

14 September 2020

FRESHFEL EUROPE RESPONSE TO EU QUESTIONNAIRE ON THE REVISION OF THE EU'S TRADE POLICY

Freshfel Europe, the European Fresh Produce Association, represents the fresh fruit and vegetables (F&V) supply chain in Europe. Our membership comprises associations and companies that have an interest in the European fresh fruit and vegetable sector at different levels of the European supply chain, from production, trade, and logistics, down to retail. Freshfel is a non-profit association established under the Belgian legislation of 1919. Freshfel Europe is registered in the EU transparency register under n° 1637225479-02.

As the umbrella association of European fresh F&V, a sector with an inherent international dimension, Freshfel Europe follows EU and international trade policy with vigilance. The EU is a leading exporter of high quality fresh fruit and vegetables to third countries. These are essential for the economic sustainability of farmers, as European produce is highly valued in international markets as a high-end category product. However, export volumes of EU F&V exports have gone down from 6.2 million tonnes in 2014 to 4.8 in 2019, a decrease of 22% in volume, largely as a result of the Russian and Algerian embargoes and the difficulties to access new markets. Imports of fresh produce are equally important, as they secure the year-round supply of affordable, high quality F&V in the Single Market and accessibility of consumers to products not grown in Europe. Overall, imports of fresh produce satisfy 19% of European consumers' demand (around 16 million tonnes a year).

Freshfel Europe welcomes the decision of the EU to revise its trade policy and the opportunity to respond to the present questionnaire. Please note, that the questions have been re-arranged by order of priority from the perspective of the fresh fruit and vegetables sector.

What other important topics not covered by the questions above should the Trade Policy Review address?

- Sanitary and phytosanitary issues (SPS) are not mentioned in the Consultation Note 'A renewed trade policy for a stronger Europe' of 16 June. However, the agri-food industry is among the EU top ten sectors of EU export¹, and its potential is very much affected by SPS and other non-tariff barriers. Besides, EU agri-food exports represents an essential 'soft' diplomacy tool, as a showcase of the high standards, safety, savoir-faire and culture of Europe.
- The issue of SPS and other non-tariff barriers should therefore feature high in the future EU Trade Policy Agenda for our sector, as this undermines greatly the potential of EU operators to export despite their strong commercial competitiveness.
- The situation often remains "non-reciprocal" for EU fruits and vegetable growers and exporters. In order to gain access to third country markets, EU fruit and vegetables have in many cases to undergo a lengthy negotiation process, which is done bilaterally (Member State by Member State with each individual trade partner), and commodity-by-commodity. This leads to the conclusion of so-called 'protocols', bilateral agreements which set a number of often excessively restrictive, costly SPS requirements and procedures for EU F&V exports to reach a certain country. This is not the case for imports into the EU market, which do not need to negotiate access to the Single Market bilaterally, although they need to comply with the advanced EU plant health requirements as well as other food and plant safety regulation, to which EU producers also obey.
- In this context, the sector requests the issue of SPS to be among the priorities to be tackled in the future Trade Policy Review. This should include enhanced EU coordination internally (among EU services and with Member States and the private sector) and increased pressure on third countries to open their market without delays to EU F&V exports, in line with international commitments. To achieve this, more transparency and more equivalency in the process of market access are needed to avoid these lengthy and

¹ Extra-EU exports of main CPA groups 2015-19, Eurostat

complex protocol negotiations. Requirements asked from EU exporters shall be transparent, proportional, least trade distorting, non-discriminatory and solely based on scientifically justified SPS concerns as per the WTO SPS Agreement, as is also expected from the EU import policy. A worrying (worldwide) development in phytosanitary (import) policies is that fresh fruits and vegetables has shifted from "end/consumer products" to a "high risk product" like plant propagation materials, which results in very strict requirements. Considering the importance of SPS barriers or international trade, the sector believes the definition of a fully-fledged EU Strategy on SPS setting a strategic EU roadmap of internal and external action in this domain would be beneficial for fresh produce trade and the EU agri-food sector in general.

- With regard to food safety and quality, the fresh produce sector would like to encourage the European Commission and its trading partners to better collaborate at international level to facilitate international trade, e.g. during CODEX Committee meetings or UNECE meetings. A common and collaborative approach is essential to facilitate international trade.
- The sector also wants to stress the need to avoid F&V from being sacrificed to handle other trade conflicts, especially when it concerns political conflicts in which the F&V sector is not involved. In the recent past we have seen that the F&V sector was victimized during the Airbus/Boeing conflict and during the boycott of the Russian Federation, while it had nothing to do with the origin of the conflict.

How can trade policy help to improve the EU's resilience and build a model of open strategic autonomy?

- From a fresh fruit and vegetables perspective, this new approach shall translate in practice into a more assertive EU Trade Policy to ensure diversification of trade flows. This shall focus on the implementation of international and bilateral commitments agreed with trade partners (e.g. WTO SPS and Trade Facilitation Agreements, International Plant Protection Convention (IPPC) standards, provisions agreed in FTAs, etc). Moreover, this new trade policy shall focus on the need for reciprocal treatment in trade relations.
- For the fresh fruit and vegetables sector, the need for a more assertive EU Trade Policy is particularly true in the realm of SPS, the main barrier for EU fresh F&V exports. This should translate into more a strategic EU approach to trade and market access to avoid situations like the following:
 - This September, the Commission Implementing Regulation allowing imports dwarfed plants for planting originating in Japan was published in the Official Journal of the EU. This replies to Japan's demand for the opening of the EU market to bonsais. In the meantime, however, the EU fresh fruit and vegetables applications to enter the Japanese market continue in a standstill despite the High Level commitment among both blocs to enhance market access after Commissioner Hogan's visit to Japan in 2019. The publication of the bonsai regulation could have been conditional on Japan's effective finalization of EU fresh produce applications, as despite Japan's commitments those files remain blocked.
 - A similar situation occurred a few years ago when the EU solved a market access issue affecting US citrus imports with the expectation that this 'olive branch' would lead to the publication of the US protocol to allow EU apples and pears imports into the USA for 8 EU Member States. However, the EU's 'opening' to North American citrus failed to encourage the US to open up to EU apples and pears – this leverage should be used more efficiently in the future.
- The role of imports (both from within the EU and foreign) should not be undervalued in the development of growth, jobs and innovation. Exports and imports are the two sides of the same coin and, in that sense, it is critical to ensure that the EU remains open in the pursuit of its strategic autonomy.
- The EU should continue to lead against protectionism in trade, particularly in the current context. The COVID-19 pandemic has shown that, very often, governments' first reaction is to turn towards protectionism. Any emergency measures (e.g. in response to a crisis) must be targeted, proportionate, transparent, and temporary, and not create unnecessary barriers to trade or disruptions to global supply chains. The measures should not adversely affect trade in agriculture and agri-food product, which would ultimately have negative impacts on the food security, nutrition and health of countries and their populations.

In addition to existing instruments, such as trade defence, how should the EU address coercive, distortive and unfair trading practices by third countries? Should existing instruments be further improved or additional instruments be considered?

- Rather than new instruments, and from a fresh fruit and vegetables perspective, there is a need for the EU to make a better use of its existing instruments to ensure reciprocity in trade relations.
- In order to achieve this, the EU Trade Policy should fully exploit not only its 'soft' toolkit (e.g. structured dialogue, recall of international obligations, negotiation of FTAs, etc.) but also 'hard' instruments, which the sector feels have been somehow neglected in the past and could increase the EU's leverage to gain market access (e.g. bilateral dispute settlement, WTO panel, etc.). The recent appointment of an EU Chief Trade Enforcement Officer is a good step in this direction.
- The enhanced implementation of EU available instruments and leverage should help the sector tackle unfair situations. One example is the case of Algeria, a priority market for EU fresh fruit and vegetables (120 million euros), which was completely closed in 2017 in a blunt violation of the EU-Algeria Association Agreement. However, the triggering of the dispute settlement mechanisms is yet to be materialized. Another key example are the SPS barriers which are still blocking EU F&V exports in a number of partners which have an FTA with the EU, with the sector becoming increasingly frustrated. This includes Japan, South Korea, Mexico, Peru, and Chile, some of which enjoy preferential access to the EU market for many years. However, the EU F&V sector remains outside of their markets, despite the efforts of the sector and Member States to negotiate bilateral protocols, in some cases for decades.

What initiatives should the EU take – alone or with other trading partners - to support businesses, including SMEs, to assess risks as well as solidifying and diversifying supply chains?

- Diversifying exports is a priority for the European fresh fruit and vegetables sector since the imposition in the past years of embargoes in the EU's biggest clients, notably Russia in 2014 (2.3 million tonnes), and Algeria in 2017 (177k tonnes).
- The EU fruit and vegetables sector, composed mainly of SMEs, is highly competitive and has a long tradition of trading internationally to over 145 destinations. Market access therefore remains the key issue, as no export is possible if new attractive destinations for fresh fruit and vegetables remain closed for EU exporters.
- Therefore, the main support the sector is seeking from the EU is for it to enhance its support and coordination role to assist Member States to gain market access of plant products to non-EU countries and ensure synergies can be built among Member States.
- Another area where EU action should be foreseen to assist diversification in trade flows, is transport logistics and connectivity. Fresh fruit and vegetables are a highly perishable commodity, so fast transportation and high quality infrastructure and cold chain capacity are essential to ensure trade is possible, particularly with long-distance markets. In this context, ensuring train connectivity with Asia is a key priority for the sector, as sea shipments of 40 days could turn into a less than 20 days transit via road. In this regard, the EU should encourage and stimulate investments by companies that want to offer regular rail mobility services to make this connectivity possible. Moreover, the EU should assist trade partners to build their internal infrastructure and cold chain capacity, as this is a key barrier to develop trade links (import and export) with developing countries, notably in Africa. This will contribute to address challenges related to food security in these countries and will bring benefits for an efficient EU supply chain.
- The EU should also focus efforts on supporting SMEs to adapt to the new Brexit trading environment, as most of EU fruit and vegetables operators working with the UK are SMEs with no previous experience with international trade. This is however a big share of total business, as the UK currently accounts for around 10% of total EU intra trade for fresh F&V (over 3 million tonnes).

How can we use our broad network of existing FTAs or new FTAs to improve market access for EU exporters and investors, and promote international regulatory cooperation—particularly in relation to digital and green technologies and standards in order to maximise their potential?

- Unfortunately, most EU FTAs have failed to sufficiently address SPS issues and remain focused on tariff issues. Future EU FTAs negotiations/modernisation should ensure as a priority the conclusion of an ambitious SPS Chapter which, similar to the one recently concluded with Mexico, include a wide range of provisions beyond WTO and IPPC commitments facilitating EU exports to the partner country (e.g. 'fast track' market access procedures, abolition of pre-clearance, possibility to submit joint EU applications, etc.).
- In the meantime, the EU shall seek to exploit as much as possible the implementation of the limited SPS concessions made in existent FTAs to ease market access. The focus on implementation of multilateral agreements and standards, notably the WTO SPS Agreement and IPPC, is also essential to push market access for fruits and vegetables.
- On the regulatory cooperation side, the EU offensive to engage with India and Canada on alternatives to methyl bromide treatment is also a good example to be continued of how the EU can assist the sector to improve market access through regulatory dialogue with trade partners, whilst at the same time tackling global sustainability issues (methyl bromide is a recognized ozone-depleting substance already banned in the EU). This project could also be continued with other partners which still require methyl bromide for imported fruit and vegetables, such as Japan, the USA or Brazil. The fresh fruit and vegetables sector also strongly supports other ongoing EU Economic Diplomacy initiatives to support exporters and promote EU food quality standards, such as the Foreign Policy Instrument founded on SPS regulatory dialogue with Asian partners, DG AGRI Promotion Seminars of Agri-food Exports and High Level Missions. The continuation of a strong EU Promotion Policy for agri-food products is also essential for EU SMEs to gain visibility and opportunities in third countries.

How can trade policy facilitate the transition to a greener, fairer and more responsible economy at home and abroad? How can trade policy further promote the UN Sustainable Development Goals (SDGs)? How should implementation and enforcement support these objectives?

- The EU fresh produce sector is fully committed to implementing the Sustainable Development Goals in business practices across the chain, in order to answer to long-lasting EU consumers' demand for sustainable production and food. This transition should be gradual to ensure the sector's competitiveness to be able to continue trading abroad, as the EU sector has to face now a double challenge. On the one hand, a higher pressure of pests and diseases as a result of climate change. On the other hand, a reduction of tools available to protect production given the increasingly restrictive EU requirements on plant protection products, the Maximum Residue Levels and the length of legal transitional periods to adapt the agricultural practices. In addition, the EU should ensure positive engagement with trade partners on this transition, and make sure consideration is made to different production methods and conditions around the world. The precautionary principle on various dossiers, such as new breeding techniques or novel food, also has an impact not only on European production, but also on international trade.
- As outlined in the Farm to Fork Strategy, securing Green Alliances (e.g. in FTAs) should be a priority to ensure the commitment of trade partners in the transition to more sustainable food systems. With this objective, the EU shall seek positive engagement with trade partners, avoiding adverse effects on EU trade in agri-food products which could, in the context of reciprocity, also affect the EU export position. In order to do so, the EU should provide key suppliers from developing countries with technical assistance and training on high safety and sustainability standards. One possible way of doing so would be to reinforce and expand the scope of the EU Better Training for Safe Food Programme. This will not only benefit EU consumers and secure EU year-round supply, but also producers and consumers in countries exporting a share of their production to the EU. Moreover, strengthening the links between trade, development and sustainable food production should help the EU to become a leader in food quality and safety internationally and counter reluctance of some of its partners to move in this direction, as expressed at WTO level.

With which partners and regions should the EU prioritise its engagement? In particular, how can we strengthen our trade and investment relationships with the neighbouring countries and Africa to our mutual benefit?

- From a fresh F&V perspective, engagement should be prioritized with the following regions:
- The UK: Brexit will make EU fresh fruit and vegetables exports increase by 60%, from around 5 to 8 million tonnes. As a result, the UK will become the main outlet for EU fresh produce exporters. It is therefore essential for the EU to secure continuous access to the UK market in conditions as similar as possible to the current ones, both in relation to tariffs and SPS access.
- EU neighborhood: given the high perishability of fresh produce, proximity markets remain essential for fresh fruit and vegetables traders. However, export to neighbouring countries, particularly in the Southern rim of the Mediterranean and the Middle East is becoming increasingly difficult, as the introduction of new, protectionist measures and other barriers to trade is becoming increasingly common in these countries. Switzerland is also a worth noting case, as this country follows (or profits from) the EU policy on many levels (e.g. phytosanitary import legislation) but has set trade barriers for EU fruits and vegetables by implementing very high (seasonable) import tariffs. Moreover, the EU should not forget to keep the dialogue with the Russian Federation. The now 6-year old embargo should not be accepted with resignation by the EU as a permanent status quo.
- Africa and South America: both regions are essential for the EU supply of fresh fruit and vegetables. Thus, engagement with developing partners in these regions has to be secured, including technical assistance to comply with EU standards and provision of development assistance to address issues linked to agricultural practices, facilitating the transfer of new technologies and practices, such as Integrated Pest Management. These regions also have strong potential to become growing market outlets for EU fresh fruit and vegetables exports, so discussions with these suppliers should focus on possible ways of (technical) assistance and reciprocity on trade, to swiftly open up their markets to EU exports. Initiatives such as the African Union-EU agri-food platform should secure this positive engagement towards enhanced sustainable production and trade in fresh produce is secured.
- Asia: the development of EU trade relations with main players in the region and the opening of their markets to EU fresh produce should be prioritized. This should include key growing markets such as China, India, Japan, and ASEAN countries, whose economic and population growth make them essential for the future of EU F&V trade diversification and resilience.

What more can be done to help SMEs benefit from the opportunities of international trade and investment? Where do they have specific needs or particular challenges that could be addressed by trade and investment policy measures and support?

- Most EU growers and traders of fresh fruit and vegetables are SMEs. Therefore and in line with previous responses, EU support is particularly welcome to assist operators to open third country markets, which as explained is very burdensome for national authorities and the sector, and requires substantial investment from the sector.
- For instance, the EU could provide financial assistance to the sector to fund audits pre-export, which in many cases third countries require before allowing exports and have to be paid by EU operators. The EU could also foresee budgetary assistance to ensure necessary research in the area of SPS, as third countries often require scientific evidence from Member States about the efficiency of concrete mitigation measures proposed to tackle pests and diseases.
- Another area where the EU could support the sector is by strengthening the monitoring and control over investments in production of fresh produce supported by international organisations such as FAO and the World Bank. The sector is following with concern the recent big projects to make new plantings of key EU commodities like apple in countries like Ukraine and Uzbekistan. The sector worries that a full market study of the impact of these plantings has been missing, considering the extreme pressure the EU and international apple markets have already been experiencing in the past years, which has already forced the sector to take drastic measures to limit production. The effect could be greater if investments lead to production in those countries to surpass national demand, as this will increase competition in key EU outlets such as Middle Eastern countries and Eastern Europe. So far, there is limited transparency or data available about these projects and forecasted increases in production, despite the fact that finance comes mainly from the World

Bank. The EU as one of the main donors to international institutions should secure a close follow up of these investment projects so any future programmes are supported by a comprehensive market analysis.

How can trade policy help to foster more responsible business conduct? What role should trade policy play in promoting transparent, responsible and sustainable supply chains?

- Responsible business conduct forms part of the EU's comprehensive Trade and Sustainable Development Chapters in the context of its FTAs. Relevant provisions promote collaboration between the EU and its trading partners, but they also encourage exchange of good practices and a dialogue with business.
- The fresh produce sector is already working in line with high standards across the chain through multiple private certification schemes on good agriculture practices, integrated pests management as well as many , environmental and social commitments. EU trade policy should serve to support the fresh produce sector in Europe and beyond in these efforts, so competitiveness can be maintain and enhanced. Concretely, regarding EU exports, this shall be ensured by supporting EU exporters to open new markets and promote EU best practices and high quality and production standards abroad. When it comes to imports, the EU should assist developing partners technically and financially to ensure a 'race to the top' in environmental, labour and quality standards.
- Moreover, the EU should ensure that, whilst compliant operators are rewarded with market access and support, non-compliance is also properly tracked and addressed, as non-compliant operators push competitiveness down for other businesses and unfairly damage the image of the whole sector. The EU should therefore ensure a proper implementation and harmonization of compliance checks and monitoring, in line with the new Official Controls Regulation framework ((EU) 2017/625). Only harmonised, effective controls across the EU can effectively incentivise all operators across the chain to ensure compliance to continue accessing the 450 million consumers of the EU27, and safeguard the competitiveness of growers committed to sustainability goals and compliant with EU requirements.
- As mentioned above compliant operators should be rewarded with market access (import and export). At the moment worldwide SPS policy (often the main trade barrier in the F&V sector) is based on a "country approach" (with regard to rewarding and sanctioning), with no distinction between compliant ("clean corridors") and non-compliant operators/supply chains. The EU could play an important role in starting the discussing (IPPC level) to a more "supply chain based" phytosanitary policy, to provide more incentive for supply chains for transparent, responsible and sustainable trade.

How can digital trade rules benefit EU businesses, including SMEs? How could the digital transition, within the EU but also in developing country trade partners, be supported by trade policy, in particular when it comes to key digital technologies and major developments (e.g. block chain, artificial intelligence, big data flows)?

- Digitalisation brings numerous opportunities to facilitate trade, particularly for fresh fruit and vegetables trade, given the high perishability of produce, as digital solutions can help make trading and customs operations faster and more efficient.
- In this regard, Freshel suggests that EU Trade Policy places a greater focus in looking at ways to develop digital solutions to secure better implementation of the WTO Trade Facilitation Agreement. The agreement contains multiple provisions on formalities and documentation requirements as well as on simplification provisions for perishable trade, which have not yet been fully taken up in the European Commission's trade policy and trade negotiations. Reciprocal digitalization of custom and trade documentation and simplification of documentation procedures with third country partners should be at the heart of trade discussions. These efforts should be for both the benefit of the EU's imports as well as for the EU's exports.
- Interceptions because of missing or faulty trade documentation still comprise 1/3 of all interceptions at border to the EU for perishable goods with big economic losses (and food waste), as consignments will either be destroyed or face long waiting times until new documentation arrives (and eventually cannot be sold anymore on the market). Making movement of goods paperless therefore should be a key requirement of implementing and/or negotiating free trade agreements. A more bundled approach of DG TRADE, DG SANTÉ, DG AGRI and DG TAXUD is needed to ensure full transparency on the different Commission internal initiatives. This includes better coordination and a stronger common appearance on trade facilitating requirements towards third country partners. It would also help to enforce many of the conditions already

negotiated to boost fruit and vegetable exports to third countries and serve as a good negotiation point for imports from interested negotiation partners.

- In addition, the EU should devote increasing resources to fully allow digital transmission of trade documentation and certification (e.g. phytosanitary certificates, certificates for organic inspection (COIs), and proofs of origin (EUR-1). The sector has already shown readiness to take this step, as it has been operating on a digital transmission basis since April thanks to the EU emergency measures implemented to avoid disruptions in the COVID-19 context. The EU fresh produce sector is convinced, that this should become a permanent solution which would enhance trade and business competitiveness, as well as reduce burden on public authorities. Furthermore, there could be more investment resources to build the digital agenda and enhance trade facilitation, including:
 - Increase of strategic resources (staff, financial) to secure efficient working conditions and allow swift progress in the area of digital control and transmission operations.
 - Abolish the current silo-approach to different trade documentation and other trade facilitating measures within the EU Commission (AGRI, TAXUD, SANTE), to allow a more holistic approach on digital trading operations
 - Foster better connectivity from the beginning to global initiatives (e.g. the IPPC ePhyto project) to avoid a piece-meal approach and fragmentation of projects world wide
 - To strongly integrate MS into digitalisation initiatives to ensure fast implementation and common spirit from day one.
- Accelerated implementation of electronic signatures/seals within the EU & better communication efforts on progress of implementation should also be secured:
 - Over the past year Freshfel Europe has worked intensively with its members as well as with European Commission staff to understand the current state of play for the implementation of the electronic signature for phytosanitary certificates as well as for the COI's. Unfortunately, the monitoring of progress was complicated by a missing transparent overview system and information arriving to the sector often by a piece-meal approach. As far as we are aware some Member States already have the e-seal fully implemented but refer to missing validated e-signatures in third countries (COI's) and therefore continue to request paper documents despite having the system already in place. Other countries still discuss the scope of assignment for the signatures and have not yet even started to roll out the process of implementation.
 - Accelerated implementation support and communication by the Commission is necessary to ensure that electronic signatures/seals are enrolled equally across the EU by the end of 2020. Furthermore, a more transparent overview will be needed to allow operators to be fully informed on the state of play of implementation and new procedures. The monthly HUB report of the IPPC ePhyto project is a good example of a tracking report, which gives a good overview of each country's progress.
- The EU should also improve its communication in the area of digitalisation to better involve international partners. A key element that is consistently reappearing during the e-seal implementation is the responsibility of third country partners in the issuing/signature procedure & general initiating procedure. It is of outmost importance to bring more clarity into the process of responsibilities for third country partners and possibly simplify the procedures.

What are the biggest barriers and opportunities for European businesses engaging in digital trade in third countries or for consumers when engaging in e-commerce? How important are the international transfers of data for EU business activity?

- Digital trade of fruit and vegetables in Europe has been less economically successful throughout the past years given a strong local shopping infrastructure with good availability and opening times all across the EU.
- The coronavirus context has resulted in increases in online sales – while still no robust sales figures are available for Q1/Q2 to understand better the current trend. The sector expects some of these consumers to return to their original shopping habits after the confinement. However, consumers' positive experience with online shopping and delivery of fresh produce will most likely sustain demand for this trading channel.
- The structural starting point for F&V online sales in Europe differs strongly from more advanced markets such as in China, India and in the U.S., The European Fruit and Vegetable Online Sales market so far shows no clear market leaders, but is characterized by strong fragmentation among all Member States; the market is still penetrated by rather small subject-unfamiliar operators with little experience, which could in the end

be a risk for the consumer, if the goods are not handled with good knowledge on food safety and quality requirements.

- In this context, the sector encourages the EU to continue steering negotiations on WTO rules for electronic commerce. Moreover, the EU acquires fitness to ensure a fair e-commerce framework for highly perishable commodities, such as fresh produce, shall be assessed.
- European fresh produce businesses would benefit from a clear EU framework to ensure online operators are tied to the same rules of quality and safety than brick and mortar shops, in order to guarantee consumer trust and to create a level playing field in this market. Moreover, clarity shall be provided as to the rules about consumer information and produce availability, which are particularly relevant in the case of fresh produce.
- Engaging into online-sales market will foremost and firstly require a stronger attention to common rules within the European Digital Single Market including a re-reflection on matters such as:
 - Successful business modelling and a good cost-efficiency ratio of the operators
 - Maintenance of the safety and quality of the product until the end consumer
 - Contractual law and return clauses for fresh food / perishable products
 - Shopping conditions and transparency on websites
 - Controls of websites: how to ensure the trust of the consumer on e.g. organic labels online
 - Marketing standards and labelling
- Generally a more uniform approach to e-commerce of perishable goods and food product in broader scope will be needed within the EU, and it is recommended, that the EU will take a leadership role, to bundle its internal ambitions between DG TRADE, DG SANTE and DG AGRI as well as international actors such as the OECD, IPPC, WTO to avoid a fragmented approach in initiatives.
- From a consumer perspective participation to the European Fruit and Vegetable Online Sales market is still complicated as web-shops are often hard to identify, do not appear trustworthy and “handling” of the product with regard to food safety and quality is left unclear.
- Participation of European Fruit and Vegetable traders in third countries e-Commerce trade is limited, as firstly the European access to third countries market is still limited given stagnating market access negotiations, but also given two more reasons:
 - 1. No access and transparency on online trading structure in third country markets (who are the main sellers?, no research and figures existing on real data for F&V online sales)
 - 2. Structure of the EU export trade market based on many SME operators with fragmented or often low volume shipments.
- The EU F&V does not currently have any evidence on private E-Commerce operators importing from third countries directly to the end-consumer.

How should the multilateral trade framework (WTO) be strengthened to ensure stability, predictability and a rules-based environment for fair and sustainable trade and investment?

- The fresh fruit and vegetables sector has all too often become ‘hostage’ of geopolitical and economic disputes unrelated to agri-food trade. This is the case of the Russian embargo, as well as the USA additional 25% duties which have been imposed on EU citrus exports as a result of the Airbus dispute. The sector hopes discussions towards a modernized WTO will allow for this forum to deal with these tensions effectively and fairly.
- We want to highlight the importance of an efficient and effective dispute settlement system in the WTO. The role of the WTO is also to ensure that all members respect and implement these correctly. This brings stability and predictability, which are key requirements for businesses.
- Better enforcement and concrete implementation of existing agreements is essential for fresh produce trade, notably in regard to the WTO SPS agreement and the WTO Trade Facilitation agreement, which both provide key elements of concrete trade facilitating measures.
- There is also a need for a stronger focus on border crossing operation policies and penalization of non-compliance: Any delay at border (by controls, closed control offices, unharmonized opening hours, lack of

storage capacities....) will have significant impact on quality, sell-ability and safety of perishable products. Longer waiting times will at the end be economically detrimental for the operator. In this regard, the EU should seek to push for more uniform approaches globally with regard to documentary and physical controls and trade-related documentation (including (online) transmission procedures).

- The EU should also take a leadership role to harmonize concrete implementation actions with global actors, such as the World Bank, FAO....to ensure better success and outcome of existing agreements.
