

# **Department for Environment, Food and Rural Affairs**

## **Summary of responses to the consultation held from 27 February to 24 April on the implementation and enforcement of the EC Marketing Standards in fresh fruit and vegetables as revised by Commission Regulation (EC) No 1221/2008.**

**June 2009**

### **1. Introduction**

1.1 EC Marketing Standards for fresh fruit and vegetables exist for a wide range of produce, although not all. Subject to certain exemptions they apply to all stages of distribution - import, export, packing, distribution, wholesale, retail.

1.2 The European Commission has revised the Marketing Standards for fresh fruit and vegetables. The revisions aim to harmonise, consolidate, simplify and bring some deregulation to the Marketing Standards and their application for all fresh fruit and vegetables covered by them. This has been done by introducing Commission Regulation (EC) No 1221/2008, which amends the Marketing Standards provisions of Commission Regulation (EC) No 1580/2007.

1.3 This consultation sought views about the implementation of the revised Standards and asked the following questions:

- What are your views on our planned approach to require import notification of all produce and of enforcing the General Marketing Standard at point of import?;
- As we are retaining PEACH for import notifications, are there any issues with the current system or areas that could be improved?;
- Do you agree with the risk based criteria currently used by PEACH to apportion risk status to consignments?;
- As we are retaining the In-country Risk Assessment System (ICRAS) for domestic trade are there any issues with the current system you would like to highlight or areas that could be improved?;
- Do you agree with risk based criteria currently used by ICRAS to apportion risk status to traders?;
- If you have been approved under the Approved Trader Scheme are you able to supply any information on the costs and benefits to your organisation experienced as a result of operating under the Scheme?;

- Should the Approved Trader Scheme be extended to applications from exporters and importers and if so do you think there would be much demand for participation in the Scheme?; and
- We are intending to allow the exemption from the Specific Marketing Standards for products sold at retail to consumers for their personal use which are labelled 'product intended for processing' – do you have any comments.

1.4 The consultation ran from 27<sup>th</sup> February to the 24<sup>th</sup> April 2009 and was undertaken jointly by Defra and the Welsh Assembly Government. The consultation was sent direct to 142 organisations within all sectors of the industry.

## 2. Summary of responses

2.1 We received six written responses from the following organisations:

Bangor University  
 Fresh Produce Consortium  
 Local Authorities Coordinators of Regulatory Services (Lacors)  
 Prospect  
 Sainburys Supermarkets Ltd  
 Wealmoor Ltd

2.2 Three consultation workshops were also held in different locations within England. They were attended by officials from 40 organisations representing most areas of the industry.

2.3 In addition a consultation meeting was held with representatives from the British Retail Consortium (BRC) and a presentation given at a meeting of the Defra Consumer Representative Group.

2.4 Annex A contains a list of organisations that attended the workshops and the BRC and Consumer Group meetings.

2.5 The key points raised were:

### **Specific Marketing Standards**

- There was general support, particularly at the workshops, for the reduction of the Specific Marketing Standards (SMS), although a few respondents did not want to see any change as they felt the Standards gave the industry a degree of certainty about the quality of produce.
- Some respondents noted they would like to see the remaining Specific Marketing Standards removed.

### **General Marketing Standards**

- Issues around the introduction of the General Marketing Standard (GMS) were a key concern, being highlighted in two written responses but coming through particularly strongly at the workshops i.e.
  - The main concern was the added burden and cost to industry of PEACH import notification for GMS produce. Estimates were provided that as many as 400 additional products may be brought into the GMS. Industry queried whether it would be possible to find another method for collecting the risk based information.
  - There was concern over the GMS definition and the fact that it could be seen to be subjective, which linked to concerns that the GMS could lead to different interpretations in different Member States
  - Requests were made at the workshops for more guidance on the GMS including a definitive list of what products were covered.
- There was some strong support from consumer groups for the inclusion of country of origin labelling under the GMS.
- One respondent felt that the GMS would mean the flavour of a product, rather than appearance, would become more of a priority.
- One respondent felt there would still be limits as to what is saleable under the standard e.g. a carrot with too many forks would be difficult to peel.

### **Risk Assessment**

- Respondents were content that the current risk based criteria used in ICRAS and PEACH were maintained.

### **PEACH system**

- Many industry respondents stated their concern over the robustness and reliability of the PEACH system.
- Some respondents queried whether the number of consignments that could be included on a single PEACH application could be increased as this would reduce fees paid to agents - it currently allows 4 consignments per application.
- The need to have a joined up approach between the Government Departments using PEACH and other related IT systems such as ALVS and CHIEF was pointed out. This was in addition to ensuring there was no duplication of information being provided by a trader to both the PEACH and CHIEF systems.
- Respondents, particularly at the workshops, noted their concerns over the time it took for plant health inspections to be undertaken and goods to be cleared.

### **ICRAS system**

- Some respondents at the workshops indicated that they would welcome greater guidance on the risk assessment apportioned to traders via the ICRAS system.

### **Approved Trader Scheme**

- There was widespread support for extending the ATS, although there was a query as to whether this would apply to agents and also a call for further guidance.

### **Home processing derogation**

- There was widespread support for this derogation to be implemented, although there was some concern over whether it would in fact lead to cheaper fruit and vegetables and a reduction in waste.
- There was a request from retailers for further guidance on the derogation.
- Some respondents felt that the term 'home processing' would be confusing and unclear for consumers.
- There was a general feeling that consumers would welcome the provision as it would give them more choice and could lead to less wastage.
- Some respondents were concerned this could be used to avoid the need to apply SMSs.

### **Distant selling information to consumers**

- A key concern to retailers was the practical difficulties on an online shopping site to be definitive about the country of origin of a product. E.g. the shopping 'basket' is selected in advance by the consumer and possibly picked some days later - it is not always practicable for stores to be definitive about the precise source of produce at point of sale.
- There were also requests for more guidance in this area.

### **Other comments**

- Some respondents raised the concern at the workshops that the RPAI needed the enforcement powers to ensure that defective produce is kept off the market and non compliant traders could be held to account, so the reputation of the industry could be maintained.
- Respondents were concerned that where labels needed to be amended they had a transitional period to allow old labels to be used.
- Some respondents raised concerns that the EC Entry Price System needed to be retained for the current range of products and that there needed to be a general understanding of the GMS throughout the EC to ensure prices were based on a similar standard of produce.

## **3. Governments response and the way forward**

3.1 As a result of considering the responses to this consultation exercise we are:

- Not requiring import notification via PEACH for products subject to the GMS. As an alternative an in-country risk assessment will be built up

via Inspectors' routine trader visits. We estimate this will result in substantial cost savings for industry;

- Increasing the number of consignments that could be included on one PEACH import notification;
- Implementing the home processing derogation;
- Extending the Approved Trader Scheme to those that are able to meet the criteria contained in the EC Regulations;
- Providing guidance to industry on areas of concern like distance selling, home processing derogation, Approved Trader Scheme, and a list of products subject to the GMS. This guidance will be published on the RPAI website;
- The European Commission has stated its intention to look at the Entry Price System in the near future and we have noted the industry concerns;
- RPAI are considering how they can be more transparent in regards to ICRAS and traders risk status;
- RPAI are members of the European Commission Group of Experts, along with the enforcement bodies of all other Member States, and will use this forum to highlight the need to be as consistent as possible regarding the interpretation of the GMS;
- The issue in relation to the length of time for consignments to clear plant health requirements is not an issue within the scope of this consultation, however it has been noted as a concern that needs to be explored; and
- RPAI will allow a transition period for the use of old labels.

## **Annex A**

### **List of the organisations that attended the workshops and additional meetings**

4PL	Mehadrin Tnuport Marketing UK
A1 Fruit	Minor Weir & Willis
Alfred Price & Sons Ltd	MM (UK) Ltd/Munoz
ASDA	Morrisons
Barfoots of Botley Ltd	National Consumers Federation
Booths	National Federation of Women's
British & Brazilian Producers Ltd	Institutes
CALU (Bangor University)	Norbert Dentressangle
CCG Logistics	Pauleys
Consumer Committee	Peter Gilding & Co Ltd
Co-op	PML
DARD	Produce Global Solutions Ltd
Davis Louth Ltd	Richard Hochfield & Co Ltd
Del Monte	Suncrop Produce Ltd
Dole Fresh UK	Tesco
Emmett UK Ltd	Total Produce Ltd
Fesa (UK) Ltd	Townswomen's Guilds
French Garden Ltd	Vitacress
Fresh Direct	Waitrose
Fresh Produce Consortium	Wealmoor Ltd
Fresh Produce Inspections Ltd	Western International Market
Greencell	Tenants Association
Greencell Ltd	Which?
Gs Marketing Ltd	WM Morrison Produce Ltd
Jack Blankstone Ltd	Women's Food and Farming Union
Manor Fresh Ltd	