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EU parliament adopts Bové report

The gap in the agricultural sector is widening. This has been evident since the milk crisis in 2009. In recent years producers saw a steady decline of their revenues and many of them were forced to give up their farms, while the margins and concentration of industry and retail sector have been increasing. Now the European Parliament also realised that this is not acceptable and voted on September 6th, 2010 in favour of the so-called Bové report.

This report that is entitled "Report on fair revenues for farmers: A better functioning food supply chain in Europe" and that was prepared by the parliament under the aegis of José Bové, deputy chairman of the agricultural committee of the parliament and member of the Greens, invites the EU Commission and the member states to fulfil the goals of the CAP (Common Agricultural Policy) and to take the interests of producers and consumers into account.

The report contains clear demands for more transparency on food price building, better conditions of competition and access to the market for all participants, a restriction of abuses of a dominant market position by industry and retailers as well as an end of excess production. Another key demand is the creation of an agency that observes food prices. Furthermore the parliament invites the Commission to examine new legislative proposals to reform the competition law and thus to strengthen the bargaining power of producers and to enable small- and medium-sized companies to organise themselves, for instance in producer organisations.

Moreover the report highlights the importance of prices that cover production costs. José Bové says: "We have to take a close look at production costs. It is not acceptable that farmers obtain prices that are below their production costs. We have to strengthen the influence of producer organisations, especially in negotiations between producers, the processing industry and the retail sector." Prior to its ratification the report became topic of a heated discussion. Especially the issues control of the retail sector, prevention of dumping practices and the abuse of the market power of buyers were at the heart of the debate.

As this report is an own-initiative report of the European Parliament, it is now up to the Commission to consider it. European Commissioner for Agriculture, Dacian Cioloș, said that he would like to include the report of the parliament in his proposals concerning the reform of the CAP.

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