

European Commission
Directorate General for Competition
COMP-E-TF-FOOD@ec.europa.eu

Reference HT. 4145 "CAP Reform – Guidelines"

Subject **COMMENTS OF THE MINISTRY OF AGRICULTURE AND FORESTRY IN FINLAND:
Guidelines on the application of the specific rules set out in articles 169, 170
and 171 of the CMO regulation for the olive oil, beef and veal and arable crops
sectors**

Ministry of Agriculture and Forestry in Finland would like to thank the Commission for drafting the guidelines for the application of the specific rules for producer organizations set out in articles 169, 170 and 171 of the CMO regulation for the olive oil, beef and veal and arable crops sectors. The practical approach with numerous examples makes it very useful both for the producer organizations and the national administrations.

According to the mentioned articles the producer organization may negotiate contracts of supply on behalf of its members in those three sectors. This negotiating measure is narrower than the measures mentioned in article 152 concerning possible objectives of the producer organizations and in article 209 concerning the exception of competition rules in the agricultural sector. The article 152 mentions eleven possible aims which a producer organization may pursue. The objectives can be for example the following: Concentration of supply and the placing on the market of the products produced by its members and stabilizing producer prices.

Approval of the producer organizations is voluntary for the Member States in all sectors other than fruit and vegetables and milk. If a Member State decides for example that the application of the new articles 170 and 171 concerning contractual negotiations in the beef and veal and arable crops sector should be allowed in that country it first has to allow the approval of the producer organizations in those sectors. Approval gives the producer organization not only a possibility to apply the rules concerning the contractual negotiations according to the articles 170 and 171 but also a possibility to pursue the measures stipulated in the article 152.

It would be very useful for a Member State considering approval of the producer organizations in these sectors to have in the draft guidelines some examples of the approved measures under articles 152 and 209 in addition to the ones already given in the draft concerning the new articles. It would be easier for both the producer organizations

and the national administration to comprehend what is allowed for a producer organization. Even just a couple of examples concerning the approved measures under articles 152 and 209 would be very useful. In our view this would be in the framework of the draft guidelines since according to its point 7 it addresses also the framework of generally applicable competition rules.

We would also like to draw attention to the text concerning outsourcing. According to the example in the point 113 of the draft guidelines a producer organization has to notify the outsourcing request to the relevant national authority which has to approve it. Taking into account the aim of minimizing the administrative burden we wonder if this approval for each outsourcing is really necessary. Maybe a more general approach could be also possible. Instead of approving each individual outsourcing situation of each producer organization would it be enough if the Member State could stipulate in legislation in more general terms that outsourcing is possible if the rules are followed. It would seem to suffice that the producer organization is responsible to follow the rules concerning outsourcing mentioned in article 155 of the CMO regulation.

Director General



Risto Artjoki

Ministerial Adviser



Pekka Sandholm