

The purpose of quality standards and description of legal framework in the EU

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Anapa, Russia, October 2010*

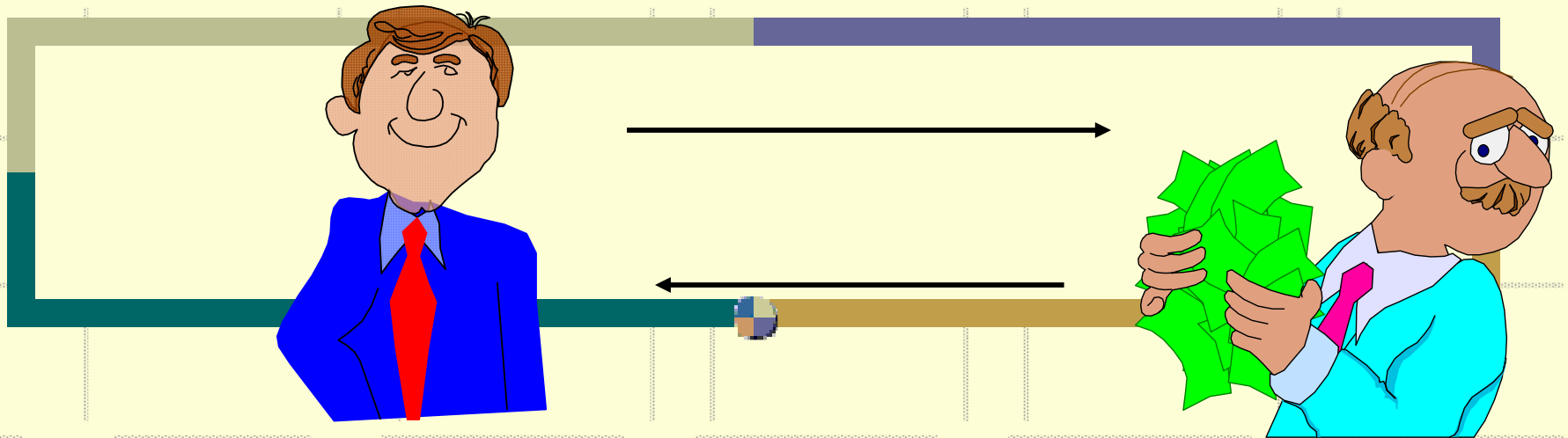




Why were standards created?

- Fruit and vegetables were being transported and traded over large distances
- Standards facilitated trade with products that could not be inspected before the business deal was made.
- Groups of growers started to cooperate in producer organisations.
- The standards, as common guidelines, helped growers offer homogenous products.

(a) Basis of a business contract



Quality standards provide a basis for business contracts.

Buyer:

The buyer specifies in the contract what he wishes to buy and bases this on the descriptions in the standard:

- Definition of product
- Quality category (as described in standard)
 - Category Extra - highest price
 - Category I - normal price
 - Category II - lower price
- Size
- Colour
- Etc.



If there were no standards buyer and seller would have to make their own descriptions of the products in question.

Arrival control of products

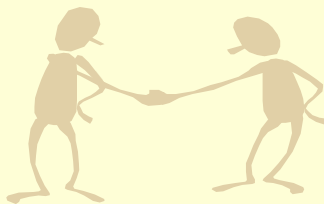
When products arrive to the buyer, he checks that he has received the products, the quality, the size etc. he ordered and that he has agreed to pay a certain price for.



Result of arrival control

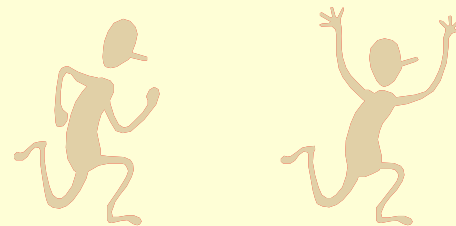
OK

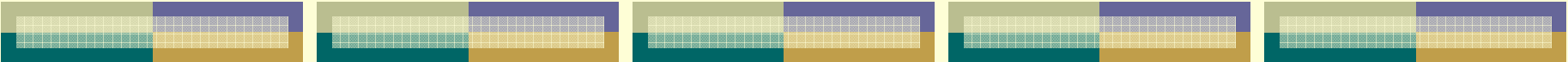
Contract is
concluded and
payment made



NOT OK

Seller (supplier) is
contacted and price
adjusted or products
returned





(b) Facilitate contact between buyer and seller


When talking about quality, set quality levels (as described in the standards) makes it easy to describe what you are talking about and avoids confusion and misunderstandings



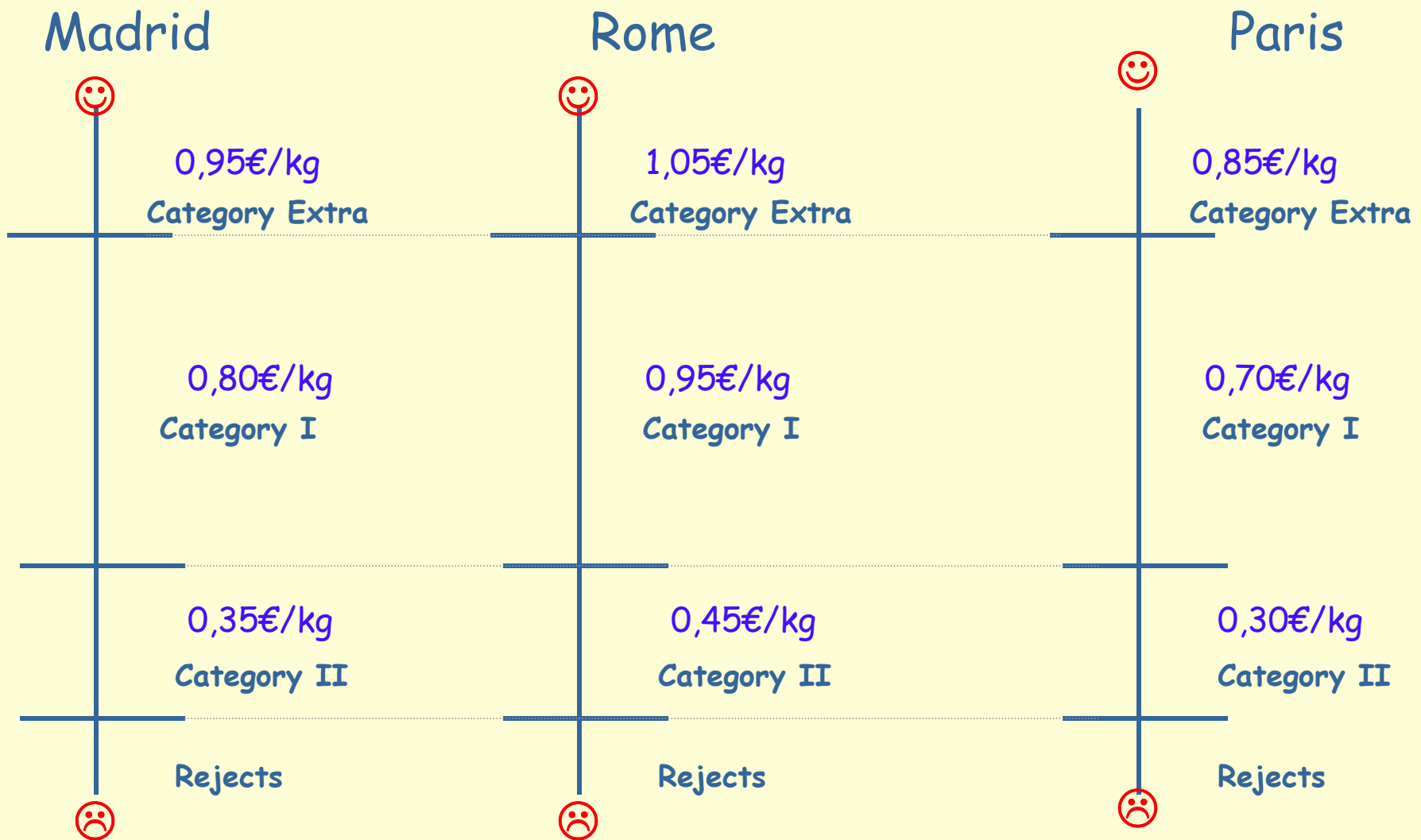


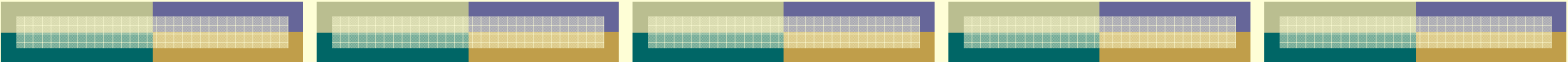
(c) Enable groups of growers to offer homogenous products to buyers

A Coop or a producer organisation must have a tool so that all producers sort their products in a similar way.



(d) Increase transparency on the market
ex – compare tomato prices






(e) Improve overall quality of products on the market

The quantity of low quality products sold on the market is reduced





(f) Increased profitability of the sector (2)

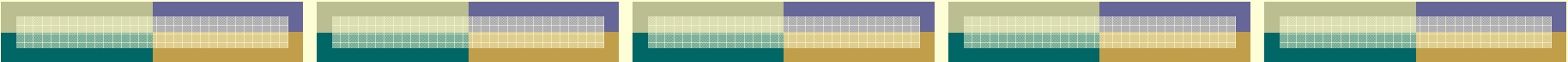
- By creating a system with different quality categories it becomes easier to get a higher price for high quality products. The result of this is:
 - Increased profitability
 - Increased incentive for producing high quality products
- 



Legal context of quality standards – national level

- UN/ECE standards are tools created to be used on a voluntary basis to facilitate trade.






Legal context of quality standards – national level

- UN/ECE standards can be incorporated into national legislation.
 - As a requirement for export of products (in order to assure a certain quality level)
 - As a requirement for both domestic market and export and import

BUT

- International trade rules do not allow higher requirements for imported produce than for domestically produced products. So it's not OK with a requirement for import but not for domestic produce.
- 



Implementation of trade standards in the European Union

Council level



Legal framework

Commission level




Implementation rules



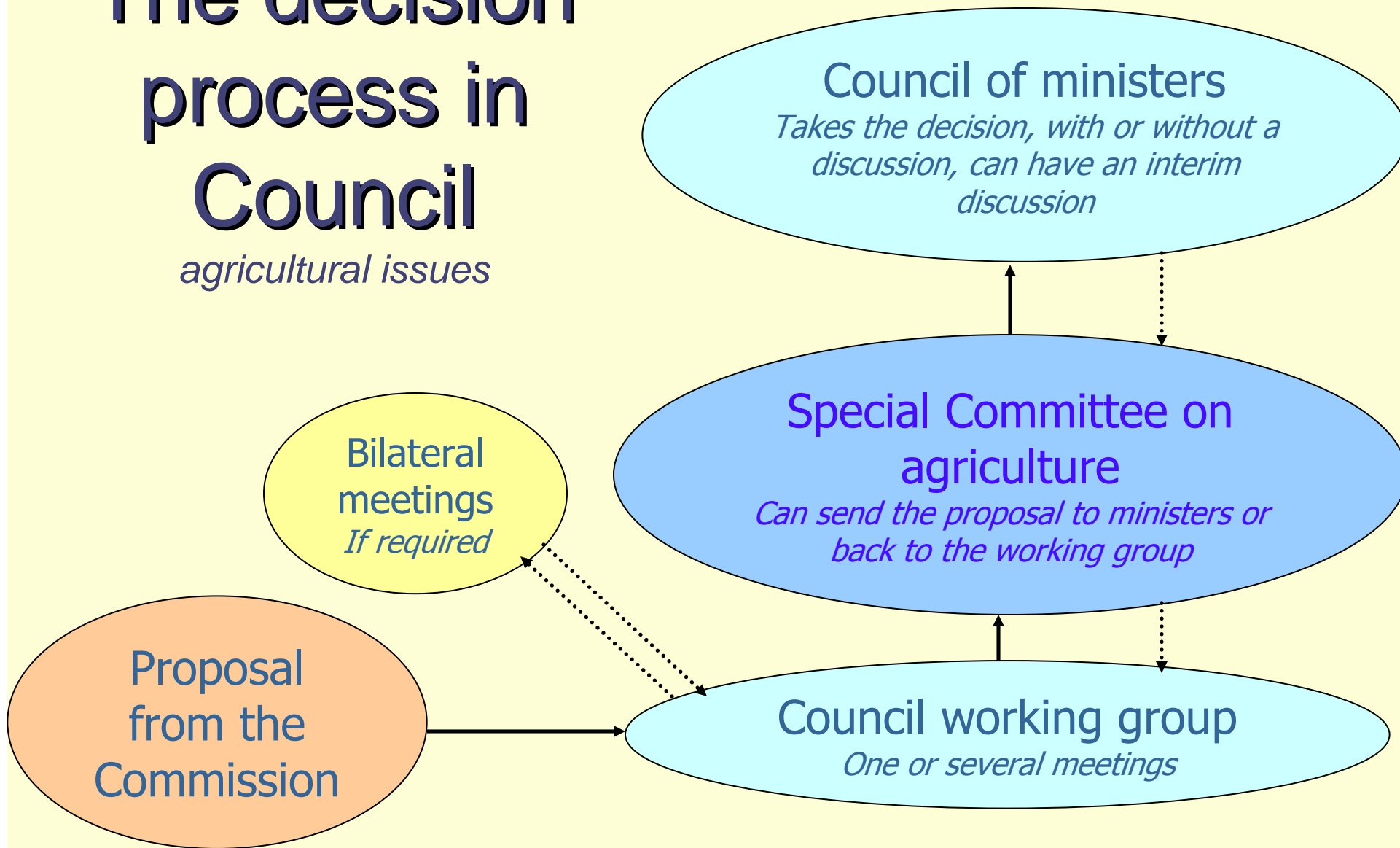


Council level

- Decides on legal frameworks
 - Leaves out all details
 - Representatives from 27 Member States
 - Chaired by one Member State at a time, for 6 months
 - Only the Commission can make proposals
- 


The decision process in Council

agricultural issues






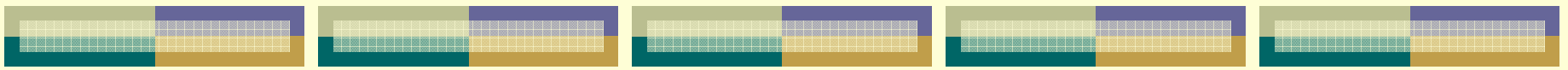
Voting in Council

- Consensus is the aim
 - A qualified majority is required for acceptance of a proposal (255 votes out of 345)
 - A blocking minority is 91 votes out of 345
- 




New, co-decision between the Council and European Parliament

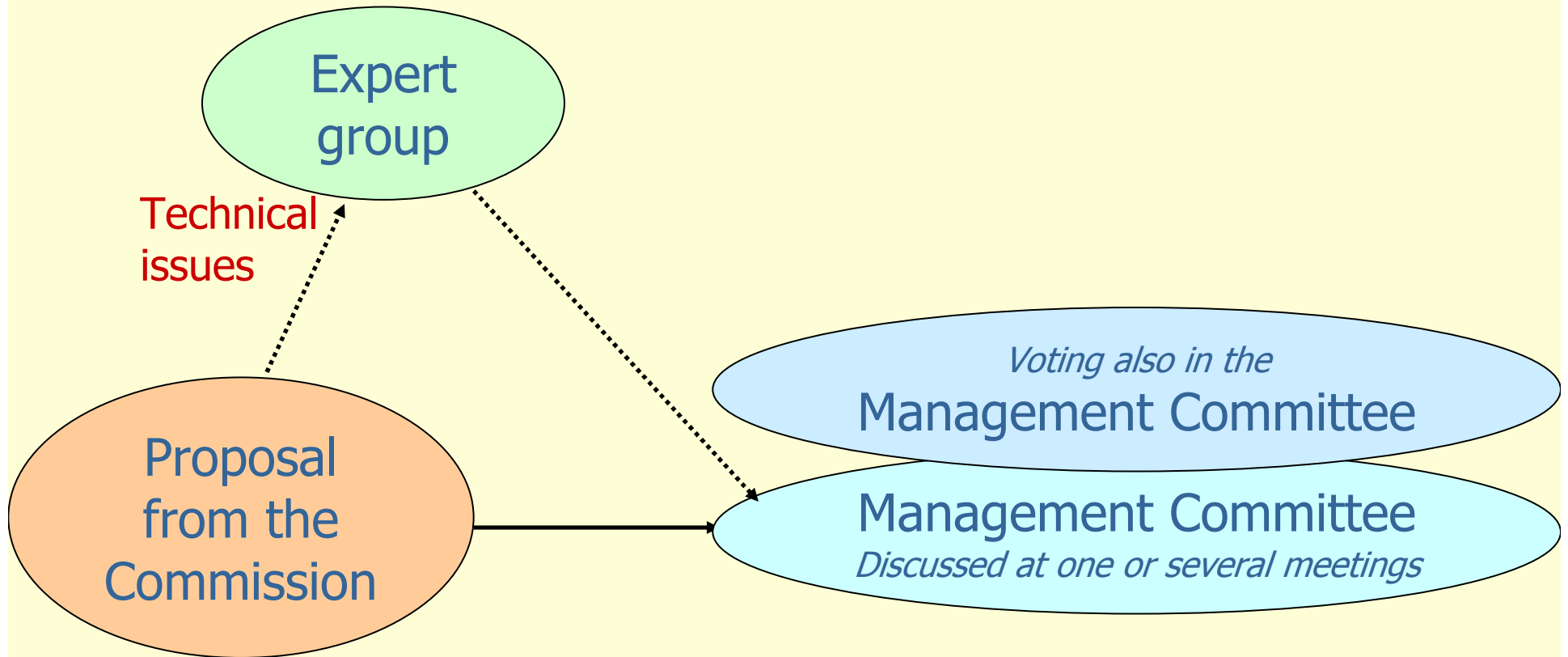
- Commission presents a proposal
 - The proposal is dealt with by Council and European Parliament in parallel
 - Both have to agree to the final decision.
- 



Conclusions, Council decisions

- Complicated process
 - Time consuming process
 - These rules are difficult to change
 - Council legislation includes only legislation which is not intended to be changed often.
- 

Decision making process at Commission/ implementation level






Voting in a Management Committee

- You can vote for, against or abstain.
- Blocking a proposal requires 255 No-votes.





Conclusions, decisionmaking in Management Committees

- A quicker and easier process than in Council
 - Easier to get enough votes for a positive decision
- 



Trade standards in the Council regulation

● Council Regulation 1234/2007

- establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)

One single regulation for all agricultural products
(meat, grain, fruit, vegetables, olive oil etc.)





Article 113

Marketing standards

1. Provision may be made by the Commission for marketing standards for one or more of the products of the following sectors:
 - (a) olive oil and table olives in respect of the products referred to in point (a) of Part VII of Annex I;
 - (b) fruit and vegetables;
 - (c) processed fruit and vegetables;
 - (d) bananas;
 - (e) live plants.



Gives the Commission the right to decide, whether to have standards for fruits and veg, and for which products





The standards referred to in paragraph 1:

(a) shall be established taking into account, in particular:

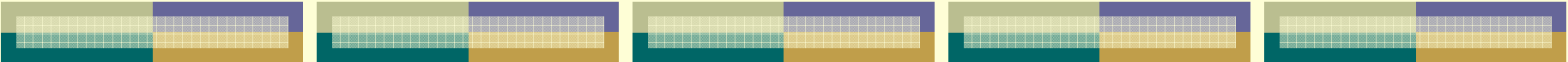
(i) the specificities of the products concerned;

(ii) the need to ensure the conditions for a smooth disposal of those products on the market;

(iii) the interest of consumers to receive adequate and transparent product information including, in particular for products of the fruit and vegetables and processed fruit and vegetables sectors, the country of origin, the class and, where appropriate, the variety (or the commercial type) of the product;



**Marking
requirements
are
specified**



(iv) as concerns the olive oils referred to in point (a) of Part VII of Annex I, changes in the methods used for determining their physical, chemical and organoleptic characteristics;

(v) as regards the fruit and vegetables and the processed fruit and vegetables sectors, the Standard recommendations adopted by the UN-Economic Commission for Europe (UN/ECE);

(b) may in particular relate to quality, grading into classes, weight, sizing, packaging, wrapping, storage, transport, presentation, marketing, origin and labelling.

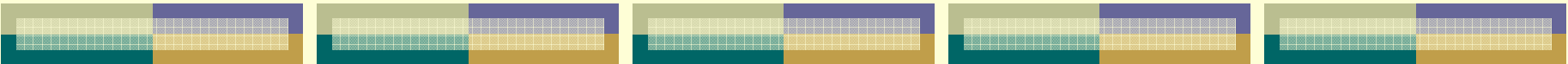


Reference to the UNECE-standards –
obliging implementation to take account of these



Sets out content of standards



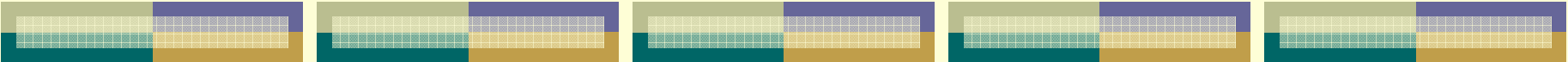


3. Save as otherwise provided for by the Commission in accordance with the criteria referred to in point (a) of paragraph 2, the products for which marketing standards have been laid down may be marketed in the Community only in accordance with such standards.



Use of
standards is
made
compulsory





Without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194, Member States shall check whether those products conform to those standards and shall apply penalties as appropriate.




**Obliges
Member
States to
check
conformity
but to apply
penalties is
voluntary**

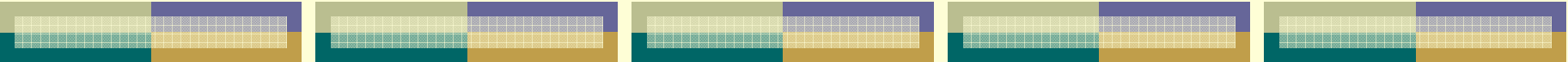





Article 113a

**Additional requirements for
the marketing of the
products of the
fruit and vegetables sector**




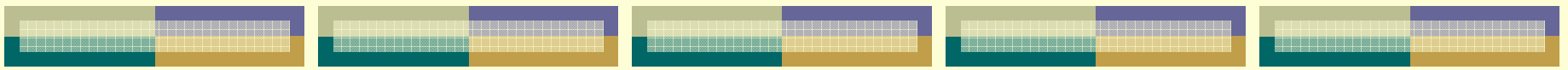


1. The products of the fruit and vegetables sector which are intended to be sold fresh to the consumer, may only be marketed if they are sound, fair and of marketable quality and if the country of origin is indicated.



Sets out a minimum quality level for all fruit and vegetables sold. Legal basis for a set of general requirements.



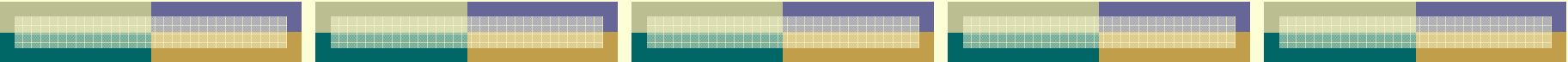


2. The marketing standards referred to in paragraph 1 of this Article and in points (b) and (c) of Article 113(1) shall apply at all marketing stages including import and export unless otherwise provided for by the Commission.



Decides that standards shall apply everywhere, from producer/ packer to shop and at import and export.



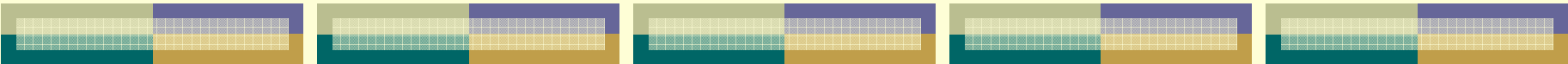


3. The holder of products of the fruit and vegetables and processed fruit and vegetables sector covered by marketing standards may not display such products or offer them for sale or deliver or market them in any manner within the Community other than in conformity with those standards and shall be responsible for ensuring such conformity.

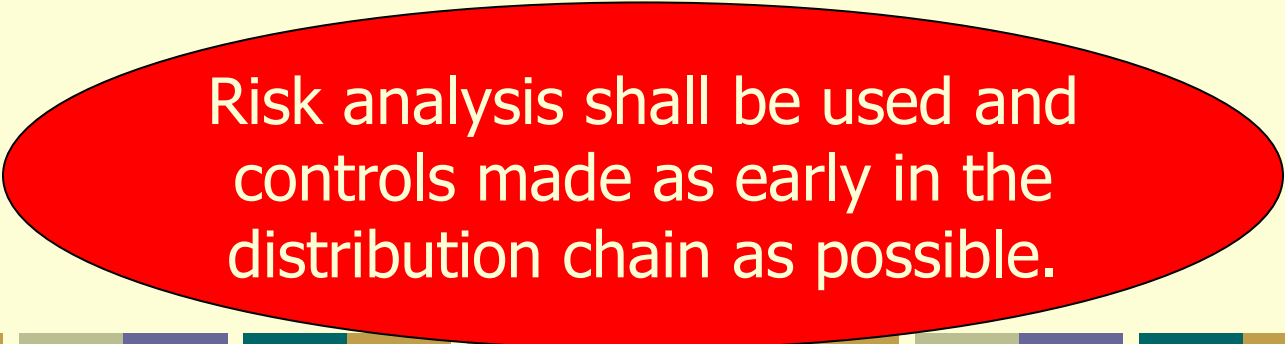


**Makes the
holder
responsible
for
conformity**

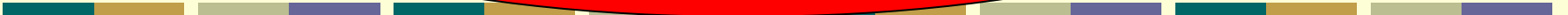




4. Further to the second subparagraph of Article 113(3) and without prejudice to any specific provisions which may be adopted by the Commission in accordance with Article 194, in particular on the consistent application in the Member States of the conformity checks, Member States shall, in respect of the fruit and vegetables and the processed fruit and vegetables sectors, check selectively, based on a risk analysis, whether the products concerned conform to the respective marketing standards. These checks shall be focused on the stage prior to dispatch from the production areas when the products are being packed or loaded. For products from third countries, checks shall be done prior to release for free circulation.



Risk analysis shall be used and controls made as early in the distribution chain as possible.






Trade standards in Commission Regulation

Commission Regulation 1580/2007


laying down implementing rules of Council Regulations (EC) No 2200/96, (EC) No 2201/96 and (EC) No 1182/2007 in the fruit and vegetable sector

One single regulation for all implementation rules for fruit and vegetables; support schemes, import rules, trade standards etc.

Articles 2a to 20 deal with trade standards and quality control




**Reference to
Council
regulations are
obsolete,
should refer to
1234/2007**






Art 2a, marketing standards - holders

- The general requirements in article 113 a 1 of the Council regulation are defined by the general marketing standard (found in an annex).
 - Gives the holder the right to apply the relevant product specific UNECE standard instead of the general marketing standard.
 - States which 10 products are covered by a product specific marketing standard.
 - Defines that a "holder" is a physical or legal person.
- 




Article 3, exceptions and exemptions

- The following products are exempted
 - Products for industrial processing and animal feed are exempted
 - Farm sales too
 - Special products sold locally (after decision by the Commission)
 - Trimmed, kitchen ready products
 - Products sent from grower/ or storage to a packing facility
 - Products labelled "products intended for processing" sold to individual consumers
 - Eight specified products (for.ex. capers, saffron, pine nuts)
- 




Article 4, on information

- All labelling shall be legible and shown obviously and indelibly on the package
 - For goods in bulk the info shall be given in an accompanying document
 - For distance contracts (i.e. Internet sales) the information shall be available before the purchase
 - States which information is required on invoices and accompanying documents.
- 



Article 5, on information at retail stage

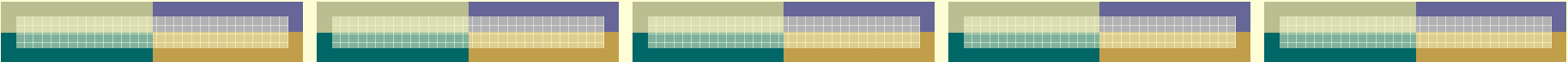
- The retailer must display
 - Prominently,
 - Adjacent to, and
 - Legibly,Information on
 - Country of originAnd where appropriate
 - Class,
 - Variety or commercial type, or
 - That products are intended for processing
 - Prepacked products shall have net weight (Directive 2000/13)
- 



Article 6, Mixes

- Information on rules for mixing products in a package and how to label these packages






Article 7, Scope of conformity checks

- States that the scope is fruit and vegetables at all marketing stages






Article 8, Competent bodies

- States that each Member State shall designate
 - One or several inspection bodies responsible for the control
 - One single authority responsible for coordination and contactsand send the address to Brussels.
- 




Article 9, trader database

- States that Member States shall establish a database on traders in fruit and vegetables
 - Defines
 - What a trader is
 - Which traders should be included in the database
 - Which information on each trader shall be included
 - States that the coordination authority is responsible for the existence and updating of the database.
- 




Article 10, Conformity checks

- States that checks shall be carried out based on a risk analysis
 - Sets out criteria for assessing the risk
 - States that traders shall be classified in risk categories,
 - And that control frequencies shall be set
- 




Article 11, Approved traders

- Gives Member States the right to authorise traders to carry out their own controls
 - Sets out the conditions for giving this authorisation, and
 - States that it may be withdrawn, and
 - That a specific label shall be used for these products.
- 




Article 12, import and export

- Import and export may only take place if the goods
 - Have a conformity certificate, or
 - Customs have info that a certificate for the lot has been issued, or
 - The inspection body has informed customs that no control is needed with reference to a risk analysis
- 




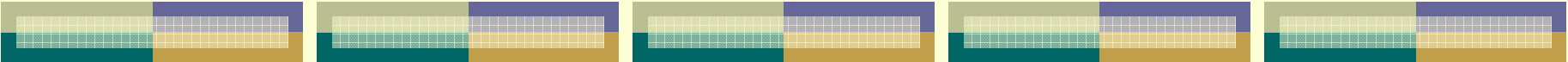
Article 12a, Conformity certificates

- The conformity certificate in Annex III shall be used
 - Third countries may have their own control certificates
 - Certificate may be in paper or electronic
 - Details on stamps and numbering
- 



Article 13, Approval of third countries

- The EU Commission may approve the export control of a third country exporting fruit and vegetables to the EU
 - Conditions for this approval
- 



Articles 14, 16, 17, 18, 19

- No longer in force





Article 15, Suspension of approval


Short,

The approval of third countries own export control can be suspended






Article 20, Method of inspection

- States that the inspection methods set out in annex VI shall be used (the annex is based on the methods set out by the OECD).
 - Conformity found – a certificate is issued
 - Non-conformity –
 - a non-conformity finding shall be issued and
 - goods may not be moved without authorisation from inspection body
 - Goods may be sent to processing or animal feed
 - Goods may be brought into conformity
 - May be marketed only after authorisation by inspection body
- 



Article 20, Communications

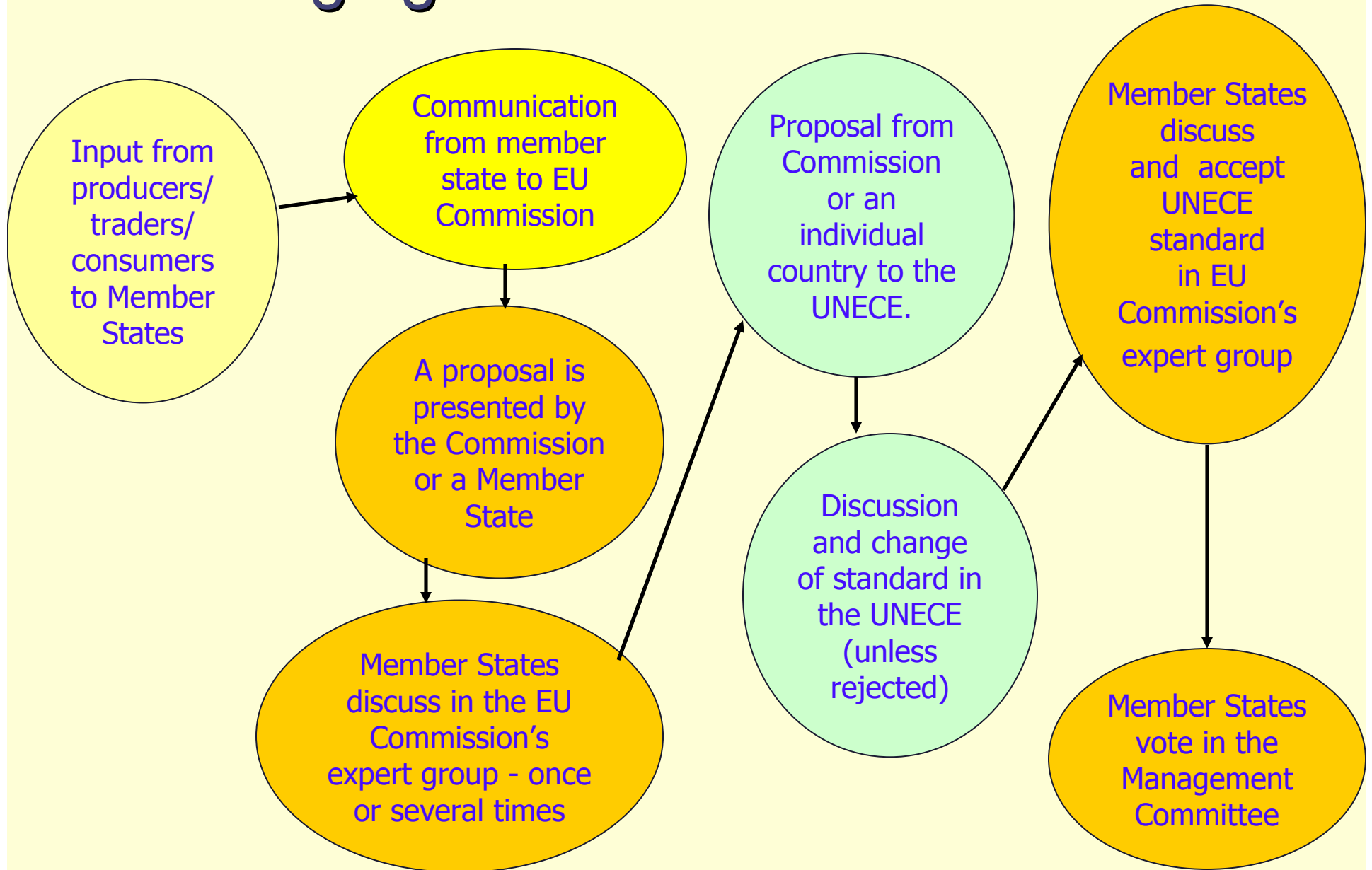
- Information shall be sent to the Commission and the country of origin when non-conformity at import is found
 - Member States shall communicate their risk assessment system to the Commission
 - Member States shall communicate results of their conformity checks to the Commission
- 



Annexes

- The general marketing standard
 - 10 product specific marketing standards
 - Label for approved traders
 - Control certificate
 - List of countries with approved export control
 - Control methods (copy of OECD-document)
- 

Changing trade standards in the EU





Changing standards in the legal text

- Standards are part of the legal text (1580/2007)
 - A legal text is issued describing the change of the standard
 - Published in the "Official Journal" which publishes all EU legal texts.
 - Then the 1580/2007 is updated with the change in a Consolidated version, which appears on the EU home page
- 