

# Impact of EU Marketing Standards for Agri-Food Producers on SMEs Producers in third countries:

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**Brief Testimony Of Interveg -an SME company in Kenya:**

Interveg Exports EPZ LTD is a legally registered company that has been in operations since 2005 , exporting Fresh produce to the EU & UK market.

We supply a range of fresh vegetables namely Fresh green beans (commonly known as French beans), Peas (both sugar snaps and snowpeas), garden peas, babycorn as well as fruits such as passion fruits and soon avocados.

We work with, out-grower farmers who have minimum of 10 acres -100 acres of land for farming. The produce all required export products that we require under strict Good Agricultural Practices (GAP). They are Global gap certified which is a private market requirement that guarantees food safety of the products in terms pesticides applied as well as hygiene while handling the products.

The farmers sign yearly contracts with us and these contracts are also witnessed by a Kenya Government authority, Horticultural Crop Directorate (HCD) to ensure fairness on both parties of the contract.

The farm produce is collected 3-4 days in a week by company trucks and delivered to our pack house in Nairobi where we have modern cold room facilities that help to maintain the cold chain of the product before and after processing

The product is then processed according to the customer specifications (standards) and packed in agreed packaging with the customer for delivery to the airport for air lifting to the customers. At the airport, the products is inspected by Kenya Plant Health Inspectorate services (Kephis) who must issue a Phytosanitary certificate that the goods conform to the EU general standards in terms of:-

- Product being clean-no skin blemishes or spots
- Intact/Firm-not damaged
- Sound-fulfils the desires and needs of a customer/buyer
- No pests seen
- No moisture in the packaging especially on prepack products
- Packaged in a way that it can withstand transportation to its destination.
- Boxes well labelled and must have “Export company name and physical address”

## Samples of labels and packaging



## Why Should a company like Interveg adhere to Quality Market Standards for fresh produce?

Standardisation as we all know is the process of creating protocols to guide the creation/production of goods and services based on the consensus of all the relevant parties in a given Industry or sector.

Quality standards in the Fresh fruit and vegetables standards are very important as they:

- help to build trust in and open market opportunities
- encourage high quality production
- improve profitability of the producers
- also protect consumer interests.

### Effects of Market Standards on SMEs in third countries.

As already indicated, standards are important. The current general market standards we use as Intervég to sell our produce are within a threshold that is achievable without extreme effects to trade, and if am not wrong I think there is an agreed 10% threshold of tolerance given in the industry as far as market standards are concerned.

If this situation was to be changed to make the standards more stringent then in my view, we may experience the following negative effects that could also possibly lead to food waste.

1. Revision of certain parameters such as reducing to zero level tolerance may affect growers from third countries, Kenya included. As explained earlier, the produce goes through various stages of processing before delivery to consumer.
2. Level of freshness-For instance, the accepted shelf-life tolerance for green beans is about 21 days from the date of processing/export. Changing this shelf life in the negative may result in losses. Many a times there is food waste due to rejection of produce as a result of browning on the tips of beans whereas the rest of it is fresh costing a lot of losses to SMEs
3. Product appearance standards could also cause food waste more so for SMEs who may not be in a position to process “high Care products” for export (See photos below))





Curved but clean safe beans  
thus not exportable.



4. Traceability, labelling and packaging are already expensive as it were and increased measures on these may make it difficult for many an SMEs to sustain their businesses as unfortunately the sale price is mostly not commensurate with the increased standards (This is more in private & voluntary market standards where costs of certification are on the upward trend but prices have been rather on a constant scale)

## Conclusion:

We definitely need standards but a delicate balance must be maintained to avoid detrimental effects on trade especially for the third world countries.



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