

ASSOCIATION OF BELGIAN HORTICULTURAL COOPERATIVES



ANNUAL REPORT







Highlights 2021

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Foreword

BETWEEN AMBITION AND VULNERABILITY

Ambition and vulnerability: that was the fine line being walked by the world of fruit and vegetables in 2021. The ambition of the producer organisations (POs) to keep doing better also remained the case this year. After what was an improbable year in 2020, when turnover grew by 9%, 2021 again saw a further 4% increase in turnover for the POs to in excess of 1.1 billion euro. Ingro, the cooperative producers' organisation for frozen vegetables, also recorded sales of 108.3 million euro (+4.5%). This was a major achievement, because these organisations once again had to grapple with the unpredictable challenges posed by the COVID-19 pandemic.

But 2021 was more than just a year of healthy growth, because it also exposed the vulnerability of the fruit and vegetable sector in a number of areas. The cost of just about all basic goods rose spectacularly as the result of various political conflicts and a worldwide shortage of raw materials. Added to this were the rising costs of energy, packaging, transport, fertilisers, crop protection products and wages, combining to form a serious threat to the overall profitability of fruit and vegetables businesses – and for the industry as a whole. The fruit and vegetable sector also had to battle with new challenges regarding exports. For instance, the geopolitical conflicts in Belarus, Ukraine and North Africa again led to the loss of export markets. The early effects of Brexit also created disruption in the trade. And the fact that we horticulturalists are again having to pick up bill for these conflicts is a bitter pill to swallow. Having said that, we have continued being active on both existing and new export markets. Indeed, the export focus on having diverse product/country combinations to work with is essential for the long-term sustainable development of the fruit and vegetable sector in Belgium. This is another area where we have taken the lead – both in preparing to establish new areas of business, as well as in having an international presence.

Unfortunately, the task of growing fruit and vegetables has been complicated further by various plant diseases, such as ToBRFV (Tomato brown rugose fruit virus), stressing the need for appropriate crop protection methods. So we very much hope that European politicians will understand that having a toolbox with effective methods to protect our crops is a vital necessity. There is no doubt that it is only logical for the fruit and vegetable sector to use these resources in a sustainable manner so that they have minimum impact on the environment. We strongly believe in having a general European policy and in a common European agricultural policy in particular. This year, the European Parliament also approved the new Common Agricultural Policy (CAP), the central element of which are the National Strategies that the Member States are required to prepare so that the aims and ambitions of the CAP can actually be achieved. The high aspirations set in the policies on climate and the environment create opportunities for the fruit and vegetable sector, which is regarded as one of the leading sectors in the new CAP. On the other hand, the EU is also challenging us to be even more sustainable in the future. However, we are happy to take up this challenge – provided that the transition is fair, affordable and realistic.

We continue to have an active presence on both the national and international stage and are helping to build a policy on agriculture in which producers play a central role while focusing on the broader context. Indeed, we are firmly convinced that sustainable development can only succeed if there is a good balance between economic, ecological and social sustainability. And we are pleased that these efforts have been recognised on a European level. To sum up, 2021 was a challenging year in which we continued to set ourselves the goal of doing better.

We hope you enjoy reading this report.



Rita Demaré Chair



Luc Vanoirbeek General Secretary

VBT

The name of our organisation speaks for itself: we are an association that brings people and organisations together. This means that the very philosophy of the cooperative is woven into the DNA of all our members. With each passing day we build more bridges between our members themselves, as well as with wider society.

We approach the world with our eyes wide open, because you can't afford to be isolated these days. We act honestly and correctly in our representations and are always dependable in our political contacts. Our main aim is to provide a strong alliance for producers' organisations and their members within the fruit and vegetable sector.

We keep a close eye on developments in politics, science and society. One of our main challenges is to convert any threats facing our members into opportunities, at all times. There are two crucial factors at play in achieving that goal: having the right knowledge and developing a framework of social support for our model of entrepreneurship and doing business. Knowledge and insight are absolutely essential in our rapidly changing society. Our aim is to put our many years of knowledge, experience and insights to good work in order to enable the cooperative fruit and vegetable sector to operate to optimum effect – as well as to support the national and international social and political debate. As an association, we must continue to pay close attention to social support for our cooperative approach. We will continue to enter into debate with the various – and often new – players in society, providing them with an insight into our working methods while also commanding respect for what we do.

STRONGER STANDING TOGETHER

When it comes to producers' cooperatives – our members – working together is a central principle. That's why we set up collective actions. We constantly have to ask ourselves: "How can we move forward together as efficiently as possible?"

We strive to keep the logistics chain as short and smooth as possible, from producer to consumer. In fact a cooperative provides added value for both parties: we enable producers to go to market together – they always have a market to sell into and are able to gain good insights into their customers. In turn, consumers both at home and abroad can always be sure that they are buying quality products. Cooperatives also invest in innovation and development. For instance, in Flanders we have an extensive system of experimental farms and research institutions that are largely funded by cooperatives. This enables us to keep one step ahead of other production regions.

COOPERATIVES WORKING ON SUSTAINABILITY

First of all, there is **economic sustainability**. We make sure that our producers are able to approach the European market together so that they can strengthen their position within the food chain. That's because there are very few buyers compared with enormous numbers of relatively small suppliers.

Then there is **environmental sustainability**. To this end, we place strong emphasis on information and training. The aim: always to be able to offer optimum products that have minimum impact on the environment.

The third type is **social sustainability**. For example, our producers' organisations make every effort to restrict food loss and waste as much as possible by having an efficient product chain. And if there's a surplus, for example, we donate it to social institutions or elsewhere.

Finally, we need to dare more. We need to raise awareness of the cooperative philosophy within the sector, because we firmly believe that working together – cooperating – is our strength. Together, our carrying capacity is greater – and together we can do more. This is demonstrated by the strong increase in turnover for all of our cooperatives. Cooperatives as a concept are not past their sell-by date. On the contrary: cooperative initiatives continue to emerge in all sorts of sectors.

So let's get back to our roots. Let our organisation and marketing structure be an example to foreign growers. Let's all be proud together. **Because together we can stand stronger** – and that's the major added value of the cooperative.

About VBT

REPRESENTATION

As a sector organisation, we represent our members in numerous other organisations, both at home and abroad. We consult with relevant parties, express shared positions and defend the interests of our members in:

The European Commission's Directorate-General for Agriculture and Rural Development (DG AGRI)

- the Civil dialogue group (CDG) on Horticulture, Olives and Spirits
- the Civil dialogue group (CDG) on Unfair Trading Practices
- the Working Group on Apples & Pears, Expert Group on Apples & Pears, Forecast Group on Apples & Pears
- the Working Group on Tomatoes, Expert Group on Tomatoes, Forecast Group on Tomatoes

Federal public services

- the Advisory Committee of the Federal Agency for the Safety of the Food Chain (FASFC)
- the Taskforce Export Agri-food under the auspices of the Federal Public Service Foreign Affairs
- the Advisory Council and Plant Fund of the Federal Public Service Health, Food Chain Safety and Environment

The Department of Agriculture and Fisheries of the Flemish Government

- the Working Groups on Crop Protection for Small Crops
- the Working Groups on Harvest Forecasts
- the Council of the Flemish Fund for Agriculture and Fisheries
- the Strategic Advisory Council for Agriculture and Fisheries (SALV)



VLAM.be

IPM Sector Groups

Research

- Optiflux
- Flanders Centre of Postharvest Technology (VCBT)

Promotion

 Flanders' Agricultural Marketing Board (VLAM)

Quality systems

- GLOBALG.A.P.
- Qualität und Sicherheit (QS)
- Vegaplan







SERVICES

As a sector organisation, we work on behalf of our members. Our services include a wide range of activities.

Data management

Through data management, we inform various parties about market developments in the fruit and vegetable sector. The VBT database is updated on a daily basis by members to include sales volumes and market prices. In the Flemish government's working group on Fruit and Vegetable Harvest Forecasts, we provide an annual overview of production areas and volumes, as well as a monthly overview of pomefruit stocks. International data is exchanged within the World Apple and Pear Association (WAPA). In the first instance, we make this information available to member producers' organisations and affiliated producers. Regular contributions are also made to the Flemish government and in the press in publications such as Boer&Tuinder, Fruit and Proeftuinnieuws.

Administrative management

We are responsible for the administrative management of the simultaneous sales and home purchase system. Simultaneous selling enables the same products to be sold at the same time in electronically linked auctions, while the home buying system allows buyers to make their purchases remotely. We manage a database of buyers who are uniquely identified at all affiliated auctions. As an association, we are also a member of GS1 Belgilux and manage the GTIN codes for packaged fruit and vegetables for our members, collated in line with GS1 standards. Via the GS1 My Product Manager tool, we make packaging information available electronically to retailers and consumers.

Research projects

We are involved in a whole range of research projects. In 1997, we established the Flanders Centre of Postharvest Technology (VCBT) in conjunction with KU Leuven. This is a research institution that focuses on the technology for preserving crops once harvested. In 2021, we were the cofounders of Optiflux, a spin-off from KU Leuven, that develops innovative methods for preserving fruit. Together with our members, we are also represented in the user groups of some twenty agricultural research projects (LA-trajecten). Research projects are supported by Flanders Innovation & Entrepreneurship (VLAIO) and by sector funding, some of which comes from our producers' organisations.

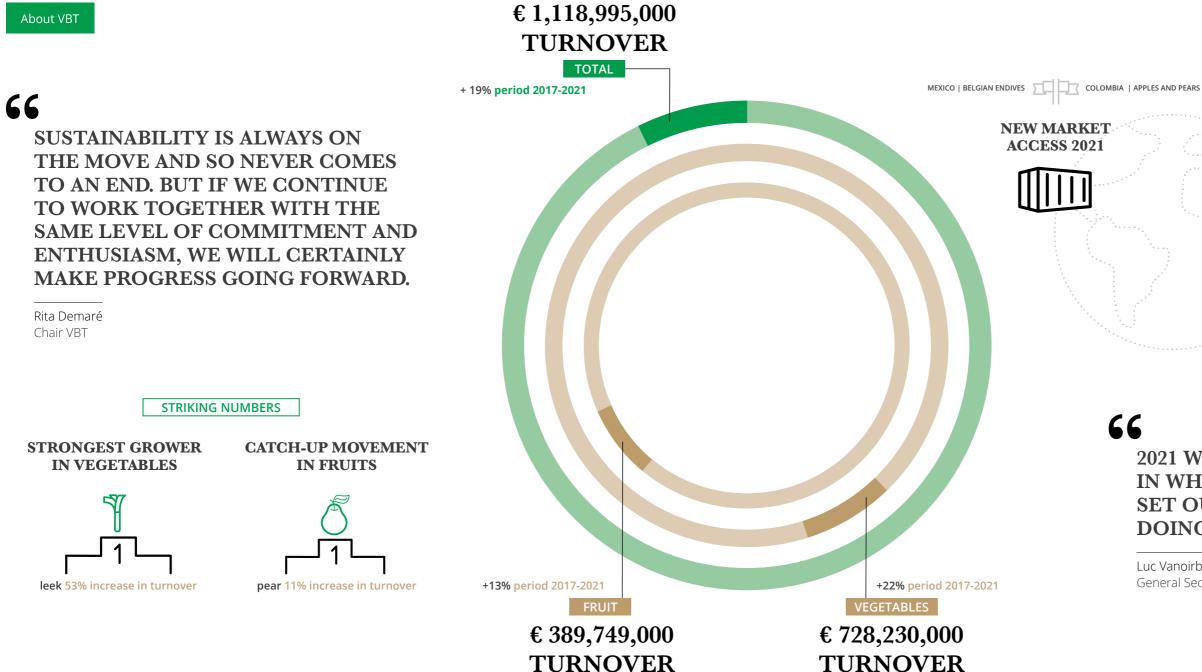
Coordination

Together with the Expertise Center for Sustainable Horticulture (KDT), we coordinate the sector monitoring plan for residues from crop protection products, heavy metals-contaminants and microbiological contamination. Our members conduct monitoring as part of externally controlled quality systems. In 2021, the PFAS contamination around Zwijndrecht led to additional specific analyses. We also developed an alternative for the pre-harvest inspection, which will be dropped from Belgian legislation in the short term. Together with the members concerned and research institutions, we took part in a supervisory committee for monitoring the Tomato brown rugose fruit virus (ToBRFV).

We coordinate the statutory requirements on behalf of our members regarding the prevention of packaging waste: we are members of Fost Plus and Valipac and every three years we draw up a sector plan for preventing packaging waste. In 2021, we made an interim assessment of the sector prevention plan for packaging waste 2019-2022. We also actively monitored local and international legislative developments on packaging and labelling, in particular for stickers on fruit and vegetables. In 2021, we signed up as a supporting party to the Flemish government's Green Deal Anders Verpakt initiative and played an active part in the Work Agenda to a circular food chain, coordinated by the Flemish government (Department of Agriculture and Fisheries and OVAM).









2021 WAS A CHALLENGING YEAR IN WHICH WE CONTINUED TO SET OURSELVES THE GOAL OF **DOING BETTER.**

Luc Vanoirbeek General Secretary VBT



Organisation

As a non-profit association (vzw) we give our members a voice and a say in matters through representatives at the general meeting, meetings of the board of directors and various working groups. In 2021, the general meeting was held on 25th May – online in accordance with the coronavirus measures – and, as tradition dictates, there were also seven meetings of the board of directors with content prepared in the board committee and coordinated by the chair and the general secretary. Specific issues were handled with members in various working groups. The secretariat, under the supervision of the general secretary, is responsible for our day-to-day operations. OUR MAIN AIM IS TO PROVIDE A STRONG ALLIANCE FOR PRODUCERS' ORGANISATIONS AND THEIR MEMBERS WITHIN THE FRUIT AND VEGETABLE SECTOR.

Rita Demaré Chair VBT

Chair **Rita Demaré**

Vice Chairpersons Dirk Bertels Ludo Lousbergh Dirk Van den Plas

General Secretary Luc Vanoirbeek Board of Directors Philippe Appeltans Guy Callebaut Maarten De Moor Paul Demyttenaere Chris Devroe Koen De Wit Hilde Dhuyvetter

Marc Grauwels Patrick Groven Ilse Hayen Dirk Jans Jan Mertens Danny Raskin Hans Vanderhallen





Fltr. **Rita Demaré** Chair VBT | **Dirk Bertels** Chair BelOrta | **Dirk Van den Plas** Chair Coöperatie Hoogstraten | **Dirk Jans** Chair LTV | **Ludo Lousbergh** Chair BFV | **Luc Vanoirbeek** General Secretary VBT









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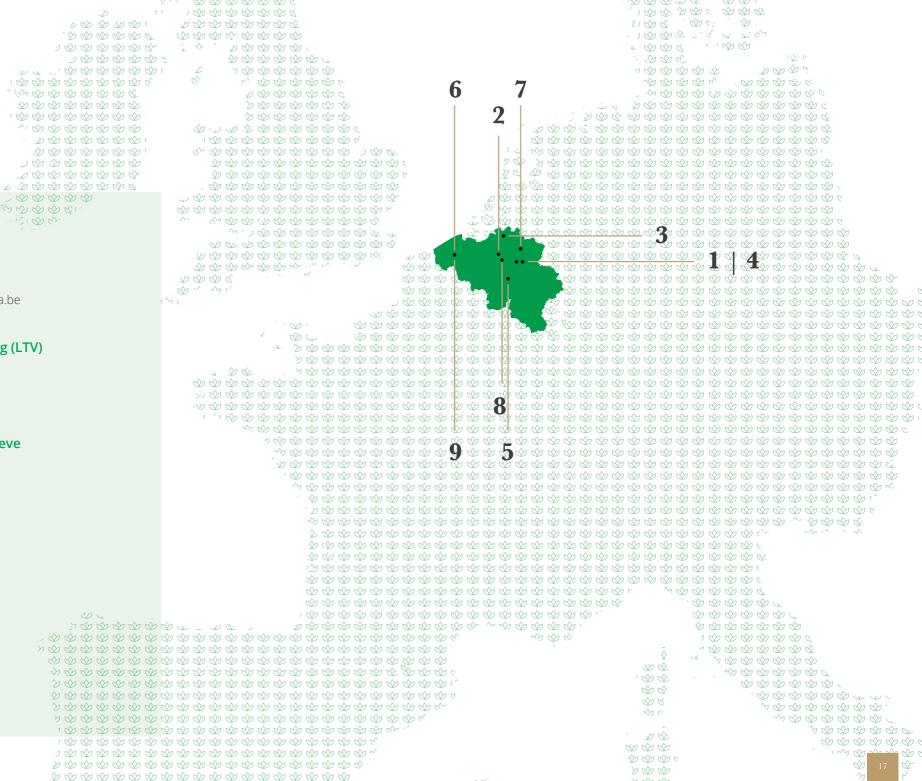
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9 **REO Veiling**

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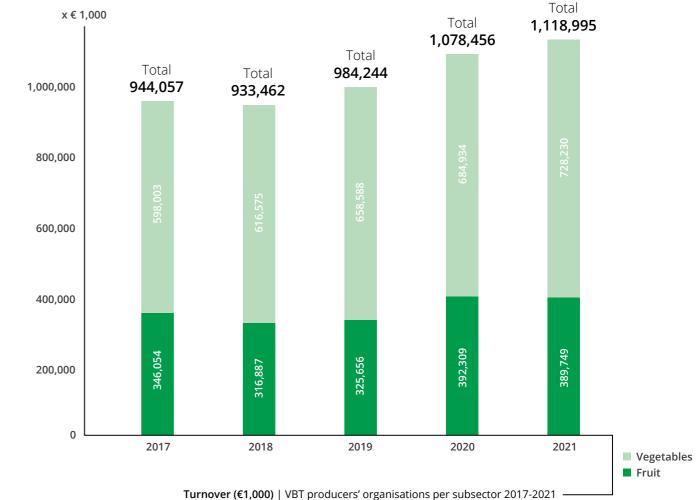
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Supply & turnover 2021

In 2021, supplies from our producers' organisations decreased by approximately 3% as the result of falling production volumes. Supplies of vegetables fell sharply (-6.6%), due mainly to the lower level of tomato supplies. Supplies of both loose (-17 million kg) and vine tomatoes (-23 million kg) fell significantly in comparison with the sharp increase in supply in 2020. 2021 also saw a reduction in the supply of leeks, by 6 million kg, although there was a greater number of cucumbers (+3 million pieces). With regard to fruit supplies, the volume of apples fell significantly (-6 million kg). However supplies of pears increased (+21 million kg).

Sales of fruit and vegetables rose to 1,119 million euro (+4%), continuing the steady growth of recent years. The share of vegetables in overall sales was 65% (729 million euro), with fruit accounting for 35% (390 million euro).

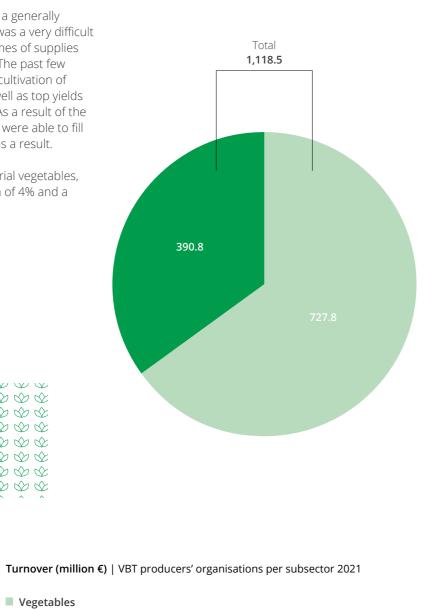
The frontrunner among vegetables in 2021 were leeks, which turnover increased strongly by 53%. Other strong risers were loose tomatoes and vine tomatoes, turnover for which rose by 12% and 13% respectively, despite overall lower supplies. Lamb's lettuce also did well, with an increase in turnover of 18%. Fallers in 2021: cauliflower (-27%), eggplant (-23%) and Belgian endives (-23%).

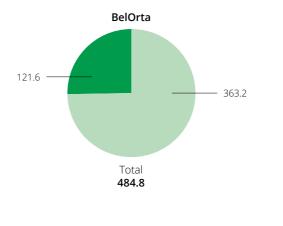


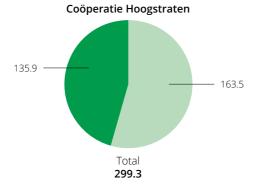
In the fruit sector, the picture for 2021 was a generally positive one for strawberries and pears. It was a very difficult year for apples, due not only to lower volumes of supplies (-6 million kg) but also lower prices (-12%). The past few years have been extremely difficult for the cultivation of pears due both to weather conditions, as well as top yields in a number of other European countries. As a result of the poor pear harvest in Europe, Belgian pears were able to fill the gap, with an 11% increase in turnover as a result.

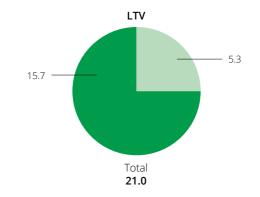
Ingro, the producers' association for industrial vegetables, again performed well in 2021 – with growth of 4% and a turnover of 108.26 million euro.

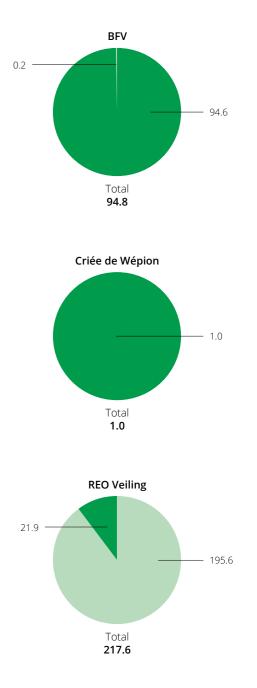














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_	48,433 ton	102,236 ton	7,935 ton	183,415 1,000 pc	63,430 1,000 pc	47,658 ton	192,113 ton	61,582 ton	265,859 ton	38,406 ton	Supply Price
	3.974 €/kg	0.493 €/kg	2.138 €/kg	0.282 €/pc	0.392 €/pc	1.221 €/kg	0.564 €/kg	0.538 €/kg	0.652 €/kg	1.544 €/kg	
	192,473 x € 1,000	50,403 x € 1,000	16,965 x € 1,000	51,723 x € 1,000	24,864 x € 1,000	58,190 x € 1,000	108,352 x € 1,000	33,131 x € 1,000	173,340 x € 1,000	59,298 x € 1,000	Turnove

— Total top 10 products

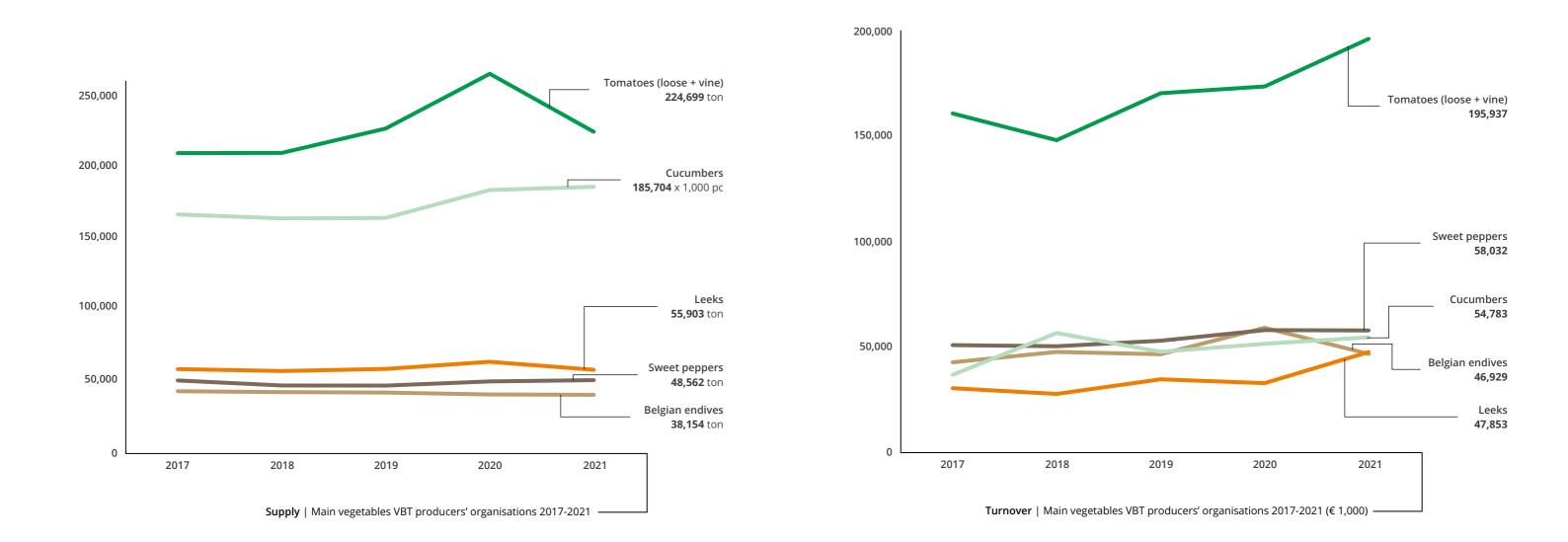
ucts € 768,738,655

2021											
	ð	$\widehat{\mathcal{A}_{\mathbb{L}}}^{r}$	ð		Ŵ	ð	Ŷ	Ğ	Ø		— Supply
49,954 ton	95,990 ton	7,168 ton	185,704 1,000 pc	60,401 1,000 pc	48,562 ton	212,937 ton	55,903 ton	224,699 ton	38,154 ton		— Price
3.883 €/kg	0.433 €/kg	2.307 €/kg	0.295 €/pc	0.390 €/pc	1.195 €/kg	0.563 €/kg	0.856 €/kg	0.872 €/kg	1.230 €/kg		
193,972 x € 1,000	41,563 x € 1,000	16,536 x € 1,000	54,783 x € 1,000	23,556 x € 1,000	58,032 x € 1,000	119,884 x € 1,000	47,853 x € 1,000	195,937 x € 1,000	46,929 x € 1,000		– Turnover
						Total top 10 products			€ 799,045,872		

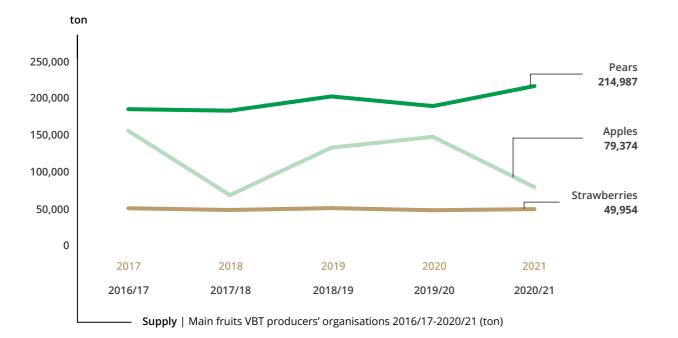
Supply, price and turnover | The main products from VBT producers' organisations 2020-2021

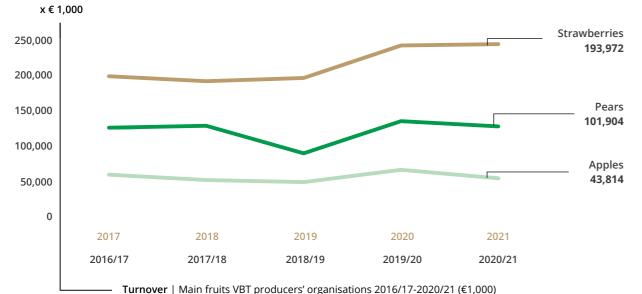


About VBT



About VBT





After what was an improbable year in 2020, when turnover grew by – 9%, 2021 again saw a further 4% increase in turnover for the POs to in excess of 1.1 billion euro.

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The European Common Agricultural Policy and the CMO



Fruit and vegetables acting as a model for the future of the European agricultural policy

At the end of November, the European Parliament gave the green light for the new European Common Agricultural Policy (CAP). The original purpose of the CAP was along three main lines. First, the CAP is designed to ensure that enough food is produced in the EU in a sustainable way. Second, consumers must also be able to buy farm products at a reasonable price and, third, farmers must have a decent income. These three main lines continue to form the base for the new CAP that was set in 2021 and which comes into effect on 1st January 2023 and runs until the end of 2027.

New emphasis on climate and the environment

The original base of the CAP has been expanded to include new areas of emphasis. For instance, from 2023 onwards, greater attention will be paid to aspects relating to climate and the environment. Through the European Green Deal and the Farm-to-Fork strategy, the EU aims to take major steps towards more sustainability and to adopt a leading position in the fight against climate warming. In other words, Europe wants to gain prominence in the world, both in terms of sustainability and in the fight against climate warming. And the implementation of the new CAP needs to take this into account. In practical terms, for producers' organisations this means that they will have to take the Operational Programme's 15% climate and environmental rules into account when the CAP is put into effect.

New framework

In addition, the Member States and regions will be given greater freedom to place their own emphasis within the CAP via a series of National Strategic Plans. In doing so, they will be able to adjust their emphasis on regional needs, on the one hand, while on the other hand, this also involves the risk of increased competition between producers in different Member States. Ultimately, it is the job of the European Commission to oversee the development of this process. Only 6% of European farmers are under the age of 35 – which, frankly, is a dramatic observation. The EU wants to focus strongly on the young generation of farmers and spends 3% of the CAP specifically on this target group.

The EU is planning to allocate a budget of 387 billion euro for the period from 2023 to 2027 to achieve all of these aims. Yet this huge amount still only represents less than 1% of total taxes in the EU, taking account of a 3.9% reduction in the overall CAP budget, despite the additional tasks allocated to the CAP.

Producers' organisations acting as a model for the further development of the CAP

There has been a Common Market Organisation (CMO) for fruit and vegetables since 1996. The aim is to concentrate supply and hence strengthen the position of the farmer in the food chain. The producers' organisations (POs) also provide additional support for the producers themselves. For instance, Belgian POs invest approximately 2.7 million euro each year in research and development. The EU uses this CMO system as the model for the other sectors of agriculture, because the model has demonstrated the contribution it makes to the resilience of producers. To make this happen, the EU provides 830 million euro each year – and so not a smaller budget as for the overall CAP. This means that the POs and their members will be able to count on the EU's continued support to help realise their aims and those of their growers.

Promotion

Fruit and vegetables from Belgium are known and sought after worldwide for their quality. As the Belgian fruit and vegetable sector, we are highly dependent on exporting our products. And to enable these export activities, contacts with local buyers on the various export markets are crucial. That is why we, together with VLAM, are always strongly committed to ensuring there is an active presence at specialized trade fairs to promote commerce in fresh fruit and vegetables.

Unfortunately, these opportunities to make contacts fell away in 2020 and 2021, as a result of which we were no longer able to take our products physically to the people who buy them. To help offset this problem, Minister of Agriculture, Hilde Crevits, gave us 40,000 euro last year to develop an export platform in an incubator so that we could continue to reach our contacts digitally. We worked very hard last year with VLAM and LAVA to create a versatile and easy-to-use digital export platform. This export platform was used for a number of internationally known experts to present various interesting keynote speeches to express their views on developments in our sector, based on their own knowledge and experience.

The big benefit of this digital platform was interactivity. Visitors were able to find things out about Belgian fruit and vegetable production, as well as to take a look at the produce being provided by the producers' organisations and exporters on virtual stages. This enabled them to get in touch immediately with the right person they needed to contact and hence also to establish new contacts, even in these times of Covid-19 – all of which provided great added value.

At VBT, we also try to achieve a collective approach. Indeed, we firmly believe that we are stronger if we position ourselves together and in doing so we are able to share the cost and effort involved. We are also forward thinking and always opt for a digital tool when one is available. In fact, we are convinced that, over time, virtual trade fairs will take their place alongside physical shows.

Not only did we work hard on behalf of the export incubator, but we also made a great deal of effort in promoting fruit and vegetables back home in our own country. For example, we ran campaigns to encourage people to buy more locally and we were also actively involved in the Voedsel verbindt boer & burger (food connects farmers & citizens) campaign launched by Minister of Agriculture, Hilde Crevits. Along with the POs and proud producers, we became 'ambassadors' for this campaign, which is designed to shine a positive spotlight on the quality of locally grown produce. We also focused specifically on target audiences, such as young people, with campaigns connected to the world they live in. Examples were the Snack & Chill and the Vegetables are the New Sneakers campaign for schoolchildren and students.

In addition to selling in our own market, we also need to be able to place our products into export markets, which have recently come under serious pressure as the result of certain political decisions (Brexit) and geopolitical conflicts. Working with VLAM, we made additional efforts with the support of Europe in 2021 to develop campaigns supporting exports in China, Brazil and Germany/Austria, which were funded 80% by the EU.



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WE ALSO TRY TO ACHIEVE A COLLECTIVE APPROACH. INDEED, WE FIRMLY BELIEVE THAT WE ARE STRONGER IF WE POSITION OURSELVES TOGETHER AND IN DOING SO WE ARE ABLE TO SHARE THE COST AND EFFORT INVOLVED.

Rita Demaré Chair VBT





Highlights 2021



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Responsibly Fresh Goodness by nature

We were true to our word and published our sustainability report in 2021, as announced at the launch of Responsibly Fresh Goodness by nature. Unfortunately, we were unable to present this report in person to our stakeholders. However, all of our stakeholders were sent a copy and the contents of the report were set out in a press release.

Through the collective Responsibly Fresh Goodness by nature project, we - the producers' organisations and the producers themselves, are continuing our efforts towards sustainable development. After taking stock in 2018 of the six years of Responsibly Fresh, 2019 saw the effective start of Responsibly Fresh Goodness by nature, yet another innovative project from the cooperative fruit and vegetable sector. Plenty of hard work was carried out in both 2020 and 2021 to get this project up and running.

Responsibly Fresh Goodness by nature is based along three main lines:

- 01. The **producers opt deliberately** to take a cooperative approach, because they are stronger when they stand together. Cooperative entrepreneurship is sustainable entrepreneurship.
- 02. Fruit and vegetables are naturally healthy. They provide a wealth of flavours, and contribute towards a varied diet. The sector is focussing on food safety and preventing food losses.
- 03. The sector is **committed to progress while respecting the elements** of nature by growing fruit and vegetables with minimal impact on the environment.

THE PROJECT IS IN LINE WITH THE SUSTAINABLE **DEVELOPMENT GOALS (SDGS) OF THE UNITED NATIONS.**

In the report for 2021, drawn up in accordance with the guidelines for sustainability reporting of the Global Reporting Initiative (GRI), a full explanation is given of the actions and measures implemented by the producers' organisations (POs) and the producers. Anyone wanting to take part in the project must comply with certain obligations.

- The POs continued their participation in the Sustainable Enterprise Charter of Flanders' Chambers of Commerce and Industry (VCDO). Because they received a VCDO certificate three times within a five-year period, ten actions were positively evaluated in at least four of the five pillars (people, planet, partnerships, peace, prosperity) and actions were carried out within each of the 17 SDGs, the POs are awarded with the international certificate from the UN and Cifal Flanders/UNITAR: SDG Pioneer.
- As it is customary, the member producers have a valid certificate for the Vegaplan Standard for Primary Crop Production and/or the GLOBALG.A.P. Integrated Farm Assurance (IFA) standard. A condition for market access.
- The POs focus further on the sustainable development of the labour and social conditions. Since 2017, the member producers of the POs have been assessed on the GLOBALG.A.P. social module GRASP (GLOBALG.A.P. Risk Assessment on Social Practice). As a next step, the POs are evaluated on the social module FIAS (Freiwillige QS Inspektion Arbeits- und Sozialbedingungen) of the German quality system Qualität und Sicherheit (OS).
- Both the POs and the producers were questioned about a number of key elements relating to sustainable development. The combined results are included for each pillar and SDG included in the sustainability report.

SOME OF THE KEY ELEMENTS FROM THE 2021 REPORT:

PILLAR 1

Cooperative entrepreneurship is sustainable entrepreneurship

- turnover (in excess of one billion euro) and
- **02.** The POs occupy an important place and perform a vital task in the value chain – one-stop shopping makes the chain short and efficient. In doing so, the POs improve the income of the 3,400 cooperative members-producers.
- **03.** Within VBT, preparations are made to continue activities in the South, to be resumed after the COVID-19 pandemic.

The general secretary of VBT concluded the press release issued following the publication of the 2021 report by saying: "Further sustainable development is what we, VBT together with our five member POs and 3,400 affiliated producers, have been doing in recent years and is an area on which we will continue to focus in the years ahead. Sustainability is always on the move and so never comes to an end. But if we continue to work together with the same level of commitment and enthusiasm, we will certainly make progress going forward".

More information on: www.responsiblyfresh.eu.

PILLAR 2

Sustainably produced, healthily consumed

- **01**. The POs actively promote the consumption of fruit and vegetables – with 4 million euro of promotional resources within VLAM.
- 02. The POs focus on food safety and product guality – 100% validated self-inspection systems with the POs and producers.
- **03.** The POs focus on the value retention chain for one million tons of fruit and vegetables. The POs do everything they can to trade the entire product supply on the fresh market, from asparagus to zucchini. Less than 2% of the supply is not commercially sold, but valued by being distributed free of charge (mainly to foodbanks) or by being used for animal feed or for composting or biogas plants.
- 04. Accurate packaging protects the products and contributes to food thrift. An average of 73 kg of packaging material is used per ton of product, of which 68 kg is reusable commercial packaging, 4.2 kg single-use commercial packaging and 700 grams single-use household packaging. For the latter, the proportion of paper and cardboard increased from 16% in 2018 to 40% in 2020.



PILLAR 3

Progress with respect for the elements of nature

- **01**. The POs constantly invest, both collectively and individually, in research projects receive funding from the sector each year.
- **02.** Both the POs and the producers are committed to saving water. The producers have storage capacity for ten million m³ of
- **03.** The POs and producers partly use their own electricity production – there are over 200 companies with CHP (combined heat and power) systems and 1,000 with solar panels.
- **04.** Various possibilities are in use for limiting energy consumption, while others are still being researched. This is done by carrying out energy scans at 10% of producers.
- **05.** Sustainable alternatives are used in logistics and mobility.
- **06.** Within VBT, POs and producers monitor the developments regarding Life Cycle Analysis (LCA).
- **07.** Integrated crop protection and pest management has already been the standard for many years.
- **08.** The producers act responsibly in the way they deal with the soil.
- **09.** The POs and producers collectively make a contribution to maintaining biodiversity.



Access to markets in third countries

In 2021, we continued to make progress in gaining access to new export markets, as well as keeping existing markets open. We received market access for Belgian endives in Mexico, pomefruit in Colombia and fresh vegetables in the Eurasian Economic Union. Access was assured for Belgian pears to China as the result of a successful online inspection. We are also continuing to work with our members, supply chain partners and relevant government departments on preparations to meet the United Kingdom's import requirements, as a result of Brexit.

Exports are essential for the long-term economic sustainability of the cooperative fruit and vegetable sector. Whereas exports to other European Union Member States is something of a tradition, it still remains a challenge to gain and maintain access to markets in third countries. Through internal consultation with our members and external discussions with a whole range of organisations, we remain busy keeping track of developments in the terms governing commercial, product technical and logistical issues in order to promote sales in other countries. We consult actively with the Federal Agency for the Safety of the Food Chain (FASFC), the Federal Public Service for Foreign Affairs and the Federal Public Service Economy. This gives us a view of potential access to markets in third countries, enabling us to draw up a plan for tackling the approach we take. We are also involved in preparing royal/ trade missions. For export markets with specific product technical issues, such as phytosanitary or food safety requirements, we produce sector-specific dossiers and procedures in close collaboration with members, Fresh Trade Belgium, research institutions and laboratories. This gives fruit and vegetables access to new markets, subject to the necessary approval of the FASFC and/or relevant government departments in the importing countries.

The requirements for exporting Belgian pomefruit to specific third countries that producers' organisations, producers, packing stations and exporters all have to comply with are stated in sector procedure SP-Export-014. At the beginning of 2021, version 8 of this sector procedure was approved by the FASFC. Applying these requirements provides access to the markets in Brazil (pears), Canada (pears), Colombia (apples and pears), Israel (apples and pears), Mexico (apples and pears), Thailand (apples) and Vietnam (apples and pears). During the growing and export season, we coordinate the application of the sector procedure by the produces' organisations concerned.

 In the Eurasian Economic Union, the Russian Federation's import ban continued to apply in 2021. For other countries – Armenia, Kazakhstan, Kyrgyzstan, Belarus – we drew up a monitoring protocol for sweet peppers and tomatoes, at the request of the members concerned and in line with the modified import requirements. Since 2021, only products from notified producers that comply with the monitoring have been eligible for export to these countries.

In addition to market access for pears in 2019 and apples in 2020, 2021 also saw the market for Belgian endives open up in Mexico. At the request of our members, in the spring of 2019 we submitted a technical dossier to the FASFC. After approval by the FASFC, the Spanish version of the report was sent to the Mexican counterpart. The FASFC promptly forwarded our responses to the clarifications and additions requested to Mexico. Belgian endives were granted access to the market in the summer of 2021 after the official Mexican publication of the phytosanitary import requirements.

EXPORTS ARE ESSENTIAL FOR THE LONG-TERM ECONOMIC SUSTAINABILITY OF THE COOPERATIVE FRUIT AND VEGETABLE SECTOR.

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The requirements for exporting Belgian pears to China are set out in an official protocol. An online inspection was conducted on 22nd March 2021 at the express request of the Chinese government authorities. At the end of 2020, China had already reported on additional measures and possible inspections due to the Covid-19 pandemic. This was followed by extensive communication about the structure and approach of the inspections. In the end, China selected two producers and two packing stations for an online inspection. The operators involved, the producers' organisations, VBT and the FASFC all worked together to prepare for the inspection. The coordination work and follow-up carried out by the local FASFC attaché proved to be extremely valuable. After the inspection, China published a new list of operators – the producers and packing stations from which pears can be exported to China.

During the course of 2021 we continued to pay particular attention to Brexit, which saw the United Kingdom officially leave the European Union on 31st January 2020. There was a transition period in place until the end of 2020 during which time trade remained unchanged, but specific import requirements came into effect from 2021. New provisions for fruit and vegetables come into practical effect in mid-2022. We continue to monitor relevant developments and will inform our members about them. Accurate preparation remains the most important message in this regard.

ASSOCIATION OF BELGIAN HORTICULTURAL COOPERATIVES