

Final Minutes of the Civil Society Group on Horticulture 1st October 2014

1. Opening remarks

- a. Agenda for the meeting approved without amendments.
- b. Minutes of previous meeting also recorded without amendments.

2. Election of president and vice-presidents and follow up matters

- a. Elections of the chair/vice chairs
 - i. Presentation of the candidates.
 - ii. Election:
 1. President: Mr Garcia Fernandez - elected (representing SACAR -FRESHFEL)
 2. Vice-President: Mr Sanchez de Puerta Diaz - elected (representing COPA- COGECA - Confederación de Cooperativas Agrarias de España - Olive Oil sector)
 3. Vice-President: Mr Sanchez Recarte - elected (epresenting FoodDrinkEurope -Spirits Europe)
 - iii. Mr Garcia takes over the chair.
 1. He thanks delegates for their support and indicate its willingness to take the most of these meetings for the benefits of the sectors represented and for the Commission.
 2. He thanks the previous chairs of each sector of the advisory groups now represented in this Horticulture Civil Dialogue group for their work in the past years.
- b. Agenda settings and strategic agenda :
 - i. Call from Profel and NGO to closely collaborate with the Presidency in particular regarding the drafting of the agenda of future meetings.
 - ii. Strategic agenda:
 1. The Commission indicates that setting a strategic agenda is a voluntary option for the group.
 2. The new chair indicated that a strategic agenda might be useful. The chair will work on a draft with the support of the vice chair and Brussels based organizations. Once available the draft would be posted on CIRCA for consultation and be discussed by the various subgroup. A short version with key objectives is recommended, setting key guidelines and objectives. It could serve as a basis for the work of the dialogue group for the next 7 years.

3. Reform of the Civil Dialogue Group

- a. The system of Advisory Committee in place since 2004 has been revised on the basis of Commission Decision 2013/767. In total 68 organisations were selected, 50% being newcomers. 47% of the organizations are not for profit organisations according to their classification in the EU register.
- b. The new system is in a "phase-in" period. Adjustments on working procedure might be needed in the coming months.

- c. Chair: According to the Commission, chairs should be "professional in managing meetings" and steering the discussions. Chairman can bring an assistant to take notes.
- d. Agenda need to be targeted according to the competence of the Civil Group. Point that would be more specific to another group (eg international aspects, promotion, quality,...) will be discussed there. It is the responsibility of the chairs to set the agenda under the supervision /acceptance of the Commission services.
- e. Exchange of delegates during meetings are not possible, but delegates should not stay for the whole day if agenda items are not relevant for them (eg in a group of Horticulture covering spirits, olive oil, flowers, fruit and vegetables). For mixed meetings if any (eg flowers and spirits), it is up to the horizontal organizations to coordinate the representation. Similarly, they were reiterated concerns regarding the diversity of sectors (4) represented in this group, but only three posts in the presidency and the difficulties to chair the flower meeting. According to the Commission the chair and vice-chair to organize the work /chair for each of the groups. Meetings will be organized by the Commission according to availability of rooms.
- f. Concerns by NGO on the number of meetings but Commission confirmed that each organization should take its responsibility to attend meetings where they applied. However, the Commission understands that sometimes the availability to attend might not always be possible.
- g. Presentations by the Commission of the rules of procedure and terms of reference for the working group (=expert groups). Under the Horticulture Civil Dialogue group, the following WG are in place: apples and pears, citrus, tomatoes and peaches and nectarines. The WG potatoes are cancelled. Commission provided during the meeting a written response with the reasons behind this cancellation, despite recognizing the economic relevance of a sector which is not regulated specifically under the CAP.

4. Peaches and nectarines crisis

- a. Presentation by the Commission on the sequence of event since mid-June up to the adoption of measures early August. The Commission underlined the fast track adoption of the measures (within three weeks after the deepening of the market crisis). The Commission shared with the group the data which sustained the decision (evolution of production, prices drop) as well as the uptake of the measure (withdrawals for the main producing Member States) .
- b. Commission Delegated Regulation (EU) No 913/2014 is based on Art 219 and Art 228 of Regulation 1308/2013. It provided tools for withdrawals, for free distribution or other destinations. These actions could be undertaken through PO's or directly by growers, though at a different co-financing rate. Until the 19 September, roughly 29.000 T were withdrawn. Promotional activities are also foreseen for up to 3 million € funded by the EU (on a 50% co-financing) . Checks are undertaken according to Art 114 of Commission Implementing Regulation (EU) No 543/2011.
- c. Discussion:
 - i. The sector underlined the prompt action from the Commission as of mid-July. However on 11 June (GREX peaches and nectarines), no real signal were available, as the deepening of the crisis given unexpected climatic conditions impacting supply and demand were only noticed as of mid-July. Peaches and nectarines are both very perishable products and need to be marketed within a short seasonal window. It is consequently very difficult to satisfactorily address a crisis. The sector considers that more structural measures should be needed. The Commission clarifies that "other destination" for withdrawals are to be decided by the Member States. It could be compost, destruction, animal feeding,.. Withdrawals (for destruction) should remain the exception.

- ii. Beyond the structural difficulties of the peaches and nectarines, the complex market situation was further aggravated this year by climatic conditions (affecting both supply and demand) and the situation in Ukraine and Russia.
- iii. Workers Unions call for indemnity to cover the workers who lost their job as result of the crisis or embargo and complain that the regulation was not contemplating any assistance in this respect.

5. Russian embargoes

- a. The Commission introduced the matter. Early August when the ban was announced, the EU Commission promptly started to work towards the adoption of measures to cope with this exceptional situation. It was done in line with the measures adopted for peaches and nectarines. Measures adopted by the Commission are as follows :
 - i. Commission Delegated Regulation (EU) No 932/2014: Temporary measures covering withdrawals and non/green harvesting with beneficiaries being PO's and other growers. For 22nd October 2014, Member States should provide to the Commission the final notification of usage under this scheme. A budget of 125 million was made available for this first set of measures. The budget was exceeded on 4 and 8 September 2014 respectively for apples/pears and for other products. Total budget requested amounted to 167 million €. Volume requested covered almost 500.000 T (non-harvesting, green harvesting and/or withdrawals).
 - ii. Commission Delegated Regulation (EU) No 1031/2014 adopted at the end of September with in broad terms similar provisions than those foreseen in the first set of measures. The measures are targeting exclusively produce for fresh destination. Products are aggregated in 4 groups with an allocation by Member State. This regulation covers 483.000 T. The sector regretted that indemnity provided might be too low for some products and Member States. There also were concerns about the vacuum between the first and second regulation. The social aspects were not either included into the package. Around 10.000 work positions were suspended due to non-harvesting or loss of market opportunities. While the list of products was enlarged, it is not covering all crops or all activities within the chain which might be affected by the crisis.
 - iii. Increase of the promotion budget by 30 million €. While welcoming the measures and the need to have tools to stimulate the consumption on the domestic market , the sector was disappointed that under the particular crisis situation, the Commission did not anticipated the planned revised promotion scheme with a co-financing rate at 85%.
 - iv. The Commission is on the medium term also looking at market access issues and the opening of alternative new markets to diversify away from Russia.
 - v. Other issues :
 - 1. The Commission is evaluating the possibilities to implement Art 222 of the Single CMO, but this Article was never applied before.
 - 2. Distribution to school are possible provided they come on top of existing resources under the fruit school scheme.

6. Revision of the CAP under the Single CMO: recast of Regulation 543/2011 and delegated acts.

- a. Commission is not yet ready with all the new delegated acts implementing the reform. Commission services were delayed giving priorities to the management of the Russian crisis.
- b. The new texts might come before the end of the year. In regard to simplification, the new Commission might continue the process of adjusting to the Lisbon treaty.
- c. Before 2018, the Commission will try to respond to Member States request for simplification.

7. Implementing CAP reform for coupled aid

- a. 27 member states decided to implement measures of coupled aid, covering several sectors including fruit and vegetables. Animal products are primarily targeted by these measures. 18 Member States though requested aid for fruit and vegetables. Around 200 measures need to be approved and implemented. Many requests for coupled aids are linked to efforts to keep production in place.
- b. On the particular issue of tomatoes, Commission confirmed that measures are considered for tomatoes for processing, considering that this kind of products face problems that need to be answered by this scheme. Commission will review the request.

8. Commission decision on import of citrus from South Africa to prevent CBS spreading in the EU

- a. Discussion with DG SANCO representatives on the state of play concerning the emergency measures set by the Commission under Regulation 2014/422 to prevent the entry on CBS into the EU on citrus originating in South Africa. Measures came into force on 3th July with applicable for import into the EU as of 24 July. A number of interceptions were recorded prior to the coming into force of the new regime, but Commission only monitored the efficiency of corrective measures taken in South Africa under the new rules. As of the 4th interception under the new regime, discussion took place with South Africa leading to a unilateral suspension of export as of 8th September for citrus (excluding mandarins and fruit from pest free area). So far interceptions amounted to 19 (9 before the new regime and 10 afterwards). As a debate persists on the diagnosis, ISPM 27 should be the basis for controls of symptomatic fruit. The first control is based on a visual inspection and then a lab testing to confirm DNA presence. In regard to the new season, an assessment will be made for the next season, as the situation is not totally satisfactory.
- b. South Africa has now requested the activation of an IPPC panel. One expert will be chosen by the EU, one by South Africa and the 3 others by IPPC . It is the first case ever raised at IPPC. Outcome is not binding, but a WTO panel could be the next step. Concerning EFSA report, Commission asked EFSA to look more specifically at the response to the point raised by the International CBS experts and how it is interacting with the report. EFSA called these international experts for a meeting to review the situation. This will take place in the autumn in parallel to the IPPC discussion.
- c. The Commission is due to start a horizontal revision of its CBS rules to adjust them to the EFSA findings. It might not necessarily extend the specific provisions set for South Africa and new general measures to be applied for third countries might not been as robust. This season Uruguay had 4 interceptions on citrus canker and 3 for Argentina and Brazil for CBS. Letters of clarification were sent to these countries . Contacts are also taken with Bangladesh.
- d. In the discussion, the sector reminded its concerns about the cost implications of a contamination. The permissive approach of the Commission for floating goods was also addressed, pointing out the delays in introducing protective measures once the agreed threshold set by legislation was matched while our trading partners do not show similar flexibility. Indeed when a fruit fly was found in the US on Spanish citrus, 20.000 T were floating and had to return at origin.

9. Active substance

- a. Guazatine: Based on an EFSA scientific opinion, the Commission proposed to lower the MRL for guazatine in citrus fruits to the limit of determination as a Member State had raised consumer health concerns and the current MRL was not supported during a review of all existing MRLs for guazatine. An import tolerance request for guazatine in citrus fruit was assessed by EFSA in a separate scientific opinion. EFSA indicated that the data to demonstrate the absence of risk for consumers were not sufficient. As new information from South Africa was received shortly before the scheduled vote in the September Standing Committee, the Commission decided to withdraw the proposal from the agenda in order to hold further internal consultations. The point may be again submitted for vote in November 2014.
- b. Minor use: A report on minor use was adopted on 18 February 2014 suggesting the launch of an independent coordination technical secretariat. It will be co-funded by COM. An ERANET on IPM will also be supported. A consortium of Member States is interested to establish the facility of the technical secretariat. Seat of the secretariat is likely to be Brussels. The secretariat should coordinate and share information on minor uses, stimulate harmonization and maintain a database on minor uses. The financial decision on the co-funding of the technical secretariat is expected in October followed by a proposal from an interested party. The secretariat should be operational early 2015
- c. Chlorate: The substance is no longer approved as a pesticide. Chlorate is a by-product of the use of chlorine disinfectants in drinking water and water for food production. Irrigation water and some fertilizers might also lead to chlorate residues. The WHO level for drinking water is 0,7 ppm and was set based on a TDI value of 0.03 mg/kg bw/day (in the mean while JECFA established an ADI of 0.01 mg/kg bw/day - 2007) . Also for substances that are no longer approved as a pesticide, Reg. (EC) No 396/2005 continues to apply. Since no specific MRL was fixed under this Regulation, the default MRL of 0.01 mg/kg is applicable to all products included in Annex I of that Regulation. No agreement was reached between the Member States on temporary guideline values for enforcement of chlorate as an interim solution. The Commission called EFSA to evaluate the toxicity of chlorate in food and in drinking water and to perform a consumer exposure assessment. The opinion is expected for April 2015. Both the results of this opinion and the hygiene aspects related to microbial contamination of food, will be taken into account for the final risk management decision. In the meantime an interim solution was agreed by the Standing Committee on Plants, Animal, Food and Feed - section pesticide residues: given that the default value of 0.01 mg/kg in Regulation (EC) No. 396/2005 does not cover the presence of chlorate due to legal uses of e.g. disinfectants and since there are no indications of illegal use of chlorate as a pesticide, enforcement by Member States should not be based on the level of 0.01 mg/kg, but rather on Art. 14 of Regulation (EC) No 178/2002 following a risk assessment. Comments were made that this solution could endanger the free circulation on the EU market if Member States fix their own levels. The sector called the Commission to collect the information about national enforcement levels. The Commission explained that if Member States would decide to enforce certain levels, this should be based on a risk assessment and since these decisions are taken at Member State level, it is not the Commissions task to summarise the enforcement strategies of the different Member States.
- d. Reform of the plant health regime: Discussion continues at the Council, while the European parliament finalised its first reading. The conclusions of this first reading have been accepted by the new Parliament. Some points remains for discussion at the Council level, namely on the import regime (open or close system). It will continue up to the end of the year under the Italian presidency and possibly under the Latvian presidency. Outstanding points will then go to the trilogue discussions with the European Parliament, Council and Commission.

10. EPA on Southern Africa:

- a. Commission updated delegates on the EPA negotiation with South Africa in particular regarding the provisions for canned fruit, and an agreement leading to the end of a 12 years discussion.

- b. The sector point out the lack of reciprocity on the fresh sector and in particular the missed export opportunity due to the excessive South African SPS requirements, despite interests for exports of apples, pears, citrus, peaches and nectarines, kiwifruit or table grapes. A call for more reciprocity in the bilateral trade is made on trade with both countries.

11. Next meeting of the CDG Horticulture - fruit and vegetables section

The next meeting is scheduled for 26 February 2014

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