

## 395/2009 Coll.

### ACT

of 9 September 2009

#### on Significant Market Power and Unfair Trading Practices in the Sale of Agricultural and Food Products

Amendment: [50/2016 Coll.](#)

Amendment: [104/2017 Coll.](#), [183/2017 Coll.](#)

Amendment: [254/2020 Coll.](#)

Amendment: [261/2021 Coll.](#), [417/2021 Coll.](#)

Amendment: [359/2022 Coll.](#)

Parliament has enacted the following Act of the Czech Republic:

Heading deleted

Article 1 [\[DZ\]](#)

#### Introductory Provisions

(1) This Act transposes the relevant European Union legislation<sup>1)</sup> and regulates

- a) the method of assessment and prevention of unfair trading practices by a buyer with significant market power in the agricultural and food chain,
- b) the particulars and form of the contract between the buyer with significant market power and the supplier,
- c) supervision of compliance with this Act.

(2) Unfair trading practices are assessed under this Act, irrespective of where they were applied and irrespective of law applicable to the contract between the buyer with significant market power and the supplier, if their effects occurred or may occur within the territory of the Czech Republic.

Article 2 [\[DZ\]](#)

#### Definition of Certain Terms

For the purposes of this Act

- a) Supplier shall mean entity or suppliers' alliance that produces or sells agricultural or food products or receives or provides services associated with sale of agricultural or food products (hereinafter referred to as "associated services"); a supplier is also an entity who provides sale, production or associated services for another supplier on the basis of a contract,
- b) Buyer shall mean entity or buyers' alliance that purchases agricultural or food products or receives or provides associated services, or an entity who provides such purchase or associated services for another buyer on the basis of a contract; a buyer is also the state, a regional or local authority, other legal entity governed by public law or association thereof,
- c) Suppliers' alliance shall mean a group of entities established under a contract, another legal act or another legal fact, engaging in cooperation between the suppliers in relation to the production or sale of agricultural or food products or receipt or provision of associated services, or a group of entities established for the purposes of such cooperation, regardless of whether this group is or is not a legal entity,
- d) Buyers' alliance shall mean a group of entities established under a contract, another legal act or another legal fact, engaging in cooperation between the buyers in relation to the purchase of agricultural or food products or receipt or provision of associated services, or a group of entities established for the purposes of such cooperation, regardless of whether this group is or is not a legal entity,
- e) Agricultural and food products shall mean products listed in Annex I to the TFEU as well as products not listed in that Annex, but processed for use as food using products listed in that Annex;
- f) Perishable agricultural and food products shall mean agricultural or food products that by their nature or at their stage of processing are liable to become unfit for sale within 30 days after harvest, production or processing.

Heading deleted

Article 3 [\[DZ\]](#)

#### Significant Market Power

(1) Significant market power is held by

- a) buyers which have an annual turnover of more than EUR 2,000,000 to suppliers which have an annual turnover not

exceeding EUR 2,000,000;

b) buyers which have an annual turnover of more than EUR 10,000,000 to suppliers which have an annual turnover of more than EUR 2,000,000 and not exceeding EUR 10,000,000;

c) buyers which have an annual turnover of more than EUR 50,000,000 to suppliers which have an annual turnover of more than EUR 10,000,000 and not exceeding EUR 50,000,000;

d) buyers which have an annual turnover of more than EUR 150,000,000 to suppliers which have an annual turnover of more than EUR 50,000,000 and not exceeding EUR 150,000,000;

e) buyers which have an annual turnover of more than EUR 350,000,000 to suppliers which have an annual turnover of more than EUR 150,000,000 and not exceeding EUR 350,000,000; or

f) a buyer, which is the state, a regional or local authority, other legal entity governed by public law or association thereof, to supplier which has an annual turnover not exceeding EUR 350,000,000.

(2) Significant market power is also held by

a) a buyer whose annual turnover in the Czech Republic exceeded CZK 5 billion,

b) a buyer, who is a controlled entity, whose annual turnover in the Czech Republic did not exceed CZK 5 billion, if his turnover together with the turnover of the controlling entity exceeded CZK 5 billion, or

c) a buyers' alliance whose members' total turnover in the Czech Republic exceeded CZK 5 billion.

#### Article 3a

##### Annual Turnover

(1) The annual turnover pursuant to [Article 3](#) is the annual turnover for the last closed accounting period of 12 months.

(2) When calculating the annual turnover of a buyer or supplier, the annual turnover of the enterprise, autonomous enterprise, partner enterprise and linked enterprise shall be taken into account pursuant to the Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises.

(3) For the purpose of determining the method of calculating the annual turnover pursuant to paragraph 1

a) Enterprise shall mean any entity engaged in economic activity, irrespective of its legal form,

b) Autonomous enterprise shall mean any enterprise which is not classified as a partner enterprise pursuant to letter c) or as a linked enterprise pursuant to letter d),

c) Partner enterprises shall mean all enterprises which are not classified as linked enterprises pursuant to letter d) and between which there is the following relationship: an upstream enterprise holding, either solely or jointly with one or more linked enterprises, a share or shares representing an interest of at least 25% in the share capital of a downstream enterprise or carrying at least 25% of the voting rights in a downstream enterprise; an enterprise may be ranked as autonomous even if this 25% threshold is reached or exceeded by the investors, provided that those investors are not linked, either individually or jointly, to the enterprise in question pursuant to letter d),

d) Linked enterprises shall mean enterprises which have any of the following relationships with each other:

1. the enterprise is a shareholder in or member of another enterprise and a majority of the voting rights are attached to its share or shares in that other enterprise,
2. an enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise,
3. an enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association, or
4. an enterprise, which is a shareholder in or member of another enterprise, exercises control solely, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise; there is a presumption that no dominant influence exists if the investors are not involving themselves directly or indirectly in the management of the enterprise in question, without prejudice to their rights as shareholders or members; enterprises having relationships established through one or more other enterprises, or through any one of the investors pursuant to letter e), are also considered to be linked; enterprises which have one or other of such relationships through a natural person or group of natural persons acting jointly are also considered linked enterprises if they engage in their activity or in part of their activity in the same relevant market or in adjacent markets directly upstream or downstream of the relevant market,

e) Investor shall mean

1. public investment corporation, venture capital company, individual or group of individuals with a regular venture capital investment activity who invest equity capital in unquoted businesses, provided their total investment in the same enterprise is less than EUR 1,250,000;
2. university or non-profit research centre;
3. institutional investor, including regional development funds, or
4. municipality with an annual budget of less than EUR 10 million and fewer than 5,000 inhabitants.

(4) The annual turnover of suppliers' or buyers' alliance shall mean the sum of the annual turnovers of all members of the alliance.

(5) The annual turnover shall be determined as the sum of the sales which the enterprise has made during the accounting period of 12 months from the sale of products and the provision of services and from the sale of goods (hereinafter referred to as "sales"). The annual turnover shall not include value added tax.

(6) For determining the annual turnover of an enterprise in an accounting period which haven't been closed yet, the annual turnover for the last closed accounting period of 12 months immediately preceding the closed accounting period shall be used.

(7) In the case of newly established enterprises with an accounting period of 12 months which haven't been closed yet, the figures used for the calculation shall be derived from good faith estimates made in relation to the results of operations in the accounting period not yet closed.

(8) In the case of foreign enterprises, the annual turnover shall be determined from the closing financial statements or similar financial reports prepared by the enterprises under foreign law. The data used for the calculation shall be those which best correspond to the calculation pursuant to paragraph 5. If such data are not available, the annual turnover may be determined by other appropriate means, including an estimate.

(9) The annual turnover of an autonomous enterprise shall be determined solely on the basis of the sales of that enterprise.

(10) The annual turnover of the partner or linked enterprises shall be determined on the basis of the closing financial statements and other data of all the partner or linked enterprises or on the basis of the consolidated financial statements, if any.

(11) In the case of partner enterprises, the annual turnover of the enterprise shall be increased by the annual turnover of each partner enterprise in the proportion corresponding to the percentage of the share capital or voting rights, whichever is higher. In the case of mutual ownership, the higher percentage shall be decisive.

(12) In the case of linked enterprises, the annual turnover of the enterprise shall be increased by 100% of the annual turnover of each of the enterprises which are directly or indirectly linked to the enterprise in question.

(13) For the purposes of currency conversion, the foreign exchange market rate announced by the Czech National Bank valid on the last day of the accounting period to which the annual turnover relates shall be used.

(14) When negotiating a contract pursuant to [Article 3b](#), the buyer and the supplier shall, at the request of the other party, provide each other with information on the amount of their annual turnover. The state, a regional or local authority, other legal entity governed by public law or an association thereof shall not provide the information pursuant to the first sentence.

#### Article 3b

##### **Form and Particulars of a Contract**

(1) A contract between a buyer with significant market power and a supplier for the purchase, sale, processing or distribution of agricultural or food products or for the receipt or provision of associated services, or for the provision of any of these activities, shall be in writing, shall be concluded before the supply or processing of agricultural or food products or the receipt or provision of associated services begins and shall also include

a) the price, the amount of the price discount or the method of determining it, if any, the method of payment of the price and the due date for payment of the price, which may not be longer than 30 days from the date of delivery of the invoice; [Article 1964 of the Civil Code](#) shall apply by analogy,

b) in the case of a purchase, the subject of the purchase and the determination of its quantity over a specified period or the determination of the quantity of individual deliveries of the subject of the purchase,

c) specification of the associated service, if agreed, which is received or provided, as to its subject matter and scope, including the price for that service or how it is determined, the method of payment, the period of payment, and an estimate of the cost, and the basis on which the buyer with significant market power made such an estimate; and

d) specification of the purchase action, if agreed, the estimated quantity of agricultural or food products to be covered by the purchase action, including the purchase price for those products, and the duration of the purchase action.

(2) A buyer with significant market power shall hand over at least one copy of the contract to the supplier immediately after conclusion of the contract.

(3) A buyer with significant market power and a supplier may agree on a price maturity longer than that referred to in paragraph 1(a) provided

a) they have agreed on a value-sharing provision pursuant to [Article 172a](#) of Regulation (EU) No [1308/2013](#),

b) it is a payment made to a supplier as part of a school scheme pursuant to [Article 23](#) Regulation (EU) No [1308/2013](#),

c) the payment is made by a legal entity governed by public law providing health services, or

d) the payment is made on the basis of a supply contract between a supplier of grapes or partially fermented grape juice for the production of wine and a direct buyer with significant market power where

1. the specific payment terms relating to sales are contained in model contracts made binding by the Member State pursuant to

[Article 164](#) of Regulation (EU) No [1308/2013](#) before 1 January 2019, if the validity of this extension of the model contracts is renewed by the Member States as from that date without any significant change in the payment terms to the detriment of suppliers of grapes or partially fermented grape must, and

2. contracts between suppliers of grapes or partially fermented grape juice for the production of wine and their direct buyers with significant market power are concluded for a period of more than one year or last for more than one year.

Article 4 [\[DZ\]](#)

### Unfair Trading Practices

(1) Unfair trading practices between a buyer with significant market power and a supplier shall be prohibited.

(2) An unfair trade practice of a buyer with significant market power shall mean

a) negotiation or application of contractual terms that result in a significant imbalance in the rights and obligations of the contracting parties to the disadvantage of the supplier,

b) claiming or receiving of a payment, discount or other consideration of which the amount, subject matter and extent of the consideration to be given for the payment, discount or other consideration have not been agreed in writing before the supply or processing of the agricultural or food products or the provision of the associated services to which the payment, discount or other consideration relates has commenced or adequate consideration has not been given for the payment, discount or other consideration,

c) unequal treatment of a supplier consisting in negotiating or applying different contractual conditions for the purchase or sale of agricultural or food products or for the provision of associated services for comparable performance, without fair reason,

d) unilateral change in the contractual terms and conditions for the purchase or sale of agricultural or food products that concern the frequency, method, place, timing or volume of the supply, the quality standards, the terms of payment or the prices, as well as the provisions enabling such change,

e) tying consent to the conclusion of a contract for the purchase or sale of agricultural or food products or the provision of associated services to the condition of the purchase of further supplies,

f) non-compliance with the written form of the contract or failure to negotiate a mandatory element of the contract pursuant to [Article 3b\(1\)](#) or [\(3\)](#) or failure to forward a copy of the contract to the supplier pursuant to [Article 3b\(2\)](#),

g) request for payment or other consideration which is unrelated to the purchase or sale of agricultural or food products or the provision of associated services, or which is disproportionate to the value of the services provided,

h) threat or application of retaliatory measures when the supplier of a buyer with significant market power exercises its contractual or legal rights,

i) unlawful acquisition, use or disclosure of a supplier's business secret by a buyer with significant market power,

j) negotiation or application of a price condition which results in the tax receipt for the payment of the price for the purchase or sale of agricultural or food products or the provision of associated services not containing the final price after any negotiated discounts on that price, except for pre-agreed quantity discounts,

k) negotiating or applying a time limit for payment of the purchase price for the purchase or sale of agricultural or food products longer than the time limit referred to in [Article 3b\(1\)\(a\)](#),

l) negotiating or claiming compensation for a sanction imposed by a supervisory authority on a buyer with significant market power without the supplier having caused the sanction to be imposed by breaching its obligation,

m) conducting an audit or other form of control of the supplier by the buyer with significant market power or a person authorised by the buyer, including requiring analyses of agricultural or food products at the supplier's expense,

n) negotiation or application of payment or other consideration for deterioration in the quality or loss of agricultural or food products not caused by a breach of the supplier's obligation, after a buyer with significant market power has taken over the agricultural or food product or has transferred ownership of the agricultural or food product,

o) cancellation of an order of perishable agricultural or food products less than 30 days before the date of delivery,

p) arranging or claiming compensation for the costs dealing with consumer's complaint about agricultural or food products without the supplier being at fault,

q) negotiating or implementing a right to the return of purchased agricultural or food products without the buyer with significant market power paying for the unsold agricultural or food products or for their disposal,

r) the negotiation or application of payment or other considerations for putting agricultural or food products on sale, including the negotiation or application of payment or other considerations for storing agricultural or food products, putting them on the market or delivering them to the market,

s) the negotiation or application of payment or other consideration for the construction or technological modification of premises for the sale of agricultural or food products,

t) the false indication of the country or place of origin of agricultural or food products or the false indication of the country or place of origin of one or more ingredients of an agricultural or food products which represent more than 50% of that ingredient or product,

u) a requirement that the supplier pay all or part of the cost of discounts on agricultural or food products sold by the buyer as part of the buyer's promotional event, unless the buyer specifies the time period and the anticipated quantity of products to be ordered at a discount prior to the promotional event; or

v) conditioning of deliveries on the use of third-party services, the terms and price of which are set by the buyer.

(3) Should the terms and conditions of the supply or provision of agricultural or food products or associated services not have been agreed in writing prior to the commencement of the supply or provision of such products or services, the following shall also be considered an unfair trade practice by a buyer with significant market power

a) the negotiation or application of a payment or other consideration for full or partial reimbursement of the cost of a discount on agricultural or food products sold by the buyer as part of a promotion,

b) the negotiation or application of payment or other consideration for advertising of agricultural or food products by the buyer; or

c) arranging or claiming payment or other consideration for workers arranging premises for the sale of agricultural or food products.

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Article 5 [DZ](#)

#### **Supervision of Compliance with the Act**

(1) Supervision of compliance with the Act shall be carried out by the Office for the Protection of Competition (hereinafter referred to as the "Office").

(2) The Office shall issue an annual report on its activities under this Act and publish it in an appropriate manner. The annual report shall include in particular the number of complaints received, the number of administrative proceedings initiated and the number of administrative proceedings closed, including a description of the case and the outcome of the proceedings. The Office shall send the annual report to the European Commission by 15 March annually.

Article 5a

#### **Sector Inquiry**

(1) In cases where the market situation indicates the use of unfair trading practices, the Office shall conduct an inquiry focused on market situation and relations between buyers and suppliers (hereinafter referred to as "sector inquiries") and it shall issue reports on the outcome of the inquiry, which shall contain in particular recommendations on best practices.

(2) When conducting sector inquiry, the Office shall proceed appropriately pursuant to [Articles 21c, 21e, 21f and 21g of the Act on the Protection of Competition](#). The Office may initiate proceedings ex officio on the basis of the facts gathered within the sector inquiry.

Article 6 [DZ](#)

(1) If the Office discovers in the course of ex-officio proceedings that this Act has been infringed, it shall state this fact in a decision and prohibit such behaviour in the future.

(2) The Office publishes its final decisions issued pursuant to this Act on its website.

(3) Instead of a decision pursuant to paragraph (1) the Office may decide to terminate the proceedings provided that the party to the proceedings proposed commitments to the Office, the fulfilment of which results in the elimination of the harmful situation, and provided that the Office didn't consider the infringement of the Act to be serious. In operative part of the decision on termination of the proceedings the Office shall indicate such commitments and also may set forth conditions and obligations necessary to ensure the fulfilment of these commitments. Should the Office does not decide to terminate the proceedings, it shall communicate the reasons to the parties to the proceedings in writing and it shall continue with the proceedings.

(4) The parties to the proceedings may propose the commitments pursuant to paragraph (3) in writing to the Office within 15 days following the day on which the Office delivered the written statement to them in which the Office provides the basic facts of the case, their legal assessment and reference to the main evidence in the file (hereinafter referred to as the "statement of objections"). The parties to the proceedings shall be bound by their proposal towards the Office, as well as mutually, or towards third parties, and, in the period between the submission of the commitments' proposal and the Office's decision pursuant to paragraph (2), they may not proceed in the manner the Office objected to.

(5) Following the termination of the proceedings pursuant to paragraph (3), the Office may re-open the proceedings pursuant to paragraph (1) when

- a) there has been a substantial change in circumstances on which the decision pursuant to paragraph (3) was based,
- b) the parties to the proceedings act contrary to their commitments pursuant to paragraph (3), or
- c) the decision pursuant to paragraph (3) was issued on the basis of incorrect or incomplete documents, data or information.

#### Article 6a

If an infringement of the prohibition set out in [Article 4](#), is detected, the Office may decide to impose a remedy, the purpose of which it is to eliminate the harmful situation, and set a reasonable time limit for its fulfilment.

#### Heading deleted

#### Article 7 [\[DZ\]](#)

(1) The provisions of the Act on the Protection of Competition shall be appropriately applied to the exercise of supervision and proceedings conducted by the Office pursuant to this Act, as well as to the Office's investigatory powers.

(2) Legislation on control<sup>9)</sup> shall not apply to the procedure of the Office pursuant to this Act. [Article 38\(6\)](#), part of the first sentence after semicolon, of the [Administrative Code](#) shall not apply.

#### Article 7a

#### Deleted

#### Article 8 [\[DZ\]](#)

### Offences by Legal Entities and Natural Persons-Entrepreneurs

(1) A buyer with significant market power commits an offence if

- a) commits unfair trade practice pursuant to [Article 4\(2\)](#) and [\(3\)](#),
- b) does not fulfil a commitment pursuant to [Article 6\(3\)](#), or,
- c) does not fulfil a remedy imposed by the Office pursuant to [Article 6a](#) or other obligations stated in the Office's decision.

(2) A legal entity or a natural person-entrepreneur commits an offence when

- a) breaking a seal placed in the course of inspection pursuant to this Act, or
- b) in contradiction to this Act, fails to provide complete, accurate and truthful documents or information to the Office, including business books, other business records or other records that may be relevant to clarify the subject-matter of the proceedings.

(3) The Office may impose a fine of up to CZK 10 million or 10% of the net turnover achieved by the buyer with significant market power in the last closed accounting period of 12 months for an offence pursuant to paragraph (1), and a fine of up to CZK 300 000 or 1% of the net turnover achieved by such an entity in the last closed accounting period may be imposed for an offence pursuant to paragraph (2).

(4) If a fine pursuant to paragraph 3 is imposed on

- a) a buyer with significant market power, who is a controlled entity, it shall be calculated from the total net turnover of the controlled and controlling entities for the last closed accounting period of 12 months, or
- b) a buyers' alliance or its members, it shall be calculated from the total net turnover of its members for the last closed accounting period of 12 months.

(5) If a fine is imposed on a buyers' alliance or its members, each member shall be liable for payment of a fine imposed up to 10% of its net turnover achieved in the last closed accounting period of 12 months.

(6) Should the Office prove that a buyer with significant market power has committed an offence pursuant to [Article 8\(1\)](#), it shall reduce the fine, the amount of which was notified the parties to the proceedings in the statement of objections, by 20%, provided that the buyer with significant market power has admitted to the offence and if the Office considers such sanction sufficient with respect to the nature and seriousness of the offence.

#### Article 9 [\[DZ\]](#)

### General Provisions on Offences

(1) Offences pursuant to this Act shall be dealt with by the Office. For this purpose, the Office shall receive complaints. After a preliminary examination of the matter, the Office shall inform the complainant whether it has initiated proceedings or it has not found grounds for initiating proceedings ex officio.

(2) Should a person provide the Office with a confidential information and documents related to the offence (hereinafter referred to as “confidential information”), it shall have the right of secret identity in connection to this information. This applies before the initiation of the proceedings as well as after that and even when the proceedings have ended, as long as its legitimate interests could be threatened or damaged without secret identity and it requests it simultaneously with provision of confidential information; the request for secret identity shall be justified and excluded from the access to the file. The Office shall decide on the request for secret identity by means of a resolution. Identity of the person shall be secret also in requests and notifications sent by the Office to the person in connection to such confidential information as well; such requests shall be excluded from the access to the file until the deadline for submitting the information and documents. The information and documents provided by the person with secret identity shall be excluded from the access to the file until the statement of objections is published. After that, the Office shall disclose such documents to persons authorised to access the file only in a form which does not threaten the purpose of the secret identity of the person who provided these documents, and the protection of the business secret. The identity of the accused entity cannot be secret.

(3) The Office, without initiating proceedings for an offence under this Act, may, after a preliminary investigation, suspend the matter by means of a resolution if, in view of the significance and extent of the infringement or threat to the protected legal interest affected by the conduct, the manner in which the conduct was carried out, its consequence, the circumstances in which the conduct was committed, or the suspect's behaviour following the conduct, it is obvious that the purpose which could have been achieved by conducting the offence proceedings has been achieved or can be achieved in another way.

(4) Before issuing of a decision, the Office shall deliver a statement of objections to the accused entity, in which it shall stipulate a reasonable deadline for the accused person to become acquainted with the basis for the statement and to propose additional evidence; such deadline may not be shorter than 14 days and it shall begin on the day of the delivery of the statement of objections. The deadline pursuant to the second sentence may be prolonged only in cases worth special consideration. The facts and evidence provided later shall not be taken into consideration; this does not apply where the facts or evidence are such that the party to the proceedings could not have pleaded them earlier.

(5) At least one authorized official involved in the proceedings for the offence conducted by the Office in each instance shall hold a university degree which corresponds at least to the master's degree in the field of law. Provisions governing offence proceedings concerning educational requirements of authorized officials shall not apply to the proceedings to which the Office has jurisdiction pursuant to this Act.

(6) Provisions of [Articles 16, 17, Article 26, Article 35\(a\)](#) and [\(d\), Articles 42, 45, 48, 49, Article 51\(b\), Articles 53, 54, Article 68\(b\)](#) and [\(c\), Articles 70, 71, Article 76\(5\), Article 79, Article 80\(2\)](#) and [\(3\), Article 87, Article 89, Article 93\(1\)\(d\), \(f\), \(g\)](#) and [\(h\), Article 93\(3\), Article 94, Article 95\(3\), Article 96\(1\)\(b\), Article 96\(2\)](#) and [\(3\), Article 98\(2\)](#) and [Article 99\(2\) of the Act on Liability for Offences and Proceedings relating thereto](#) shall not apply to the Office's proceedings pursuant to this Act.

(7) If an accused entity continues to engage in conduct for which proceedings for a continuing, persisting or collective offence have been initiated against him pursuant to this Act even after the initiation of such proceedings, such conduct shall be deemed to constitute a single offence until the statement of objections is made.

#### Article 9a

##### **Limitation Period, Suspension and Interruption of Limitation Period**

(1) A limitation period for an offence pursuant to [Article 8\(1\)](#) shall be 10 years.

(2) A limitation period for an offence pursuant to [Article 8\(2\)\(a\)](#) and [\(b\)](#) shall be 3 years. Provision of the paragraph (4) (d) shall not apply.

(3) The duration of the proceedings conducted in relation to the offence proceedings before an administrative court shall not be included within the duration of the limitation period.

(4) The limitation period shall be interrupted

- a) by notifying the initiation of an offence proceedings,
- b) by issuing the statement of objections,
- c) by issuing a decision proving that the accused entity committed the offence,
- d) by the moment of transmitting the case by a supervisory authority of other EU Member State.

(5) A new limitation period shall begin to run by interrupting the limitation period.

(6) If the limitation period is interrupted, the liability for an offence ceases to exist no later than after a period of 14 years since it was committed and the liability for an offence pursuant to paragraph 2 ceases to exist no later than 5 years after it was committed. Such time period shall be extended by the period pursuant to paragraph 3.

#### Article 10 [\[DZ\]](#)

##### **Disciplinary Fine**

(1) A disciplinary fine of up to CZK 300,000 or 1% of the net turnover achieved in the last closed accounting period of 12 months may be imposed on a legal entity or a natural person-entrepreneur which, contrary to the Act, fails to provide the necessary cooperation to the Office during the investigation.

(2) A disciplinary fine may be imposed repeatedly. The total amount of repeatedly imposed fines must not exceed CZK 10,000,000 or 10% of the net turnover achieved by the legal entity or natural person-entrepreneur for the last closed accounting period of 12 months.

Article 10a

#### **International Cooperation**

(1) The Office shall provide the supervisory authority of another Member State of the European Union or the European Commission with assistance in an investigation or proceeding concerning unfair trading practices, which is conducted in order to enforce the rules preventing the use of unfair trading practices. In providing such cooperation, the Office shall proceed in a manner similar to that used in the exercise of supervision under this Act.

(2) The Office shall cooperate with the supervisory authorities of the Member States in order to discuss and harmonise the procedures of the rules preventing the use of unfair trading practices.

Article 10b

#### **Confidentiality**

A person in a civil service, employment or other similar relationship, on the basis of which he/she performs an activity for the Office, during which he/she becomes aware of facts constituting the subject of a business secret, the identity of a classified person or confidential information, is obliged to maintain confidentiality about them, even after the termination of this relationship.

Heading deleted

Article 11

This Act shall take effect on the first day of the third calendar month following the date of its publication.

**Viček m. p.**

**Fischer m. p.**

**Annex 1**

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**Annex 2**

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**Annex 3**

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**Annex 4**

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**Annex 5**

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**Annex 6**

**Deleted**

#### **Selected Provisions of Amendments**

[Art. II of Act No. 50/2016 Coll.](#)

**Temporary Provisions**



1. Proceedings that have not been finally concluded prior to the effective date of this Act shall be completed and the rights and obligations related thereto shall be assessed according to Act No. [395/2009 Coll.](#), as effectively amended prior to the effective date of this Act.

2. Contracts made prior to the effective date of this Act, which do not contain the particulars under [Article 3a of Act No. 395/2009 Coll.](#), as effectively amended from the effective date of this Act, shall be brought by the parties into compliance with [Article 3a of Act No. 395/2009 Coll.](#), as effectively amended from the effective date of this Act, within 3 months from the effective date of this Act.

Art. XII of Act No. 417/0221 Coll.

#### **Temporary Provisions**

Proceedings that have not been finally concluded prior to the effective date of this Act shall be completed according to Act No. [395/2009 Coll.](#), as effectively amended prior to the effective date of this Act.

[Art. II of Act No. 359/2022 Coll.](#)

#### **Temporary Provisions**

1. Contracts concluded before the date of coming into force of this Act, the particulars of which are in conflict with Act No. [395/2009 Coll.](#), as in force from the date of coming into force of this Act, shall be brought into compliance with Act No. [395/2009 Coll.](#), as in force from the date of coming into force of this Act, by their contracting parties no later than 12 months from the date of coming into force of this Act.

2. Proceedings initiated pursuant to Act No. [395/2009 Coll.](#), as in force before the date of coming into force of this Act, shall be completed and the rights and obligations related thereto shall be assessed pursuant to Act No. [395/2009 Coll.](#), as in force before the date of coming into force of this Act.

3. If the Czech version of the Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises has not been published in the Official Journal of the European Union on the date of coming into force of this Act, the Ministry of Industry and Trade shall publish it by means of a notice in the Collection of Laws. If the Czech version of the Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises is published in the Official Journal of the European Union after the date of coming into force of this Act, the Ministry of Industry and Trade shall announce this by means of a notice in the Collection of Laws.

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1) Directive (EU) [2019/633](#) of the European Parliament and of the Council of 17 April 2019 on unfair trading practices in business-to-business relationships in the agricultural and food chain.

5) [Article 21e\(1\)](#) or [Article 21f\(3\) of Act No. 143/2001 Coll.](#)

6) Act No. [255/2012 Coll.](#), Inspection Code.