











Brussels, 7 September 2018

UNFAIR TRADING PRACTICES: KEY STATEMENTS AHEAD OF THE SPECIAL COMMITTEE OF AGRICULTURE

Ahead of the upcoming SCA of the Council (10 September) and EU Parliament discussions on the Proposal for a directive on Unfair Trading Practices, the signatories would like to draw your attention to the following crucial principles for a fair and well-functioning food supply chain:

Unfair is unfair, regardless of the size of businesses: all actors in the food supply chain should be protected from unfair trading practices. Without this basic principle enshrined in EU law, any actor may be faced, directly or indirectly, with the effects of unfair trading practices.

We call for a clear definition of what is an unfair trading practice: the essence of an unfair trading practice is the transfer, unilaterally, of excessive risk and unexpected costs on a supplier, by taking advantage of the buyer's position as market gatekeeper. Without such a definition the Directive risks leaving significant gaps which will be exploited by those who intend to obtain unfair advantages at the expense of the others in the food supply chain.

The Directive has to be revised in no more than 3 years after its implementation: the market evolves quickly and policy makers should remain open to assess the effects and apply corrections to the framework in time.

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AIM is the European Brands Association. It represents brand manufacturers in Europe on key issues which affect their ability to design, distribute and market their brands. AIM's membership groups some 1800 companies of all sizes through corporate members and national associations in 21 countries.

Copa and Cogeca are the united voice of farmers and agri-cooperatives in the EU. Together, they ensure that EU agriculture is sustainable, innovative and competitive, guaranteeing food security to half a billion people throughout Europe. Copa represents over 23 million farmers and their families whilst Cogeca represents the interests of 22,000 agricultural cooperatives. They have 66 member organisations from the EU member states. Together, they are one of the biggest and most active lobbying organisations in Brussels.

EFFAT is the European Federation of Food, Agriculture and Tourism Trade Unions. As a European Trade Union Federation representing 120 national trade unions from 35 European countries, EFFAT defends the interests of more than 22 million workers towards the European Institutions, European employers' associations and transnational companies. EFFAT is a member of the ETUC and the European regional organisation of the IUF.

As a joint initiative of Fairtrade International, the World Fair Trade Organization and the World Fair Trade Organization-Europe, the **Fair Trade Advocacy Office** leads the Fair Trade movement political advocacy at European Union level and contributes to the strengthening of the political advocacy capacities of the global Fair Trade movement.

FoodDrinkEurope is the organisation of Europe's food and drink industry, the largest manufacturing sector and leading employer in the EU and a key contributor to its economy (289 000 companies, 99% SMEs, 4.2 million employees).

IFOAM EU represents more than 190 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.