Final minutes - CDG "Horticulture, Olives and Spirits' Section fruit and vegetables 18th October

1. Administrative matters

- a. Approval of the minutes of the previous meeting (26/02)
- b. <u>Election</u> of the chair and vice chair: The delegates are informed that a new chair for the Horticulture CDG was appointed at the "spirits " section of the CDG earlier in October. Mr Rafael Sanchez De Puerta Diaz (Olive Oil Sector representing COPA-COGECA) is becoming the chair of the CHD Horticulture. Mr Jose Antonio Garcia was elected as one of the two vice chair. In this capacity, he will continue chairing the CDG Horticulture specific meeting on fruit and vegetables
- c. Evaluation of the functioning of the CDG:
 - i. Report of the meeting evaluating the functioning of the CDG: CDGs in the new format are entering in a second year of functioning. An evaluation took place with the chairman of all the CDG was done in July. It is acknowledging that the transition went smoothly but that the expected focus of the CDG should continue to be reviewed balancing agenda's that could include political and technical issues. Horizontal matters (international trade, promotion ...) remain in dedicated specific committee, despite the concerns within the sector to have limited opportunities to discuss specific sectorial topics. It might require more coordination between the chairs of the different CDG. For political issues, the frequency of meetings is not favorable for such a follow up. Activities in between meetings might be an asset.
 - ii. CDG management will move to another unit as of January. Commission is expected to get main stream political vision of what is expected from the CAP from the CDG. The unit will have a report to hierarchy to balance if the CDG is a good channel of communication and have an efficient functioning. The semestrial sequence remains a challenge for the sector to get organized. Request from the sector to keep trade issues on the agenda. However, the Commission recommends that offensive interests for fruit and vegetables are discussed within the international trade CDG. The sector can also take other initiatives in a pragmatic way with Commission and Parliament, outside the limited scope of CDG.

2. CAP

- a. Simplification of Regulation (EU) No 543/2011 (process on for the last two years):
 - i. The new texts are **clarifying the interpretation** of some of the existing provisions.
 - ii. Besides, a reshape of the intervention scheme was also included (Art 45 of the delegated act) and an increase of the withdrawal prices (included in Annex 4 to the delegated act).
 - iii. **Environmental** issues are also reviewed and aligned with the provisions of the rural developments.

- iv. In regard to adoption, the inter-service consultation ended mid-October. As a result, a public consultation will start as afterwards on the Better Regulation website. End November, the scrutiny period with Council and Parliament should start. Text could be published during the first trimester of 2017 and get application within 7 days after publication, namely, end of first quarter 2017.
- b. CAP budgetary mid-term review: The following concerns are expressed in regard to this "Omnibus" process and in particular the revision of articles 33, 34 and 35 of Regulation (EU) No 1308/2013 through COM(2016)605 final:
 - i. Revision of the status of state aid for MS with a low level of organisation. State aid will be limited to a list of MS identified in the new package and reimbursement will not anymore be possible.
 - ii. The new system of coaching for POs, by expereinced POs as a crisis prevention and management measure. As this measure is to be covered under the crisis prevention budget of PO's, it is likely to have a limited development

c. School fruit and vegetables schemes:

- i. State of play on the secondary legislation. The new merged scheme (milk and F&V) will apply as of 1 August 2017 according to Regulation (EU) 2016/791 and (EU) 2016/795: Draft implemented and delegated act gathered feedback from experts and stakeholders and were open for public consultation on the Better regulation portal in September. Delegated act lays down rules on the drafting of the strategy, the educational measures (which may also involve teachers and parents), eligible costs, maximum level of added ingredients... Implementing regulation lays down rules on covers the content of the strategy, the aid application, the transfer and reallocation of EU aid.
- ii. Call of the sector to **keep the spirit of the SFV scheme**. The Commission confirms that the objective behind the merger is not only to have synergies but also to enhance the scheme, as regards the educational component and the focus on healthy eating habits, through the involvement of national authorities and strict rules in the delegated act on products to be distributed to schoolchildren. The fact that the proposal for a scientific experts group was not taken up in the basic act is lamented by the sector as it could have been a tool to guarantee the preference for healthy options.
- d. Temporary exceptional measures to cope with the Russian embargo:
 - i. Under Regulation (EU) No 2015/1369: Around 68% of available volume were used on average at EU level. Out of which, 62% of produce uptake were apples. Poland, Spain, Italy, Greece and Belgium were the main users. 93% were for free distribution.
 - ii. Under **Regulation (EU) 2016/921**: only 16 Million € was used so far. Since the beginning of the embargo, 400 Mio € was spent corresponding to 1,4 million T of fruit and vegetables withdrawn under the exceptional measures.
 - iii. The discussion shows the need of on-going support to the sector affected by

the ban and need to diversify the tools. The scheme is temporary and exceptional, criteria which are to be justified by the Commission for any possible renewal. Need to initiate a debate on perspective beyond June 2017. According to the stakeholders, new instruments should be considered (promotion, export credit). The EC welcomes initiatives and ideas from the sector in this respect.

3. Marketing standards:

- a. A discussion started with Member States to <u>align with the UNECE standards</u>. The Commission called MS to provide views for 18 November (after the decision on 11 November at UNECE). Feedback from MS will allow a new discussion by the MS expert group on 13 December.
- b. Call for the sector to align the EU specific standards to those of UNECE. In particular the sector highlighted to align the provision for the apples varieties as well as remove the requirement of the post-harvest treatment labelling for citrus (as per UNECE) to remove also the discrimination with other fresh produce.
- c. Freshfel Europe calls for a broader review of the standards, and in particular of some provisions set in the section between <u>art 3 to 17 of Regulation 543/2011</u>, such as labelling of origin on invoice, labelling of origins for online sales, indication of the importers as alternative to packer or dispatcher,...COPA COGECA requested why the approach remain limited to the 10 specific products.
- d. (In)coherence between 1169/2011 and Regulation 543/2011. One of the difficulties is to have coherence between the lex specialis and the lex generalis. In regard to the origin labelling, COPA COGECA demanded that the rules of the lex specialis should be kept.
- e. The services of the Commission took note of the broader agenda put forward by Freshfel which will also need to be back up by MS as well to move forward. MS representatives should indicate their views on the reform by mid-November (once the UNECE decision will be taken) to reinforce their call for actions in this respect and then have a new discussion at EU level on 13 December 2016.

4. Market development: Presentation by DG AGRI covering in particular

- a. Prolongation of the Russian embargo until end of 2017, plus transit issue to Asia on Russian territory. Ban extended to Turkey now removed, but no clear diversion of Turkish exports to the EU. Export diversification on the way with focus on Asia and America but difficult to compensate for the loss of the Russian market.
- b. EU market: review of the trends on EU market for the main fresh produce

5. Hygiene:

a. Presentation of the <u>draft guidance document</u> on microbiological risks in F&V at primary production. The latest version of the document prepared under the leadership of the Commission with the support of several MS and Universities (a/o Ghent and Vegi Trade project) is now in the 6th version. Green light of cabinet pending for the inter-service. The Guide includes a check list, reviews all the risk factors identified by EFSA, and identifies all the GAP and GHP, the water management. Final comments are now with MS for endorsement by the end of the year or January 2017. Guide will

take form of a Commission notice translated in all the languages.

- b. This initiative is the follow up of the <u>EHEC crisis in 2011 and EFSA opinion</u>. Main outbreaks in F&V (7%) relates to frozen raspberries with novovirus. Different opinion of EFSA on sprouts, berries, tomatoes, melons, stem vegetables, bulb and carrots. **EFSA conclusions** recommend that:
 - i. Food safety management is in place (GAP/GHP/GMP)
 - ii. Production environment is independently evaluated for hazards
 - iii. E coli in irrigation water is periodically tested
 - iv. Risks of salmonella and norovirus is reduced

The sector welcomes the initiative. Many growers are already certified in the primary production process through GlobalGAP; While 80% of growers are already engaged in such a process, the guide should provide an incentive to the remaining 20% to be covered by a procedure as the one included in the guide.

- c. Actions for microbiological safety by MS:
 - i. MS are called to fully implement the directive 852/2004
 - ii. MS and TC are to be audited by FVO
 - Support for MS and TCs through the programme for Better Training for Safer Food
- d. EC regulatory initiatives for sprouts:
 - i. Four Regulations were published for the sprouted seeds.
- 6. Phytosanitary and sanitary issues:
 - a. Reform of the plant health regime: It is now close to adoption with the second reading in Parliament next week. This could then be scheduled for vote at the Council towards the end of the year. Subsequently, it would be published early next year. Afterwards, there will be 3 years between adoption and implementation, first with the list of products with a plant passport and the determination of high risk products on top, which will only be allowed if a PRA is produced. By the end of the year, MS should provide their lists of concerns. All plant material will need to have a plant health certificate. Derogations will be possible, which the MS could provide. Intensity of control will be risk based. Reduced frequencies are currently in place based on experience on the last 3 years. In the new regime, new methods could be considered, but with a minimum, and more harmonized. High risk products will be linked to "commodity" and could be linked to a certain region.
 - b. <u>Interceptions 2015/2016</u>: Assessment of interceptions is taking place at each plant health committee and have also a dedicated WG. This led to some warning letter or trading restrictions:
 - i. Citrus: Emergency measures are in place for Uruguay, Brazil and South Africa. Argentina had this season 11 CBS interceptions. Brazil had 8 CBS and 1 citrus canker. A video conference with Brazilian and Argentinian NPPOs took place to speed up corrective measures to remedy to the growing number of interceptions. White monitoring no actions were decide after discussing the situation with Member States at the end of September. South Africa 4 CBS interceptions, leading to a positive trends and 4 CBS on Swaziland, leading to contact with NPPO. No interceptions for Uruguay so far.

- ii. Other countries: emergency measures for India will expire at the end of the year 2016. Ghana still has 5 products banned. FVO audit and on-going interceptions will led the commission to propose to continue the ban for another year. Other dossiers are also pending on wood packaging, white flies (Bemicia tabaci). Mali was also contacted due to high number of interceptions on fresh produce (mangoes) but no responses received so far. Other dossiers will be leading to FVO audit (Laos, Bangladesh...). For Kenya, main issue is FCM, a not regulated organism, but which will become an issue once regulated. Altogether Commission is keeping pressure on third countries (e.g. Argentina increased the number of citrus fruit inspected per container) and has undertaken FVO visit.
- iii. In regard to the IPPC, the Commission is getting ready for the procedure for this case initiated by South Africa on citrus. The position of the Commission was to respond specifically on this dossier, but look also at the matter from a broader perspective for the future for any other case that might be raised at IPPC. The citrus dossier is indeed the first ever dossier of this kind brought to IPPC. The Commission is confident that they have strong arguments to defend and win the case should it move forward. The draft changes of the legislation propose by the Commission and EFSA input will be an asset in this respect.
- c. Revisions on the annexes: A public consultation took place in September (up to 14), with 13 responses, to be followed by an SPS consultation. Most of the comments were known and raised already. A public consultation took place with stakeholders and a discussion will take place also with COMAGRI. A vote on the proposal will not be scheduled before the next year once an SPS notification and consultation will take place.
- d. Official controls: Review of the legislative package and calendar. Text is currently with linguistic and jurist review. The plan is to have the new legislation <u>fully applicable</u> by 2020. Key principles of the new legislation are reminded: alignment, risk based, efficiency, transparency and broader scope. The principles of the performance and frequency of controls are underlined. The risk based approach includes the record of compliance by operators and own checks. Access to computers and premises for the controls <u>should</u> be <u>provided</u> by operators to the extent necessary for the controls to be <u>performed</u>. <u>Further</u> stakeholder consultations will take place at SANTE by the end of the year <u>and/or in early 2017</u>.
- e. Written contribution on <u>chlorate</u>, <u>ethylene and dimethoate</u> were submitted by DG SANTE with the latest state of play of these dossiers.

7. Research and Innovation:

- a. Presentation of the SIRA and sector priorities by Freshfel
- b. Presentation of DG AGRI:
 - i. New strategy of the Commission leading the new identification of strategy by Commission focusing on resource management, healthier plants integrated approach, rural development skills and innovation system. There is today a disconnection between research and production at world level. There is a great need for transfer of technology and knowledge.
 - ii. Currently the Commission is finalizing the scoping paper for the Social

Challenge 2 pillar of Horizon2020 with approval for the end of this year. The draft Work Programme will be prepared during the first semester, publication of the final Work Programme scheduled for November 2017.

- iii. **Identification of some of the programmes** relevant for fresh produce: EUFRUIT, OLEUM, GoodBerry, TomGem, Traditom, Diversifood, G2PSOL
- 8. Food waste prevention:
 - a. Presentation by the Commission of the different actions undertaken to prevent food waste. The Hierarchy of action from prevention to optimization, recycling, recovery and disposal are underlined as the main strategy. Besides, a platform was created, setting guidelines of food donation, measure to monitor food waste, optimize the safe use of food, and promote better understanding and use of date marking, raise awareness and engagement. The newly created <u>Platform</u> will aim at fostering cooperation on food waste and best practice, with MS, international organizations and 37 organizations. The first meeting of the platform is at the end of November.
 - b. The Commission aims at reinforcing food waste prevention with a proposal to <u>revise</u> the Waste Framework <u>Directive</u> (COM (2015)595 final).
- 9. Directive 98/44 on patent on plants:
 - a. Recent dossier on broccoli and tomatoes on biological process patent. The decision attracted reaction from the breeding industry. The Dutch presidency looked at aspects on <u>breeding and plant breeders' rights</u>. Different options were considered:
 - i. Keeping the status quo
 - ii. Reopening of the Directive
 - iii. Providing clarification of the Directive

It was agreed to address legal uncertainties without an opening of the Directive. A notice is being prepared to clarify certain aspects of this biotech Directive. It will aim at getting access to the views of the legislator when released. Notice (not legally binding) should be published at the end of the year to provide more transparency, clarify the state of play and strengthen relationship between the different parties. A report on patentability and scope of protection is available the biotech website of the Commission. The report represents the views of the 15 experts and not the Commission views.

10. Next meeting: Tentative date is Tuesday 28 February 2017.

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