

Call for proposals: Report on the implementation of the EU Unfair Trading Practices Directive beyond the EU

Evaluation of the extent to which non-EU exporters suffer from unfair trading practices imposed by EU buyers.

1 INTRODUCTION

Background

In 2019, the European Union (EU) passed a law called the EU Directive 2019/633 on Unfair Trading Practices (UTP) in the agricultural and food supply chain (the UTP Directive)¹. This Directive aims to protect suppliers in the agri-food supply chain against unfair practices from buyers and retailers.

The UTP Directive bans certain abusive practices that buyers often imposed on sellers in the agri-food supply chain (for example very late payments, last minute cancelation of orders, etc.). It applies in business-to-business relations when at least one of its parties is in the EU, and allows for parties who suffer one of the forbidden practices to file a complaint. This means that theoretically non-EU exporters selling to the EU should be protected against unfair trading practices.

While this directive was applauded by farmers and civil society as a key milestone in settling a higher standard for redressing unfair trading practices in business-business relationships, the extent to which the legislation has improved the lives of EU and global suppliers (including farmers and fisherpersons) remains unclear. In light of this, the European Commission (EC) is due to issue an Evaluation of the Directive in late 2025.

We at the Fair Trade Advocacy Office (FTAO) have a particular interest on how this directive is/is not benefiting the lives of non-EU suppliers who trade with the EU. The FTAO would like to strengthen the Commission's evaluation in two main ways:

- Firstly, by offering insights into the extent to which non-EU suppliers selling to the EU can effectively benefit from the directive, i.e. having access to legal information regarding their rights, and the right tools to file a complaint while remaining anonymous. And, if we found that they lack information or legal resources suggesting ways to address this situation.
- Secondly by identifying what unfair trading practices which are not currently covered by the Directive are problematic for agri-food producers and should be banned in the future.

¹ For more information on the UTP Directive, please visit: https://agriculture.ec.europa.eu/common-agricultural-policy/agri-food-supply-chain/unfair-trading-practices_en

2 AIM AND OBJECTIVE

The aim of this assignment is to deliver a report containing on-the-ground data on the implementation (or lack thereof) of the UTP directive by non-EU suppliers, so that this perspective can ultimately be included in the Commission's final draft Evaluation, expected to be released in November 2025.

The findings will be used to write recommendations for policymakers, EU Member States and companies. Please note that we are not necessarily looking for an evaluation of the implementation among all exporters of all commodities of a given country. We are open to receive proposals focusing on the exporters of a given region, within a country or a given commodity depending on the capacity of the researcher(s). The FTAO is particularly interested in the stakeholder engagement in Africa and Latin America, with farmers of the following commodities: cotton, cocoa, banana, coffee, and tea. However, we are not closed to hearing proposals on other commodities.

The research should focus on questions such as:

- Do the forbidden UTPs laid out in the directive still take place in X supply chain or in Y country? If so, how could they be remedied?
- Do other UTPs affect the exporters, in particular those that are not included in the directive? We invite the researcher to look at UTPs which are not covered by the Directive, but forbidden by the law of some EU Member States.
- Would the exporters be able to file a complaint if they were object of a UTP, given the mechanisms that are in place?

These are some of the main questions that we need to gather evidence on. The final research questions will be done in collaboration between FTAO and the researcher(s).

3 METHODOLOGY

Data will be collected through stakeholder interviews, both one on one as well as group discussions. Researcher(s) will be responsible for locating, selecting and contacting representative stakeholders. Cultural sensitivity and trust are important success factors for this research, it is therefore important that researcher(s) know the local context and language. The data will be analysed by the researcher(s) and presented in a clear overview, giving a summary of the findings,

adding the raw data and interview overviews in the annex.

The report shall present both quantitative and qualitative information:

Quantitative: non-exclusive

- The extent to which local farmers, local producers and/or other supply chain actors selling to the EU are aware of the UTP Directive
- Aggregated data about the number of UTPs (according to the Directive's definition) that producers are suffering
- (if possible) Evidence of evolution in the last four years

Qualitative: non-exclusive

- What are the challenges that non-EU supply chain actors who suffer UTPs face to complain: do they lack information about the regulations and its procedure (and its anonymity); do they know about it, but still fear commercial retaliation? Are there any other challenges?
- Needs analysis: are there trainings delivered by the European External Action Service or others? Is there any other support that would improve the implementation of the Directive?
- Recommendations for future UTPs. i.e. practices that are not considered as an UTP by the Directive, but that supply chain actors are facing. In particular if this practice is not among the blacklisted (or grey-listed) in the Directive.

4 BUDGET

A maximum of \$6,540 (including VAT and all expenses)

5 SELECTION CRITERIA

Selection will be based on the following criteria:

- Past experience in similar research
- Knowledge and experience with the commodities and regions listed above, smallholder farmers, international supply chains, unfair trading practices, trade unions
- Knowledge on the Unfair Trading Practices Directive (2019/633)

- Quality of the submission (as described in point 7)
 - Budget indicated by applicant
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6 SUBMISSION

Interested parties are asked to present their submission ***before April 22 2024***, including:

- Proposed approach, including:
 - o Country/countries interviews will take place
 - o Overview of stakeholder to be interviewed (how will they be reached and what is their field of work)
 - o Methodology (including a gender perspective)
- Table of content for the report
- Examples of similar work in the past
- Timeline of the research
- Profile of the researcher(s), including:
 - o Roles and proposed task division
 - o Past relevant experience
- Financial proposal in EUR, including (if applicable)
 - o personnel cost
 - o other direct costs (such as training and meeting costs, travel and accommodation)
 - o overhead
 - o VAT

7 TIMELINE

The suggested timeline is as follows:

22 April	Deadline to submit applications
2nd May	Kick-off meeting between FTAO and researcher(s)
May - August	Collecting data and drafting report
1 st Sept	Draft report submitted to the FTAO
30 Sept	Final report submitted to the FTAO and organization of public webinar

8 CONTACT

Expressions of interest should be sent to Isabel Garland garland@fairtrade-advocacy.org ***before April 22 2024***.

For inquiries, please contact Isabel Garland garland@fairtrade-advocacy.org

