 days."

Primary Producer

"I have been waiting 60-90 days in some cases to be paid for our product. When working with chefs & not the direct owner they tend to change or cancel cuts of meat."

Primary Producer

"Leading milk price on a like for like basis paid 18th of next month."

Primary Producer

"Co-op changes purchasing terms & conditions on an annual basis and milk is paid for on the 21st of the following month of supply."

Primary Producer

"Contracts, prices and terms are changed applied universally on the supply and purchasing side and there is little competition, so challenge opportunities are limited. This was particularly applied in recent years with fertiliser inflation applied but not subsequently reduced. Government regulations prevented farmers importing fertiliser directly and further exacerbated the lack of completion. Similarly on the supply side prices were reduced to retaliate. We are a small island and there is effectively little competition as a result. We are then required to compete at worse than world prices against other non-EU countries which are supplying goods produced using EU banned products and to lower standards. Countries supplying into the EU must be governed by the same rules and regulations otherwise we are just penalising our farmers and letting down EU customers. Addressing this must be a high priority for the agri food regulator. Also, the carbon footprint and health issues of the processing industry must be looked into."

Primary Producer

Note: Not all of these matters are covered by or may not be breaches of current UTP rules

In their own words

Note: Not all of these matters are covered by current UTP rules

"They will find out who raised the issue and then refuse to take produce going forward. As well, there is too much secrecy in the market (e.g. no published price for pigs by processors) and then farmers are kept in the dark/no transparency." **Primary Producer**

"The larger buyers have the power to set prices and conditions and will use alternative methods to achieve their objective." **Primary Producer**

"I am only a small fish in a big ocean." **Primary Producer**

"Unfortunately, as a producer I am dependent on the buyer and they know it." **Primary Producer**

"Too much red tape and people just get sick of it and give up." **Primary Producer**

"Cartels and price cutting at marts buying cattle...big difference in price being paid to farmers between UK Ireland and EU." **Primary Producer**

"This has been going on in the farmer / meat factory relationship for decades and despite it been agreed as part of the settlement details to the Beef Protest some years ago, nothing has changed." **Primary Producer**

"I'd have to see sanctions imposed before I'd believe it." **Primary Producer**

"As a beef farmer I see no powers that the regulator has to improve my situation. It all boils down to me being able to get my cost of production back I should not have to sell any products below the cost of production. Yes, it would be nice to see who gets what along the food chain, but the regulator doesn't have the power to get this either they can only ask for it. Bord Bia price tracker shows Irish beef price lagging 47c behind on average and €1 behind our UK counterparts while our exports have increased into the UK nothing is being done about this. Also, you have factories using feedlots to control what price they have to give." **Primary Producer**



An Rialálaí Agraibhia
Agri-Food Regulator

Thank You
Go raibh maith agat