



23 April 2012

## **Freshfel Europe statement**

## Public Consultation on EU-US High Level Working Group on Jobs and Growth

Fruit and vegetables trade between the EU and USA could provide more business opportunities both ways provided a more transparent and harmonized framework of operation will be in place to enhance for fresh produce trade.

Indeed, should some of the technical SPS barriers be removed and controls implemented with a practical and operational perspective, some business growth could be considered for the benefit of consumers on both side of the Atlantic enjoying a most diversified offer of fresh produce. Importantly, it would stimulate business activities for several segments of the chain including production, exporters, importers, logistics and reefer, retailers,...

Each parties export on a yearly basis around 200.000 T of fresh produce on the other side of the Atlantic. Such trade flow could be increased both ways if not hindered by unnecessary SPS or technical barriers. This statement provides several examples of barriers experienced by European traders (exporters and importers ) while trading with/sourcing from the USA:

Negotiation of new plant health protocols: Fresh produce import into the EU is allowed provided exporters comply with EU plant health requirements. This procedure is for US exporters a clear and practical framework which also provides flexibility to respond market demand. It does not attract either unnecessary (duplicated) costs of inspections as the EU recognizes the controls undertaken at origin by the US administration. In contrast, when importing into the USA, market access for fresh produce are forbidden unless a detailed protocol is negotiated to allow import into the USA. This process has demonstrated on an number of occasions to be for European exporters a timely and costly process with an uncertain outcome in regard to the requirements. The current negotiation between the European Union and the United States for the joint plant health protocol to enable apples and pears exports to the USA from seven EU Member States (Belgium, France, Germany, Italy, The Netherlands, Portugal and Spain) is a point in case. The negotiations were initialled in 2009 and are still ongoing without reaching any advanced progress. Among the difficulties, one could stress the endless discussion on pests (going beyond the pest list specified in the US Federal Register). Moreover, and as EU exporters are advocating for the implementation of a scheme which will not provide a pre-clearance, the US administration is through its delays discouraging the implementation of any alternative option to the (costly) pre-clearance system.

- Implementation of existing protocols: When a protocol is in place, it will not necessarily lead to a solid framework to develop business opportunity. Despite a protocol for kiwifruit between the USA and France, French exporter continue to experience unacceptable delays for validating the cold treatments undertaken during transport. Several constraints are reported including: lack of validation of treatment during transport, delays in inspecting the consignment upon arrival, necessity to go through a new treatment upon arrival, cost of transfer to APHIS approved cold storage facilities, new delays after treatments for validation by APHIS,... Despite losing the commercial momentum, this procedure is leading to additional treatment and storage costs which could be estimated by container to up 15.000 € while delaying import of perishable product by 40 days. Such a delay and cost discourage operators which are not opting for a pre-clearance system.
- Harmonisation of food safety requirements: The fresh produce trade will have many benefits for further efforts by the EU and the USA for harmonize their food safety requirements such as for example the legislation for active substances and MRL as well as the food additives legislation. In recent months a number of uncertainties and difficulties were registered due to discrepancies of legislation (e.g. morpholine ,...)
- Reviewing plant health requirements according to science: on a general note, plant health requirements should be based on sound science, protecting crops but not unnecessarily hampering trade. Requirements might possibly evolve according to the latest research. The USA recently changed its internal legislation in regard to citrus canker, while the EU has in place its own requirements with a system approach to be met which most recently impacted on the US grapefruit export to the EU. This situation might need to be analyzed based on the latest development provided it will not put at risk the production in the EU.

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