



UNION FLEURS
INTERNATIONAL FLOWER TRADE ASSOCIATION

Impacts of phytosanitary certification on the cut flower trade

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Business Dialogue : the influence of electronic certification on the B2G environment
IPPC – Geneva 28 June 2016



Union Fleurs is the **international umbrella organization representing and promoting the worldwide interests of national associations and companies active in the floricultural trade** (cut flowers, foliage and pot plants).

Founded in 1959, it is based in Brussels and has nowadays members in **20 countries worldwide (in Europe, Africa, Middle-East, South and North America, and Asia)**.

Within its membership, Union Fleurs gathers **over 3.000 companies active in the trade of cut flowers and pot plants worldwide**, of which more than 1,500 floricultural traders and wholesalers in the EU. Members account for more than 80% of the total value of the worldwide trade of cut flowers and pot plants.

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Union Fleurs Members



ITALY



SWITZERLAND



GERMANY



BELGIUM

AUSTRIA



DENMARK



VEREINIGUNG DES SCHWEIZERISCHEN BLUMENGROSSHANDELS
COMMUNAUTÉ SUISSE DU COMMERCE DE GROS EN FLEURS



KENYA



JAPAN

Kenya Flower Council
Growing Responsibly

USA



TURKEY

NORWAY



MOROCCO

ETHIOPIA

THE NETHERLANDS



COLOMBIA



FRANCE



SWEDEN

SOUTH AFRICA



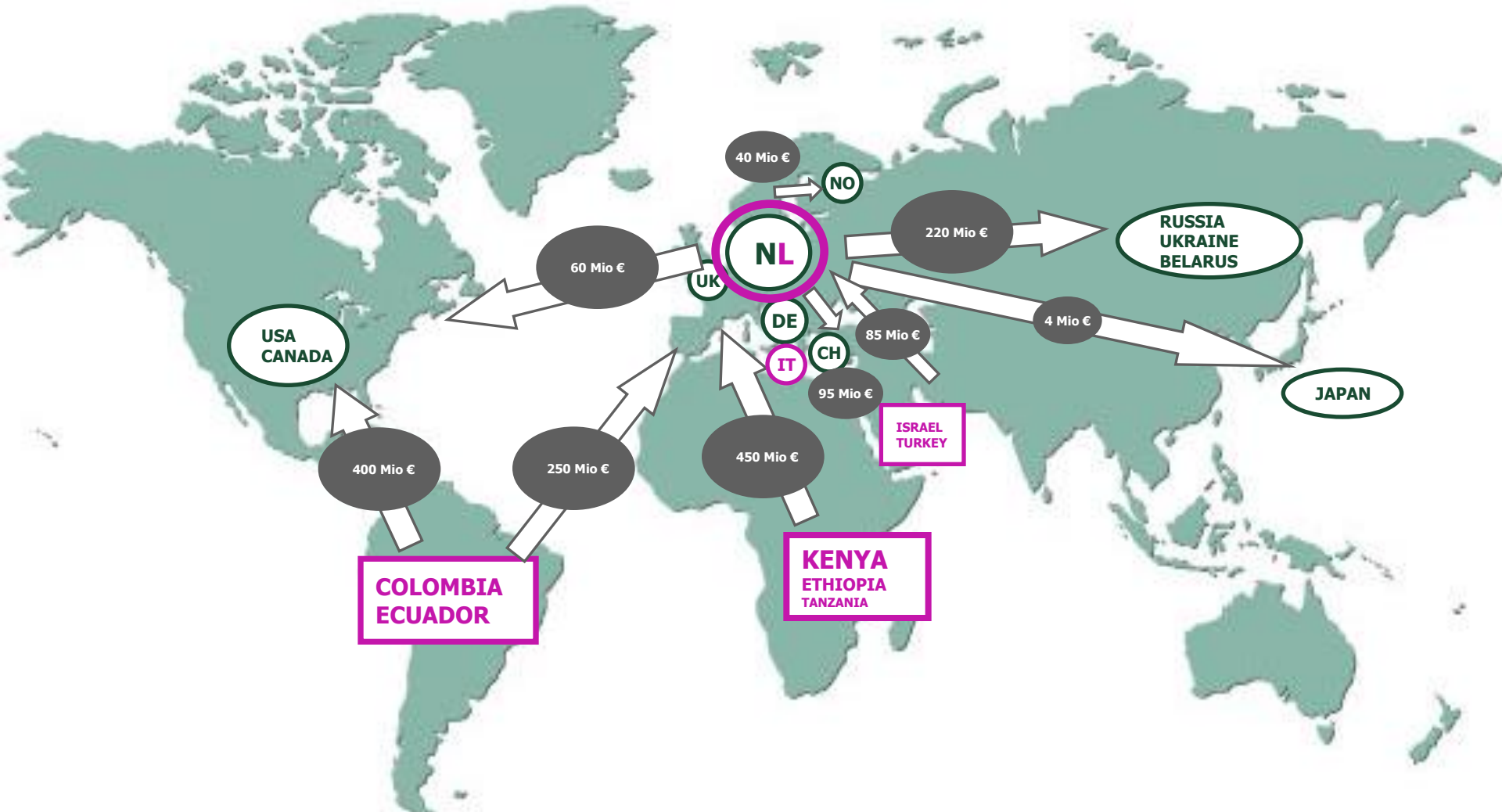
ISRAEL



KEY CHARACTERISTICS OF THE INTERNATIONAL FLOWER MARKET:

- A very global market with key players in developed and developing countries:
 - **The Netherlands :**
 - International trade center (hub) through the flower auctions' system since the 1950s
 - more than 50% of the world trade transits/is re-exported via the Netherlands
 - **Kenya:**
 - supplies 1/3 of the total EU market in cut flowers (roses)
 - Exports to more than 50 destinations all over the world
 - 100,000 people depend directly on the floriculture industry, 500.000 indirectly and over 2 million livelihoods are impacted.
 - **Colombia and Ecuador:**
 - supply together 90% of the US market (Colombia: 65% ; Ecuador: 25%)
 - 90% imported through Miami airport

WORLD TRADE FLOWS - CUT FLOWERS



TOTAL VALUE OF EXPORTS WORLDWIDE: 6.5 billion EUR

EU: 2.86 billion EUR (45%) – incl. intra-EU trade (2.3 billion EUR)
 NL: 2.5 billion EUR

TOTAL VALUE OF IMPORTS WORLDWIDE: 6 billion EUR

EU: 3.54 billion EUR (59%) – incl. intra-EU trade (2.37 billion EUR)
 NL: 600 Mio EUR / DE: 750 Mio EUR / UK: 700 Mio EUR

● PRODUCT SPECIFICITIES:

- **Cut flowers are highly perishable products with a very short life-cycle (vaselife)**
- **Assortment:** a large number of flower varieties & species are being traded all over the world, depending on the season and trends
→ product categorisation / data harmonisation is complex (nomenclature)
- **Peak seasons: Valentine's day, Mothers' day**
 - Huge volumes must reach destination markets on time
 - Extreme pressure on the supply-chain and logistics during a few days of the year
 - Any mistake or delays can compromise on-time deliveries

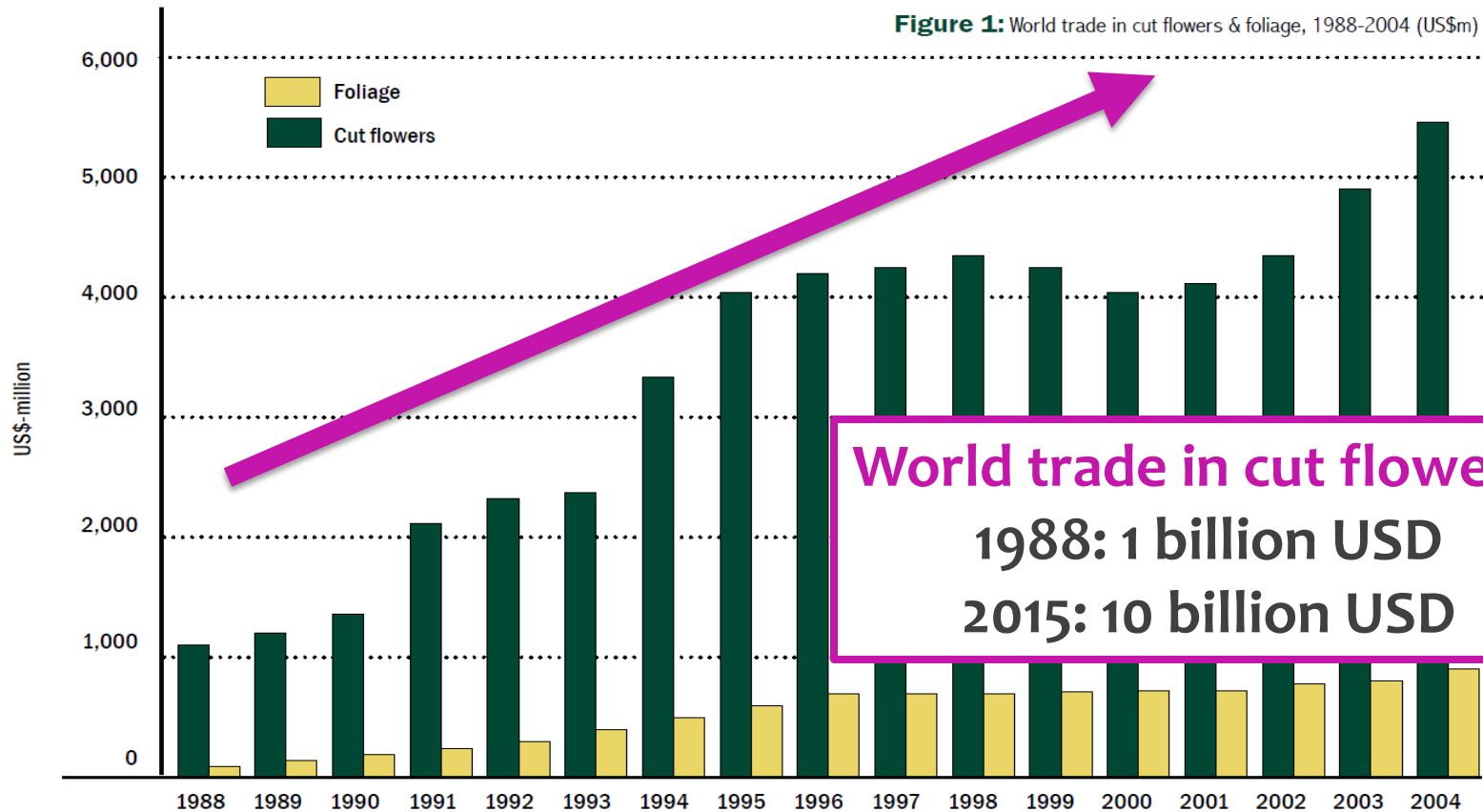
● KEY FACTORS:

- **Efficient logistics and processes** along the supply-chain, from origin to destination, **to ensure speedy deliveries**
- **Cold-chain management** to preserve quality during transport and ensure vase-life

- **CUT FLOWERS ARE MAJOR USERS OF PHYTOSANITARY CERTIFICATION SYSTEMS WORLDWIDE**
- **RESPECTING PHYTOSANITARY RULES IS CRUCIAL FOR ALL OPERATORS IN THE FLOWER BUSINESS**
 - A fresh product traded within increasingly global, intertwined and cross-border supply chains
 - Appropriate rules and levels of checks & controls must be enforced, in particular at import into destination markets, to ensure safe & sustainable trade and adequate protection against pest outbreaks
 - No trade-offs on plant health but fast and efficient procedures are necessary due to the high perishability of floricultural products

- Major intensification and globalisation of trade since 1980s:

Increased pressure over the years on logistics and supply-chain management, including phytosanitary certification & controls by authorities of exporting & destination countries

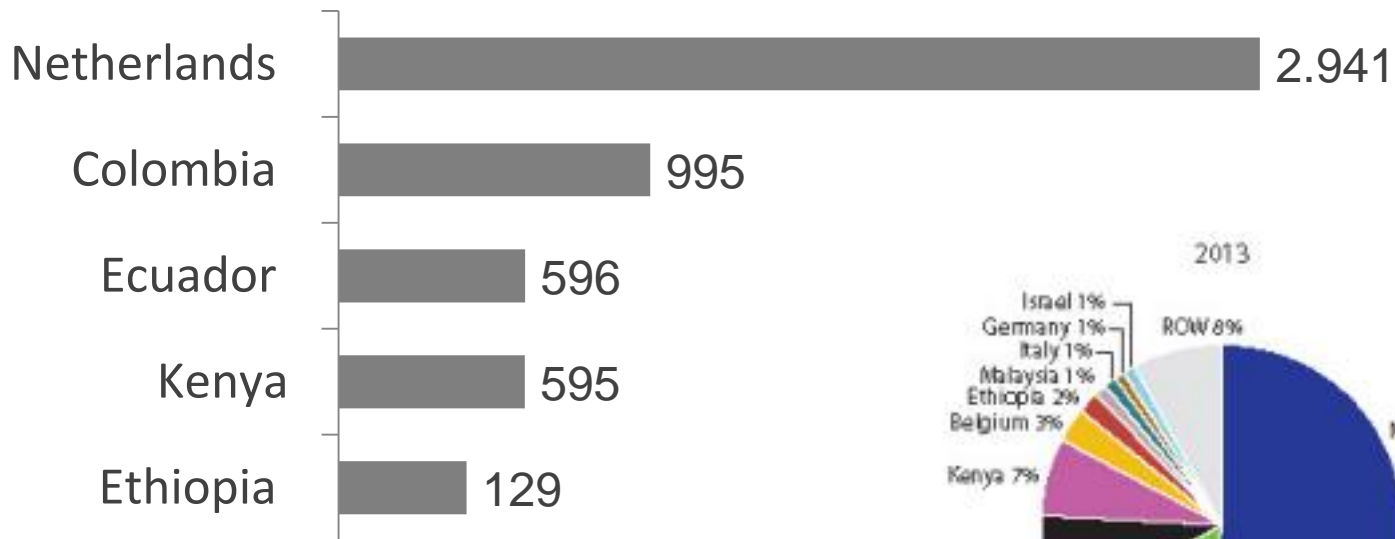




TOP 5 Flower exporting countries today:

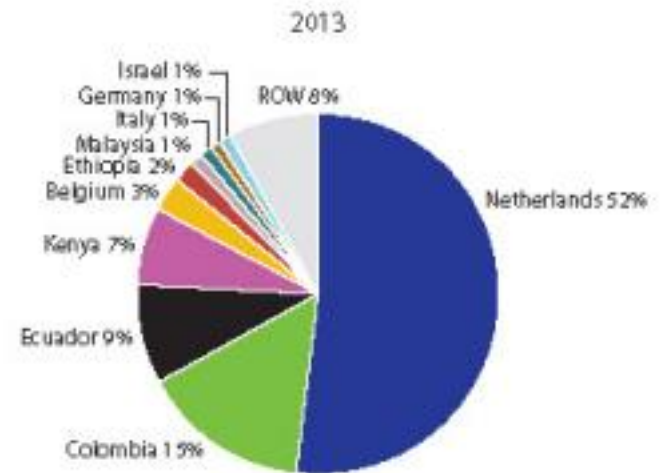
Exports 2012

(in million Euros)



5 countries = 85% of all exports !

Heavy pressure on phytosanitary certification systems at a few key export points for large volumes & number of shipments



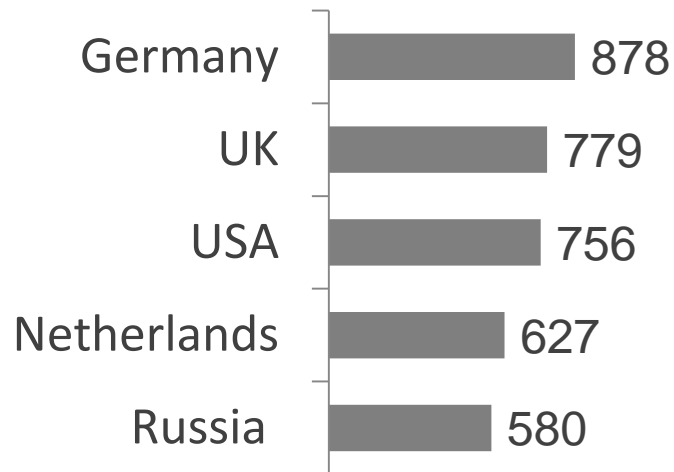
Sources: Eurostat, national statistics, ITC



TOP 5 Flower importing countries today:

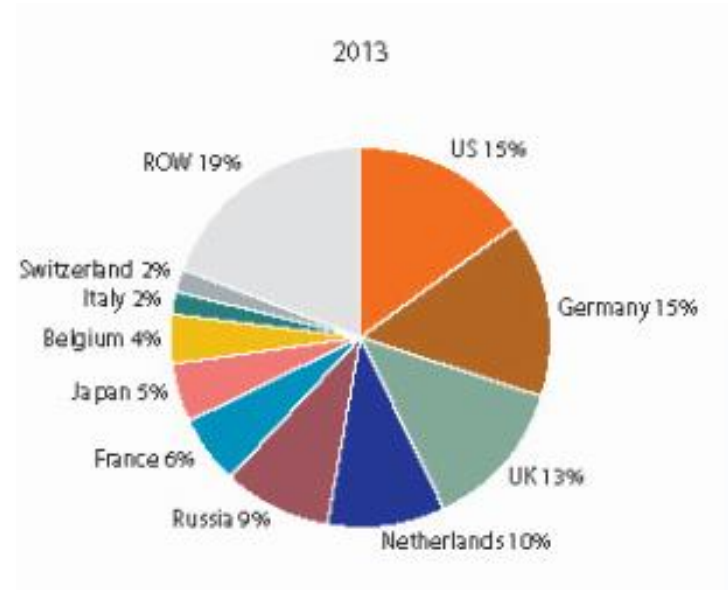
Imports 2012

(in million Euros)



5 countries = 62% of all imports !

Heavy pressure on phytosanitary control systems at a few key import points for large volumes & number of shipments

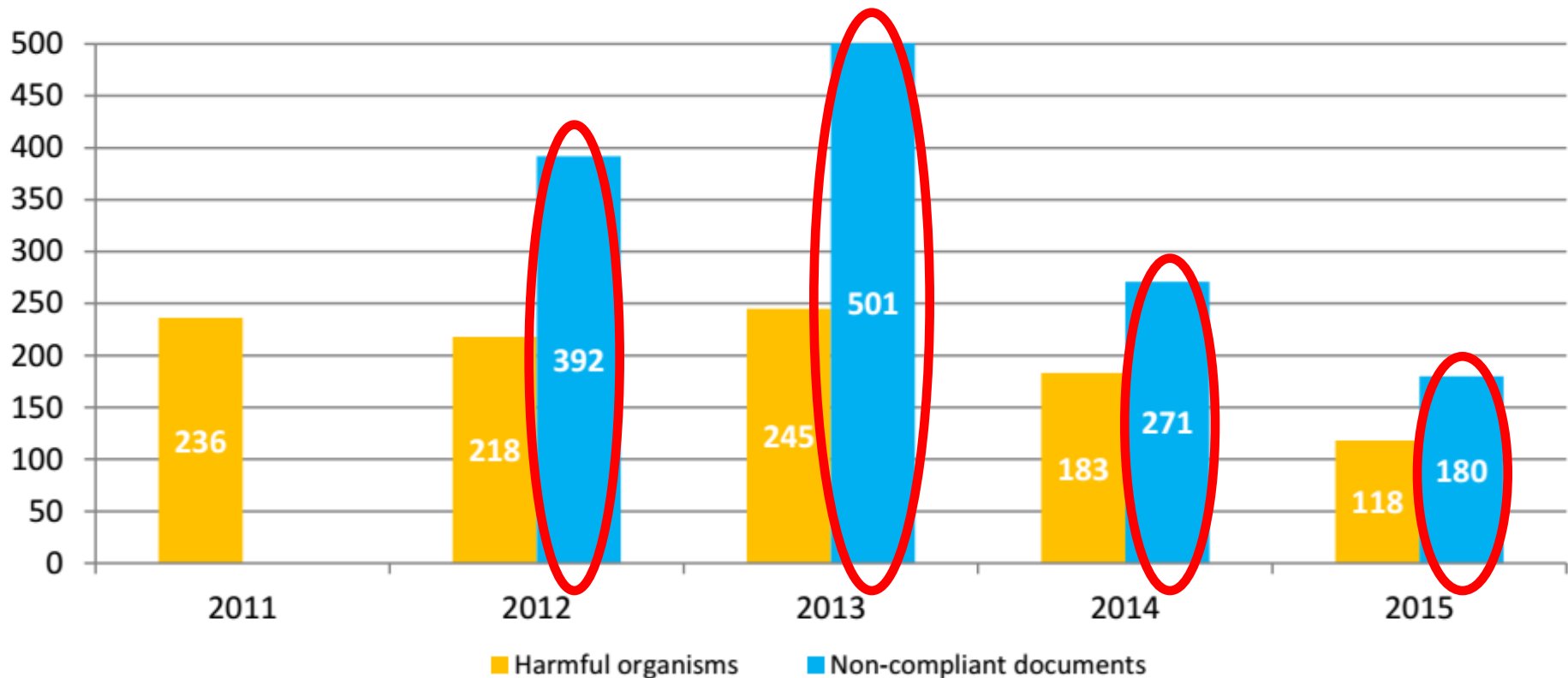


Sources: Eurostat, national statistics, ITC

- **A ‘Paper nightmare’:**
 - **Missing or lost documents at arrival or transit point**
 - **Incomplete or wrong documents:**
 - No official signature or stamp by authority of the origin country
 - Wrong flower name
 - Wrong weight or number of boxes
- **Any re-issuing of phytosanitary certificates has a tremendous cost for the flower business**
 - Time and money
 - Deterioration of flowers waiting for clearance / destruction if rejection
 - Customers’ claims for late deliveries or bad quality
(e.g. exports from Kenya: estimated value of 250.000 USD claims per year)
- **To prevent any issues: up to 3 phytosanitary certificates for each shipment (1 original + 2 certified copies)**
 - waste of paper
 - unnecessary costs

- Non-compliant documents trigger a higher number of import rejections than actual plant health issues (harmful organisms)

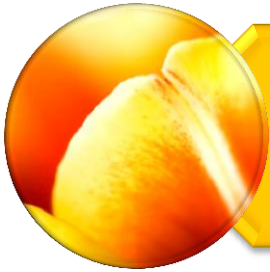
Overview of EUROPHYT interceptions of cut flowers and foliage notified in 2011-2015:



Source: EUROPHYT & Union Fleurs databases

Anticipated benefits of ePhyto for the international cut flower trade:

- Overall reduction of costs for the business (losses, time, processes)
- Reduction of lead times and error rates (if coupled with adequate staff training)
- Safer system for the exchange of data / lesser risk of forged & fraudulent documents
- More efficient logistics & faster procedures
- Arrival and clearance of flowers could be better planned by phytosanitary authorities and business, in particular during peak seasons
- Official controls could be better targeted on actual phytosanitary risks (harmful organisms) rather than paperwork
- Impact on cold-chain management, quality and vase-life: lesser deterioration of products – and entailed losses - along the supply-chain



Thanks for your attention!



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