

Fairness in the Food Supply Chain: Commission welcomes Member States' support for greater price transparency

Following today's exchange with Member States, the Commission will now adopt the measures to introduce greater transparency through improved price reporting along the food supply chain.

After [banning unfair trading practices](#) and [improving the conditions for producer cooperation](#), the Commission presented in May the third element to improve fairness in the food supply chain: stepping up the collection of prices of agri-food products at different stages along the supply chain to see how prices are determined.

Greater transparency will allow different actors to make more informed choices and improve the understanding of price formation and the development of trends along the food chain. It can also support better business decisions, including better management of risk, and improve trust.

Agriculture and rural development Commissioner Phil **Hogan** said: *"Increasing market transparency is about providing more information, on more products, more often. By doing so, we will give greater balance to the chain and ensure more efficient decision-making. Increasing transparency is also about fairness: we are allowing equal access to price information which will bring greater clarity on how the food supply chain functions. Supplemented by the recently adopted directive banning unfair trading practices, as well as to the 2017 improvements to producer organisation legislation, these rules will strengthen the role of farmers in the food supply chain, a key objective for the Commission."*

Following today's discussion in the Committee of Common Market Organisation, the measures will be adopted by the Commission in the coming weeks and will apply from 1 January 2021.

While a significant amount of information is already available regarding agricultural markets (including production and consumer prices, volumes of production and trade, etc.), there is little information available on markets that operate between farmers and consumers such as food processing or retailing. This creates an asymmetry of information between farmers and other actors of the food supply chain and can put farmers at a significant disadvantage when doing business with others.

The measures agreed on today will apply to the meat, dairy, wine, cereals, oilseeds and protein crops, fruit and vegetables, olive oil and sugar sectors. The collection of data will rely on systems and procedures already in place, used by operators and Member States to report market information to the Commission. Each Member State will be responsible for the collection of price and market data. Representative prices will be reported in order to

achieve cost-effectiveness and to limit the administrative burden.

Member States will submit the data to the Commission, who will then make the information available on its [agri-food data portal](#) and [EU market observatories](#).

Background

Since the beginning of its mandate in 2014, the current Commission has been working on a fairer food supply chain. In 2016, Commissioner Hogan set up the [Agricultural Markets Task Force](#) with the aim of proposing recommendations to strengthen the position of farmers in the food chain.

The recommendations presented in November 2016 covered three regulatory aspects: [unfair trading practices](#), [producer organisations](#) and [market transparency](#). In 2017, the Commission launched an [inception impact assessment](#) and a [public consultation](#) centred on these three elements.

An EU-wide opinion poll published in February 2018 also showed that a great majority of respondents (88%) considers that strengthening farmers' role in the food supply chain is important. Previously, 96% of the respondents to the 2017 public consultation on the modernisation of the CAP agreed with the proposition that improving farmers' position in the value chain should be an objective of the EU's Common Agricultural Policy.

For More Information

[Fairness in the food supply chain: Commission proposes to increase price transparency](#)

[Agri-food supply chain](#)