Question for written answer E-003699/2017 to the Commission Rule 130 Miguel Viegas (GUE/NGL)

Subject: Bundeskartellamt milk-sector inquiry

In 2016, the German competition authority, the Bundeskartellamt, held an inquiry that revealed that 97.8% of the volume of raw milk included in the inquiry was sold subject to exclusive supply obligations. What is more, the contracts for the supply of more than half the volume of raw milk may only be terminated with at least two years' notice. The inquiry concludes that the combination of the length of the contract and exclusive supply obligations, the price-fixing scheme and certain market-information systems is problematic.

Producers in Germany are also generally obliged to supply the milk that they produce exclusively to their buyers and it is practically impossible to switch to another company. The Bundeskartellamt proposes alternative ways of structuring supply relationships, for example, short notice periods, relaxing the link between the supply relationship and cooperative membership, setting prices before delivery and agreeing on supply volumes.

Is the Commission aware of that situation? What is its assessment of the above factors, which call into question the solution proposed with the review of the Common Agricultural Policy as an alternative to the milk-quota system?

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