

Proposal for a Council regulation on the application of quality standards to fruit and vegetables marketed in the producing Member State

(submitted by the Commission to the Council on 17 January 1964)

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EXECUTIVE SECRETARIAT OF THE COMMISSION
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Proposal for a Council regulation on the application of quality standards to fruit and vegetables marketed in the producing Member State

(submitted by the Commission to the Council on 17 January 1964)

Explanatory memorandum

In order to facilitate commercial relations, keep lower-grade produce off the market and direct production towards meeting consumers' requirements, it was decided in Regulation No. 23 ⁽¹⁾ (common organization of the markets in fruit and vegetables) to apply quality standards successively in intra-Community trade, in trade with non-member countries and in the home trade of the individual Member States.

Arrangements for applying common quality standards to fruit and vegetables in trade between the Member States and to produce imported from non-member countries have already been laid down in Regulations Nos. 60 ⁽²⁾ and 80/EEC/63 ⁽³⁾ respectively.

Under Article 3 (1) of Regulation No. 23 the Council is to stipulate the conditions, methods and time-table for applying common quality standards to produce grown and marketed in the individual member countries, and this is the purpose of the draft regulation attached.

In preparing it the aim has been to obtain the maximum benefit possible from the application of standards whilst taking into account any difficulties that the application of these rules to the home trade of the Member States may cause.

I. Products to which the standards apply [Article 1 (1)]

Standardization, which may be defined as a means of technical and economic action affecting distribution channels at all levels, can only have its full effect if applied throughout the whole marketing process and not only at certain stages.

Consequently, if maximum benefit is aimed at, it is vital to ensure that the goods conform to the standards at all stages of marketing, i.e. from the time they are delivered by the grower to the wholesale market to the time when they are sold by retail.

Standards must be enforced as near as possible to the source of the produce so as to prevent goods of inferior quality to which no standards can be applied from depressing the market and affecting price formation.

They must also be maintained as far as the retail stage so that the consumer may benefit and the housewife may make her selection, according to her requirements and her purse, from produce that is properly sorted and described.

Exceptions to this general rule may, however, be allowed for produce which is delivered to sorting and packaging centres or which is not to be offered for sale on the markets. Article 2 of the present draft states that, in any case, the obligation to comply with the standards does not apply:

- i) To produce delivered directly by the producer to sorting and packaging centres;
- ii) To produce not intended for marketing, and in particular to produce bought by the consumer at the farm or market garden;
- iii) To produce intended for processing.

Lastly, it would also seem reasonable to leave open to the retailer the right not to offer his goods for sale in their original packaging, provided however, that he furnishes all particulars likely to affect the consumer's choice (Art. 4).

II. Standards applicable on home markets

The quality standards now in force in intra-Community trade can hardly be applied to produce marketed within the individual producer States in the immediate future, or for some time to come, without certain adjustments, notably the introduction of additional quality grades easy for the producer selling on the markets to comply with and in normal circumstances enabling most fruit and vegetables to be sold.

Article 1 (2), which makes provision for the adoption of such measures in the immediate future, has also been drafted with the aim of allowing for the subsequent adjustment of standards according to the development of production and marketing techniques and of consumers' requirements.

It should, however, be noted that, under Regulation No. 23 (3, 1), the possibility of adjusting standards to the needs of home markets is left open only until 31 December 1967.

(1) Official gazette of the European Communities, No. 30, 20 April 1962, p. 965/62.

(2) *Ibid.*, No. 59, 13 July 1962, p. 1665/62.

(3) *Ibid.*, No. 121, 3 August 1963, p. 2137/63.

III. *Abnormal market situations*

It is by imposing standards that, when there is a glut, supplies can be cut down by keeping off the market inferior quality grades or sizes. But this can only have the right impact on price formation if it is applied before consignment of the goods, i.e. at the farm or market garden itself.

Until 31 December 1967, Article 10 allows each Member State to reduce supply, at the production stage, by prohibiting, in cases of surplus crops, the despatch and marketing of a part of the produce to which the standards apply.

Where the quantity or quality of the crop falls below requirements the same article also makes provision for appropriate measures to cope with the abnormal market situation, either suspending for a time the quality standards or provisionally adding other quality and size criteria.

Since such measures can have a substantial impact not only on the home trade of the Member States applying them but also on the common market in fruit and vegetables, it has been deemed desirable that a Community procedure should be laid down for their adoption.

IV. *Identification of produce (Art. 3)*

The provisions on this subject in the regulation concerning standards have been supplemented:

- i) By an obligation to group all the marks identifying the consignor and the produce on one side of the packaging;
- ii) By an obligation to send with all bulk consignments loaded directly on to a conveyance a way-bill containing a full description of the produce.

These rules have been adopted with the object of improving the identification of produce, which is one of the important points for applying standards. In addition they tend to compensate for the lack of an "inspection certificate", which has proved impossible to institute because the inspection services of the various Member States at present lack the necessary facilities.

V. *Supervision and enforcement*

In order to ensure that the standards are complied with, Article 5 makes provision for sample checks at all stages, laying emphasis, however, on the need to do most of the checking before the goods leave the production areas, so as to prevent, among other things, sub-standard goods from being consi-

gned to the markets. Inspection at the point of departure is particularly important where supplies are being cut down on official instructions (Art. 10).

Lastly, to ensure a certain uniformity in the supervision and enforcement of these rules by the different Member States it has been deemed appropriate to lay down the technical procedures to be followed (Art. 6). This has been done by taking over the rules already contained in Regulation No. 60 (initial provisions on the quality control of fruit and vegetables in intra-Community trade).

VI. *Non-compliance with standards; penalties*

Where the batches inspected do not comply with the rules in force, the inspection service must demand that the faults be made good either by the repackaging of the goods or, if this is sufficient, the rectification of the marking (Art. 7).

In addition, where the fault is particularly serious or is repeated systematically the inspection service must be allowed, apart from the measure mentioned above, to impose more substantial penalties. Article 8 therefore provides that an offender may be fined, and it has been considered desirable to fix the minimum fine — 20 units of account — at Community level, so that Member States will adopt the same policy in this field, without prejudice of course to any other sanctions provided for in their own legislation.

VII. *Extension of these provisions to produce of foreign origin*

It is obvious that these provisions must apply to all produce whatever its origin, and cannot be limited to home-grown products, which would then be subject to much more stringent regulations than those applying to imports.

Article 9 therefore makes the provisions normally applicable to produce of foreign origin from the time it is offered for sale in a Member State. Procedures, however, for this can only be finally agreed on when an equivalence has been worked out between the standards applied by certain non-member countries and the common quality standards.

Conclusion

The regulation represents an important step forward in the organization of the market in fruit and vegetables. However, the contribution it will make to the improvement of this market will be all the greater if the Member States also take co-ordinated steps to create

the necessary conditions for the proper application of the regulation by the parties concerned.

For this purpose, it is essential that each Member State should publicize the quality standards, the scope and content of the regulation, and the structure and functioning of the national inspection services. They must inform not only trade circles concerned with the growing, packaging and marketing of fruit and vegetables, but also the consumers, who are finally the principal persons to benefit by the standards imposed.

Proposal for a Council regulation on the application of quality standards to fruit and vegetables marketed in the producing Member State

(submitted by the Commission to the Council)

The Council of the European Economic Community,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation No. 23 (progressive establishment of a common organization of the market in fruit and vegetables) ⁽¹⁾ as amended by Regulation No. . . . , and in particular Article 3 (1) thereof;

Having regard to the Commission's proposal;

Whereas in order to eliminate from the market produce of unsatisfactory quality and in order to facilitate commercial relations on the basis of fair competition and common rules, Article 3 (1) of Regulation No. 23 makes provision for the progressive application of quality standards to fruit and vegetables marketed within the producing Member State, with full application not later than 1 January 1968;

Whereas it is appropriate to make standards applicable at all stages of marketing, with the exception of certain special cases, notably that of produce consigned direct to sorting and packaging centres;

Whereas at the present stage of the common organization of the market in fruit and vegetables, the standards can be applied to the products listed in Annexes I A and I B of Regulation No. 23; whereas it is appropriate to apply, at national level, the quality standards already in force for intra-Community

trade and set out in Annexes II 1 to II 8 of Regulation No. 23, I 1 to I 9 of Regulation No. 58 ⁽²⁾, and in the annex to Regulation No. 64 ⁽³⁾;

Whereas for this purpose the standards must first be adapted to the needs of the home market and subsequently adjusted in relation with the development of these needs, especially in relation with the development of production and of marketing techniques and with that of consumers' requirements;

Whereas it is desirable to establish special procedures for the identification of produce intended for the home market;

Whereas in order to ensure compliance with the quality standards and their uniform application, it is necessary to provide for inspection, to establish procedures for such inspection and to stipulate penalties for infringements;

Whereas in exceptional production and market conditions, it is advisable to provide that the Member States may be authorized to amend the quality standards in force, by a Community procedure and for a limited period, in order to cope with difficulties arising on their markets,

Has made the following regulation

Article 1

1. From 1 April 1965 the products listed I A of Regulation No. 23, and from 1 April 1966 the products listed in Annex I B of the same regulation shall only be transported or

(1) Official gazette of the European Communities, No. 30, 20 April 1962, p. 965/62.

(2) *Ibid.*, No. 56, 7 July 1962, p. 1606/62.

(3) *Ibid.*, No. 63, 20 July 1962, p. 1741/62.

marketed on the home market of the Member State in which they have been produced if they comply with the common quality, size and packaging standards — hereinafter referred to as “quality standards” — set out in Annexes II 1 to II 8 of Regulation No. 23, Annexes I 1 to I 9 of Regulation No. 58 and in the annex to Regulation No. 64.

2. The changes to be made by 31 December 1967 in the quality standards in order to adapt them to the home trade of the producing Member State shall be decided by the procedure set out in Regulation No. 23 (13), applicable by analogy.

Article 2

The obligation to comply with the quality standards referred to in Article 1 shall not apply to the following:

- i) Produce delivered direct to sorting and packaging centres;
- ii) Produce not intended for marketing and, in particular, produce purchased by the consumer at the farm or market garden;
- iii) Produce despatched direct to industrial users for processing.

Article 3

The marks and signs provided for in the quality standards in respect of marking must be grouped on one side of the packaging.

For produce loaded unpacked directly into a conveyance (bulk consignments) this information must be supplied on a way-bill.

Article 4

In sale by retail, it shall be permissible for produce not to be presented in its original packaging provided that the retailer places above the goods offered for sale a card indicating in bold characters:

- i) The quality category;
- ii) The variety, where the provision of this information is required by the quality standards.

Article 5

To ascertain whether the produce referred to in Article 1 complies with the provisions of this regulation, produce shall be inspected by the services or departments designated by each Member State and listed in the annex. This list may be amended, as appropriate, according to the procedure laid down in Regulation No. 23 (13), applicable by analogy.

Inspection shall be by sample at all stages of marketing and also in the course of transport. It must however be done preferably before the goods leave the production areas, at the time of packaging or loading.

Article 6

1. Inspection operations shall be performed in accordance with the provisions of Regulation No. 60 (3, 1 and 2) (initial provisions for the quality control of fruit and vegetables in intra-Community trade) ⁽¹⁾.

2. The inspector shall see that all the particulars required by the rules concerning marking are given and that they conform to the facts as ascertained.

Article 7

Where batches inspected are found not to meet the requirements in force, the inspection service shall demand that they shall be brought into conformity with these requirements without prejudice to the penalties provided for in Article 8.

However, when inspection is carried out at the retail stage, the inspector shall bear in mind that transport and storage may have slightly affected the freshness and firmness possessed by the produce at the time of consignment.

Article 8

The Member States shall take the necessary measures whereby any person who holds, transports or orders the transport with a view to sale, offers for sale or markets in any other manner, produce not complying with the stipulations of this regulation shall be liable to a fine of not less than 20 units of account, without prejudice to any other penalties provided for in their legislation.

Article 9

The provisions of this regulation shall apply, under arrangements to be established by the procedure of Regulation No. 23 (13), applicable by analogy, to fruit and vegetables imported into a Member State.

Article 10

Where, after a particularly good crop or crop deficient in quality or quantity, a producing Member State considers that an adjustment to quality standards would serve to palliate difficulties likely to arise on its own market, it

⁽¹⁾ Official gazette of the European Communities, No. 59, 13 July 1962, p. 1665/62.

may be authorized by the procedure of Regulation No. 23 (13), applicable by analogy, and until at the latest 31 December 1967, to modify quality standards for limited periods.

Article 11

The Member States shall adapt their laws, regulations and administrative instructions so that the provisions of this regulation can be applied from the dates specified in Article 1 (1) onwards.

They shall notify the Commission of these measures not later than one month after their adoption.

Article 12

The measures designed to ensure uniform application of this regulation shall be adopted by the procedure laid down in Regulation No. 23 (13), applicable by analogy.

This regulation shall be binding in all its parts and directly enforceable in all Member States.

ANNEX

BELGIUM

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FEDERAL REPUBLIC OF GERMANY

Aussenhandelsstelle für Erzeugnisse der Ernährung und Landwirtschaft — Abtlg. Gartenbauerzeugnisse und Saatgut — Frankfurt/M., Adickes Alle 40

FRANCE

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ITALY

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LUXEMBOURG

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NETHERLANDS

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