



Ms Alexandra Nikolakopoulou
Head of Unit D1, DG SANTE
European Commission
Mr Stefano Soro
Head of Unit D3, DG GROW
European Commission

Brussels, 16th February 2021

RE: Elements that needs to be included in the terms of reference for the Code of Conduct drafting and adoption procedure in order to ensure its success

Dear Ms Nikolakopoulou, dear Mr Soro,

Firstly, we would like to thank you for taking the time to meet us on Thursday 11 February. We appreciated the openness of the discussion and the opportunity to better understand what the Commission envisions regarding the drafting process of the Code of Conduct.

Ahead of the 23rd February Plenary meeting during which you will present the terms of reference for the Code drafting and adoption procedure, we would like to share with you the fundamental principles we believe those terms of reference should include, notwithstanding the EU-treaty fundamental principles (article 39 TFEU on the CAP objectives): e.g. affordable prices, sustainable products, resilient supply chain, stable markets:

1. The Code cannot contain measures that are market disruptive.
2. The actors – or any signatory – cannot make commitments that imply or impact other members of the food supply chain without their consent.
3. In case commitments impacting several actors are taken, the added value and cost they entail should be fairly shared among the actors involved;
4. The Code needs to acknowledge the existing international standards, [CSR](#) initiative of the Commission and other realisation of stakeholders resulting thereof.

We believe that the respect of these four basic principles is decisive for the success of this co-designed initiative and its support by the entire agri-food chain. We thus call upon you to include them in the terms of understanding. We believe that this constitutes the basis for a

fruitful initiative that will bring further EU agri-food sustainability and to which we are looking forward to contribute.

Furthermore, during our meeting with you, we have taken good note that:

- The Code should be ready for signature by EU associations by the end of June 2021, so that it can be promoted at the United Nations (UN) Food Systems Summit in September. As of then, tangible and measurable commitments in line with the Code ambitions may be submitted by companies and, where possible, sectors, which will be monitored in terms of progress made.
- The actors of the middle of the agri-food chain are the primary addressees, these include food manufacturers, restaurants, retailers, and traders. However, all actors of this chain will be fully consulted and involved in the drafting process, including primary producers and other actors involved in the earliest stages of agri-food production.
- The Code is co-designed by the Commission and the actors.
- The actors will organise the meetings of the working groups. The Commission will attend these Working Groups but will not chair them. There will be a small number of working groups. The Commission is considering the option of organising them around the three pillars of sustainability.
- The Commission will fix the composition of the Working Groups and ensure that primary producers and other actors involved in the earliest stages of the agri-food chain are fairly represented in each of them.
- As it stands, the Commission envisages two 'tiers' for the Code:
 - First level: General aspirations to which associations can sign up;
 - Second level: Tangible and measurable commitments by private companies and actors.
- The drafting of the Code is a collective exercise bringing all actors together. Special care will be taken on the wording to avoid opposing sectors or stages in the chain against each other.
- The process will be transparent so that stakeholders who are not- part of the working groups will be in a position to provide feedback.

In addition, during our meeting, you mentioned that the plenary, regrouping all stakeholder associations concerned, will "adopt" the proposals made by the Working Groups for the code on a consensus basis, but with no veto right. We feel that this consensus approach is in contradiction with the statement that there will not be any veto right. A consensus-based approach implies that all voices must be heard and a compromise must be looked for **among all the actors that will be asked to implement the code of conduct**. This is the prerequisite to allow a broad acceptance of the code, which is the basis of its success. We also noted that DG GROW and DG SANTE are the lead DGs for this file. However, considering the impact of the Code on food production, we hope that DG AGRI will be involved as much as possible.

We thank you for your time and consideration.

On behalf of the following organisations:

AnimalhealthEurope - The voice of the European animal medicines industry

AVEC – Association of Poultry Processors and Poultry Trade in the EU countries

CEJA – European Council of Young Farmers

CLITRAVI - Liaison Centre for the Meat Processing Industry in the European Union

COPA-COGECA - The united voice of farmers and their cooperatives in the European Union

EDA - European Dairy Association

EFFAB - European Forum of Farm Animal Breeders

FEFAC - The voice of the European Compound Feed & Premix Industry

UECBV – European Livestock and Meat Trades Union

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