
Law 12/2013, of 2 August, on measures to improve the functioning of the food chain.

Unofficial translation

TITLE I

General provisions

Article 1. Object.

The purpose of this Law is to establish measures to improve the functioning of the food chain in order to achieve the purposes set out in Article 3.

Article 2. Scope of application.

1. This law applies to the commercial relations that occur between operators established in Spain who intervene in the food chain from the production to the distribution of agricultural or food products.

This law shall also apply to commercial relations between any of the operators involved in the food chain where one is established in Spain and the other in one Member State, where the legislation of another Member State does not apply.

Where one of the operators is established in Spain and the other is not, it must be expressly stated in the contract which legislation the commercial relationship is subject to.

Regardless of the applicable law, where one of the parties is established in Spain, and the other in a non-EU Member State, the prohibitions contained in that law and the corresponding sanctioning regime established for them in Title V will always apply.

2. For the purposes of this law, and without prejudice to the provisions of Article 8.1 deliveries of products made to cooperative and other associative entities by their members, provided that, by virtue of their statutes, they are obliged to make them, shall not be considered as commercial relations and, therefore, are excluded from its scope of application.

3. In addition to those provided for in the previous paragraph, commercial relations shall also include those between operators in the food chain in the processes of packaging, processing or collection for subsequent marketing and, in any case, the purchase of live animals, animal feed and all raw materials and ingredients used for animal feed.

4. The scope of application of Chapter I of Title II of this Law is limited to the commercial relations of operators who carry out commercial transactions whose price is higher than the amount set out in the first paragraph of Article 7.1 of Law 7/2012, of 29 October amending the tax and budgetary regulations and adapting the financial regulations for the intensification of actions in the prevention and fight against fraud.

5. The obligation to have a formalised written contract, in the case of the first sale of fisheries and aquaculture sector products carried out in auctions or authorised establishments by means of a low auction, shall be understood to be fulfilled with the obligation of the parties to document those commercial relationships by issuing the corresponding invoice with the requirements established in Royal Decree 1619/2012, of 30 November, and to complete the remaining documentation provided for in European legislation and Royal Decree 418/2015, of 29 May, regulating the first sale of fishery products.

Article 3. Aims.

The purposes of the Law are:

a) To increase the efficiency and competitiveness of the food sector as a whole, as well as encourage the creation or improvement of employment, given its importance for the society, the rural environment and the national economy.

b) To improve the functioning and structure of the food supply chain, to the benefit of the operators involved in it, while ensuring a sustainable distribution of added value, across the sectors that comprise it.

c) To promote the introduction of innovation and information and communication technologies in the chain and the development of new distribution channels for food products.

d) To achieve a greater balance and transparency in the commercial relations between the different operators, improving access to information and traceability of the food chain, regulating commercial practices and promoting codes of good commercial practice among operators.

e) Strengthening the producer sector and boosting the activities of interbranch agri-food organisations.

f) Improving the competitiveness, efficiency and innovation capacity of agricultural production, industry and food processing.

g) Promoting the development of the tasks that correspond to distribution companies, in a framework of competitiveness and compliance with competition rules.

h) To contribute to ensuring consumer rights as regards the improvement of complete and effective information on food and its quality, transparency in the functioning of the supply chain, as well as the availability of sufficient and quality food.

i) Ensuring market unity for improvement of the competitiveness of the food supply chain.

j) To promote the generalisation of the culture of sustainability in the food supply chain as a factor of corporate social commitment, of increasing competitiveness and of contributing to the improvement of the quality of agri-food production.

Article 4. Guiding principles.

The commercial relations subject to this Law shall be governed by the principles of balance and fair reciprocity between the parties, freedom of agreement, good faith, mutual interest, equitable sharing of risks and responsibilities, cooperation, transparency and respect for free competition in the market.

Article 5. Definitions.

For the purposes of this Law, the following definitions are laid down:

a) Food chain: A set of activities carried out by the various operators involved in the production, processing and distribution of agricultural and food products, excluding transport activities, and hotel and catering companies with a turnover of less than EUR 10 million, also excluding companies in accommodation service activities with a turnover of less than EUR 50 million.

b) Food sector: All the agricultural, livestock, forestry and fisheries productive sectors, as well as the processing and distribution of their products.

c) Operator: The natural or legal person in the food sector, including a buying or selling group, central or joint purchase or sale undertaking, which carries out an economic activity in the field of the food supply chain. Final consumers will not have the status of operators in the food chain.

d) Primary producer: A natural or legal person whose activity is engaged in agricultural, livestock, forestry or fisheries production.

e) Agricultural and food products: The products listed in Annex I to the Treaty on the Functioning of the European Union, as well as any other substance or product intended or likely to be ingested by humans, whether processed, in whole or in part, or not. Includes beverages, chewing gum and any substance, including water, voluntarily incorporated into the food during manufacture, preparation or treatment.

f) Food contract: A contract in which one of the parties is obliged to sell agricultural or food products to the other, and the latter is obliged to do so for a certain price, whether it is a sale or a supply on a continuous basis. Except for those that take place with final consumers.

g) Integration contract: It is the type of food contract in which one of the parties, known as integrator, is obliged against the other party called integrated, to provide all or part of the products, raw materials and inputs necessary for the production subject of the contract, as well as, where appropriate, to exercise technical direction and to take over the production at the end of the production cycle. For its part, the integrated is obliged against the integrator, to provide the land, spaces and facilities, as well as the means and complementary services that are necessary to complete the production and once it is obtained, to its delivery to the integrator.

h) Sensitive business information: technical knowledge that is not in the public domain, which is related to the nature, characteristics or purposes of a product, to the methods or processes for its production, or to the means or forms for its distribution or marketing, and whose knowledge is necessary for the manufacture or marketing of the product.

i) Predictable traceability: The stages of production, processing and distribution of a food or food product falling within the normal forecasts.

j) Supplier: Any natural or legal person, regardless of its place of establishment, who sells agricultural

and food products; it may include a group of such natural and legal persons, including producer organisations, supplier organisations and associations of such organisations.

k) Perishable agricultural and food products: Agricultural and food products which, by their nature or by the processing stage in which they are present, may no longer be eligible for sale or require storage under regulated temperature conditions within 30 days of their collection, production or processing.

l) Buyer: Any natural or legal person regardless of its place of establishment, or any public authority in the Union, who purchases agricultural and food products. The term “buyer” may cover a group of such natural and legal persons. Final consumers are exempted.

m) Public authority: National, regional or local authorities, bodies governed by public law or associations formed by one or more of those authorities or one or more of those bodies governed by public law.

n) Business secrets: Business secrets in the terms of Law 1/2019, of February 20, on Business Secrets.

(ñ) Associative entities: For the purposes of this law, cooperative societies of first, second and subsequent grades, agricultural processing companies, producer organisations with their own legal personality, recognised in accordance with Community legislation in the field of agricultural policy, and civil or commercial entities, provided that more than 50 % of their share capital belongs to cooperative societies, producer organisations or agricultural processing companies, are associative entities. Deliveries of products made in the framework of intercooperative agreements shall be considered as deliveries of partners.

o) Effective cost of production: cost of production or total costs borne by the supplier, as referred to in Article 9.1.c).

Article 6. Collaboration between Public Administrations.

1. The various competent public administrations will adjust the actions they carry out within the framework of the provisions of this Law to the principles of mutual information, cooperation and collaboration.

2. Likewise, in the application of this law, the competent public administrations will guarantee compliance with the current regulations on guaranteeing the unity of the market, adopting for this purpose the regulatory, cooperation and collaboration measures that are necessary in the exercise of their own powers.

3. Where an operator considers that there is an action within the scope of application of this law that may be contrary to the principle of market unity, he may use the protection and, where appropriate, challenge mechanisms provided for in the legislation in force on the guarantee of market unity.

Article 7. Protection of competition.

The content of the relationships governed by this Law, as well as the applicability of the guiding principles in the implementation and interpretation of such relationships, shall be subject to the rules on the protection of competition, without prejudice to the provisions of Community legislation.

TITLE II

Procurement regime and unfair commercial practices

CHAPTER I

Food contracts

Article 8. Formalisation of food contracts.

1. Food contracts must be formalized in writing and signed by each of the parties involved, and their wording shall be based on the principles of transparency, clarity, concreteness and simplicity. Such formalisation must be carried out before the start of the services that originate in them, and may be made by electronic signature, with a copy remaining in the possession of each of the parties.

However, in the event that a member delivers the production to a cooperative, or to another association, it will be necessary to conclude in writing an individualised food contract, with the same minimum elements set out in Article 9, unless the statutes or agreements of the cooperative or association establish, before the delivery is made, the procedure for determining the value of the product delivered by its members and the liquidation schedule and these are known to the members. To this end, there must

be a reliable communication to the interested parties, which will be included in the agreement and approved by the governing body concerned.

2. Under no circumstances is the formal requirement required for the existence and validity of the contract.

3. However, in the relations between operators of the food chain when the payment of the price is made in cash against the delivery of the food products, it will not be necessary to sign a food contract, having the parties the obligation to identify themselves as operators and document those commercial relations by issuing the corresponding invoice with the requirements established in Royal Decree 1619/2012, of 30 November, approving the Regulation regulating invoicing obligations.

Article 9. Contractual terms.

1. Food contracts regulated in this Chapter shall contain at least the following:

a) Identification of the contracting parties.

b) Subject of the contract, indicating, where appropriate, the categories and references contracted. Food contracts may provide that the categories or references to be purchased may be specified in the purchase order.

c) Price of the food contract, with express indication of all payments, including applicable discounts, which will be determined in a fixed or variable amount, based solely on objective, verifiable, non-manipable factors expressly established in the contract, which in no case can be manipulated by the operator or other operators in the sector or refer to participated prices.

The price of the food contract to be received by a primary producer or a group of them must in any case be higher than the total costs incurred by the producer or the actual cost of production, which shall include all the costs incurred in carrying out his activity, including the cost of seeds and nursery plants, fertilisers, phytosanitary products, pesticides, fuels and energy, machinery, repairs, irrigation costs, animal feed, veterinary expenses, amortisation, interest on loans and financial products, work contracted and paid labour or labour provided by the producer himself or by members of his family unit.

The determination of the actual cost shall be made by reference to the total marketed production for all or part of the economic or production cycle, which shall be allocated in the manner that the supplier considers best suits the quality and characteristics of the products covered by each contract.

d) Payment conditions, which in any case must comply with the payment deadlines in the commercial transactions of food or food products, in accordance with the provisions of the first additional provision of Law 15/2010, of 5 July, without prejudice to the specific regime of application to retail trade regulated in Article 17 of Law 7/1996, of 15 January, on the regulation of retail trade, in relation to the provisions of its sixth additional provision. In particular, the debtor may not receive any compensation, advantage or discount for complying with the provisions of the contract or the applicable regulations, nor establish any conditionality in the payment.

e) Conditions of delivery and making availability of the products.

f) Rights and obligations of the contracting parties.

g) Information to be provided by the parties, in accordance with the provisions of Article 13 of this Law.

h) Duration of the contract, with express indication of the date of its entry into force, as well as the conditions for renewal and amendment of the contract.

i) Causes, formalisation and effects of termination of the contract.

j) **(Suppressed).**

k) Conciliation and conflict resolution, with express mention in the contract of the procedure that the parties will use to resolve any differences that may exist between them in the interpretation or performance of the contract, indicating either the arbitration court or the courts to which possible disputes would be submitted.

Contractual penalties for non-conformities, incidents or any other duly documented circumstance, which must be proportionate and balanced for both parties.

l) Derogations due to force majeure, in accordance with Commission Communication C(88) 1696 on "force majeure" in European agricultural law, and Article 1105 of the Civil Code.

2. The content and scope of the terms and conditions of the contract shall be freely agreed by the parties, taking into account the guiding principles set out in Article 4 of this Law.

3. The clauses and stipulations that do not comply with the provisions of Article 9(1)(c) shall be null and void, so without prejudice to the appropriate administrative penalties, the primary producer may claim compensation for damages in court.

Article 9a — Commercial negotiation.

Annual trade negotiations shall be concluded and signed by the companies involved within a reasonable timeframe, not exceeding three months from their initiation, for the organisation of activities, without the undue delay attributable to one party being used to weaken the other party's negotiating position. For this purpose, an email with a proof of receipt by the other party shall be considered sufficient to document the start date. If the renewal of the food contract is foreseen, the new trading conditions shall be negotiated before the expiry of the current contract or within two months of its expiry. During this time, the previous contract will remain in force, but it can be agreed that the new commercial conditions retract their effect until the expiry of the previous conditions.

Article 10. Conduct of electronic auctions.

1. Operators in the food chain may conclude public procurement offers for the purchase or sale of food products, in accordance with the rules on the information society among their participants.

The organisation of electronic auctions shall be subject to the principles of transparency, free access and non-discrimination.

2. The auction organisers shall make public the general conditions of access to the auction, the possible costs of participation and the award mechanisms.

3. The organisers of each auction shall, after the award, make public the name of the successful bidder. There will be an obligation on the organiser to buy or sell and on the successful bidder to sell or buy the whole of the auctioned product, in accordance with the general conditions of access and unless there is a reference in the specifications to a reserve price, below which the purchase or sale shall not take place.

Article 11. Obligation to keep documents.

1. Operators in the food chain shall keep all correspondence, documentation and supporting documents, in electronic or paper form, relating to food contracts concluded under the provisions of this law, for a period of four years.

2. The organisers of electronic auctions shall be obliged to keep for four years a documentary or electronic archive of all auctions held, including information on the identity of the bidders, their bids and the conclusion of the food contract.

Article 11a— Register of food contracts.

1. The Ministry of Agriculture, Fisheries and Food will have a digital register in which food contracts signed with primary producers and their groups, and their modifications, will be registered.

2. The operator purchasing from primary producers and their groups shall be obliged to register each food contract, and any amendments thereto, by the electronic means provided by law, prior to the delivery of the product covered by the contract.

3. The Food Information and Control Agency, O.A., and the other competent authorities shall have the power to access this register to carry out the relevant checks within the scope of their competences, subject to the regulations on the protection of personal data and competence.

CHAPTER II

Abusive commercial practices

Article 12. Unilateral modifications and unforeseen commercial payments.

1. Amendments to the contractual conditions laid down in the food contract are prohibited unless they are made by mutual agreement of the parties and in accordance with the guiding principles set out in Article 4. Food contracts must contain appropriate clauses providing for the procedure for their possible amendment.

2. Additional payments, on the agreed price, are prohibited, unless they relate to the reasonable risk of referencing a new product or to the partial financing of a commercial promotion of a product reflected in the unit selling price to the public and have been expressly agreed and included in the corresponding written contract, together with the description of the consideration to which those payments are associated.

3. The contract must establish the mechanisms for returning the previous payments that have been paid, when the consideration or promotional activities or similar activities linked to them, have not been executed within the agreed terms and conditions.

Article 12 a — *Covenants on promotional activities.*

Within the scope of this Act:

1. The launch and development of agreed promotions between suppliers and buyers shall be based on the principles of:

- a) Agreement and freedom of agreement;
- b) mutual interest; y
- c) flexibility to adapt to the particular circumstances of different operators.

2. Agreements on commercial promotions shall be respected in their nature and integrity. These agreements, which must be explicitly agreed by both parties, will include the aspects that define the agreed promotion: Deadlines (start and end dates), disposal prices, volumes and other issues of interest, as well as promotion aspects relating to procedure, type, development, geographical coverage and evaluation of the outcome of the procedure.

3. Promotional activities which mislead the consumer as to the real price and image of food and foodstuffs, which could impair the consumer's perception of the quality or value of them. For the purpose of analysing such conduct by the competent authorities, the purchase price set out in the food contract shall be taken into account.

To this end, operators must clearly identify their price in the advertising information, in the signage and in the purchase tickets, so that it is not misleading, so that the consumer has exact knowledge of the scope of the promotional activity.

4. Promotions shall always include the actual price of the product and the reason for the promotion shall be clearly indicated to the consumer.

Article 12b — *Destruction of value in the chain.*

1. In order to avoid the destruction of value in the food supply chain, each operator of the food chain shall pay the immediately preceding operator a price equal to or higher than the cost of production of that product actually incurred or assumed by that operator. The accreditation shall be made in accordance with the means of proof admitted in law.

2. In order to protect the marketing capacity of primary producers, operators who make the final sale of food or food products to consumers may not apply or offer a selling price to the public lower than the actual purchase price thereof.

3. Failure to comply with the provisions of the previous paragraph shall be considered as unfair sale without prejudice to the provisions of Article 14.1 of Law 7/1996, of 15 January. Sales to the public of perishable food or food products which are close to their unusable date shall not be regarded as unfair provided that clear information on this circumstance is provided to consumers.

4. Under no circumstances may joint offers or gifts to purchasers be used to prevent the application of the provisions of this Article.

5. The operator making the final sale of the product to the consumer may under no circumstances pass on to any of the previous operators its business risk arising from its commercial policy on prices offered to the public.

Article 13. *Business secrets.*

1. Food contracts shall specify in writing the information to be provided by the parties for the effective performance of their respective contractual obligations, as well as the time limit for the delivery of such information, which in any case must be proportionate and justified on objective grounds relating to the subject matter of the contract, without prejudice to the application of the antitrust rules.

2. Under no circumstances may an operator require from another operator of the chain any form of obtaining, using or disclosing business secrets, unless it is stated in the written contract in accordance with the provisions of the previous paragraph.

3. Business secrets obtained in the process of negotiation or execution of a food contract shall be used exclusively for the purposes for which they were provided, respecting at all times the confidentiality of the information transmitted or stored.

Likewise, it will not be possible in any case to require information about a product in development or about upcoming launches.

4. Operators may not be required or disclosed business secrets about other operators and, in particular, documents enabling such commercial information to be verified.

Article 14. Brand management.

1. The criteria for the management of categories must be predetermined and will avoid unfair treatment, such as the exploitation by a company of the situation of economic dependence in which its client or supplier companies may find themselves, as provided for in Article 16 of Law 3/1991, of 10 January, on Unfair Competition. Operators will manage the brands of food products offered to the consumer, both those of their own and other operators, avoiding practices that are contrary to free competition or that constitute acts of unfair competition in accordance with the provisions of Law 15/2007, of 3 July, on the Protection of Competition, and in Law 3/1991, of January 10, on Unfair Competition, as well as unlawful advertising acts in accordance with Law 34/1988, of 11 November, General Advertising.

Operators shall also act in good faith in the marketing of relevant innovations of their suppliers' food products.

2. It is forbidden for an operator to take undue advantage, for his own benefit, of the business initiative of others, as well as those that constitute unlawful advertising because they are considered unfair by using, either in packaging, in the presentation or advertising of the product or service of any distinctive elements that cause a risk of association or confusion with those of another operator or with trade marks or trade names of another operator in the terms defined in Law 17/2001 of 7 December on Trademarks and without prejudice to Articles 11 and 12 of the Law on Unfair Competition.

Article 14a Other unfair trading practices.

1. The following unfair commercial practices are prohibited:

a) Deferrals of payment of agricultural or food products that exceed the time established in the first additional provision of Law 15/2010, of 5 July, amending Law 3/2004 of 29 December 2004 establishing measures to combat late payment in commercial transactions, and with respect to the specific reference to retail trade, in the first additional provision of Law 3/2004, of 29 December, or of the rule that replaces it. This is without prejudice to the specific regime for operations between wholesaler and retailers established by Article 17 of Law 7/1996 of 15 January 1996 on Retail Trade Regulation, in relation to its sixth additional provision.

b) That one of the parties to the business relationship cancels an order for perishable agricultural and food products within 30 days prior to the time indicated for delivery by the seller.

c) One of the parties to the food contract unilaterally amends the terms of the contract for the supply of agricultural and food products, as regards the frequency, method, place, timing or volume of supply or delivery of agricultural and food products, quality standards, payment conditions or prices.

d) That one party to the trade relationship requires payments from the other party that are not related to the sale of the supplier's agricultural or food products.

e) The buyer requires the supplier to pay for the deterioration or loss, or for both reasons, of agricultural and food products, occurring on the buyer's premises or when the property has already been transferred to the buyer, without such deterioration or loss being due to negligence or fault of the supplier.

f) That one of the parties of the food contract refuses to confirm in writing the terms of a contract of sale or supply that were agreed between the buyer and the supplier and whose written confirmation has been requested by the other party.

g) That one of the parties to the commercial relationship unlawfully acquires, uses or discloses business secrets of the other party within the meaning of Law 1/2019, of February 20, on Business Secrets.

h) One of the parties to the business relationship threatens to carry out, or carries out, acts of commercial retaliation against the other party when the other party exercises its contractual or legal bargaining rights, including lodging a complaint or cooperating with the executing authorities during an investigation.

i) The buyer transfers to the supplier the costs of studying customer claims relating to the sale of the supplier's products, where the cause of those claims was not due to negligence or fault of the supplier.

2. The following commercial practices are also prohibited, unless the parties have agreed in advance in a clear and unambiguous manner in the food purchase or supply contract or in any subsequent contract between the supplier and the buyer, including the determination of the payments to be made in connection with the services provided by the buyer:

a) A payment is charged to one of the parties as a condition for the storage, exposure or listing of its agricultural and food products or their making available on the market.

b) One of the parties requires the other party to bear in whole or in part the cost of those discounts

on agricultural and food products sold as part of a promotion, unless, before a promotion commenced, the duration of the promotion is specified and the expected quantity of agricultural and food products to be ordered at discounted price in the agreed terms.

c) One of the parties requires the other to pay for the advertising of agricultural and food products carried out by that party.

d) That one party requires the other to pay for the marketing of agricultural and food products.

e) One of the parties is charged to the other by the fitting-out staff of the premises used for the sale of the goods.

f) The buyer returns unsold agricultural and food products to the supplier without paying for these unsold products, or their disposal, or both.

3. Where one of the parties requests a payment for the situations described in points (a), (b), (c), (d) or (e) of paragraph 2, it shall provide the other party, if requested, with an estimate of the unit payments or total payments, as appropriate. In addition, in the case of the situations described in points (a), (c), (d) or (e), it shall also provide, in writing, an estimate of the expenditure and the basis of that estimate.

TITLE III

Good Practices in Food Procurement

CHAPTER I

Code of Good Mercantile Practices in Food Procurement

Article 15. *Purpose, scope and elaboration.*

1. The Ministry of Agriculture, Fisheries and Food and the organisations and associations with a scope greater than that of an autonomous community, representative of operators of production, industry or distribution, will agree on a Code of Good Mercantile Practice in Food Procurement. In addition, the Ministry of Economy and Competitiveness and the Autonomous Communities will participate in the agreement with the aim of promoting a uniform code of application throughout the territory of the State.

2. The Code shall establish the principles on which the commercial relations between the different operators involved in the chain are to be based, in order to facilitate the development of their contractual relations, the observance of best practices in the development of such relationships and their compliance with the rules and principles referred to in Article 4 of this Law.

The Code will also detail the commercial practices that foster fair, balanced and loyal relations between operators in the food chain.

3. Adherence to the Code of Good Commercial Practice shall be voluntary for operators in the different areas of the food supply chain referred to in paragraph 1 of this Article.

4. Upon adherence to the Code, operators shall be obliged to ensure that their commercial relations comply with the principles and rules contained therein and to the use of dispute resolution systems that may arise in such relationships, following the procedures established therein.

Article 16. *Content.*

1. The Code of Good Mercantile Practice in Food Procurement shall contain the set of principles referred to in Article 15.2 and, in particular, the obligation of operators who voluntarily adhere to the Code to submit the resolution of any problems that may arise in their relations with other operators to the dispute resolution system expressly designated therein.

It shall also include the obligation of operators to include in all contracts they enter into within the scope of their commercial relations the abovementioned commitment to submit the resolution of their disputes to the system which has been established in the Code for that purpose.

In any case, operators in the food chain who decide to adhere to the Code undertake to provide the information required to analyse the conflict.

In addition, where there is no agreement between producer organisations and purchasers on the price of food contracts involving unprocessed agricultural products for their first sale, the Code shall include the right for either party to request mediation. The mediation will be carried out on the terms, conditions and with the effects that are established by regulation, guaranteeing in any case a neutral, impartial procedure and where the parties intervene with full equality of opportunity. The content of such mediation shall not be binding on the parties unless they have expressly agreed prior to it.

2. The Code may contain, if deemed necessary, specific agreements, at sectoral level, in order to be

able to contemplate more precisely the specific aspects to those sectors that require it.

3. In order to keep the Code's content updated, it will provide the establishment of a Monitoring Committee, composed of the Ministry of Agriculture, Fisheries and Food, the Ministry of Economy, Trade and Enterprise and representatives of organisations and associations representing the different operators of the food supply chain.

To this end, the Committee will analyse the results obtained from the implementation of the Code and propose, where appropriate, amendments in order to adapt it to the current reality or the introduction of new commitments not mentioned above.

4. The Code's content shall, in any case, comply with the competition rules and shall be given sufficient publicity for its proper knowledge by all the operators involved.

Article 17. State Registry.

1. The State Register of Good Mercantile Practices in Food Procurement is created in the Ministry of Agriculture, Fisheries and Food as a public instrument that will bring together all those operators involved in the food supply chain who voluntarily adhere to the Code referred to in Article 15.

2. Operators who voluntarily adhere to the Code must notify the Directorate-General for Food of the Ministry of Agriculture, Fisheries and Food, which will proceed with their registration.

Once registered, operators may use the words "Referred to the Code of Good Mercantile Practice in Food Procurement".

3. The operators listed in the Register will periodically be advertised on the website of the Ministry of Agriculture, Fisheries and Food.

4. The procedure for the canceling registration in the Registry shall be regulated by regulation. The registration of operators in the Registry shall be taken into account in the regulations governing aid and subsidies related to food and the food supply chain promoted by the Ministry of Agriculture, Fisheries and Food.

CHAPTER II

Other codes of good commercial practice

Article 18. Subscription and promotion of other codes.

1. Notwithstanding the provisions of the previous articles of this Title, operators of the food supply chain may subscribe to other codes of good commercial practice in food procurement with a higher standards for the operators who subscribe to them than that those established in the Code of Good Mercantile Practice in Food Procurement. In addition, entities representing the interests of the food supply chain may promote the development of such codes for companies operating exclusively or mainly within their territorial area. In both cases, these codes must respect the provisions of Title I and II of this law, as well as in the rest of the legal system, especially in the rules on the protection of competition.

2. Regulations shall establish the procedure and the requirements that these other codes of good practice, whether national or supra-regional in scope, must fulfil in order to be included in the State Register created by virtue of Article 17. .

TITLE IV

Food Chain Observatory

Article 19. Creation.

The agri-Food Chain Observatory is created as a collegiate body, attached to the Ministry of Agriculture, Food and Environment, through the Department's Directorate-General for Food..

Article 20. Functions.

1. In general terms, monitoring, advice, consultation, information and study of the functioning of the food supply chain and food prices shall be the functions of the Agri-Food Chain Observatory.

In addition to the above, the Observatory shall have the following functions:

a) Inform the proposed Code of Good Mercantile Practices in Food Procurement regulated in this Law.

b) Inform the proposals of other codes of good commercial practice, which are submitted for

incorporation into the State Registry.

c) To know the outcome of the work carried out by the Monitoring Committee of the Code, referred to in Article 16(3), and to propose to the same any issues considered of interest for the improvement and updating of the commitments referred to in the Code.

d) Facilitate knowledge of the Code among operators in the chain and promote their adherence to it.

e) Carry out the monitoring and evaluation of the business practices employed by chain operators, by conducting surveys or other market analysis systems, as well as by publishing reports and recommendations.

In the event that non-compliances with the provisions of the law are detected, as a result of the outcome of the work carried out, it will be sent to the competent authority. Likewise, it shall carry out reports and explanatory studies, where appropriate, of situations of imbalance occurring in the markets of origin and destination of the foodstuffs concerned, especially analysing the various factors that contribute to the formation of the prices of seasonal products.

f) To analyse the basic structure of prices and the factors causing their evolution, in the foods of greater relative importance in production and consumption, in the different steps of their formation.

g) Encourage the adoption of good practices and agile dispute resolution systems in the negotiation of contracts related to the first purchase of perishable products.

h) Carry out regular studies aimed at systematically monitoring the formation of final food prices.

i) To promote dialogue and intercommunication between representatives of the producer sector, industry, commercial distribution and consumers, with each other and with public administrations, in order to provide the most rationality and transparency as possible to the process of forming food prices, compatible with the framework of the market economy, in a system of openness to competition, for the benefit of society as a whole.

j) Draw up proposals for action by the competent administrations and recommendations to the various economic operators involved, companies and public or private institutions aimed at maintaining the necessary stability in a framework of development open to competition and balance in food prices, compatible with Community law.

k) Produce reports on food price formation, especially for links in the chain other than the producer link.

l) To analyse and study continuously the basic structure of the costs and prices received and paid, as well as the factors causing their evolution, in the products of greater strategic importance for the Spanish agri-food sector.

m) Develop, publish and periodically update price and production cost indices by using the criteria that are determined by regulation, which in any case must ensure transparency and objectivity in the formation of these indices.

n) Continuously analyse and study innovation in the food chain and, in particular, the evolution of the creation of innovative food products and their marketing to consumers.

2. Each year, the Agri-Food Chain Observatory will draw up an evaluation report on the progress made and the results achieved in the improvement of the functioning of the food supply chain and the effectiveness of the actions carried out, which will be forwarded to the Spanish Parliament.

3. All information, reports or data referred to in this article shall be public, unless expressly prohibited by law.

Article 21. Composition and operation.

The composition, operation and, where appropriate, abolition of the Agri-Food Chain Observatory shall be determined by regulation, ensuring in its composition the inclusion of the organisations and associations most representative of the food supply chain from the producer to the final consumer.

TITLE V

Sanctioning power

CHAPTER I

General provisions

Article 22. General principles.

1. For the purposes of this Act, the following articles are considered to be minor, serious and very serious administrative infringements.

2. The investigation of criminal proceedings before the Courts of Justice or the opening of proceedings concerning infringements of the rules on the protection of competition shall suspend the processing of the administrative penalty proceedings that may have been initiated for the same facts.

3. The rules and sanctioning principles contained in Law 30/1992 of 26 November 1992 on the Legal Regime of Public Administrations and the Common Administrative Procedure shall apply to the infringements contained in this Law.

4. Under no circumstances may two or more penalties be imposed for the same acts and in accordance with the same protected public interests, although other responsibilities arising from other concurrent acts or infringements must be demanded.

5. Persons of any legal nature who have or are required to have information or documentation that could contribute to the clarification of the commission of the infringements typified in this law or to the determination of the scope of the seriousness thereof, have the duty to cooperate with the competent authorities in matters of trade management. To that end, within the prescribed time limits, they shall provide the information and documents required of them by the competent authority in the performance of their duties.

6. The competent authority may agree and execute the provisional measures it may deem necessary to ensure the effectiveness of the resolution that may be incurred in case that it detects clear indications of breach of any of the provisions laid down in this law and, where appropriate, establishes a certain danger that the complainant will suffer damage during the delay of the administrative procedure, in the terms provided for in Law 39/2015 of 1 October 2015 on the Common Administrative Procedure of Public Administrations. The decision on interim measures does not prejudice the substance of the case.

7. Associations and organisations representing operators involved in the food supply chain shall have legitimate collective interests within the terms of Article 4 of Law 39/2015 of 1 October 2015 on the Common Administrative Procedure of Public Administrations.

CHAPTER II

Infringements and penalties

Article 23. Infringements in matters of food contracting.

1. Minor infringements in food contracting are:

a) Not to include the points to be contained in food contracts at least, without prejudice to the conduct referred to in paragraph 2(c) of this Article.

b) To make modifications to the contractual conditions that are not expressly agreed by the parties, without prejudice to the conduct included in paragraph 2.d) of this article.

c) Failure to comply with document retention obligations.

d) Providing incomplete or out of the indicated term the information required by the competent authority in the exercise of its functions.

e) Cancellation, by either party, an order for perishable agricultural and food products within thirty days prior to the time indicated for delivery by the seller, without prejudice to the conduct that is included in paragraph 2.m) of this article.

f) In the case of deliveries of a member to a cooperative or an association which make use of the possibility provided for in the second paragraph of Article 8(1) in order not to enter into a contract in writing, the cooperative or association does not comply with the conditions and requirements laid down in that Article for the statutes or agreements governing such deliveries, without prejudice to the conduct referred to in paragraph 2(i) of this Article.

g) In the case of deliveries of milk from a producer to a cooperative or Sociedad Agraria de Transformación (SAT) of which it is a member, the cooperative or SAT does not comply with the conditions and requirements laid down in the milk procurement regulations for the statutes or cooperative agreements governing such deliveries for the purpose of not requiring a contract, without prejudice to the conduct included in paragraph 2.j) of this article.

h) Demand, by the buyer, that the supplier pay for the deterioration or loss, or for both reasons, of agricultural and food products, occurring on the premises of the buyer or when the property has already been transferred to the buyer, without such deterioration or loss being due to negligence or fault of the

supplier.

- i) Refusal to confirm in writing, by the buyer, the terms of a contract of sale or supply that were agreed between the buyer and the supplier and whose written confirmation has been requested by the seller.
- j) Demanding compensation, by the buyer from the supplier, for the costs of studying customer claims relating to the sale of the supplier's products, even in the absence of negligence.
- k) Failure to comply with the obligation to enter in the register of food contracts provided for in Article 11a.
- l) Not comply with the conditions and requirements established for the conduct of electronic auctions.
- m) Failure to comply with the obligations relating to promotional agreements under Article 12a that are harmful to one of the parties.

2. Without prejudice to Article 14a(2), serious infringements in food contracting are:

- a) The second or subsequent minor infringement involving repeated infringement with another minor infringements committed within two years, counted from the penalty by final decision in administrative proceedings of the first of them.
- b) Not to formalise in writing the food contracts referred to in Article 2 and Chapter I of Title II of this Law, where such formalisation is mandatory.
- c) Not to include in the food contract the price referred to in Article 9(1)(c).
- d) Make changes to the price, object, payment conditions or conditions of delivery and making available of the products included in the contract that are not expressly agreed by the parties.
- e) Carry out promotional activities that do not comply with the obligations laid down in Article 12a.
- f) Non-compliance with the obligations of Article 12b or destruction of value in the food chain, in accordance with Article 12b.
- g) Non-compliance with payment deadlines in the commercial operations of food or foodstuffs, as set out in Article 14a.
- h) Resistance, obstruction, excuse or refusal to the actions of the Administration. This circumstance is understood to have occurred when the infringer has carried out actions aimed at delaying, hindering or preventing the actions of the Administration in relation to the fulfilment of its obligations. Among others, the following conducts constitute resistance, obstruction, excuse or refusal to the actions of the Administration:

1 ° Failure to facilitate the examination of documents, reports, background records, books, records, files, invoices, supporting documents and records of main or auxiliary accounts, software and files, operating and control systems and any other data relevant for the purposes of the law, as well as not submitting the food contract at the time of inspection or within the term conferred.

2 Failure to comply with any duly notified request.

3 Failure to appear, unless justified cause, in the place and time indicated.

4 Denying or unduly preventing the entry or stay on farms or premises of the acting officials or the recognition of premises, machines, installations and holdings related to this law.

5 Coercion of the officials of the acting Administration.

i) In the case of deliveries of a member to a cooperative or an association which make use of the possibility provided for in the second paragraph of Article 8.1 in order not to enter into a contract in writing, that the cooperative or association does not comply with the requirement that the statutes or agreements of the cooperative or association establish, before the delivery is made, the procedure for determining the value of the product delivered by its members.

j) In the case of deliveries of milk from a producer to a cooperative or SAT of which it is a member, that the cooperative or SAT does not incorporate in the statutes or cooperative agreements provided for in the dairy procurement regulations for the purpose of not requiring a contract, the price that will be paid for the milk supply.

k) Demanding additional payments or assumption of costs, on the price agreed in the food contract, except in the cases provided for in this law.

l) Acquire, use, demand or disclose trade secrets of the other party unlawfully, within the meaning of Law 1/2019, of February 20, on Business Secrets, or sensitive commercial information of other operators that has been obtained in the process of negotiation or execution of a food contract, in breach of the duty of confidentiality, as well as to use said information for purposes other than those expressly agreed in the food contract.

m) Cancel, by either party, an order for perishable agricultural and food products within 10 days prior to the time indicated for delivery by the seller.

n) Threatening to carry out acts of commercial retaliation against the other party to the business relationship, when the latter exercises its contractual or legal rights, including the lodging of a complaint or cooperation with the authorities responsible for investigating the facts complained of. It shall also constitute acts of commercial retaliation, threatening or carrying out the total or partial interruption of the supply or purchase of agricultural or food products in a continuing contract, in the event of the exercise of contractual or legal rights.

Ñ) T return, by the buyer, unsold agricultural and food products to the supplier without paying for these unsold products, or their disposal, or both.

o) Do not formalise food contracts, before the delivery is made, in the case of deliveries of a member to a cooperative or an association, in which the provisions of Article 2.2 are not complied with so that such deliveries are not considered commercial relations and are excluded from the scope of application of the law.

p) Failure to comply with trademark management obligations in accordance with article 14 of this law.

q) That the buyer requires or transfers to the supplier the risks and expenses arising from the initiation of sanctioning proceedings or claims relating to products under the distributor's own brand manufactured by the supplier.

3. A second or subsequent serious infringement shall be considered as a very serious infringement if it entails recidivism with another serious infringement committed within two years, counted from the penalty date by final administrative resolution of the first of them.

4. It is presumed, unless there is evidence to the contrary, that the buyer is the perpetrator of the infringements referred to in paragraph 1(a) and (b) and (c) of this Article.

5. When, as a consequence of non-compliance of the obligations contained in this law, competition of the markets is affected, the provisions contained in Law 15/2007, of July 3, on the Protection of Competition, will apply, which will be preferential to the infringements contemplated in this law in accordance with Article 22.2.

6. The penalty procedure to be initiated on the occasion of the infringements set out in this law shall be in accordance with the provisions of Law 39/2015, of 1 October, on the Common Administrative Procedure of Public Administrations, with the following exceptions:

a) In penalty proceedings whose instruction corresponds to the Food Information and Control Agency, O.A., the maximum period to resolve the penalty procedure and notify the express resolution thereof shall be ten months.

b) In order to ensure respect for fundamental rights, administrative acts to be notified to an operator who does not have an establishment in Spain shall be carried out in the language corresponding to the State where the operator has its head office.

7. Very serious infringements will expire after five years, serious ones after three years and minor ones after one year. The beginning of the limitation period shall be computed from the day on which the infringement was committed or, in the case of infringements relating to the formalisation and extremes to be contained in the food contracts, from the moment of the termination of the services originating from them. In the case of continuous infringements, it shall be counted from the day they ceased. In the event that the facts or activities constituting an infringement are unknown for lack of external signs, that period shall be computed from the day they are manifested.

Article 24. Penalties

1. The infringements in matters of food contracting provided for in this rule will be sanctioned with fines according to the following gradation:

a) Minor infringements, between EUR 250 and EUR 3.000.

b) Serious infringements, between EUR 3,001 and EUR 100.000.

c) Very serious infringements, between EUR 100.001 and EUR 1 000 000.

2. Irrespective of the fines provided for in paragraph 1 of this Article, the authority that resolve the administrative penalty proceedings may also agree to terminate the prohibited commercial practice.

In any case, the commission of the categorized infringements shall not be more beneficial to the offender than compliance with the infringed rules so that the final amount of the pecuniary penalties imposed shall not be less than the economic benefit obtained by the offender.

Article 24a — Publicity of sanctioning decisions on food contracting.

1. The competent public administration for the imposition of penalties shall publish, quarterly, the

penalties imposed for serious and very serious infringements in matters of food contracting that have become final in administrative means or, if an administrative appeal has been brought, in judicial proceedings. The advertising shall include the identification of the offender, the penalty imposed and the sanctioned infringement. In the case of penalties imposed by the General State Administration, this publicity will be given through the website of the Food Information and Control Agency, O.A.

2. Active advertising and access to public information regulated by Title I of Law 19/2013, of 9 December, on transparency, access to public information and good governance, as well as the obligations of active publicity established by autonomous legislation, shall be subject, when the information contains personal data, to the provisions of Articles 5.3 and 15 of the aforementioned law, as well as in Organic Law 3/2018, of 5 December, on Personal Data Protection and guarantee of digital rights.

Article 25. Gradation of penalties.

1. The penalties shall be graded in particular according to the degree of intention or the nature of the damage caused and taking into account the economic and social significance of the infringements committed, in order to take advantage of competitive advantages over another subject of the sector, the profit obtained from the infringing action and the previous commission of one or more infringements, when recidivism is not applicable, all in accordance with the following criteria:

a) The penalties shall be applied, in principle, to the average level, being reduced to a minimum level if it is not established by the body that resolves the file that there is a significant economic and social significance of the unlawful conduct. Based on these quantification criteria, three degrees of sanction for infringement are established:

1 ° minor penalties: To their minimum grade, with fines ranging from EUR 250 to EUR 1,000; in their average grade, with fines ranging from EUR 1,001 to EUR 2000; and to its maximum degree, with fines from 2,001 to EUR 3.000.

2 ° serious penalties: To their minimum grade, with fines ranging from EUR 3,001 to EUR 33,000; in their average grade, with fines from EUR 33,001 to EUR 66.000; and to its maximum degree, with fines from 66,001 to EUR 100.000.

3 Very serious penalties: to their minimum grade, with fines ranging from EUR 100,001 to EUR 333.000; in their average grade, with fines from EUR 333.001 to EUR 666.000; and to its maximum degree, with fines from EUR 666.001 to EUR 1 000 000.

b) If the above circumstance or any of the other circumstances or criteria provided for in the first subparagraph of this paragraph are mediated, the penalty shall be between one half and two thirds of the maximum foreseen. The concurrence of two or more of the above circumstances or criteria, which in any case includes an intention of taking advantage of competitive advantages over another subject in the sector together with the previous commission of one or more infringements where recidivism is not applicable, will determine the imposition of the penalty to its maximum degree.

2. Notwithstanding the application of the provisions of the previous paragraph, and in order to maintain due proportionality, in the case of pecuniary penalties to be imposed on operators, these shall not exceed an amount equivalent to 5 or 10 per 100 of the gross income of the operator sanctioned in the previous year, depending, respectively, on serious or very serious infringements, and provided that the legal minimum established for each case is respected. In the event of failure to carry out the activity during all or part of the previous financial year, the body that resolves the file will apply the graduation criteria by raising the gross income corresponding to the previous months of activity if these were less than twelve per year.

Article 26. Competence.

1. It is for the General Administration of the State to exercise the sanctioning power provided for in this law, in the following cases:

a) Where the contracting parties have their main corporate headquarters in different Autonomous Communities.

b) Where the contract concerns a scope greater than that of an Autonomous Community by reason of the foreseeable traceability of most of the food or foodstuff covered by the contract.

c) Where one of the parties to the food contract does not have its head office in Spain.'

2. It shall be the responsibility of the competent bodies of the Autonomous Communities to exercise the sanctioning power provided for in this law in the remaining cases, without prejudice to the provisions

of paragraph 2a of this article.

3. where the competent body of an Autonomous Community has not acted within the time limits laid down in Article 29(3) and (4), the complainant may refer to the corresponding body of the General State Administration.

If one month after the request of the General State Administration the competent body of the Autonomous Community continues not to respond satisfactorily, at the request of the complainant the General State Administration will assume the competence in its place.

4. The following bodies shall be competent for the imposition of penalties in the field of food procurement within the General Administration of the State:

a) The Director of the Food Information and Control Agency, O.A., when the total amount of the penalty proposed by the investigator of the file does not exceed EUR 100.000.

b) The General Secretary of Agriculture and Food, when this amount exceeds EUR 100.000 and does not exceed EUR 300.000.

c) The Minister of Agriculture, Food and the Environment, when this amount exceeds EUR 300.000 and does not exceed EUR 600,000.

d) The Council of Ministers, where that amount exceeds EUR 600,000.

5. The Ministry of Agriculture, Food and the Environment will promote, through the relevant Sectoral Conference, the elaboration and adoption of guidelines to ensure the uniform application of the sanctioning regime throughout the State.

TITLE VI

Improving the vertebration of the food chain

Article 27. *Promoting the integration and enhancement of the development of the value chain.*

1. The Ministry of Agriculture, Food and the Environment, in accordance with its budgetary resources, with the requirements and conditions that are established by regulation, will work together with the Autonomous Communities to promote greater integration of operators involved in the food supply chain, in order to facilitate greater efficiency and profitability in the different sectors that comprise it.

2. In collaboration with other departments and the organisations of the producer sector involved and the Autonomous Communities, the Ministry of Agriculture, Food and the Environment will work to identify and promote the development and implementation of new channels for the internal and external marketing of food or food products, which will generate greater efficiency in the operations of the value chain. Initiatives that facilitate the introduction of innovation and information and communication technologies in the chain, as well as those aimed at the development of short marketing channels, will be encouraged, allowing a greater impact of added value on producers and processors.

3. Likewise, in order to improve the competitiveness of agricultural production, support will be given to the development of measures and programmes to promote quality, improve logistical efficiency and promote innovation and use of new technologies.

4. The participation of Consumer Associations in the actions provided for in this Article shall be encouraged.

TITLE VII

Implementing Authorities

Article 28. *Designation of the Implementing Authority at national level.*

1. Within the competences of the General State Administration, the Implementing Authority which shall act as a point of contact for cooperation between implementing authorities and with the Commission, as provided for in Article 4.2 of Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019 on unfair commercial practices in business-to-business relations in the agricultural and food supply chain, shall be the Food Information and Control Agency, O.A.

2. The Autonomous Communities, in accordance with their Statutes of Autonomy and within the framework of the competences provided for in Article 26 of this Law, shall designate authorities in charge to control the fulfillment of the arranged thing in this law, in their territories, which shall have, at least, the functions that this law confers on the Food Information and Control Agency, O.A., in relation to the control of compliance with the provisions of this law in the field of the competences of the autonomous

communities.

3. The Food Information and Control Agency, O.A., shall be the point of contact for cooperation between the implementing authorities, as well as with the European Commission.

4. The executing authorities shall meet at least once a year to review the application of this law, within the Co-operation Committee of the implementing authorities. Implementing authorities shall discuss best practices, new cases and developments in the field of unfair trading practices in the agricultural and food supply chain, as well as the exchange of information, in particular on the implementation of the measures they have taken in accordance with this law and their enforcement practices. Implementing authorities may adopt recommendations to promote a consistent implementation of this law and to improve its implementation. The Food Information and Control Agency, O.A. shall organize such meetings.

5. The Food Information and Control Agency, O.A., shall publish an annual report on the activities carried out by the implementing authorities within the scope of this law, which shall contain, among other data, the number of complaints received and the number of investigations initiated or concluded during the preceding year. For each completed investigation, the report shall contain a brief description of the subject matter, the outcome of the investigation and, where appropriate, the decision taken, subject to the confidentiality requirements laid down in this law.

Article 29. Complaints and confidentiality.

1. In cases where the sanctioning competence, in accordance with the provisions of article 26 of this law, corresponds to the General Administration of the State, the Food Information and Control Agency, O.A., will carry out the functions provided for in points (f) and (g) of paragraph 6 of the first additional provision.

2. The competent public administration shall take all necessary measures to protect the identity of whistleblowers at all times, as well as for the adequate protection of any other information the complainant considers to be harmful to his or her interests, or in the case of associations for those of its members or that of suppliers. The complainant shall indicate which information is confidential and which is not, and any information on which no express indication has been made is presumed to be confidential.

3. The executing authority receiving the complaint shall inform the complainant, within one month of its submission, of the actions to be taken to deal with the complaint.

4. Where the executing authority considers that there are insufficient grounds for initiating an administrative penalty proceedings on the basis of the complaint lodged, the complainant shall be informed, within nine months of the lodging of the complaint, of the reasons for the closure.

5. Whistleblowers have the right, unless expressly stated otherwise, to:

a) Receive acknowledgement of receipt of the complaint to the complainant within seven days of receipt.

b) To know the status of the processing of your complaint.

c) To know the state of implementation of the actions reported by the executing authority referred to in Article 29(3).

d) To be notified of the formalities carried out and of the decisions agreed on the complaint.

6. The protection of the identity of the complainant shall be guaranteed both in the course of the administrative procedure and, where appropriate, in judicial proceedings. In the latter case, the Food Information and Control Agency or the equivalent regional body, where appropriate, shall act on its behalf and representation, if necessary to protect the identity of the complainant and provided that such representation does not constitute defenselessness or breach of the principle of equality of arms.

7. In cases where one of the operators is established in Spain and the other is not, they may file the complaint either with the executing authority of their own Member State or with the Food Information and Control Agency O.A., competent in accordance with Article 26(1)(c). The executing authority to which the complaint has been lodged shall be competent to enforce the prohibitions laid down in this law.

First additional provision. The Food Information and Control Agency.

1. The Food Information and Control Agency is hereby created, like an autonomous body, in accordance with the provisions of Law 6/1997, of April 14, on the Organisation and Functioning of the General Administration of the State, with differentiated legal-public personality and full capacity to act, which will be governed by the provisions of this law and the other implementing rules.

The Food Information and Control Agency replaces the Olive Oil Agency in the exercise of its tasks. Consequently, the mentions that the current regulations make to the Agency for Olive Oil, will be understood to be made to Food Information and Control Agency. In addition, the Food Information and

Control Agency will subscribe to all agreements, rights, obligations and other legal transactions relating to or signed by the Olive Oil Agency.

2. The Food Information and Control Agency is assigned, through the General Secretariat of Agriculture and Food, to the Ministry of Agriculture, Food and Environment which corresponds to its strategic direction and the evaluation and control of the results of its activity.

3. The Agency, within the scope of its competences, is responsible for exercising the administrative powers for the fulfilment of its purposes in accordance with the applicable legislation.

4. In the exercise of its public functions, the Agency shall act in accordance with the provisions of Law 30/1992 of 26 November 1992 on the Legal Regime of Public Administrations and the Common Administrative Procedure.

5. The general purposes of the Agency shall be:

a) The management of information and control systems for olive, dairy and other markets to be determined by regulation.

b) **(Deleted).**

c) The control of compliance with the provisions of Law 12/2013, of 2 August, on measures to improve the functioning of the food supply chain.

6. For the purposes set out in the previous paragraph, the Agency shall carry out the following tasks:

a) To manage and maintain the information systems of olive markets (olive oils and table olives), wine and dairy.

b) To exercise the powers set out in this rule as a national executing authority provided for in Article 28, without prejudice to the powers of the regional authorities.

c) To carry out the necessary tasks as a contact point for cooperation between implementing authorities as well as with the European Commission in the field of Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019.

d) To initiate and instruct, in accordance with its own regime, criminal proceedings for non-compliances in the payment of mandatory contributions to interbranch or producer organisations, recognised by the Ministry of Agriculture, Food and the Environment in the products or sectors referred to in point (a), by submitting appropriate motions for resolutions to the competent authorities.

e) To establish and develop, within the scope of the competitions conferred by this law, the General Administration of the State, the control system necessary to verify compliance with the provisions thereof.

f) To carry out the appropriate checks of complaints of non-compliance with the provisions of this law that are submitted to them and instruct the corresponding sanctioning procedure to formulate the resolution proposal that proceeds to the competent authority of the Ministry of Agriculture, Food and Environment, or transfer them to the National Competition Commission together with the actions carried out.

g) To initiate of its own motion the corresponding sanctioning procedure for the irregularities it finds in the exercise of its functions that involve breaches of the provisions of this law and, after the corresponding investigation, propose to the competent authority the appropriate decision or, where appropriate, make a complaint to the National Competition Commission duly documented.

Please note that the constitutionality of point (g) is declared, as interpreted in the terms of the legal basis 6, by Judgment of TC 66/2017, of 25 May. [Ref. BOE- A-2017-7642](#)

h) To collaborate with the Food Chain Observatory in carrying out the work, studies and reports that, on the products, markets and sectors referred to in paragraph five, are necessary for the performance of the tasks entrusted to the it.

i) To establish collaborative relations with other bodies of the General State Administration and with the Autonomous Communities in matters within their competence.

j) **(Deleted).**

k) To collaborate with sectoral, producer and interbranch organisations related to matters within their competence.

l) Any other functions that are legally assigned to it for the fulfilment of its general purposes.

m) To exercise the actions referred to in Article 32.1, 1st to 4th, of Law 3/1991, of 10 January, on Unfair Competition, when the interests of operators of the food chain are affected.

7. The control and inspection actions carried out by the Agency shall be carried out by public workers who, in the performance of their duties, shall have the status of officials of the authority.

The certificates drawn up by the Agency's inspectors shall be authentic and shall, unless proven otherwise, prove the facts contained therein.

8. The public workers of the Food Information and Control Agency, duly accredited by its Director, shall carry out the inspection and control actions to the entities and operators ordered by them, and in their actions shall have the following powers:

a) To access any premises, land, installation or means of transport used by natural or legal persons under control.

b) Verify the stocks of their warehouses, the products obtained, the processes they apply, and the facilities, machinery and equipment used.

c) To have access to the books and documents relating to the activity of the entity, whatever its material medium and, in particular, to all those that prove the origin of its purchases and the destination of its sales and their respective prices and values, as well as to obtain copies or extracts, in any format and medium, of such books and documents.

d) Retain for a maximum period of five days the books or documents referred to in point (c) of this paragraph. Exceptionally, the originals will be delivered when no authenticated copy of them can be delivered.

e) Sealing stores, facilities, warehouses, equipment, vehicles, books or documents and other property of the entity for as long as and to the extent necessary for the inspection.

f) To require any representative or staff member at the service of the person under control with the explanations it deems necessary on the activities, processes, materials or documents related to the object and purpose of the inspection and to keep a record of their answers.

g) Taking samples of raw materials, intermediate and finished products to determine their composition and characteristics, as well as the by-products generated.

h) Draw up minutes reflecting the actions taken, the information required and the information obtained and the facts established.

The exercise of the powers described in points (a) and (e) shall require the prior express consent of the affected party or, failing that, the corresponding judicial authorisation.

At any time in the proceedings, it may be ordered, ex officio or at the request of a party, that the data or documents considered confidential are kept secret, forming with them a separate piece.

9. All those who take part in the control, inspection or processing of sanctioning proceedings must be kept secret about the facts and of any confidential information they have become aware of. They must also keep secret about such actions, those who knew them by reason of profession, position or intervention as a party, even after leaving their duties.

10. Any natural or legal person is subject to the duty of cooperation with the Food Information and Control Agency and is obliged to provide, at its request and within a period of time, any data and information available to it that may be necessary for the object and purpose of the inspection. That period shall be ten days, unless, by the nature of the request and the circumstances of the case, a different period is fixed.

11. The Agency's staff regime shall comply with the provisions of Article 47.1 of Law 6/1997 of 14 April 1997 on the Organisation and Functioning of the General State Administration.

12. The economic resources of the Agency may come from any of those listed in Article 65(1) of Law 6/1997 of 14 April 1997 on the Organisation and Functioning of the General Administration of the State.

13. In matters of contracting, acquisition and disposal, the Agency shall be governed by the general contracting rules of the public administrations.

14. The patrimonial regime of the Food Information and Control Agency shall be in accordance with the provisions of Article 48 of Law 6/1997 of 14 April 1997 on the Organisation and Functioning of the General State Administration.

Second additional provision. *Agri-food laboratories for official control, functionally dependent on the Ministry of Agriculture, Food and the Environment.*

One . Agri-food laboratories of the Ministry of Agriculture, Food and the Environment.

The agri-food laboratories of the Ministry of Agriculture, Food and the Environment, in order to homogenise the criteria applied in carrying out official analytical controls and improve the quality of the

results, shall coordinate, collaborate and cooperate with the agri-food laboratories designated by the competent authorities of the Autonomous Communities to carry out the analysis of the samples taken in those controls, mainly carrying out the following functions:

15. Harmonise the criteria for the adoption of analytical methods in official laboratories and propose their modification, extinction or establishment of new ones.

16. Facilitate the transfer of analytical methods between the agri-food laboratories of the Autonomous Communities and the Ministry of Agriculture, Food and the Environment and disseminate the supply and analytical capacity of these laboratories.

17. Organise and develop the functioning of the Sectoral Working Groups, in which technical representatives of the different public administrations and the sector participate.

18. Facilitate the training of technical staff of laboratories responsible for the analysis of agri-food products.

19. Establish a common institutional relationship framework between the laboratories and the National Accreditation Entity.

designation by the competent authorities of the autonomous communities of the laboratories to carry out the official analytical control shall be valid for the whole territory of the State and the designated laboratories will be part of the Network of Agri-Food Laboratories of the Ministry of Agriculture, Food and Environment, which will allow for more effective coordination of analytical support for official control. This support will be carried out by accredited laboratories that have quality control systems in place in accordance with Community regulations, so that the results of the analyses are of high quality and uniformity.

Two . Network of Agri-Food Laboratories.

The Network of Agri-Food Laboratories to be coordinated by the Ministry of Agriculture, Food and the Environment aims to share and promote the accreditation of testing laboratories and analytical methods for official control. Laboratories, public or private, participating in official control work by designation of the competent authorities of the Autonomous Communities or the General State Administration shall form part of this network. The various competent authorities shall provide the Ministry of Agriculture, Food and the Environment with information on these laboratories and their portfolio of services. The operation of the network shall be established in a regulatory manner.

Three . Coordination of the Working Groups.

The Ministry of Agriculture, Food and the Environment will coordinate the working groups established within the network for their development.

Four . Specialisation in accredited techniques.

In collaboration with the Autonomous Communities and in order to optimise the available resources, the specialisation of the laboratories will be promoted in certain specific accredited techniques, so that they can carry out the analyses requested by all the public administrations that so require in the exercise of their official control powers.

Five . Designation of reference laboratories.

The Ministry of Agriculture, Food and the Environment, in coordination with the Autonomous Communities, shall designate the national reference laboratories in the field of agri-food and feed, the nature of which will necessarily be public.

Six. Fee for official analysis services carried out by the food laboratories of the Ministry of Agriculture, Food and the Environment.

1. The fee for the performance of official analysis services of samples carried out by food laboratories that are functionally dependent on the Ministry of Agriculture, Food Environment, shall be governed by this Law and by the other regulatory sources provided for in Article 9 of Law 8/1989, of 13 April, on Public Fees and Prices.

2. The taxable event is the performance of official analysis services of sample by food laboratories that are functionally dependent on the Ministry of Agriculture, Food and the Environment. This fee shall not be accrued in the case of studies, characterisation of agri-food products or development of analytical methods.

3. Taxable persons shall be the natural or legal persons, public or private, who request the provision of any of the services that constitute the taxable event.

4. They will be exempt from the payment of the fee, the General State Administration and those other

Public Administrations with which, subject to reciprocity, this is agreed.

5. The accrual shall take place at the time when the request for the commencement of the provision of the services is submitted.

6. The amount of fees for carrying out sample analysis services by food laboratories functionally dependent on the Ministry of Agriculture, Food and Environment shall be as follows:

a) Analysis consisting of direct measurements with simple instruments, qualitative reactions, arithmetic calculations and physical determinations. For each sample: EUR 15.

b) Sample preparation:

1 ° for analysis with basic operations or quantification of analysis, consisting of conventional laboratory operations (extractions, distillations, mineralisations). For each sample and each determination: EUR 10.

2 ° for intermediate processes of greater complexity: EUR 25 for each sample.

c) Preparation of a sample for isotopic analysis: EUR 36.

d) Identification or quantification of a substance by non-instrumental techniques: EUR 15.

e) Identification or quantification of a substance by means of enzymatic kits and spectrophotometric techniques (visible ultraviolet, infrared, atomic absorption of flame or graphite chamber or by generation of hydrides or by cold steam): EUR 29.

f) Identification or quantification of a group of elements by optical PCI or mass PCI:

1 ° an element EUR 20, up to 4 elements EUR 40 and more than 4 elements: EUR 100.

2 For 'Br', 'Rb', 'Mr' and 'I', for each item and shows EUR 32.

g) Determination and quantification of Hg by atomic absorption spectrometry with direct analyser: EUR 28.

h) Identification or quantification of a substance, or group of substances, by separative instrumental techniques (gas chromatography, liquid chromatography, capillary electrophoresis): For a substance EUR 30, between two and fifteen substances EUR 40, and more than 15 substances EUR 65.

i) Identification or quantification of a substance, or groups of substances, by gas chromatography/mass spectrometry or liquid/mass chromatography: EUR 80.

j) Identification or quantification of pesticide residues:

1 ° organophosphates, organochlorines and other groups EUR 45.

2 Confirmation of the compounds in subparagraph (a) by gas chromatography/mass spectrophotometry or liquid mass chromatography EUR 35.

3 ° specific methods for a pesticide EUR 50.

k) Isotopic measurements by mass spectrometry of ¹³C, ¹⁸O and ²H, for each isotope: EUR 60.

l) Isotopic measurements of the D/H ratio by nuclear magnetic resonance: EUR 100.

m) Measured by liquid scintillation of ¹⁴C or ³H, per sample: EUR 100.

n) Sensory analysis, the result of which is obtained by the opinion of a tasting panel. For each sample: EUR 75.

o) Pollen analysis and other micrographic analyses: For each sample: EUR 70.

p) Mold and yeast counts by Howard: For each sample: EUR 15.

q) Biological antiferment test, for each sample: EUR 15.

r) Determination of a substance using specific radioimmunoassay kits: EUR 57.

s) Immunoassay determinations (ELISA): EUR 80.

t) Determination of gluten content in foods by Western immunoblotting: EUR 50.

u) Identification and/or quantification of substances through the concurrence of techniques defined in the different headings above: it will be valued by the sum of them.

v) Microbiological analysis:

1 ° count of a species of microorganisms: EUR 25.

2 ° Isolation and identification of microorganisms by species: EUR 25.

3 ° microbiological bacterial growth inhibitor screening test : EUR 15.

4 ° microbiological analysis by PCR: EUR 70.

5 ° serological studies of pathogens: EUR 50.

w) PCR Analysis of Genetically Modified Organisms:

1 ° screening analysis (detection of internal plant controls, and regulatory or selection sequences) per analysed gene: EUR 50.

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2. ° real-time PCR detection and identification analysis of gene-specific sequences analysed: EUR 60.
 3. ° quantitative analysis by real-time PCR: per GMO (including operations described in 1st and 2nd): EUR 180.
 - x) Issuance of a certificate on an analysis carried out: EUR 8.
 - y) Issuance of a report on an analysis carried out: EUR 36/hour or fraction.
 7. The fees shall be self-assessed by the taxable person in accordance with the terms laid down by law.
 8. The fee is managed by the Ministry of Agriculture, Food and the Environment.

Third additional provision. *No increase in spending.*

The implementation of the provisions of this law shall be carried out with the material and personal resources allocated to the Ministry of Agriculture, Food and the Environment and its dependent agencies, without implying a net increase in expenditure, especially in relation to staff costs.

Fourth additional provision. *Conducting and disseminating comparative studies and analyses.*

1. When, at the initiative of any natural or legal person, studies and comparative analyses are carried out on foodstuffs intended for sale to the final consumer, and whose results are intended for dissemination, the principles of veracity, technical and analytical rigour and comply with all the guarantees laid down in national or Community legislation on analysis must be observed.
2. All tests or analyses on which the studies, reports and analyses are based shall be carried out by a laboratory with an accreditation equivalent to that required for laboratories authorised to take part in the official control of food.
3. Once the result of the test has been obtained, it shall be communicated to the manufacturer or operator of the establishment, in accordance with the procedure to be laid down by regulation. Where the result of the analysis results in a legal non-compliance, the manufacturer or, packager or responsible for the product, whose name appears on the label, may carry out an adversarial analysis. In case of discrepancy between the results of both analyses, a third analysis will be carried out, which will be decisive. The procedure in both cases shall be carried out by regulation.
4. Regulations shall establish the procedure to be followed for the studies, reports or analyses, in relation to the studies, reports or analyses, to the technical data sheet, the procedure for the purchase of products to be analysed, the requirements applicable to the taking of samples and the procedure for the communication of the results obtained. Studies, reports and analyses shall not mislead the consumer as to the safety, quality of products or compliance with applicable food law.
5. Failure to comply with the principles and requirements applicable to studies, reports and analyses carried out by public or private entities intended for public dissemination, contained in this Provision may be considered as a behaviour objectively contrary to the requirements of good faith, in accordance with the provisions of Chapter II of Law 3/1991, of January 10, on Unfair Competition.

Fifth additional provision. *Contractual relations of the Common Organisation of the Markets in agricultural products.*

1. This law shall apply in addition to the dairy sector without prejudice to the specificities set out in the regulations governing the dairy package, which will prevail in everything that separates from this law.
2. In particular, the following special rules shall apply:
 - a) The determination of the rule to which the contractual relationship is to be subject in intra-Community deliveries of milk.
 - b) The cases of mandatory contractual formalisation and their minimum content.
However, in addition to the provisions of its sectoral regulations, in any case, the requirements laid down in Article 9(1)(c) and Article 12b of this Law shall apply to contracts in the dairy sector.
 - c) The regulation on deliveries of members to cooperatives and SAT, without prejudice to the classification of infringements contained in article 23 of this law.
 - d) The obligation for producer organisations to conclude a written contract in deliveries with their partners when there is a transfer of ownership.
3. For the purposes of Article 5(ñ), however, producer organisations and their associations in the dairy sector, recognised respectively under Articles 161 and 156 of Regulation (EC) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the

markets in agricultural products and repealing Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 shall not be considered where the producer members of the organisation have transferred ownership of their production to the organisation, in such cases the organisations and their associations must conclude contracts subject to negotiation, as indicated in Article 23(3) of Royal Decree 95/2019 of 1 March, laying down procurement conditions in the dairy sector and regulating the recognition of producer organisations and interbranch organisations in the sector, and amending a number of royal decrees applying to the dairy sector.

Sixth additional provision. *Infringements and penalties on traceability of fishery products not covered by Law 3/2001 of 26 March 2001 on Maritime Fisheries of the State.*

The possession, consignment, transport, transit, storage, processing, exhibition and sale, in any of the legally foreseen forms, of fishery products not included in the scope of application of Law 3/2001, of 26 March, on Maritime Fisheries of the State, which do not meet the requirements of traceability, labelling, hygiene or consumer information required by the current legislation will be classified as a serious infringement and punishable by pecuniary penalty from 601 to EUR 60.000.

Seventh additional provision. *Trade relations between operators in the Canary Islands banana agri-food supply chain.*

Without prejudice to the provisions of this Law, the following provisions shall apply to the commercial relations between operators of the food supply chain of Plátano de Canarias (PGI for bananas grown in the Canary Islands archipelago), particularly Articles 9.1.c) and 12b):

1. In determining the effective cost of production in commercial operations in the food supply chain of the Plátano de Canarias PGI, direct or indirect aid received by the producer or agricultural holding shall be charged.

2. Banana producer organisations shall calculate the price as average of all their sales of PGI Banana to all their customers in each calendar year.

For subsequent transactions between operators in this food supply chain, the price paid by the acquirer to the immediately preceding operator per category shall be considered as the effective cost of production.

3. The buyer and the producer organisation that has made the sale will have the obligation to fix the price of the product in the contract, which may be up to one week after the maturation process at the destination of Banana de Canarias.

First transitional provision. *Pre-existing contracts.*

This Law shall apply to contracts completed after its entry into force, as well as to renewals, extensions and novations of contracts previously perfected, the effects of which take place after the entry into force of this Act.

Second transitional provision. *Professional Agri-Food Organisations.*

They will be exempted from the novelties introduced in this law on the requirement for the recognition of interprofessional agri-food organisations to certify that they represent, in their territorial scope and in their sector at least 51 % of the products concerned in each and every one of the professional branches, those interprofessional agri-food organisations that are already recognised by the Ministry of Agriculture, Food and Environment.

Single derogation provision. *Regulatory repeal.*

Any provisions of equal or lower rank that oppose or are incompatible with the provisions of this Law, and in particular:

4. Law 28/1987 of 11 December 1987 establishing the Olive Oil Agency; and
5. Royal Decree 509/2000 of 14 April 2000 establishing the Food Prices Observatory.

Final disposition first. *Amendment of Law 38/1994 of 30 December 1994 regulating interprofessional agri-food organisations.*

Law 38/1994 of 30 December 1994 regulating interbranch agri-food organisations is amended as follows:

One . Article 2 is reworded.

“Article 2. Concept of interprofessional agri-food organisations.

An agri-food inter-branch organisation shall mean, for the purposes of this Law, that of State or higher scope than that of an Autonomous Community, which is constituted by representative organisations whatever the legal nature of its representatives, production, processing and, where appropriate, agri-food marketing and distribution.’

Two . Article 3 is reworded.

“Article 3. Aims of interbranch agri-food organisations.

Agri-food interbranch organisations shall be set up for all or some of the following purposes:

- a) Ensure the proper functioning of the food supply chain and promote good practices in the relations between its partners as they are participants in the value chain.
- b) Carry out actions to improve the knowledge, efficiency and transparency of the markets, in particular through the sharing of information and studies of interest to its partners.
- c) Develop methods and tools to improve product quality at all stages of production, processing, marketing and distribution.
- d) Promote research and development programs that promote innovation processes in their sector and that improve the incorporation of technology, both in the production processes and the competitiveness of the sectors involved.
- e) Contribute to improve the coordination of the different operators involved in the process of placing new products on the market, in particular by carrying out research and market studies.
- f) Carry out campaigns to disseminate and promote food production, as well as carry out actions to provide adequate information to consumers about them.
- g) Provide information and carry out the necessary studies and actions to rationalise, improve and guide agri-food production to market needs and consumer demands.
- h) Protect and promote organic farming, integrated production and any other environmentally friendly production method, designations of origin, protected geographical indications and any other form of differentiated quality protection.
- i) Elaboration of agri-food type contracts compatible with national and EU competition rules.
- j) Promote the adoption of measures to regulate supply, in accordance with the provisions of national and EU competition law.
- k) Collective bargaining where there are compulsory contracts in accordance with the terms laid down in EU legislation.
- l) Develop methods to control and rationalise the use of veterinary and phytosanitary products and other factors of production, to ensure product quality and environmental protection.
- m) Carry out actions aimed at a better defence of the environment.
- n) Promote efficiency in the different links of the food supply chain through actions aimed at improving energy efficiency, reducing environmental impact, responsibly managing waste and by-products or reducing food losses along the chain.
- ñ) Design and implementation of training actions for all members of the chain to ensure the competitiveness of farms, businesses and workers, as well as the incorporation into the chain of qualified young people.
- o) Conducting studies on sustainable production methods and market developments, including objective, transparent, verifiable and non-manipulable price and cost indices that can be used as a reference in the setting of the price freely agreed in contracts, subject to the provisions of the EU sectoral legislation.
- p) Develop and implement the necessary training to improve the professional qualification and employability of professionals in the agri-food sectors.
- q) Any other attributed to it by EU legislation.’

Three . Article 4 (1) (b) and (a) and (c) are reworded.

“Article 4. Recognition of agri-food interbranch organisations.

1.

b) Attest to representing at least 51 per 100 of the products concerned in each and every professional branch in their territorial area and sector.

2.

a) They shall regulate the arrangements for the accession and withdrawal of the members that make up them, guaranteeing the membership of any representative organisation at national level who undertakes to comply with them, as long as it proves to represent, at least, 10 % of the professional branch to which it belongs.

In addition, any organisation at regional level that proves to represent at least 50 per 100 of the professional branch corresponding to its territorial scope shall be guaranteed, provided that the sector or product in question accounts for at least 3 per 100 of the final agricultural fishery or agri-food production at national level, or 8 per 100 of the final agricultural production at the level of the Autonomous Community.

They shall also regulate the duration of the representative period of the member organisations, the procedures for their renewal and a provision for the status of such representativeness, if due to a lack of agreement between their members, that period is exceeded.

c) They shall regulate the joint participation in the management of the inter-branch agri-food organisation of the producer sector of one part, and of the processing and marketing sector of another. According to the representation of interests and the corporate purpose for which they have been formed, the organisations of agricultural cooperatives may form part of the production, processing and marketing sectors, or all of them simultaneously.'

Four. Article 5(1) and (2) are reworded.

“Article 5. Number of interbranch agri-food organisations.

1. Only one agri-food interbranch organisation shall be recognised by sector or product, except as provided for in the following paragraphs of this Article.

2. Agricultural and food products eligible for the use of differentiated quality protection features may, for the purposes of this Article, be regarded as sectors or products distinct from that of a general nature referred to in the preceding paragraph, or of others of the same or similar nature.'

Five . Article 6(2) is reworded.

3. . Agri-food interbranch organisations must submit to the Register of Interprofessional Agri-Food Organisations of the Ministry of Agriculture, Food and the Environment before 30 April of each year the annual report of activities of the previous year, the statement of representativeness at the end of the financial year, the annual accounts and the clearance of the last duly audited financial year and the annual budget of revenue and expenditure for the current year.”

Six. The first paragraph of Article 7 is amended.

“Article 7. Agreements of interbranch agri-food organisations.

Agri-food interbranch organisations shall comply, for the adoption of their agreements and in their operation, with the rules and principles laid down in national and Community competition law.'

Seven. Article 8 is reworded.

“Article 8. Extension of standards.

1. An agreement adopted by the inter-branch agri-food organisation will be submitted to the Ministry of Agriculture, Food and the Environment for approval, where appropriate, by ministerial order of the proposal to extend all or some of its rules to all producers and operators in the sector or product.

Proposals for the extension of standards shall refer to activities related to those defined in Article 3 as the purposes of interbranch agri-food organisations, as well as any other activities attributed to it by Community legislation.

2. The extension of the rule regulated in the previous paragraph may be requested only within an interbranch organisation, under the conditions laid down by regulation, where it is satisfied that:

a) The agreement is supported by at least 50 % of each of the professional branches involved and,

b) the inter-branch agri-food organisation accounts for at least 75 % of the products concerned.

3. Regulatory mechanisms for monitoring and monitoring compliance with extension agreements will be established.

4. The content of this article is understood, in any event, without prejudice to the application

of the provisions contained in the current antitrust legislation and in Community legislation.

5. In the event that within a given sector there are several recognised interbranch agri-food organisations, these will be bound by the standard extension agreements, approved and published, of another agro-food interbranch organisation recognised for the same sector or product of a general and state nature, in which they are sectorally included.

6. The corresponding regulatory order shall fix the duration of the agreements, not exceeding five years or marketing years, for which the extension of rules is requested according to national and Community legislation.

7. In the procedure for drawing up the extension order, which will comply with the provisions of Article 24 of Law 50/1997 of 27 November 1997 on the Government, the public participation of the potential recipients shall be accredited, for a period not less than fifteen days.'

Eight . Article 9 shall be worded as follows:

“Article 9. Financial contribution in case of extension of rules.

When, under the terms set forth in the previous article, rules are extended to all the producers and operators involved, the Agri-Food Interprofessional Organisations may propose to the Ministry of Agriculture, Food and the Environment, for its approval, where appropriate, the financial contribution by those who are not part of them, in accordance with the principles of proportionality in the amount of the costs of the actions and of non-discrimination with respect to the members of the Interprofessional Agro-Food Organisations.

Operating expenses of the Agri-Food Inter-Professional Organisation that do not correspond to the cost of the actions may not be passed on.”

Nine. Article 10 is deleted.

Ten . Article 11 is reworded.

“Article 11. Revocation of the recognition of interprofessional agri-food organisations.

1. The Ministry of Agriculture, Food and the Environment will revoke the recognition of all those interprofessional agri-food organisations that no longer meet any of the conditions established in Article 4 of this Law.

2. The recognition of those interprofessional agri-food organisations that have remained inactive, without carrying out any of the purposes established in Article 3 of this law, may be revoked for an uninterrupted period of three years.

3. Recognition shall be revoked after a hearing of the concerned agri-food interbranch organisations and shall be entered in the Register regulated by Article 14 of this Law.'

Eleventh. Article 12 is reworded.

“Article 12. Criminalisation of infringements.

1. Administrative infringements of the provisions of this Law shall be classified as minor, serious and very serious.

2. The following shall constitute minor infringements:

a) The unjustified delay in sending to the Ministry of Agriculture, Food and Environment any of the documents mentioned in Articles 6 and 7 on documentation and agreements of the Interprofessional Agri-Food Organisations of this Law.

b) Non-compliance by those obliged to pay the compulsory financial contribution or the quotas in which it is broken down, in cases of extension of the standard approved by the competent authority, when its amount does not exceed EUR 6.000.

3. The following shall constitute serious infringements:

a) The commission, within one year, of more than two minor infringements, where this has been declared by final decision.

b) The non-referral to the Ministry of Agriculture, Food and the Environment by the Interprofessional Agri-Food Organisations of the agreements adopted within them.

c) Non-referral to the Ministry of Agriculture, Food and Environment of the annual accounts and the clearance of the last duly audited financial year by the agri-food interbranch organisations, when during the annual period they have received compulsory financial contributions from the

whole sector under an extension order approved by the competent authority.

d) Non-compliance by those obliged to pay the compulsory financial contribution or the fees in which it is broken down, in the cases of extension of the standard approved by the competent authority, when its amount exceeds EUR 6.000 and does not exceed EUR 60.000.

4. They shall constitute very serious infringements:

a) The commission, within one year, of more than one serious infringement of the same nature, where so has been declared by final decision.

b) The conduct of actions whose purpose is contrary to those laid down in Article 3 of this Law.

c) Failure to comply with any of the requirements established for the recognition of agri-food interbranch organisations in Article 4 of this Law.

d) The refusal of membership as a member of the interbranch agri-food organisations of those sectoral organisations at national or regional level that prove to have the minimum representativeness established in Article 4.2 (a) of this Law.

e) The application of the system of financial contributions by extension of the rules of this Law in terms other than those contained in the relevant Ministerial Order.

f) Non-compliance by those obliged to pay the compulsory financial contribution or the quotas in which it is broken down, in cases of extension of the standard approved by the competent authority, when its amount exceeds EUR 60.000.

5. In case of infringements relating to the non-payment of the compulsory financial contribution or of the fees in which it is broken down, in cases of extension of the standard approved by the competent authority, the non-payment must be reported by the interbranch organisation to the competent authority, accompanied by the documentation proving that it has requested payment from the debtors, as well as the admission to process of the corresponding judicial claim or, where appropriate, the request for an arbitration award.

However, where the unpaid financial contribution or the quotas in which it is broken down are calculated on data contained in official declarations to the competent administration or established in its control proceedings, it shall not be necessary to prove the submission of the documentation referred to in the preceding paragraph.'

Twelve . Article 13 is reworded.

“Article 13. Penalties.

1. Administrative infringements listed in the previous Article shall be penalised:

a) Minor infringements with warning or fine of up to EUR 3.000.

b) Serious infringements with a fine between EUR 3,001 and EUR 150.000.

In addition, the temporary suspension of the recognition of the interbranch agri-food organisation may be ordered, for the purposes of the provisions of this Law, for a period not exceeding one year.

c) Very serious infringements with a fine between EUR 150.001 and EUR 3 000 000.

In addition, the temporary suspension of the recognition of the interbranch agri-food organisation may be ordered, for the purposes of the provisions of this Law, for a period of between one year and one day and three years.

Likewise, the permanent withdrawal of the recognition of the inter-professional agri-food organisation may be ordered, for the purposes provided for in this Law.

2. The criteria for the graduation of the sanction to be applied will be those determined by Law 30/1992, of 26 November, on the Legal Regime of Public Administrations and the Common Administrative Procedure.

3. The decision of the sanctioning procedure shall be the responsibility of:

a) The Director General of the Food Industry, where the total amount of the penalty proposed by the investigator of the file does not exceed EUR 100.000.

b) The Secretary General of Agriculture and Food, when this amount exceeds EUR 100.000 and does not exceed EUR 300.000.

c) The Minister of Agriculture, Food and the Environment, when this amount exceeds EUR

300.000 and does not exceed EUR 600,000.

d) The Council of Ministers, where that amount exceeds EUR 600,000 or where the temporary or definitive suspension of recognition of the inter-branch agri-food organisation is proposed as a penalty.'

Thirteen. Article 15(2) is reworded.

“Article 15. General Council of Agri-Food Interprofessional Organisations.

2. The General Council of Agri-Food Interprofessional Organisations will act in Plenary and Standing Committee. The plenary session shall be chaired by the Secretary-General for Agriculture and Food and shall be composed, as determined by regulation, of representatives of the Ministries of Agriculture, Food and Environment, Economy and Competitiveness and Health, Social Services and Equality, the Autonomous Communities, professional agricultural organisations, organisations of agricultural and fisheries cooperatives, recognised fisheries producer organisations, food industry and trade organisations and consumer organisations.”

Final provision second. Amendment of Law 2/2000, of 7 January, regulating the type-contracts of agri-food products.

Law 2/2000 of 7 January 2000 on standard contracts for agri-food products has been amended as follows:

One . Article 2(2) is reworded.

“Article 2. The agri-food contract-type.

2. The agri-food system, for the purposes of the provisions of this Law, is understood as the whole of the productive agricultural, livestock, forestry and fisheries sectors, as well as those of processing and marketing of their products.'

Two . Article 3(d) is reworded:

“Article 3. Content of contracts.

D) Prices and payment terms. The price to be received and the criteria for updating it shall be freely fixed by the signatory parties to the contract, which may take into account, where appropriate, price or cost indicators. These indicators should be objective, transparent and verifiable, and should not be manipulated. The fixing of prices and payment conditions shall take account of the relevant provisions of Community sectoral legislation.'

Three . Article 8 is deleted.

Four o. The second paragraph of Article 10 is reworded.

“Article 10. Controversies.

In the case that the follow-up commission, within the time limit and form established by regulation, does not achieve a solution to the dispute, or in the case of discrepancy with the proposed solution, the parties may resort to arbitration proceedings.'

Five . Article 11 is reworded.

“Article 11. Infringements and penalties.

1. Minor infringements are considered:

a) Failure to refer the results of the external audit to the Ministry of Agriculture, Food and Environment within the statutory deadline.

b) The non-referral to the Ministry of Agriculture, Food and Environment of the data referred to in Article 4.1 of this Law.

2. Serious infringements are considered:

a) The non-constitution by the proposers of the approved standard contract of the monitoring committee within the statutory deadline.

b) Failure to fulfil all or any of the purposes of the monitoring committee.

c) Failure to carry out the external audit established in this Law.

d) The non-referral of information, or the transmission of false data to the competent authority within the prescribed period.

e) The recidivism of a minor infringement of the same nature in the same year counted since the sanction by final decision in administrative proceedings of the previous infringement.

3. very serious infringements are considered:

a) The application of financial contributions to destinations other than those contained in the supplementary report referred to in Article 5.3 of this Law.

b) Agree or carry out activities for profit by the monitoring committee.

c) The absolute refusal to act by the public inspection services.

d) The recidivism of a serious infringement of the same nature in the same year counted since the sanction by final decision in administrative proceedings of the previous infringement.

4. The infringements listed in the preceding paragraphs shall be penalised:

a) Minor infringements with warning or fine of up to EUR 3.000.

b) Serious infringements with a fine between EUR 3,000 and EUR 150.000.

c) Very serious infringements with a fine between EUR 150.000 and EUR 3 000 000.

5. The criteria for the graduation of the sanction to be applied shall be those determined by Law 30/1992 of 26 November 1992 on the Legal Regime of Public Administrations and the Common Administrative Procedure.”

Six. Article 12 is reworded.

“Article 12. Competent bodies.

The decision of the sanctioning procedure shall be the responsibility of:

a) The Director General of the Food Industry, where the total amount of the penalty proposed by the investigator of the file does not exceed EUR 100.000.

b) The Secretary General of Agriculture and Food, when this amount exceeds EUR 100.000 and does not exceed EUR 300.000.

c) The Minister of Agriculture, Food and the Environment, when this amount exceeds EUR 300.000 and does not exceed EUR 600,000.

d) The Council of Ministers, where that amount exceeds EUR 600,000.’

Final provision third. Proficiency titles.

This Law is issued under the provisions of article 149.1.13a of the Constitution, which confers on the State competence over the basis and coordination of the general planning of economic activity.

Except for the provisions of Article 5(f) and (g), Title II and the first transitional provision, which are covered by Rules 6 and 8 of Article 149(1), which confer on the State exclusive jurisdiction over commercial and civil law.

They constitute legislation on general finance issued pursuant to the provisions of Article 149.114 of the Constitution, the provisions of the first additional provision, paragraph 15.f), of Law 12/2013, of 2 August, on measures to improve the functioning of the food supply chain.

Fourth final arrangement. Faculty of Development.

The Government is empowered to issue as many provisions as may be necessary for the development and application of this law.

Fifth final arrangement. Entry into force.

This law shall enter into force five months after its publication in the “Official Gazette of the State”.

Therefore,

I command all Spaniards, individuals and authorities, to keep and keep this law.

[This consolidated text has no legal value.](#)