

 $\label{eq:NAT/726} NAT/726$  Equivalence of inspections – seed from Brazil and Moldova

## **OPINION**

European Economic and Social Committee

Proposal for a Decision of the European Parliament and of the Council amending Council Decision 2003/17/EC as regards the equivalence of field inspections carried out in Brazil on fodder plant seed-producing crops and cereal seed-producing crops and on the equivalence of fodder plant seed and cereal seed produced in Brazil, and as regards the equivalence of field inspections carried out in Moldova on cereal seed-producing crops, vegetable seed-producing crops and oil and fibre plant seed-producing crops and on the equivalence of cereal seed, vegetable seed and oil and fibre plant seed produced in Moldova

[COM(2017) 643 final - 2017/0297 (COD)]

Rapporteur: Emilio FATOVIC

Consultation European Parliament, 16/11/2017

Legal basis Articles 43(2), 114(1) and 304 of the Treaty on the Functioning

of the European Union

Committee Bureau decision 05/12/2018

Section responsible Agriculture, Rural Development and the Environment

Adopted in section 06/02/2018 Adopted at plenary 14/02/2018

Plenary session No 532

Outcome of vote

(for/against/abstentions) 140/0/8

## 1. Background and Commission proposal

- 1.1 Council Decision No 2003/17/EC grants equivalence to certain non-EU countries as regards field inspections and the production of seed of certain species<sup>1</sup>.
- 1.2 The provisions governing seed harvested and controlled in these countries afford the same assurances as regards the seed's characteristics and the arrangements for examining it, for ensuring seed identification, for marking and for control as the provisions applicable to seed harvested and controlled within the European Union.
- 1.3 As Brazil and Moldova are not among the non-EU countries covered by Decision No 2003/17/EC, seed harvested there cannot be imported into the EU. Both countries thus submitted requests to the Commission for their production of seed of certain species to be brought under this decision (in Brazil's case: fodder plant and cereal seed; for Moldova: cereal, vegetable and oil and fibre plant seed) and thus to be granted equivalence and be allowed to export the seed concerned into the EU.
- 1.4 In response to these requests, the Commission examined the legislation of Brazil and of Moldova on the subject. It then audited the field inspection and certification systems for seed in those countries. The Commission concluded that their requirements and systems are equivalent to the EU's and provide the same assurances<sup>2</sup>.
- 1.5 In the case of both Brazil and Moldova, the Commission thus considered it appropriate to recognise the seed concerned as equivalent to the same type of seed harvested, produced and controlled in the EU. This may be done through a decision to be adopted by the European Parliament and the Council.

## 2. Considerations and recommendations

- 2.1 The EESC takes note of the positive outcome of the audits carried out by the Commission in Brazil and Moldova in accordance with the requirements set out in Annex II to Decision No 2003/17/EC, in order to recognise the equivalence of their legal requirements and official controls for seed certification.
- 2.2 The EESC, in keeping with its previous opinions<sup>3</sup> on this subject and in line with what has already emerged from discussions between the Commission, stakeholders and Member States, endorses this legislative measure. Moreover, the Committee agrees that this recognition of equivalence may benefit EU seed companies operating in Brazil and Moldova, potential EU importers of seed from these countries, and EU farmers, who will henceforth have access to a wider range of seed.

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<sup>1</sup> In accordance with Directives 66/401/EEC, 66/402/EEC, 2002/54/EC and 2002/57/EC.

<sup>2</sup> Already in line with ISTA rules (International Seed Testing Association).

OJ C 74, 23.3.2005, p. 55, OJ C 351, 15.11.2012, p. 92.

- 2.3 The Committee would, however, express reservations about one aspect: the proposal to grant Moldova equivalence for vegetable seed. These seeds, which are governed by Directive 2002/55/EC, are marketed solely as "standard" category, which does not require the official certification in order to be placed on the market, but rather self-certification by the manufacturer and, only after the marketing stage, any post-controls on the characteristics and quality of the product. This system is based on the assumption of responsibility by the producer, which can be easily identified and traceable when based in the EU. Traceability and control is certainly not a simple matter in the case of products of non-EU origin. It is because of this problem that the EU has up to now decided not to grant recognition of equivalence for vegetable seed to any third country. The Committee therefore highlights the problems here, and would like to see a more thorough review by the Commission.
- 2.4 The Committee acknowledges, as pointed out by the Commission, that the recognition of certification procedures for the products in question is a technical measure. However, given that opening the EU market to third-country products will have an economic and social impact, the Committee recommends carrying out an impact assessment to check that European producers, and specifically micro and small enterprises, will not be adversely affected by this measure.
- 2.5 The EESC reminds the Commission that today more than 60% of the seed market is dominated by just a few large multinationals. Opening the market to non-EU countries, in which the products are under the control of the same companies, could compound the situation for small producers and cooperatives, and have a significant impact on the economic and social resilience of many local farming communities. In the most serious cases, this could lead to the depopulation of rural communities, which would also have consequences for the biodiversity of European agri-food crops and produce, in that it is often precisely those small farms that keep certain types of old and traditional seeds from extinction<sup>4</sup>.
- 2.6 The EESC again calls on the Commission to take a holistic approach to assessing the production processes deployed in third countries, pointing out that products at more competitive prices often conceal cases of worker exploitation, including child labour. Such an approach seems essential at a time when the EU is actively involved in achieving the United Nations' 2030 Sustainable Development Goals. Indeed, the EU is the world's largest exporter and importer of agricultural products and should bring to bear its role within the framework of bilateral and multilateral trade agreements in order to foster a higher quality of life and work for individuals and workers in third countries, not least with the aim of eradicating unfair competition<sup>5</sup>.

This point is reinforced by the fact that the Commission's online public consultation received only three responses, two of which were from private individuals, confirming that the decision-making processes were shared only with the major European stakeholders.

OJ C 173, 31.5.2017, p. 20, point 1.6.

2.7 Finally, the EESC hopes that the entry into force of this decision will be contingent on full reciprocity of equivalence and recognition for the same products coming from the EU, so that businesses in this sector can have more opportunities for growth and development. This would be in line with specific requests already made by stakeholders in the consultation phase.

Brussels, 14 February 2018

Georges Dassis

The president of the European Economic and Social Committee