

**APPLICATION AND AMENDMENT OF EUROPEAN COMMUNITIES
REGULATION NO. 258/97 CONCERNING NOVEL FOODS**

Statement Delivered at the Meeting
Held on 28 and 29 October 2009

The following communication, received on 28 October 2009, is being circulated at the request of the delegation of Peru.

1. Peru wishes to reiterate its trade concern regarding the application of European Communities Regulation No. 258/97 concerning novel foods, which affects and restricts entry into the European market of certain exotic traditional products (described as "novel foods") derived from the country's biodiversity that were not marketed in Europe prior to 15 May 1997.
2. In spite of the interest shown by various importers from the EC member States, entry into the European market of exotic traditional products has been seriously affected by Regulation No. 258/97 and the way in which it is being applied.
3. Even more surprising and paradoxical is the fact that these very products are supported by the biotrade initiatives financed in our countries by certain noteworthy EC member States such as the Netherlands. All of these efforts to cooperate in development and market research, the training of small and medium agro-exporters, quality control, proper process management and contacts with potential importers of traditional products derived from biodiversity could be reduced to nothing when it comes to entering the European customs territory.
4. For example, in 2008 the Peruvian company Peruvian Functional Foods SAC signed a contract with the Spanish firm Pacifico Internacional with a view to the latter assuming representation of the Peruvian company in Spain and selling the product known as Sacha Inchi across Europe. However, this has proved impossible on account of the Regulation. A level of exports amounting to US\$150,000 by December 2009 had been forecast but so far no exports have taken place. Likewise, Italian and Danish firms have expressed interest in Sacha Inchi, but the Regulation blocks access to the product, which cannot therefore be sold.
5. It should be emphasized that Sacha Inchi is being marketed without the slightest restriction in other countries such as Mexico and Japan, just as Camu-Camu has long been exported to the Japanese market without its safety being called into question in any way.
6. Peru is concerned about the continuing loss of business opportunities for Peruvian micro and small enterprises marketing biodiversity products such as Yacón, Camu-Camu, Sacha Inchi, etc. In

spite of the interest shown by European importers, in practice trade operations cannot begin as the European market for such products is restricted under the provisions of the Regulation.

7. Peruvian products based on the country's biodiversity resources are granted export sanitary certification by the Directorate-General of Environmental Health (DIGESA), showing that the processing establishment has obtained sanitary authorization, i.e. has been verified as correctly applying the HACCP system. In addition, DIGESA issues a certificate of free sale stating that all such products are sold in the domestic market and are destined for human consumption, with a sanitary record which guarantees that they are subject to frequent sanitary surveillance.

8. In view of the foregoing, Peru asks the European Communities to report on progress made on the amendment of Regulation No. 258/97 concerning novel foods and novel food ingredients and to explain how it would address the interests of developing countries such as Peru, which are seeking to derive trade benefits from their biodiversity resources, while allowing consumers in other markets to benefit from products that are safe for human consumption.

9. The European Communities has already provided information on the ongoing amendment process on other occasions, for which we duly expressed our thanks and appreciation. However, we understand that a decisive stage has been reached in the process of reviewing this Regulation, and we think that it is essential that the European Communities update its information and provide a status report on its legislation, for the benefit of my delegation and of other delegations that are or could be affected by this regulation.
