

TCC Warns Fruit Dealers Not to Violate Law, one Punished

The Trade Competition Commission (TCC) works on creating fairness and caring of fruit farmers nationwide in advance of the fruit season which sees a large export, and warns fruit dealers not to violate the guideline of unfair trade practices or engage in actions deemed monopoly or reduction of competition, or restricting competition in fruit dealing. Examples are 1. Not stating date and time for fruit collection, 2. Reducing the fruit buying price from the contract price, 3. Engaging in unfair trade practices that damage the other party, and 4. Having agreements with other dealers in fruit buying. If the fruit farmers are treated with unfair practices by the fruit dealers, the fruit farmers may directly file complaints at the TCCT on the website or any other channels.

Mr. Santichai Santhawanpaet, a commissioner and commission spokesperson revealed that during the fruit season many kinds of fruits are being released to the market and thus fruit farmers might be at a disadvantage to the fruit dealers due to inferior bargaining power. Thus, the TCCT emphasized governance of fairness for the fruit farmers, by ensuring the fruit dealers' compliance with the guideline of unfair trade practices, monopolization, or inhibition or restriction of competition, which has been in effect since 8 September 2020.

The announcement specified the list of acts that could be considered unfair trade practices under Article 57 of the Trade Competition Act B.E. 2560:

1. Not stating date and time for fruit collection, using superior bargaining power or unfair trade conditions which prohibit the farmers from selling fruit to other dealers, etc.
2. Reducing the fruit buying price from the contract price without justification, or unfair fruit quality specification, or imposing any other unfair conditions, etc.
3. Postponement of fruit collection or lower collection than the amount specified in the agreement, or partial collection, or any other actions deemed unfair trade practices, etc.
4. Having agreements with other dealers in fruit buying to monopolize or reduce competition, for example having agreement to set buying price or limit product quantity, or divide up territories, etc.

Mr. Santichai added that the problem of fruit farmers being treated unfairly is common every year. The TCC has been aware of the fruit farmers' hardship in such an issue, and has ordered the Office of Trade Competition Commission (TCCT) to govern the situation according to the trade competition laws and penalize the violators. In the past, fruit farmers in the Eastern Region filed 10 complaints about unfair treatment from the fruit dealers. Upon examination, one was deemed an unfair trade practice under Article 57 and an administrative penalty of 10% of annual income in the year of violation was already applied, while the other eight cases were pending investigation by the investigation subcommittee. It was expected that the resolution would be reached and submitted to the TCC soon. The remaining one case was dismissed as the action did not constitute unfair trade practice. Due to the high penalty, the TCCT would like to warn the fruit dealers to be more careful, not to engage in any actions deemed unfair trade practices specified by the guideline of unfair trade practices, monopolization, or inhibition or restriction of competition in fruit dealing. If fruit farmers are treated unfairly by the fruit dealers, they may file complaint directly at the TCCT, or the website www.TCCT.or.th, or call 02-199-5444 or e-mail info@TCCT.or.th