

June - July 2016

Freshfel's Annual Event together with Europatat - 'Not Business as Usual'

On the 2nd of June, Freshfel hosted its Annual Event in Brussels. This year was the first-ever combined conference with Europatat, the European Potato Traders' Association. The event officially opened with a common dinner at the Résidence Palace in Brussels on the evening of the 1st of June, welcoming more than 170 participants, including members of the associations, as well as policy makers from the European Parliament and the European Commission. Adhering to the European Commission work programme 2016, the conference had as a theme "Not business as usual". The conference reviewed the upcoming challenges and opportunities for both sectors in light of the complex current political and economic situation. A broad international line-up covered policy and business perspectives, to best prepare the membership of both associations for the interesting and turbulent future that lies ahead.



In a common statement, Philippe Binard, General Delegate of Freshfel Europe and Raquel Izquierdo di Santiago, Secretary General of Europatat, underlined that *"The idea of matching the potato sector with the fruit and vegetable sector on this unique occasion, to create new synergies, has proven to be an outstanding success"*. A vivid exchange on current challenges, informational key notes and vibrant debates rounded-up this exceptional event.

New changes and challenges has been the dominating theme of this common conference. Thomas Griesel, Co-Founder of HelloFresh and Franziska Krauskopf from TrendOne delivered the proof that adaption to the ever-changing clients' needs will lead to successful new business model. The availability of data is an essential element, not only for the analysis of consumer behaviour itself, but also to build stronger and more sustainable supply chains. Daphne Kasriel-Alexander from Euromonitor gave a comprehensive overview on the forward moving fragmentation of consumer types. The programme was concluded by a comprehensive overview of Miguel Ceballos Baron, from the Cabinet of Trade Commissioner, Diego Canga Fano from DG Agri and Ladislav Miko from DG Santé, framing the European actions, to support both sectors on their way to adapt to these new challenges. More information as well as the Activity Reports of Freshfel can be found via www.freshfel.org.



UK's referendum on the EU: Freshfel's view on consequences for the fruit and vegetables trade

Freshfel published a [press release](#) to express its concern regarding the possible economic consequences on the sector after the outcome of the UK referendum on the EU. Short term consequences might be related to disrupted trading relations and insecurities based on the drop of the pound. A British leave on a long run would lead to an elimination of existing framework agreements to conduct trade within the European Union as well as with third countries. Both, short- and long-term perspectives, will force businesses to adapt to the new market situation and lead to insecurities over the upcoming months. Freshfel will closely follow the political and economic developments of the dossier, and voice the specific requirements of the fresh produce business, if the "British Leave" becomes reality. Freshfel refrains, neither to speculate on the outcome of the "leave"-negotiations, nor the initiation of the leave-procedure itself. Procedures will be impacted by political and legal complexity. Nevertheless, the association has to admonish a fast clarification of the political situation, to give business operators possibility to adapt to new market conditions.



Today the British market is delivered with fresh produce originating from close to 120 countries. A snapshot on the trade between the U.K. and the EU-27 shows the tight relationship, but also the heavy reliance on external imports of fresh products of the U.K:

- In 2015, the UK received more than 5.6 million T of fresh fruit and vegetables from either the EU or other origins from around the world. The value of this import business was worth 6.8 billion €. Out of this volume 52% (or 2.9 million T) are more specifically originating in the EU.
- The main fresh produce suppliers are: Spain (1.4 million T), The Netherlands (700.000 T - including some trans-shipments), South Africa (350.000 T), Costa Rica and Colombia (300.000 T each), but also Dominican Republic, France, Germany, Ireland (ca 200.000 T each).
- Products include among others bananas (1.1 million T), apples (450.000 T), soft citrus (300.000 T), oranges (280.000 T), table grapes (280.000 T).
- The UK also exports / re-exports up to 240.000 T to EU-27 and third countries, a business trade worth 240 million €. Ireland is the main destination taking up close to 50% of this business.

Freshfel presentation at the Intergroup in the European Parliament in Strasbourg

On the 9th of June, the first meeting during this legislature of the Intergroup of Wine and Horticulture focusing specifically on fruit and vegetables took place in Strasbourg. The chair of this Intergroup is MEP Herbert Dorfmann (EPP, Italy) from Bolzano. The meeting was also organized under the leadership of Angelique Delahaye currently drafting a report on volatility in agricultural markets. During the meeting, the specificity of fruit and vegetables market was discussed. Freshfel was asked to provide an overview of the specific features of fresh produce and possible challenges leading to possible volatility and reviewsome of the instruments available both on a private basis in the supply chain or with the support of public instruments.

Based on this first dedicated Intergroup on fruit and vegetables, and the positive and constructive discussion, a call was made for more frequent meeting of the intergroup, addressing other topical issues for the sector such as nutrition and health or the dilemma on the use of Plant Protection Products.



Freshfel is a confirmed member of the EU Platform on Food Losses and Food Waste

Freshfel received the confirmation that it has been accepted as a member on the EU Platform on Food Losses and Food Waste. This platform has been set up by the European Commission in reference to the Sustainable Development Goal on food waste and the Commission's inclusion of this SDG in its Circular Economy package. The Commission is striving to a (non-binding) initiative of halving of the EU's food waste by 2030. Food waste, food losses and all sustainability topics related to this have been increasing in importance during the past years and as such Freshfel believed it useful and vital to be a member of such an EU Platform.

Freshfel position on EU-extension of economic sanctions against Russia: calling for continued dialogue

The EU reconfirmed the extension of economic sanctions on Russia until the 31st of January 2017. This announcement came after the decision of Russia at the 29th of June 2016, to prolong the embargo on food products for the next 18 month. Freshfel published a press release to express its regret to this on-going political dispute, which severely hit the trade of fresh produce. The introduction of the ban in August 2014 affected an export volume of 2.5 million T of fruit and vegetable worth more than € 2.2 billion. This corresponds to roughly one third of the total burden of agri-food products originating in Western European countries affected by the embargo. Freshfel therefore calls upon the European Commission, to maintain the dialogue with the Russian authorities to preserve the opportunity to restore business as fast possible for fresh produce. More information in the [press release here](#).

Expert meeting on peaches & nectarines and on citrus

On 7 June, the Commission held another expert meeting, this time on peaches and nectarines, where Freshfel and some of its members were present. For the upcoming season the decline of production is on-going in France, Italy, Greece, compensated in the overall volume by the Spanish outlook, which remain though influenced by the diversification towards flat peaches. Overall the conditions should be favourable, but the sector remain concerned about the possible complexity that could be experienced later in the season, if market turns difficult. The lack of flexibility and efficient tools of the CMO would not allow of a prompt reaction. In the last few days, prices dropped without any rationale on the market.

Freshfel also participated in the expert group meeting on citrus, hosted on 23 June, with several experts from its membership. During this meeting the upcoming season was discussed as well as a review on the previous season. Furthermore, some discussion was held on the plant health conditons.



Freshfel meets with Task Force for coordination of R&I projects

Freshfel Secretariat held a meeting on 15 June with members from AREFLH (representing fruit, vegetable and horticulture regions in Europe) and EUFRIN (representing fruit researchers), who are together in a joint task force to coordinate participation in European research and innovation projects. The meeting was held to analyse the scope and focus of the projects that receive funding under the Horizon 2020 programme of the European Commission, to evaluate the challenges for our sector, as described in the Strategic Research and Innovation Agenda for the fruit and vegetable sector (SIRA), and to adjust those challenges to the current priorities of the Commission. The outcome of the meeting and the project analysis shows that the project proposals for the next call will have to be very broad and generic, trying to tie different sectors together, in order to receive funding under Horizon 2020. The three partners (Freshfel , AREFLH and EUFRIN) will coordinate in the coming weeks an update of the SIRA, to secure that priorities relevant for fresh produce will be taken into account when DG AGRI will set the priority topics for the next call.

Under the current H2020 projects , ca 20 projects are directly or indirectly relating to fruit and vegetables, Freshfel being involved in 3 (Fresh Demo, EUFRUIT and Euromix).

FRESH-DEMO strawberry testing

Freshfel in involved in the Horizon2020-funded project FRESH-DEMO. The FRESH-DEMO project aims at evaluating an ultrasonic humidification technology, combined with natural water acidifier, to preserve quality and freshness of fruits and vegetables along the entire post-harvest supply chain and to contribute to food waste prevention. Several tests are scheduled within the project timeline to test this technology along the different stages of the supply chain, with different types of highly perishable produce.

The strawberry tests have been completed during spring, with good results: The strawberries, transported from Huelva in Spain to Bremerhaven in Germany, proved to be more intense in taste and flavour, had a fresher appearance and longer shelf life of approximately 3 days, were firmer and had a minimized weight loss of 17% compared to reference products. On top of that, there was a reduced and even stopped loss of vitamin C after 7 days of storage with use of this ultrasonic humidification. During summer and autumn, similar tests will be executed with asparagus, peaches and nectarines, and table grapes.

