

CALL FOR EVIDENCE FOR AN INITIATIVE (without an impact assessment)	
TITLE OF THE INITIATIVE	Application of EU health and environmental standards to imported agricultural and agri-food products
LEAD DG - RESPONSIBLE UNIT	SANTE.D2, co-responsible AGRI.D2, ENV.F, TRADE.D3
LIKELY TYPE OF INITIATIVE	Report from the Commission to the European Parliament and the Council
INDICATIVE TIMING	Q2 2022
ADDITIONAL INFORMATION	-

This document is for information purposes only. It does not prejudge the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by this document, including its timing, are subject to change.

A. Political context, problem definition and subsidiarity check

Political context

The Farm to Fork Strategy, published in May 2020 as part of the European Green Deal, aims to put food systems on a sustainable path. This was reiterated in the EU commitment at the September 2021 UN Food Systems Summit. In the context of the EU's ambitions to lead sustainability efforts globally, increasing attention is being paid to how health, environmental and social aspects are addressed in EU trade rules and agreements. The February 2021 Trade Policy Review confirms these ambitions by putting sustainability at the heart of EU trade strategy for the coming years.

During the negotiations on the CAP reform (2021-2027), as part of the political agreement on 24-25 June 2021, the <u>European Parliament and the Council requested a report</u> assessing the rationale and legal feasibility of applying EU health and environmental standards (including animal welfare standards and processes and production methods) to imported agricultural and agri-food products. The report should identify concrete initiatives to ensure better consistency in the application of these standards in conformity with WTO rules. It should cover all relevant public policy areas including - but not limited to - the Common Agricultural Policy, health and food safety policy, environmental policy and the Common Commercial Policy.

Problem the initiative aims to tackle

Today, food systems account for nearly one third of global greenhouse gas emissions, consume large amounts of natural resources, and result in biodiversity loss and negative health impacts. The Farm to Fork Strategy aims to accelerate the transition to sustainable food systems. The sustainability of food systems is, however, a global issue and the transition cannot be successfully achieved by the EU alone. Furthermore, action to improve sustainability only in the EU may lead to externalisation of unsustainable practices.

The EU is the largest global exporter and the third biggest importer of agri-food products. As such, it has a considerable impact on third countries through its trade policy. It can use this to promote sustainability in line with its commitment to fully implementing the UN Sustainable Development Goals.

Health standards applicable to agri-food imports are mostly measures aimed at ensuring that food is safe for humans and to prevent the spread of pests or diseases among animals and plants. The EU already maintains a high level of human, animal and plant health protection, including in the context of international trade in agri-food products. All products imported into the EU market have to comply with its appropriate health standards.

Environmental or animal welfare standards, unlike health standards, often do not affect the physical characteristics of the final product. Rather, they refer to process or production methods in the country of origin that may have negative environmental and social impacts. Some process or production rules already apply, or will soon apply, to imported agri-food products. This is notably the case for the <u>conditions for the slaughter of animals</u> or the <u>prohibition of the use of antibiotics reserved for human use</u>. The Commission has also proposed a <u>regulation on deforestation-free products</u>, based on a system of mandatory due diligence rules. Furthermore, the Farm to Fork Strategy states that environmental aspects will be taken into account when assessing applications for import tolerances for pesticides that are no longer authorised in the EU, while respecting WTO obligations.

Moreover, under the <u>sustainable food system framework initiative</u>, consideration is also being given to the possibility of applying environmental or – more generally – sustainability rules to imports. Finally, in reply to the <u>'End the Cage Age'</u> European citizens' initiative, the Commission proposed to examine various options for increasing the welfare of animals whose products are destined for the EU market.

Basis for EU action (legal basis and subsidiarity check)

The request for the report is included in a <u>Joint statement by the Council of the European Union and the European Parliament concerning the application of EU health and environmental standards to imported <u>agricultural products</u>. It is based on the prerogative given to the Council in Article 241 TFEU, taking into account the European Parliament's prerogatives laid down in Article 225 TFEU.</u>

The report is in line with the current EU priorities and ambitions to promote sustainability globally. The report refers to trade policy, which is an exclusive EU competence.

This initiative does not have a direct impact on Member State legislation, as it is focusing on an analysis of various existing and proposed European initiatives and instruments.

B. What does the initiative aim to achieve and how

The aim of the report is to contribute to a wide, transparent and informed debate on the application to imports of certain production standards, including environmental standards.

The report will identify concrete initiatives to ensure better consistency in the application of these standards in conformity with WTO rules. Apart from unilateral measures, actions at bilateral and multilateral level will be assessed. These will include: ambitious sustainability chapters in EU bilateral trade agreements; enhanced cooperation with third countries, including obtaining commitments in key areas; promotion of international standards in relevant international bodies; and encouraging the production of agri-food products that comply with high safety and sustainability standards.

The report, by providing an assessment of existing tools, will be factual and will not announce any new initiatives or political commitments.

Likely impacts

The report will inform future agricultural and food trade policy in relation to safety and sustainability standards in the context of the European Green Deal, the Farm to Fork Strategy, and the Trade Policy Review. While the report itself will have no immediate impacts, any policy changes resulting from this debate and aiming to promote greater sustainability at global level would influence the implementation of the UN Sustainable Development Goals.

Future monitoring

The report is analytical and is meant to inform the ongoing policy debate; no monitoring is planned.

C. Better regulation

Impact assessment

No impact assessment is needed as the report will provide a factual assessment of existing tools. This will support an informed debate on the future of the international dimension of the Farm to Fork Strategy. The report will not announce any new initiatives or political commitments and will not have any legal effects.

Consultation strategy

The Call for Evidence will be launched in the 24 official EU languages on the Have your Say portal for 4 weeks. Citizens and stakeholders will be able to express their general views on the matter and inform the Commission of their respective positions. A synopsis report, summarising the feedback received, will also be prepared and published on the Have Your Say portal.

The Commission will promote the Call for Evidence using its existing citizen and stakeholder fora and networks, and by inviting stakeholders to provide inputs.

Additionally, targeted consultations to discuss the report are also planned, as appropriate and feasible, through ad hoc stakeholder meetings, or during already planned meetings.

Why we are consulting?

In June 2021, the European Parliament and the Council requested a report assessing the rationale and legal feasibility of applying EU health and environmental standards (including animal welfare standards and processes and production methods) to imported agricultural and agri-food products. The aim of the report is to contribute to a wide, transparent and informed debate on the application of certain production standards, including environmental standards, to imports.

The purpose of the consultation is to collect evidence and views from a broad range of stakeholders, giving them an opportunity to express their general views on the matter, provide relevant information, and to inform the Commission of their respective positions on the matter.

Target audience

The relevant stakeholders for this initiative include: national authorities; MEPs; non-governmental organisations representing civil society; EU and national consumer associations; associations representing industry, businesses and professionals; economic operators, including SMEs; academic experts; and citizens.