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Working Party on Agricultural Quality Standards

Specialized Section on Standardization of Fresh Fruit and Vegetables
Forty-ninth session, 17-20 June 2003, Geneva

REPORT OF THE FORTY-NINTH SESSION

Addendum 9

Work of the Working Group on Harmonized Produce Coding

Note by the secretariat: In this document the secretariat sums up the work done up to now by the working group on internationally harmonized produce coding. From the comments made at different sessions the secretariat developed draft terms of reference for the group, which should be discussed at its next session.

1. Background

UNECE, through its Centre for Trade Facilitation and Electronic Commerce (UN/CEFACT) develops standards and procedures to facilitate exchanges in international trade, e.g. the UN/EDIFACT standard for data interchange, which was approved in 1987 and has now over 500,000 users worldwide.

UNECE cooperates closely with EAN International in this area. EAN International is a non-profit organization operating worldwide (member organizations in 100 countries) in the area of electronic commerce (supply chain management, article numbering, bar codes, modelling).

Electronic data interchange combined with the coding systems offered by EAN can not only speed up trade procedures but open new ways of managing supply chains e.g. Just in time techniques.

Cooperation with EAN International in the area of food standards started in the Specialized Section on Standardization of Meat where their contribution has been pivotal to the development of coding systems for beef and sheep carcases and cuts. They have also co-hosted several meetings of rapporteurs.

Three years ago, EAN International informed the secretariat about the issue of generic coding for fruits and vegetables. In addition to company product-specific codes, both national and quasi-international classification code lists are currently linked to EAN/UCC standards. As a result, EAN members are often confused by the variety of codes used, and dissatisfied with the lack of "internationally recognized" trade descriptions and classification codes for fruits and vegetables.

Different retailers use different codes. Packinghouses have to know for whom they pack. The information included in the code is not harmonized for fresh produce. It should be decided which information is important to travel along the supply chain, which will depend on the intended use of the code.

For the labelling of individual fruits and vegetables many countries use at present the PLU number (price look-up number - a four digit number to identify the produce). Recent developments in labelling technology have now made it now possible to label individual fruit with bar codes but there is also work on extending and harmonizing the PLU scheme.

EAN International proposed to establish a coding system for UNECE standards for fresh produce, which could be used in bar codes. Once implemented on a worldwide consensus the bar code system would offer many possibilities e.g. tractability and automatic import/export control.

Coding is also an issue in the use of code marks (identification codes used by exporters). More countries are now starting to use such codes and that there could be some harmonization in the codes used, for example that each code should start with the ISO country code.

2. Terms of reference

The group will establish the feasibility of coding the standards and describe test applications, which would facilitate international trade. At the same time the group will cooperate with other organisations that work on similar topics to avoid any duplication and to facilitate harmonisation.

2.1 Feasibility of coding UNECE Standards

To show feasibility of the codification of the information contained in the UNECE standards. The assumption is that the code would be used in quality control or electronic export certification to integrate conformity inspection in the supply chain. Under this item decisions on which information should be transmitted have to be made and then the code should be tried out on several UNECE Standards.

The group shall ensure that their work is free of any proprietary codes and commercially neutral. All kinds of coding and not just bar coding shall be taken into account.

2.2 Describing test applications

The group shall describe test applications for a UNECE code for fresh fruits and vegetables clearly stating what the expected benefits are for different groups (traders, producers, consumers etc.).

The group shall ensure that the introduction of a new coding system would not cause any disadvantages to poorer countries but facilitate trade for all countries whatever their stage of development.

The costs of implementing a new system, different to the existing PLU number should be clarified.

2.3 Code Marks

- The group will examine the current practice in different countries (on the basis of a questionnaire).
- The group will discuss harmonization, keeping in mind that there should be no duplication of the work of other organizations (e.g. the World Customs Organization).

2.4 Cooperation

The group shall evaluate current practice (codes, trade descriptions) and current work on codification in order to define what UNECE's contribution can be and avoid any duplication.

The group shall contact other organisations working on coding issues: e.g. IFPC (International Federation for Produce Coding), PMA (Produce Marketing Association), CPMA (Canadian Produce Marketing Association), Freshfel, Eurepgap, and GCI (Global Commerce Initiative).

3. Participation and chronology

The subject was discussed at the following occasions:

- 56th session of the Working Party (2000)
- 47th session of the Specialized Section (2001)
- First session of the working group (14 November 2001)
- 48th session of the Specialized Section (2002)
- Second session of the working group (25 April 2002)
- Third session of the working group (28 October 2002)
- 58th session of the Working Party (2002)
- 49th session of the Specialized Section (2003)

The following countries have participated at least one session of the working group:

Austria, Belgium, Canada, Chile, COLEACP (Comité de Liaison - Europe - Africa - Caraïbes - Pacifique

- pour la promotion des fruits tropicaux, légumes de contre-saison, fleurs, plantes ornementales et épices), Denmark, EAN International, Estonia, European Community, France, Finland, Germany, Israel, Italy, Netherlands, New Zealand, Poland, Slovakia, South Africa, Spain, Sweden, Switzerland, United Kingdom, United States.

4. Progress of the group

4.1 List of attributes

The following table contains the attributes identified by the group and the number of digits necessary:

It had taken the UNECE Standard for Apples as an example to define the mandatory attributes in the standard to be coded and their length.

Attribute	Length
Commodity	3
Variety/commercial type	3
Size	2
Class/grade	1
Packer/exporter	6
Origin	3
Mode of presentation/ packing type	2

This scheme could still be simplified by combining attributes that can logically be combined.

A number of comments were made during the discussion of the list, which will be addressed at future sessions:

- Clear definitions for all attributes are needed.
- Commodity, variety, size, commercial type could be grouped in one field possibly based on the results of the standardization of PLU numbers.
- The attributes commodity, grade/class and variety should be the first ones to be agreed because they are universally used and also must be on the label.
- There should be an international list of varieties but national varieties, should also be taken into account.
- For attributes that were already coded in the EAN/UCC system (net weight, country of origin, lot/batch number), this system should be used.
- An additional attribute called “product specific requirements” was proposed, which could contain information that regards only few kinds of produce (e.g. crop year).
- An attribute concerning the growing method was suggested.
- It was mentioned that each UNECE Standard contains compulsory and optional information but that the status of information could different depending on the produce so the code should be flexible.

4.2 Cooperation with other organisations

4.1.1 IFPC

The secretariat attended a meeting of the IFPC, which is working on an international code to be used for fresh produce sold in bulk (international PLU number).

The group is very interested in UNECE's solution for the mentioning of trade marks as well as work on harmonizing sizing criteria.

The secretariat assured the participants that the UNECE project on codification of fresh fruit and vegetables would not duplicate any work currently done on coding by them and EAN International and that UNECE would like to cooperate with them in order to come to an internationally accepted, practical solution, which could integrate the international PLU number.

4.2.2 ISMEA/ Italy

A background document on redesigning the supply chain was presented by the delegation of ISMEA/ Italy. It contains a comprehensive description of coding issues for fresh produce and its application in the supply chain. According to this document:

- When starting a coding exercise the costs of implementation should be kept in mind.

- A choice has to be made, which information should be transported along the supply chain. The information to be coded into three groups:

    - Compulsory information (e.g. international regulations).
    - Optional information - first order of importance (e.g. protected designation of origin).
    - Optional information - second order of importance (any additional information suggested).

4.2.3 CPMA/PMA

According to CPMA/PMA any code should simplify the exchange between buyer and seller and not burden it. At present, trading partners seeking to conduct business “electronically” must go through a rigorous mapping process to ensure that their internal product codes are properly synchronized.

To reach harmonization the PMA and CPMA (North American Produce Marketing Organizations) have developed a set of twelve standard produce attributes that are static and to be used consistently through the growing season to preserve the identity of products through the distribution chain.

To fully address industry-wide product synchronization, they propose to establish a centralized IPD (Industry Product Database) containing trading partner profiles, company organization and contact information. The IPD would serve as a central repository for the classification and codification of fresh produce industry wide and resolve product synchronization through a “one-time” mapping procedure. Regardless of how many trading partners a given company has, they will only be required to complete a “onetime” map of their internal product codes to the IPD.

PMA and CPMA believe that it is important to arrive at a truly international solution involving also the wholesale and retail sector. All attributes should be clearly defined to avoid any confusion e.g. crop year might not be the same in northern and southern hemispheres.

Both PMA and CPMA stated that they were very interested in cooperating with governments and international organizations in this matter.

4.3 Future work

EAN International suggested that the working group should now apply the code developed at the last session to a larger number of standards. On the basis of this work done EAN International would prepare for the next session a comprehensive presentation of the status of international codification activities and their use in trade.