



EUROPEAN FEDERATION OF THE TRADE IN DRIED FRUIT & EDIBLE NUTS • PROCESSED FRUIT & VEGETABLES • PROCESSED FISHERY PRODUCTS • SPICES • HONEY

## **FRUCOM reply on applying EU health and environmental standards to agri-food imports**

FRUCOM represents European importers and growers, processors, and traders in origin countries of edible nuts, dried and processed fruit and vegetables and processed fish and seafood.

Many of these products are either not produced in the EU or the production volume is not sufficient to meet the market needs, hence the need for imports. Sourcing is global, from both developed and developing countries.

FRUCOM welcomes the opportunity to provide feedback on the issue of applying EU health, environment and processing or production standards to imported agri-food products.

FRUCOM strongly believes that the European Commission's report on the rationale and legal feasibility of any measure that would require reciprocal standards for agri-food imports must take into consideration existing mechanisms that are successfully achieving or seeking to achieve environmental, human, animal and plant health protection, and sustainability in third countries.

Scaling up of successful approaches should, wherever possible, be the default approach taken. The unilateral introduction by the European Union of new mechanisms or measures with extraterritorial application would:

- strongly risk retaliatory responses by affected third countries.
- make imports of agri-food products from third countries more expensive, for industry and the consumer, due to increased costs for third country producers to comply with EU level standards.
- place excessive burden – financial, administrative etc. – on producers, public bodies and traders in third countries who would have to understand, monitor, and enforce such standards.
- undermine the desired outcome if, rather than engaging in cooperation to improve standards, third countries instead divert trade and agri-food goods to partners who do not engage on standards at all.

### **On the rationale of the reciprocity measures:**

- We recognise that high EU environmental and health standards, including on animal welfare and production and processing methods, play an indispensable role in the high consumer confidence in EU agri-food products, both within and outside the European Union.
- However, these standards are developed and enforced within the context and boundaries of the EU's territorial, jurisdictional, and social / political setting. They have not been developed or established whilst taking into account the same considerations for third countries, and should such standards apply to products from third countries, affected parties will not have had the same due process and opportunities to inform or challenge the development of these standards.
- Third country governments, public and private bodies, have a legitimate interest in developing and enforcing standards that apply within their territorial, jurisdictional, and social/political settings. If the rationale is to improve standards, then cooperation and support to this effect should be provided in the framework of open and fair partnerships, not through conditional reciprocity obliging third countries to apply EU standards to their agri-food products.



- The protection of the environment, human and animal health, animal welfare, and sustainable trade are all laudable goals, and important ones to develop, enforce and promote at all levels – local, national, regional, and international. There are various existing mechanisms for the development, application, and enforcement of common standards at different levels which have proven effective, efficient, inclusive, legal, and which could be used to build a wider consensus around the objectives that the European Union wants to realise.
1. At international level, examples include standard and rules-setting bodies such as the Codex Alimentarius Commission of the Food and Agriculture Organisation, the World Organisation for Animal Health, the World Trade Organization, or the International Organization for Standardization.
  2. At regional level, many regional organisations, associations, or communities have mechanisms to provide support and exchange in best practices, as well as for the development and implementation of standards across various domains.
  3. At the national level, most countries have dedicated services, through ministries, agencies or other institutions, whose responsibility it is to address the protection of the environment, human and animal health, as well as sustainability goals. The European Union has already identified and applies many best practices to engage bilaterally and at the plurilateral level with countries, through trade agreements (e.g., trade and sustainability chapters of FTAs), voluntary partnership agreements (e.g., Forest Law Enforcement, Governance and Trade agreements) and other voluntary mechanisms that support the development, application and enforcement of standards or rules to protect the environment and health.
  4. Unilaterally, at the local level, most countries protect human and plant health through relevant rules and legislation addressed to agri-food products at large, be they domestically produced or imports e.g., food safety rules.
- There is limited rationale for the application of EU standards to agri-food imports as the protection of the environment, human and animal health, are already possible and in most cases already being realised though the mechanisms outlined above. Furthermore, the abovementioned measures already benefit from the cooperation of industry and third countries where such measures are transparent, proportionate, and non-discriminatory.
  - Additionally, a reciprocal approach covering only EU standards implies third countries are universally lagging the EU / Member States in terms environmental and health protection standards. This is far from the case, and there are many instances where stringent legislation on environmental protection may already be in place (e.g., California or Queensland).<sup>1</sup> Furthermore, industry and private investments are put in place to optimise the use of resources and to reduce environmental impact, which is complemented by co-operation between business associations, governmental authorities, and leading research institutions. National and local measures address various priorities, such as saving water or fertilizers, reduction of GHG emissions, use of by-products, soil management, bee protection, and there are examples of such initiatives in place since decades: [Our Heritage of Sustainability 0.pdf \(almonds.com\)](#) Operators also have to comply with requirements set by the retail chain which often go beyond the base level set through legislation.

#### **Best practices for standards in agri-food products:**

- Many of our members' suppliers have sustainability programmes and importers must meet requirements of the supermarkets, including via certification. In this way, many efforts and achievements are already there. The integration or support for best practices from robust schemes should be considered.
- Moreover, a lot international private and/or voluntary standard exist which incorporate both environmental, social, and good agricultural practices criteria in their standard (e.g., Fairtrade, UTZ

<sup>1</sup> See also the Yale University Environmental Performance Index <https://epi.yale.edu/epi-results/2020/component/epi>

etc). These standards are widely used and known, both in the European Union and in producer countries. The European Union can play a bigger role in ensuring that these and like standards are more widely applied, supported, and function as part of a broader discussion and system that helps producer countries meet higher levels protection of the environment, health and animal welfare, and improved production and processing.

- For many of the products produced and traded by FRUCOM members, which cover edible nuts and seeds, dried and processed fruit and vegetables and processed fish and seafood, many best practices and standards already exist to protect the environment, human and plant health, processing and ensure high production and processing methods. These already exist at sectoral, local, regional, and international levels, both via voluntary and mandatory means (See ANNEX I)

#### **Best practices for consumer health and food safety standards**

- With respect to food safety, imports already fully comply with relevant European legislation. Regulation 178/2002 on General Food Law, art. 11, stipulates that food and feed imported into the Community for placing on the market within the Community shall comply with the relevant requirements of food law or conditions recognised by the Community.
- Various mechanisms are in place to monitor compliance, some examples:
  - Foodstuffs of animal origin must come from an EU approved establishment in the country of origin and be accompanied by a health certificate. Establishments producing food of animal origin intended for export to the EU must comply with the public health requirements specified in Annex III to Regulation (EC) No 853/2004. Compliance with these requirements must be checked and guaranteed by the competent authorities of the non-EU country before the country can propose that the establishment is listed and appears in the list published by the Commission. Before entering the EU, products of animal origin from countries outside the EU must be checked at an EU border inspection post.
  - For non-animal products: Commission Implementing Regulation (EU) 2019/1793 of 22 October 2019 on the temporary increase of official controls and emergency measures governing the entry into the Union of certain goods from certain third countries contain compulsory percentages of checks on imports. This covers non-compliance with EU rules on contaminants, pesticides, or additives.
  - Under European Union legislation (Article 32, Regulation (EC) No 396/2005), the EFSA provides an annual report which examines pesticide residue levels in foods on the European market. This report is based on data from the official national control activities conducted by EU Member States, Iceland, and Norway, and it includes imported foods.
  - RASFF – Rapid Alert System on Food and Feed, identifies a health risk and informs the rest of the system's network on the product concerned and the measures taken to address the risk, including withholding, recalling, seizing, or rejecting products.

#### **Economic impacts, costs, and competitiveness, including for SMEs:**

- The European Commission must recognise that significant additional costs, fees, and other burdens can be expected for businesses, many of them SMEs, and industries that depend on the trade, production, sale, and processing of imported agri-food products, should the application of EU standards on environment and health be mandated for imports. These additional costs would come at no added benefit, as many existing mechanisms (international harmonised standards, mandatory or voluntary certification / standards, etc.) all already exist, function, are recognised by consumers, industry, and increasingly also public authorities.
- These increased costs will ultimately be borne by consumers, and affect security of supply, at a time when consumers and industries in the EU and worldwide, particularly in developing countries, can *absolutely least* afford further economic shock and uncertainty.

- The administrative burdens related to the goals around reciprocal standards would be minimised by focusing on existing mechanisms that could garner the greatest consensus, could be scaled up and adapted to the local environment, ecosystem, economy, and product specifications, and which are transparent, inclusive, non-discriminatory and proportionate.

## Conclusion

The European Union is already undertaking an unprecedented and highly consequential drive towards European and global sustainability through the various objectives and policies agreed under the Green Deal and Farm to Fork. Many of these policies already foresee operators placing imported products on the EU market having to ensure that standards are met which concern the environment.

It is already the case that significant political, financial, and other resources are being used to work with third country partners in relation to existing and ongoing policies and agreements that have implications for the placing of imported agri-food products from third countries on the EU market.

FRUCOM therefore strongly encourages the European Commission to focus in this report on how greater support and efforts can be invested in ensuring existing systems are robust, continue to be effective and efficient, and are scaled up where relevant.



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## ANNEX I – examples of best practices in protection of health, environment, production, and processing FRUCOM related products

Product	Existing sustainability programs /certification	good practices / results of the industry
Almonds	<p>General:</p> <ul style="list-style-type: none"> <li>- Organic certification</li> <li>- Fairtrade certification</li> <li>- GLOBAL GAP certification</li> <li>- Rainforest Alliance</li> <li>- SAI FSA</li> <li>- Estándar de Sustentabilidad del sector de frutos secos Chile</li> </ul>	<p>California:</p> <p>Almond roadmap ABC:</p> <ul style="list-style-type: none"> <li>- 80% of farms in California use micro sprinklers or drip system</li> <li>- Farmers have reduced amount of water needed with 30%. Additional commitment to lowering the amount of water needed to grow a pound of almonds with 20% by 2025</li> <li>- Whole orchard recycling: wood chips are used to feed the soil. This results in the sequestration of 2.4 tons of carbon/acre. ABC wants to achieve zero waste in orchards by 2025. Almond by-products are used for feed, sugar and sweetener extraction, phytochemicals, bioenergy, biochar and activated carbons, bioethanol, filler for biodegradable plastic, absorbents.</li> <li>- 50% of almond processors use solar energy</li> <li>- All almonds are removed from trees. This way food source and shelter for larvae are reduced</li> <li>- ABC has drafted recommendation to stop the use of insecticides during pollination. These are being shared with growers through information sessions</li> <li>- Further commitment to reduce dust during almond harvest by 50% by exploring the possibility of off-ground harvest</li> <li>- Further commitment to increase adoption of environmentally friendly pest management tools with 25%.</li> </ul> <p>CASP program:</p> <ul style="list-style-type: none"> <li>- Training program and educational workshops for growers on sustainable practices</li> <li>- Assessment of management practices</li> <li>- Use of decision support tools (nitrogen calculator, mapping tool, irrigation calculator, irrigation and nitrogen management plan tool)</li> <li>- Bee friendly farming program (BFF):</li> <li>- Pollinator protection plan: education, undergrow, research</li> </ul> <p>Brands like Haagen-Dazs have developed specific programs to protect the bees in almond production</p> <p>Australia</p> <p>Australia Almond Board:</p> <ul style="list-style-type: none"> <li>- 99% of orchards in Australia use efficient drip irrigation, other 1% use micro sprinklers</li> <li>- Hulls are reused in feed for livestock or as fertilizer. inner shell is used as biomass</li> </ul> <p>Some brands like Alpro have specific programs</p>



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<p><b>Cashew</b></p>	<p>initiatives:</p> <ul style="list-style-type: none"> <li>- IDH SNI (sustainable nuts initiative): focus on transparency (development of a tool). Creation of a reference code for sustainability, risk assessment</li> <li>- competitive cashew initiative supports producers in Benin, BF, Cote d'Ivoire, Mozambique and Ghana on GAP. Its aim is to alleviate poverty by enhancing the competitiveness of African cashew smallholders (Comcashew)</li> <li>- Benincaju program (with support of USAIO): aims to strengthen and expand the cashew sector into a more productive, competitive, sustainable and inclusive sector. Benincaju is working e.g., successful models of power generation using cashew shells in Benin (Benincaju)</li> <li>- Fair Match Support: helps producers in Benin to organise themselves (Fair Match Support)</li> </ul> <p>certificates:</p> <ul style="list-style-type: none"> <li>- Fairtrade</li> <li>- Organic</li> <li>- Turkish G.A.P. = I.T.U.</li> </ul>	<p>Africa</p> <ul style="list-style-type: none"> <li>- Coop has set up an inclusive value chain with Gebana in Benin (Coop)</li> <li>- SNI has developed a reference code for sustainability, based on data analysis and traceability, called 3S. Aldi, Coop and Ahold are a member of SNI</li> <li>- The OLAM factory in Ivory Coast is one of the development and implementing sites</li> <li>- Olam has processing facilities in W-Africa.</li> <li>- They are working closely with Comcashew and GIZ on community, good agricultural practice, income diversification and financial literacy projects. They are especially focusing on women</li> <li>- traceability: Olam direct in Ghana gives farmers the possibility to get direct info like weather that is crucial for managing the production. It also ensures traceability and puts them in direct contact with buyers counterposing middleman and increasing income in that way</li> </ul> <p>Asia</p> <ul style="list-style-type: none"> <li>- In India power plants use cashew shells as biofuel</li> <li>- Manual cracking of nuts in Vietnam and India has been automated the last 20 years. In Vietnam the use of manual cracking has almost completely disappeared (TNA letter)</li> <li>- In India manual cracking has almost completely disappeared. Only in some factories in Kerala this is still an issue. Big manufactures do not use this technique anymore. All workers receive PPE</li> <li>- In India most factories are switching to steam technique instead of drum rolling. Big manufacturers have all done the switch</li> <li>- Audits using the Sedex/Smeta and ETI code have been done by UK suppliers in Vietnam and India (TNA letter)</li> </ul>
<p><b>Hazelnuts</b></p>	<p>certification:</p> <ul style="list-style-type: none"> <li>- UTZ hazelnut program in Georgia and Turkey: good agricultural practices (rejuvenation of orchards) and social conditions</li> <li>- SAI FSA</li> <li>- Organic</li> <li>- Fairtrade</li> <li>- Georgia hazelnut improvement project: good agricultural practices, drip irrigation, social projects on gender equality (INC)</li> </ul> <p>ethical standards</p> <ul style="list-style-type: none"> <li>- Amfori</li> <li>- Smeta/Sedex</li> <li>- ETI</li> </ul>	<ul style="list-style-type: none"> <li>- A large processors implement a farming value programme in Turkey: SCS audits, traceability platform, support of agricultural technicians, mechanisation of farming</li> <li>- 'Increasing yield and quality in sustainable hazelnut production' project of the Istanbul Hazelnut Exporters, industries and Duzce University: good agricultural practices (e.g. reduce use of chemical control, water analysis); Sedex, BRCGS and FSSC 22000 are common certification schemes among the processing factories in Turkey covering food safety issues with regular audits and companies names on standards' websites; the association has a farmers' education project on establishing sample hazelnut orchards in cooperation with Directorates of Provincial Agriculture and Forestry; hazelnut growers cannot use pesticides without permission of the local agri office; under Turkish legislation, in processing companies with more than 10 employees health and safety audits must be performed by independent companies (source: Black Sea Exporters' Association).</li> </ul>

	<p>initiatives: - IDH nuts initiative SNI</p>	
<p><b>Shrimp</b></p>	<ul style="list-style-type: none"> <li>- Aquaculture Stewardship Council</li> <li>- Organic</li> <li>- Best Aquaculture Practices</li> </ul>	<p>good environmental practices / zonal management / integrated landscape management:</p> <ul style="list-style-type: none"> <li>- Sustainable Shrimp Partnership: private, public partnership aimed at increasing the environmental and social performance of farmers in Ecuador. The SSP requires that all members are Aquaculture Stewardship Council (ASC) certified; use zero antibiotics; are fully traceable; and have minimal environmental impact – measured through an assessment of water quality (sustainable shrimp partnership)</li> <li>- Sea Food Map: program to guide shrimp farmers to more profitability and sustainability (IDH seafood map)</li> <li>- ASC certification is the leading certification for shrimp sustainability. ASC certification focuses on farm sustainability. Some of the norms that have to be followed to gain ASC certification are:             <ul style="list-style-type: none"> <li>* no use of antibiotics</li> <li>* sole use of sustainable feed, hence meal from threatened fish species are not allowed</li> <li>* products have to be traceable up to the farm</li> <li>* farms need to have a sustainable water and waste management system.</li> </ul> </li> <li>- Clarklabs and Global Forest Watch: online mapping tool to track mangrove and pond aquaculture conversion (WWF blueprint)</li> <li>- FIT Fund: co-funds investments that suppliers make to move towards a data-driven approach. FIT fund is focusing on shrimp-, pangasius- and tilapia farming in Ecuador, Thailand, Vietnam and Indonesia. Data is necessary to mitigate a lot of risks and to gain efficiency. Use of data can result in reduced mortality, disease risk and improved feed conversion. This approach will eventually support farmers in implementing better management practices and improving the resilience of the sector (IDH Fit Fund).</li> </ul> <p>IUU/traceability:</p> <ul style="list-style-type: none"> <li>- Seafood Task Force: is a consortium of seafood processors, feed producers, buyers, retailers, government representatives and NGOs who work together to address issues surrounding traceability, transparency, illegality, environmental and social issues in seafood supply chains. Key issues from environmental standpoint are overfishing in Gulf of Thailand and Andaman Sea (Sea Food Taskforce)</li> <li>- Responsible Fishing Vessels Standard (RFVS) which available to supply chains that specifically addresses these risks <a href="https://seafoodassurances.org/ProgramStandards/RFVS">https://seafoodassurances.org/ProgramStandards/RFVS</a> (GSA)</li> </ul> <p>Legislation</p> <ul style="list-style-type: none"> <li>- protection of mangroves in Ecuador: Ecuador has issued several laws to prohibit deforestation of mangroves (Entorno Turistica)</li> <li>- use of antibiotics: In Europe, the use of antibiotics in all animal farming activities, including aquaculture, is regulated by specific legislation. Aquaculture products (as well as any products from the animal farming systems) must not contain pharmacologically active substances above an established Maximum Residue Limit.</li> <li>- Illegal fishing: The EU Regulation to prevent, deter and eliminate illegal, unreported and unregulated fishing (IUU) entered into force on 1 January 2010. Only marine fisheries products validated as legal by the competent flag state or exporting state can be imported to or exported from the EU. An IUU vessel list is issued regularly, based on IUU vessels identified by Regional Fisheries Management Organisations. The IUU Regulation can take steps against states that turn a blind eye to illegal fishing activities; EU operators who fish illegally anywhere in the world, under any flag, face substantial penalties. To ensure that the rules of the Common Fisheries Policy are followed in practice, a control system of the EU has been set up (EU illegal fishing and control system). The EU collaborates closely with other partners (e.g., UN) to promote and develop policy on fisheries management and the Law of</li> </ul>

		<p>the Sea outside of the EU. All external fishing activities of Union vessels continue to be submitted to EU control rules (outside EU waters).</p> <p>Combatting IUU has become a policy priority of the Thai Government. Since 2015 they have been engaged in a fundamental reform of the Thai fisheries. Thailand now has a fisheries governance system that complies with all EU and international laws and standards, including the EU's IUU Regulation. The new Thai Fisheries Laws and regulations recognise IUU fishing as an international crime. High penalties are applied. Thailand's Fisheries Management Plan and the National Plan of Action on IUU came into force on 29/12/2015. Thailand has also put in place a sustainable resources and fleet management system (e.g., through control and surveillance system, 30 Port In port Out Centres to control vessels). The Thai Flagged Catch Certification Scheme and the Import Control Scheme ensure complete product traceability. Finally, Thailand has strengthened its cooperation with various third countries (Thai Government).</p> <p>Global Seafood Alliance</p> <ul style="list-style-type: none"> <li>- Globally, better enforcement of conservation regulations and the spread of best practices (partly via certification programs) is greatly reducing the loss of mangroves to aquaculture and other causes.</li> <li>- On the risk of AMR from excessive use for animal health management, a critical control point is testing of product for residues at the processing plant level. Best Aquaculture Practices (BAP) has an annual risk-based program for this.</li> </ul>
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