

- **Regulating data flows for the digital economy: current developments**
- **The EU-US Trade and Technology Council: Towards greater regulatory cooperation and common standards?**
- **European Commission approves the United Arab Emirates' Camel Milk Residue Monitoring Plan and continues allowing the import of camel milk from two establishments**
- **Recently adopted EU legislation**

## **Regulating data flows for the digital economy: current developments**

In recent times, electronic commerce (hereinafter, e-commerce) and digital trade have grown substantially, but the relevant legal frameworks are lagging behind and efforts, domestically, as well as internationally, are underway for the rules to 'catch up'. Most recently, on 13 September 2021, the envisaged plurilateral *Agreement on trade related aspects of electronic commerce* at the World Trade Organization (hereinafter, WTO) moved another small step forward with the participating WTO Members finally agreeing on two additional key aspects of the negotiations, namely the issues of 'open government data' and 'online consumer protection', while divergences on the key issue of 'data flows' still persist.

### ***Cross-border data flows, enabler of the digital economy***

Developments in digital technology have revolutionised economies around the world by providing innovative ways to produce, market, distribute, communicate, and consume goods and services. As economies are increasingly reshaped by digital technology, issues of cross-border data flows are surfacing in every sector, from agriculture to education, health and finance, *inter alia*. By some estimates, 75% of the value of data transfers accrues to traditional industries, such as agriculture, logistics, and manufacturing. Data has, therefore, emerged as a factor of production and a critical asset, leading to recent efforts at the national, bilateral, regional, and multilateral levels to establish predictable and favourable rules for cross-border data transfers, as part of the broader regulatory frameworks on e-commerce and digital trade.

In recent years, and prior to the negotiations for a WTO *Agreement on trade related aspects of electronic commerce*, trading partners started adding substantive rules on data flows to bilateral and regional preferential trade agreements, with the aim of eliminating unnecessary barriers to cross-border data transfers, notably in the form of data localisation requirements, prohibitions of the transfer of data outside national borders, divergent approaches to data protection and privacy requirements, censorship rules, as well as technology standards favouring domestic companies. According to a study by the *European Centre for International Political Economy*, an economy-wide data localisation requirement (or discriminatory barriers to that effect) would substantially increase losses to the Gross Domestic Product (GDP) of the countries involved. This suggests that eliminating unnecessary restrictions on data flows would have greater economic benefits than imposing such limitations. It also underlines the need for agreements seeking to harmonise approaches on certain issues related to digital trade and e-

commerce that may otherwise become barriers to cross-border data flows and, ultimately, trade.

### ***Joint efforts for a plurilateral agreement on e-commerce within the WTO***

At the multilateral level, joint efforts towards a WTO *Agreement on trade related aspects of electronic commerce* were initiated at the 11<sup>th</sup> WTO Ministerial Conference in 2017. At that time, 71 WTO Members, with participation open to all other interested WTO Members, issued a *Joint Statement on Electronic Commerce* and agreed to “initiate exploratory work together toward future WTO negotiations on trade related aspects of electronic commerce”. Formal negotiations were launched on 25 January 2019 by 76 WTO Members, which account for 90% of global trade, including , China, the EU, Japan, Mexico, Singapore, and the US. The negotiations revolve around six main themes: 1) Enabling e-commerce; 2) Openness and e-commerce; 3) Trust and e-commerce; 4) Cross-cutting issues; 5) Telecommunications; and 6) Market access. In recent months, substantial progress has been made and 86 WTO Members now participate in the e-commerce negotiations. A consolidated negotiating text of the envisaged WTO *Agreement on trade related aspects of electronic commerce* was prepared and circulated on 7 December 2020. Earlier this year, the participating WTO Members announced the finalisation of a clean text on the issue of *unsolicited commercial messages and electronic signatures and authentication* (see *Trade Perspectives, Issue No. 13 of 2 July 2021*). Additional progress was announced on 13 September 2021, when participating WTO Members noted that they had definitively agreed on two additional aspects, namely on the issue of ‘*open government data*’, which allows WTO Members to make government-held data digitally available for public access and use, if not restricted by domestic law, and on the issue of ‘*online consumer protection*’, which requires WTO Members to adopt rules against misleading, fraudulent, and deceptive commercial activities.

It remains unclear how far negotiations can progress in order to deliver a consolidated text in time for the WTO Ministerial Conference scheduled to take place from 30 November 2021 to 3 December 2021. On 13 September 2021, Australia, Japan, and Singapore urged the negotiating WTO Members to build on the strong recent *momentum* to achieve substantial progress by the Ministerial Conference. However, topics, such as e-contracts and paperless trading remain under discussion, and the regulation of cross-border data flows remains the most contentious issue within the plurilateral negotiations on e-commerce rules.

### ***The controversial issue of data flows***

On 13 September 2021, the WTO Members participating in the negotiations on a WTO *Agreement on trade related aspects of electronic commerce* discussed the request by a number of developing countries (DCs) and least developed countries (LDCs) for specific exemptions from the cross-border data flow rules that are currently being negotiated, as well as for support measures to help them develop digital capacities and reduce the global digital divide between developing WTO Members and more digitally advanced WTO Members. The discussion was prompted by Nigeria’s announcement, in June 2021, of its intention to seek an exemption for DCs from free flow of data obligations and from the proposed prohibition of forced data localisation requirements, except in the area of financial services. The WTO Members proposing the exemption consider that the exemption would allow less digitalised economies to ‘*catch up*’ with WTO Members that dispose of well-equipped digital infrastructures. According to the proponents of the exemption, such carve-out would enable local digital firms to aggregate data needed for their success in the digital economy and to be shielded from global competitors based in digitally more advanced countries. The request has been criticised for not clearly defining which DCs or LDCs would benefit from the exemptions and under which conditions. Other WTO Members, such as the EU in its *Proposal for WTO Discipline and Commitments relating to Electronic Commerce* of 26 April 2019, proposed that WTO Members commit to cross-border data flows with appropriate safeguards for data protection and privacy.

## **The issue of data flows in the African Continental Free Trade Area**

In May 2019, the *African Continental Free Trade Area* (hereinafter, AfCFTA) entered into force. It is one of the largest free trade areas in the world, with a market of more than 1.3 billion people in 54 African Countries. The AfCFTA seeks to remove tariffs on 90% of goods, promote socioeconomic transformation of Africa through industrialisation, and is supposed to lead to a 50% increase in intra-Africa trade. In 2020, the Heads of State and Government of the African Union mandated negotiations for an *E-commerce Protocol* to the AfCFTA and endorsed the deadline of December 2021 for its conclusion. Before establishing this mandate to negotiate continent-wide rules for e-commerce, the African Union had issued the *Digital Transformation Strategy for Africa 2020-2030*. The *Digital Transformation Strategy* provides for comprehensive policy recommendations on digital trade, with an emphasis on the harmonisation and convergence towards common rules, regulatory dialogues, as well as the interoperability of national e-commerce rules with regard to six thematic areas, namely: 1) Digital content and applications; 2) Digital identification; 3) Emerging technologies; 4) Cyber security; 5) Privacy and personal data protection; and 6) Research and development; as well as cross cutting themes. The *Digital Transformation Strategy* recommends the adoption of laws to facilitate e-commerce with restrictions on data flows limited to the protection of privacy and cyber security risks.

## ***The provisions on cross border data transfer in the US-Mexico-Canada Agreement***

On 1 July 2020, the *US-Mexico-Canada Agreement* (hereinafter, USMCA) entered into force (see *Trade Perspectives, Issue No.19 of 19 October 2018*). The USMCA is considered to have the world's most advanced provisions on cross-border data transfer and data localisation, as its provisions safeguard future access for US, Canadian, and Mexican companies and citizens to the economic opportunities and the cutting-edge technologies needed to compete in the global economy. More specifically, the USMCA's provisions on cross border data transfer: 1) Prohibit unnecessary data transfer restrictions; 2) Protect against discrimination that would favour domestic data transfers over cross-border transfers; 3) Apply to all sectors including financial services; and 4) Stipulate that any data transfer rules must not: constitute disguised restrictions on trade; support arbitrary or unjustifiable discrimination; or impose transfer restrictions that are greater than necessary. The USMCA also prohibits data localisation requirements and the data transfer provisions in the USMCA are seen to be critical for North America's competitiveness. They are considered, by some, as a model framework for the rest of the world.

## ***The CPTPP on data flows and data localisation.***

The Chapter on e-commerce within the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CPTPP) was heavily influenced by the US. Following the United States' withdrawal from the *Trans-Pacific Partnership* (TPP) in 2017, the CPTPP, was signed by the remaining eleven countries (*i.e.*, Australia, Negara Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Viet Nam) and entered into force in late 2018. Under CPTPP rules, Parties committed to high-standard data and digital trade provisions, such as enabling cross-border data flows, while minimising forced data localisation requirements, barring forced technology transfers, as a condition for access to a Party's market, protecting source code in commercial products from forced disclosures to national authorities, fostering the use of innovative encryption products to enhance privacy and security, and preserving market-driven standardisation and global interoperability principles.

## ***Data transfer rules in the Regional Comprehensive and Economic Partnership***

The *Regional Comprehensive and Economic Partnership* (RCEP) is a preferential trade agreement grouping the ten ASEAN Member States with the six partner countries already linked with ASEAN under the so-called ASEAN+1 free trade agreements, with the exception of India (see *Trade Perspectives, Issue No. 7 of 9 April 2021*). RCEP Parties pursued a liberal e-commerce regime to support their growing digital economies. Article 14.14 of the RCEP

echoes the CPTPP's commitment to data flows by prohibiting rules that require the use of domestic computing facilities or restrict the cross-border transfer of information, unless they are necessary to achieve a Party's public policy objectives or to protect its security interests.

### ***The EU's data transfer policy in the EU-UK Trade and Cooperation Agreement.***

The *EU-UK Trade and Cooperation Agreement* (hereinafter, TCA) contains substantive provisions on digital trade and data flows (on the EU-UK TCA, see *Trade Perspectives, Issue No.1 of 15 January 2021*). The EU-UK TCA prohibits data localisation in favour of free data flows. Notably, these commitments are conditioned upon high standards of data protection, which the EU considers to be a fundamental right, as well as on data sovereignty. Additionally, there is a broad carve-out with respect to the right to regulate, under which both Parties have reserved ample regulatory leeway for their current and future data protection rules.

### ***What's next?***

Taking into account the various global initiatives to advance rules on e-commerce, which concern data flows within acceptable limits based on legitimate public policy objectives, such as privacy and cyber security risks, the dedicated bilateral, regional and multilateral negotiations appear to be a positive development that could enhance international trade, benefitting market operators, as well as consumers. Currently, the existence of different sets of rules on data flows and data localisation requirements in different regulatory environments, and within the various regions of the world, raises trade costs and regulatory compliance complexities.

Once completed, the WTO Agreement *on trade related aspects of electronic commerce* would create uniform rules and facilitate digital trade. In order to take advantage of these developments, businesses and consumers should closely monitor the negotiating opportunities and challenges, as well as the country-specific regulatory developments, in order to understand and use to their benefit the applicable rules and requirements.

## **The EU-US Trade and Technology Council: Towards greater regulatory cooperation and common standards?**

On 9 September 2021, the EU and the US announced that the first meeting of the EU-US *Trade and Technology Council* (hereinafter, TTC) would take place on 29 September 2021 in Pittsburgh, Pennsylvania. The TTC is intended as a platform for cooperation in which both parties pursue common ground on trade-related regulatory cooperation and aim at setting harmonized standards. While the first meeting of the TTC will likely provide greater clarity on the approach to bilateral cooperation, discussions have already been launched at an informal level and work on some key issues is, reportedly, already progressing well. The TTC could be an opportunity for the EU and the US to finally resume more constructive trade relations and enhance regulatory cooperation outside of a broader preferential trade agreement.

### ***Establishing the EU-US Trade and Technology Council***

In July 2018, in view of the US Administration's threats to impose additional tariffs on car imports from the EU, the then US President *Donald J. Trump* and the then President of the European Commission *Jean-Claude Juncker* met and agreed to a number of joint initiatives (see *Trade Perspectives, Issue No. 15 of 27 July 2018*). During the meeting, the EU and the US decided to set up an Executive Working Group to take the bilateral trade agenda forward and both parties agreed to "*launch a close dialogue on standards in order to ease trade, reduce bureaucratic obstacles, and slash costs*".

On 2 December 2020, the President of the European Commission *Ursula von der Leyen* proposed to set up a constructive bilateral agenda of negotiations between the EU and the US.

The proposed agenda set the basis for an EU-US Summit, which was held in June 2021, and focused on four main areas: 1) *“Working together for a healthier world: COVID-19 and beyond”*; 2) *“Working together to protect our planet and prosperity”*; 3) *“Working together on technology, trade and standards”*, in which context the EU proposed the establishment of the TTC; and 4) *“Working together towards a safer, more prosperous and more democratic world”*. On 15 June 2021, at the margins of the EU-US Summit, both parties agreed to establish the TTC.

In its statement following the EU-US Summit, the Commission noted that, under the TTC, ten working groups would initially be established to discuss the following specific issues: 1) *“Technology standards cooperation (including AI and Internet of Things, among other emerging technologies)”*; 2) *“Climate and green tech”*; 3) *“Secure supply chains, including in semiconductors”*; 4) *“ICT security and competitiveness”*; 5) *“Data governance and technology platforms”*; 6) *“The misuse of technology threatening security and human rights”*; 7) *“Export controls”*; 8) *“Investment screening”*; 9) *“Promoting SME access to and use of digital technologies”*; and 10) *“Global trade challenges”*. These working groups are supposed to translate the political decisions into deliverables, coordinate the technical work, and report back to the political level. Furthermore, the TTC is expected to address the EU-US commitment towards a partnership *“on the rebalancing of global supply chains in semiconductors”*. The operational framework of each working group is to be defined at the first meeting of the TTC. On 15 September 2021, during a civil society meeting, the Commission stated that the EU and the US were still assessing how to establish the operational framework of each working group so as to avoid overlaps.

On 7 September 2021, European Commission Executive Vice President and European Commissioner for Trade *Valdis Dombrovskis* and US Secretary of Commerce *Gina Raimondo* held a meeting in the margin of the *Tallin Digital Summit* to discuss the agenda of the first meeting of the TTC and, on 9 September 2021, both parties announced that the first meeting would take place on 29 September 2021, in Pittsburgh, Pennsylvania. According to the Commission, the TTC should serve as a *platform* for the EU and the US *“to coordinate approaches to key global trade, economic, and technology issues and to deepen transatlantic trade and economic relations based on shared democratic values”*. The TTC has the objective to expand and deepen transatlantic trade and investment and particularly to update the rules that reflect the current development in the digital economy.

### ***The EU-US Trade and Technology Council as a forum for discussions***

According to the Joint Statement by the EU and the US, following the [EU-US Summit 2021](#), the main objectives of the TTC are to *“grow the bilateral trade and investment relationship; to avoid new unnecessary technical barriers to trade; to coordinate, seek common ground and strengthen global cooperation on technology, digital issues and supply chains”*. In the EU-US Summit statement, the Commission has identified seven main goals to be achieved through the TTC: 1) *“Expand and deepen bilateral trade and investment”*; 2) *“Avoid new technical barriers to trade”*; 3) *“Cooperate on key policies on technology, digital issues and supply chains”*; 4) *“Support collaborative research”*; 5) *“Cooperate on the development of compatible and international standards”*; 6) *“Facilitate cooperation on regulatory policy and enforcement”*; and 7) *“Promote innovation and leadership by EU and US firms”*.

The Commission notes that the TTC is not a trade agreement, but rather a platform where the EU and the US would focus on finding common ground in relation to key trade-related matters and where both parties could move towards cooperation and collaboration within the ten specific working areas. Additionally, cooperation within the TTC is intended to *“feed into coordination in multilateral bodies and wider efforts with like-minded partners, with the aim of promoting a democratic model of digital governance”*. The more specific rules and procedures of the TTC shall be established during the first meeting on 29 September 2021. According to the Commission, the agenda of this first meeting is focused on discussing the rules of procedures and on establishing the work programmes of the different working groups, as well as deciding on their composition. Reportedly, the higher body that will be tasked to monitor the progress of the various working groups shall also be established at this meeting.

The first meeting of the TTC will be co-chaired by US Secretary of State *Antony Blinken*, US Secretary of Commerce *Gina Raimondo*, and US Trade Representative *Katherine Tai*, on the US side, and by European Commissioner for Trade *Dombrovskis* and European Commission Executive Vice-Presidents and European Commissioner for Competition *Margrethe Vestager*, on the EU side. As the TTC is not the *forum* for the negotiation of a trade agreement, certain stakeholders and EU Member States have raised the issue of whether such *forum* falls within the Commission's exclusive competence related to external trade. During a civil society meeting, on 15 September 2021, the Commission stated that it was assessing the issue and that it was working together with EU Member States to set the procedures and the appropriate "transparency channels".

### ***Upcoming discussions within the Trade and Technology Council***

In general terms, one of the main ideas to be discussed by the TTC are common or converging standards on artificial intelligence or harmonized standards on digital issues that are acceptable for both parties, which can then be integrated into their respective legislative and regulatory frameworks.

More specifically, according to the Commission, there are four main areas that the Commission aims to discuss during the first meeting: 1) Dual-use export controls; 2) Investment screening; 3) Standards on artificial intelligence and 4) Semiconductors. Reportedly, the draft joint statement that is being prepared includes a call for common standards for "human-centered" and "trustworthy" artificial intelligence, as well as on forced technology transfer, forced labour, and fair competition. The Commission stated that all working groups had already met informally. Each working group works in an autonomous way. Reportedly, the activities of the working groups on 'Data governance and technology platforms', on 'Export controls', on 'Investment screening', and on 'Global trade challenges' are already quite advanced.

Regarding the issue of 'data governance and technology platforms', the key issues relate to the EU's regulatory initiatives in the area of data regulation and competition for digital platforms, namely the EU's proposed *Digital Services Act* and *Digital Markets Act*, respectively. Discussions on these issues can be expected to focus on the access of small and medium enterprises (SMEs) to digital technologies. The US is expected to raise the issue of potential discrimination by the EU's proposed rules in the *Digital Market Act*, which would affect US technology companies. The *Digital Markets Act* aims "at preventing gatekeepers from imposing unfair conditions on businesses and consumers and at ensuring the openness of important digital services". During a civil society meeting, the Commission stated that it was still working on the scope of activity of each working group, so as to avoid overlaps in their respective mandates.

### ***Time to act***

The Commission stated that it is assessing the best way to involve stakeholders into the work streams of the TTC and its working groups. One idea that has been put forth is to create a kind of *Trade and Technology Forum*, in which businesses and civil society of both sides could be heard on specific topics, raise their concerns, and provide possible solutions. In this regard, DIGITALEUROPE, the European association that represents the digital technology industry, stated that a desired outcome from the TTC would be to create "a permanent and regular transatlantic digital industry dialogue as part of the TTC stakeholder track, including political representation at the highest level". During a civil society meeting, participants noted that stakeholders engagement at the working level was necessary in order to ensure a comprehensive and systematic exchange between policy makers and industries.

The Commission has expressly stated that stakeholders' input is relevant for the development of EU policies and that the Commission welcomes the provision of concerns and views by interested and affected constituencies. All interested stakeholders should submit their

positions or proposals linked to the areas of activity the various working groups to the Commission.

The TTC can be an important opportunity for the EU and the US to further expand and improve trade relations and cooperation, not only bilaterally but also at the multilateral level. Therefore, stakeholders on both sides of the Atlantic should monitor the developments related to the TTC and the work of its various working groups. The future outcomes will likely have important regulatory and trade facilitative impacts.

## **European Commission approves the United Arab Emirates' Camel Milk Residue Monitoring Plan and continues allowing the import of camel milk from two establishments**

Recently, the United Arab Emirates' (hereinafter, UAE) Ministry of Climate Change and Environment (MoCCA) announced that the European Commission (hereinafter, Commission) had approved the UAE's *Camel Milk Residue Monitoring Plan* and continues to allow the import into the EU of camel milk from two UAE establishments. This article addresses the evolving legal framework for the importation of milk and milk products from third countries, as well as the EU's system of approval of third countries and third country establishments for the export of milk and milk products, including camel milk, which stands out as an increasingly popular "superfood".

### ***The benefits of camel milk and its increasing popularity***

Camel milk has special nutritional properties. It is rich in vitamins, minerals, proteins and immunoglobulin and is a source of bioactive, antimicrobial and antioxidant substances. It has lower levels of fat and lactose than cow milk. The proportion of fat in camel milk, however, varies from region to region where it is sourced, and is also dependent on the diet, level of hydration of the animal, and type of camel. According to research, camel milk is also no allergen and supports diabetic treatment. *Studies* have revealed that "camel milk has many of the sought-after properties of so-called "superfoods". It is "anti" in the most positive ways: anti-hypertensive, anti-microbial, and is an anti-oxidant". It is reportedly pleasant in taste, delicate and odourless, and it is not as fat as cow milk, and easily digestible. In addition to raw milk, buttermilk, kefir, cheese can be produced from it. Camel milk's special nutritional properties have led to recent growing demand from urban consumers in the EU.

### ***Evolving legal framework for the importation of milk and milk products from third countries***

The relevant EU legislation in the area of animal health and the importation of animal products, including milk, was recently updated by *Regulation (EU) 2016/429 of the European Parliament and of the Council of 9 March 2016 on transmissible animal diseases and amending and repealing certain acts in the area of animal health ('Animal Health Law')*, which came into force on 20 April 2016 and applies since 21 April 2021. The EU's new 'Animal Health Law' repealed and replaced around 40 basic acts in the field of animal health. The new 'Animal Health Law' also still requires the adoption of many additional delegated and implementing regulations to repeal and replace around 400 Commission legal instruments that exist in the area of animal health, before the new legal framework established by the 'Animal Health Law' can fully come into effect. More acts are still needed for full implementation.

Among the repealed regulations is *Commission Regulation (EU) No 605/2010 of 2 July 2010 laying down animal and public health and veterinary certification conditions for the introduction into the European Union of raw milk, dairy products, colostrum and colostrum-based products intended for human consumption*, which is no longer in force since 21 April 2021. It was repealed by *Commission Delegated Regulation (EU) 2020/692 of 30 January 2020 supplementing Regulation (EU) 2016/429 of the European Parliament and of the Council as*

*regards rules for entry into the Union, and the movement and handling after entry of consignments of certain animals, germinal products and products of animal origin.* Chapter 2 of *Commission Delegated Regulation (EU) 2020/692 on 'Specific animal health requirements for dairy products'* sets out, in its Article 155 on 'Treatment of dairy products', that "consignments of dairy products shall only be permitted to enter the Union if the dairy products of the consignment have been treated in accordance with Article 156 or 157".

Article 156 of *Commission Delegated Regulation (EU) 2020/692 on 'Dairy products not subject to a risk-mitigating treatment'* states that "Consignments of dairy products originating from a third country or territory or zone thereof which is listed for entry into the Union of raw milk shall be permitted to enter the Union without having undergone a specific risk-mitigating treatment if the dairy products of the consignment" comply with a number of requirements, including that the raw milk from which they were processed be obtained from animals of the species *Bos taurus* (i.e., cows), *Ovis aries* (i.e., sheep), *Capra hircus* (i.e., goats), *Bubalus bubalis* (i.e., buffaloes), and *Camelus dromedarius* (i.e., camels).

### **EU approval of third countries and third country establishments for the export of milk**

The EU's legal framework for the importation of animal products ensures that the same requirements for the introduction of milk and milk products are applied in all the EU Member States and aims at preventing that milk and milk products, which may carry infectious diseases that are dangerous for livestock or humans, enter the EU territory. These requirements include details of animal health requirements and the appropriate veterinary certificate models required for introduction of milk and milk products into the EU.

In general, a non-EU country of origin must be authorised for introduction of milk and milk products into the EU. The establishment of origin must also be approved and authorised as an establishment from which milk and milk products may be introduced into the EU. The third country of origin must have an approved residues plan. The non-EU country must fulfil certain requirements to be authorised for the introduction of milk and milk products. To this end, the most important aspects to be evaluated before authorisation are: 1) The organisation, structure, competence and empowerment of the veterinary services; 2) The legislation of the third country; 3) The non-EU country's rules on the prevention and control of animal diseases; 4) The health status of livestock, other domestic animals and of wildlife; 5) The regularity and rapidity of information on infectious animal diseases provided by the third country to the Commission and to the World Organisation for Animal Health (OIE); and 6) The health requirements for the production, manufacture, handling, storage and dispatch of products of animal origin.

Before a non-EU country can be authorised to introduce milk and milk products into the EU, the Commission may carry out an audit to verify that all the criteria provided for under EU legislation are properly fulfilled. Based on the principles contained in EU legislation and the results of the Commission audit, the non-EU country may be added to the list of third countries authorised for the introduction of milk and milk products into the EU. The most recent list is still contained in the [Annex I to Regulation \(EU\) No 605/2010, as most recently amended in 2021](#). This list, for example, includes the "Emirates of Abu Dhabi and Dubai of the United Arab Emirates" and notes that only imports of dairy products from camels of the species *Camelus dromedarius* are permitted.

All imports of milk and milk products into the EU must come from an approved establishment that has been authorised by the competent authorities of the third countries and listed for that purpose. The third countries are responsible for keeping the lists of establishments up to date and to inform the Commission of any changes related to the listed establishments. The lists of establishments in non-EU countries, that are authorised to produce fresh milk, are published on the Commission's [webpage](#). For example, for the UAE, two establishments are currently listed: 1) "Emirates Industry For Camel Milk And Products (EICMP)" in Dubai (Dubai), since 20 April 2013; and 2) "Al Ain Farms For Livestock Production Co." in Al Ain (Abu Dhabi), since 7 February 2018.



## ***The approval of a residue monitoring plan***

An important step in the procedure for the export of milk and milk products to the EU is the approval of a residues monitoring plan to meet certain public health requirements. Food-producing animals may be treated with veterinary medicines to prevent or cure diseases. These substances can leave residues in the food from the treated animals. Food can also contain residues of the pesticides and contaminants to which animals have been exposed. In all cases, the levels of residues in food must not harm consumers. EU Member States are required to implement residues monitoring plans to detect the illegal use or misuse of authorised veterinary medicines in food-producing animals and to investigate the reasons for residue violations. Non-EU countries exporting to the EU must implement a residue monitoring plan, which guarantees an equivalent level of food safety.

In the UAE, the Ministry of Climate Change and Environment (MoCCA) announced that it worked, during the first quarter of 2021, with the *Abu Dhabi* Agriculture and Food Safety Authority, the Dubai Municipality, *Al Ain Farms*, and *EICMP* (the manufacturer of the popular camel milk brand *Camelicious*), to secure the approval by the Commission of the UAE's *Camel Milk Residue Monitoring Plan*. This included overseeing the two manufacturers' compliance with EU import requirements and submitting annual reports of residue percentages to the Commission.

## ***Export opportunities for camel milk to the EU***

There appears to be growing demand for camel milk in the EU. Camel milk is also produced in the EU, for example in France and Spain. Third countries other than the UAE are also working on the possibility of exporting camel milk or derived products to the EU.

In the Mediterranean area, work is currently being undertaken to essentially allow North African and Turkish companies to export, in the medium term, camel milk to the EU. Notably, the [CAMELMILK](#) project, with a duration of three years (2019-2022), gathers fourteen partners (including research centres, universities and companies) of seven different countries (*i.e.*, Algeria, Croatia, France, Germany, Italy, Spain, Turkey) mainly in the Mediterranean basin. The [CAMELMILK](#) project is part of the *Partnership on Research and Innovation in the Mediterranean Area (PRIMA)* programme supported by the EU's *Horizon 2020 Research and Innovation Programme*. The aim of the [CAMELMILK](#) project is to strengthen the competitiveness, growth, and interaction of the actors of the camel milk value-chain in the Mediterranean basin, including producers, processors, distributors and consumers, focussing on the promotion of the production, processing and consumption of camel milk and camel dairy products in the Mediterranean area. The objective is to empower smallholders and small SMEs within the camel milk sector with respect to the required tools to ensure an increase of competitiveness, company growth, and job creation within the region.

## ***Outlook and conclusions***

In the UAE, 4,500 metric tonnes of camel milk are produced annually. There is high local demand, and *Al Ain Farms* and *EICMP* are making inroads into regional and global markets, notably in Canada, the EU, and the US. The UAE's Ministry of Climate Change and Environment (MoCCA) notes that "*this requires continuous follow-up with the concerned authorities, such as the European Commission, to keep up to date with the import requirements and help local producers meet them*".

Interested stakeholders are advised to monitor developments and are encouraged to invest in regulatory compliance so as to be prepared to navigate the relevant procedures and being recognised as third country or third country establishments for the export of camel milk to the EU.

## Recently adopted EU legislation

### Trade Law

- *Council Decision (EU) 2021/1710 of 21 September 2021 establishing the position to be adopted on behalf of the European Union in the Specialised Committee on Social Security Coordination established by the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, as regards the adoption of a decision to amend the Annexes to the Protocol on Social Security Coordination*

### Customs Law

- *Commission Implementing Regulation (EU) 2021/1708 of 23 September 2021 adding to the 2021 fishing quotas certain quantities withheld in the year 2020 pursuant to Article 4(2) of Council Regulation (EC) No 847/96*

### Food Law

- *Commission Delegated Regulation (EU) 2021/1705 of 14 July 2021 amending Delegated Regulation (EU) 2020/692 supplementing Regulation (EU) 2016/429 of the European Parliament and the Council as regards rules for entry into the Union, and the movement and handling after entry of consignments of certain animals, germinal products and products of animal origin ( 1 )*
- *Commission Implementing Regulation (EU) 2021/1707 of 22 September 2021 amending Regulation (EC) No 1484/95 as regards fixing representative prices in the poultrymeat and egg sectors and for egg albumin*

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