

International Federation of Organic Agriculture Movements EU Regional Group

PRESS RELEASE

The organic food and farming movement supports putting an end to unfair trading practices and calls for a fairer and more transparent supply chain

BRUSSELS, 6 September 2018 – On 10 September the Council's Special Committee on Agriculture will discuss unfair trading practices (UTPs). IFOAM EU welcomes the European Commission's proposal for a Directive on UTPs as a first step to ensuring fair prices for producers, and fairness in the supply chain. However, IFOAM EU highlights its concerns in a <u>position paper</u>, which was agreed upon involving actors in the entire supply chain, from farmers to retailers. It's important to note that organic retailers are equally persuaded that suppliers should not be subject to unfair trading practices imposed by buyers – this is the only way to ensure a fair and functioning supply chain.

IFOAM EU's Director Eduardo Cuoco said that "One of the <u>principles of the organic sector</u> is 'fairness', and the organic movement strives for farmers and workers to be paid fairly. Value and power should be equally distributed along the supply chain without abuses due to market concentration and power imbalances. Indeed, fairness should apply at all levels and actors of the food supply chain."

He further developed on how to tackle UTPs: "IFOAM EU welcomes this proposal, given that both EU and non-EU farmers should be protected against unfair trading practices imposed by more powerful actors in the supply chain. As such, all actors independent of their size should be covered by this legislation, and a clear definition and general ban of UTPs should be introduced. Also key to the implementation of this Directive are: a credible and anonymous complaints procedure that enables civil society and associations that protect producers to file a complaint, as well as truly dissuasive sanctions."

IFOAM EU is closely following the UTP legislative process together with a group of NGOs including Oxfam, the Fair Trade Advocacy Office, and Traidcraft in order to further strengthen this proposal. Discussions in the Council run in parallel with votes in the European Parliament's AGRI, IMCO, ENVI and DEVE Committees. The Plenary vote in the Parliament will take place on 22 October, while the first trialogue is foreseen on 12 November.

Ends.

For more information please contact:
Magdalena Wawrzonkowska, Communications Manager
+32 (0)2 416 52 32, magdalena.wawrzonkowska@ifoam-eu.org
Or visit www.ifoam-eu.org

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