

Study on agricultural interbranch organisations (IBOs) in the EU

AGRI-2015-EVAL-13

National Legislation and Actions concerning IBOs

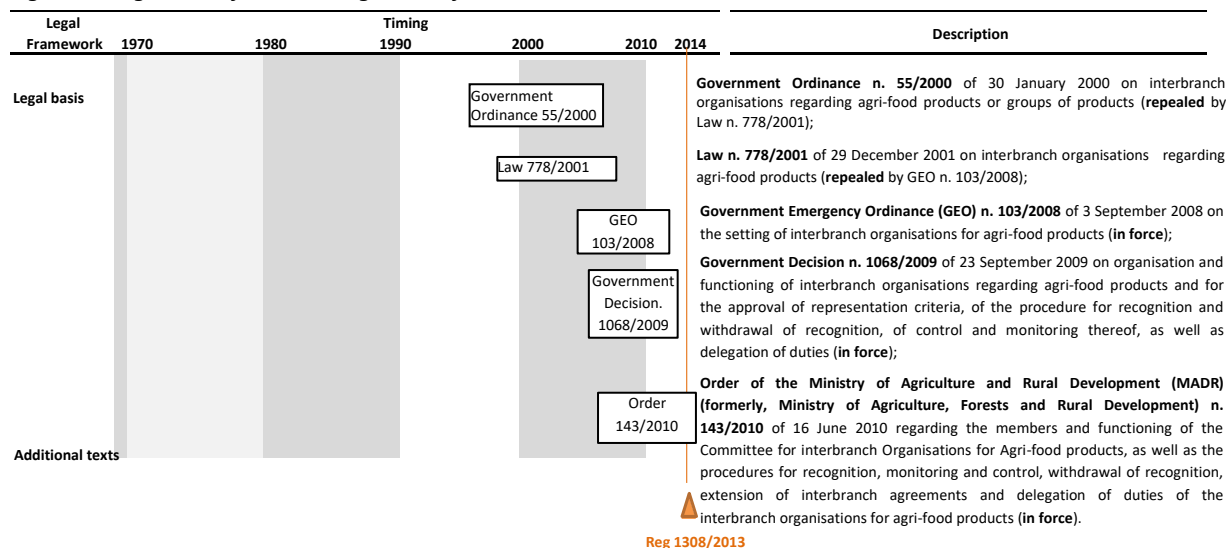
ROMANIA

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[Section 1: National legislation pursuant to Articles 157- IBOs, 158- Recognition of IBOs, 159 and 162 – Recognition of IBOs in the olive oil, table olives and tobacco sectors and 163- Recognition of IBOs in the milk and milk products sector of the CMO Regulation](#)

Figure 1: Legal basis for the recognition of IBOs in Romania



Source: Compiled by Arcadia International E.E.I.G.

Summary of national legislation on IBOs

In Romania, the establishment of national rules governing interbranch organisations (IBOs) dates back to the year 2000. The Romanian Government passed the first legislative act in relation to IBOs in January 2000 by adopting **Government Ordinance n. 55/2000**. The latter was the first legislative act that laid down a general framework for the setting and functioning of IBOs dealing with agri-food products or groups of products, their main objectives and activities, as well as their rights and obligations.

Government Ordinance n. 55/2000 entered into force on 31 January 2000 and was repealed by **Law n. 778/2001** that was adopted by the Romanian Parliament in December 2001. Law n. 778/2001 entered into force on 14 January 2002 and was repealed by **Government Emergency Ordinance (GEO) n. 103/2008** on the setting of IBOs for agri-food products.

Currently, GEO n. 103/2008 is the legislative act in force that lays down the **general framework** for the setting and functioning of IBOs dealing with agri-food products or groups of products, their main objectives and activities, as well as their rights and obligations. Following its entry into force, certain amendments have been made to GEO n. 103/2008, namely by Law n. 29/2009 which is applicable as of 12 March 2009.

Other legislative acts – notably, **Government Decision n. 1068/2009** and **Order of the Ministry of Agriculture and Rural Development (MADR) n. 143/2010**, containing implementing rules – have subsequently supplemented the existing framework.

IBOs: definition, objectives and legal status

Under Romanian law, IBOs are defined as **private law legal entities, of public interest, with professional and non-profit nature**, recognised by MADR (Article 4 par. 1 GEO n. 103/2008).

IBOs consist of **professional organisations** from a certain agri-food product sector. These professional organisations are defined in turn as associative forms with legal

personality, non-profit, set upon the initiative of the representatives of the economic activities from a given agri-food product sector (Article 2 letter c) GEO n. 103/2008).

Among the **objectives** that IBOs must pursue, Article 4 par. 2 GEO n. 103/2008 lists the following:

- a) Contributing towards the proper functioning of markets, by promoting certain products taking into account quantitative and qualitative market needs;
- b) Ensuring the necessary transparency for the proper functioning of the common organisation of agricultural markets;
- c) Establishing standard contracts compatible with the EU law;
- d) Contributing towards the decentralised application of national and EU agricultural policies;
- e) Strengthening food safety, especially by ensuring traceability of products, by acting in the interest of users and consumers;
- f) Improving knowledge regarding demand and offer, offer concentration and coordination and commercialisation of products of the member producers;
- g) Establishing a better exploitation of products, especially through marketing and market research, by promoting the products on internal and external markets;
- h) Participation of the IBO's members in the elaboration of development strategies and programmes for the sector that they represent;
- i) Establishment of research projects and studies regarding new methods of production, processing, distribution and market evolution;
- j) Development of methods and instruments necessary to improve the quality of products during the production and processing stages;
- k) Promoting certain integrated and ecological production practices and technologies that ensure environmental protection;
- l) Exploiting the potential of organic agriculture and designations of origin, of quality labels and of geographical indications and protecting them;
- m) Providing member organisations with consultancy and training services and protecting their interests vis-a-vis governmental and state administration bodies, as well as peacefully settling disputes between member organisations;
- n) Establishing relations and working in cooperation with national and foreign financing entities for contracting credits and implementing certain programmes in order to ensure the development of viable and competitive production units.

IBOs are established based on **interbranch agreements** between professional organisations from the same agri-food product sector, having as main objective the creation of a stable and predictable business environment, by developing a competitive agri-food sector in accordance with consumers' expectations (Article 5 par. 1 GEO n. 103/2008). According to Article 2 letter d) GEO n. 103/2008, such agreements are defined as a set of rules elaborated within an IBO that are unanimously endorsed by its member organisations, with a view to harmonising demand and offer of products and improving the relevant agri-food product sector.

IBOs' main purpose is the promotion of joint and complementary interests between professional organisations from the same agri-food product sector. In order to create a stable and predictable business environment, IBOs act for the consolidation of capacity of the professional organisations' members to organise and to actively participate in the local and central decision-making process, ensuring the exploitation of their own products and their access to local, national, EU and international markets. Recognised IBOs are consulted regarding the definition, orientation and regulation of sector policies. IBOs contribute, together with MADR, to the implementation of national and EU legislation and can overtake some of its attributions by delegation (Article 5 par. 2-5 GEO n. 103/2008).

IBOs' recognition and monitoring

Article 4 par. 1 GEO n. 103/2008 stipulates that MADR is the public authority responsible for granting recognition to IBOs. In order to obtain formal recognition IBOs must fulfil all the following **general conditions**:

- a) Qualify, under Romanian law, as a non-profit legal person, having professional nature (Article 4 par. 1 GEO n. 103/2008);
- b) Represent a significant part of the (i) production, and/or of the (ii) trading, and/or of the (iii) processing of agri-food products in a region or, as the case may be, in more regions, whereas if it represents more regions, the IBO must prove a minimum level of representativeness in each of them and for each professional area (Article 3 GEO n. 103/2008);
- c) Be based upon the initiative of at least **one third of the total number of professional organisations** within the relevant product sector (Article 4 par. 2 GEO n. 103/2008); and
- d) Endeavour to fulfil **at least two of the IBOs' objectives** above listed (Article 4 par. 2 GEO n. 103/2008).

Articles 3 and 7 of Government Decision n. 1068/2009 clarify and detail the **conditions** the organisations must comply with in order to be formally recognised as IBOs, namely:

- i. Comprise at least one third of the branch organisations from the agri-food product sector;
- ii. Fulfil the general conditions under Article 4 GEO n. 103/2008 mentioned above;
- iii. Be active and operational for at least 1 (one) year;
- iv. Have an organisational structure as per Article 5 Government Decision n. 1068/2009¹;
- v. Function in accordance with the articles of association as per Article 6 Government Decision n. 1068/2009²;
- vi. One of the member organisations must represent the producers of agri-food product;
- vii. Establish a development strategy of the agri-food product sector or commit to establishing it following a 12-month period from its recognition.

For the purpose of IBOs' recognition, MADR created a **Committee for IBOs** (the **Committee**) that operates under the supervision of the former (Article 10 par. 1 Government Decision n. 1068/2009). In order to guarantee the transparency regarding IBOs and facilitate the relationship with such entities, the Committee established (by order of MADR) a **public register** known as **IBOs Register** (Article 19 par. 1 Government Decision n. 1068/2009). The register is maintained both in paper form as well as electronically on MADR's website (Article 13 par. 1 Order n. 143/2010).

¹ According to Article 5 Government Decision n. 1068/2009, an IBO must have the following organisational structure:

- a) a general assembly that comprises the representatives of the IBO's members;
- b) a board of directors that comprises the representatives of each sector of the product sector;
- c) an arbitration panel;
- d) an auditor panel.

² According to Article 6 Government Decision n. 1068/2009, the IBO's articles of association must include the following elements:

- a) at least two objectives from the ones provided under Article 4 par. 2 GEO n. 103/2008 (mentioned above);
- b) activities of the organisation and its members;
- c) governing bodies and their composition;
- d) conditions for members to adhere to and withdraw from the organisation;
- e) provisions regarding the proportional participation in the decision-making process within the IBO of all member organisations;
- f) decision-making procedure;
- g) composition and functioning of the arbitration panel;
- h) members' rights and obligations;
- i) sanctions for breach of provisions of articles of association.

From a procedural point of view, according to Article 9 Government Decision n. 1068/2009, organisations seeking recognition as an IBO must **submit** to MADR, through their legal representatives, (i) **a request**, as well as (ii) the following **documents**, in copy:

- a) Articles of association of the organisation;
- b) Justifying documents regarding the fulfilment of the representation criteria, as per Article 4 Government Decision n. 1068/2009;
- c) Resolution of General Assembly of the members of the organisation by which (i) the IBO's recognition is requested and (ii) a legal representative of the organisation is mandated in this regard;
- d) Document detailing the sectoral strategy development or the commitment to elaborating that pursuant to Article 7 letter d) Government Decision n. 1068/2009;
- e) Agreements concluded between the members of the IBO.

Within 30 days from the submission of the request for recognition, the Committee analyses the above mentioned documents and proposes the approval or the rejection of the organisation's request (Article 11 par. 2 Government Decision n. 1068/2009). An IBO is recognised through a MADR's order, which is published in the Official Gazette of Romania, Part I, and also in the IBOs Register (Article 11 par. 1 Government Decision n. 1068/2009 and Article 4 par. 6 Order n. 143/2010).

The recognition decision, the member organisations and the level of representativeness of the IBO are duly recorded in the IBOs Register (Article 4 par. 3 Order n. 143/2010).

Within 5 working days from publication of the recognition decision, any interested person can file an **appeal** with the Committee's secretary, with a reply following within the next 15 working days. Decisions refusing recognition may be also appealed according to the provisions of Law n. 554/2004 on administrative contentious matters (Article 4 par. 4 and 5 Order n. 143/2010).

Upon proposal of the Committee, MADR may decide to **withdraw** the recognition of an IBO, whenever the latter:

- a) No longer fulfils the conditions for recognition;
- b) Has breached Article 8 GEO n. 103/2008, namely when the agreements, decisions or the concerted practices promoted within the IBO are incompatible with EU law and the provisions of Competition Law n. 21/1996, and when these can: (i) lead to the partitioning of markets in any form within the EU; (ii) affect the well-functioning of the market organisation; (iii) create competition distortions which are not essential in achieving the common agricultural policies objectives envisaged by the measure adopted by the IBO; (iv) create discriminations or eliminate competition for a significant part of the products in question, (v) lead to price fixing, except for the activities carried out by the IBO while applying specific EU norms;
- c) No longer fulfils the commitments undertaken regarding the delegation of duties;
- d) Has violated the rules of an IBO agreement (Article 16 Government Decision n. 1068/2009).

In this regard, the Committee notifies the IBO in writing about (i) its intention to withdraw the recognition and (ii) the reasons for it. The IBO must remedy the situation within 90 days from the date it received the notification. If the situation is not corrected within the given timeframe, the Committee must initiate the draft order for the

withdrawal of the recognition (Article 9 Order n. 143/2010). Subsequently, MADR issues an order formally withdrawing the recognition of the IBO. This is published in the Official Gazette of Romania, Part I, and in the IBOs Register (Article 10 Order n. 143/2010).

In order to allow an appropriate **supervision and control** of their activities, every year recognised IBOs must submit to the Committee a report concerning their activities regarding (i) the observance of their agreements and (ii) the fulfilment of their objectives (Article 12 Government Decision n. 1068/2009).

Also, the Committee must submit to MADR and to the respective IBOs, by 31 May of each year, an **annual supervision report** with observations and recommendations for each IBO (Article 7 Order n. 143/2010).

IBOs' agreements: approval and extension of rules

Article 6 GEO n. 103/2008 states that MADR may endorse, in full or in part and only for a limited period of time, **IBOs' agreements** concerning:

- i. Standard contracts;
- ii. Conventions and/or
- iii. Joint actions.

The above-mentioned agreements must serve the general interest. Moreover, they must be compatible with the joint agricultural policies and **must favour**:

- a) **The regulation of the offer and the demand**;
- b) **The adjustment and regularisation of the offer**;
- c) **The application of mechanisms to introduce on the market** agri-food products and, if necessary, of management mechanisms of national and EU aids;
- d) **Improved product quality**, and in this regard the agreements can provide the elaboration and application of rules on quality and rules for definition, preparation, transport and presentation, if necessary until sale to the final consumer. For products covered by protected designations of origin or geographical indications, such agreements can especially provide the application of procedures on quality control;
- e) **Establishment of professional relationships** across the concerned sector, especially for establishing technical norms and development and applied research programmes;
- f) **Promotion of the agri-food product on internal and external markets**;
- g) **Joint initiatives of the member branch organisations**, in order to counter economic, environment and climate risks.

The agreements, decisions and practices adopted by IBOs are based on decisional transparency and subject to public consultation, by publication in the IBOs Register. In addition to that, they are subject to official publication in the Official Gazette of Romania, Part I (Article 11 par. 5 Order n. 143/2010).

Finally, agreements, decisions or practices of an IBO may be subject to **extension**, for a limited period of time, to all economic operators that act in the respective region/s, that are not member of that IBO, regardless if they are natural or legal persons, under the condition that these agreements, decisions or concerted practices serve the public interest (Article 7 par. 1 GEO n. 103/2008).

The request for extension of IBO's rules must be submitted to the Committee. According to Article 7 par. 2 GEO n. 103/2008, the **rules** for which the extension is requested must comply with the following **conditions**:

- a) Target one of the following objectives:
 - reporting on the production and market;
 - stricter production rules than those established by EU or national norms;
 - preparing standard-contracts compatible with EU provisions;
 - marketing rules;
 - environmental protection rules;
 - measures for the promotion and exploitation of the products' potential;
 - measures for protection of organic agriculture, as well as designation of origin, of quality labels and geographical indications;
- b) Have been applicable for at least 1 marketing campaign;
- c) Be mandatory for a determined period of time;
- d) Do not impact negatively on other operators from Romania or from other EU Member States.

In accordance with Article 11 par. 2 Order n. 143/2010, following the submission of a request for the extension of rules to the Committee, the request is subject to **public consultation**. In this regard, in order to ensure transparency and free access to information, the Committee ensures the publication of the request on MADR's website (Article 20 par. 1 Government Decision n. 1068/2009).

The Committee decides upon the IBO's request within maximum 30 working days as of its submission (Article 14 par. 3 Government Decision n. 1068/2009). Within the same period of time, the Committee elaborates and sends MADR a **report** regarding the necessity and opportunity of the extension of agreements, decisions and practices of the IBO, in accordance with the public interest and requirements set in Article 7 GEO n. 103/2008 (Article 11 par. 3 Order n. 143/2010).

MADR approves or refuses the request for extension of IBO's rules through an order (Article 7 par. 1 GEO n. 103/2008).

Rules on financing

According to Article 8 Government Decision n. 1068/2009, in order to fulfil their objectives and pursue their activities, IBOs may rely on the following sources:

- a) Membership fees;
- b) EU funds;
- c) Incomes deriving from IBO's own activities;
- d) Donations and sponsorships.

Whenever MADR grants to an IBO the extension of rules of one of its agreements, decisions or practices to non-members, the IBO in question may also obtain that the membership fees applicable to its members apply also to non-members.

Representativeness

As already referred above, Articles 3 and 4 Government Decision n. 1068/2009 lay down implementing rules regarding the **representativeness criteria** that organisations must fulfil in order to be able to be recognised as IBOs. To this end, an IBO must have at least

one third of the total number of the professional organisations pertaining to a given agri-food product sector.

At national level, the IBO that proves the **highest representation** for the agri-food product sector is recognised. An IBO is considered as nationally representative if the members of the professional organisations that form the IBO comprise **at least 30% of the economic activities of production, processing and distribution**, having regard to the total value of such activities at the level of the agri-food product sector that is concerned. In addition to that, the weight of each economic activity (i.e. production, processing and distribution) performed by the members of the professional organisation within the IBO must amount to at least 15% of the total value of each economic activity.

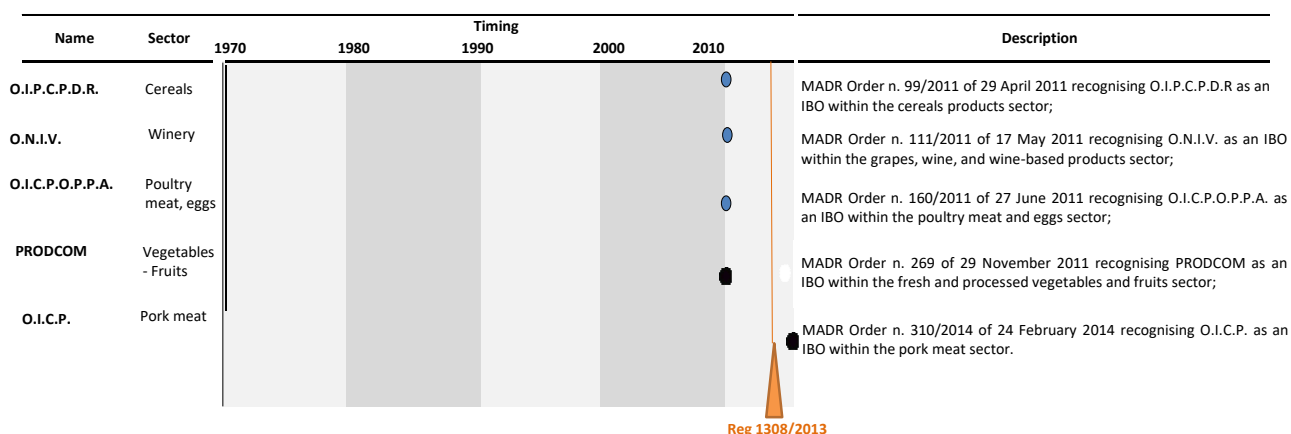
The conditions for joining of an IBO are generally regulated in the articles of association of the IBO. National legal provisions do not impose any specific rules on the joining or withdrawal from IBOs as such rules are determined internally by each IBO.

[Section 2: Other national legislation relevant to activities and operation of IBOs pursuant to Articles 157 –IBOs, 158 – Recognition of IBOs, 159 \(b\) and 162 – Recognition of IBOs in the olive oil, table olives and tobacco sectors and 163- Recognition of IBOs in the milk and milk products sector of the CMO Regulation](#)

Not applicable

[Section 3: History and list of IBOs pursuant to Articles 157 –IBOs, 158 – Recognition of IBOs, 159 \(b\) and 162 – Recognition of IBOs in the olive oil, table olives and tobacco sectors and 163- Recognition of IBOs in the milk and milk products sector of the CMO Regulation](#)

Figure 2: List of recognised IBOs in Romania



Source: Compiled by Arcadia International E.E.I.G.

Section 4: Use of the available legal framework for IBOs and other forms of cooperation between producers and other stages of the food supply chain established in the context of CMO Regulation

According to the information provided by MADR, Romania has made use of the available framework for IBOs to a significant extent. In this regard, it should be noted that the IBOs' recognition was also applicable prior to Romania's accession to the EU between 2002 and 2005 on the basis of Law n. 73/2002. During this period, the following organisations were recognised:

- The Interbranch Organisation for Cereals and Derived Products (C.P.D.R.);
- The Interbranch Organisation for Brewing Barley;
- The Interbranch National Organisation for Sugar;
- The Interbranch Organisation of Producers and Processors of Linen and Hemp Fibre;
- The Interbranch National Winery Organisation (ONIV);
- The Interbranch National Organisation for Products, Vegetable Fats and Grit Feed;
- The Interbranch Organisation for Pork Meat;
- The Interbranch Organisation for Poultry, Eggs, and Corresponding Processed Products;
- The Interbranch Organisation for Milk (OINLR).

By the end of 2014, only 5 IBOs were recognised at a national level in Romania, for the following agri-food sectors and product sectors:

- Cereals;
- Grapes, wine and wine-based products;
- Poultry meat, eggs and derived products;
- Fresh and processed fruit and vegetables products;
- Pork meat.

Overall, in Romania IBOs are regarded as entities that play a key important role in the agri-food sector that they represent. In this regard, IBOs contribute to (i) the well-functioning of product/sector markets, (ii) the strengthening of food safety, (iii) the improvement of the knowledge as regards the dynamics of offer and demand in relation to food products. Moreover, IBOs participate in the elaboration of the sector development strategies. Also, IBOs cooperate with authorities and financing bodies in order to equitably obtain fiscal facilities for its members and for the implementation of specific sector programmes that will ensure the development of sustainable and competitive production units, the quality of food and the food safety and security of the population.

The national competent authorities encourage the setting and the recognition of IBOs. In this regard, MADR performs the following tasks:

- **permanently adapts and improves the legislation** in the areas of agri-food products security and quality;
- **recognises and strengthens the role of organisations** and assigns duties of construction, registration, management, protection and/ or promotion of brands, as well as of intellectual property rights;
- **recognises the organisations that fulfil the minimum recognition requirements** and adapts the production potential to the market's requirements, based on equitable and non-discriminatory principles;
- offers equitable support to the producers' organisations, especially **in order to avoid the disadvantages of small producers.**

In relation to the **level of consensus** as regards national policy concerning IBOs between the national competent authorities and supply chain stakeholders, there are different perspectives in this regard.

On the one hand, according to **MADR**, the competent authorities act as a referee between all business operators across the entire agri-food chain and intervene in accordance with free market principles and EU rules for the elimination of iniquities and unfair practices. For example, there are amendment proposals initiated by the Romanian Senate in public debates for Law n. 321/2009 on commercialisation of food products and for the Code of good practices.

On the other hand, according to some **IBOs** (e.g. IBO on Poultry, Eggs and Processed Products) there would be no consensus between the competent authorities and the supply chain stakeholders regarding the national policy for IBOs. In this regard, the IBO mentioned above refers that:

- The interest of producers in matters of IBO recognition is high, whilst, on the other hand, the authorities have not deployed much effort in stimulating creation, recognition and functioning of IBOs at national level;
- Only following extensive discussions, it was agreed that the National Programme for Rural Development for 2014-2020 would also cover initiatives by IBOs;
- The recognised IBOs send reports to MADR on a yearly basis, but these reports do not have relevance within the meaning of the EU legislation;
- There is no consensus regarding IBOs representativeness as a market component for each agri-food product. Normally, the recognition should be performed based on both production and trade volumes. In many situations, the authorities define representativeness only based on production, without considering the trading aspect, which leads to a decrease in representativeness; this is a consequence of the fact that in Romania there is also a type of production designated for self-consumption;
- It was not possible to reach a consensus in determining representativeness based on production and trading. A product designated for self-consumption (and not for the market) cannot be considered for the purpose of determining the level of representativeness;
- The consensus regarding representativeness must also be based on the extent to which some producers (especially those that produce for self-consumption) are willing to align with e.g. certain production rules that are stricter than EU rules, environmental protection rules, measures of promotion and exploitation of the products' potential etc.;
- In Romania, the representativeness in matters of product trading is strongly influenced by products made in other EU Member States, but which are also traded in Romania. This is the case of many agri-food products, except for poultry and eggs. This area requires a consensus in matters of representativeness of internal production within a market often dominated by products that are internally traded, but produced in other EU member states.

Based on the information provided by MADR, **no IBO agreement has been extended** to non-members under the EU legislation. There have been cases, however, in which the extension was envisaged and solicited. For instance, in the case of IBO for Poultry, Eggs and Processed, the latter agreed on stricter rules than EU requirements on national producers as regards the labelling of eggs, namely by foreseeing the provision of the minimum durability date (MDD) on the eggshell. This labelling requirement did not apply, however, to eggs marketed in Romania but originating from other EU Member States.

Against this background, competent authorities did not take into consideration the possibility to extend the application of such rules to business operators outside the IBO pursuant to Article 164 of Regulation (EU) No 1308/2013.

Moreover, according to the information provided by MADR, also **financial rules** set by recognised IBOs (i.e. the membership fees) **have never been extended** to other operators that are not affiliated with one of such entities.

As general rule, the Romanian competition authority takes into consideration the conditions under Article 210 of Regulation (EU) No 1308/2013 and also the principles provided by Regulation (EU) No 1184/2006 when applying the competition rules to the agreements and concerted practices performed by IBOs from a specific sector.

In this regard, the national IBO on Poultry, Eggs and Processed Products states that none of its agreements, decisions or concerted practices would be incompatible with EU rules. Also, IBO on Winery refers that no competition issues would stem from the agreements that it has adopted over time. In fact, such agreements have been adopted only with a view to setting a framework for the contractual relations regarding the purchase of grapes as raw material for various types of wine and of seeding winery material for replantation purposes.

Regarding the **sugar sector**, there is no IBO nationally recognised in this area at present. However, there is an agreement in place within the sugar sector, which is negotiated and concluded between producers and processors on an annual basis. The agreement in hand is recognised through a MADR's order and has the objective:

- To regulate, in a uniform manner at national level, the relationships between concerned stakeholders (i.e. sugar producers and sugar-processing companies);
- To ensure a basic agreement regarding the conditions of production, purchase, delivery and payment of sugar beet, as well as its general clauses, thereby protecting the general interests of the stakeholders of the sugar chain;
- To ensure the general functioning and development framework of the sugar industry in Romania as well as its integration in the European structures;
- To ensure the sustainability of the agro-industrial sector of the sugar chain, thereby contributing to the increase of national sugar production, up to a level that can enhance the potential of the sugar beet crop in Romania and also meet the national consumption needs.

The sugar agreement is applicable to the sugar beet campaign for the current marketing year, whilst its general clauses may be subject to amendments following negotiations between the signatory parties. The observance of the agreement and of its clauses is mandatory for all operators that are affiliated to any of the signatory organisations. The latter are:

- The Federation of sugar beet cultivators;
- The Association of sugar beet and sugar producers;
- The Association of sugar patronage in Romania.

A similar agreement has been also concluded in the **wine sector**. The member associations of the IBO on Winery signed an agreement that was authorised by MADR and published in the Official Gazette of Romania and also on the MADR website.

The IBO Agreement on winery is applicable starting with 1 August 2015 until 31 July 2016 and its main scope and objectives are the following:

- To regulate, in a uniform manner at a national level, the relationships between stakeholders of the relevant product chain;
- To ensure a basic agreement regarding the conditions of production, purchase, delivery and payment of the grapes, as well as its general provisions;
- To ensure the general framework for the functioning and development of the winery sector in Romania and to integrate it in the European structures.

With reference to the negotiation of agreements by recognised producer organisations, on behalf of their members, regarding contracts for delivery of **raw milk** to a processor or to a collector pursuant to Article 149 Regulation (EU) No 1308/2013, it should be noted that in Romania there are currently no recognised producers' organisations in this area.

Similarly, in Romania there are currently no recognised producer's organisations in the sector of **olive oil** or **live cattle**. With regard to **arable crops**, currently no recognised producer organisation negotiated, on behalf of its members, contracts for the supply of certain arable crops.

Finally, there is no regulation at national level concerning the supply of **cheese and ham** with PDO/PGI.

[Section 5: National practice concerning Article 210 CMO Regulation and decisions of competition authorities/national courts on the compatibility of IBOs activities/practices with national competition law](#)

As general rule, the Romanian competition authority takes into consideration the conditions under Article 210 of Regulation (EU) No. 1308/2013, but also the principles provided by Regulation (EU) no. 1184/2006 when applying the competition rules to the agreements and concerted practices performed by IBOs from a specific sector.

Overall, the **Competition Council** believes that the current problems of small producers can be fought through measures that strengthen their market power, by increasing the storage capacity and strengthening the negotiation power of small producers. From this perspective, the competition authority has always promoted the association of small producers, as a viable alternative measure to the existing problems in the sector. The affiliation to an organisation can lead to the farmers' cost reduction and to the enhancement of their market access.

The Competition Council has also had the opportunity to express its views regarding the **legislative framework applicable to IBOs**. In this regard, the Competition Council issued a **favourable opinion** on the draft law governing the establishment of IBOs in the agri-food sector i.e. the current GEO n. 103/2008.

Regarding the activities performed by IBOs, to date no complaint have been reported to and no investigation and initiation of other administrative procedures conducted under the responsibility of the Competition Council. However, within its activity of supervising the market, the authority grants special attention to the situation of organisations in the agri-food chain, especially if their objective is the common production and trade of agricultural products, by making sure that their initiatives or practices do not eliminate competition on that specific market.

Section 6: Literature

- National Legislation

Government Emergency Ordinance n. 103/2008 of 3 September 2008 on the setting of interbranch organisations for agri-food products - http://old.madr.ro/pages/arihiva_legislativa/ordonanta-de-urgenta-103-din-3-septembrie-2008.pdf

Government Decision n. 1068/2009 of 23 September 2009 on organisation and functioning of interbranch organisations regarding agri-food products and for the approval of representation criteria, of the procedure for recognition and withdrawal of recognition, of control and monitoring thereof, as well as delegation of duties - <http://old.madr.ro/pages/I52/hotarare-1068-din-23-septembrie-2009.pdf>

Order of the Ministry of Agriculture and Rural Development (MADR) (former Ministry of Agriculture, Forests and Rural Development) n. 143/2010 of 16 June 2010 regarding the members and functioning of the Committee for interbranch Organisations for Agri-food products, as well as the procedures for recognition, monitoring and control, withdrawal of recognition, extension of interbranch agreements and delegation of duties of the interbranch organisations for agri-food products - http://old.madr.ro/pages/arihiva_legislativa/ordin-143-din-16-iunie-2010.pdf

Order of the Ministry of Agriculture and Rural Development (MADR) n. 99/2011 of 29 April 2011 regarding the recognition of IBO on Cereal Products and Derived Products in Romania (*Organizatia Interprofesionala pe Proodus Cereale si Produze Derivate din Romania*) O.I.P.C.P.D.R. as an interbranch organisation on the cereals products sector - http://old.madr.ro/pages/arihiva_legislativa/ordin-99-din-29-aprilie-2011.pdf

Order of the Ministry of Agriculture and Rural Development (MADR) n. 111/2011 of 17 May 2011 regarding the recognition of the National IBO on Winery (*Organizatia Nationala Interprofesionala Vitivinicola*) O.N.I.V. as an interbranch organisation on the 'grapes, wine and wine-based products' sector - http://old.madr.ro/pages/arihiva_legislativa/ordin-111-din-17-mai-2011.pdf

Order of the Ministry of Agriculture and Rural Development (MADR) n. 2343/2015 of 16 November 2015 regarding the recognition of the Interbranch Agreement for grapes, wine and wine-based products, the crop for commercialisation year 2015-2016 - <http://lege5.ro/Gratuit/ha2timzvge/ordinul-nr-2343-2015-privind-recunoasterea-acordului-interprofesional-pentru-struguri-de-vin-vin-si-produze-pe-baza-de-vin-recolta-anului-de-comercializare-2015-2016>

Order of the Ministry of Agriculture and Rural Development (MADR) n. 160/2011 of 27 June 2011 regarding the recognition of IBO on poultry meat, eggs and derivatives thereof (*Organizatia Interprofesionala pentru Carne de Pasare, Oua si Procesate din Acestea*) O.I.C.O.P.P.A. as an interbranch organisation on the poultry meat and eggs sector - http://old.madr.ro/pages/arihiva_legislativa/ordin-160-din-27-iunie-2011.pdf

Order of the Ministry of Agriculture and Rural Development (MADR) n. 269/2011 of 20 November 2011 regarding the recognition of the National IBO Prodcom Vegetables-Fruits in Romania (*Organizatia Nationala Interprofesionala Prodcom Legume-Fructe din Romania*) PRODCOM as an interbranch organisation on fresh and processed vegetables and fruits sector - http://old.madr.ro/pages/arihiva_legislativa/ordin-296-din-29-noiembrie-2011.pdf

Order of the Ministry of Agriculture and Rural Development (MADR) n. 310/2014 of 24 February 2014 regarding the recognition of the IBO Pork meat (*Organizatia*

Study on agricultural interbranch organisations (IBOs) in the EU

National Legislation and Actions concerning IBOs - ROMANIA

Interprofesionala Carne de porc) O.I.C.P. as an interbranch organisation on the pork meat sector - <http://www.madr.ro/docs/ind-alimentara/oipa/ordin-310-din-2014.pdf>

Order of the Ministry of Agriculture and Rural Development (MADR) n. 318/2013 of 10 May 2013 regarding the recognition of the Interbranch agreement for beetroot sugar – the crop for commercialisation year 2013/2014 - <http://lege5.ro/Gratuit/gm3denbrhe/ordinul-nr-318-2013-privind-recunoasterea-acordului-interprofesional-pentru-sfecla-de-zahar-recolta-anului-de-comercializare-2013-2014>

Order of the Ministry of Agriculture and Rural Development (MADR) n. 1090/2014 of 9 July 2014 regarding the recognition of the Interbranch agreement for beetroot sugar – the crop for commercialisation year 2014/2015. - <http://lege5.ro/Gratuit/ggydcmrwgg/ordinul-nr-1090-2014-privind-recunoasterea-acordului-interprofesional-pentru-sfecla-de-zahar-recolta-anului-de-comercializare-2014-2015>

Order of the Ministry of Agriculture and Rural Development (MADR) n. 557/2015 of 24 March 2015 regarding the recognition of the Interbranch agreement for beetroot sugar – the crop for commercialisation year 2015/2016 - <http://lege5.ro/Gratuit/gyzdqnjzgi/ordinul-nr-557-2015-privind-recunoasterea-acordului-interprofesional-pentru-sfecla-de-zahar-recolta-anului-de-comercializare-2015-2016>

- National competent authorities

Ministry of Agriculture and Rural Development (MADR) official website: <http://www.madr.ro/>

- Extension of rules

There are currently no extensions yet.