



26<sup>th</sup> May 2023

Mr. Patrick Kenny  
Interim Chairperson  
Competition & Consumer Protection Commission  
Bloom House  
Railway Street  
Dublin D01 C576

Dear Patrick,

Thank you for calling in to Kildare Street to meet with me this week. I know that you appreciate the concern that I and this Government have at the issue of grocery costs and its impact on consumers. Prices being charged by the main retailers in Ireland, particularly for staple food items, and whether these prices are excessive is a subject of considerable public interest.

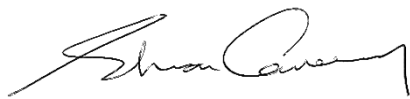
If there is evidence of excessive pricing on the part of retailers, or a failure or breakdown in a functioning, competitive market, this would be a matter of significant concern. As such, in order to better understand the market dynamics and whether an environment currently exists that offers consumers value and choice, I would be grateful for the CCPC's assessment of the grocery retail sector. I would be grateful if your assessment could address the following issues:

1. What is the CCPC's view on the competition in the grocery retail sector?
2. What evidence or analysis has the CCPC seen to support the suggestion that the grocery retail sector is applying excessive prices to Irish consumers?

3. What are the drivers of price increases in grocery retail?
4. Are there any trends to suggest that the sector has modified its pricing practices to exploit the impact of inflation to the detriment of Irish consumers?
5. Drawing on its previous studies, and in light of any more recent available information, could the CCPC comment on the levels of profitability of the sector compared with other sectors in Ireland; and with other grocery sectors in European markets especially similarly sized markets to Ireland? Is there any merit to the allegation that international grocery retailers regard Ireland as a place to make excessive profit compared to other markets they operate in?
6. Is the CCPC lacking any powers inhibiting its access to information in pursuit of its statutory functions?
7. What improvements are being made, or could be made, to improve transparency in the retail sector and its supply chain?
8. Can the CCPC detail any price vigilance or control being deployed by its peer organisations across Europe and whether these interventions have been successful or not ?

As we discussed, I would appreciate if this could be treated as a matter of urgency.

Yours sincerely,



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Simon Coveney T.D.  
Minister for Enterprise, Trade and Employment