

EN

E-000917/2025

Answer given by Mr Hansen
on behalf of the European Commission
(16.4.2025)

On 10 December 2024, the Commission presented a proposal to strengthen the position of farmers in the food supply chain¹. This proposal does not prohibit sales below production costs. However, by improving farmers' bargaining position, including in the dairy sector, through measures such as cooperation, by making transaction conditions more transparent through mandatory written contracts containing essential elements (e.g. fixed prices or price formulas), and a mandatory review clause in favour of farmers, it contributes to the objective that farmers are less price takers, less likely to face systematic pressure to sell below their production costs and in a better position to negotiate. The proposal is currently discussed by the EU co-legislators in the legislative procedure.

The impact of prohibiting sales below production costs or of qualifying this as unfair trading practice has to be carefully assessed, since such measures may in particular have impacts on competitiveness or market access for certain farmers or be difficult to implement. For this purpose, the Commission is evaluating² the impact of such measures on farmers' remuneration and on the food supply chain in general, of existing national measures as well as current prohibitions of unfair trading practices³.

As indicated in the Vision for Agriculture and Food⁴, the Commission will on the basis of these ongoing evaluations propose further initiatives, such as a revision of the Unfair Trading Practices Directive⁵ or, in the context of the post-2027 common agricultural policy proposals, to address the principle that farmers should not be forced to systematically sell their products below production costs. The Unfair Commercial Practices Directive⁶ is not relevant as it has a different scope.

¹ COM/2024/577 final.

² https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13826-Agricultural-food-supply-chain-combating-unfair-trading-practices_en

³ https://agriculture.ec.europa.eu/common-agricultural-policy/agri-food-supply-chain/unfair-trading-practices_en#keyrulesofthedirective

⁴ COM/2025/75 final.

⁵ <https://eur-lex.europa.eu/eli/dir/2019/633/oj/eng>

⁶ https://commission.europa.eu/law/law-topic/consumer-protection-law/unfair-commercial-practices-and-price-indication/unfair-commercial-practices-directive_en