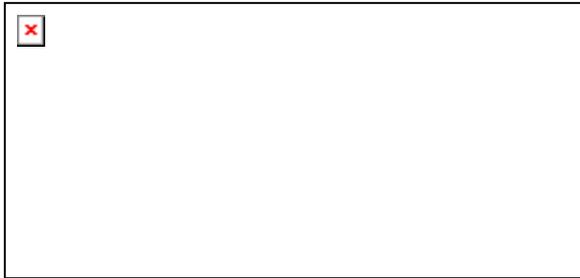




# MARKET ACCESS GUIDELINES – EUROPEAN UNION



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## FOOD & BEVERAGE SECTOR

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## **1. About Market Access**

EU market access requirements are an important part of international trade; compliance is a prerequisite on the EU markets.

Market Access Requirements that are established by EU or national legislation of EU form the minimum requirements which products (or services) have to comply, when they be allowed entry to the EU market. Products that do not comply will not be allowed. EU buyers will therefore require exporters to at least comply with the requirements laid down in EU legislation and, if applicable, with the additional national legislation of EU Member States and Norway.

## **Non Tariff Barriers**

## **2. Consumer Health and Safety Management**

The objective of the European Union's food safety policy is to protect consumer health and interests while guaranteeing the smooth operation of the single market. In order to achieve this objective, the EU ensures that control standards are established and adhered to food and food product hygiene, animal health and welfare, plant health and preventing the risk of contamination from external substances. It also lays down rules on appropriate labeling for these foodstuffs and food products. This policy underwent reform in the early 2000s, in line with the approach 'From the Farm to the Fork', thereby guaranteeing a high level of safety for foodstuffs and food products marketed within the EU, at all stages of the production and distribution chains. This approach involves both food products produced within the European Union and those imported from third countries.

- Comply with HACCP system
- Comply with Global GAP in the production and marketing as a harmonized agricultural standard.
- Rules on the use of contaminants in food (health and safety)

## **3. Food Safety**

EU policy ensures that consumers can confidently enjoy access to an affordable and safe variety of food. Experience shows that the entire food chain must be addressed if safety is to be guaranteed. EU laws cover how farmers produce food, how that food is processed and sold, how it can be traced through the supply chain, as well as the type of information provided on the label. The EU also regulates the safety of food imported into the EU, including requirements on traceability.

## **4. Consumer Protection**

Consumer protection comprises making certain that all consumer products (not just food) and services sold in the EU are safe; ensuring that consumers' rights are properly protected; guaranteeing that consumers have the information they need to make an informed choice and are not misled. This

applies whether consumers are shopping in their local supermarket, while traveling around the EU or on a website based in another EU Member State.

In the area of transatlantic relations, the EU has encouraged and assisted the work of the Transatlantic Consumer Dialogue (TACD)—securing a continued and close dialogue between consumer organizations on both continents and enabling consumers to have a voice affording a counterweight to that of the Transatlantic Business Dialogue (TABD).

## **5. Retail Chain / Supply Chain Management**

At the root of successful food and beverage manufacturing is effective supply-chain management, enabling companies to react to changing demand (new food trends, shifting consumer preferences, etc.) by swiftly communicating those needs to their suppliers. Food and beverage manufacturers also rely on their supply chains to help manage both food-safety risks and regulatory compliance. And while this industry is relatively recession-resistant, the severity of the recent downturn forced all companies to scrutinize margins more closely, squeezing suppliers as they manage month-to-month and quarter-to-quarter profits, rather than long-term growth.

Leading food and beverage organizations look further down the road *even* as they aggressively deal with today's challenges, obstacles, and opportunities—and they share that vision with suppliers and customers. They seek to create world-class supply chains and establish the best practices, technology systems and solutions and workforce cultures that will sustain and grow their business—and their suppliers and customers—into the next generation.

A supply chain consists of three types of entities: customer, producer and supplier. The extended supply chain includes customers' customer and suppliers' supplier. Supply chain management oversees and optimizes the processes of acquiring inputs from suppliers (purchasing), converting those inputs into a finished product (production) and delivering those products – or outputs - to customers (fulfillment).

## **6. Product Quality Management**

Companies face increasing frequency of inspections, regulatory warnings, and product recalls. The span of regulatory requirements include FDA CFRs, EU Directives, FD&C Act (Federal Food, Drug, and Cosmetic Act), Consumer Product Safety Improvement Act of 2008, FPLA (Fair Packaging and Labeling Act), GMP, FHSa (Federal Hazardous Substances Act), HACCP, ISO 22000 (Food Safety), ANSI (American National Standards Institute), ASTM International and more.

## **7. Environmental Management**

The food and drink industry is fully aware that the production and consumption of its products (from farm to fork and beyond) also triggers environmental implications. To ensure long-term sustainability, the common objective of European food and drink manufacturers is continuously to improve the environmental performance of their products and processes, while meeting consumers' needs for food safety, nutrition, health, convenience, life-style and product choice. For many years, food and drink companies have shown leadership in environmental sustainability. This includes voluntarily cutting energy use, water consumption and waste generation, increasing resource-efficiency and engaging in a range of initiatives with food chain partners.

Environmental sustainability has inherent benefits for the industry : First, it is the natural environment where the sector's raw materials are grown. It forms the basis for the long-term health and prosperity of the sector. Environmental sustainability also enables companies to remain competitive by reducing resource use and costs. There is a strong business case for efficient management of natural resources. Not least, the industry is fully aware of its social responsibility and is committed to making a positive contribution to society and the natural environment.

It is also important to control waste generation, air pollution and carbon foot print in the food & beverage industry.

## **8. Social Accountability and Fair Trade Management**

The fair trade applies to workers, whose employers pay wages for their valued efforts, guarantee the right to join trade unions, ensure health and safety standards and provide adequate housing where necessary.

Fair Trade USA has a special and very specific set of standards for what can be labeled "Fair Trade" so the customer has all the information when deciding which great Fair Trade products to purchase.

The average price per pound paid to farmers for Fair Trade Certified coffee in 2009 was \$1.69, well above the average market price of \$1.25.

## **9. Special requirements of buyers (optional)**

EU buyers will require the exporter/producer to compliance with the EU legislation. In addition quality, occupational health and safety, non use of child labour, business ethics and social responsibility especially in carbon foot print. These requirements are developed by the private sector itself. Although these requirements are called voluntary (not obliged by legislation), compliance with the Market Access Guidelines - Food & Beverages sector

requirements in some cases is as important as compliance with legislation, or compliance may give the exporter a competitive advantage when marketing products in the EU.

Also packaging and labeling are another two essential requirements in food exports.

## 10. Tariff Barriers

In general all the European Union member countries apply almost same tariff structure and external trade conditions. For many developing countries some kind of preferential trade agreement will apply. Eg. Generalized System of Preferences

### **Tariff line for potential products**

(Table showing tariff lines for 10 potential products at TLC)

For information on more products please refer to <http://www.macmap.org> and <http://www.exporthelp.europa.eu>

### **Quotas**

**Bilateral/ multilateral**

**Special preferences**

### **Sources:**

CBI Website:	<a href="http://www.cbi.eu">www.cbi.eu</a>
(EU legislation)	<a href="http://www.europa.eu.int/eur-lex/en/index.html">www.europa.eu.int/eur-lex/en/index.html</a>
MRLs, pesticides	<a href="http://ec.europa.eu/sanco_pesticides/public/index.cfm">http://ec.europa.eu/sanco_pesticides/public/index.cfm</a>
GLOBALGAP:	<a href="http://www.globalgap.org">www.globalgap.org</a>
EU Export Helpdesk:	<a href="http://exporthelp.europa.eu">http://exporthelp.europa.eu</a> (requirements, taxes, VAT)
BRC (UK standard):	<a href="http://www.brc.org.uk">www.brc.org.uk</a>
SA 8000:	<a href="http://www.sa-intl.org">www.sa-intl.org</a>
ISO quality mgmt	<a href="http://www.iso.ch">www.iso.ch</a>
Int. food quality and hygiene standards:	<a href="http://www.codexalimentarius.net">www.codexalimentarius.net</a>
Organic:	<a href="http://www.intracen.org/organics">www.intracen.org/organics</a> <a href="http://www.fao.org/organic">www.fao.org/organic</a>
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**Contact EDB for registering in our next seminar on market access.**

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