PRESS RELEASE

The organic food and farming movement welcomes the agreement on Unfair Trading Practices – A first step towards protecting the weakest actors in the food chain

BRUSSELS, 19 December 2018 – An agreement on the final text of the Directive on unfair trading practices (UTPs) was reached today during a trialogue meeting that was scheduled last minute in an attempt to finalize this dossier before Christmas. The European Commission had tabled a proposal for a Directive on unfair trading practices in business-to-business relationships in the food supply chain only a few months ago, in April 2018.

Jan Plagge, President of IFOAM EU, welcomed this directive and the strong political commitment towards seeking to improve the position of weaker actors against UTPs. He added that “a minimum harmonized standard at EU level was needed on the issue of unfair trading practices” and hoped that “adequate collaboration between Member States competent authorities will make sure that this directive is adequately enforced”.

Eduardo Cuoco, director of IFOAM EU, found that “addressing UTPs is a priority in IFOAM EU's vision for 2030 and its “fair play fair pay” pillar which emphasizes the importance for value and power to be equally distributed across the food chain”. As such, he welcomed the directive and particularly “elements that will ensure increased protection of vulnerable suppliers such as the extension of the scope to more food chain actors than foreseen in the initial Commission proposal (350 million turnover threshold on the suppliers’ side), the addition of 8 extra UTPs such as the possibility for suppliers to ask for written contracts and measures against the abuse of confidential data by buyers, and the extension of the right to complain to not-for-profit organisations”.

Finally, IFOAM EU welcomes the fact that a review clause has been included, given that this directive is only a first step towards addressing unfair trading practices in the food chain. For IFOAM EU, it will be important that the Commission carries out an evaluation that should focus particularly on whether the situation for the most vulnerable actors has improved since the entry into force of this directive and on whether Member States' collaboration is effective, prior to proposing an improved legislative text, if necessary.

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IFOAM EU represents more than 200 member organisations in the EU-28, the EU accession countries and EFTA. Member organisations span the entire organic food chain and beyond: from farmers and processors organisations, retailers, certifiers, consultants, traders and researchers to environmental and consumer advocacy bodies