

European Liaison Committee for the Agricultural and Agri-Food Trade

PRELIMINARY VIEWS OF EU AGRI-FOOD TRADE ON EUROPEAN COMMISSION COMMUNICATION ON FARM TO FORK STRATEGY



CELCAA, the European association representing European trade in agri-commodities and food, has taken due note of the publication on 20th May 2020 by the European Commission of its Farm to Fork Strategy. The Communication details regulatory and soft measures to achieve a more sustainable European food system and addresses responsibilities of all actors in the food supply chain.

The European agri-food trade is committed to playing its role in the fight against climate change and making the EU carbon-neutral by 2050 while contributing to the sustainability of food systems and food security in the European Union and worldwide. As a starting point, CELCAA would like to remind that international trade and global supply chains have proven their resilience and ability to ensure the provision of diversified, high-quality and safe food and food and feed ingredients, despite the hurdles linked to the Covid-19 pandemic.

CELCAA would also like to remind that the EU is the biggest exporting trading partner, representing 151.2 EUR billion in 2019 and demonstrating its crucial role in supporting the long term sustainability of the European agriculture. In parallel, the EU is second largest importing trading bloc worldwide, representing 119.3 EUR billion in 2019¹, crucial for the EU food security and agro-supply. CELCAA would like to share its preliminary assessment of the Farm to Fork Strategy.



Promote sustainability through trade

- CELCAA considers that the Farm to Fork Strategy should converge with the economic recovery of the EU post-Covid 19, including the consolidation of the EU Single Market and the EU as an ambitious trade partner;
- The Strategy fails to mention the role of the trade as a fundamental element of the food supply chain from primary producers to end-consumers. This omission means there is only a partial vision of the implementation of the strategy and and omits part of the food value chain;
- CELCAA therefore calls on the Commission and European Institutions to recognize the essential role trade plays in contributing to food security and its role in a successful transition towards more sustainable food systems;
- In today's globalized world, a holistic view of environmental footprint of food systems is necessary, taking into account international, regional and locally produced remembering that local is not always synonymous with better environmental performance;
- It should be reiterated that food safety as per EU standards is a prerequisite for a product to be placed on the market.



Food Security

- CELCAA welcomes the intention expressed by the European Commission to strengthen the resilience of the European strategic value chains and work towards a common European response to the crisis affecting the food systems to ensure food security and safety;
- Most countries are deficient in some agri-food products and commodities. Trade is therefore complementary to local and regional sources of supply in terms of food security;
- Exports play a crucial role in supporting the long term sustainability of European agriculture, while imports from emerging or developing countries provide income that in turn help them achieving food security, through local production and trade; Imports also ensure the year-round supply of seasonal products in Europe and contribute to more diversity of choice and affordable prices for consumers;
- EU trade policy shall also play a key role in building up resilience, as it contributes to developing a diversified network of trade partners, ensuring food security.

Food Waste

- Agri-food trade contributes to the fight against food waste by connecting supply with demand, making the supply chain more efficient, and by finding markets for products that would not be valorized at all or not in the most optimal way, both economically and from a circularity point of view;
- Typical examples of outlets for co-products are animal feed, pet food or bio-fuels industries.



Functioning of the European food supply chain

- CELCAA stands strongly against the proposed further extension of mandatory origin labelling to some foods. Studies and experience with ongoing pilots show that mandatory origin labelling leads to increased costs, inefficiencies along the chain and fragmentation of the single market, amounting to 'food nationalism' and protectionism;
- CELCAA welcomes the development of a contingency plan for ensuring food supply to be put in place in times of crisis, which will help coordinate efforts and actions at EU level. The Covid-19 crisis demonstrated that the EU Single market can be put at risk, and that protectionist attempts can have damaging effects on local and global markets;
- The concept of "local" shall not be identified as a national issue, as indeed cross border sales might often be the best option regarding to CO2 emissions. For example, exports from south of France may be more efficient and cost effective if they cross the border to north of Spain than to north of France. The concept of local should not be linked to distances nor to nationalism, this would clearly jeopordize the aim and function of the Single market.



Role of international standards for open and predictable trade and global supply chains

- CELCAA notes that the Farm to Farm Strategy acknowledges the role played by the EU trade policy to support the EU's ecological transition and the need to raise sustainability requirements through trade agreements;
- International standards such as OEI; FAO/WHO Codex Alimentarius, IPPC and others are at the core of a well-functioning trading systems. Promoting higher standards in terms of sustainability or environment should be agreed upon at international level to respect the spirit of the WTO agreements;
- CELCAA warns against any unilateral approach to raising standards that could lead to trade irritants, but rather calls for harmonization at international level. Raising standards globally would guarantee a level playing field amongst trading partners and would protect the competitiveness of European agri-food production and trade;
- In that context, CELCAA supports leveraging its high standards of food safety, animal welfare and protection of the environment through Free Trade Agreements and welcomes in the Farm to Fork the promotion of an ambitious sustainability chapter in any future Free Trade Agreement;
- CELCAA finally calls for an ambitious EU trade policy based on the opening of new markets as part of the Covid-19 recovery plan. Rule-based trade agreements can drive the change towards more sustainability on global stage and to obtain ambitious commitments from trading partners, and contribute to a more resilient European food system thanks to trade diversification.

CELCAA stands ready to work in collaboration with the EU institutions and all stakeholders to guarantee that EU food system and supply chain can become even more sustainable, resilient and open to trade with its partners worldwide.



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