

(English version)

**Question for written answer E-000072/25
to the Commission
Nikolaos Anadiotis (NI)
(10 January 2025)**

Subject: Large-scale mergers in agro-industry — Ensuring fair competition and protection of small farmers

The recent trend in large-scale mergers in giant multinationals in the agro-industrial sector creates significant challenges for the EU agricultural sector, because it poses the risk of creating monopoly conditions on the market and putting agricultural enterprises and cooperatives out of business, leading to further price rises and reduced innovation, thus undermining the European targets for a sustainable and competitive agricultural sector.

The EP ⁽¹⁾ and recent reports ⁽²⁾ highlight the danger of increased market concentration due to mergers, which could be harmful both to small farmers and to consumers and could weaken the EU's ability to achieve its sustainability targets in the agricultural sector (with a likely shift of priorities from environmental and social sustainability to profit).

In view of this:

1. Is the Commission aware of the likely adverse impact of large-scale agro-industrial mergers on competition, on small farmers and local cooperatives, and on sustainability?
2. What measures is the Commission considering to ensure that such mergers will not harm the competitiveness of the EU's agricultural sector?
3. How will the Commission protect and/or strengthen small farmers, and how will it ensure that agro-industrial concentration does not undermine the EU's agricultural and environmental targets?

Submitted: 10.1.2025

**Answer given by Executive Vice-President Ribera on behalf of the European Commission
(13 February 2025)**

The Commission is fully aware that large-scale agro-industrial mergers may have an adverse impact on competition, small farmers, local cooperatives and sustainability.

These considerations are central to the Commission's recent merger control investigations in the agricultural sector. For instance, in Case M.11204 *Bunge/Viterra*, the Commission assessed the effects of increased concentration of oilseed processing capacity in Central Europe, with potential negative effects on farmers.

In Case M.11382 *AGCO/Trimble/JV*, it assessed an acquisition in precision agriculture systems, which farmers use daily to optimize efficiency, productivity and sustainability of their operations. European farmers were invited to contribute to these investigations and their feedback was integral to the Commission's analysis.

When necessary, the Commission has taken measures to prevent mergers from harming the EU agricultural sector's competitiveness. In Case M.11204 *Bunge/Viterra*, approval was conditional upon the divestment of Viterra's entire oilseed businesses in Hungary and Poland.

The independence, financial position, expertise and competitiveness of the proposed buyer will also be vetted, ensuring oilseed farmers in Hungary and Poland retain a diversified customer base.

The Commission will continue using all available tools to ensure agro-industrial concentration does not undermine the EU's agricultural and environmental goals.

It will assess competition effects under the Merger Regulation, prevent distortions caused by third-country financial contributions under the Foreign Subsidies Regulation, and cooperate with Member States screening transactions under the Foreign Direct Investment Regulation.

¹ https://www.europarl.europa.eu/doceo/document/TA-9-2024-0011_EN.html

² <https://euobserver.com/green-economy/ar421c0515>