

Authorities for consumer rights and competition in Latvia call entrepreneurs to act in good faith during the emergency situation

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News

[The Consumer Rights Protection Centre of Latvia](#) (the CRPC) and the Competition Council of Latvia (the CC) call entrepreneurs to act in good faith during the emergency situation announced in Latvia due to the COVID-19 outbreak. Entrepreneurs must refrain from using this situation for application of excessive prices or committing infringements of the competition law, for example, conclusion of prohibited agreements.

The CRPC follows the conduct of merchants, assessing, whether the price changes are proportionate, to what extent prices correspond to the market demand/offer conditions, and whether the conduct of merchants is not aimed at using of the emergency situation in bad faith. If necessary, the CRPC contacts merchants promptly, clarifying the particular situation and calling not to use the existing situation in bad faith.

Whereas the CC in relation to the sudden increase of prices for certain goods observed in retail reminds that both under daily or emergency circumstances it is inadmissible that entrepreneurs among themselves or suppliers with traders agree on the price, for which goods have to be sold to consumers. Situations, when companies agree with competitors or suppliers on an artificial price level, which results in consumers having to overpay, are particularly severe infringements of the competition law. Such breaches are addressed by the CC, applying full severity of the Competition Law.

Baiba Vitoliņa, the Director of the CRPC: "I call consumers to critically assess offers of goods and services before deciding to purchase them, and to refrain from purchase of goods that are not necessary, because by making such purchases, due to increase of demand, increase of price of certain goods can form, which can be avoided. The Consumer Rights Protection Centre also follows the information on the prices and availability of goods of prime necessity."

Skaidrīte Ābrama, the Chairwoman of the CC: "Sector inquiries previously carried out by the CC show that capacities of Latvian food manufacturers and processors are not even close to be exhausted. Therefore, there is no need for concern that retailers may run short of food products and other goods. However, what is extremely important at this moment: the principles of fair competition are not cancelled during the emergency situation, and for any entrepreneur – from manufacturer to retailer – it is vital to observe these principles."

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