

**Question for written answer E-005352/2014
to the Commission**
Rule 117
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Subject: Human and labour rights violations resulting from undue pressure by large EU retailers on Brazilian juice manufacturers to reduce prices

Suppliers of food products in third countries are often forced to reduce costs as European retailers continually demand lower prices. This practice increasingly results in human and labour rights violations.

Brazil, for example, meets 60 % of global demand for orange juice and supplies more than 80 % of EU demand. Of all agricultural sectors in Brazil, orange growers and producers of orange concentrate are in the worst situation because the number of buyers is shrinking. A small number of large European retailers remain, combining their purchasing power to dictate favourable terms and lower prices. This lack of demand-side competition in the Brazilian orange juice market leads to the largest companies infringing labour rights.

The situation is unsustainable from both an economic and a social perspective. In addition to the employment of underage workers, unfair practices include late payments, unilateral contract changes, unfair contractual terms and restricted access to the market. This accumulates pressure along the value chain and results in poor working conditions.

Furthermore, the merger of two leading orange juice companies (Citrosuco and Citrovita), which the Commission investigated and eventually approved, has resulted in an estimated 50 % share of the market in orange concentrate for the newly created joint venture. Together with Cutrale and Louis Dreyfus, however, the joint venture is suspected of cartel behaviour, and investigations have been going on for several years.

In addition to European retailers imposing price cuts on their Brazilian suppliers, the absence of supply-side competition has exacerbated the impact on working conditions in orange groves in Brazil.

1. Does the Commission plan to open investigations into the impact of the merger of Citrosuco and Citrovita on labour rights and working conditions in Brazilian orange groves?
2. Does the Commission plan to carry out investigations to assess the impact of unfair practices on workers' human rights and working conditions in orange groves in Brazil?