



26 May 2021

Re: Long-term impact of the Russian Embargo on European fresh fruits and vegetables should not be forgotten. Call for support from the EU fresh fruits & vegetables sector to diversify exports & promote fresh produce consumption

Honorable Member of the European Parliament,

We are taking the liberty to write on behalf of Freshfel Europe, the European Fresh Fruits & Vegetables (F&V) Association. The purpose of this letter is to recall the strong impact the 7-years old Russian embargo is still having on our sector, and to urge you to support us in our constant efforts to diversify exports to other markets & promote consumption of F&V in the EU, in order to finally manage to offset loss of the Russian market, formerly the main outlet for EU fresh fruit and vegetables exports.

The Russian embargo imposed in 2014 as a result of the Ukraine crisis has had a deep impact in European F&V growers and exporters. Roughly, the total Russian embargo had an effect of 7.5 billion USD for all countries affected, out of which 5 billion USD impacted EU agriculture, and 2.5 billion USD impacted the F&V sector. Apples and pears accounted for 50 % of this impact, but the effect was widespread among the whole of the sector given the wide range of varieties which used to be exported to our neighbour Russian market. In addition, the embargo led to high price pressure for the most affected commodities in the internal market. While the European fruit and vegetables sector suffered a high burden, several other European sectors linked to agriculture highly benefitted from this situation, selling to Russia nursery plants, seeds, technical equipment for packing station and storage, and related tools and products.

In other to counter the storm, the EU Commission swiftly responded with exceptional market measures to support the sector, which lasted until the season 2017/2018 with the provision of [Commission Delegated Regulation 2017/1165](#). The total amount of compensation for the whole period 2014 to 2018 was 510 Mio € covering 1.7 Mio T. During that same period, the lost market value was closed to 8 billion € and 10 Mio T. In the meantime, the sector has stepped-up its efforts to counter the Russian embargo effect, by promoting the consumption in the Single Market, as well as looking for new markets to diversify exports. However, neither

of these actions has so far managed to fully recover the loss from the Russian closure, formerly our first export market.

Regarding internal market, the consumption of fresh fruits and vegetables by European citizens has remained low at 350 gr/capita/day, lower than the 400gr recommended by the World Health Organisation. In the international arena, fruit and vegetables exports are still limited as they have to be granted individual, country-by-country and variety-by-variety authorizations in each third country market due to phytosanitary justifications, a crucial barrier which allowing this crucial diversification. As a result, EU exports of fresh fruits and vegetables to third countries have followed a significant downward trend in the past years (approximately -7% per year in volumes), from a peak export volume of 6.2 million tonnes before the embargo in 2014, down to 3.9 million T. in 2020, a record low.

In this context, European F&V exporters still hold the hope that, sooner or later, EU-Russia relations will be re-set, providing the opportunity for at least a partial re-opening of the Russian market for European F&V. The events of the past weeks and months are however casting a heavy shadow over these hopes. Therefore, we wanted to urge the European Parliament not to forget the Russian embargo's ongoing effect on the fresh F&V sector, and to support our endeavors to find alternatives for the sector to unlock new business opportunities, by:

- Ensuring a continuous monitoring of the long-term impact of the Russian embargo on EU agriculture and possible alleviation measures or dialogue with Russian authorities when the situation allows it;
- Supporting the fresh F&V sector in promoting consumption among European citizens in your parliamentary work in the context of the Farm to Fork Strategy, the Beating Cancer Plan and the EU Strategy on the Rights of the Child, all of which highlight the importance of healthy, plant-based diets rich in fresh fruits and vegetables. In this context, we would be more than happy to provide you with additional information about the current consumption levels of F&V in Europe and present our *Consumption Monitor* report in your Committees, together with some suggestions from the sector to boost F&V consumption in Europe;
- Supporting our sector in its efforts to open third country markets, by making the ratification of new free trade agreements conditional to the existence of a strong chapter on sanitary & phytosanitary (SPS). In future agreements, this Chapter should always



provide sufficient binding guarantees from the partner country to resolve barriers for EU F&V exporters to access these markets in the same way that access is granted to the EU market for their exports. In this regard, the sector wishes to ask the EU Parliament to prioritise the ratification of the modernized EU-Mexico Trade Agreement, in which the EU negotiators successfully incorporated crucial SPS provisions.

Many thanks for your support in this crucial dossier, we look forward to continue our dialogue with you.

Kind regards,

Philippe Binard, General Delegate, Freshfel Europe, the European Fresh Produce Association