



**Mr Michel Barnier**  
Commissioner Internal Market and Services  
European Commission  
200 Rue de la Loi  
1049 Brussels

29 May 2013

Dear Commissioner,

I am writing to you regarding the recent green paper on unfair trading practices in the business-to-business food and non-food supply chain.

BUSINESSEUROPE agrees that the business-to-business (B2B) supply chain plays a vital role in the creation of growth and jobs in Europe. In this context, we welcome a renewed emphasis given to this area by the European Commission.

There have been different approaches taken, both at national and EU level, aimed at further improving business-to-business relations across the EU.

For example, BUSINESSEUROPE has been closely following the works of the High Level Forum for the Better Functioning Food Supply Chain (HLF), which started in 2010. From this Commission-endorsed initiative, important self-regulatory steps will soon be taken which will allow to better tackle the issue of unfair trading practices in the food chain at EU level. In BUSINESSEUROPE's view, these types of initiatives should be given a fair chance of success as a way of bringing about cultural change in terms of market behavior. This is why BUSINESSEUROPE agrees with the "two-track" approach proposed by the European Commission during the last HLF meeting in December 2012: an impact assessment to be ready by November 2013 and a parallel test on the take-up of the "voluntary initiative" proposed by a certain number of stakeholders.

Similar initiatives within the non-food chain are taking shape at national level with the endorsement of national governments.

Several Member States have in recent years put in place a wide number of legislative instruments covering business-to-business relations which range from competition rules, marketing rules, late payments rules or sector specific legislation. The need to ensure a good interoperability among these instruments and the protection of the fundamental principle of contractual freedom should be taken into account before the Commission decides to advance with an initiative.



In this light, any future initiative resulting from the Commission's reflection on unfair trading practices would potentially have large scale implications and consequences for various sectors of the EU economy.

This is why the better regulation principles need to be fully applied in order to prevent that unnecessary burdens are imposed on companies.

BUSINESSEUROPE remains at your disposal should you wish to discuss this subject further.

Yours sincerely,

*Confidential*

Markus J. Beyrer