

## Summary report of the fifth meeting of the Agricultural Markets Task Force on 28 June 2016 – Collective self-help tools and the EU regulatory environment

The day started with an exchange of views on the issues paper circulated by the Chair.

It was highlighted that legal certainty concerning collective action was important for farmers. The interplay between agricultural rules and competition rules was deemed complicated and unclear to operators. The varied approach according to sectors or practices exacerbated the problem of lack of legal clarity. It led to the perception that some rules were applied in different Member States in different ways; some national competition authorities were strict others seem less so.

DG COMP gave a presentation on the Farmers' position in the chain and competition rules applicable. It was stated that most farmers' collective activities did not raise competition issues under standard competition rules, except when agreeing on prices and/or on quantities. The Specialisation Block Exemption Regulation was mentioned as a legal basis for collective action which could cover even such agreements under specific conditions. The presentation was considered useful, it elicited questions and interest. Some thought that it should be shared with national competition authorities in Member States.

This was followed by a presentation by a representative from the SP olive oil cooperatives. The cooperatives have been pondering and elaborating an idea concerning a private storage scheme as regards olive oil that would level out fluctuations of production over years and therefore prices. Different yields in the production of olives were a biological fact of the sector and led to wild price swings. The producers seek upfront legal certainty about their scheme that would protect them, but found it hard under the current legal regime to achieve this. The principle of self-assessment proved an important obstacle to the implementation of the scheme. Without any direction the sector was afraid to venture into a scheme that may be possibly considered illegal later on due to a strict interpretation of the applicable agro-competition rules and exceptions.

The third presentation was given by an expert on the *Initiative Tierwohl*, an animal welfare related initiative in Germany in the pig and poultry sectors which is, importantly, supported by retailers and helps farmers. The TF was interested in the elements which made this scheme compatible pursuant to the agro-competition framework. It was stressed that the payments to farmers under the scheme were made in consideration for certain well-defined animal welfare related "services" and this was an important element in an assessment of the scheme.

The fourth and last presentation covered a non-realised sustainability initiative in NL called the "chicken of tomorrow". The Dutch national competition authority had opposed its implementation on grounds of competition law. Again, the discussion turned on the parameters that were deemed important in respect of an assessment under the applicable legal framework.