



Confederation of Danish Industry



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ARAB-EU business network

WG1: Access to the EU market

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1. INTRODUCTION

1. The Arab countries, excl. Turkey and Palestine have a trade deficit vis-à-vis the European Union that amounts to EUR 2.5 billion per year with regard to food. The deficit is among other a result of the demands that exporters are met with from the European Union and a lack of access to concurrent information on changes in the demands.

2. At the kick-off conference held in September 2010, the group of representatives from Arab-EU network identified the following focus areas that would aid in increasing exports to the European Union:

- Up-skill enterprises
- Packaging, quality, labelling, shelf life
- SME's & not large companies
- Private Public Partnerships

2. PURPOSE

1. The overarching objective is to achieve sustainable economic growth and development in the agricultural and food sector in the Greater Arab region by bringing down the costs and risk of exporting to the European Union.

2. The specific focus will be identifying measures that will enable exporters:

- To prove that they live up to the complex and often unpredictable phytosanitary and sanitary rules and regulations in the European Union
- To comply with the labelling scheme existing in the European Union

3. MAIN DELIVERABLE

1. The main deliverable by Working Group 1 is to seek enhanced access to the European market for exporters of agricultural and food products originating within the greater Arab free trade area.
2. The WG will work towards this goal using a variety of policy advocacy tools starting from the development of a position paper that will provide the foundation for the development of a policy strategy that eventually will be implemented by the WG following the acceptance by its members.

WG1: Access to the EU

Phytosanitary and sanitary issues

1. Traceability (eg.: Dairy products): EU should acknowledge traceability schemes on a company level rather than at a country level
2. Collective vs individual punishment (eg.: Brown rot in potatoes, aflatoxin in nuts, Mediterranean flies, pesticide residues in vegetables and fruit): Bans and lockouts should target the individual exporter rather than the country of origin.
3. Proper notification period: EU should provide advance notification of changes relating to standards and administration
4. Subjective vs. fact based interpretation of rules and regulation: EU should apply same interpretation of standards
5. Rejection based on “precautionary principle”: EU/country in question should enter into a dialogue prior to applying the precautionary principle

Labelling

1. Limit the mandatory number of languages to three
2. Standardization of nutritional information on packages

Sub Themes

1. Dairy products (cheese, yoghurt, milk)
2. Meat Products (processed meat and poultry)
3. Processed agrofood (canned, jarred, frozen, dried, vacuum)
4. Agrofood / fresh produce (vegetables, fruit, roots)
5. Oil products (olive and vegetable oil)
6. Wheat / processed products of wheat (pasta, confectionary, cookies, bread, flour)

Why is access to the EU market important!

Country (2009)	Foodstuff export to EU-27 (\$ USD mio.)	Share foodstuff of total export to EU-27	Share foodstuff export to EU-27 of total foodstuff export	Share export to EU-27 of total export
Algeria	45,3	0,2 %	40,2 %	51,3 %
Egypt (2008)	694,3	7,5 %	26,2 %	35,4 %
Jordan	36,6	21,6 %	4 %	2,7 %
Lebanon	36,7	8,1 %	9,4 %	13 %
Libya	1,3	0,005 %	13,6 %	75,4 %
Morocco	1983,82	21,7 %	67,3 %	65,7 %
Syria (2008)	29,1	0,6 %	1 %	35,6 %
Tunesia	294	2,8 %	40,3 %	73,8 %

Source: International Trade Center
Based on COMTRADE statistics

What to achieve in the working group session!

Objective:

- Draft a position paper that can be submitted to stakeholders to advocate for reforms

Method:

- List all barriers/challenges to access the EU market
- Categorize and prioritize
- Identify 3-5 common main barriers/challenges across the region
- Analyse and secure valid data on the 3-5 main barriers/challenges
- Draft position paper by using a projector so all can give comments and participate.

Next steps:

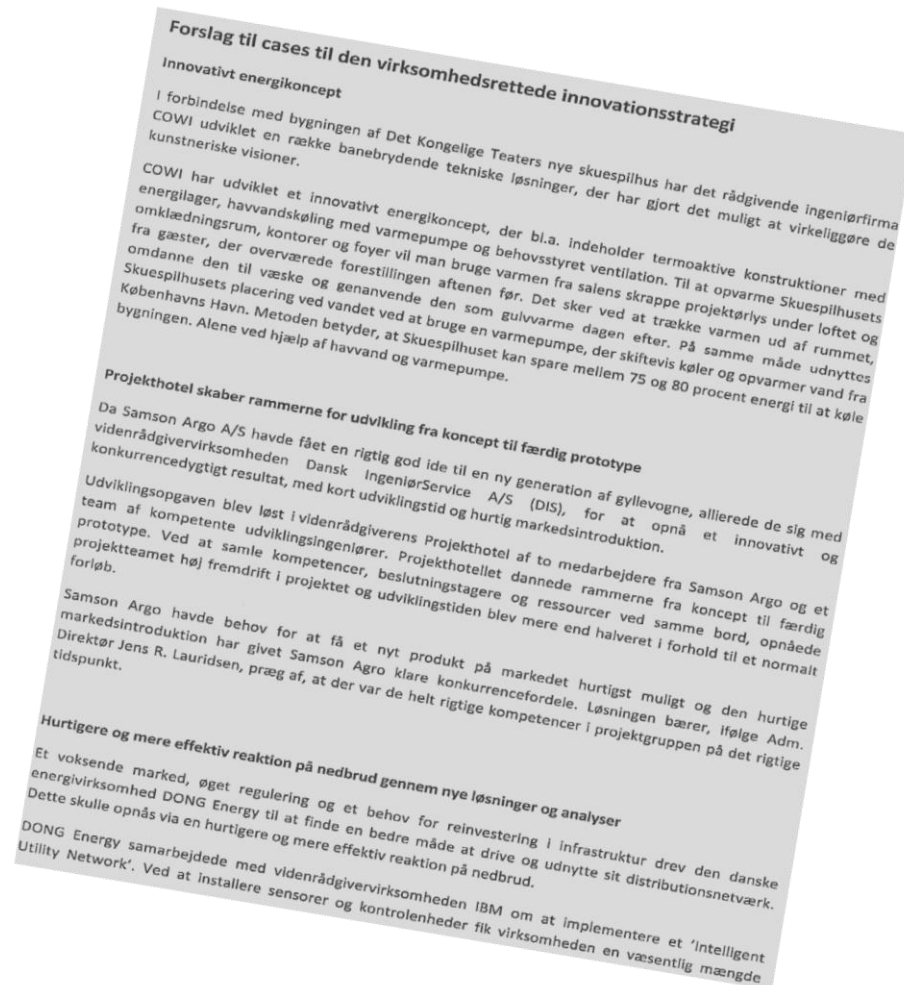
- Agree on road map and actions to take before next meeting

Example of challenges/barriers

- Multiple languages required on food labeling More than 3 leads to higher costs and limited surface for labeling
- EU bans on macro level is hampering exports. Especially since traceability is possible on micro level
- Change punishment level form country level to company level (ex. Egyptian potatoes)
- Gradual upgrading on SPS standards (diary) from micro level to macro level rather than requiring SPS standards on macro level from start
- Targeted aid from the EU towards upgrading the veterinary control needed to facilitate export (Algeria)
- ..
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Policy position paper

- Executive Summary
- Introduction
 - Key challenges
 - Missed opportunities
- Relevance and Importance of the Issue
 - Analysis of challenges based on the data collection
- Recommendations



Draft recommendations

1. Bring the system of sanitary and phytosanitary standards into conformity with EU law
2. Cancel requirements for obtaining approvals, certificates, conclusions and other documents, which are not necessary in the EU legislation. Shorten the time period needed for issuing documents for food producers
3. Ensure transparency of activities of authorized bodies through mandatory planning of measures on control and supervision.
4. Reduce the number of laboratories to a minimum acceptable number and provide the laboratories with technical equipment
5. Improve the legislation on product labeling and bring it into conformity with the new EU legislation on labeling