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# EU Plans for better market transparency

Liam MacHale

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## Definition of market transparency

“the availability of relevant market information (e.g. concerning prices, weather, production, trade, consumption and stocks) for all market participants”

AMTF, November 2016



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## Political context

- European Parliament resolution, 7 June 2016:  
Calls for increased transparency... within the supply chain and for the strengthening of bodies and market information tools... (<https://europa.eu/!GG99Wn>)
- Council conclusions, 12 December 2016:  
Calls on the Commission to address... the issue of lack of transparency and information asymmetry in all levels of the food supply chain... (<https://europa.eu/!Yc83tK>)
- Joint statement, 12 March 2019:  
... the transparency of agricultural and food markets is a key element of a well-functioning agricultural and food supply chain...  
The Commission is encouraged to continue its ongoing work... (<https://europa.eu/!yT36XH>)



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## Which of the following approaches would be best suited to enhance EU Market transparency?

<i>Agree/Partially agree</i>	Agriculture	Agro-food	Civil society	Trade	Individuals	Other	Research/Think tank	Retail	Grand Total
<u>Improve current tools, developed by the European Commission based on available data.</u>	95%	94%	92%	89%	89%	84%	80%	71%	91%
<u>Coordinate and integrate Member States' information systems and price observatories through common platforms</u>	95%	93%	96%	85%	92%	84%	80%	71%	92%
<u>Introduce an EU-level obligation for operators along the supply chain to report on prices</u>	88%	75%	96%	71%	88%	50%	60%	0%	85%
<u>Incentivise operators along the supply chain to develop self-managed, voluntary systems of information with public access</u>	65%	77%	58%	55%	66%	72%	80%	14%	66%

Source: Impact assessment questionnaire



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## Should market transparency be increased for these elements?

<i>Agree/Partially agree</i>	Individuals	Agriculture	Agro-food	Civil society	Research/Think tank	Retail	Trade	Other	Grand Total
Prices	96%	96%	87%	100%	75%	0%	90%	94%	95%
Production	94%	92%	89%	96%	100%	83%	95%	94%	93%
Stocks	88%	86%	78%	92%	75%	67%	85%	69%	86%
Costs of production	87%	89%	77%	96%	75%	33%	86%	65%	86%
Consumption	90%	91%	89%	96%	75%	67%	95%	82%	90%
Margins	83%	89%	70%	96%	75%	17%	75%	53%	83%

Source: Impact assessment questionnaire



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## Economic & legislative context

- Increasing market orientation of the EU's agri-food sector; increasing levels of market concentration at the processing and retail stages; changing consumer demand patterns; increasing integration into global markets
- Data collection is based on Art. 223 of the CMO Regulation ([1308/2013](#))
- A delegated ([2017/1183](#)) and implementing act ([2017/1185](#)) supplement the CMO Regulation:
  - e.g. what prices and quantities should be reported?  
(Annex I-III of 2017/1185)



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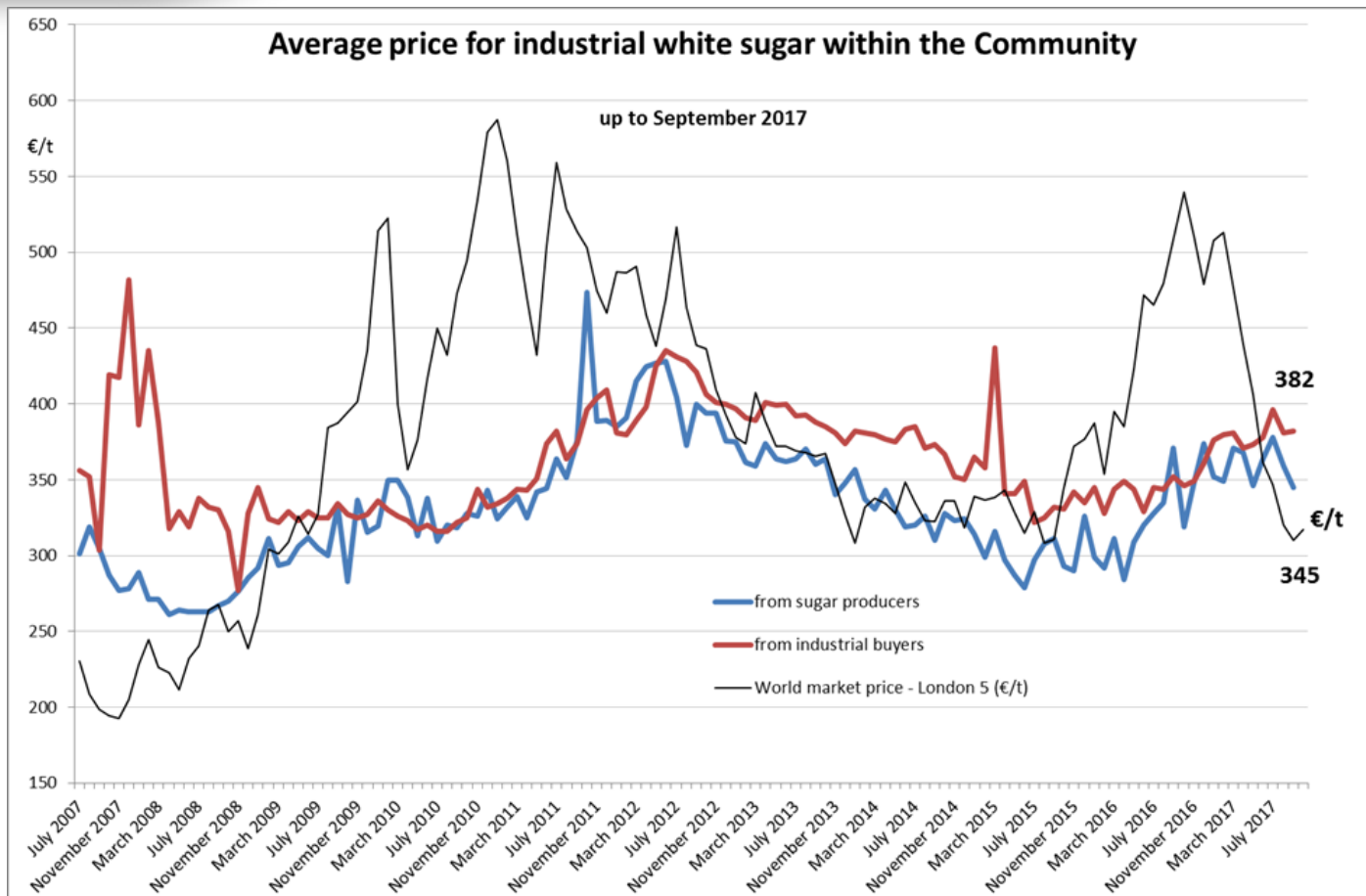
## Key issues and method (1)

- Price collection along the Food Supply Chain
- Representative prices
- Some additional quantities
- Not only selling prices but also buying prices



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## Buying/selling prices - price formation along the Food Supply Chain (2007-2017)







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## Key issues and method (2)

- Thresholds at MS level

*“Unless otherwise specified, Member States concerned are those producing or using more than 2% of the total Union corresponding production or use, except for organic products, for which the threshold is 4% of the production”.*

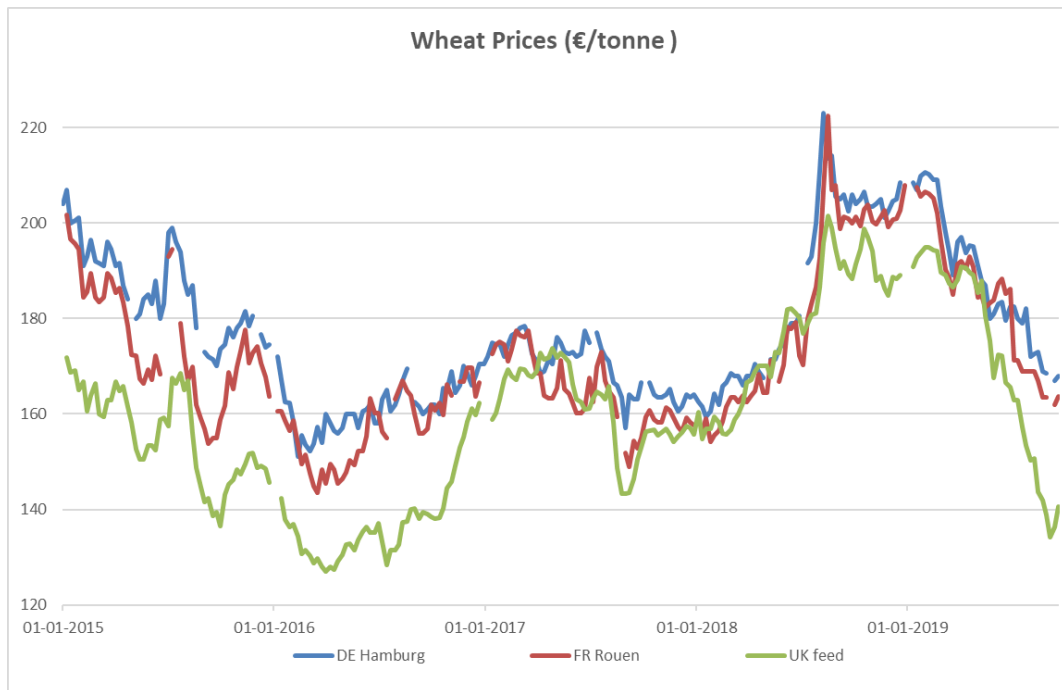
- Member States define methodology for data collection
- Possibility for MSs to delegate to operators the transmission of information
- Coordination mechanism between MSs and stakeholders



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## MS by MS approach (2015- 2019)

- Question is: what type of product is relevant for each MS market



-> data on one market offers information for other markets



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## Weekly prices (Annex I)

### 6. Meat

*Content of the notification:* prices for beef, pig and sheep carcasses and cuts and certain live cattle, calves and piglets in accordance with Regulation (EU) No 1308/2013 and for carcasses according to the classification of beef, pig and sheep carcasses expressed per 100 kg of product.

*Member States concerned:* for carcasses and live animals, all Member States. For cuts, Member States whose national production represents 2% or more of Union production.

*Other:* where in the opinion of the competent authority of the Member State concerned there are insufficient numbers of carcasses or live animals to notify, the Member State concerned may decide for the period in question to suspend the recording of prices for such carcasses or live animals and shall notify the Commission of the reason for its decision. Concerning cuts, Member States concerned shall report prices for beef hindquarter, beef forequarter, beef minced meat, pig meat loin, pig meat belly, pig meat shoulder, pig minced meat and pig meat ham.



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## Monthly prices (Annex II)

*Content of the notification:* representative selling prices of organic beef carcasses according to the classification of beef carcasses as in the case of the notification foreseen in point (a) of point 6 of Annex I, expressed per 100 kg of product.

*Period of notification:* by 25th of each month in respect of the preceding month.



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## Quantities (Annex III)

### **II. Meat**

*Content of the notification:*

- (a) beef: number and weight of classified carcasses per category and broken down by classes of conformation and fat cover;
- (b) pig: number and weight of classified carcasses per classes of lean meat content;
- (c) beef: number and weight of classified organic carcasses per category and broken down by classes of conformation and fat cover.

*Period of notification:* weekly for points (a) and (b), together with the price notification foreseen in Annex I paragraph 6, point (a); monthly for point (c), together with the price notification foreseen in Annex II paragraph 9.

*Member States concerned:* all Member States.



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## Next steps

- Member States: public authorities decide how to best implement, given EU legal structure (which products, how to organise reporting, etc.)
- EU level MS coordination / exchange of experiences
- Publication of legal text: October 2019;  
-> entry into force: 1 January 2021



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Thank you