



EUROPEAN COMMISSION

*Brussels, 19.03.2015
C(2015) 1635 final*

*Mr Volker BOUFFIER
President of the Bundesrat
Leipziger Straße 3 - 4
D – 10117 BERLIN*

Dear President,

The Commission would like to thank the Bundesrat for its Opinion concerning the Communication on unfair trading practices in the business-to-business food supply chain {COM(2014) 472 final}.

The Commission welcomes the Bundesrat's positive view on the voluntary "Supply Chain Initiative" and in particular shares its opinion that all relevant stakeholder associations and businesses should join the scheme to effectively curb unfair trading practices.

The Commission notes that the German competition law includes provisions that aim at tackling unfair trading practices and agrees with the Bundesrat's opinion that further regulation in this area should only be envisaged if there is an added value.

The Commission takes note of the Bundesrat's view that any further development of legislative frameworks addressing unfair trading practices should not be restricted to specific sectors. However, the Commission points out that its Green Paper consultation on unfair trading practices {COM(2013) 37 final} and discussions with stakeholders in the High Level Forum for a Better Functioning Food Supply Chain¹ showed that, across the EU, the food supply chain is particularly susceptible to such practices.

Regarding the impact of modern retail in the EU food sector, the Commission refers to its recent publication of an economic study² which examines the evolution and drivers of choice and innovation in the sector. To this end, the study assesses the impact of the relative concentration of retailers compared to their suppliers on food choice and innovation.

¹ http://ec.europa.eu/enterprise/sectors/food/competitiveness/forum_food/index_en.htm

² http://ec.europa.eu/competition/sectors/agriculture/retail_study_report_en.pdf

The Commission hopes that these clarifications address the issues raised by the Bundesrat and looks forward to continuing our political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Elżbieta Bienkowska
Member of the Commission*