

PRESS RELEASE

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Food & Drink Processors also exposed to Unfair Trading Practices (UTPs)

Food and drink processors of all sizes are exposed to UTPs, reveals FoodDrinkEurope, affecting their capacity to invest and innovate in the long-term. The main three are unilateral and retroactive change to contracts; imposed contributions to promotional or marketing costs; passing of confidential information onto other parties.

FoodDrinkEurope therefore considers that any EU framework legislation should impact all commercial relations along the food chain, i.e. not only farmers and SME processors and specific products. Manifestly unfair practices should all be covered by the legislative proposal, including cross-border practices, used in particular by powerful European retail alliances of some of Europe's largest retailers.

In addition, the design of the EU framework legislation should allow maintenance of national approaches which work efficiently, without generating additional complexity.

In relation to value-sharing and transparency, FoodDrinkEurope encourages the Commission to focus on helping actors to remain competitive. This should apply to farmers too, who should be supported in their competitiveness efforts rather than shielded from competition. This would be in line with the more market-oriented Common Agricultural Policy (CAP) we have seen developing over the years.

For more detailed information, please see the Memo developed by FoodDrinkEurope on the issue.

Note to the editors:

FoodDrinkEurope is the organisation of Europe's food and drink industry, the largest manufacturing sector and leading employer in the EU and a key contributor to its economy (286 000 companies, 99% SMEs, 4.2 million employees).

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