

Measuring the impact of Private Retailer Pesticide Standards across the food chain

DuPont Crop Protection
Proposal to Freshfel Quality Group
Brussels, 29 March 2010



The miracles of science™

This document and its content were prepared to support a discussion with Freshfel on Private Pesticide Standards. They are not suitable for other purposes or further communication.

Background

- Considerable discussion on true impact of supermarket pesticide standards. Little or no quantifiable data on extent of concerns available.
- Increasing concerns on potential “market distortion” On going consultation with DG Agriculture, FAO, WTO, food industry
- New economic model developed by German Economic institute (DIW econ) on “Impact of private pesticide standards on market structures”. Has concluded:
 - Crop production decisions and market structures at the supplier level are affected.
 - Farmers forced to produce to most restrictive protocols.
 - Specific investments are necessary by farmers & exporters to meet specific quality requirements without guarantee of sale.
 - Strategic use of private standard leads to potential welfare losses due to unfair competition in the retail markets.
- Plan now is to verify this model

Independent survey to quantify the issue

- Aim: To provide an independent quantitative assessment of the impact of private retailer standards on producers, importers livelihood & freedom to trade treated produce within & into EU, **without compromising any individual or organization.**
- Outcome: allow to focus messages vs retailer standards from a point of “strength”. Used to lobby for improvements in any areas where concerns are indentified
 - Internal use
 - External use
 - Across food chain
 - EU commission , FAO ,WTO etc
- Survey results available by Q4 2010

Initial Proposal (open to discussion)

Survey done by independent Market Research company (Produkt + Markt, Germany), Confidential (to those who respond) & factual

- Focus on key areas of concern:
 - Table grapes, apples, tomatoes
 - Spain, Italy, Germany, possibly UK
- Producers (large & small), Ex-/Importers

DuPont Crop Protection have agreed to fund and have approached following sponsors to design and implement (Discussions ongoing)

- Freshfel
- COPA-COGECA
- Forumphyto
- ECPA
- DIW econ, German Economic Institute

Other sponsors by request, but recommend to keep limited numbers



Proposed next steps

- Freshfel indicate interest in participating the survey
- If supportive Freshfel nominates delegate(s) for a first planning session w/c April 19th
- Aim is to have all potential sponsors attend
- This initial meeting will establish ground rules and determine the path forward

Thank you for your attention !



The miracles of science™