

Retailers support measures to help farmers in Omnibus Regulation – if they support competition

Responding to the adoption today by the European Parliament and Council of the text agreed in October in trilogue discussions on the Omnibus Regulation Christian Verschueren, Director-General of EuroCommerce said:

“Retailers and wholesalers have always supported measures that help farmers organise better in order to improve their ability to negotiate with the rest of the supply chain. A healthy and agile farming sector, able to operate successfully in a competitive market, is in the interests of everyone in the supply chain, including consumers. There is therefore much in the text agreed today which we can wholeheartedly support.”

The so-called Omnibus Regulation was originally proposed by the Commission as an instrument aimed at adjusting the way the CAP worked in terms of budget and the Common Market Organisations set up under the CMO Regulation¹. The European Parliament extended the scope of the proposal to cover a number of wider issues. Of these, the retail and wholesale sector supports a key proposal to allow farmers to join forces and carry out joint activities such as planning, production and marketing, provided that it maintains and promotes competition and helps farmers organise better to produce the foods which consumers want.

The new regulation also gives farmers the right to ask for a written contract, except when dealing with an SME.

Verschueren added: *“Countries where farmers are better organised have demonstrated that this makes them better off and more competitive. This is a pattern we want to see replicated and promoted across Europe. But it is also important that the measures agreed by the Council and EP today also support proper competition. These measures will certainly do more to help farmers’ position in the supply chain than any EU legislation on trading practices. We are concerned that regulating trading practices will do nothing to help farmers or improve the functioning of the Single Market. Instead we would call on the Commission to facilitate a wide stakeholder dialogue on further ways of building farmers’ resilience.”*

ENDS

¹ Regulation EC 1308/2013