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The Director

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MINUTES

Meeting of the Civil Dialog Group on Agricultural Market Fruit and vegetables

Monday 20 November 2023

Chair: DG AGRI E.2

Following organisations were represented: CEJA; COGECA; COPA; EAPF; ECVC; EuroSeeds; FoodDrinkEurope; FRESHFEL Europe; SACAR.

1. Nature of the meeting

Hybrid and non-public.

2. List of points discussed

Horizontal points

1. Introduction and adoption of the agenda.

Agenda was adopted.

2. New Genomic Techniques – presentation by the Commission.

The Commission services presented the proposal on plants obtained by certain new genomic techniques (NGTs) (COM(2023) 411 final), which is one of the actions the Commission has proposed under the EU Green Deal and the Farm to Fork Strategy to make the food system more sustainable and to support farmers in the green transition. The proposal covers plants that contain genetic material from the same species or from crossable species, while transgenic plants will remain subject to the GMO legislation as it stands today. The proposal establishes two categories of plants obtained by NGTs, with distinct requirements and procedures to reach the market based on their different characteristics and safety profiles.

In the ensuing debate, several stakeholders (Freshfel, Cogeca, Copa, FoodDrinkEurope) welcomed the Commission's proposal in supporting breeders and farmers to bring new varieties on the market and contributing to food security and to EU's research and

innovation. A representative of ECVC expressed concerns on negative impacts of the patenting system and enquired on the possibility to use NGTs in organic production, to which the Commission clarified the proposal maintains the ban. Finally, the need for communication on new innovation was highlighted by several speakers.

3. Custom reform proposal: impact on F&V– presentation by the Commission.

The Commission services gave an overview of the Customs Union Reform proposal, explaining the reasons, the key concepts and the contents of the legislative proposal package. The proposal aims both to simplify the operation of customs processes and also to strengthen the contribution of the Customs Union to key policies which protect the citizens and businesses of the EU from harmful non-compliant trade in goods.

The Commission highlighted the two key enablers included in the proposal, namely an EU Customs Data Hub, which would provide a single customs data environment for traders for EU-wide customs processes, reducing overall cost and complexity (including for small and medium enterprises), and an EU Customs Authority, which would develop the Hub and provide operational support to customs in the harmonised implementation of the legislation.

The Commission services outlined the anticipated timeline, contingent on adoption of the proposal by the co-legislators, which would start with implementation of new processes for B2C e-commerce in 2028, with a view to the Data Hub being available for all traders from 2032 (required to be used initially by “Trust and Check” traders in 2032 and optionally by other traders, then required to be used by all traders by 2038).

Freshfel stressed the importance of adapting to digitalisation and ensuring fast procedures which are essential for perishable products.

4. Packaging and packaging waste regulation – update by the Commission.

The Commission services presented the proposal for a regulation for packaging and packaging waste (PPWR), focussing on the provisions that are relevant for fruits and vegetables. Specific emphasis was given as well on the importance of harmonising the sector, as fruits and vegetables are produced and transported across the 27 MS, also imported, and there is a need to set a single and transparent EU approach. PPWR aims to create a framework where a single approach as regards fruits and vegetables is legislated in the whole EU. The Commission representative also presented the relevant measures for fruits and vegetables proposed in PPWR, such as ban of single use packaging for fresh fruits and vegetables weighing less than 1.5 kg, unless there is a demonstrated need to avoid water loss, greening, or turgidity loss, microbiological hazards or physical shocks and referred to the negotiations with the co-legislators.

In the ensuing debate stakeholders (Copa, Cogeca, FoodDrinkEurope, Freshfel, ECVC) asked whether such measures could: i. result in more food waste and/or decrease shelf life of the fruits and vegetables, ii. lead to potential mixing between conventional and organic fruits and vegetables and iii. trigger hygiene and health risks, as packaging could generally prevent from such cases. The Commission representative responded that PPWR acknowledges the function that packaging plays in preserving product freshness and quality in the food and beverages sector. PPWR intends to introduce specific restrictions on the use of certain single-use (SU) packaging, which are challenging to recycle and often become litter. The guiding principle of the proposal is to reduce excessive,

avoidable and unnecessary packaging waste without compromising food safety and/or resulting in food waste generation.

Fruit and Vegetables specific points

5. Overview of latest market developments for fruit and vegetables- update by the Commission

The Commission services presented the market situation in the fruit and vegetables sector with the latest available data concerning prices, inflation and trade flows. The Commission highlighted the challenging market situation for the sector affected by high input costs, low demand due to the current high level of (food) inflation and extreme weather events that impact supply (e.g. recent floodings in North of France). The situation is however improving with the progressing decrease in food inflation, input costs and freight costs. The Commission provided specific information on apple, tomatoes, bananas and orange markets. On apple, the crop forecast from 2023/24 is 10.9 Mt (-8%YoY). On fresh tomatoes, there were high prices at the beginning of the year that decreased in summer due to the seasonality effect. Production of tomatoes for processing was in line with the 5-year-average and prices were higher than the average. On bananas, the 2023 production is expected to be back to average levels following the recovery of Spanish production. Orange production in 2022/23 was affected by negative weather events that reduced production to 6.3 MT (-11% YoY). In 2023/24, weather events will again affect the EU production that is expected to reach similar or even lower levels than the previous season.

Copa echoed the decrease of production due to extreme weather events that translates in a decrease of exports and an increase of imports.

6. Marketing standards and Breakfast directives – update by the Commission + presentation Profel.

6.1 Fruit and vegetables marketing standards

The Commission services presented the revised Regulation on the fruit and vegetables marketing standards and their control. This regulation entered into force on 23 November 2023 and will become applicable on 1 January 2025, except for the provisions on donation that become applicable at the time of entering into force. The objectives of this revision, in addition to align to the Treaty of Lisbon, is to address the Farm to Fork Strategy priorities such as improve the information to the consumers and reduce food loss and waste. In particular, the mandatory labelling of the origin will be extended to several categories of products and the case of 4th gamma products is clarified. The existing exemptions from compliance with the general marketing standard will be extended to all Member States for products sold directly and locally by the producers, or for products sold by the retailers as intended for processing by the consumer. Products that do not conform to the marketing standards due to a situation of ‘force majeure’ will be exempted from the general marketing standard by and under the conditions specified by Member States. Products intended for donation are exempted from complying with specific marketing standards, only the general marketing standard will be applicable provided that ‘intended for donation’ is indicated.

6.2 Breakfast Directives

The Commission services presented the proposal to amend four of the Breakfast Directives dealing with honey, fruit juices, jams and dehydrated milk. The proposal contributes to the farm to fork objectives of improving information to consumers, facilitating the shift to more sustainable and healthier diets and stimulating product reformulation. The presentation focused on the amendments introduced in the fruit juices directive and in the jam directive. In fruit juices, the main novelty is the introduction of a new category of products called “reduced sugar fruit juice” in which at least 30% of the naturally occurring sugars have been reduced by using one of the authorised technologies also included in the directive. In jams, the Commission proposal increases the minimum fruit content in jam from 350 to 450 g of fruit per kg of finalised product and in extra-jam from 450 to 550 g of fruit per kg of finalised product. The proposal will also allow Member States to use the terms “jam” and “marmalade” as synonyms, which is a common practice in a number of Member States. The Commission representative explained that this proposal follows the ordinary legislative procedure and co-legislators will start trilogues as soon as the EP adopts its position.

6.3 Presentation FoodDrinkEuropa (Profel)

Profel presented two key concerns for European jam producers: 1. higher fruit content, as foreseen in the Commission’s proposal, and 2. mandatory Country of Origin Labelling for fruit and sugar in jams, as proposed at European Parliament.

Fruit content increase will have negligible health gains for consumers as more fruit does not make traditional jams tangibly healthier: The extra fruit requires the boiling off of excess water (fruit is +/-90% water). The average fruit increase in a standard diet “gained” by the proposed increases is 150 g per year, and the sugar intake reduction less than 5 g per year. For extra jams, the proposed increase to 550 g would furthermore result in a deterioration of taste, texture and colour of products. The negative economic and ecological impacts of adding 20-30% more fruit to tested and trusted recipes are disproportionate to the negligible health gains.

Origin labelling for fruit and sugar in jams was not included in the scope of the Commission proposal therefore was not covered by the impact assessment. Crucial questions such as sustainability impact/food waste, technical feasibility, and costs were not assessed. Jams are made from a blend of fruit origins which is essential to ensure consistent taste and quality parameters. Blending may change for each production run, and adjusting labels and maintaining a stock of labels with different percentages and origins is impossible. Fruit supply depends on climate, weather, geography, quality and prices, and raw material supply necessitates flexible alternative sourcing. This need for sourcing flexibility has been aggravated over recent years by climate change.

Cogeca expressed sympathy for the concerns raised by Profel but also stress that origin labelling might have a positive impact on producers.

7. Mitigating climate change impact on fruit and vegetable production: Call for Strategies – presentation by FoodDrinkEurope (Profel) and Freshfel

Voicing Freshfel and Profel’s shared concerns about climate change impacts on European fruit and vegetable production, Profel informed the CDG of declining crop yields since 2015. The main reasons identified included droughts, floods, uncharacteristic

high temperatures, prolonged weather patterns, a change in crop and insect phenology, and the depletion of the farmers' plant protection toolbox.

The two associations called for a close cooperation and partnership between the public and private sectors, where European legislators and national authorities take their responsibility to help secure Europe's future supplies of fruit and vegetables.

Freshfel and Profel stressed the urgent need for Policies and Actions to protect the future production of specialty crops in sufficient volumes, where the following provisions will be crucial:

- Securing the availability of water in fields and orchards
- Supporting the advancement of plant science and the development and introduction of new plant protection solutions
- Ensuring access to an adequate toolbox to protect crops against the proliferation of pests appearing and evolving as our climate changes

The Commission services asked if there is a quantification of the impact of climate change and if the interventions under the CAP are useful or other actions should be envisaged. Cogeca said that the catalogue of measures is good but that things are getting worse (floods, droughts, plant pests) and the farm to fork strategy might not be in line with some elements of the sectoral interventions.

8. CAP Strategic Plans F&V types of interventions and operational programmes – update by the Commission.

The Commission services presented the state of play of the fruit and vegetables sectoral interventions as approved in 2022. Many amendments to the approved Member States' CAP Strategic Plans were introduced in the course of 2023 and are being assessed by the Commission. The Commission services highlighted two elements which can be of the interest of the members of the CDG, one relating to the Dashboard – Catalogue, which contains a lot of information regarding F&V sectoral interventions and another one relating to the available EP Pilot project on producer organisations and operational programmes, including its handbooks.

9. EU Phytosanitary measures applied to citrus imports - update by the Commission.

The Commission services gave an update on plant health legislation, risk assessment, import non-compliances, outbreaks and the Commission's follow up and preventive actions.

Stakeholders expressed concern about the high number of non-compliances due to citrus black spot detected on citrus from South Africa. There were requests for suspension of imports until guarantees could be provided, reintroduction of a threshold in non-compliances, forceful approach in bilateral exchanges and pragmatic assessment of the situation. The Commission representative explained the stepwise approach from bilateral exchanges to reinforcement of measures or temporary ban and informed about the relevant upcoming discussion with the Member States in the Standing Committee for Plants animals Food and Feed.

10. School Scheme: state of play - update by the Commission.

The Commission services informed about the state of play and planning for the review of the school scheme, as foreseen in the Farm to fork strategy.

Copa highlighted the need to strengthen the scheme with a focus on the fruit's quality. Freshfel underlined the need to ensure diversity and quality of products.

11. Presentation H2020 project: SMART agriculture for innovative vegetable crop PROTECTION: harnessing advanced methodologies and technologies presentation by Inagro.

Inagro presented the H2020 project SmartProtect (<https://www.smartprotect-h2020.eu/>).

This thematic Network, lead by Inagro in Belgium, focuses on the implementation of smart IPM methodologies for innovative vegetable crop protection.

A platform with information over almost 200 smart IPM technologies is free accessible in 12 different languages of the consortium members (<https://platform.smartprotect-h2020.eu/nl>) and can be helping farmers in achieving the objectives of the EU Green Deal.

12. AOB

EU fruit and vegetable trade with EU candidate and potential candidate countries (Freshfel)

As the European Commission adopted 8th of November 2023 its “Enlargement Package”, Freshfel Europe presented at the Civil dialogue Group Fruit and Vegetables an evaluation and state of play of production as well as trade with the 10 candidates or potential candidates. While the negotiation process is always relatively long up to 10 years or more, the fresh produce sector should bear in mind the potential consequences of such a process for the future of the CAP, but also what it could imply. The production of fresh fruit and vegetables in all the candidate countries is close to 57 Mio T, led by Turkey (40 Mio T) and Ukraine (10 Mio T). The EU currently experience a trade deficit with these countries, with an export of fruit and vegetables amounting to 660.000 T, while our import into the EU from these countries are close to 1,5Mio T. Bilaterally, some significant lack of reciprocity was underlined namely with Turkey exporting to the EU more than 1 Mio T, duty free while the EU export less than 10.000 T due to high duties (>50%) and some other custom administrative hurdles.

3. Next meeting

Next CDG F&V meeting is foreseen on spring 2024.

4. List of participants

See annex.

Pierre BASCOU

Meeting of the Civil Dialog Group Agricultural Markets – Fruit & Vegetables
Monday 20 November 2023

ORGANISATIONS
CEJA - CONSEIL EUROPÉEN DES JEUNES AGRICULTEURS / EUROPEAN COUNCIL OF YOUNG FARMERS
COGECA - EUROPEAN AGRI-COOPERATIVES / GENERAL CONFEDERATION OF AGRICULTURAL CO-OPERATIVES OF THE EUROPEAN UNION
COPA - EUROPEAN FARMERS / COMMITTEE OF PROFESSIONAL AGRICULTURAL ORGANISATIONS OF THE EUROPEAN UNION
EAPF - EUROPEAN ALLIANCE FOR PLANT-BASED FOODS
ECVC - EUROPEAN COORDINATION VIA CAMPESINA
EUROSEEDS
FOODDRINKEUROPE
FRESHFEL EUROPE
SACAR - JOINT SECRETARIAT OF AGRICULTURAL TRADE ASSOCIATIONS / SECRÉTARIAT DES ASSOCIATIONS DU COMMERCE AGRICOLE RÉUNIES