



# Common Market Organisation (CMO) Fruit and vegetables sector

## Market transparency: *Latest developments*

Unit G2. Wine, spirits, horticultural products, specialised crops  
DG Agriculture and Rural Development  
European Commission

***10 December 2020***



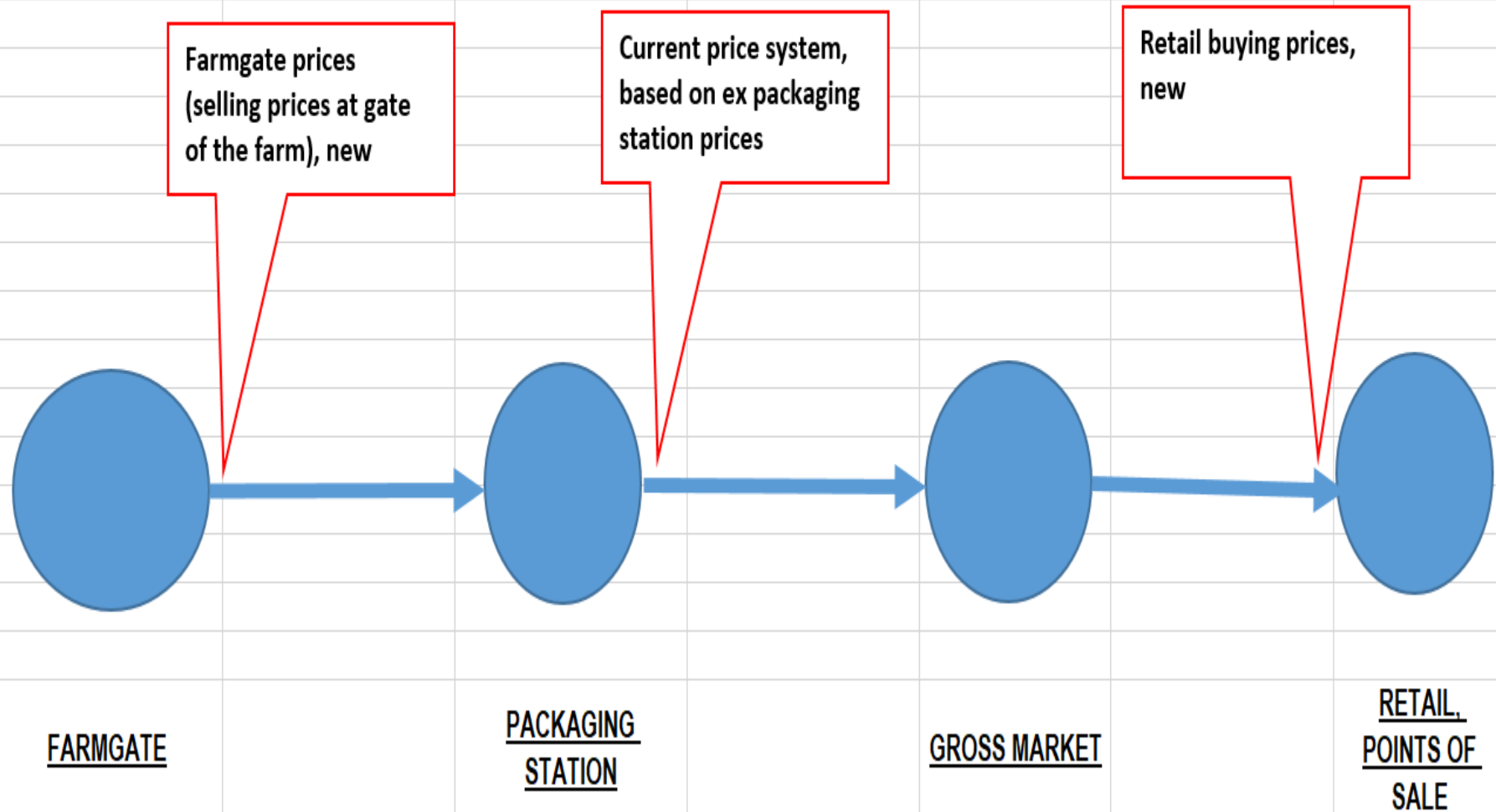
# Introduction.

- Our current price reporting system is based on notifications for ex-packaging station prices.
- Gross market prices for third country origins are notified through the Entry Price System. -> ISAMM FORM 490
- For greater transparency two additional chain stages are needed: **farmgate** and **retail buying** levels.  
-> new ISAMM FORMS



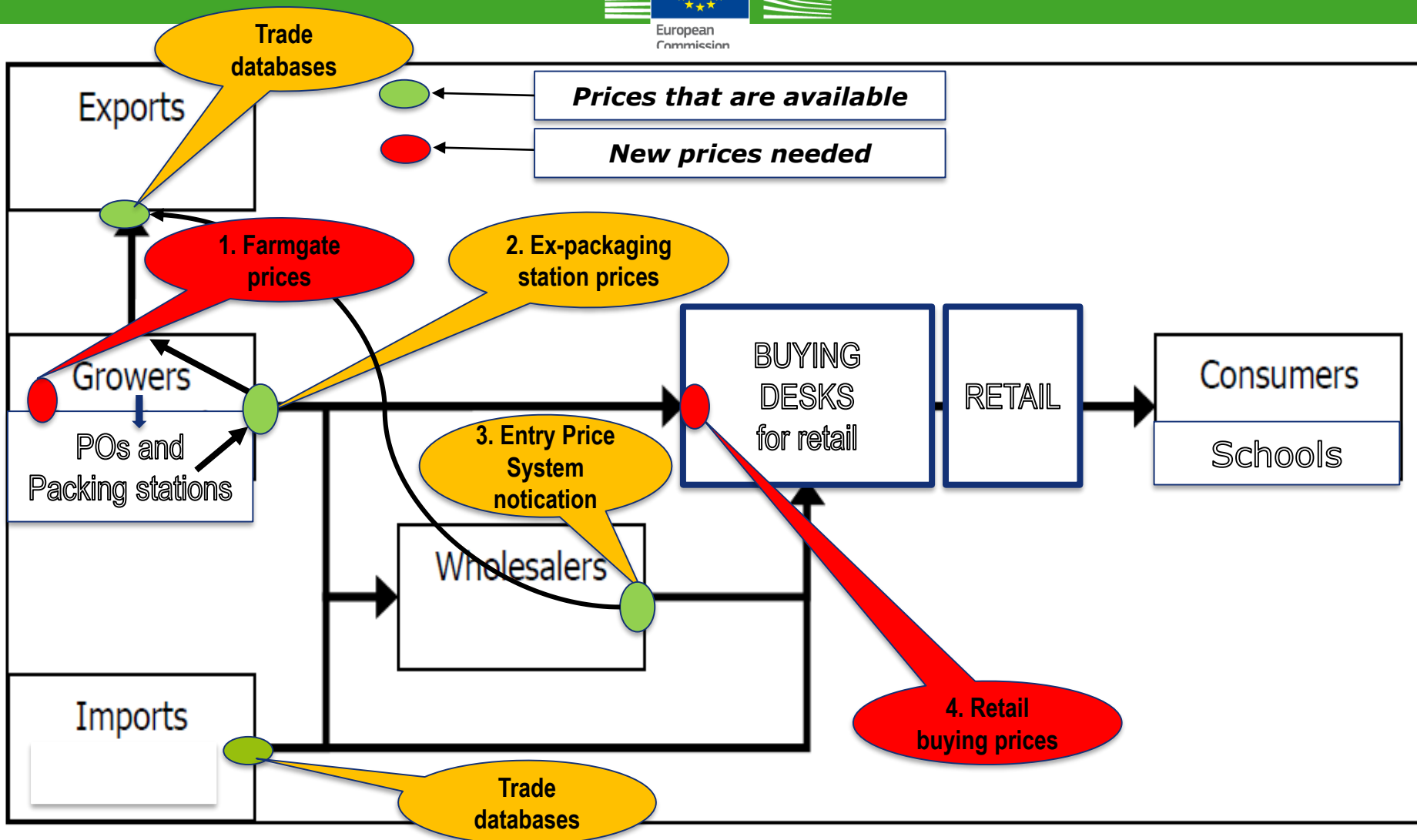
# STAGES OF THE FRUIT AND VEG. CHAIN

Simplified diagram





# The Fruit and Vegetable Supply Chain





**FRUIT AND VEG CHAIN MAP**  
**MARKET TRANSPARENCY EXERCISE**  
 Availability of data at different stages of the f&v chain

New items->green  
 IT needs->red

Type of notification->	New FARMGATE	Currently available EX-PACKAGING STATION	Currently available GROSS MARKET	New PRE-RETAIL BUYING DESKS	New RETAIL POINTS OF SALE
	Compulsory Weekly Isamm form FFF (new form for organic) (*)	Compulsory Weekly Isamm form 744	Compulsory Daily Isamm form 490	Compulsory BUYING DESK, buying price Weekly Isamm form RRR	RETAIL, selling price
	Weekly (monthly for organic, new)	Weekly	Daily	Weekly	Weekly
	Apples ORG.	Apples	Apples	Apples	Apples
	Oranges ORG.	Oranges	Oranges	Oranges	Oranges
	Peaches ORG.	Peaches	Peaches+nectarines	Peaches	Peaches
	Nectarines ORG.	Nectarines	-----	Nectarines	Nectarines
	Tomatoes ORG.	Tomatoes	Tomatoes	Tomatoes	Tomatoes
			Mandarins+Clementines		
		Other products (28 products)	Other products (10 products)		
	Monthly Isamm form MMM New ISAMM form, monthly format (*)				
Monthly	Apples for processing				
Monthly	Oranges for processing				
Annual	Tomatoes for processing				
Weekly	Bananas	Bananas	Bananas		

(\*) In addition to the ISAMM forms 47, 490 and 744, a new ISAMM form or table format for annual and monthly periodicity may be needed.



My Tasks

Communication Preview

FARMGATE PRICE - ISAMM FORM

Communication information

Form number: 999778  
Name: Fruit and vegetables – notifications for farmgate prices  
Business process: Exchange of information for market analysis  
Reference period: 08/10/2020 to 09/10/2020  
Legal base: Commission Regulation - R 2017/1185 Art. 9 - 11, Annex I.5.(c)  
Description: This application manages price notifications from the Member States to the European Commission. A list of Member States  
Regulation (EC) 2017/891. Some additional Member States should participate to this exercise on the basis of the threshold  
compulsory (optional) notification is also possible under indication of interest to participate by the Member States concerne

Communication Data History

How to copy/paste tabular data How to mark confidentiality

Form for inserting the farmgate prices to be notified

Σ	Product and variety	Market	Price	
▶			national currency/100kg	Delete
▶			national currency/100kg	Delete
▶			national currency/100kg	Delete
▶			national currency/100kg	Delete
▶			national currency/100kg	Delete

Add 1 row \*



Communication Preview

Communication information

Form number: 999779

Name: Fruit and vegetables - retail buying prices

Business process: Exchange of information for market analysis

Reference period: 08/10/2020 to 09/10/2020

Legal base: [Commission Regulation - R 2017/1185 Art. 9 - 11, Annex I.5.\(d\)](#)

Description: This application manages price notifications from the Member States to the European Commission. Member States should p  
Implementing Regulation (EU) 2017/1185. Non-compulsory (optional) notification is also possible under indication of interest

Notifier: Belgium

Status: PREVIEW

Sector: Fruit and vegetables

Encoding period: ... to ...

RETAIL BUYING PRICE - ISAMM FORM

How to copy/paste tabular data How to mark confidentiality

Form for inserting the retail buying prices to be notified

Σ	Product and variety	Market	Price	
▶	<input type="text"/>	<input type="text"/>	<input type="text"/> national currency/100kg	Delete
▶	<input type="text"/>	<input type="text"/>	<input type="text"/> national currency/100kg	Delete
▶	<input type="text"/>	<input type="text"/>	<input type="text"/> national currency/100kg	Delete
▶	<input type="text"/>	<input type="text"/>	<input type="text"/> national currency/100kg	Delete
▶	<input type="text"/>	<input type="text"/>	<input type="text"/> national currency/100kg	Delete

Add 1 row \*



# **ANNEX**

## **(detailed information)**



- 1. Introduction**
- 2. Flow chart of the f&v supply chain with a view to implementation of market transparency**
- 3. Ex-packaging station prices, essentially what we have as internal price system right now**
- 4. How we should approach methodologically product definitions and product specifications throughout the chain**



## **Index (+)**

**5. Increasing transparency (I): Farmgate prices [Annex I, 5(c)]**

**6. Increasing transparency (II): Retail buying prices [Annex I, 5(d)]**

**7. Concluding remarks**



# 1. Introduction.

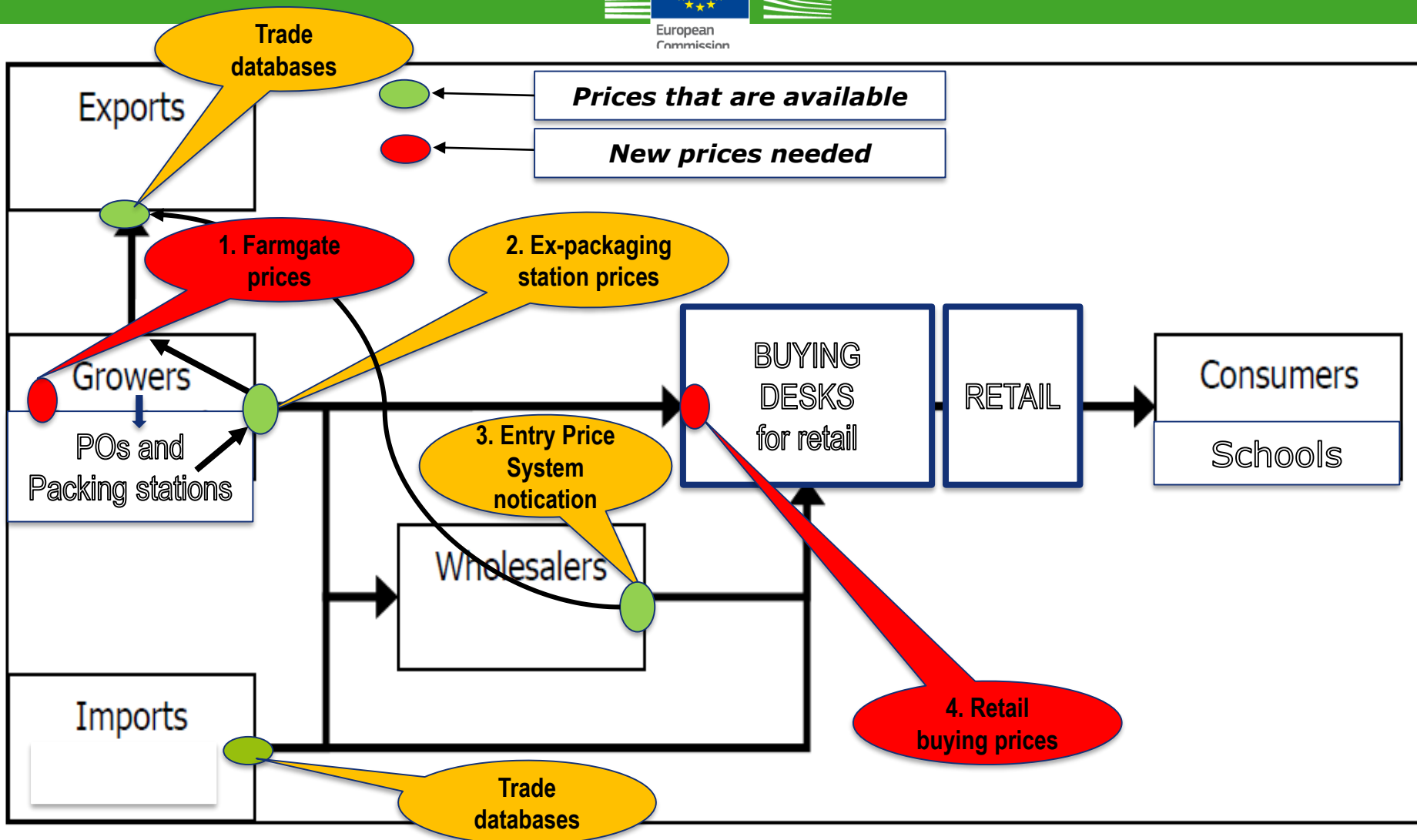
- Our current price reporting system is based on notifications for ex-packaging station prices.
- Gross market prices for third country origins are notified through the Entry Price System.
- For greater transparency two additional chain stages are needed: **farmgate** and **retail buying** levels.



## **2. Flow chart of the f&v supply chain with a view to market transparency**



# The Fruit and Vegetable Supply Chain





# Comments on the flow chart

- Our internal price system is based on prices at stage 2 (ex-packing station)
- We need to create price notifications at « new » stages of the food chain:
  - \* stage 1 in the graph: farmgate
  - \* stage 4 in the graph: retail buying



### 3. Ex-packaging station prices,

Article 55(1) of Regulation (EC) 2017/891 is very specific:

« 1..... For fruit and vegetables covered by the general **marketing standard** set out in Part A of Annex I to Implementing Regulation (EU) No 543/2011, only prices of products meeting that standard shall be notified, whereas prices for products covered by a specific marketing standard set out in Part B of that Annex shall only concern products of class I. Member States shall notify **a single weighted average price** corresponding to the types and varieties of products, sizes and presentations specified in Annex VI to this Regulation. Where recorded prices concern other types, varieties, sizes or presentations than those specified in that Annex, Member States shall notify the Commission of the types, varieties, sizes and presentations of the products to which prices correspond. **Notified prices shall be ex-packaging station, sorted, packaged and, where applicable, on pallets, expressed in euro per 100 kilograms net weight.**»



# Comments

Regulation (EC) 2017/891 with all its provisions remains in force.

Regulation (EC) 2017/1185 (consolidated) provides for some complimentary provisions to the above and essentially the following:

- adds farmgate and retail stages
- lists the products for which notification on new stages is compulsory
- establishes thresholds above which additional notifications should be made



## 4. How we should approach methodologically product definitions and product specifications throughout the chain

We need to compare prices at different stages of the chain.

For example, in order to analyze price transmission throughout the chain, to compare trends, etc.

**That implies that, for a given product, details should be notified on a comparable manner along the chain**



# An example

L 138/50

EN

Official Journal of the European Union

25.5.2017

## ANNEX VI

### Price notification referred to in Article 55(1)

Product	Type/variety	Presentation/size	Representative Markets
Tomatoes	Round	Size 57-100 mm, in bulk in packages of around 5-6 kg	Belgium Greece
	Trusses	in bulk in packages of around 3-6 kg	Spain France Italy
	Cherry	Trays of around 250-500 g	Hungary The Netherlands Poland Portugal Romania



# Comments

Referring to the tomato example above:

- Notification by variety (when significant at Member State level)
- If in a given Member State is notifying just one or two varieties, they should be the same varieties along the chain (in order to be able to compare prices for products at different stages that respond to a similar or almost equal definitions)
- It would be not consistent to notify round tomatoes at farmgate and then cherry tomatoes at ex-packaging station, for example



## Additional comments

- Harmonizing definitions between retail and ex-packaging station is feasible in most cases
- However, there might be cases where that is not possible when looking at retail stage:
  - \* example: a given country is a consumer of a product but not a significant producer; in such a case that country should report at retail level only when above the threshold
  - \* almost the same example but referred to a specific variety consumed in a Member State but not produced at a significant level
  - \* other common sense exceptions may appear in the process of implementation



## 5. Increasing transparency (I): Farmgate prices [Annex I, 5(c)]

- Reference definition

*...OECD definition...*

**<<A basic price with the “farm gate” as the pricing point, that is, the price of the product available at the farm, excluding any separately billed transport or delivery charge.>>**

- **<<This price is measured at the farm gate (that is, at the point where the commodity leaves the farm) and therefore does not incorporate the costs of transport and processing.>>**



# Comments

- Farmgate prices do not include classification and packaging costs nor transport costs on departure of farmgate.
- In farms where classification and packaging is made within the farm, classification and packaging costs should be estimated and excluded



## Provisions for farmgate prices [Annex I, 5(c)]

### *(c) Farmgate prices*

*Content of the notification:* representative prices of tomatoes, apples, oranges, peaches and nectarines, and bananas intended for the fresh market. All prices expressed per 100 kg of product.

*Other:* prices shall be at farmgate and products harvested.



## 6. Increasing transparency (II): Retail buying prices [Annex I, 5(d)]

- *Where is retail buying price in the food chain ?*
- *The bottleneck point or the narrow track of the double funnel that corresponds normally to the buying desks or purchasing companies connected to big retailers. This means that when supermarkets share a buying company, the buying price refers to the one of this common buying company.*



## Provisions for retail buying prices [Annex I, 5(d)]

### *(d) Buying prices*

*Content of the notification:* representative retail buying prices of tomatoes, apples, oranges, peaches and nectarines, expressed per 100 kg of product.



## 7. Concluding remarks

- The two additional stages of chain that need to be reported (farmgate and retail) should be harmonized as much as possible with what exists at ex-packaging station.
- The pilot ISAMM Form already in preparation intends to reduce the gap between theory and practice.
- We need to keep in mind that we are gathering objective information in order to facilitate a better functioning of the food chain, especially for the benefit of the most fragile part of the chain, this is, farmers.
- Your ideas and feed-back will be very much appreciated.



*Thank you*