

Oxfam, FTAO, IFOAM-EU and FOE Europe Media Reaction:

Contact: Caroline Jacobsson | caroline.jacobsson@oxfam.org | office +32 2 234 1115

Key step taken to end human suffering in EU supermarket supply chains

12 April 2018

Today, the European Commission proposed legislation on unfair trading practices in business-to-business relationships in the food supply chain. Right now, supermarkets' poor practices lead to insecurity among their suppliers, which directly impacts the most vulnerable people in the value chain. The directive aims to protect small and medium-sized food suppliers against abusive practices of large buyers by prohibiting certain trade practices and requiring Member State to enforce this ban.

Oxfam, FTAO, IFOAM-EU and FOE Europe welcome this move and call on the European Parliament and the Council to strengthen the Commission's proposal.

Oxfam's EU Economic Justice Policy Lead, Marc-Olivier Herman, said:

"Nobody should suffer to stock our supermarket shelves, yet too many small farmers in poor countries producing food for European supermarkets are struggling to make ends meet. This proposal could help them get a fairer deal for their produce. Women farmers in precarious conditions are worst affected by unfair trading practices, including low wages, irregular work, unsafe working conditions and lack of social protection. It is vital EU action delivers for them first and foremost.

"The proposal enables small and medium-sized food producers, wherever they are based, to anonymously complain about abusive practices of large European buyers. The fact that the Commission proposes equal treatment of both EU and non-EU food producers is very positive."

Fair Trade Advocacy Office's Executive Director, Sergi Corbalan, said:

"This is an important first step to eradicate unfair trading practices in our food supply chain. The European Parliament and member states must now move fast to improve the Commission's proposal. The EU must ensure that the most vulnerable actors in the supply chain have access to a complaint mechanism and allow complaints against all companies importing food into the EU."

IFOAM EU's Director, Eduardo Cuoco, said:

"Fairness is a key principle of organic agriculture, and IFOAM EU welcomes this Commission's proposal as a first step towards ensuring fair prices for producers."

Friends of the Earth Europe's Food & Agriculture Campaigner, Stanka Becheva, said:

"A small number of retailers control big parts of the food market in Europe. Although we welcome a legal framework to strengthen the position of farmers, we want to see complementary measures to support direct sales and short food supply chains, which bring the most for farmers, consumers and the environment."

Notes to editors:

- **Next steps:** The European Parliament and European Council will discuss amendments to the Commission's proposal separately in the coming months, and should adopt them by the end of the year to allow for negotiations on the final text to take place before the Parliament elections in May 2019.
- **Key elements of the European Commission's proposal and Oxfam, FTAO, IFOAM-EU and FOE Europe's assessment:**
 - The proposal bans only a limited set of unfair trading practices (UTPs) in the food supply chain in transactions between large buyers and small and medium-sized suppliers. Banned practices include late payment (more than 30 days) and cancelling of orders of perishable food products at short notice.
 - Member states must enforce this ban through national enforcement authorities. Small and mid-sized food producers supplying large EU buyers will be able to introduce complaints whether they are based inside or outside the EU.
 - The equal treatment of EU and non-EU producers is very positive but the limited scope of the proposal, both in terms of UTPs and in terms of actors (only very large buyers) will leave food producers exposed to abusive practices.
 - National enforcement authorities must have the power to carry out own initiative investigations and protect the identity of complainants. This is important to address the fear of delisting by retailers that is wide-spread in the food supply chain. However, measures to ensure access to redress by the most vulnerable actors in the food supply chain, in particular women in developing countries, are lacking.
 - The Commission's proposal requires national authorities to impose "effective, proportionate and dissuasive" fines on the author of an infringement but fails to set criteria to ensure this will actually be the case.
 - The proposal fails to set up an EU-level mechanism to tackle transnational UTPs and to monitor adequate enforcement by national authorities.

Contact information:

Caroline Jacobsson | Brussels | caroline.jacobsson@oxfam.org | office +32 2 234 11 15

For updates, please follow [@Oxfam](#) and [@OxfamEU](#)

Contact information for other NGOs:

FTAO | Peter Möhringer | Brussels | moehringer@oxfam.org | office +32 2 543 19 23

IFOAM-EU | Magdalena Wawrzonkowska | Brussels | magdalena.wawrzonkowska@ifoam-eu.org

| office +32 2 808 7991

Friends of the Earth Europe | Stanka Becheva | Brussels | stanka.becheva@foeeurope.org | office +32 2 893 10 25

Permanent link:

<https://oxf.am/2HuphxR>