



Brussels,  
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## MINUTES

### Meeting of the CDG HORTICULTURE, OLIVES AND SPIRITS FRUIT AND VEGETABLES SECTOR

01 October 2021

Chair: Mr João ONOFRE, DG AGRI G.2

Delegations present: All organisations were present, except BEUC, EFNCP, CELCAA, EPHA, BirdLife Europe and TomatoEurope.

#### 1. Approval of the agenda and of the minutes of previous meeting

The minutes of the previous meeting and the ongoing agenda were approved.

#### 2. Nature of the meeting

The meeting was non-public and was web-streamed with interpretation.

Language regime: FR – DE – EN – ES – IT to FR – DE – EN – ES – IT.

#### 3. List of points discussed

##### 3.1. Adoption of CDG HOS Rules of Procedure

The Chair welcomed the participants on behalf of the European Commission and informed the participants that in June the Commission decided on a temporary extension of the current CDGs organisation until the end of 2022. In addition to a mere extension of the mandate, the Commission decided to make few changes: Commission chairing meetings, preparing the agenda and minutes. It was now necessary to adopt new rules of procedure to reflect these changes. The draft Rules of Procedure were adopted. The Chair thanked the previous Chair of the CDG for his commitment and collaboration.

##### 3.2. Market situation and latest Market Observatory information

###### 3.2.1. Crops estimates for 2021, trade and consumption trends: consequences of climate adverse situation and covid on-going impact

The Commission services presented the market situation in the fruit and vegetables sector with the latest available data concerning prices and trade flows. The Commission highlighted: i) the production loss especially for stone fruits as a result of the out of

season frost in April and ensuing higher prices; ii) the impact on extra-EU export figures as a result of Brexit; iii) the recovery in intra EU trade over the period January to June following a slow start of the year; iv) higher than average prices for tomatoes, the beginning of a new campaign for apples and the ending of the campaign for oranges; v) suspension for 5 years of retaliatory tariffs with the US in the Airbus-Boeing dispute; vi) increase in inflation due to high energy prices. With regards to the latter point, members of the group invited the Commission to follow this point closely as input costs have been observed increasing putting pressure on profitability margins.

### **3.2.2. Information on draft Commission Regulation giving fruit and vegetable producer organisations more flexibility in calculating the market value of produce damaged by natural disasters (Ares(2021)5342294)**

The Commission described the foreseen timing of the adoption of draft Commission Regulation giving fruit and vegetable producer organisations more flexibility in calculating the value of marketed production when damages by natural disasters occur and the conditions for application of the added flexibility. The feedback period ended on 27 September 2021. Once the Commission adopts the Regulation around mid-October, there will be a two-month scrutiny period for the co-legislators. The Commission foresees an adoption by the end of the year 2021. The new Regulation will only enter into force on the day after it is published in the Official Journal. The Commission is aware that producer organisations have already had to notify the estimated amounts of Union financial assistance and of the contribution to the operational funds by 15 September. However, per article 34(2) of Regulation 2017/891, producer organisations can amend their operational programmes during the year and Member States may take a decision on such amendments by 20 January of the year following the year on which amendments are requested.

### **3.2.3. Market update on organic production**

A representative of IFOAM presented an overview of the organic apple market in 2021/2022 in Europe, as regards production, demand and prices, as well as some indications on trends for the next years.

## **3.3. Brexit**

### **3.3.1. Preparedness to the phytosanitary check and control in 2022**

The Commission presented the state of play regarding the staged introduction on the side of the UK of pre-notification, phytosanitary certification and border controls of plant products imported from Member States into Great Britain. For non-“high priority” regulated products, as fruit and vegetables are, phytosanitary certification requirements were set to apply from 1 January 2022, however, the UK Government very recently announced a further postponement until 1 July 2022. Pre-notification for the same products, an obligation of importers in GB, will still be required from 1 January 2022.

The Commission, in consultation with Member States, remains in regular contact with the UK, to ensure clarity with regard to the conditions that will be required to be certified once the measure is applied.

It is expected that the additional time provided will allow Member States to maximise their preparedness to issue the significantly increased numbers of phytosanitary export

certificates their services will be required to issue for products moved to GB. An important facilitation in this area would be the use of electronic phytosanitary certification. The Commission has made available for use by Member States a module in TRACES NT allowing to transmit e-phytos to third countries connected to the IPPC-hub. Trainings of Member State's officials on the use of that module have taken place. In the UK work is ongoing to ensure their capability to receive e-phytos through the IPPC-hub.

The Commission presented the state of play regarding Certificates of Conformity (CoC) for the trade between the EU and the UK since the BREXIT. UK was listed in the Annex IV to Implementing Regulation (EU) No 543/2011 among the third countries where the conformity checks have been approved under Article 15. While the UK was listed at the end of 2020 excluding Northern Ireland, a new regulation currently under written procedure also includes Northern Ireland. Without this new regulation, Northern Ireland could have become a point of entry of fruit and vegetables from Third Countries without conforming to EU rules regarding CoC, as goods can freely circulate between GB (England, Scotland and Wales) and NI. For EU fruits and vegetables, UK authorities apply random checks on imports from the EU to ensure they're complying with GB marketing standards but do not ask for CoC. Regarding NI, there is no change to the marketing standards requirements for importing fruit and vegetables from the EU. However, there is no guaranty that UK will remain not asking for CoC as they usually apply the principle of reciprocity.

### **3.3.2. Eurostat data reorganization / adaptation after Brexit**

Eurostat explained how Brexit affected international trade in goods data and their comparability over the time. The changes in the basic concepts and data collection systems that are used to compile trade with the United Kingdom data were explained. Moreover, examples were provided on how the administrative procedures related to goods movements between the Member States can affect the results of the statistical information.

The attention was drawn to the fact that the trade with the United Kingdom data compiled before and after Brexit cannot be compared directly, without taking into account the methodological and administrative changes.

Finally, Eurostat informed where and how the trade with the United Kingdom data are published on Eurostat website.

### **3.4. Revision of the School Scheme – impact assessment and consultation outcome**

The Commission presented the stakeholders' feedback on the combined evaluation roadmap/inception impact assessment for the review of the EU school scheme. Feedback came mainly from NGOs (many of which active on animal welfare/protection), EU citizens (mostly from PL), business associations and companies. Its focus was on the future policy options, as regards the eligible products (with diverging views on milk products and plant-based alternatives) and the conditions or criteria for distribution (with different opinions on organic), the coverage of schoolchildren and the design of the educational measures. The suggestions received did not point at gaps in the Commission's identification of problems and will be taken into account in the impact assessment process. A public consultation is envisaged in Spring 2022.

Member organisations recalled that the greatest challenge will be to include France in the new scheme – currently one of the biggest beneficiaries of aid, due to the size of its school population, but facing absorption issues. On local products, the programme should include all other assortments from other origins to ensure diversity of taste, texture varieties and secure diversity and all year supply. Finally, the school scheme is key to stimulate a more plant-based diet and the budget should reflect this.

### **3.5. Farm to Fork Strategy and Green Deal**

#### **3.5.1. Outcome of the impact assessment evaluation closing on 31st August of the marketing standards and sustainability and link with a possible revision of Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of food information to consumers on origin labelling**

The Commission shared an update on the revision of marketing standards for fruit and vegetables in the context of the Farm to Fork initiative. The Commission recalled the basic principles, i.e. modernisation, alignment with the Lisbon Treaty, introduction of more sustainability, clarifications where needed. The Commission explained that after the end of the open public consultation, the Commission is preparing an impact assessment and expects legislative proposals to be ready by mid-2022. Without limiting the scope of potential proposals, the Commission for the moment is considering how to use optional reserved terms to introduce more sustainability, creating a marketing standard for cider, revising the Directives on juices and jams notably as regards sugar content, the rules on importing green bananas, and fruit & vegetable marketing standards in general where improvements can be introduced.

#### **3.5.2. EU Code of Conduct on responsible food business and marketing practices**

A representative from FoodDrinkEurope presented the EU Code of Conduct on responsible food business and marketing practices, one of the deliverables of the Farm to Fork Strategy. It sets out the actions that the actors such as food processors, food service operators and retailers, can voluntarily commit to undertake to tangibly improve and communicate their sustainability performance. The EU Code of Conduct on Responsible Food Business and Marketing Practices contains a set of 7 aspirational objectives as voluntary commitments for action together with a monitoring and evaluation framework to measure progress. The process to develop the Code of Conduct started in December 2020. The Code of entered into force on 5 July 2021 and 65 signatories (23 associations and 42 companies) signed the Code on that day. More signatories have since joined as well.

#### **3.5.3. Presentation on alternatives to PPP**

In nature, pest and disease outbreaks are extremely rare. This is due to the complex interaction webs in natural ecosystems that tend to stabilize populations. In contrast, the simplified interaction webs in agricultural cropping systems encourage pest and disease outbreaks. By studying and understanding natural systems, we can identify novel solutions and strategies to control agricultural pests and diseases. Three examples were presented that showed how such ecological solutions can provide effective alternatives for crop protection.

The use of flower mixes targeted to organisms providing natural pest control. Large scale projects have shown that informed use of Functional AgroBiodiversity (FAB) on farms increases pest natural enemies, can help suppress weeds, reduces pesticide use by 90 %, and even increase yields by 10-30%.

Ants can be a severe problem in fruit production when they visit and guard aphids, mealybugs and other honeydew producing pests. By using sugar feeders, we showed that it is possible to distract ants from their pest guarding and turn them into pest predators instead. This simple pest solution has been proven to be effective in citrus (mealybugs and aphids), vineyards (mealybugs) and apple (aphids).

A new species of predatory mites (*Pronematus ubiquitous*) has been shown to be highly effective in protecting crops against powdery mildew as well as small pests, such as the tomato russet mite. This is the first report of effective disease control as well as russet mite control and promises to revolutionize biological disease control.

These three examples show that basic ecological research can inspire successful biocontrol innovations and highlight that substantial untapped potential remains within the field of “ecological innovations”.

### **3.6. CAP post 2020**

#### **3.6.1. Information on the compromise regarding the support scheme for fruit and vegetables sector and on the secondary legislation and crisis and market management under the new CAP**

The Commission presented the main elements of the political compromise reached in June 2021 by the co-legislators on the CAP reform in relation to f&v sector. He covers both, the integration of the sectoral operational programmes into the new CAP Strategic Plans, as well as the amendments of the CMO Regulation. On the sectoral interventions in the CAP Plan he underlined the mandatory character of f&v for MS with recognised POs, the specific objectives and interventions, the functioning of operational programmes and operational funds, transitional provisions, the minimum expenditure requirements for environment/climate objectives and research/innovation, the financial framework for f&v interventions. In relation to the amendments of the CMO he presented several points related to the functioning of the food supply chain (POs, IBO) and trade (SSG trigger volume) affecting the sector more specifically. Stakeholders inquired in particular on the implementation of the 15% minimum expenditure for environment/climate related objectives in sectoral interventions, and the difficulties to respect it due to differences between expected/planned actions and final execution. The Commission clarified the yearly character of the requirements for the POs and took note of the comments.

#### **3.6.2. Implementation of environmental measures in OP and functioning of eco-schemes**

The Commission presented the political agreement for eco-schemes. Eco-schemes is an intervention within direct payments to support farmers to carry out practices that are beneficial for environment, climate, animal welfare and combatting antimicrobial resistance (AMR) and evolve towards more sustainable farming models. ES are compulsory for MS: while should propose ES on environment/climate but may propose ES for AW/AMR; ES are Voluntary tools to farmers and groups of active farmers. While payments are annual, ES can be designed on the basis of multi-annual commitments. As a general rule, each ES should cover at least 2 « areas of action » (covering SO4 to 6 and

SO9). ES payments can be additional to BIS or a compensation of the additional costs/income foregone of applying the practices. The differences between these two types payments were shortly described. The political agreement on ring-fencing was explained as well as flexibility at planning and implementation level.

### **3.7. Transposition of Directive (EU) 2019/633 on unfair trading practices: update**

The Commission provided an update on the implementation of the Unfair Trading Practices Directive and explained the next steps. The Commission informed the participants about the 2nd survey on the unfair trading practices, which has been just launched. The suppliers are welcome to reply to this survey (available at [https://ec.europa.eu/eusurvey/runner/2nd\\_survey\\_UTPs until 31 January 2021](https://ec.europa.eu/eusurvey/runner/2nd_survey_UTPs_until_31_January_2021)).

### **3.8. A.O.B.**

None.

### **4. Next steps**

Publication of the minutes on the Agri Europa website.

### **5. Next meeting**

The next meeting will take place in spring 2022 (to be confirmed).

### **6. List of participants**

Annexed.

(e-signed)

Michael SCANNELL

List of participants– Minutes  
***Meeting of the***  
**CDG HORTICULTURE, OLIVES AND SPIRITS -**  
**FRUIT AND VEGETABLES SECTOR**  
**01/10/2021**

MEMBER ORGANISATION	NUMBER OF PERSONS
Bureau Européen des Unions des Consommateurs (BEUC)	---
European agri-cooperatives (COGECA)	7
European Coordination Via Campesina (ECVC)	1
European Council of Young Farmers (CEJA)	2
European farmers (COPA)	7
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	1
European Forum on Nature Conservation and Pastoralism (EFNCP)	---
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	---
European Public Health Alliance (EPHA)	---
FoodDrinkEurope (FoodDrinkEurope)	4
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	2
Pesticide Action Network Europe (PAN Europe)	1
Secrétariat des Associations du Commerce Agricole Réuniones (SACAR)	7
Stichting BirdLife Europe (BirdLife Europe)	---
TomatoEurope	---

Invited speaker:

Biobest	1
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