

Tuesday 11 March 2014

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Horticulture

European Parliament resolution of 11 March 2014 on the future of Europe's horticulture sector — strategies for growth (2013/2100(INI))

(2017/C 378/05)

The European Parliament,

- having regard to Part Three, Titles III and VII of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Regulation (EC) No 1107/2009 of 21 October 2009 concerning the placing of plant protection products on the market,
- having regard to Directive 2009/128/EC of 21 October 2009 on the Sustainable Use of Pesticides,
- having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products ⁽¹⁾,
- having regard to Regulation (EC) No 1182/2007 of 26 September 2007 laying down specific rules as regards the fruit and vegetable sector ⁽²⁾ and to Commission Implementing Regulation (EU) No 543/2011 of 7 June 2011 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors ⁽³⁾,
- having regard to Regulation (EU) No 1169/2011 of 25 October 2011 on the provision of food information to consumers ⁽⁴⁾,
- having regard to Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products ⁽⁵⁾,
- having regard to Directive 2001/18/EC of the European Parliament and of the Council of 12 March 2001 on the deliberate release into the environment of genetically modified organisms ⁽⁶⁾,
- having regard to its resolution of 21 June 1996 on a Community initiative for ornamental horticulture ⁽⁷⁾,
- having regard to the Commission Communication of 9 December 2008 on food prices in Europe (COM(2008)0821),
- having regard to the Commission Communication of 16 July 2008 on the Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan (COM(2008)0397),
- having regard to the Commission Communication of 28 October 2009 on a better functioning food supply chain in Europe (COM(2009)0591),

⁽¹⁾ OJ L 347, 20.12.2013, p. 671.

⁽²⁾ OJ L 273, 17.10.2007, p. 1.

⁽³⁾ OJ L 157, 15.6.2011, p. 1.

⁽⁴⁾ OJ L 304, 22.11.2011, p. 18.

⁽⁵⁾ OJ L 189, 20.7.2007, p. 1.

⁽⁶⁾ OJ L 106, 17.4.2001, p. 1.

⁽⁷⁾ OJ C 198, 8.7.1996, p. 266.

Tuesday 11 March 2014

- having regard to the Commission Communication of 28 May 2009 on agricultural product quality policy (COM(2009)0234),
 - having regard to the Commission Communication of 3 May 2011 entitled ‘Our life insurance, our natural capital: an EU biodiversity strategy to 2020’ (COM(2011)0244),
 - having regard to Commission Decision 2008/359/EC of 28 April 2008 setting up the High Level Group on the Competitiveness of the Agro-Food Industry, and to the Report of that High Level Group of 17 March 2009 on the Competitiveness of the European Agro-Food Industry, along with the Group’s recommendations and roadmap of key initiatives ⁽¹⁾,
 - having regard to the November 2012 study entitled ‘Support for Farmers’ Cooperatives’ (SFC), which presents the findings of the SFC project launched by the Commission ⁽²⁾,
 - having regard to the 2013 study by the Commission Joint Research Centre — Institute for Prospective Technological Studies entitled ‘Short Food Supply Chains and Local Food Systems in the EU. A State of Play of their Socio-Economic Characteristics’ ⁽³⁾,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development (A7-0048/2014),
- A. whereas the fruit and vegetables (F&V) sector receives about 3 % of Common Agricultural Policy (CAP) aid yet accounts for 18 % of the total value of agricultural production in the EU, represents 3 % of the EU’s usable agricultural area and is worth more than EUR 50 billion;
- B. whereas horticulture includes fruit, vegetables, potatoes, salads, herbs and ornamentals, and whereas the horticulture sector incorporates nurseries, perennial nurseries, gardening services, cemetery gardening, gardening supplies retailers, garden centres, florists and landscape gardening;
- C. whereas the F&V supply chain has an estimated turnover of more than EUR 120 billion, with approximately 550 000 employees, and is important for the economy of those areas within the EU that tend to have a high unemployment rate;
- D. whereas the EU is the world’s second-largest producer, and also the second-largest importer of F&V; whereas demand in this sector is growing and currently exceeds supply; whereas F&V trade rose from over USD 90 billion in 2000 to nearly USD 218 billion in 2010 and accounts for almost 21 % of global food and animal product trade; whereas the EU has opened up its markets considerably to imports from third countries with which it has concluded bilateral and multilateral agreements;
- E. whereas the horticulture sector — primary production and processing industry — acts as an economic multiplier at European level, stimulating both demand and the creation of added value in other economic sectors such as trade, construction and financial services;
- F. whereas the organic F&V sector is the fastest growing organic sector within any EU market, valued at EUR 19,7 billion in 2011 and with a growth rate of 9 % between 2010 and 2011, in a decade-long trend of annual growth of between 5-10 %; whereas in terms of area planted, the share of organic fruit increased by 18,2 % and that of organic vegetables by 3,5 % between 2010 and 2011;
- G. whereas per capita F&V consumption in 2011 for the EU-27 decreased by 3 % compared with the average consumption of the previous five years, in spite of the substantial health benefits which eating F&V brings;

⁽¹⁾ Available at <http://ec.europa.eu/enterprise/sectors/food/competitiveness/high-level-group/documentation/>

⁽²⁾ Available at http://ec.europa.eu/agriculture/external-studies/2012/support-farmers-coop/fulltext_en.pdf

⁽³⁾ Available at <http://ftp.jrc.es/EURdoc/JRC80420.pdf>

Tuesday 11 March 2014

- H. whereas the EU is the world's biggest producer of flowers, bulbs and potted plants (44 % of global production), with the highest density per hectare; whereas the ornamental sector has an estimated turnover of EUR 20 billion in production, EUR 28 billion in wholesale trade and EUR 38 billion in retail trade, and employs approximately 650 000 people;
 - I. whereas the F&V regime is part of the CAP and seeks, among other objectives, to restore balance in the food chain, promote F&V, boost competitiveness and support innovation; whereas membership of producer organisations (POs) should be increased, including in those regions in which no operational funds have been available for some years and/or production methods are outdated, by making the system more attractive, in view of the fact that more than half of all EU growers still do not belong to a PO despite the Commission's objective of an average rate of 60 % PO membership by 2013; whereas the low rate of organisation in some Member States has been partly caused by the suspension of POs, which creates uncertainty among producers; whereas, given that POs play a key role in enhancing the negotiating power of F&V organisations, it is essential to prevent uncertainty among producers by clarifying European legislation on the recognition of POs;
 - J. whereas, according to Eurostat, total input costs for EU farmers climbed on average by almost 40 % between 2000 and 2010, while farm gate prices increased on average by less than 25 %; whereas the increase in input costs was almost 80 % for synthetic fertilisers and soil improvers, almost 30 % for seeds and planting stock and almost 13 % for plant protection products;
 - K. whereby the loss of soil fertility due to erosion, decreased input of organic matter leading to poor crumb structure and humus levels, decreased nutrient and water retention, and a reduction in ecological processes is a significant cost to both farmers and the public budget;
 - L. whereas the 'knowledge pipeline' to translate research into practice for horticulture is under strain, and whereas spending by the private sector on research is low overall, with research and development (R&D) accounting for only 0,24 % of total food industry expenditure across the EU-15 in 2004, the latest period for which figures are available;
 - M. whereas a large number of F&V varieties are under threat of extinction because they are not sufficiently profitable, and whereas farmers who continue to grow those varieties play an environmentally, socially and culturally valuable role in preserving important components of Europe's agricultural base;
 - N. whereas the growing difficulties being experienced in connection with plant pest prevention, control and eradication and the limited availability of plant protection products for vegetable crops could have an adverse effect on agricultural diversity and vegetable quality in Europe;
 - O. whereas businesses operating in the horticulture sector are often also involved in the areas of production, sales and services;
 - P. whereas cisgenesis can be defined as a genetic engineering technique which introduces into a subject plant a gene from its relatives of the same genus or species;
1. Stresses the importance of promoting the EU horticulture sector and enabling it to compete better in the global marketplace, through innovation, research and development, energy efficiency and security, adaptation to and mitigation of climate change and measures to improve marketing, as well as of continuing efforts to eliminate the imbalance between operators and suppliers;
 2. Emphasises the need to make it easier for producers to gain access to third-country markets; calls on the Commission to increase its efforts to support exporters of fruit, vegetables, flowers and ornamental plants to overcome the increasing number of non-tariff barriers, such as some third-country phytosanitary standards that make export from the EU difficult, if not impossible;

Tuesday 11 March 2014

3. Calls on the Commission to establish the same market access conditions, as regards marketing standards, designations of origin, etc. for all market participants in the EU and to carry out checks to ensure that those conditions are observed, in order to prevent distortions of competition;
4. Encourages the promotion of F&V consumption in Member States through educational activities such as the EU School Fruit Scheme, as well as, for example, the Grow Your Own Potato and Cook Your Own Potato industry schemes in the UK;
5. Notes that local and regional markets often have insufficient supplies of horticultural products produced therein and agricultural entrepreneurship should therefore be promoted in these regions, in particular through incentives for young entrepreneurship, which would provide employment opportunities in the agricultural sector as well as a guarantee regarding the supply of fresh local produce;
6. Emphasises the benefits of ornamental horticulture to human health and well-being in enhancing green spaces, thereby improving the urban environment with respect to climate change and the rural economy; stresses the need for more active support for this sector in terms of encouraging investment and career development;
7. Welcomes the measures in the EU F&V regime which are intended to increase market orientation among EU growers, encourage innovation, promote F&V, increase growers' competitiveness and improve marketing, product quality and the environmental aspects of production, through the provision of support to POs, PO associations and the recognition of inter-branch organisations, also promoting the formation of clusters that will generate new income streams, to be channelled into new investments; points out, at the same time, that steps must be taken to ensure that self- and direct marketers do not suffer discrimination but have the opportunity to implement innovative projects and enhance their competitiveness;
8. Points out that local and regional production and marketing help to create and safeguard economic activity and jobs in rural areas;
9. Points out that short value chains help to reduce emissions which are damaging to the climate;
10. Notes that urban farming offers new options to the horticulture sector;
11. Welcomes the report on the Commission public consultation entitled 'A Review of the EU Regime for the Fruit and Vegetables Sector', in particular section 3, 8 thereof, which acknowledges the need for simplification of the current rules governing POs, endorses its proposal to strengthen POs and notes that most of the replies are in favour of maintaining the basic philosophy of the current support arrangements;
12. Emphasises that cutting red tape is particularly important for small and medium-sized businesses, although such measures must not undermine the legal certainty upon which such businesses also rely;
13. Welcomes the fact that the CAP reform agreement retains the PO-based European F&V aid system, while acknowledging that existing instruments have not always been effective, as recognised by the Commission in its public consultation document entitled 'A Review of the EU Regime for the Fruit and Vegetables Sector', and therefore supports the work of the Newcastle Group aimed at improving the EU fruit and vegetables regime, which should take account of the specific nature of the legal arrangements governing cooperatives in the Member States, so as not to limit the creation of new POs, while respecting the fact that growers may opt to remain outside the PO system; notes, also the establishment of a Union instrument for managing serious crises affecting a number of Member States and stresses that it should be open to all producers, irrespective of whether or not they are members of a PO;
14. In order to strengthen the beneficial activities carried out by POs for producers, calls on the Commission, in its review of the EU F&V regime, to produce clear and practical rules on the design and working methods of POs and adjust the scheme to fit the market structures that exist in Member States, so that POs can play their intended role and so that growers have an incentive to join POs, provided that this does not jeopardise the achievement of the regime's fundamental objectives and that growers remain free to make their own decisions on these matters;

Tuesday 11 March 2014

15. Notes with concern that PO scheme rules are open to wide interpretation by the Commission's auditors, which leads to a high degree of uncertainty and can leave Member States at risk of disallowance and judicial review; stresses, also, that audit procedures and financial corrections must be carried out in a more timely manner and within an agreed audit time period;

16. Notes that unfair trading practices remain across the EU which undermine horticultural businesses and their POs, and diminish growers' confidence to invest in the future, Believes that codes of conduct agreed by all actors in the supply chain, backed by a legislative framework and overseen by a national adjudicator in each Member State to monitor trading practices, could significantly improve the functioning of the food chain and the internal market;

17. Takes the view that the private standards for pesticide residues that have been adopted by many large retail chains are anti-competitive and detrimental to the interests of F&V growers; calls on the Commission to put an end to such practices, given that the pesticide residue levels laid down in EU legislation provide adequate protection for the health of both consumers and producers;

18. Calls on the Commission and the Member States to promote integrated pest management (IPM), support innovation and entrepreneurship through increased research into and development of non-chemical alternatives, such as natural predators and parasites of pest species, and use the Horizon 2020 Framework Programme for Research and Innovation to fund applied research that supports the development of integrated strategies for pest, disease and weed control, provide producers with the necessary tools and information to address Directive 2009/128/EC in which it is stated in Article 14 thereof that Member States must 'take all necessary measures to promote low pesticide-input pest management, giving, wherever possible, priority to non-chemical methods' and 'establish, or support the establishment of necessary conditions for the implementation of integrated pest management';

19. Calls on the Commission and the Member States to promote and emphasise the intensification of ecological processes ensuring long-term soil health, fertility and formation, as well as managing and regulating pest populations; believes that this can lead to long-term productivity gains for farmers and reduced costs to public budgets;

20. Stresses that horticulture is reliant on a variety of plant protection products (PPPs), and urges the Commission to take a risk-based approach to the regulation of these products that is justified by peer-reviewed, independent, scientific evidence; emphasises that minor uses are particularly vulnerable owing to the scarcity of the relevant active substances; calls on the Commission to strengthen the co-ordination of data generation across the Member States, in particular residues data, which is an essential requirement for authorisations on edible speciality crops; calls on DG Agri, DG Sanco, DG Environment and DG Competition to work together strategically to take into account the impact of changes to PPP regulation from multiple perspectives;

21. Urges the Commission to review the operation of the arrangements for mutual recognition of PPP authorisations laid down in Article 40 of Regulation (EC) No 1107/2009, with a view to streamlining their implementation and removing any unnecessary red tape, and consider the long-term goal of global harmonisation for regulating PPPs and reducing non-tariff trade barriers to export trade;

22. Urges the Commission to submit, in accordance with Article 51(9) of Regulation (EC) No 1107/2009 and without further delay, a report to Parliament and the Council on the establishment of a European fund for minor uses and specialty crops; stresses that such a fund should be used to finance an ongoing European work programme for coordination and cooperation between agri-food operators, competent authorities and stakeholders, including research bodies, on carrying out and, where appropriate, funding research and innovation work geared to protecting specialty crops and minor uses;

Tuesday 11 March 2014

23. Points out that imports are not required to meet the same phytosanitary requirements as European products; stresses that this ongoing disparity undermines the competitiveness of European producers and is detrimental to the interests of European consumers;

24. Recalls that both the Plant Protection Products Regulation (Regulation (EC) No 1107/2009 of 21 October 2009 ⁽¹⁾) and the new Biocides Regulation (Regulation (EU) No 528/2012 of 22 May 2012 ⁽²⁾) require the Commission to specify scientific criteria for the determination of endocrine-disrupting properties by December 2013; emphasises how important it is that the procedure should be transparent, so that the market actors concerned understand the scientific basis for the decisions and are aware of the actors who were involved in developing new criteria; urges the Commission to fully consider the impact of different approaches when presenting proposals for endocrine disruptors;

25. Emphasises that the horticulture sector relies heavily on the use of high quality, well specified fertiliser materials; welcomes the current review of the EU fertilisers regulation, but notes with concern the Commission's aim to include the previously non-prescribed material soil improvers; stresses that this material does not require precision in manufacturing and use, and calls on the Commission not to include it within the scope of the fertilisers regulation;

26. Highlights the fact that the horticulture sector is leading the development and adoption of innovative precision farming systems and believes that such systems will reduce the use of pesticides and fertilisers, increase marketable yields and reduce waste, as well as improve continuity of supply and economic performance; stresses that plant cultivation methods, such as crop rotation and the planting of catch crops, as well as research and development, should be geared to minimising environmental damage;

27. Notes the Commission proposal for a regulation on plant reproductive material (COM(2013)0262) and is concerned that it would impact disproportionately on the horticultural sector, and in particular on ornamentals and fruit; stresses that any legislation should be proportional and recognise the principle of subsidiarity; stresses, also, that changes to legislation must not endanger traditional varieties and crops, and should contribute to genetic diversity of and within populations of crops, for long-term food security and resilience of food systems;

28. Notes the impact of non-native invasive horticultural species on the wider environment, but recommends that a regional, or country-based approach be taken in the Commission proposal for a regulation on the prevention and management of the introduction and spread of invasive alien species (COM(2013)0620), which recognises that some areas of Europe are more vulnerable than others and that different areas in Europe have different climates which will support a different array of plants;

29. Strongly urges the Commission to safeguard as a general principle the freedom of plant breeders to use existing plant materials freely to develop and market new ones, regardless of any patent claims extending to plant materials;

30. Calls on the Commission and the Member States to support the development of local fruit and vegetable markets and of short supply chains, thereby ensuring product freshness;

31. Calls on the Commission to differentiate between cisgenic and transgenic plants and to create a different approvals process for cisgenic plants; awaits the EFSA opinion demanded by DG Sanco evaluating the findings of the working group of new biotech breeding techniques;

32. Highlights the seasonally high labour needs of the horticulture sector and calls on the Member States to ensure that there are effective schemes in place to ensure that horticulture producers can access the labour they need for key periods of the year, while fully respecting the requirements of the seasonal workers directive, including the principle of fair wages;

⁽¹⁾ OJ L 309, 24.11.2009, p. 1.

⁽²⁾ OJ L 167, 27.6.2012, p. 1.

Tuesday 11 March 2014

33. Welcomes the renewed emphasis on workforce training and apprenticeships, but notes with concern that the numbers of people completing horticulture apprenticeships in some Member States remains low, restricting the openings for young people with an interest in this sector; recognises that not all young people taking apprenticeships are suited to them; emphasises that efforts to encourage young people to consider jobs in the horticulture sector and provide them with training should be supported by means of awareness-raising and information campaigns which enhance the sector's image;
34. Urges the agri-food sector and the research community to work together in a systematic way to attract and train the next generation of researchers and upskill the existing workforce;
35. Emphasises the benefits of strengthening and extending partnerships between government, industry and research organisations and the need to ensure that schemes to support such partnerships are structured in a way that maximises the impact and coherence of investments overall;
36. Stresses the vital importance of making efficient use of qualified scientific resources so as to speed up the application of research and innovation results through the transfer of innovative agricultural production technology to the horticulture sector and the combination of research, innovation, training and expansion in the agricultural sector with economic policies meeting the requirements of horticultural production development while increasing its efficiency;
37. Is of the view that the floriculture and ornamental plant sector must be allowed to make better use of Union programmes for research, technological development and innovation, and calls on the Commission to include 'protected cultivation' in Horizon 2020 calls in order to stimulate innovation regarding, for example, sustainable crop protection, sustainable water and nutrient usage, energy efficiency, advanced cultivation and production systems, and sustainable transport;
38. Is of the view that with funding for agricultural and horticultural research under budgetary constraint in Member States, funding by third parties, including, but not limited to, retailers, should be encouraged, and should be in line with the total research interest of the sector;
39. Calls on the Commission and Member States to facilitate access to long-term funding for investment in modern horticultural production technologies, so as to enhance the competitiveness of horticultural products and services;
40. Underlines the crucial importance of a good-quality business plan in securing capital finance; recommends that growers make greater use of business support and advisory services and urges the Commission to work more closely with industry to ensure that such services are easily accessible to growers;
41. Urges the Commission to update, as part of a transparent process involving those working in the sector, the items in chapter six (live trees and other plants; bulbs, roots and the like; cut flowers; and ornamental foliage) of the combined nomenclature for 2012;
42. Is concerned by the prospect of horticultural production being transferred out of the EU;
43. Is deeply concerned that between a third and a half of edible produce is wasted because of its appearance and calls on the Commission to create, as a matter of urgency, possibilities for marketing, particularly in local and regional markets, a wider range of quality specifications of produce, while ensuring transparency and the proper functioning of the market; draws attention to trials conducted in Austria and Switzerland involving the sale of blemished fruit and vegetables; calls on supermarkets to take into account market research which shows that many consumers are not necessarily worried about the cosmetic appearance of fruit and vegetables and are happy to purchase lower grade produce, particularly if this may appear to be cheaper;
44. Notes with concern the overall loss and waste of fruit and vegetables intended for first market use and the significant economic loss to business; recognises that reducing systemic food waste is a key to increasing the supply of food to a growing world population; welcomes, nevertheless, the efforts being made by actors in the food supply chain to redirect this produce into a secondary market rather than to dispose of it;

Tuesday 11 March 2014

45. Calls on the Commission and the Member States to make the legislative and political environment as supportive as possible for uses of horticultural waste; points out that there are a number of materials, such as spent mushroom compost, which could be used in the production of value-added growing media, were it not classified as 'waste';
46. Points out that aquaponic systems can make sustainable local food production possible and that the combination of freshwater fish farming and vegetable cultivation in a closed system can help to reduce resource consumption in comparison with traditional systems;
47. Underlines the importance of improving the monitoring of prices and the quantities produced and marketed, as well as the need to produce EU-wide horticultural user statistics to help producers better understand market trends, predict crises and prepare future harvests; calls on the Commission to include ornamentals in its forecast information;
48. Instructs its President to forward this resolution to the Council and the Commission.
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