

Imports of agricultural and food products – Applying EU health and environmental standards – Call for Evidence

EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 31 countries and 5.4 million companies, both leading multinational retailers and many small family operations. Retail and wholesale provide a link between producers and 500 million European consumers over a billion times a day. It generates 1 in 7 jobs, providing a varied career for 29 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector. www.eurocommerce.eu; sustainable-commerce.com

We thank the Commission for the opportunity to participate in the call for evidence concerning the application of EU health and environmental standards for the imports of agricultural and food products.

Committed to sustainability and safety

Food retailers and wholesalers are a central and responsible actor in the food supply chain: they are in weekly contact with millions of Europe's consumers. They operate sophisticated and efficient systems ensuring reliable and safe sourcing and distribution of foods, providing the link between suppliers and consumers. They work for and react to consumers' changing demands and help them lead a healthy and sustainable lifestyle. The 5 million companies, large and small, and 29 million people working in the sector, are engaged daily in pursuing these socially, economically, and environmentally valuable objectives. It is in retailers' DNA to offer consumers the best choice of quality, innovation and price. Our sector has, especially through the development of private label products, been instrumental in the development of the market for sustainable food, introducing and promoting sustainable alternatives, dedicated product ranges and local specialities for consumers.

As the main interface between producers and private and business customers, retailers and wholesalers play a key role in nudging their customers towards more sustainable products and services. As such, we contributed to the development of the Farm-to-Fork strategy and were fully engaged in the process to establish a Code of Conduct for responsible food business marketing and promotion. EuroCommerce and several of its company members have since signed up to the Code.

In addition, many of our members have joined voluntary global commitments or dedicated supply chains supported by third party certification in support of their responsible supply chain management actions.

General comments

In the absence of a concrete proposal to apply EU health and environmental standards to the imports of agricultural and food products it is difficult to assess such measure. However, we would like to share some reflections on the integration of such standards in EU legislation.

1. The WTO agreement on Sanitary and Phytosanitary (SPS) measures already allows to refuse the entry of food which contains product residues if maximum residue limits are exceeded.
2. The application of health and environmental standards beyond the existing rules for imports should be firmly rooted in science and subject to a risk assessment to fully understand the benefits for health and the environment.
3. Certain EU health and environmental standards are difficult to be directly applied to any other producing country or region due to different prerequisites as the climate situation or the presence of pests which do not exist in the EU. Setting science-based harmonised standards for such diverse situations could be challenging.
4. Even within the Single Market the production methods are not always harmonised. There are also different wage levels depending on production countries and regions.
5. Some requirements for production standards affecting third countries are already in place or legislative measures being discussed such as on GMO and on deforestation.
6. The EU has successfully concluded a number of bilateral free trade agreements with partner countries and regions across the globe. Such mirror clauses would need to be accepted by those trading partners and any new trade agreement would require the consent of the partner country.
7. The imposition of EU standards on third countries would not mean that certain production methods would no longer be allowed but it could only affect exports to the EU which often are only a small part of the market share.
8. The application of EU health and environmental standards on imported agricultural and food products would be globally considered as a protectionist measure by the EU serving the interests of certain groups by imposing additional barriers to trade on third countries. It is very likely that this could provoke trade retaliation measures which would probably affect related and unrelated sectors in the EU.
9. It is unclear how these standards would be controlled and enforced without setting up complex systems in the country of origin. This would require effective digital traceability systems to be set up in partner countries, ensuring not to marginalise certain (small) producers from trading. This would also imply an even higher burden on EU control authorities who are already very busy in checking existing standards.
10. What would be the consequences of non-compliances? Would it lead to the loss of trade preferences or to a full import ban?
11. What would be the role of certification schemes or, more widely, how will business investments and progress in the field of voluntary practices be regarded if mandatory standards are met?
12. The implementation of such mirror clauses would possibly put additional burden on importers who cannot control the entire supply chain. Compliance to standards needs to remain the responsibility of public authorities.