

# Outcome of AGRI MEPs vote: A devastating strike to the Single Market for both consumers and farmers

EuroCommerce is deeply concerned by the position adopted today by the European Parliament Agriculture Committee on cross-border enforcement of rules on unfair trading practices (UTPs).

The Parliament's negotiating mandate enables Member States to enforce their own national rules on UTPs outside of national borders. This ignores the deal struck in 2019 that agreed common EU protection and allows national laws to 'trump' EU ones provided that these do not harm the single market. Today's vote is a blow to the Single Market and legal certainty for businesses that we call on the Parliament to oppose it in the plenary vote.

Christel Delberghe, EuroCommerce Director General, said: *"The President of the Commission, Ursula von der Leyen, recently said the Single Market is our anchor of stability and resilience. Yet today the European Parliament's Agricultural Committee pushed for rules which make the Single Market even more difficult for buyers, restricting market access for farmers and processors and increasing prices for consumers."*

The 2019 Directive on UTPs set out minimum EU rules to protect farmers and SME suppliers in the agri-food chain. The proposal voted on today complements the Directive with procedural rules for national authorities to enforce those rules occurring in more than one EU country.

*"Knowing that your perfectly legal contract might be exposed to enforcement action based on a law outside of what you chose increases the risks and deters you looking beyond your national borders for supplies,"* Ms Delberghe explained further.

Allowing extraterritorial application of national rules not harmonised at EU level is a serious risk for legal certainty. Businesses could see their contracts – perfectly legal under national and EU law – being investigated by other authorities in other countries. This risk could push all agri-food chain operators like retailers and wholesalers to only buy nationally, making everybody lose out on the benefits of the EU Single Market.

Such renationalisation was criticised by Enrico Letta in his Report on the Single Market. At a time of trade wars and high uncertainty, it is a move that undermines rather than strengthens the Single Market. It also dramatically reinforces the impact of Territorial Supply Constraints imposed by large brands on retailers and wholesalers. These are identified as one of the terrible 10 barriers by the European Commission in its Single Market Strategy and cost consumers well beyond €14bn per year.

The Single Market is good for the entire food chain, including farmers, as they can sell their products in any of the countries in the EU and have access to a wider market. Retailers and wholesalers need and want that diversity of farmers to help them bring more choice and more affordable prices to consumers. This also strengthens the EU's resilience amidst geopolitical uncertainty.

Christel Delberghe concluded: *"We hope that MEPs will rethink their approach in the plenary vote in September and stand up for the Single Market for the benefit of farmers, suppliers and consumers."*

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#### **Note to editor:**

[Directive 2019/633 on unfair trading practices in the agricultural and food supply chain](#) (UTPs) prohibits and restricts the use of certain practices in commercial relations between buyers and sellers of agri-food products. Under the Directive, Member States can introduce or maintain stricter rules than the EU ones and must appoint a national authority which enforces the rules.

An evaluation of the UTP Directive is currently ongoing, with an evaluation report due to be presented by the European Commission in November 2025.

In December 2024, the Commission proposed a [Regulation](#) setting out procedural rules for national authorities to enforce the UTP Directive where buyers and sellers are in different EU countries. The proposal was not accompanied by an impact assessment.

EuroCommerce [warned](#) from the outset about the risks to the Single Market if the Regulation could apply to rules not harmonised at EU level.

The Council of the EU [endorsed](#) the Commission's proposal that the Regulation only be used to enforce harmonised EU rules. The European Commission repeatedly warned that allowing a Member State to enforce its stricter national rules in the territory of another Member State raises legal concerns and does not take into account the principle of territoriality in international law.

With their vote today, MEPs intend to allow EU countries to use the proposed Regulation to enforce non-harmonised UTP rules on a voluntary basis – including for rules which Member States have unilaterally qualified as 'overriding mandatory provisions' (i.e. which must apply to all contracts – irrespective of what the parties have decided).

This approach raises significant legal questions which have not been considered due to the lack of any impact assessment by the Commission or Parliament. EuroCommerce also filed a [complaint](#) with the Commission against a French law which qualified its UTP rules as 'overriding mandatory provisions'.

In a recent assessment of national rules in France, the European Commission recognised that applying national rules to economic operators established in other Member States *'may risk to prevent retailers from using single market freedoms and consumers from benefiting from competitive prices and a larger choice of products'*.

The push to renationalise sourcing in agri-food markets was explicitly mentioned as a risk by Enrico Letta in his 2024 Report on the EU Single Market, where he noted that *'the renationalisation of sourcing and trading is bounded to affect ultimately the benefits that consumers derive from the Single Market'*.

The trends of renationalisation pushed for by the European Parliament also strengthens the impact of [territorial supply constraints](#). These are practices imposed by large suppliers on EU retailers and wholesalers to prevent them to make use of the Single Market and were identified as one of the 10 terrible 10 barriers in the EU no later than May 2025 by the Commission in its [Single Market Strategy](#).

**Background data:**

Retail and wholesale in the agri-food chain is more than 1 million businesses, 8,4 million jobs and €293 million value added. Retailers and wholesalers mostly deal with larger suppliers and less so with farmers directly. They operate with slim margins (1-3% net margins) and provide essential access for consumers and their business customers to daily food and non-food products. They are major job providers including in rural areas and a key anchor to vibrant local communities.

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**EuroCommerce** is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 28 countries and 5 million companies, including leading global players and many small businesses. Over a billion times a day, retailers and wholesalers distribute goods and provide an essential service to millions of businesses and individual customers. The sector generates 1 in 7 jobs, offering a varied career to 26 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector.