

(English version)

**Question for written answer E-002398/24
to the Commission
Eric Sargiacomo (S&D)
(4 November 2024)**

Subject: Unfair commercial practices: bypassing producer organisations

Strengthening the position of farmers in the value chain is one of the main objectives of the common agricultural policy (CAP).

Since 1996, the fruit and vegetable sector has been a forerunner in this regard: its producer organisations (POs) are powerful, as these are financed by their own operational programmes.

Although the latest reform of the CAP extended this possibility to all sectors, the French Government refuses to activate these provisions despite requests from POs, in particular from the dairy sector, where farmers are suffering from a structural imbalance with downstream actors.

Recently, Lactalis and Savencia, two major players in the dairy industry, have clearly sought to bypass POs by notifying member producers of milk collection suspension, or by using non-collection as a form of blackmail to force producers and POs to withdraw from a PO association.

In view of Article 153 of the common market Organisation (CMO) Regulation, such bypassing of producer organisations cannot be authorised under any circumstances.

Does the Commission intend to introduce a system of sanctions against such practices in the next review of the directive on unfair commercial practices?

Submitted: 4.11.2024

**Answer given by Mr Hansen on behalf of the European Commission
(13 January 2025)**

The Common Market Organisation Regulation ⁽¹⁾ (CMO) contributes to strengthening the position of farmers in the food supply chain, including through enhanced cooperation within producer organisations (POs) or through the possibility for recognised POs in the milk sector to collectively negotiate contracts on behalf of their members.

Such cooperation also permits to protect farmers from direct contact with purchasers where they could undermine the collective placing of products on the market.

For this reason, the Commission's recent proposals to strengthen farmers' position in the chain aims to reinforce this protection ⁽²⁾, including through a proposed amendment of Article 153 CMO ⁽³⁾.

The Unfair Trading Practices (UTP) Directive ⁽⁴⁾ offers further protection to suppliers of agrifood products, including POs or cooperatives, vis-à-vis stronger buyers e.g., by prohibiting unilateral changes in supply agreements or threats of commercial retaliation. It is for the national enforcement authorities to end and fine infringements.

The Commission is working on an evaluation of the UTP Directive, which will feed into a report to the Parliament and Council to be presented by November 2025, accompanied, if appropriate, by legislative proposals, in line with the recommendations of the Strategic Dialogue ⁽⁵⁾.

Such a proposal could add additional trading practices that would be prohibited, if considered appropriate.

⁽¹⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013R1308>

⁽²⁾ https://ec.europa.eu/commission/presscorner/detail/en/ip_24_6321

⁽³⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2024%3A577%3AFIN&qid=1733826263870>

⁽⁴⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019L0633>

⁽⁵⁾ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/agriculture-and-green-deal/strategic-dialogue-future-eu-agriculture_en