

Swift transposition of the Unfair Trading Practices Directive necessary for robust EU recovery

(Brussels, 30 April 2021) The 1st of May deadline for the transposition into national law of pioneering EU legislation to ensure a fair and competitive food supply chain will unfortunately pass without this achievement in most EU Member States.

The Directive on Unfair Trading Practices in the food supply chain (UTP Directive), adopted by the EU on 30 April 2019, was widely supported across the production chain, by farmers, producers and manufacturers of all sizes, both big and small. AIM, the European Brands Association, and FoodDrinkEurope, representing the largest manufacturing industry in the EU, spearheaded support across the industry, in the spirit that Fairness for All across the value chain will truly bring a fair and competitive supply chain in Europe.

Few EU countries have passed the necessary legislation to transpose the Directive into their national systems and we particularly welcome the national legislative frameworks that have included an extended scope. But most EU countries failed to meet the transposition deadline, either because draft implementation laws are still being discussed in national Parliaments or because national governments are yet to put such draft implementation laws forward.

The European Commission's latest [survey](#) on the issue, released just this week, once again highlights how critical the challenge remains. 86% of companies surveyed were confronted by UTPs from retailers and wholesalers, who represent 76% of the UTP cases reported in the survey. The impact of Covid19 is not to be underestimated in this sense either, with 19% of companies reporting that they have experienced more UTPs since the Covid crisis erupted.

The importance and value of the food supply chain was revealed more than ever during the pandemic, as farmers, producers and manufacturers safeguarded food production and ensured supply to consumers across the EU. As we now focus on recovery and resilience, we call upon all EU governments to live up to their responsibilities and ensure this critical piece of EU legislation is transposed, and the deadline of entry into force of 1 November 2021 is met by all. Unfair trading practices will hinder, not help, the road to recovery.

We also call upon the European Commission to ensure that the UTP Directive is correctly transposed and effectively implemented by EU Member States and to take any action deemed appropriate, including the launch of infringement proceedings against non-compliant Member States, should that not be the case.

We are confident that EU countries will live up to their commitments and implement national legal frameworks ensuring a fairer and more competitive trading environment, that works to the benefit of all.

~ENDS~

Note to the editors:

FoodDrinkEurope represents the food and drink manufacturing industry. Made up of 291,000 businesses, of which 99% are SMEs, with 4.8 million employees. The food and drink industry buys 70% of all EU agricultural produce and is Europe's largest manufacturing industry.

AIM (Association des Industries de Marque) is the European Brands Association, which represents manufacturers of branded consumer goods in Europe on key issues that affect their ability to design, distribute and market their brands. AIM's membership comprises 2500 businesses ranging from SMEs to multinationals, directly or indirectly through its corporate and national association members.