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Bruxelles, 4st April 2011

COPA-COGECA CONTRIBUTION TO THE COMMISSION WORKING DOCUMENT ON THE NEW PLANT HEALTH REGIME

Copa-Cogeca is pleased to provide an additional contribution in view of the impact assessment study of the new Common Plant Health Regime (CPHR).

Copa-Cogeca intend to present additional comments regarding the policy options presented by DG SANCO in the working document (PHY(11)466 (rev.2) prepared in view of the plant health working group held in Bruxelles on 18th February 2011.

Furthermore, Copa-Cogcea would like to stress that this document builds up on previous contribution papers.

1. Modalities of EU co-financing of losses

Agriculture in its broadest sense deals with elements that are so fundamental to the public interest, plant health and public health that it should be largely accepted that public intervention and support must be available and reliable. It is the farmers' responsibility to ensure that their production is safe and done according to all the regulatory requirements (including those on plant health). However it is the public authorities' responsibility to ensure that the products respect EU legislation.

Farmers, including forest producers, cannot be left alone to assume entirely the responsibility for and the cost of measures to control the spread of harmful organisms and their consequences. Quite often, despite appropriate preventative measures, farmers are faced with threats over which they have little, and in most cases, no control (e.g. pine wood nematode).

Plant health is clearly a public interest as food security. The production of high quality and safe food, as well as the protection of our fruits, vegetables, forests, ornamentals and public green is a comprehensive service to society in all EU Member States.

It is important to invest public money on combating harmful organisms:

- This is about preserving plant health, food safety and food security at EU and MS level. Governments have always played an important role;
- Farmers and forest producers assure ecosystems services such as maintenance of biodiversity, protection against floods, fires, and carbon sequestration;
- Over time this improves the sustainability of interrelated sectors, such as primary production, the processing industry and food and non-food chain distribution;
- It protects rural areas and tourism by preventing plant health disasters;
- Even with the best biosecurity measures in place, private operators like farmers, growers and forest producers cannot always prevent an outbreak;
- Climate change is increasing the risk of plant diseases and pests development and spreading;
- The EU is promoting free trade; open borders can mean increased disease risk;
- Globalization is on the increase, travelers can accidentally spread harmful organisms;
- The economic consequences of an outbreak can be devastating for the whole sector, even more when it directly leads to restrictions on imports and exports of plant materials.
- It is important to detect disease circulation at the earliest possibility to avoid further spread and to limit costs;

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¹ PHY(11)466 (rev.2)

Given the diversity of the sectors covered by the plant health regime, it is important to ensure a flexible and wide range of tools at the disposal of farmers and forest producers. However, this flexibility should ensure sufficient guarantee of prevention and a common playing field for all growers, farmers and forest producers at EU level.

The experience with **insurance and mutual funds** within the CAP (Reg. (EC) 73/2009 Art. 70 and 71) is still very limited. Provided some improvements², Copa-Cogeca welcomes the use of risk management tools on a voluntary basis.

Copa-Cogeca welcomes the need to revise the current **financial framework** since it has been highlighted over the years several mismatches between available resources and targeted actions. When discussing the possibility of **broadening the scope of the solidarity regime** to cover losses to private operators represented by producers, growers and forest producers, it is important to bear in mind that this might have a significant financial impact both at EU and MS level. A prudent approach is needed. It is important to consider the costs of such possibility with the real benefits for farmers.

Copa-Cogeca would never support, in principle, any direct link to the Common Agricultural Policy which could lead to a possible cut to the agricultural budget. It should be reminded that the CAP does not apply to all agricultural sectors covered by the plant health regime.

For some MS the solidarity regime does not represent an important priority since they do not receive a great deal of money through it, while for other Member States, it could represent an important financial resource. We need to ensure that further expansion of the system does not distort competition across Member States and between sectors (agricultural, ornamentals, forestry, horticulture).

Considering the long list of harmful organisms (250 HOs) in the current Directive, Copa-Cogeca would favor the possibility of covering losses of farmers/growers/ forest producers on a case by case approach. It is important to prioritise actions identifying why, what, how and when the compensation of the loss to the private operator should be envisaged.

We would be in favor of providing further assistance aiming at preventing further spreading of harmful organisms across the EU MSs. In particular, some of the criteria to be used as basis for the financial contribution of private losses might be:

- The presence of the HO on the National/EU territory (e.g. well established or a new HO?);
- The economic impact of the HO in the relevant sector;
- The availability of alternative financial compensations;
- The level of biosecurity measures in place at the farm level;
- The availability of up-to-date preparedness plans at the national level;
- The emergency actions in place from the very beginning;

Compensation should be primarily focused on direct costs and losses at the farm level as well as all necessary costs to resume an economic/production activity.

Cost responsibility sharing³ - Before the details of any Cost and Responsibility Sharing Scheme can be discussed seriously there is need to have a debate at EU level on the priorities between disease/pests control and the functioning of the internal and international markets. We are of the opinion that without effective import controls from Third Countries, and control zones within the EU, farmers and forest producers will be unable to prevent the entry of HOs on the farm.

National biosecurity and control measures should be encouraged. They should be prepared in close collaboration between authorities and stakeholders. All partners should be aware of their responsibilities not only under emergency actions but also in a proactive manner. Preparedness plans should be regularly checked and updated according to new scientific information as well as

² The WTO green box rule of the 30% threshold is often too high to achieve for many crops and this makes it unattractive for many farmers.

³ For instance, bonus-malus systems.

experiences in practice. However, their efficacy may well be limited since some harmful organisms can also come from sources beyond the control of farmers.

The aim of cost responsibility sharing scheme should be "better regulation" and not impose extra costs for growers or forest producers for disease control or for consequences that s/he was not able to prevent. It is important that where the sector is able to manage biosecurity through private standards, new EU legislation does not add further administrative burdens.

A bonus-malus system is welcomed between the European Commission and the Member States even though this should not endanger the level of compensation at the farm level. The implementation of such system, if put in place for a list of pest and diseases, needs to be harmonised to avoid further distortions of competition at EU level;

- The implementation of such a system should ensure that special disease status at regional or MS level are fully respected;
- The scheme should provide incentives at farm level for the implementation of good biosecurity schemes;
- The contributions (%) from the EU to a given Member State should be fully harmonised;
- Possible introduction of a so called bonus malus system should be sector related;
- As regards the national contributions, it should be up to the sector to decide how to arrange its financial contribution. The aim should be to improve flexibility of financing at national level:
- Other partners and operators outside of agriculture (e.g. tourism operators) should be part of the system, since they play an important role in risk limitation/reduction;
- The sector should be credited for the work already carried out in the area of biosecurity and combating plant diseases on farm;
- The scheme might also be linked to biosecurity measures and health status of the farm, but it is important that it remains an incentive for the farmer to report diseases as early as possible;

Cost-sharing should also mean responsibility sharing. Private sector, whose role is highlighted in import from third countries, and authorities should co-operate to solve plant disease problems. More simplification is needed and target orientated legislation is a prerequisite for effective action.

Measures to prevent, monitor or fight harmful organisms need to be adopted by everyone, across the board, irrespective of the kind of stakeholder. Everyone is responsible. All measures shall be regulated and harmonised in all Member States in order to ensure efficiency and quick implementation.

2. Rearrangement of the EU plant health and plant reproductive material regimes in relation to harmful organisms

Economic criteria and simplification procedures should be taken into account when deciding on adjustments between the CPHR and the S&PM regime. Any adjustments need to be practical, cost-effective and reduce administrative burden, without endangering the role of private operators currently foreseen in the S&PM regime.

There should be no negative impact from such adjustments for growers which do not have S&PM in their production. Provisions and requirements specific for S&PM that have no positive impact on CPHR should stay specifically for S&PM and vice versa.

As point of reflection, one possible adjustment could be to regulate all IIAII organisms in the S&PM regime. This will shorten the list of Q-organisms. We also suggest to explore the possibility to regulate the NRQP's in the S&PM regime.

3. Revision of the plant passport system

The Plant Passport system (PP) should be harmonized and simplified without endangering the reliability of the plant health regime in the European Union. Only an equal system in all MSs ensures a common level playing field within the EU.

An adequate use of codes should avoid misinterpretation and even misuse. The information required in the passport should reduce administrative burden and not overlap with any other information required by other legislation⁴.

Copa-Cogeca asks to keep a mandatory plant passport system only for business to business transactions on level of single trade unit.

Introducing plant passport obligations to individual smallest units of plants used in trade can have serious impacts on logistics and related costs. Trade unit should be well defined. No obligations should foreseen for individual plants.

Copa-Cogeca opposes the possibility to expand plant passport obligations which currently apply only to protected zones or to demarcated areas to the entire EU territory. This will lead to more controls, extra costs and excessive burden when it is not needed.

It should be reminded that the plant passport system should not be seen as a traceability tool. On this specific aspect, it is up to the private sector to ensure that products are fully traced along the food supply chain. Several systems of traceability are already in place along the agri-food and ornamentals chain and any overlapping should be avoided. Plant passport needs to provide proper info on the plant health status regardless of the origin.

Copa-Cogeca would not support the idea of merging the visual inspection based plant passports of the CPHR with the sampling and laboratory based health certificates of the S&PM regime. This would have a huge impact on time needed for inspections and related costs.

A risk-based routine monitoring of holdings should be fully considered.

Costs payable by private operators for plant health checks and plant passports vary a lot between MS; from 100% chargeable to private operators to 100% chargeable to the government. This leads to a distortion of competition in the EU. A more harmonised system in all MS is necessary to achieve a common level playing field within the EU.

We welcome more transparency and involvement of private operators on the plant health status of different Members Sates at the early stage.

Copa-Cogeca would welcome further alignments of the EU system to the IPPP system. Definitions should be harmonized at international level in order to simplify and standardize actions as part of new the plant health regime.

Background information on the plant passport system

- In the majority of cases, operators use a computer system to manage their business and to
 produce several documents including plant passports. For some producers, however, the
 documents are still provided by the competent authority.
- It should be clear that any changes to the current computer system should not bring extra costs to private operators. The agricultural sector is very diversified across sectors and in terms of farms' size. The computer system is different from ornamentals to vegetables and forest reproductive material.
- It is often the case that operators systematically issue replacement passports whenever a lot of passported plants they have bought, is split into smaller lots for resale to the next link, but this happens always within the B2B trade chain.

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⁴ e.g. for forestry, legislation on Forest Reproductive Material.

- In certain circumstances, operators may not be able to distinguish between shipments of a given species to a protected zone or outside a protected zone.
- It might be possible that in some circumstances the operators use their own format for plant passports, and not the format recommended by their competent authorities which is not compulsory.

4. Revision of the protected zones (PZs) system

Copa-Cogeca support the idea of improving the system of PZ, strengthening credibility within the EU and with respect to third countries. This has to be done in line with the plant passport revision. Under the present conditions, there is no justification for maintaining different requirements for a particular HO within MS.

Within this concept we do agree with an obligation to eradicate hazard organisms within a certain period after an outbreak.

Alternative regionalization concepts should be examined by taking into account the improvement of controlling certain HOs or facilitation of the export towards third countries.

5. Revision of the import regime in relation to high risk trade

Copa-Cogeca invite the European Commission to carefully consider the possibility to introduce a post-entry quarantine for latent harmful organisms which cannot be detected visually or within the timeframe of normal import procedures.

A post-entry quarantine system has different difficulties of implementation:

- Locations (where and how?), to which distance from infected production area?
- High costs of maintenance;
- Impact on quality are plants still tradable after the quarantine period?
- Impact on trade (e.g. a considerable delay at import before the material can be sold)
- Impact on non Q pests & disease spread (e.g. occurrence of other Harmful Organisms when storing many plants together on a small surface).

It is difficult to keep HOs in a quarantine storage system after the introduction in the European market. Adequate storage cannot be guaranteed thorough official quarantine measures. Building quarantine systems as greenhouses or proper storage systems will cause a lot of costs to private operators which are not covered by the market. In addition to this, there is need to have a decentralised monitoring.

When dealing with live plants there is very little room for *manoeuvre* before the quality of the plant is compromised. This should be recognised.

Introducing a strategy for high-risk commodities is a more likely approach. New trade of imported plants for planting grown outside the EU has shown to be a major source of introduction of new pests and is extremely difficult to contain. Imports restriction of specific groups of high-risk commodities needs to be considered. Their respective import requires a case-by-case authorization on the basis of a Pest Risk Assessment (targeting a full pest list from the country of origin).

The exact group or high-risk commodities should not only be defined through scientific studies but also together with relevant stakeholders in EU and third countries. Another possibility is to explore such approach in the framework of partnership agreements with countries of origin. In this case, collaboration of EU with third countries should be encouraged and improved. The goal should be a common understanding of the risks and possible consequences.

We wish to highlight the issue of illegal imports of seeds from third countries, namely unlisted varieties (i.e. vegetables) and false declarations of uncertified seeds (i.e. grass seed imported as bird feed). A stringent control system for all imported products is needed. Illegal trade from countries which do not comply with EU plant health and food safety standards should be stopped. Illegal trade in fruit and vegetable and horticultural seeds and propagating material threatens the health of plants and destroys the delicate balance of biodiversity in many areas of

the EU which are at risk of genetic erosion. In addition to this, it also spreads new parasites and viruses.

6. Ensuring proper solutions on the market to prevent and control harmful organisms at the farm level

Agriculture and plant protection products are going through a period of thorough readjustment following the adoption of the plant protection package. A significant number of active substances (ASs) had to be phased out of the market as they did not comply with the new legislative requirements⁵. At the same time, changes to the EU MRL (maximum residue level) system have accelerated the decline in the number of AS authorisations for the agricultural sector as a whole. Gap analyses conducted in several Member States have already highlighted that crop protection in some agricultural sectors is very much under threat. In view of these constraints, farmers are not always in the position of controlling harmful organisms on the farm. This should be taken into account as part of the new plant health regime, and solutions are needed.

7. The establishment of a plant health working group as part of the Advisory Group on the Food Chain, Animal Health and Plant Health

Copa-Cogeca call for a more planned and scheduled cooperation between the Commission services (e.g. DG SANCO) and other EU key stakeholders on issues related to plant health. At present cooperation takes place on ad-hoc basis. A more structured way of cooperating would provide both parties with better opportunities of discussing current issues in peace time, and not only when it becomes necessary.

⁵ From over 1000 active substances available in 1991, there are now only around 250 actives substances authorised on the market.