



EU Policy Updates Note 5

05 / October 2024 – January 2025



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1. Introduction

This Note provides an overview of relevant EU policy developments in the four domains covered by the DignityFIRM project taking place between October 2024 and January 2025. Following [confirmation hearings](#) and the [European Parliament's vote](#) (see [Note 4](#)), the [new European Commission](#) took office in December 2024. While the newly appointed [Commissioner for Internal Affairs and Migration](#) is expected to **prioritise the reform of the Return Directive**, opportunities may arise to address the **exploitation of irregular migrant workers**. In the new cycle, the [Commission](#) is also widely expected to focus on **measures to strengthen the position of farmers**, with recent proposals focusing on the common market organisation of agricultural products (CMO) and Unfair Trading Practices (UTPs). Meanwhile, the [EU and four Mercosur countries reached a political agreement](#) on a new partnership that will **reduce tariffs** on certain goods, including food products, despite opposition by some countries, [most notably France](#). This Note also includes an update on the **Minimum Wage Directive**, highlighting the [delays](#) in meeting the two-year transposition deadline and a recent opinion by the Advocate General that puts its future in question. Relevant developments not covered in this Note include the adoption of the [Forced Labour Regulation](#) and [Platform Work Directive](#) and the negotiations on the EU Talent Pool, which the Commission regards as helpful to **promote decent working conditions** for third-country nationals (see [Note 2](#)), which will be covered in forthcoming notes.

2. EU Developments

Commission takes office with return and preventing the exploitation of irregular migrant workers as priorities

In November 2024, the European Parliament held **confirmation hearings** for the [26 proposed European Commissioners](#), all of whom were approved. The [hearing of Magnus Brunner, Commissioner for Internal Affairs and Migration](#), confirmed **irregular migration to be a priority** topic in his mandate, with the focus, among others, on smuggling and trafficking. Meanwhile, a [proposal on return](#) is expected from the Commission in the first 100 days of office, with new rules that aim to **"enable simpler and faster returns"**, define **"clear obligations of cooperation for the returnee"** and make **"provision for the mutual recognition of return decisions"**. It remains to be seen how the proposal will try to achieve the above goals, also ensuring protection of procedural and fundamental rights, and whether the upcoming proposal will also address the situation of persons in an irregular situation who cannot be returned. [Negotiations](#) in the Council could commence promptly, with return also being a priority for the [Polish Presidency](#) of the Council of the EU. Meanwhile, measures to address the **"exploitation of workers in Europe with an irregular status"** also form part of the Commissioner's agenda for the next five years (see [Note 4](#)). Against this backdrop, **questions remain as to how the different priorities will be reconciled**.

Proposed rules to revise the CMO Regulation might incentivise social sustainability

In December 2024, the [new Commissioner for Agriculture and Food, Christophe Hansen](#), also began his term. During his [hearing](#), the Commissioner confirmed his commitment to **strengthening social conditionality**, potentially bringing further attention to promoting safe working conditions in the agri-food



sector. Shortly after his confirmation, the [European Commission](#) proposed [amendments](#) to the current [Regulation establishing a common market organisation of agricultural products](#) (CMO). The CMO provides a framework to regulate production and trade in the agricultural sector (see [Note 4](#)). Its revision aims “[to restore trust along the food supply chain](#)”. Among others, it proposes **strengthening the contractual position of farmers** and **increasing cooperation** between them through simplified recognition of producer organisations, and flexibility for member states to allocate CAP financial support for operational programmes in all those sectors which are more vulnerable to market imbalances. It also established the possibility for agricultural actors to enter into agreements, for example, allowing them to sell products at a higher price, if pursued with **social sustainability objectives**, including the improvement of “**working and safety conditions in agricultural or processing activities**”. In line with a March 2024 [Commission non-paper](#), the proposal reflects the growing importance of **incentive-based approaches to achieving sustainability objectives**, which aim to ease pressure on agri-food actors, bringing added value to all workers. While [discussions](#) have already started, the Parliament and the Council are yet to adopt their [negotiating positions](#).

Preliminary exchanges on the future of the CAP to gain momentum

In February 2025, the Commission is expected to present its [Vision for Agriculture and Food](#), building on the recommendations of the [Strategic Dialogue on the Future of EU Agriculture](#) (see [Note 2](#)). The [Vision](#) will be a [roadmap](#) for future agricultural initiatives, and will be instrumental in **shaping the future of the Common Agricultural Policy** (CAP) once the current framework expires in 2027. It will set the stage for a Commission proposal, expected for the summer, outlining the key building blocks of the 2028-2034 CAP iteration. Negotiations on the proposal will take place in parallel with those on the next [multi-annual financial framework](#) (MFF). With preliminary statements coming forward, [EU Agriculture Ministers](#) reaffirmed their **support for a farmer-focused future**

CAP in December 2024, highlighting the importance of stable incomes for **economically sustainable and competitive agriculture and food production**. Questions remain, however, about how to ensure a [fairer distribution of income support](#) for farmers, appropriately balanced also against social and environmental sustainability objectives.

Proposed Regulation to enhance cross-border enforcement against Unfair Trading Practices

In December 2024, the [Commission](#) proposed a new [Regulation on cross-border enforcement against Unfair Trading Practices](#) (UTP). This follows a [2024 report](#) by the Commission which pointed to widespread challenges in the implementation of the 2019 [UTP Directive](#) (see [Note 3](#)). UTPs are **unethical business practices** imposed by one trading partner on another, such as late payments or buying products below production costs. According to [one study](#), since 2020, the prevalence of UTPs has decreased overall. Yet, on average 80% of agricultural actors surveyed by the European Commission experienced UTPs annually, demonstrating that they **remain a critical challenge in the agri-food sector**. To address this, the proposal aims to **boost cooperation between national enforcement authorities** by improving information exchange, coordinated investigations and collection of penalties. If adopted, these measures would **strengthen EU-level safeguards** against UTPs for farmers and small to medium-sized suppliers. This could reduce upstream pressure to cut labour costs, promoting fairer income and better working conditions for agricultural workers. [Inter-institutional negotiations](#) between co-legislators are yet to begin.

Agreement reached on EU-Mercosur trade deal after 25 years of negotiations

In [December](#) 2024, the [European Commission](#) reached a [political agreement](#) on a partnership with the Mercosur bloc, aiming to **strengthen trade ties and boost economic gains** on both sides, among others, by **reducing tariffs** on agri-food products. The agreement was reached despite renewed [farmer protests over market saturation](#) and the **risk of increased competition** and diminished income in certain sectors,



and without the [support](#) of all [member states](#). The agreement is, however, just an initial step in a [longer process](#), in which the Council and then the [European Parliament](#) will need to give their greenlight. Despite some [uncertainty](#), it is expected that the **political agreement will be backed up by [all member states](#)**, eventually, due to its exporting potential. This development nevertheless raises questions as to whether [balancing and protective measures](#) for farmers will **assuage their fears**, and help push the deal over the [finish line](#), or whether it will lead to further supply chain pressures, also posing risks for workers.

Minimum Wage Directive risks annulment amidst delayed transposition

The [Minimum Wage Directive](#) was adopted by co-legislators in [October 2022](#). While it **does not establish binding standards**, it introduces [criteria](#) for setting **minimum wage rates** and **strengthens collective bargaining**, aiming to promote [fair wages](#) and **decent living standards**. With the [transposition deadline](#) set for November 2024, only [six member states](#) fully incorporated the rules into national law, while seven are yet to start the process. Nevertheless, [experts](#) have shown that, since its adoption and in some cases even before transposition, the [Directive](#) has already **positively impacted minimum wage settings** in the large majority of EU countries with a statutory minimum wage. This can help workers who typically have low wages, such as those in seasonal work, including those who may be in an [irregular situation](#). Overall wage rates, and positive effects on decent work will ultimately depend on the Directive's [effective implementation](#) at the national level, however. Meanwhile, in early 2025, the Advocate General (AG) recommended in an opinion in a case pending in front of the [Court of Justice of the EU](#) that the **Directive should be annulled** in its entirety, following a [case](#) brought by Denmark arguing it

intrudes upon [member states' exclusive competences](#). While the **Court is expected to issue a [decision](#)** in the coming months, it is general practice for the Luxembourg judges to follow AG opinions.

Commission President suggests simplifying the CS3D, CSRD and Taxonomy Regulation through an omnibus proposal, sparking uncertainty

In November 2024, [Commission President von der Leyen](#) announced plans to simplify the Corporate Sustainability and Due Diligence Directive (CS3D) (see [Note 2](#)), the Corporate Sustainability Reporting Directive (CSRD) (see [Note 1](#)) and the [EU Taxonomy Regulation](#), which defines criteria for environmentally sustainable activities, through an ["omnibus" regulation](#). The plan aims to **streamline and simplify reporting procedures** for companies as part of a broader effort to boost the [EU's competitiveness](#), gaining the support of [Economic and Finance Ministers](#) in January 2025. While [initial indications](#) suggested that the content of the laws would remain unchanged, [recent developments](#) confirm possible amendments, including on the definition of [small and medium enterprises](#), further **narrowing the scope** of these instruments (see also [Note 2](#)). [Commentators](#) and [civil society organisations](#) are concerned that the revision could **lower social and environmental safeguards** and limit the instruments' **capacity to prevent and remediate rights abuses**, including in sectors like Farm to Fork (F2F). [Experts](#) have also expressed concern that the proposal may cause confusion or lead to reticence among businesses to implement the new [CSRD](#) and CS3D rules, with some [member states](#) also calling for an indefinite [suspension](#) of the instruments. [Private sector organisations](#) instead welcomed the commitment to reduce [red tape](#). [Further details](#) are expected to emerge in February 2025.

This note is published on a quarterly basis.



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ABOUT DignityFIRM

Towards becoming sustainable and resilient societies we must address the structural contradictions between our societies' exclusion of migrant workers and their substantive role in producing our food.

www.dignityfirm.eu



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