

Improved use of fruit and vegetables – Trade standards and a Code of Good Practise

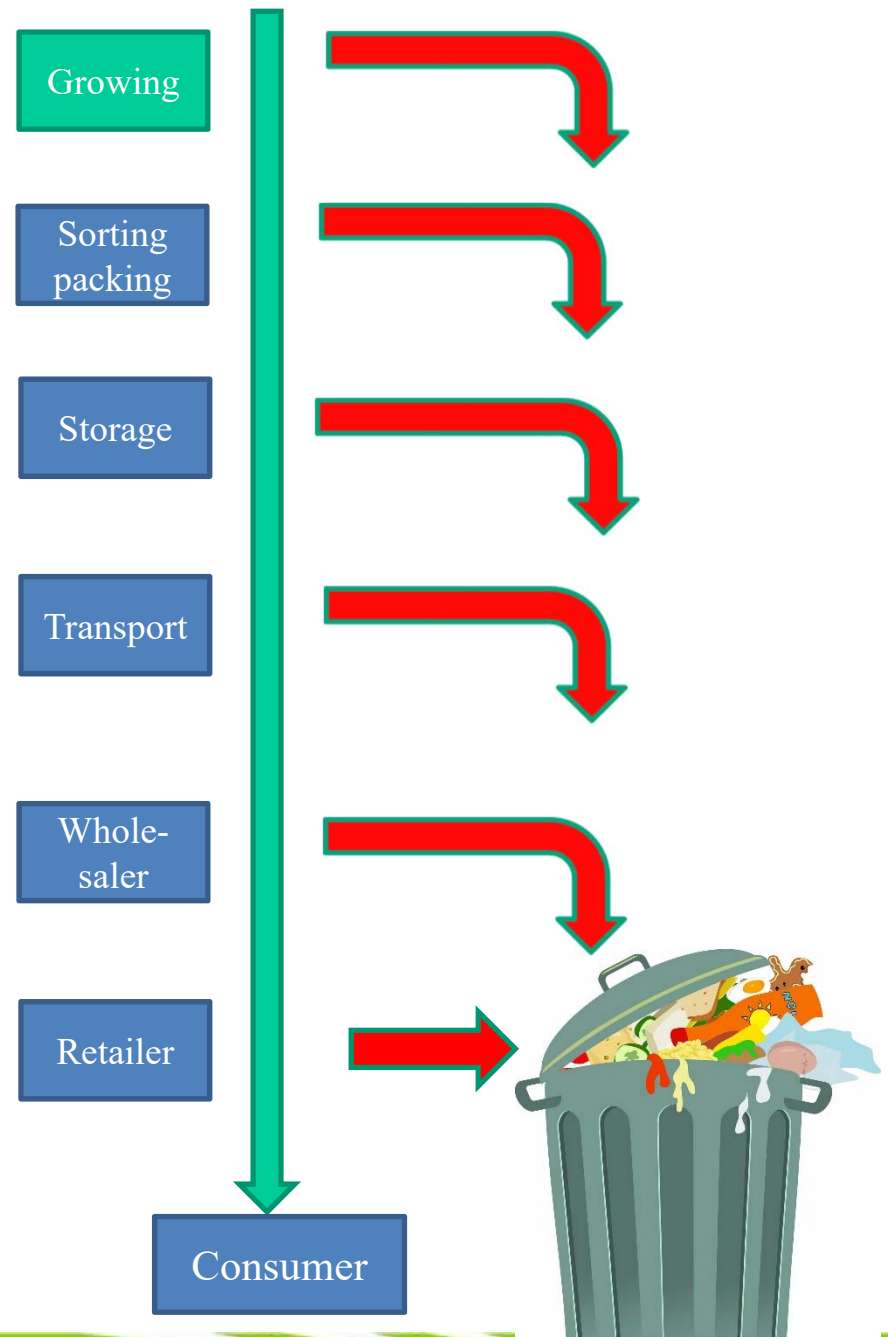
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Issue

How can we increase the share of produced fruit and vegetables that are used for human consumption?

Can trade standards contribute?



Trade standards

- Provides a standardised product description
- Facilitates communication between buyer and seller
- Reduces transaction cost
- Used for local trade as well as long distance trade

Category Extra
Category I
Category II



Private standards/ specifications

- To distinguish respective retailer's products from those of its competitors
- Each chain has its own specifications
- Higher requirements than in trade standards



What can we change?

to increase the share that are used for human consumption

- Use trade standards instead of private specifications
- Increased used of Category II
- Modify requirements in the standards
- Introduce a baseline quality level
- Rejections/ claims shall require verification according to internationally agreed control procedures



Use of trade standards instead of private specifications

- Higher requirements of private specifications increase waste

Therefore, we may

- introduce the concept that trading based on trade standards is a sign of sustainability

and

- Together with producers, traders and retailers make sure that these standards
 - reflect current market trends, and
 - include requirements in line with sustainable trade



Promoting the use of Category II

- Category II can accommodate products with very good eating quality but with cosmetic defects
- If the tolerances for cosmetic defects in Cat II were used to a larger extent, a larger part of the produce could be sold
- Challenge - for Cat II to be used more – the price difference between Cat I and Cat II would probably have to decrease – can increased demand of Cat II products increase prices?.



Modify requirements

- Requirements of respective Category have to reflect market practises, otherwise the trade standards will not be used
- Bearing this in mind, looking at requirements in the standards together with producers, traders and retailers, we may be able to
 - Adjust Cat I requirements that are not necessary and that may cause waste
 - Adjust Cat II requirements to increase allowance for exterior defects while still providing good eating quality



Introduce a baseline quality level

For some markets it may be sufficient to require that products are of a good eating quality i.e. fresh, whole, unaffected by pests and rots etc.

By introducing a description of such a baseline quality we can help setting a basic standard for products traded on these markets without causing unnecessary waste.





Code of Good Practise for trading fruit and vegetables

Sets out how to trade fruit and vegetables with the aim of reducing waste – still in the development process

Some of the topics to deal with

- Better planning of production and sales - and vertical communication – producer, trader, wholesaler, retailer
- Improved logistics – shorter time from farm to fork
- Cool chain
- Handling - packaging
- No late change or cancellation of orders
- Specifications
- No campaigns – buy more than you can eat
- Rejections/ claims – must be made at product arrival and be verified according to internationally agreed control procedures

In summary

a possible way forward

Trade
standard
Cat X, I, II
and
baseline



International
Code of
Good
Practise for
Trading Fruit
and
Vegetables



Sustainable
trade of fruit
and
Vegetables



Thank you for your attention

