

PRESS RELEASE

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PR FOR IMMEDIATE RELEASE

Tackling Imbalance of Bargaining Power: EP aims to strengthen protection against unfair trading practices in the EU

AIM – the European Brands Association – welcomes the European Parliament Agriculture Committee’s 44 to 1 [vote in favour of strengthening cross-border enforcement of the Unfair Trading Practices \(UTP\) Directive](#). This overwhelming support sends a strong and unified signal: fairness in the supply chain must be enforceable across the Single Market. We call for a swift adoption of the position in plenary.

Fast moving consumer goods is Europe’s third largest manufacturing sector, moving over €276.1 billion worth of goods around the EU internal market each year. Our members depend on a predictable, rules-based Single Market to ensure investment, resilience, and competitive consumer choice.

The committee’s agreed text introduces a rapid alert mechanism to strengthen coordination between national authorities, mandates extra-EU buyers appoint a legally responsible person, and improves on the Commission’s proposal by aligning with the UTP Directive and the Rome I Regulation. Specifically, it confirms that overriding mandatory provisions (OMPs) adopted by Member States to safeguard public interest — including fair trading rules — must be respected in cross-border cases. This is not a new legal power, but reinforces the existing references in Dir 2019/633, a necessary step to ensure consistency and legal certainty across the EU framework.

Moreover, MEPs have rightly identified how European Retail Alliances (ERAs) exploit gaps in the current legal framework—exacerbating the imbalance in bargaining power between retailers on one side and brand manufacturers and their suppliers, including farmers, on the other. The case for action is compelling. The [five largest ERAs alone account for approximately €580 billion](#) in EU retail turnover, giving them a massive economic footprint. Operating transnationally, these alliances often engage in forum shopping, seeking jurisdictions with weaker national implementation of the Directive, and at times circumventing EU law altogether. Their dominance over access to key shelf space across multiple markets enables the systematic permeation of unfair trading practices. This entrenched power imbalance makes effective and coordinated enforcement not just necessary, but urgent.

Looking ahead, the 2026 revision of the Unfair Trading Practices (UTP) Directive must address the persistent fragmentation of existing rules. Today, different levels of protection apply across Member States: 14 offer safeguards irrespective of supplier turnover, and 3 go further by extending protections to all producers. This regulatory patchwork results in unequal treatment between suppliers competing in the same markets, undermining fairness and distorting competition across the supply chain. A more coherent framework is needed to ensure that all operators—regardless of size or location—benefit from a level playing field and balanced bargaining power in their commercial relationships.

AIM calls on the European Commission to use the upcoming revision to harmonise and simplify the existing ruleset by:

- Removing the EUR 350 million supplier turnover threshold, and
- Complimenting the current legal base by adding Article 114 TFEU, ensuring full and uniform application for all producers throughout the Single Market, reinforcing support for farmers.

Fairness must prevail for all producers in the supply chain.

For further information :

- Our [Fairness for All](#) initiative which seeks an internal market that is open, rules-based, and works for everyone.
- Our [Mythbuster](#) on the role of OMPs in the EU UTP law in providing legal certainty across borders.

Contact

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About AIM

AIM (Association des Industries de Marque) is the European Brands Association, which represents manufacturers of branded consumer goods in Europe on key issues that affect their ability to design, distribute and market their brands. AIM's membership comprises 2500 businesses ranging from SMEs to multinationals, directly or indirectly through its corporate and national association members.

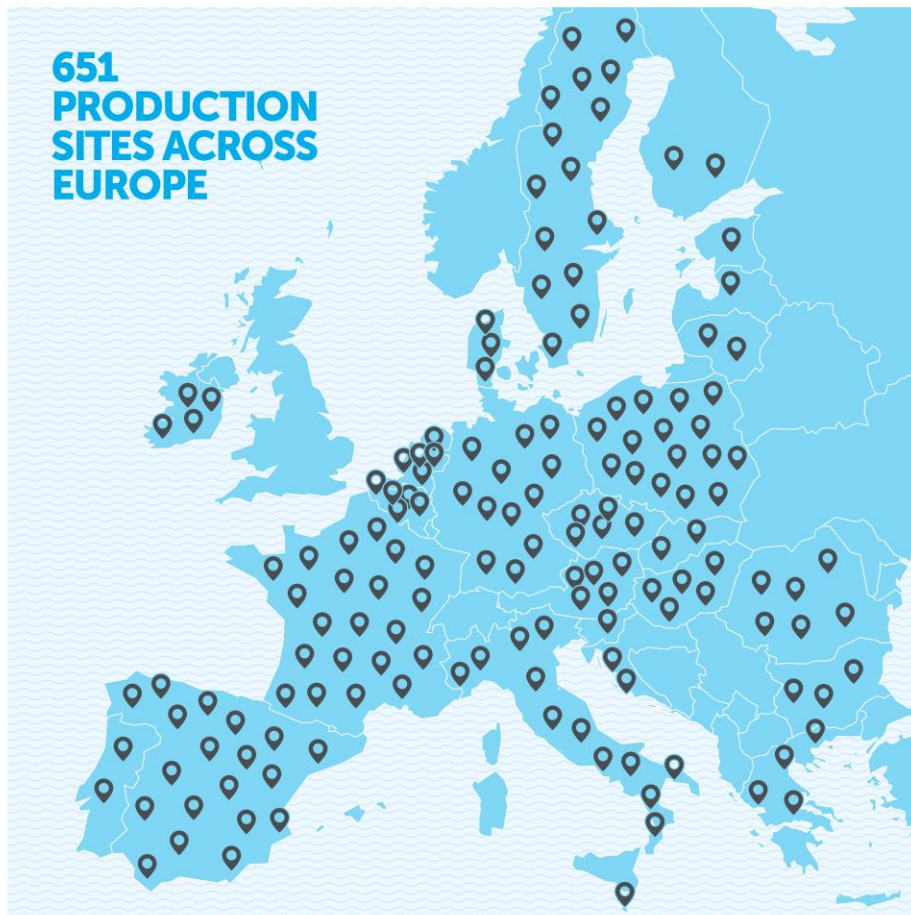
More information: www.aim.be

ANNEX – Production footprint of 28 AIM members

AIM MEMBERS' EU PRODUCTION SITES



**651
PRODUCTION
SITES ACROSS
EUROPE**

[illegible]