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28 May 2014

Bi-annual newsletter from the European Association of Fruit & Vegetable Processors

Editorial:

Dear all

Ahead of the PROFEL General Assembly we are pleased to issue the 3rd PROFEL Newsletter.

We hope many of you will be able to join our meetings and General Assembly in Helsinki on 26 and 27 June, and thank our Finnish members for hosting the

In the meantime we hope that the newsletter will provide you with a useful update on the most important dossiers at this moment. Please do not hesitate to share your feedback or suggestions for improvement.

Kind regards

Aline Rutsaer



Future of European Agriculture

Following the publication of the basic texts the reformed Common Agricultural Policy in December 2013, a package of delegated acts has passed European Parliament without objections during its last plenary session in April. In addition the Commission is, with assistance of the the relevant Committees with Member States' experts. in the process of finalisina These acts are Implementing Acts. needed to clarify the application of the provisions laid down in the basic texts of the Regulations such as the greening requirements, new elements for Operational Programmes etc. (CAP/14/001)

CMO Fruit and Vegetables

In March the European Commission published the long awaited report on the Common Market Organisation F&V since the 2007 reform. The report concludes there have been positive trends between 2008-2010 at EU level regarding the organisation rate of the F&V sector, the share of total F&V producers who are members of Producer Organisations and the number of POs members of Association of POs.

A crucial issue is the low degree or lack of organisation in some MS, and low use of crisis prevention and management instruments. The report concludes that the EC can build upon the results of the analysis to present at a later stage legislative proposals to revise the Union aid scheme for F&V. (CMOF&V/14/001).

Promotion of European Agricultural Products

The European Commission published its proposal to reform the EU's promotion policy at the end of 2013. This policy provides the framework for promotion campaigns such as the last promotion campaign on canned and frozen vegetables in Belgium, NL and France. PROFEL had several meetings with Members of the European Parliament to address points of concern in the new proposal for the processed F&V sector.

The final texts, approved by the European Parliament at its plenary session in June, take into account several points raised by sectors:

 Sweet corn has been added as eligible product for promotion campaigns.

- Co-financing will be organised between the EU and the proposing organisation. Cofinancing by the Member States is no longer foreseen.
- Co-financina rates will be increased: 70% for simple programmes on the internal market and 80% in third countries and for multi-country programmes; up to 85% in the event of a serious market disturbance, loss of consumer confidence. (NS/14/010)

Final approval by the Council is still needed before ending the legislative procedures. The new framework is scheduled to apply as of 1 December 2015. In the meantime a PROFEL meeting will be organised with those countries interested in a future promotion campaign, to discuss the possibilities under the new framework.

School Fruit Scheme

At the beginning of the year the European Commission published the proposal for the reform of the School Fruit Scheme. The new scheme will bring the F&V and milk scheme together under 1 framework, with a budget of € 230 million per school year (€150 million for F&V and € 80 million for milk - compared to €122m and €75m respectively in the 2014 budget). The proposal foresees to focus on two key products, fresh F&V and drinking milk, products with a declining consumption trend. Member States would have the possibility of putting occasionally the emphasis on other products, such as processed F&V, in the context of educational measures. A PROFEL note setting out the concerns on this approach and drawing attention to the role of processed F&V in achieving objectives of the SFS has been prepared and will be shared with decision-makers. The proposal is expected to go to the European Parliament and Council after the European elections. (SFS/14/001)

Trade

- United States/TTIP: A first exchange of market access offers took place in March. PROFEL has confirmed again the offensive and defensive interests the processed fruit vegetables sector in the context of the 5th negotiating round during the week of 19 May (Trade/14/005). PROFEL also sent a separate letter to draw attention to the defensive interests of the dried vegetables sector and to raise concerns on chemical food decontamination practices in the United States.
- Australia: at the end of 2013 PROFEL received the good news that safeguard measures for canned fruit have not been warranted to Australia. PROFEL has been closely involved in the consultation process and has worked together with the EC to address the negative consequences such safeguard measures would have on the exports of the EU's canned fruit sector.

« In short »:

- EU-Russia: In light of the current political climate, PROFEL's canned fruit section addressed a letter to the EC to draw attention to the risk of countervailing measures following EU sanctions against Russia. (<u>Trade/14/002</u>)
- **EU-Mercosur:** Negotiations continue; an exchange of market access offers could take place before summer.
- EU-Turkey: PROFEL informed the EC on the unbalanced trade situation with Turkey for canned fruit and Fruit Preserves (Trade/13/033)
- EU-Canada: Following the conclusion of negotiations in October 2013, the agreement still needs to be approved by the Council and the new Parliament. Key for the F&V sector is the sensitive treatment of sweet corn, which means a tariff rate quota for canned sweet corn from Canada for 8000 tons. (<u>Trade/13/027</u>)

NEW OFFICE

PROFEL moved offices on 5 May. We are now located at:

KELLEN-AGEP

Avenue Jules Bordet 142
1140 Brussels

NEW TELEPHONE NUMBER: +32 2 761 16 56

FAX: +32 2 761 16 99

EMAIL: <u>profel@agep.eu</u>

www.profel-europe.com

Bisphenol A

On 1 January 2015 the French law banning BPA will enter into force. Following discussion at PROFEL's TLC meeting a note clarifying consequences for operators has been prepared (TLC.Cont/14/015).

Regarding the French decree on BPA labeling there is still no reply from France to the detailed opinions issued by the European Commission and Member States.

Contaminants - Chlorate

In late 2013 a method was developed for measuring Chlorate in foodstuffs and samples of frozen vegetables placed on the German market were analysed for Chlorate. The default MRL of 0.01 mg/kg set by the Pesticide Regulation has been applied for frozen vegetables, which resulted in various product recalls. Analysis and samples confirmed have that legitimate washing and blanching vegetables in chlorinated water led to Chlorate residues on the frozen products. PROFEL met the European Commission in May ask to put in place urgently reference levels for intra-community trade (TLC.Cont/14/013 & 16). A decision is expected to be taken

at the Standing Committee for Pesticides on 12/13 June.

Drained net weight/Welmec

European Commission proposed the WELMEC methodology 6.8 as the reference method to determine drained net weight in the context of the Food information to Consumers regulation. PROFEL met the European Commission in April to ask for frozen vegetables to be exempted from the scope of any legislation on the topic since analysis shown that the WELMEC methodology is neither reliable nor reproducible for frozen vegetable products (TLC.Misc/14/005). Commission agreed to look into an alternative method put forward by PROFFL.

Pesticides - Minor uses

The European Commission published its report on minor uses in February, proposing a 320.000 euros budget to set up a coordination platform. The tender for Members states to participate in the platform will be launched before summer 2014 (TLC.Pes/14/004).

Mandatory origin labelling

The consultant selected by the European Commission to prepare a report on mandatory origin labeling launched a public consultation in April. PROFEL contributed to the consultation and shared its position against mandatory origin labelling with the Consultant and with the European Commission (TLC.LAB/14/008 & 009). The consultant's report is expected to be submitted to the EC in July. The report of the EC is due to be presented to the EP and Council by December 2014.

European Elections

European elections took place on the 22-25/5/2014. PROFEL will monitor the formation of the new Parliament and resume its parliament relations activities in September 2014.

PROFEL Meetings

PROFEL's biannual Vegetables and TLC meetings took place on 22 April in Brussels. Reports are available on the dms (M.Veg/14/008, M.TLC/14/002).

Our Finnish members welcome PROFEL members for the General Assembly taking place on 26-27 June in Helsinki. Registration forms and practical information are available on the PROFEL dms (M.GA/14/002).

AGENDA

- 4 June 2014: Advisory Group Fruit&Vegetables
- 11 June 2014: Forecast Group Peaches&Nectarins
- 26 June 2014 morning: Fruit Preserves, Joint Fruit and Deciduous Fruit meetings
- 26 June 2014 affernoon: Executive Committee meeting
- 27 June 2014 morning: PROFEL General Assembly
- 30 June 2014: Advisory Group Promotion
- 4 November 2014 morning: TLC Meeting
- 4 November 2014 atternoon: Vegetables Meeting
- 20 November 2014 morning: Dried Vegetables Meeting

