

EU trade facilitation for Ukraine extended by one year

(21/01) In EPEGA Newsletter No. 19 of 16 May, we last informed you that the moratorium on customs duties on Ukrainian agricultural products would be extended for another year. On 29 May 2024, the corresponding Regulation (EU) 2024/1392 was published in the EU Official Journal L. It will enter into force on 6 June 2024 and will apply until 5 June 2025.

For the eggs and poultry sectors, the following safeguard measures shall apply in accordance with Article 4 (7) and (8) of this Regulation:

If, during the period 6 June to 31 December 2024, cumulative import volumes since 1 January 2024 reach the respective arithmetic mean of import volumes recorded in the period from 1 July to 31 December 2021, in 2022 and in 2023, the Commission shall, within 14 days reintroduce for that product until 31 December 2024; and introduce from 1 January 2025 either a tariff-rate quota equal to five twelfths of that arithmetic mean or the corresponding tariff-rate quota whichever is higher.

If, during the period 1 January to 5 June 2025, cumulative import volumes for the period since 1 January 2025 reach five twelfths of the respective arithmetic mean of import volumes recorded in the period from 1 July to 31 December 2021, in 2022 and in 2023, the Commission shall, within 14 days and after informing the Committee on Safeguards, reintroduce for that product the corresponding tariff-rate quota.

For the purposes of this paragraph, the terms eggs and poultry refer to all products covered by the tariff-rate quotas in the Appendix to Annex I-A of the Association Agreement for, respectively, eggs and albumins, poultry meat and poultry meat preparation. The arithmetic mean referred to in this paragraph shall be calculated by dividing the sum of import volumes in the period from 1 July to 31 December 2021, in 2022 and in 2023 by two and a half.

The Commission may adopt an implementing act laying down the arrangements for monitoring the import volumes referred to in this paragraph. That implementing act shall be adopted in accordance with the advisory procedure referred to in Article 5 (4).

If the Commission imposes a measure pursuant to paragraph 1, 5, or 7 which reintroduces a tariff-rate quota suspended by Article 1(1), point (b), the quantity imported during the calendar year the Commission imposes that measure shall be taken into account in the management of that tariff-rate quota.

Regulation (EU) 2024/1392 is available at the following link: <http://data.europa.eu/eli/reg/2024/1392/oj>

Current situation on the spread of highly pathogenic avian influenza

(21/02) Two bird flu vaccines tested in the **Netherlands** provide effective protection. This is the result of a field trial commissioned by the Dutch Ministry of Agriculture, Nature and Food Quality (LNV). In September 2023, 1,800 day-old chicks were vaccinated against bird flu. The results show that the two vaccines tested are effective against infection with the virus 8 weeks after vaccination. The fact that the vaccines work in practice is a very important step towards large-scale vaccination of poultry against the bird flu virus.

Previous studies in the Wageningen Bioveterinary Research (WBVR) laboratory have shown that two vector vaccines are effective against the spread of the HPAI virus. Since the effectiveness of a vaccine can be different in a poultry house than in the laboratory, these two vaccines are tested in two laying hen farms. This research is carried out by Wageningen University & Research (WUR), the Royal GD (Animal Health Service) and the Faculty of Veterinary Medicine at Utrecht University. During the field trial, transmission tests will be carried out at various times. Several chickens are taken out of the barn and exposed to the bird flu virus. The first transmission attempt eight weeks after vaccination showed that the

vaccines prevent infection. Over the next year and a half, further transmission trials will be carried out to investigate the effectiveness of the vaccines throughout the laying period.

The government wants to enable large-scale vaccinations in a responsible way, with a view to animal and public health as well as animal welfare. Also to prevent possible negative consequences of vaccination for trade as far as possible. Therefore, a step-by-step approach was chosen. The next step is a pilot project in which poultry are vaccinated against bird flu on several farms. LNV wants to carry out the pilot project with a vaccine approved on the European market. It is expected that the pilot project can start this summer.

During the pilot project, vaccination will be carried out on several laying hen farms. As part of the pilot project, experiences with vaccine administration will be shared and close attention will be paid to the possible negative effects of vaccination on the trade in poultry products and to the implementation of the monitoring programme. The monitoring programme is intended to detect contamination on a farm with vaccinated animals as quickly as possible, which can occur despite vaccination. This minimises the likelihood of the virus will continue to circulate.

In **France**, the state is allowed to support the sectors downstream of poultry farming with a total of 120 million euros. The intended aid was approved by the EU Commission on 21 May. The money is to be used to partially compensate companies for the costs incurred by the occurrence of highly pathogenic avian influenza (HPAI) in 2022 and 2023. According to the Brussels authority, poultry slaughterhouses, egg packing stations, egg and poultry processing companies and specialised service providers in the poultry sector can benefit in detail. The aid is to be granted to companies in the form of direct grants. The maximum amount to be paid may not exceed 80% of the eligible costs. According to the Commission, the funds can be called up until 31 December 2025. These may only be granted expressly to compensate for additional costs incurred by producers in remedying the HPAI damage caused.

The EU Supply Chain Directive has cleared the last hurdle

(21/03) The European Supply Chain Directive (CS3D) has cleared the last hurdle. The Council approved the agreement with the European Parliament on 24 May, with Germany abstaining. Exactly one month ago, MEPs had already given their blessing to the Corporate Sustainability Due Diligence Directive (CS3D). Once signed by the Presidents of the European Parliament and the Council, the Directive will be published in the Official Journal of the European Union. It will come into force 20 days later. Member States will then have two years to implement the Directive's requirements and the necessary administrative procedures. When exactly the rules will apply depends on the size of the companies affected. For companies with more than 5,000 employees and a turnover of 1.5 billion euros, the CS3D applies for three years from the date of entry into force. Companies with more than 3,000 employees and a turnover of more than 900 million euros must apply the rules after four years. Five years after the directive comes into force, the directive will then also apply to companies with more than 1,000 employees and a turnover of 450 million euros.

The rules require companies to implement a risk-based system to monitor, prevent or remedy the negative impact of their business activities on human rights and the environment. In addition to certain investments, contractual assurances from business partners are also provided for this purpose. A plan for adaptation to the Paris climate targets is mandatory. Liability is to be imposed for damages caused by violations of duties of care. Penalties for violations can reach up to 5% of the global turnover of the company in question. Member States must set up or designate a supervisory authority to enforce the requirements of the Directive. In addition, extensive information must be provided.

Meanwhile, the German Federal Ministry of Economics has promised an effective and low-bureaucracy implementation of the EU Supply Chain Directive. From the ranks of the FDP, there had been criticism in the run-up to the project, in particular the bureaucracy for companies associated with the project. Accord-

ing to the State Secretary in the Federal Ministry of Economics, Sven Giegold (Greens), who represented the federal government in Brussels, an effective and low-bureaucracy implementation in Germany will now be ensured. As the Ministry of Economic Affairs further explained, the EU Competition Council also formulated instructions for the upcoming EU Commission on future industrial and internal market policy at its meeting. Accordingly, strengthening the competitiveness of European industry and a future-oriented further development of the internal market should be the priorities of the next legislative period of the Commission. According to the Ministry, relevant areas for this include the ambitious continuation of the ecological and digital transformation with the Green Deal as a driver for growth and innovation, the reduction of bureaucracy and the creation of innovation-friendly framework conditions, especially for small and medium-sized enterprises (SMEs), the promotion of investments, the expansion of energy and infrastructure in the internal market and the pursuit of an ambitious, open and sustainable trade agenda.

EU Agriculture Council discusses origin labelling and animal welfare

(21/04) The latest meeting of the Agriculture and Fisheries Council took place in Brussels on 27 May 2024. Under the agenda item 'Other business', the topics of origin labelling and animal welfare were also discussed.

In a joint initiative, Germany and Austria have called for significantly more extensive, **mandatory origin labelling** for food at EU level and have asked the EU Commission to submit a legislative proposal. The responsible ministers of the two countries are hoping for a harmonised labelling policy throughout the EU and a better information situation for consumers. Federal Minister Özdemir made it clear that a corresponding proposal is expected from the next EU Commission, also because this has not materialised despite repeated but repeatedly postponed announcements within the farm-to-fork strategy. The demand also states that these labelling regulations must be implemented with as little bureaucracy as possible. The subsequent debate in the Council showed that a majority of Member States support the German-Austrian initiative. In particular, Portugal, Spain, France, Sweden, Greece, Italy, the Netherlands, Estonia and Finland should be mentioned here. Other countries were open to the idea, but called for a prior impact assessment by the EU Commission. Luxembourg rejected even more extensive origin labelling of food, pointing out that it would interfere with the free movement of goods. Denmark expressed scepticism and pointed to a possible increase in food waste if labelling were to be extended. The Czech Republic is critical of an extension of the labelling rules, as existing regulations are sufficient. The Commission announced further cooperation and emphasised that it would continue to work on mandatory origin labelling.

Slovenia put the issue of **animal welfare** on the agenda of the EU Agriculture Committee and called on the new Commission to prioritise the issue again from the autumn. In this context, other member states also pointed out the failure to present a standardised revision of all existing animal welfare regulations. So far, the EU Commission has only presented a legislative proposal to revise animal transport regulations at the end of last year. Another topic was the abolition of cage farming. The Commission committed itself to the abolition after a citizens' initiative called for an end to this form of husbandry. The Slovenian minister also saw a need for action in this area. A majority of Member State representatives welcomed the call for the European Commission to present a comprehensive legislative proposal on animal welfare. Hungary, whose government will hold the Council Presidency from July, also wants to continue working on the topics of animal welfare and animal protection.

The next and last Agriculture Council under the Belgian Presidency will take place on 24 June 2024.

Audit report Brazil

(21/06) The Directorate-General for Health and Food Safety carried out an audit in Brazil from 24 October to 22 November 2023. The objective of the audit was to evaluate whether the official controls related to public health aspects and certification system over the production of poultry meat and products therefrom intended for export to the European Union (EU) provide adequate guarantees that the production of these commodities is in line with the requirements laid down in EU legislation and are able to support the public health attestations contained in the relevant export health certificates (i.e. Commission Implementing Regulation (EU) 2020/2235). The report now published describes the outcome of this audit.

Previous audits in Brazil on poultry meat concerning public health took place in 2017 and 2018. Both audits identified serious deficiencies on foot of which the Commission imposed safeguard measures including the de-listing of certain establishments and the suspension of Brazil's prelisting of meat establishments. Moreover, 100% pre-export microbiological checks were required for all poultry meat (and products thereof) consignments exported to the EU.

The report now published concludes that there is an adequate official control system in place covering the production chain of poultry meat and products derived therefrom for export to the EU. Official controls to guarantee that the production of these commodities is in line with the requirements laid down in EU legislation are overall effectively implemented, thus providing reasonable guarantee on the reliability of the public health attestations contained in the health certificates that accompany products exported to the EU. Nevertheless, the guarantees provided for and attested to in the statements of the export health certificate for poultry meat in relation to post-mortem inspection and official controls on cutting/deboning of poultry carcasses are compromised by the shortcomings observed during the audit. Weaknesses were also noted concerning the stunning equipment at EU slaughterhouses and enforcement procedures in place.

The certification system applied is designed to enable officials to endorse the statements contained in the EU official certificate accompanying consignments destined for the EU.

Since the last Commission audit in 2018, significant improvements have been introduced which have largely addressed the recommendations made in the previous audit reports.

The report contains recommendations to address the shortcomings identified. It is available at the following link: <https://ec.europa.eu/food/audits-analysis/audit-report/details/4754>

Audit report Bosnia and Herzegovina

(21/07) The Directorate-General for Health and Food Safety carried out an audit in Bosnia and Herzegovina from 15 to 26 January 2024. The objective of the audit was to evaluate whether the official controls related to public health aspects and certification system over the production of poultry meat and products therefrom intended for export to the European Union (EU) provide adequate guarantees that the production of these commodities is in line with the requirements laid down in EU legislation and are able to support the public health attestations contained in the relevant EU export health certificates. In this context, the audit also evaluated whether the actions the competent authorities provided in response to a recommendation, made in audit report DG(SANTE)/2017-6225, have been implemented satisfactorily. The report now published describes the outcome of this audit.

The report concludes that there is a comprehensive and documented official control system in place governing the production of poultry meat and products derived therefrom, which includes regular controls in EU-listed establishments and enforcement, when non-compliances are detected. The corrective actions provided to address the recommendation of the 2017 audit report have been implemented satisfactorily. In general, the system can provide guarantees that poultry meat has been produced in accordance with relevant EU requirements and, therefore, is able to support the public health attestations contained in the relevant EU export certificate. Nevertheless, the guarantees provided for and attested to in some of the statements of the EU official certificates for poultry meat and products derived therefrom are compro-

misled by the shortcomings observed in relation to post-mortem inspection, involvement of non-EU-listed establishments and production of mechanical separated meat for further processing.

The report contains recommendations to Bosnia and Herzegovina to address the shortcomings identified. It is available at the following link: <https://ec.europa.eu/food/audits-analysis/audit-report/details/4749>

Audit report Italy

(21/08) This report describes the outcome of a fact-finding study mission of the turkey sector in Italy, carried out from 28 February to 13 March 2024 as part of Directorate-General for Health and Food Safety work programme. The objective of this fact-finding study was to gather information on national legislation, and systems developed and implemented by Italy for the protection of turkey (*Meleagris gallopavo*) welfare at the time of production. Its scope covers commercial production and includes parental breeder flocks, hatcheries, and fattening flocks.

Italy has transposed, implemented, and for certain parameters further developed, the EU legal framework governing turkey welfare at time of production. Current industry practices show a high level of standardisation, regular monitoring and they take corrective action for factors related both to turkey welfare and good husbandry practices. However, there is potential for enhancing certain aspects impacting welfare such as stocking densities, mutilations, and environmental enrichment.

The report is available at the following link:

<https://ec.europa.eu/food/audits-analysis/audit-report/details/4755>

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