

Brussels, 19 March 2026
(OR. en)

7358/26

Interinstitutional File:
2024/0319 (COD)

AGRI 186
AGRIORG 44
AGRIFIN 59
AGRILEG 52
CODEC 457

NOTE

From:	General Secretariat of the Council
To:	Delegations
No. Cion doc.:	16779/24 + REV 1 + REV 1 ADD 1
Subject:	Regulation amending the common market organisation (CMO) Regulation as regards the strengthening of the position of farmers in the food supply chain <i>- Confirmation of the final compromise text with a view to agreement</i>

Delegations find attached the text of the abovementioned Regulation reflecting the political agreement reached at the fourth trilogue on 5 March 2026 before legal-linguistic revision.

At the meeting of the **Special Committee on Agriculture (SCA)** on 23 March 2026, delegations will be invited to approve the attached text and to mandate the SCA chair to write to the chair of the European Parliament's Committee on Agriculture and Rural Development to confirm the political agreement.

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
amending Regulations (EU) No 1308/2013, (EU) 2021/2115 and (EU) 2021/2116 as regards the
strengthening of the position of farmers in the food supply chain**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 42, first subparagraph, and Article 43(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

■

Having regard to the opinion of the European Economic and Social Committee²,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the ordinary legislative procedure,

² OJ C, ...

³ OJ C, ...

Whereas:

- (1) The agricultural sector, in particular farmers, *who ensure food security*, face a range of challenges. The Covid-19 pandemic, *growing instability in world trade, increasingly extreme weather events* and Russia's ongoing war of aggression against Ukraine have led to an unprecedented increase of energy-related agricultural input costs and a prolonged period of high inflation, affecting farmers' costs and food prices. In parallel, farmers continue to undertake efforts to make their production more environmentally sustainable. Many consumers, dealing with an increased cost of living, have also directed their consumption patterns towards less expensive food products. *All the above factors have further destabilised the distribution of value added along the food supply chain and have increased the degree of uncertainty in which farmers, notably small and medium-sized farms, operate, fuelling protests and mistrust. It is thus appropriate to adopt measures to tackle those challenges and to restore fairness and the trust of the actors in the food supply chain, to strengthen the position of farmers and improve their bargaining power, including through producer organisations and cooperatives as creators of added value, as well as protecting farmers' incomes and increasing young people's confidence in the farming profession.*
- (1a) *When developing marketing standards concerning the indication of the place of farming and/or origin, particular attention should be given to the specific context of each product and sector. In that regard, one or both indications should be determined in light of the need to better meet expectations of transparency, including through country of origin labelling in line with single market rules, their relevance for consumers, the structure of the supply chain, while taking into consideration the practical implications for operators and the need to avoid unnecessary complexity.*

- (2) Various operators within the agricultural and food supply chain, active at different stages of production, processing, marketing, distribution, and retail, have developed schemes and labels to promote commercial modalities ensuring the fair allocation of value added to farmers and the creation and maintenance of short supply chains. Establishing minimum requirements for the use of optional terms describing those commercial modalities is necessary to increase the transparency and reliability of the use of those terms in the food supply chain, complementing existing food labelling rules, in particular Regulation (EU) No 1169/2011 of the European Parliament and of the Council⁴.
- (3) In the interest of increased trust and fairness along the food supply chain, the terms ‘fair’, ‘equitable’, **and terms having an equivalent meaning**, should be used only to designate commercial modalities that ensure stability and transparency in commercial relations between farmers and purchasers and pricing considered equitable **and remunerative** by participating farmers, and that support and contribute to the United Nations Sustainable Development Goals, including in a manner that is consistent with Annex I of Directive (EU) 2024/1760 of the European Parliament and of the Council⁵.

⁴ Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of food information to consumers, amending Regulations (EC) No 1924/2006 and (EC) No 1925/2006 of the European Parliament and of the Council, and repealing Commission Directive 87/250/EEC, Council Directive 90/496/EEC, Commission Directive 1999/10/EC, Directive 2000/13/EC of the European Parliament and of the Council, Commission Directives 2002/67/EC and 2008/5/EC and Commission Regulation (EC) No 608/2004 (OJ L 304, 22.11.2011, p. 18, ELI: <http://data.europa.eu/eli/reg/2011/1169/oj>).

⁵ Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859, (OJ L, 2024/1760, 5.7.2024, ELI: <http://data.europa.eu/eli/dir/2024/1760/oj>).

- (4) The term ‘short supply chain’ should be used only to designate commercial modalities where a direct connection exists between farmers and consumers that allows to directly exchange on the production process and the product, including by means of distance communication and/or via an intermediary who *is present in the chain, provided that consumers can easily identify the holdings of the participating farmers where the raw material has been produced*. Alternatively, this term may also be used where a close connection between farmers and consumers within their geographic proximity exists, including in cross-border contexts. *Geographical proximity should be understood as a short distance or short travelling time, among others, taking into account geographical and demographical specificities of the Member States*. This will incentivise consumers to pay prices that fairly remunerate farmers for what they produce, strengthen and contribute to the development *and the revitalisation* of rural areas, improve transparency regarding the origin and production methods of the products. *It should apply to products produced in or placed on the single market*.

- (5) In light of market conditions, evolving consumer expectations, advances both in marketing standards and in relevant international standards, *the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union* should be *delegated to the Commission in respect of additional optional terms that are equivalent to the terms ‘fair’ or ‘equitable’, as well as in respect of the setting out or specification of conditions on the use of the optional terms designating commercial modalities related to the fair allocation of value added to farmers and the creation and maintenance of short supply chains, taking into account any relevant international standards and related quality schemes. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States’ experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.*
- (6) For those same reasons, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of additional optional terms that are equivalent to the terms ‘fair’ or ‘equitable’.
- (7) While Member States may retain or introduce national provisions stipulating supplementary requirements for the use of optional terms for commercial modalities, those provisions should not hinder, limit, or obstruct the use of these terms for products legally produced or marketed in another Member State.

- (8) The use of written contracts plays a crucial role in the accountability of operators, raising awareness about the importance of market signals, adapting supply to demand, improving price transmission within the supply chain, enhancing transparency and preventing and addressing unfair trading practices. The rules on contractual relations in the milk and milk products sector should therefore be extended to cover products other than raw milk, while ensuring alignment with the rules on contractual relations applicable to other agricultural sectors. *However, the Regulation should allow Member States to exempt operators from the obligation to include indicators, indices or methods of calculation of the final price or a review clause in their written contracts, following consultation of relevant representatives of farmers or of relevant interbranch organisations, provided that the effects of predictability, transparency and price transmission can be achieved by other means or that the obligation to include these elements would not be appropriate or proportionate for other justified reasons.*
- (8a) *In order to reflect market developments and while maintaining effective competition in the dairy market, it is appropriate to increase the quantitative limits applicable to the volume of raw milk covered by collective contractual negotiations by recognised producer organisations, expressed as a percentage of total Union production and of total volumes produced and delivered in a Member State.*

- (9) In order to increase flexibility for Member States and simplify the procedure for the recognition of producer organisations, thereby reducing transaction costs and improving efficiency, the rules on producer organisations should allow for their recognition following, *instead of one request for each specific sector as currently required*, a single request covering multiple sectors *or* products, *provided that the producer organisation fulfils the conditions which are applicable to each specific sector for which it seeks recognition*. Moreover, **█** organic product producers *are able to use the existing possibility for* the establishment and recognition of producer organisations *to enhance their collaboration*. The criteria for the recognition of producer organisations and their statutes should also provide that producer organisations are established at the initiative of farmers *producing agricultural products of the soil, irrespective of whether the production methods use soil or other growing media, for example in greenhouses, or of stockfarming*, and are controlled in accordance with rules that enable *these* farmer members to scrutinise democratically their organisation and decisions. *Member States should be also allowed to decide that such democratic scrutiny may be carried out not only directly by the farmers, but also via their associations, including those in the form of cooperatives, on the condition that those associations are controlled by farmers*. This should not preclude other producers that are not farmers *producing agricultural products of the soil or stockfarming, such as first-stage processors or* non-producers from joining producer organisations.

- (10) To promote further sustainable development, which is a core principle of the Treaty and a priority objective for the policies of the Union, and to ensure transparency, stability and fairness in commercial relations between farmers and purchasers throughout the supply chain, Member States should be able to recognise producer organisations that pursue specific aims with optional terms for commercial modalities, such as ‘fair’, ‘equitable’ or *terms having an equivalent meaning*, and ‘short supply chain’.
- (11) To ensure a fair standard of living for farmers, enhance their bargaining position vis-à-vis processors and other actors in the supply chain and provide for a fairer distribution of added value along the supply chain, the possibility of negotiating contract terms on behalf of their members should be extended to non-recognised producer organisations, including cooperatives *or other equivalent legal forms recognised according to national law*, for some or all of their production, *provided that they comply with the recognition criteria set at Union level and engage in the activities set out in Regulation (EU) No 1308/2013 of the European Parliament and of the Council¹, including concentrating supply and placing their members’ products on the market*. To ensure equal treatment with members of recognised producer organisations, this possibility should be subject to appropriate limits. In particular, non-recognised producer organisations ■ should *only benefit from this extension, provided that they have submitted an application for recognition to a Member State, during the period referred to in Article 154(4)(a), or, if no decision is taken within that period, within five years of the date of submission of their application, unless the Member State refuses recognition in the meantime*.

- (12) To strengthen the negotiating position of recognised producer organisations and to ensure the viable development of agricultural production, recognised associations of producer organisations should be allowed to negotiate contract terms on behalf of their members, including price, for some or all of their members' production, *also if only the producer organisations who are members of the association of producer organisations are genuinely exercising an economic activity, but not the association of producer organisations itself*. This possibility should be allowed, subject to the safeguard that the organisations which are members of those associations are not also members of another association of producer organisations and the volume of *the product* covered by the activities of the association does not exceed **36%** of the total national production of *that product in the Member State concerned*. In order to maintain effective competition on the market, recognised associations of producer organisations should also not be allowed to negotiate contract terms where those associations include non-recognised producer organisations.
- (12a) *The statutes of producer organisations require their members to limit membership to one producer organisation for any given product, to create stability for the producer organisation, to prevent opportunistic behaviour by members by limiting their possibility to freely place their quantities with different producer organisations, and to maintain coherence in the representation of their members. At the same time, a producer may have the possibility to be member of different producer organisations if the product concerned is a different product of the holding. It is therefore appropriate to clarify that multiple memberships are possible in duly justified cases where the products are sufficiently distinct, having regard, among others, to their specific characteristics or the differentiated intended final use.*

- (12b) *In order to reinforce the position of dairy farmers, in particular by strengthening their producer organisations, it is appropriate to align the rules on the statutes of producer organisations and to extend the application of those rules to producer organisations in the dairy sector, thereby enhancing democratic functioning and transparency.*
- (13) To prevent purchasers from undermining the bargaining position of producer organisations, appropriate safeguards should be established for contacts between purchasers and members of those producer organisations. While purchasers may contact members of producer organisations, those contacts should not undermine the objectives of the producer organisations, or the concentration of supply and placing of products on the market, *in particular, where such direct contacts are used to circumvent the joint strategy of producer organisations.*
- (14) Interbranch organisations play an important role in facilitating dialogue between actors in the supply chain, and in promoting best practices, market transparency, stability and fairness in commercial relations between farmers and purchasers throughout the supply chain. It is therefore appropriate to include the promotion of initiatives for the inclusion of optional terms for commercial modalities, such as ‘fair’, ‘equitable’ or *terms having an equivalent meaning*, and ‘short supply chain’ in the list of objectives that a recognised interbranch organisation may pursue.

- (15) Certain Member States have decided that all deliveries of agricultural products in their territory are to be covered by written contracts between the parties. Where the Member States do not make use of this possibility, farmers, producer organisations or associations of producer organisations can request the use of written contracts. However, due to the weaker bargaining position of farmers and the fear of commercial retaliation by purchasers, it can be difficult for farmers and their associations to make such a request. To increase trust, transparency, and efficiency within the supply chain, farmers, ***who work at the very beginning of the agricultural food chain and their associations***, producer organisations and associations of producer organisations ***should*** benefit from the use of written contracts. ***Written contracts should therefore be required when*** deliveries of agricultural products ***are made by farmers who have produced these products of the soil, irrespective of whether the production methods use soil, for example in greenhouses, or of stockfarming on their holdings and when they process these primary agricultural products. Deliveries of such products made by farmers' associations, producer organisations or associations of producer organisations, that process or market such products for the farmers***, should ***also*** be covered by a written contract.
- (16) To better take into account the signals of the market and to improve price transmission, Member States should be able to require the use of written contracts for the delivery of agricultural products ***also by or to other operators of the food chain***, and to require that purchasers make use of written offers for contracts for the delivery of agricultural products.

- (16a) *In the interests of simplicity and reduction of transaction costs, this Regulation should lay down certain derogations to the required use of written contracts or written offers for contract, and allow Member States to exempt certain deliveries from the required use of written contracts or written offers, while leaving farmers and their associations the possibility of requesting the use of written contracts or written offers when there is no such obligation. To preserve the role of cooperatives and producer organisations in promoting collective approaches and maximising added value for their members, thereby strengthening the position of farmers in the supply chain, a written contract should not be required for the deliveries by members to the cooperative or producer organisation provided that the statutes of the cooperative or producer organisation provide for transparent and predictable rules on price transmission, taking into account the impact on the remuneration of farmers.*
- (16b) *To provide Member States with the option to take into account national or regional practices, the Regulation should allow Member States to exempt products subject to seasonal supply, demand fluctuations or perishability as well as products that are subject to specific traditional or customary selling practices from the required use of written contracts or written offers. In addition, Member States should be allowed to exclude certain products other than dairy and dairy products from the obligation to have written contracts, following consultation of relevant representatives of farmers or of relevant interbranch organisations, provided that the effects of predictability, transparency and price transmission are achieved by other means for the products concerned or that the obligation to have written contracts or written offers would not be appropriate or proportionate as regards these products for other justified reasons. This possibility to exclude certain products from the obligation to have written contracts should also include the possibility to exclude certain products from certain mandatory elements of written contracts. The exemptions under this flexibility should be clearly defined in order to protect farmers .*

- (17) The required use of written contracts for the delivery of agricultural products and the basic conditions for their use should be laid down at Union level, while ensuring that the right of the parties to negotiate all elements of their contracts is not restricted beyond what is strictly necessary. *Nevertheless, Member States should not be prevented to adopt measures to combat unfair trading practices in the agricultural and food supply chain negatively impacting the living standards of the agricultural community , as long as such measures are appropriate and proportionate for securing attainment of the objective pursued and are compatible.*
- (18) To encourage parties to reach an amicable settlement in case of disputes over the conclusion or review of a written contract, Member States should *ensure that mediation or comparable mechanisms are available. Such mechanisms may include existing ones or may be established for that purpose. Among others, they may include organisations representing farmers, interbranch organisations, accredited private mediation services or other independent dispute-resolution bodies. These mechanisms should be impartial and voluntary for contracting parties.* Member States should inform the Commission about the ■ mechanisms in place *within* their territory ■ .
- (19) To facilitate the functioning of price transmission mechanisms, where the final price payable for the delivery of agricultural products is calculated by combining various factors set out in the contract, those factors should include objective indicators, indices or methods of calculation that are easily understandable by the parties. To avoid that farmers are forced to sell systematically below their production costs, the indicators, indices and methods of calculation of the final price should reflect changes in market conditions and *changes in relevant elements of* production costs of the agricultural products delivered *impacting the remuneration of farmers.*

- (20) Considering the vulnerable negotiating position of farmers and their organisations, recent instances of significant volatility in agricultural input costs and market prices, and the need for a more efficient price transmission within the supply chain, contracts *in the dairy sector* with a duration of more than 6 months, *and contracts with a duration of more than 12 months in the other sectors*, should include a revision clause that may be triggered by the farmers *or* their organisations, *for example in light of unforeseen circumstances, such as extreme weather events, animal disease outbreaks, geopolitical tensions, or any other reason*. Such a clause should permit farmers to request ■ at any moment *after the 6 or 12 months, as relevant*, a revision of the elements of the contract and permit them to end the contract in case no agreement ■ is reached, without interfering with the right of the parties to negotiate other possibilities for the revision of the contract.
- (21) To enhance contractual transparency and contribute to fairer trading practices, Member States should be able to require the registration of written contracts for the delivery of agricultural products.
- (22) Certain vertical and horizontal cooperation initiatives concerning agricultural and food products, which aim to apply requirements that are more stringent than the mandatory requirements, can have positive effects on the objective of the common agricultural policy to ensure a fair standard of living for the agricultural community and on the objective of sustainable development of the Union. Therefore, under specific circumstances, such initiatives should not be subject to the application of Article 101(1) of the Treaty on the Functioning of the European Union.

- (23) In periods of severe market imbalance, specific categories of collective actions by private operators can contribute to stabilise the sectors concerned. *Such collective actions may for example consist of market withdrawal or free distribution of their products including to charity organisations.* With a view to ensuring that private operators have the necessary resources to implement these actions, the Commission should be able to make available Union resources from the agricultural reserve to support these actions. Member States should also be able to allocate additional national resources *without delay.*
- (23a) *The Commission Communication ‘A Vision for Agriculture and Food’ recalls livestock is an essential part of the Union’s agriculture, competitiveness and cohesion. Sustainable livestock systems are essential for the Union economy, the viability of rural areas and the preservation of the environment and rural landscapes. The Union livestock sector is particularly vulnerable to various shocks and global competition and it is required to meet high production standards that are not always rewarded by the market. In this context, it is necessary to acknowledge the natural composition of meat and meat products, in the interest of both Union producers and consumers. Meat-related terms often carry cultural and historical significance. It is therefore appropriate to protect meat-related terms to enhance transparency in the internal market as regards the food composition and nutritional content and ensure that consumers can make well-informed choices, particularly for those seeking a specific nutritional content that is traditionally associated with meat products. Therefore, for the purposes and within the scope of this regulation, ‘meat’ should mean the edible parts of animals.*

Furthermore, as regards agricultural products listed in Annex I to the TFEU as well as food products not listed in that Annex, certain terms should be reserved for products derived from meat, without prejudice to technological processes used in the production which do not aim to replace in whole or in part meat or any meat constituent, or for products that have a name, in which those terms are used in association with a word or words to designate the animal species from which an agricultural product originates, without prejudice to the use of these terms for fishery and aquaculture products as defined in Union legislative acts on the common organisation of the markets in fishery and aquaculture products and for other products listed in a delegated act adopted under Article 78(3). In order to take into account that there are certain products not derived from meat, whose exact nature is clear due to an established long term use and does not cause any possible confusion to the consumer, an empowerment should be added in Article 78(3) to draw up a list of names, which would be allowed to use alone or in association with other words a meat name, and which takes into account how the terms are used in different languages.

- (24) To enable sugar beet growers to benefit from enhanced contractual clarity and to ensure a harmonised contractual framework while taking account of the specificity of the sugar beet sector, purchase terms in contracts for the delivery of sugar beet should be aligned with the conditions for the use of written contracts in other agricultural sectors.
- (25) Regulation (EU) No 1308/2013 should therefore be amended accordingly.

- (26) To strengthen the position of farmers in the food supply chain, several provisions of Regulation (EU) 2021/2115 of the European Parliament and of the Council⁶ should be amended as regards the types of intervention in certain sectors. These amendments aim to support farmers to become or remain members of producer organisations or associations of producer organisations recognised under Regulation (EU) No 1308/2013, in light of the positive role these organisations and associations play in strengthening the bargaining power of producers. Moreover, to ensure a more efficient and targeted support of producer organisations through the CAP Strategic Plans, the possibility of an increase of the Union financial assistance to operational programmes in certain sectors should be provided for.
- (27) The value of production of fruit and vegetables marketed by producer organisations compared to the total value of the fruit and vegetable production remains in certain Member States far below the Union average. Among the financial incentives available, Member States can already provide national financial assistance as provided for in Article 53 of Regulation (EU) 2021/2115 to producer organisations located in certain regions where the degree of organisation is significantly below the Union average. With a view to enhancing competitiveness, strengthening farmers' positions in the value chain and setting up new producer organisations, a financial incentive consisting in an increase of 10 % of the Union financial assistance should be granted to producer organisations in Member States, in which the degree of organisation of producers is below 10 % for 3 consecutive years preceding the implementation of the relevant operational programme.

⁶ Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013, (OJ L 435, 6.12.2021, p. 1, ELI: <http://data.europa.eu/eli/reg/2021/2115/oj>).

- (28) With a view to facilitating the generational renewal in the farming sector and encouraging entrance of new producer members in producer organisations in the fruit and vegetables sector and in other sectors as referred to in Article 42, point (f), of Regulation (EU) 2021/2115, a particular incentive should be granted to young farmers and new farmers who join a producer organisation recognised under Regulation (EU) No 1308/2013. Consequently, a possible increase of **20 percentage points** of the Union financial assistance for expenditure related to investments made at the premises of a young farmer or a new producer who **for first time** joins a recognised producer organisation ■ should be made available.
- (29) Given the recurrence of adverse climatic events, natural disasters, plant diseases or pest infestations in recent years, it has proven useful for producer organisations and associations of producer organisations to be able to redirect funds, including Union financial assistance within the operational fund, to interventions required to address the consequences of those events. It is therefore necessary to provide for the possibility of increasing the Union financial assistance laid down in **Articles 52(1), 62 and 65(1) and 68** of Regulation (EU) 2021/2115 from 50% to 70% of the actual expenditure incurred, under certain conditions.
- (30) In order to support the setting-up of types of intervention in the other sectors referred to in Article 42, point (f), of Regulation (EU) 2021/2115, Member States should be allowed, as of 2025, further flexibility to adjust the allocation of funds to these sectors by using up to 6 % of their allocations for direct payment, **after assessing consequences on the level of income support**.

- (31) Regulation (EU) 2021/2115 should therefore be amended accordingly,
- (32) With a view to ensuring that Union resources from the agricultural reserve can be made available to the Member States in order to support collective actions by private operators in periods of severe market imbalance, the possibility to use the agricultural reserve should be extended to the support of collective actions when the Commission decides that competition rules do not apply to those actions.
- (33) Article 16 of Regulation (EU) 2021/2116 of the European Parliament and of the Council⁷ should therefore be amended accordingly.
- (34) In order to give the market operators the necessary time to adapt and to allow the Commission to assess existing national schemes and practices, the application of the rules relating to the reservation of the optional terms ‘fair’, ‘equitable’ and *terms having an equivalent meaning*, and the term ‘short supply chains’, should be deferred by 2 years after the entry into force of this Regulation. *Similarly*, in order for operators to adapt their contractual relations to the new rules on written contracts *and for producer organisations in the milk sector to adjust their statutes*, the application of those rules should be deferred by 2 years after its entry into force. *Furthermore, in order to allow market operators to adapt and adjust their marketing strategies, the application of the definitions and reserved designations for meat and meat products should be deferred by three years after the entry into force of this Regulation. Products that have been produced or imported in accordance with the rules applicable before that date should, however, be allowed to continue to be marketed or for a maximum period of three years from that date or until the exhaustion of stocks, whichever occurs first.*

⁷ Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013, (OJ L 435, 6.12.2021, p. 187, ELI: <http://data.europa.eu/eli/reg/2021/2116/oj>).

HAVE ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EU) No 1308/2013

Regulation (EU) No 1308/2013 is amended as follows:

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(-2) in Article 75, in paragraph 3, point (j) is replaced by the following:

‘(j) the place of farming and/or origin;’;

(-1) Article 78 is amended as follows:

(a) paragraph 1 is amended as follows:

(i) point (a) is replaced by the following:

‘(a) all sectors where edible parts of animals are produced and in particular beef and veal, pigmeat, sheepmeat, goatmeat and poultrymeat.’;

(ii) point (d) is deleted.

(b) in paragraph 3, the following second paragraph is added:

‘As regards Point 3 of Part Ia of Annex VII, the Commission is also empowered to adopt delegated acts in accordance with Article 227 concerning derogations allowing the use of designations reserved for products derived from meat, for other products, whose exact nature is clear due to an established long term use and does not cause any possible confusion to the consumer.’;

- (1) in Part II, Title II, Chapter I, Section 1, the following subsection is inserted after Subsection 3:

‘Subsection 3a

Use of optional terms for products in all sectors listed in Article 1(2)

Article 88a

Optional terms for commercial modalities

1. The terms ‘fair’, ‘equitable’ or terms *having an equivalent meaning to those* terms may be used ■ , alone or in combination with other terms, on the labelling, in the presentation, on advertising material or on commercial documents of a product of the sectors listed in Article 1(2) that is placed on the market, *only if those* terms are used to inform purchasers about existing modalities for the organisation of production, distribution, or placing on the market, which *aim to ensure* at least ■ :
 - (a) stability, *including through contracts between producers and buyers*, and transparency in the relations of farmers with purchasers along the supply chain, *and in the information about participating farmers*;
 - (b) a price considered equitable *and remunerative* by participating farmers for their products, and *which may take into account relevant available data on production costs*;
 - (c) Collective initiatives pursuing one or several of the United Nations Sustainable Development Goals *notably contributing to the development of rural communities, in particular through the promotion of democratically managed collective organisations of farmers*.

2. The term ‘short supply chain’ may be used only, alone or in combination with other terms, on the labelling, in the presentation, on advertising material or on commercial documents of a product of the sectors listed in Article 1(2) that is placed on the market, provided that *consumers can easily identify the holdings of the participating farmers where the raw material has been produced, and only if* the term is used to inform purchasers about existing modalities for the organisation of production, distribution, or placing on the market, which *ensure*:
- (a) a direct connection between the farmer and the final consumer of the product, *if appropriate with one intermediary*; or
 - (b) a close connection ■ between the farmer and the final consumer of the product, *with a limited number of intermediaries, and geographical proximity between the farmer, the intermediaries and the final consumer of the product*
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4. The Commission is empowered to adopt delegated acts in accordance with Article 227 *in order to: a) amend* paragraph 1 to add terms that are equivalent to the terms ‘fair’ or ‘equitable’, when such equivalent terms are used on the market to inform purchasers about the commercial modalities referred to in paragraph 1. *b) set out additional rules or specify conditions for the application of paragraphs 1 and 2, taking into account any relevant international standard and related quality certified schemes.*

5. Member States may adopt or maintain national rules laying down conditions additional to those referred to in paragraph 1, points (a), (b) and (c) and in paragraph 2, points (a) and (b), for the use of the terms referred to in paragraphs 1 and 2 respectively. Such rules shall not prohibit, restrict or impede the use of the terms referred to in paragraphs 1 and 2 for products that are legally produced or marketed in another Member State under the terms referred to in paragraphs 1 and 2.
6. This Article shall be without prejudice to the rules laid down in Regulation (EU) No 1169/2011.’;

(2) Article 148 is replaced by the following:

‘Article 148

Contractual relations in the milk and milk products sector

1. Every delivery in the Union of milk and milk products by a farmer, ***including a farmers’ association, or*** a producer organisation or an association of producer organisations, to a processor, collector, distributor or retailer shall be covered by a written contract between the parties.

The obligation of the first subparagraph only concerns:

- (a) ***farmers which produce raw milk on their holding or process the raw milk produced on their holding into milk and milk products;***
- (b) ***farmers’ associations, producer organisations or associations of producer organisations which process or market products as referred to in point (a).***

Such contract shall fulfil the conditions laid down in paragraphs 4 and 8.

Following consultation of relevant representatives of farmers or of interbranch organisations recognised in accordance with Article 163(1), Member States may decide that the inclusion of indicators, indices or methods of calculation of the final price referred to in paragraph (4), point (c)(i), second indent, shall not be compulsory and that the delivery shall not be covered by the requirements in paragraph (4), point (c) (iii), second sentence, regarding a revision clause if the effects of predictability, transparency and price transmission can be otherwise achieved for the milk or milk products concerned, or that the obligation to include the elements of paragraph (4), point (c) (i) second indent and point (c) (iii), second sentence, regarding a revision clause would not be appropriate or proportionate as regards these products for other justified reasons.

For the purposes of this Article, a "collector" means an undertaking that transports raw milk from a farmer or another collector to a processor of raw milk or another collector, where the ownership of the raw milk is transferred in each case.

2. Member States may also decide that:
 - a) the delivery of milk and milk products by *or to operators that are not covered by paragraph 1* shall be covered by a written contract;
 - b) **■** a written offer for a contract for the delivery of milk and milk products *shall be mandatory. In such case, the Member State may either decide that such offer shall be made by the first purchasers of milk and milk products, or decide that such offer shall be made* by the farmer, *including a farmers' association, or* a producer organisation or an association of producer organisations.

Such a contract or offer for a contract shall fulfil the conditions laid down in paragraphs 4 and 8.

3. Member States shall ***provide that mediation or comparable mechanisms are available including existing mechanisms. These mechanisms shall be voluntary for the contracting parties and impartial*** to cover cases in which there is no ***mutually acceptable*** contract referred to in paragraphs 1 and 2 or ***for the revision of*** such a contract ***and may include representatives of farmers organisations.***

Member States shall inform the Commission of the **■** mechanisms ***referred to in the first subparagraph available*** in their territory.

4. The contract or the offer for a contract referred to in paragraphs 1 and 2 shall:
 - (a) be made in advance of the delivery,
 - (b) be made in writing, ***including in electronic form,*** and
 - (c) include, in particular, the following elements:
 - (i) the price payable for the delivery, which shall:
 - be static and set out in the contract; or

- be calculated by combining various factors set out in the contract, which shall include objective indicators, indices or methods of calculation of the final price, that are easily accessible and comprehensible and that reflect changes in market conditions and ***changes in relevant elements of production costs impacting the remuneration of farmers***, the quantities delivered and the quality or composition of the milk and milk products delivered. to that effect, Member States may determine indicators, ***that may be published online for use in contracts*** in accordance with **■** objective criteria based on studies carried out on production and the food supply chain, ***or taking into account objective data from sources such as interbranch organisations, the EU Agri Food Chain Observatory or any relevant objective data available***. The parties to the contracts shall be free to refer to these indicators or any other indicators;
- (ii) the volume of raw milk or the quality and quantity of milk or milk products to be delivered, and the timing of such deliveries;
- (iii) the duration of the contract, which may include a definite duration or an indefinite duration with a termination clause. In the case of a contract with a minimum duration longer than six months, the contract shall include a revision clause that may be triggered by the farmer, ***including a farmers' association, or*** a producer organisation or an association of producer organisations;

- (iv) details regarding payment periods and procedures, ***including the applications of any reductions agreed between the parties***;
 - (v) arrangements for collecting or delivering milk or milk products; and
 - (vi) rules applicable in the event of force majeure.
5. By way of derogation from paragraphs 1 and 2, a written contract or a written offer for a contract shall not be required in the following cases:
- (a) the milk or the milk products concerned are delivered by a member of a producer organisation or cooperative to the producer organisation or cooperative of which it is a member provided that the statutes of that producer organisation or cooperative or the rules and decisions provided for in, or derived from **■** these statutes, ***provide for transparent and democratically decided rules, known in advance, for methods for determining the price of the milk or milk products delivered by them, taking into account the impact on the remuneration of farmers, and the payment periods and procedures***;
 - (d) the delivery is made for free or in the context of the disposal of milk or milk products which are no longer fit for sale.
6. Member States may decide that a written contract or a written offer shall not be required in one or more of the following cases:
- (-a) the first purchaser of milk or milk products is a micro or small-sized enterprise within the meaning of Recommendation 2003/361/EC¹***;

- (a) *The total value of the delivery or deliveries agreed by the parties does not exceed a maximum limit* to be determined by the Member State, which shall not be higher than EUR 10,000;
- (ac) *the conclusion of the contract and the payment for the milk or milk products take place at the time of delivery;*
- (b) the delivery concerns milk and milk products that are subject to seasonal supply or demand fluctuations or perishability;
- (c) the delivery concerns milk and milk products that are subject to traditional or customary selling practices.

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7. Where pursuant to paragraph 5, *point* (d), or paragraph 6, a written contract or a written offer for a contract is not required, a farmer, *including a farmers' association, or* a producer organisation, or an association of producer organisations may require that a delivery of milk or milk products be the subject of a written contract or of a written offer for a contract. Such a contract or offer for a contract shall fulfil the conditions laid down in paragraph 4 and paragraph 8, first subparagraph.
8. All elements of contracts for the delivery of milk or milk products concluded between farmers, *including farmers' associations, or* producer organisations or associations of producer organisations and collectors, processors, distributors or retailers, including the elements and their components referred to in paragraph 4, point (c), shall be freely negotiated between the parties.

Member States may establish one or more of the following:

- (a) in respect of the written contracts referred to in paragraph 1 of this Article:
 - (i) an obligation for the parties to agree on a relationship between a given quantity of milk or milk products delivered and the price payable for that delivery;
 - (ii) a minimum duration which shall be at least six months and shall not impair the proper functioning of the internal market;
- (b) in respect of the written offers referred to in paragraph 2, point (b), an obligation that the written offer shall include a minimum duration for the contract, set by national law. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market.

Farmers, *including farmers' associations, or* producer organisations or associations of producer organisations may refuse in writing the minimum duration imposed pursuant to the second sub-paragraph.

9. Member States may require the purchaser of milk or milk products to register the written contracts referred to in paragraph 1 prior to the delivery of the milk or milk products concerned by the farmer, *including a farmers' association, or* a producer organisation or an association of producer organisations to a collector, processor, distributor or retailer in their territory.

10. Member States that make use of the options referred to in paragraphs *I*, 2, 6, 8 and 9 shall notify the Commission of how they are applied.
11. The Commission may adopt implementing acts laying down measures necessary for the uniform application of paragraphs 4 and 5 and measures relating to notifications to be made by the Member States in accordance with paragraph 10. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

¹ *Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises, (OJ L 124, 20.5.2003, p.36, <http://data.europa.eu/eli/reco/2003/361/oj>).*

(2a) *in Article 149(2), point (c) is replaced as follows:*

‘(c) provided that, for a particular producer organisation, all of the following conditions are fulfilled:

(i) the volume of raw milk covered by such negotiations does not exceed 7 % of total Union production,

(ii) the volume of raw milk covered by such negotiations which is produced in any particular Member State does not exceed 36 % of the total national production of that Member State, and

(iii) the volume of raw milk covered by such negotiations which is delivered in any particular Member State does not exceed 36 % of the total national production of that Member State;’;

(3) Article 152 is amended as follows:

(a) paragraph 1 is amended as follows:

(i) point (a) is replaced by the following:

‘(a) are constituted by producers in ***a specific sector*** listed in Article 1(2) ■
and are controlled by farmer members ***producing agricultural products of the soil or stockfarming***, in accordance with Article 153(2), point (c).
The recognition of a producer organisation may cover several specific sectors listed in Article 1 (2) provided that the producer organisation fulfils the conditions for recognition for each specific sector for which it seeks recognition.

Member States may decide that the control may be carried out by associations of farmers producing agricultural products of the soil or stockfarming provided that these associations are controlled by those farmers.’

(ii) in point (b), the introductory sentence is replaced by the following:

‘(b) are formed on the initiative of farmers ***producing agricultural products of the soil or of stockfarming*** and carry out at least one of the following activities:’ ■

(iii) point (c)(vi) is replaced by the following:

‘(vi) promoting and providing technical assistance for the use of production standards, improving product quality and developing products with a protected designation of origin, with a protected geographical indication or covered by a national quality label, carrying out initiatives promoting short supply chains or the use of the optional terms referred to in Article 88a;’;

(b) in paragraph 1a, the first subparagraph is replaced by the following:

‘1a. By way of derogation from Article 101(1) TFEU, a producer organisation recognised under paragraph 1 of this Article, or a producer organisation, including a cooperative *or any other equivalent legal form recognised according to national law* that has *applied for recognition and has not yet* been recognised as a producer organisation by a Member State, but meets the requirements set out in paragraph 1 of this Article and of Article 154, may plan production, optimise the production costs, place on the market and negotiate contracts for the supply of agricultural products, on behalf of its members for all or part of their total production. *Such a producer organisation may avail itself of this derogation within the period provided for in Article 154(4)(a) or, if the Member State has not taken any decision on the application for recognition by the end of that period, within five years of the date of submission of the application for recognition unless the Member State has decided to refuse the recognition.*’;

(c) in paragraph 1b, the following second subparagraph is inserted:

‘If an association of producer organisations recognised under Article 156(1) does not meet the conditions of paragraph 1a, second subparagraph, points (a) and (b) but whose members comply with those conditions, it may also carry out the activities referred to in paragraph 1a, first subparagraph, provided that:

(a) its members have been recognised in accordance with paragraph 1 of this Article,

(b) its members are not members of another recognised association of producer organisations *as regards the products covered by the activities referred to in the first subparagraph of paragraph 1a,*

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(d) the volume of *the product* covered by the activities referred to in the first subparagraph of paragraph 1a does not exceed **36%** of the total national production of *that product in the Member State concerned.*’;

(4) Article 153 is amended as follows:

(-a) in paragraph 1, point (b) is replaced by the following:

‘(b) be members of only one producer organisation for any given product of the holding, where any given product refers to products which are sufficiently distinct, in particular on the base of their characteristics or intended final uses. However, Member States may derogate from this condition in duly justified cases where producer members hold two distinct production units located in different geographical areas;’;

(a) in paragraph 2, point (c) is replaced by the following:

‘(c) rules enabling the farmer members *producing agricultural products of the soil or stockfarming* to scrutinise democratically their organisation and its decisions as well as its accounts and budgets;’ ■

(b) paragraph 2a is replaced by the following:

‘2a. The statutes of a producer organisation may provide for the possibility of members, being in direct contact with purchasers, provided that such direct contact does not jeopardise the objectives pursued by the producer organisation, *including* the concentration of supply and placing of products on the market by the producer organisation. Concentration of supply *and placing of products on the market* shall be deemed to have been ensured if the essential elements of the sales such as price, quality and volume are negotiated and determined by the producer organisation. *The statutes of a producer organisation that allows direct contact between members and purchasers may include internal control and prevention mechanisms to ensure that such contact does not adversely affects the objectives of the producer organisation including the concentration of supply.*’

(c) paragraph 3 is *deleted*.

(5) in Article 157(1), point (c), the following point is added:

‘(xvii) promoting the use of the optional terms referred to in Article 88a.’;

- (6) Article 168 is replaced by the following:

‘Article 168

Contractual relations

1. Every delivery in the Union of agricultural products from a sector listed in Article 1(2), other than milk and milk products and sugar, by a farmer, ***including a farmers’ association, or*** a producer organisation or an association of producer organisations to a processor, distributor or retailer, shall be covered by a written contract between the parties.

The obligation of the first subparagraph only concerns:

- (a) ***farmers who produce agricultural products of the soil or of stock farming or process such products which were produced on their holdings; or***
- (b) ***farmers’ associations, producer organisations or associations of producer organisations which process or market products as referred to in point (a).***

Such contract shall fulfil the conditions laid down in paragraphs 4 and 8.

2. Member States may also decide that:
 - (a) the delivery of agricultural products by ***or to operators that are not covered by paragraph 1*** shall be covered by a written contract,
 - (b) **■** a written offer for a contract for the delivery of agricultural products ***shall be mandatory. In such case, the Member State may either decide that such offer shall be made by the first purchasers of agricultural products, or decide that such offer shall be made*** by the farmer, ***including a farmers’ association, or*** a producer organisation or an ***association*** of producer organisations.

Such a contract or offer for a contract shall fulfil the conditions laid down in paragraphs 4 and 8.

3. Member States shall *provide that mediation or comparable mechanisms are available including existing mechanisms. These mechanisms shall be voluntary for the contracting parties and impartial* to cover cases in which there is no *mutually acceptable* contract referred to in paragraphs 1 and 2 or *for the revision of* such a contract *and may include representatives of farmers organisations*.

Member States shall inform the Commission about the **■** mechanisms *referred to in the first subparagraph available* in their territory.

4. The contract or the offer for a contract referred to in paragraphs 1 and 2 shall:
 - (a) be made in advance of the delivery,
 - (b) be made in writing, *including in electronic form*, and
 - (c) include, in particular, the following elements:
 - (i) the price payable for the delivery, which shall:
 - be static and set out in the contract or

- be calculated by combining various factors set out in the contract, which shall include objective indicators, indices or methods of calculation of the final price, that are easily accessible and comprehensible and that reflect changes in market conditions and ***changes in relevant elements of production costs impacting the remuneration of farmers***, the quantities delivered and the quality or composition of the agricultural products delivered; to that effect, Member States may determine indicators, ***that may be published online for use in contracts*** in accordance with objective criteria based on studies carried out on production and the food supply chain, ***or taking into account objective data from sources such as interbranch organisations, by the EU Agri Food Chain Observatory or any other relevant objective data available***. The parties to the contracts shall be free to refer to these indicators or any other indicators which they deem relevant.
- (ii) the quantity and quality of the agricultural products concerned which may or must be delivered and the timing of such deliveries,
- (iii) the duration of the contract, which may include either a definite duration or an indefinite duration with a termination clause. In the case of contracts with a minimum duration longer than ***twelve*** months, the contract shall also include a revision clause that may be triggered **■** by the farmer, ***including a farmers' association, or*** a producer organisation or an association of producer organisations;

- (iv) details regarding payment periods and procedures *including the application of any reductions agreed between the parties.*
 - (v) arrangements for collecting or delivering the agricultural products,
 - (vi) rules applicable in the event of force majeure.
5. By way of derogation from paragraphs 1 and 2, a written contract or a written offer for a contract shall not be required in the following cases:
- (a) the agricultural products concerned are delivered by a member of a producer organisation or cooperative to the producer organisation or cooperative of which *it is* a member provided that the statutes of that producer organisation or cooperative or the rules and decisions provided for in, or derived from █ these statutes, *provide for transparent and democratically decided rules, known in advance, for methods for determining the price of the products delivered by them, taking into account the impact on the remuneration of farmers, and the payment periods and procedures;*
 - █
 - █
 - (d) the delivery is made for free or in the context of the disposal of -products which are no longer fit for sale.

6. Member States may decide that a written contract or a written offer shall not be required in one or more of the following cases:

(-a) the first purchaser of agricultural products is a micro or small-sized enterprise within the meaning of Recommendation 2003/361/EC¹;

(a) The total value of the delivery or deliveries agreed by the parties does not exceed a maximum limit to be determined by the Member State, ■ which shall not be higher than EUR 10,000;

■
(ab) the delivery and payment of the agricultural products concerned take place simultaneously or, for justified reasons, at the latest within 3 working days;

(b) the delivery concerns agricultural products that are subject to seasonal supply or demand fluctuations or perishability;

(c) the delivery concerns agricultural products that are subject to traditional or customary selling practices.

(ca) the delivery concerns agricultural products for which the Member State considers, following consultation of relevant representatives of farmers, or of interbranch organisations recognised for the relevant sectors in accordance with Article 158(1), that the effects of predictability, transparency and price transmission pursued by the provisions set out in paragraphs 1 and 4 have been achieved for the products concerned or that the obligation to have written contracts or written offers would not be appropriate or proportionate as regards these products for other justified reasons.

7. Where pursuant to paragraph 5, *point* (d), or paragraph 6, a written contract or a written offer for a contract is not required, a farmer, *including a farmers' association, or* a producer organisation or an association of producer organisations, may require that any delivery of agricultural products to a processor, distributor or retailer be the subject of a written contract between the parties or of a written offer for a contract. Such a contract or offer for a contract shall fulfil the conditions laid down in paragraph 4 and paragraph 8, first subparagraph.
8. All elements of contracts for the delivery of agricultural products concluded between farmers, *including farmers' associations, or* producer organisations or association of producer organisations, and processors, distributors, or retailers including those elements and their components referred to in paragraph 4, point (c), shall be freely negotiated between the parties.

Member States may establish one or more of the following:

- (a) in respect of the written contracts referred to in paragraph 1 of this Article, a Member State may establish:
- (i) an obligation for the parties to agree on a relationship between the given quantity of agricultural products delivered and the price payable for that delivery;
 - (ii) a minimum duration, which shall be at least six months and shall not impair the proper functioning of the internal market;

- (b) in respect of the written offers referred to in point (b) of paragraph 2, an obligation that the written offer shall include a minimum duration for the contract, set by national law for this purpose. Such a minimum duration shall be at least six months and shall not impair the proper functioning of the internal market.

Farmers, *including farmers' associations, or* producer organisations or associations of producer organisations may refuse in writing the minimum duration imposed pursuant to the second sub-paragraph.

9. Member States may require the purchaser of agricultural products to register the written contracts referred to in paragraph 1 *for* the delivery of the agricultural products concerned by the farmer, *including a farmers' association, or* a producer organisation, or an association of producer organisations to a processor, distributor or retailer in their territory.
10. Member States that make use of the options referred to in paragraphs 2, 6, 8 and 9 shall notify the Commission of how they are applied.

11. The Commission may adopt implementing acts laying down measures necessary for the uniform application of paragraphs 4 and 5 and measures relating to notifications to be made by the Member States in accordance with paragraph 10. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).

■

¹ *Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises, (OJ L 124, 20.5.2003, p.36, <http://data.europa.eu/eli/reco/2003/361/oj>).*

■

(7) Article 210a is amended as follows:

(a) in paragraph 3,

(i) *point (a) is replaced by the following:*

‘(a) environmental objectives, including climate change mitigation and adaptation, the sustainable use and protection of landscapes, water and soil, including through irrigation systems, the transition to a circular economy, including the reduction of food waste and the nutrient recycling of livestock manure into organic fertilisers or energy production, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems;’;

(ii) the following points are added:

- ‘(d) supporting the economic viability of small farms predominantly relying on family labour with a standard output as defined in Article 2, point (8), of Council Regulation (EC) No 1217/2009¹ that shall not exceed 100 000 EUR;
- (e) attracting and supporting young producers of agricultural products; or
- (f) improving working and safety conditions in agricultural or processing activities.’;

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¹ Council Regulation (EC) No 1217/2009 of 30 November 2009 setting up the Farm Sustainability Data Network (OJ L 328 15.12.2009, p. 27, ELI: <http://data.europa.eu/eli/reg/2009/1217/oj>).

(b) paragraph 6 is replaced by the following:

‘From 8 December 2023, producers as referred to in paragraph 1 may request an opinion from the Commission concerning the compatibility of agreements, decisions and concerted practices as referred to in paragraph 1 with regard to the implementation of sustainability standards aiming to contribute to one or more of the objectives laid down in paragraph 3, points (a), (b) and (c), with this Article.

From [entry into force +2 years], producers as referred to in paragraph 1 may request an opinion from the Commission concerning the compatibility of agreements, decisions and concerted practices as referred to in paragraph 1 with regard to the implementation of sustainability standards aiming to contribute to one or more of the objectives laid down in paragraph 3, points (d), (e) and (f), with this Article.

The Commission shall send the applicant its opinion within four months of receipt of a complete request.

If the Commission finds at any time after issuing an opinion that the conditions referred to in paragraphs 1, 3 and 7 of this Article are no longer met, it shall declare that Article 101(1) TFEU shall apply in the future to the agreement, decision or concerted practice in question and inform the producers accordingly.

The Commission may change the content of an opinion at its own initiative or at the request of a Member State, in particular if the applicant has provided inaccurate information or misused the opinion.’;

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(8) in Article 222, paragraph 1 is replaced by the following:

- ‘1. During periods of severe imbalance in markets, the Commission may adopt implementing acts to the effect that Article 101(1) TFEU is not to apply to agreements and decisions of farmers, farmers' associations, or associations of such associations, or recognised producer organisations, associations of recognised producer organisations and recognised interbranch organisations in any of the sectors referred to in Article 1(2) of this Regulation, provided that such agreements and decisions do not undermine the proper functioning of the internal market, strictly aim to stabilise the sector concerned and fall under one or more of the following categories:
- (a) market withdrawal or free distribution of their products;
 -
 - (b) transformation and processing;
 - (c) storage by private operators;
 - (d) joint promotion measures;
 - (e) agreements on quality requirements;

- (f) joint purchasing of inputs necessary to combat the spread of pests and diseases in animals and plants in the Union or of inputs necessary to address the effects of natural disasters in the Union;
- (g) temporary planning of production taking into account the specific nature of the production cycle;

Where the Commission adopts implementing acts in accordance with the first subparagraph of this Article, it may decide to make Union support from the agricultural reserve referred to in Article 16 of Regulation (EU) 2021/2116 available to the Member States concerned. Such financial support shall provide the means necessary for the implementation of these agreements and decisions by the operators concerned *without delay*.

The Commission shall specify in implementing acts the scope of the derogation of the first subparagraph, subject to paragraph 3 of this Article, the period for which the derogation applies, and, where applicable, the amount of the agricultural reserve allocated to the Member State concerned under the second subparagraph.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).’;

(8a) *in Article 222a, paragraph 2 is replaced by the following:*

‘The Commission may decide for which agricultural sectors from those listed in Article 1(2) the Union market observatories shall be established, with the possibility to specifically distinguish between organic and non-organic production within these observatories.’;

(8b) *in Annex VII, the following Part is inserted:*

‘PART Ia

Meat and meat products designations

- 1. For the purposes of this Part, "meat" means the edible parts of an animal falling within the scope of application of this Regulation.***
- 2. For the purposes of this Part, "meat products" means products derived from meat, on the understanding that substances necessary for their manufacture may be added provided that those substances are not used for the purpose of replacing, in whole or in part, any meat constituent. This is without prejudice to the use of the term "meat" for the products covered by the scope of Union legislative acts on the common organisation of the markets in fishery and aquaculture.***

3. As regards agricultural products listed in Annex I to the TFEU as well as food products not listed in that Annex, with the exception for the products covered by the scope of Union legislative acts on the common organisation of the markets in fishery and aquaculture and for other products listed in a delegated act adopted under Article 78(3) second subparagraph, the term "meat" and the following terms shall be reserved for meat products and for products that have a name, in which the following terms are used in association with a word or words to designate the animal species from which an agricultural product originates, at all stages of marketing:

(a) Beef;

(b) Veal;

(c) Pork;

(d) Poultry;

(e) Chicken;

(f) Turkey;

(g) Duck;

(h) Goose;

(i) Lamb;

(j) Mutton;

(k) Ovine;

(l) Goat;

(m) Drumstick;

(n) Tenderloin;

(o) Sirloin;

(p) Flank;

(q) Loin;

(r) Ribs;

(s) Shoulder;

(t) Shank;

(u) Chop;

(v) Wing;

(w) Breast;

(x) Thigh;

(y) *Brisket*;

(z) *Ribeye*;

(aa) *T-bone*;

(bb) *Rump*;

(cc) *Bacon*;

(dd) *Steak*;

(ee) *Liver*.

3a. *In particular, the term ‘meat’ and the terms listed in point 3 shall not be used to designate food consisting of, isolated from or produced from cell culture or tissue culture derived from animals, plants, micro-organisms, fungi or algae, within the meaning of Regulation (EU) 2015/2283.*

4. *The term ‘meat’ and the terms listed in point 3 may be used in combination to designate meat products. They may also be used in association with a word or words to designate composite products of which no part takes or is intended to take the place of any meat constituent and of which meat is an essential part either in terms of quantity or for characterisation of the product.*

(9) Annex X is amended as follows:

(a) in Point I, point 1 is replaced by the following:

‘1. Delivery contracts shall be made in advance of the delivery, in writing for a specified quantity of beet.;

(b) in Point I, point 2 is replaced by the following:

‘2. The duration of the delivery contracts may be pluriannual. In the case of contracts with a minimum duration longer than *twelve* months, the contract shall include a revision clause that may be triggered by the farmer, *including a farmers' association, or* a producer organisation or an association of producer organisations.;

(c) in Point II, point 2, the following paragraph is added:

‘The price shall be calculated by combining various factors set out in the contract, which shall include objective indicators, indices or methods of calculation of the final price, that are easily accessible and comprehensible and that reflect changes in market conditions and *changes in relevant elements of* production costs *impacting the remuneration of farmers*, the quantities delivered and the quality or composition of sugar beet delivered. To that effect, Member States may determine indicators, *that may be published online for use in contracts* in accordance with objective criteria based on studies carried out on production and the food supply chain, *or taking into account objective data from sources such as interbranch organisations, the EU Agri Food Chain Observatory or any relevant objective data available*. The parties to the contracts *shall be* free to refer to these indicators or any other indicators ■ ;’

(d) in Point III, the following paragraph is added:

‘Delivery contracts shall contain rules applicable in the event of force majeure.’

(e) the following Point IXa is inserted:

‘POINT IXa

‘Member States may require the sugar undertaking to register the written delivery contracts prior to the delivery of the sugar beet.’

Article 2

Amendments to Regulation (EU) 2021/2115

Regulation (EU) 2021/2115 is amended as follows:

(1) Article 52 is amended as follows:

(-a) paragraph 3 is amended as follows:

point (e) is replaced by the following:

‘(e) producer organisations market less than 20 % of fruit and vegetable production in a Member State. This marketing rate shall be calculated, for each year of the duration of an operational programme, as the value of the fruit and vegetable production that was obtained in the Member State concerned and marketed by producer organisations recognised under Regulation (EU) No 1308/2013 during a period corresponding to the reference period set out in delegated acts adopted on the basis of Article 45(c) as regards the value of marketed production, divided by the total value of the fruit and vegetable production that was obtained in that Member State during the same period’;

(a) the following point (i) is added:

‘(i) the producer organisation or association of producer organisations implements an operational programme in a Member State in which the degree of organisation of producers in the fruit and vegetables sector has been less than 10 % for three consecutive years preceding the implementation of the operational programme. The degree of organisation shall be calculated, as the value of *the* fruit and vegetable production obtained in the Member State concerned and marketed by producer organisations or associations of producer organisations recognised under Regulation (EU) No 1308/2013 *during the three consecutive years preceding the implementation of the operational programme*, divided by the total value of the fruit and vegetable production that was obtained in that Member State *during the same period*;

(b) the following paragraph 5a is inserted:

‘5a. The 50 % limit provided for in paragraph 1 shall be increased to **70 %** for expenditure linked to the objectives referred to in Article 46, points (a), (b) or (c), if the following conditions are fulfilled:

(a) the expenditure is related to investments in tangible and intangible assets as referred to in Article 47(1), point (a), made by young farmers or new farmers, who *for the first time* join a producer organisation recognised under Regulation (EU) No 1308/2013 ;

(b) the investments referred to in point (a) are made at the premises of these young farmers or new farmers, as part of their first operational programme *or during the 3 years following the date on which young farmers or new farmers joined the producer organisation.* ■

(c) the following paragraph 7 is added:

‘7. ■ The 50 % limit provided for in paragraph 1 shall be increased to 70 % of the actual expenditure incurred in a given year for operational programmes implemented by producer organisations or associations of producer organisations and affected in this given year by adverse climatic events, natural disasters, plant diseases or pest infestations to be identified by the Member States, *provided that the increase is granted only when losses exceed a threshold of at least 30 % of the average annual production of the producer organisation or the association of producer organisations in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and the lowest entry.* ■’;

(1a) in Article 62, the following paragraph 4 is added:

‘4. The 50 % limit provided for in paragraph 2 shall be increased to 70 % of the actual expenditure incurred in a given year for operational programmes implemented by producer organisations or associations of producer organisations and affected in this given year by adverse climatic events, natural disasters, plant diseases or pest infestations to be identified by the Member States, provided that the increase is granted only when losses exceed a threshold of at least 30 % of the average annual production of the producer organisation or the association of producer organisations in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and the lowest entry.’;

(1b) in Article 65(1), the following letter (e) is added:

‘(e) The Union financial assistance shall not exceed 70 % of the actual expenditure incurred in a given year for operational programmes implemented by producer organisations or associations of producer organisations and affected in this given year by adverse climatic events, natural disasters, plant diseases or pest infestations to be identified by the Member States, provided that the increase is granted only when losses exceed a threshold of at least 30 % of the average annual production of the producer organisation or the association of producer organisations in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and the lowest entry.’;

(2) in Article 68, the following paragraph 2a is inserted:

‘2a. Article 52(3), points (a) to (d) and (f) to (h), and Article 52(5a) **and (7)** of this Regulation shall apply mutatis mutandis.’

(3) in Article 88, paragraph 7 is replaced by the following:

‘7. As of 2025, Member States may review their decisions referred to in paragraph 6 as part of a request for amendment of their CAP Strategic Plans made in accordance with Article 119 and decide to use up to 6 % of their allocations for direct payments set out in Annex V, where relevant after deduction of the allocations for cotton set in Annex VIII, for types of intervention in other sectors referred to in Title III, Chapter III, Section 7.

The amount corresponding to the percentage of Member States’ allocations for direct payments referred to in the first subparagraph of this paragraph and used for types of intervention in other sectors for a certain financial year shall be considered to be Member States’ allocations per financial year for types of intervention in other sectors..’

Article 3

Amendment of Regulation (EU) 2021/2116

In Article 16(1), second subparagraph, of Regulation (EU) 2021/2116, point (b) is replaced by the following:

- ‘(b) exceptional measures under Articles 219, 220, 221 and 222 of Regulation (EU) No 1308/2013.’.

Article 4

Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

Article 1, *points (1), (2), (4)(c), (6) and (9)* shall apply **■** 2 years *from entry into force*.

Article 1 point 8b shall apply from 3 years after the entry into force.

Products which do not conform to the designations defined under part Ia of Annex VII to Regulation (EU) No 1308/2013, and which have been produced in or imported into the Union prior to the date of application of those designation rules, may continue to be placed on the market until stocks are exhausted or for a maximum 3 years after the entry into force of this Part, whichever occurs first.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament

The President

For the Council

The President
