

The Consumer Voice in Europe

European Commission Rue de la Loi 200

B - 1049 Brussels

Ref.: BEUC-X-2022-028/CPE/LRU/cm Brussels, 14 March 2022

<u>Subject</u>: Call for evidence on the application of EU health and environmental standards to imported agricultural and agri-food products

Dear Madam/Sir,

BEUC, the European Consumer Organisation, welcomes the opportunity to react to the European Commission's call for evidence on the application of EU health and environmental standards (incl. animal welfare standards and processes and production methods) to imported agricultural and agri-food products.

In the annex below, BEUC argues for coherence and consistency between the EU's food sustainability ambitions and its trade policy. Especially during a time where the EU seeks to make its own food production more sustainable, a policy supported by Europe's consumers, it is crucial food imports comply with the same rules. Only this way can the EU achieve the objectives of its Farm to Fork Strategy and the wider Green Deal.

There are precedents for such standards. The EU's own legislation on veterinary medicinal products stipulates that third country producers exporting animal products to the EU should follow some of the EU's rules and restrictions governing the prudent use of antimicrobials.

We acknowledge and underline the value of the EU's initiatives to boost food sustainability at the international level via dialogue and cooperation. At the same time, where there is no significant progress, the EU must not hesitate to go beyond such work and ensure that trading partners wanting to export food into the EU abide, where relevant, by the same rules as those that apply to EU producers.

We thank you in advance for considering our comments and remain at your disposal for any question you may have.

Yours faithfully,

Camille Perrin Senior Food Policy Officer Laurens Rutten International Affairs Officer

Annex: BEUC's view on applying EU health and environmental standards to imported agricultural and agri-food products

EU consumers deserve high sustainability standards, whatever the origin of their food

In May 2020, the European Commission published the 'Farm to Fork' Strategy to shift the EU food system onto a more sustainable path.¹ A major component of the EU Green Deal, the Strategy paves the way for greener food production and consumption. But while the EU strives for sustainable food production at home, it continues importing products that do not meet its own requirements, e. g. for pesticide use or animal welfare.

Currently indeed, imported food must only meet the EU's safety and labelling rules (cf. Art. 11 of the General Food Law Regulation (EC) 178/2002, in Section 3 on General Obligations of Food Trade²).

BEUC therefore welcomes that, in its Communication on the Trade Policy Review,³ the Commission recognised that "imports must comply with relevant EU regulations and standards" and that "under certain circumstances as defined by WTO rules, it is appropriate for the EU to require that imported products comply with certain production requirements" (notably when this is based on the need to protect the global environment or to respond to ethical concerns).

Consumers expect sustainable food production, and the EU to be proactive on it

A survey of European consumers on attitudes towards sustainable food published by BEUC found that most consumers expect the EU to continue to lead on food sustainability, regardless of whether other world players are doing the same or not.⁴ Only 1 in 5 would rather not see the EU be more proactive on sustainable food production if other world players lag behind. Similar findings emerged from a Eurobarometer poll which found that 87% of Europeans agree that the EU should be more proactive in promoting food sustainability worldwide.⁵ In another EU-wide poll of citizens on attitudes towards animal welfare, 93% of Europeans agreed that 'imported products from outside the EU should respect the same animal welfare standards as those applied in the EU'.⁶

Capturing the support of EU farmers

Ensuring coherence and consistency between the EU's food sustainability ambitions and its trade policy is **vital to foster acceptance and support for these ambitions within the EU farming community**. Some EU farmers' reluctance to moving towards more sustainable production practices in the EU can be explained by the fear of being exposed to unfair unsustainable competition from third countries. While this concern might not resonate well at the level of the World Trade Organisation (WTO), it is an important element to consider in a 'Just Transition' approach at EU level.

¹ European Commission, <u>'Farm to Fork' Strategy for a fair, healthy and environmentally friendly food system</u>, 20 May 2020.

This article provides that "food and feed imported into the Community for placing on the market within the Community shall comply with the relevant requirements of food law or conditions recognised by the Community to be at least equivalent thereto or, where a specific agreement exists between the Community and the exporting country, with requirements contained therein."

^{3 &}lt;u>https://trade.ec.europa.eu/doclib/docs/2021/february/tradoc_159438.pdf</u>

⁴ BEUC. <u>One bite at a time: consumers and the transition to sustainable food</u>. Analysis of a survey of European consumers on attitudes towards sustainable food. June 2020.

⁵ Special Eurobarometer 505. *Making our food fit for the future – Citizens' expectations*. October 2020.

Special Eurobarometer 442. <u>Attitudes of Europeans towards Animal Welfare</u>. March 2016.

Avoid displacing pollution to other parts of the world

Coherent EU policies on food and agriculture and on trade are also **crucial to avoid leakage of pollution** to other world areas – a risk that was highlighted in the Joint Research Centre's modelling study for four quantitative targets (on pesticide use and risk reduction, etc.) put forward in the Farm to Fork and Biodiversity Strategies.⁷

Avoiding the displacement of pollution to other parts of the world in the food area would also be consistent with EU policies, such as the proposed carbon border adjustment mechanism for goods such as cement and electricity generation.⁸ This is even more relevant given that the EU is the world third biggest importer of agri-food products: EU27 agri-food imports attained €94.2 billion in 2021.⁹

No need to reinvent the wheel: precedents exist

The EU should follow the example of its own legislation on veterinary medicinal products, which **sets a precedent for 'mirror clauses'**. According to the updated law, which was adopted in 2019 but has only applied since January this year, ¹⁰ third country producers exporting animal products to the EU should follow some of the EU's rules and restrictions governing the prudent use of antimicrobials. Sadly, the European Commission is yet to adopt the implementing measures required for the new rules on imported products to become effective. Considering this delay (the delegated act was due by 28 January 2022), the French government decided it will prohibit the import and placing on the French market of meat and meat products from animals treated with growth-promoting antibiotics as from 22 April 2022. ¹¹

Reciprocity in standards is gaining traction, not only in Europe

In fact, **the concept of standards reciprocity in trade is gaining traction**. In June 2021, the US notified ¹² WTO about California's proposed ban on cages (if adopted, the measure will ban cages for laying hens, pigs, and calves, as well as sales of products derived from cage-based productions, regardless of their origin). And in the context of the EU-Mercosur trade deal, the EU has for the first time introduced duty-free access for shell eggs from production systems certified to comply with EU applicable animal welfare standards. ¹³

The farm to Fork Strategy foresees that the EU will "strive to promote international standards in the relevant international bodies and encourage the production of agri-food products complying with high safety and sustainability standards". The EU is also engaged in various "dialogues" with its trading partners to boost cooperation on food sustainability issues. Yet, we believe that **in the absence of any significant progress, the EU must not hesitate to go beyond work in international standard-setting bodies and cooperation and dialogue** to effectively ensure that trading partners wanting to export food into the EU abide, where relevant, by the same rules as those that apply to EU producers. For instance, it is concerning that, despite the major global health threat posed by antimicrobial resistance, the Codex Alimentarius Code of Practice to Minimise and Contain Foodborne Antimicrobial Resistance last revised in 2021 failed to fully discourage the practice of using antibiotics for growth promotion ¹⁴ – and that, as a result, some of the EU's trading partners have criticised the EU's new restrictions on veterinary antimicrobials, arguing that the measures will affect international trade. ¹⁵

Barreiro Hurle, J., Bogonos, M., Himics, M., Hristov, J., Perez Dominguez, I., Sahoo, A., Salputra, G., Weiss, F., Baldoni, E. and Elleby, C., Modelling environmental and climate ambition in the agricultural sector with the CAPRI model, EUR 30317 EN, Publications Office of the European Union, Luxembourg, 2021, ISBN 978-92-76-20889-1 (online), doi:10.2760/98160 (online), JRC121368.

For more info: BEUC. The consumer checklist for fair and efficient carbon pricing. October 2020.

https://ec.europa.eu/info/sites/default/files/food-farming-fisheries/trade/documents/monitoring-agri-food-trade sept2021 en.pdf

Regulation (EU) 2019/6 on veterinary medicinal products. See Art. 118 on *Animals or products of animal origin imported into the Union*.

https://agriculture.gouv.fr/la-france-interdit-limportation-et-la-mise-sur-le-marche-en-france-de-viandes-et-produits-base-des

¹² See <u>notification</u> to WTO.

https://trade.ec.europa.eu/doclib/docs/2021/july/tradoc 159728.pdf.

Codex Alimentarius. Code of Practice to Minimise and Contain Foodborne Antimicrobial Resistance. CX 61-2005. Whereas the EU banned all uses of antimicrobials for growth promotion to tackle antimicrobial resistance, the Codex Alimentarius CoP still recognises the use for growth promotion of "antimicrobial agents that are not considered medically important" as compatible with the "responsible and prudent use" of antimicrobials.

¹⁵ https://www.wto.org/english/news_e/news18_e/sps_12jul18_e.htm.

Taking inspiration from the General Food Law (section 3 on General Obligations on Food Trade), the EU should seize the opportunity of the future Sustainable Food System Framework initiative to **introduce some general trade obligations to foster strong coherence and alignment between EU policies on food and agriculture and on trade**. Concretely, such provisions could foresee a revision of existing EU legislation to include 'mirror clauses' ensuring that relevant requirements also apply to food imports. Alternatively, where more appropriate, special conditions for preferential market access could be included in future EU trade agreements (to condition it to compliance with certain requirements, e.g. production methods). ¹⁶

Limits of 'mirror clauses'

There is a fine line between 'mirror clauses' and protectionism. Consumer organisations support a **strong rules-based multilateral order** and adherence to WTO rules. As such, any 'mirror clause' contemplated by the EU will have to be compliant with WTO rules. ¹⁷ Eventually, we wish to stress that the reciprocity of standards in agri-food trade is only one instrument towards achieving a sustainable food system in the EU. EU production is by no means always synonymous with "sustainable", and **much more needs to be done to transition towards sustainable food production and consumption in the EU.**

In the context of the EU-Mercosur trade deal, the EU has for the first time introduced duty-free access for shell eggs from production systems certified to comply with EU applicable animal welfare standards. See https://trade.ec.europa.eu/doclib/docs/2021/july/tradoc_159728.pdf.

Still, as we previously wrote, a reform of the WTO is needed that includes a sustainability angle. See: BEUC. <u>Trade policy review - BEUC response to public consultation</u>. September 2020.