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## **The FTAO welcomes the European Commission's efforts to strengthening the position of farmers in the agri-food supply chain and calls on co-legislators to build on the highest existing standards to deliver**

Today, the European Commission (EC) has proposed targeted amendments to the Common organisation of the markets (CMO) regulation, which include a definition of the conditions under which the terms 'fair' and 'equitable' can be used. The inclusion of these definitions adds a new dimension to the CMO, as the previous text did not have any specification. In the announcement of the proposal, President von der Leyen has highlighted fairness for farmers as a key priority for the Commission. The Fair Trade Advocacy Office (FTAO), welcomes this commitment and invites the European Commission, the European Parliament and the Council of the European Union to enhance this proposal by setting the high standards of existing fair trade schemes as the norm.

The European Parliament and the Council of the EU will now negotiate on the basis of the Commission's proposal. Ahead of the process, the FTAO encourages the co-legislators to consider the views and expertise of the Fair Trade Movement in order to improve this initiative, in particular its article regarding the use of the term 'fair trade'.

Jorge Conesa, Managing Director of the FTAO, has said "The conditions in the European Commission's proposal for the use of the terms 'fair' or 'equitable' remain too vague and significantly below the standards of what frontrunners are already doing. This regulation is an opportunity to promote fair trade and leverage the experience of the farmers and SMEs who already practice it, but if the bar is too low, or the text too vague, it would not only result in a missed opportunity, but actually damage the businesses who have already put fair trade at their core", he added.

The FTAO highlights that Member States such as France have already introduced specific legislation establishing a legal definition of the term 'fair trade' setting a more ambitious and precise precedent than the European Commission's proposed amendments.

The FTAO invites the co-legislators to consider the application of fair trade to both local trade within the EU, and international supply chains. Here, again, the FTAO considers the existing French legislation as a success story, since the same definition applies to fair trade products originating from France and abroad. The FTAO highlights that the EU imported EUR 158.6 billion in agri-food products in 2023, and exported EUR 228.6 billion, a clear indicator of the international dimension of the EU's supply chain. The challenges of EU and non-EU farmers are often similar and interconnected. By promoting fair trade for imports,

the EU would also be setting the conditions for EU farmers to improve their livelihoods. In parallel, the prevalence of unfair trade in international supply chains is an obstacle for both EU and non-EU farmers.

Finally, the FTAO stresses that defining ‘fair trade’ is just the starting point and not the goal. “True change will come when the recognition of reliable fair trade schemes and guarantee systems is paired with meaningful support measures. For instance, promoting these products through public procurement rules, awareness raising activities, and the promotion of fair trade through mutually beneficial partnership and trade agreements with third countries” Jorge Conesa concluded.

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