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Plurilateral negotiations advance: Towards less burdensome and less costly trade in services?

On 27 September 2021, 65 Members of the World Trade Organization (hereinafter, WTO) concluded plurilateral negotiations within the *Joint Initiative on Services Domestic Regulation*. The disciplines developed within the *Joint Initiative* are contained in the *Reference Paper on Services Domestic Regulation* (hereinafter, Reference Paper) and aim at facilitating trade in services by mitigating the unintended trade-restrictive effects of domestic regulation relating to licensing requirements and procedures, qualification requirements and procedures, as well as technical standards, by ensuring that such measures are clear, predictable, transparent, and do not unnecessarily restrict trade. The outcome of the *Joint Initiative on Services Domestic Regulation* is of particular importance, as market segmentation in trade in services is largely due to domestic regulations that apply to all economic operators, both domestic and foreign, but which indirectly affect foreign service suppliers more.

Negotiating the Reference Paper on Services Domestic Regulation

In 1995, the WTO General Agreement on Trade in Services (hereinafter, GATS) entered into force. The GATS provides for multilateral commitments governing trade in services. Each WTO Member agreed a *Schedule of Specific Commitments*, which is annexed to the GATS, and which indicates the services sectors open to foreign competition and subject to national treatment (*i.e.*, no discriminatory measures benefitting domestic services or suppliers over '*like*' foreign services or suppliers), as well as the degree of liberalisation. In Article VI of the GATS on '*Domestic Regulation*', WTO Members committed, *inter alia*, to administer domestic regulations in a reasonable, objective, and impartial manner, to exercise transparency in authorising services suppliers, and to offer a prompt and appropriate review of administrative decisions. Additionally, in order to ensure that domestic regulations "*relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services"*, the GATS mandates the WTO Council for Trade in Services to "*develop any necessary disciplines*" through appropriate bodies.

In the early 2000s, the WTO Council for Trade in Services set up the *WTO Working Party on Domestic Regulation*, with the objective to develop additional multilateral disciplines on domestic regulation applicable to all services sectors and based on the mandate contained in the GATS. Several years of negotiations did not lead to any successful outcome. In 2017, at

the 11th WTO Ministerial Conference, a group of 59 WTO Members signed the *Joint Ministerial Statement on Services Domestic Regulation*, reaffirming their commitment to advance negotiations on services domestic regulation and building on the work done by the *WTO Working Party on Domestic Regulation*, as well as on current and future proposals of WTO Members and pursuing "*a multilateral outcome*". The negotiations remained open for participation to all WTO Members.

In 2019, the 59 participating WTO Members adopted another *Joint Statement on Services Domestic Regulation*, which was to pave the way for a successful outcome on this issue at the 12th WTO Ministerial Conference that was scheduled to take place in June 2020, but was postponed to the end of 2021 due to the *Covid-19* pandemic. In the *Joint Statement*, the participating WTO Members committed to continue working on the outstanding issues, with a view to incorporating the outcome into their respective GATS *Schedules of Specific Commitments*, and encouraged all WTO Members to participate. Between 2019 and 2021, the number of participating WTO Members increased from 59 to 65, out of a total of 164 WTO Members. On 27 September 2021, the 65 participating WTO Members concluded the plurilateral negotiations within the *Joint Initiative on Services Domestic* Regulation, whose outcome is contained in the *Reference Paper*. The 65 WTO Members account for 90% of global services trade and include all 27 EU Member States, China, Singapore, the UK, as well as the US.

Previously, WTO Members had conducted similar plurilateral negotiations in the context of trade in services, but at a sectoral level. In 1998, 69 WTO Members, representing over 90% of the world's basic telecommunications revenues at the time, agreed on the *Reference Paper on Telecommunications Services*, which provides definitions and principles on the regulatory framework for the basic telecommunications services, focusing, *inter alia*, on specific "*Competitive safeguards*" and "*Interconnection*" in the telecommunications sector. Additionally, the GATS Annex on Financial Services contains a provision on domestic regulation, which allows WTO Members to adopt "*measures for prudential reasons including for protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by a financial service supplier, or to ensure the integrity and stability of the financial system"*, on the condition that, "*Where such measures do not conform with the provisions of the Agreement, they shall not be used as a means of avoiding the Member's commitments or obligations under the Agreement".*

Towards less cumbersome and less costly trade in services?

The *Reference Paper on Services Domestic Regulation* aims at reducing the difficulties created by domestic regulations and faced by services suppliers when seeking the authorisation to supply services. According to the *Reference Paper*, authorisation requirements refer to *"the permission to supply a service, resulting from a procedure to which an applicant must adhere in order to demonstrate compliance with licensing requirements, qualification requirements, or technical standards"*. In countries where the authorisation requirements are burdensome, time consuming, or difficult to determine, services suppliers may be discouraged from entering such markets. In this regard, the *Reference Paper* notes that "*Members recognize the difficulties which may be faced by service suppliers, particularly those of developing country Members, in complying with measures relating to licensing requirements and procedures, qualification requirements and procedures, and technical standards of other Members and in particular, the specific difficulties which may be faced by service suppliers from least-developed country Members"*.

To facilitate the process of obtaining the authorisation to supply services, the *Reference Paper* requires participating WTO Members to ensure transparency in the application of domestic regulation, for example, by establishing enquiry points through which services suppliers can obtain information needed to comply with processes and procedures for authorisation, such as on timeframes for processing applications, on the status and decision on applications, on the possibility to submit electronic applications and copies of documents, and on fees charged. Fees should be reasonable, transparent and mandated by law, and should not, in themselves,

restrict the supply of a service. For purposes of transparency, the *Reference Paper* requires WTO Members to publish draft laws and regulations on qualification requirements and to "*allow interested persons and other Members to assess whether and how their interests might be significantly affected*", ensuring that decisions are made by independent, impartial, and competent authorities.

According to the *Reference Paper*, the disciplines contained therein build on the GATS provision on regulatory requirements and procedures, and apply to those sectors where participating WTO Members have undertaken commitments in their GATS *Schedules of Specific Commitments.* The *Reference Paper* encourages participating WTO Members "*to inscribe in their Schedules additional sectors to which the disciplines apply".* The participating WTO Members also agreed to "*an optional section with a set of disciplines on financial services*", which is to "*apply to measures by Members relating to licensing requirements and procedures, and qualification requirements and procedures affecting trade in financial services, as defined in the GATS Annex on Financial Services*".

In order to preserve space for differences in WTO Members' regulatory capacity and approaches, flexibilities in the application of the disciplines are granted. In this regard, the participating WTO Members agreed on transitional periods for developing countries and decided to allow the least-developed countries (hereinafter, LDCs) participating in the Initiative to adopt the disciplines only upon graduation from LDC status.

According to the WTO, participating WTO Members have already been submitting their draft *Schedules of Specific Commitments*, reflecting "*how each government aims to incorporate the disciplines into its WTO services schedules of specific commitments*". So far, a total of 34 indicative *Schedules of Specific Commitments* have been submitted to the WTO. Due to the plurilateral nature of the negotiations, the disciplines will only bind the signatories of the *Reference Paper*. However, importantly, despite the plurilateral nature of the negotiations and the participation of only 65 of 164 WTO Members, the participating WTO Members agreed that the disciplines would benefit, on an Most-Favoured-Nation (hereinafter, MFN) basis, all WTO Members.

What benefits for services suppliers?

Once the commitments agreed in the *Reference Paper* are implemented by the participating WTO Members into their domestic regulations and administrative practices, services suppliers can expect clearer, more transparent, and more predictable authorisation processes and procedures. A 2016 study found that "*an important determinant of trade patterns lies in domestic regulations*". In a report on *Domestic Regulations in Trade in Services*, the *International Trade Centre* (ITC) underlined that unnecessary and burdensome procedures on businesses lead to increased costs and weaken countries' competitiveness, and that non-transparent and anti-competitive measures would deter new services suppliers from entering a market.

Next steps

By 29 October 2021, the participating WTO Members were supposed to submit their updated draft GATS *Schedules of Specific Commitments* so that negotiations could be finalised by the 12th WTO Ministerial Conference, which will take place from 30 November to 3 December 2021. The Chair of the negotiations on the *Joint Statement on Services Domestic Regulation,* Mr. *Jaime Coghi Arias*, Minister Counsellor at the Permanent Mission of Costa Rica to the WTO, noted that he would consult with participating WTO Members on a Ministerial document that would refer to the conclusion of the negotiations, the agreed text, and participating WTO Members' final *Schedules of Specific Commitments*. Once concluded, the initiative would lead to new plurilateral commitments that shall lead to changes in the domestic regulations of participating WTO Members and which, given the commitment to provide the benefits on an MFN-basis, would benefit all WTO Members. Interested stakeholders should closely follow the

developments, ensure that the additional commitments are implemented by the respective WTO Members, and take advantage of them.

The Government of Indonesia increases the minimum local content level for mobile 4G and 5G devices in order to support domestic production

In order to grow and support the domestic telecommunications equipment industry, the Government of Indonesia has increased the minimum local content level (*i.e.*, *Tingkat Komponen Dalam Negeri*) for 4G and 5G mobile devices from 30% to 35%. This is regulated in *Ministry of Communication and Information Technology (MOCI) Regulation No. 13 Year 2021 concerning Technical Standards for 4G and 5G Subscriber Station Telecommunication Equipment and/or Mobile Cellular Telecommunication Device* (hereinafter, *MOCI Regulation No. 13/2021*), which will enter into force on 1 April 2022. *MOCI Regulation 13/2021* requires 4G and 5G mobile devices to have a minimum local content of 35% in order to be sold and marketed in Indonesia. These measures are part of the Government of Indonesia's efforts to support domestic industries and reduce imports, but such local content requirements may conflict with Indonesia's international trade obligations.

MOCI Regulation No. 13/2021

MOCI Regulation 13/2021 stipulates the applicable technical standards for telecommunications equipment and mobile cellular telecommunications equipment that are imported, manufactured, or assembled to be sold in Indonesia, and that are based on the Long-Term Evolution (hereinafter, LTE) or 4G standard and on the International Mobile Telecommunications-2020 (IMT-2020) or 5G standard. The scope of *MOCI Regulation 13/2021* includes base stations and subscriber stations. In accordance with Article 4 of *MOCI Regulation 13/2021,* subscriber stations and base stations are required to meet the mandated local content percentage.

In 2015, the Government of Indonesia had set the minimum local content requirement at 30% for 4G mobile devices pursuant to *MOCI Regulation No. 27 Year 2015 concerning Technical Requirements for Funding Tools or Telecommunications Equipment Devices based on Long Term Evolution Technology Standards.* Now, *MOCI Regulation 13/2021* increases the local content requirement by 5 percentage points to a minimum of 35% for 4G and 5G devices operating in the 850 MHz, 900 MHz, 1800 MHz, 2.1 GHz, and 2.3 GHz spectrum bands. Meanwhile, base stations are subject to a 40% minimum local content requirement.

Fulfilment of local content requirements as a prerequisite for market access

In Indonesia, obtaining a local content certificate from Indonesia's Ministry of Industry is required before any mobile device may be sold or circulated within the country, as regulated under Article 1 and 6 of *MOCI Regulation 13/2021*. This new local content requirement is to be enforced within six months after the enactment of the ministerial regulation, namely by 1 April 2022. This provides telecommunications equipment and mobile devices manufacturers only with a few months to adjust to the new rules.

For the fulfilment of the local content requirements, reference is made to Indonesia's *Ministry of Industry Regulation No. 29 of 2017 on the Procedures for Calculation of Local Content Requirement for Mobile Telephone, Handheld Computers, and Tablet Computers* (hereinafter, MOI Regulation No. 29/2017*)*. *MOI Regulation No. 29/2017* provides, in relevant part, that manufacturers must ensure compliance with the following elements*:* 1) Manufacturing in local factories and using local components for mobile devices; 2) Cooperating with local application developers for installing software in Indonesia; and 3) Making investment commitments for innovation centres. More specifically, the local content is calculated based on the following indicators:

Component and percentage	Sub-component and percentage
Manufacture (70%)	• Materials (*e.g.*, back camera, battery, cable) (95%) • Labour (2%) • Machine production (3%)
Software (10%)	• Prerequisite Specification (16%) • Architectural Design (23%) • Programming (36%) • Software Testing (11%) • Software Packaging (14%)
Investment for Innovation Centre (20%)	• Licence in intellectual property rights for development of software/hardware (10%) • Firmware development (40%) • Industrial design (20%) • Circuit layout design development (30%)

Supporting domestic production

Through *MOCI Regulation 13/2021,* the Government of Indonesia intends to support the domestic telecommunications industry. As stated by Indonesia's *Minister of Communication and Information Technology*, *Johnny G. Plate*, the "*localisation*" of component production would positively impact Indonesia's economy and industry, as it would expand Indonesia's employment and investment opportunities.

According to Indonesia's Ministry of Industry, the local content requirements under *MOCI Regulation 27/2015* and *MOI Regulation 29/2017* have already successfully decreased imports of mobile devices and increased domestic production of 4G mobile devices. In 2013, before *MOCI Regulation 27/2015* was enacted, Indonesia's domestic production of mobile phones only amounted to around 105,000 units. However, by 2017, following the implementation of *MOCI Regulation 27/2015*, domestic production had increased to 60.5 million units. As reported by Indonesia's Ministry of Trade, in 2020, smartphone imports only amounted to 3.9 million units, which compared to domestic production of 97.5 million units. Following the success of the local content requirements for 4G devices, the Government of Indonesia now aims at further decreasing the imports of mobile devices and to encourage the production of 5G telecommunications devices in Indonesia.

Economic operators adjust to the local content requirements

Given the pre-existing requirement of 30%, some foreign mobile device manufacturers that already have factories in Indonesia, such as the Chinese consumer electronics company *OPPO,* consider that the increase of the local content requirement to 35% would not be difficult to implement. The Public Relations Manager of *OPPO* Indonesia, Mr. *Aryo Meidianto*, noted that *OPPO* currently owns two assembly plants in Indonesia and that it has been increasing the local content in its products by using locally produced components.

The increased local content requirements lead to more companies '*localising*' their production in Indonesia, instead of importing mobile devices and using local software. In this context, the Government of Indonesia announced that, in 2020, no 4G devices were imported from Viet Nam, as certain electronics companies, such as *Samsung Indonesia*, had stopped importing smartphones from Viet Nam and now produce their smartphones in Indonesia in order to comply with the local content requirements.

Inconsistencies with WTO disciplines?

The local content requirements related to telecommunication devices are considered an important trade concern for Indonesia's trading partners, such as Japan and the US. Following the original introduction of the local content requirements for telecommunications devices, both countries repeatedly raised their concerns over this measure within the WTO Committee on Trade-Related Investment Measures. The main concerns underlined by Japan and the US were that the local content requirements disrupt the supply chains, draw investment away from

other developing countries, and result in more favourable treatment for domestic products vis-à-vis imported products.

Indeed, there is no doubt that the local content requirements are being enacted to grow Indonesia's telecommunications sector. This can be considered as *prima facie* discrimination and a restriction on market access for foreign mobile devices and components. It is rather unlikely that, if challenged, Indonesia's local content requirements would withstand WTO scrutiny. More specifically, Indonesia's local content requirements for telecommunications devices are likely inconsistent with Article 2 of the WTO Agreement on Trade-Related Investment Measures (hereinafter, TRIMs Agreement) and paragraph 1(a) of the Annex to the TRIMs Agreement, which provides an Illustrative List indicating inconsistent measures. These provisions mandate that no WTO Member is to apply a trade-related investment measure that is inconsistent with Article III or Article XI of the General Agreement on Tariffs and Trade (GATT), which require WTO Members to accord imported products treatment no less favourable than that accorded to "*like products*" of national origin and not to apply quantitative restrictions, respectively.

What's next for manufacturers of mobile devices

The trade-restrictiveness of Indonesia's local content requirements is clearly demonstrated by the decreasing rates of imports of mobile devices, which have plummeted over the past few years. The increase of the local content requirement to 35% could further reduce imports and require manufacturers to shift additional production to Indonesia, if they intend to continue competing on Indonesia's lucrative market. Interested stakeholders should closely monitor the related regulatory developments and trading partners should diligently assess and consider challenging the consistency of the measures with Indonesia's WTO commitments.

Mung bean protein deemed safe by the European Food Safety Authority (EFSA) – a further ingredient for plant-based food

Following a request from the European Commission (hereinafter, Commission) of 6 August 2020, the European Food Safety Authority's (hereinafter EFSA) Panel on Nutrition, Novel Foods and Food Allergens (hereinafter, NDA panel) adopted, on 14 September 2021, an Opinion on mung bean protein as a novel food pursuant to *Regulation (EU) No 2015/2283 of the European Parliament and of the Council of 25 November 2015 on novel foods* (the EU's Novel Foods Regulation, hereinafter, NFR). In the EU, food is considered novel food when it was not used for human consumption to a significant degree within the EU before 15 May 1997. This includes newly developed, innovative food, or food produced using new technologies and production processes. The EU's NFR aims at improving conditions so that food businesses can easily bring new and innovative foods to the EU market, while a high level of food safety for consumers is maintained. This article looks at the novel foods authorisation procedure, particularly at the scientific assessment provided by the EFSA, and the growing commercial relevance of "*novel*" plant-based proteins.

Background of the application for mung bean protein as a novel food

The procedure for placing a novel food on the EU market is laid down in the NFR. Article 10 of the NFR, as well as *Commission Implementing Regulation (EU) 2017/2469 of 20 December 2017 laying down administrative and scientific requirements for applications referred to in Article 10 of Regulation (EU) 2015/2283 of the European Parliament and of the Council on novel foods,* detail the procedure for authorising the placing on the market in the EU of a novel food. Following the submission of an application to the Commission, the validation of the novel food application should require between one and three months, although past applications suggest that the actual validation process takes between three and six months. On 10 March 2020, the company *Eat Just, Inc.* submitted a request to the Commission in accordance with Article 10 of the NFR to place on the EU market mung bean protein extracted from seeds of

the mung bean plant (*i.e.*, *vigna radiata*) by several processing steps, followed by pasteurisation and spray drying.

Mung bean protein is intended to be used as an ingredient in a variety of foods, in particular as an egg replacement. In fact, the applicant *Eat Just, Inc.*, a US-based company, already uses mung bean protein outside of Europe in its plant-based egg substitute products, such as plant-based scrambled eggs and mayonnaise. *Eat Just, Inc.* indicates that, as defined by Article 3(2)(a)(iv) of the NFR, mung bean protein falls under the novel food category of "*food consisting of, isolated from or produced from plants or their parts, except when the food has a history of safe food use within the Union and is consisting of, isolated from or produced from a plant or a variety of the same species*".

History of use of mung beans and mung bean protein

Mung bean plants and parts thereof have been consumed by humans since long ago. The main parts consumed are mung bean seeds and mung bean sprouts. The consumption of mung bean varies depending on the geographic region. In India, for example, mung bean is used in sweets, snacks, and savoury foodstuffs. In other parts of Asia, it is used in cakes, noodles, and soups. The applicant notes that, "*in America and Europe*", the mung bean plant is mainly used for fresh bean sprouts. In the US, the consumption of mung beans, as such, amounts to between 22 and 29 g per capita per year, while the consumption in some parts of Asia can be as high as 2 kg per capita per year. There is no history of use of mung bean protein in the EU prior to 15 May 1997. According to the applicant, mung bean protein is authorised as a novel food ingredient in Asia and US since 2017.

The EFSA's safety assessment and opinion of mung bean protein

Following the application by *Eat Just, Inc.*, in accordance with Article 10(3) of the NFR, the Commission requested on 6 August 2020 the EFSA to carry out an assessment of the risk that mung bean protein has on human health. According to the NFR, within nine months from the receipt of the mandate by the Commission, the EFSA is to provide a scientific opinion on the safety for human health of the proposed new novel food. However, at any step of the evaluation, the EFSA may suspend the evaluation at its own discretion and request additional information from the applicant. According to data from past applications, the evaluation process of a new novel food is usually suspended by the EFSA between one and three times, in order to seek additional information from the applicant. In order to carry out the risk characterisation of the proposed new novel food, the EFSA usually requests nutritional studies, as well different categories of toxicological studies. Typically, due to the specificity of the product, such studies might not be readily available in the scientific literature. According to past novel food applications, the EFSA usually requests additional information when there is an incomplete dataset and/or insufficient scientific literature, due to the complexity or novelty of the novel food application. The most commonly requested additional information relates to the manufacturing processes and toxicological studies.

In the case of mung bean protein, on 20 November 2020 and on 25 June 2021, the EFSA requested the applicant to provide additional information to accompany the application and the scientific evaluation was suspended. Following the EFSA's requests, on 26 March 2021 and on 23 August 2021, additional information was provided by *Eat Just, Inc.* and the scientific evaluation was resumed. Finally, at its meeting on 14 September 2021, the NDA Panel, having evaluated the data, adopted a scientific opinion on the safety of mung bean protein as a novel food pursuant to the NFR.

In its scientific opinion, the EFSA's NDA Panel noted that mung bean protein extracted from seeds of the plant *Vigna radiata* is rich in protein, which is well digestible, and "*provides sufficient amounts of most essential amino acids but only limited amounts of sulfur-containing amino acids*". The NDA Panel noted that the cumulative exposure to the minerals analysed does not raise any concern. The NDA Panel also noted that no toxicological studies were provided with the novel food application and that, instead, the applicant referred to the facts

that: 1) Mung beans are widely consumed in Asia and that they are also consumed in the US and the EU; 2) Mung bean protein is not chemically modified, as it is extracted by mechanical means; and 3) Mung bean protein is structurally related to seed storage proteins in other legumes, such as soy, lupin, and pea. Taking into account the nature of the novel food and the elements described above, the NDA Panel considered that no toxicological studies were required on the novel food. However, considering the information provided, the Panel concluded that the mung bean protein has the potential to sensitise individuals and to induce allergic reactions in individuals allergic to soybean, peanut, lupin, as well as to birch pollen. Overall, the NDA Panel concluded that mung bean protein is safe under the proposed conditions of use, namely a maximum use level of 200 g mung bean protein/kg food with the general population as target population.

The authorisation of a novel food by the Commission

According to Article 12(1) of the NFR, within seven months from the date of publication of the EFSA's opinion, the Commission is required to submit to the EU's Standing Committee on Plants, Animals, Food and Feed a draft implementing act authorising the placing on the market within the EU of a novel food and updating the relevant EU list. The scientific opinion by the EFSA is usually the ground on which the Commission designs the authorisation for the placing on the EU market of the proposed novel food and its subsequent listing in the EU's list of authorised novel foods. A novel food may only be placed on the EU market once it is included on this list, which sets out information on: 1) Conditions of use; 2) Specific labelling requirements; and 3) Eventual post-marketing requirements.

It should be noted that, under the NFR, all authorisations are generic, as opposed to the applicant-specific, restricted novel food authorisations under the EU's previous novel food regime, which applied until 1 January 2018. This means that not only the applicant, but any food business operator may place an authorised novel food on the EU market, provided that the authorised conditions of use, labelling requirements, and specifications set by the Commission are complied with. While the NFR does not foresee a holder of authorisation, the NFR prevents competitors from using proprietary data during a period of five years from the date of the authorisation of the novel food, without the agreement of the initial applicant. Data protection for the applicant's proprietary data is granted by the Commission, on request by the applicant at the time of first submission of the application, provided that: 1) The data consist on newly developed scientific evidence; 2) The owner of the data holds their exclusive right of use; and 3) The data is necessary to conclude on the safety of the new novel food. The data for which protection is usually requested are toxicological studies, clinical trials, nutrition studies, and information on the manufacturing process. In the case of mung bean protein, the EFSA noted, under '*Protection of Proprietary data in accordance with Article 26 of Regulation (EU) 2015/2283*', that "*The Panel could not have reached the conclusion on the safety of the NF under the proposed conditions of use without the data claimed as proprietary by the applicant (analytical data on phytic acid, lectins, trypsin inhibitors, cyanogenic glycosides and tannins)*".

Outlook

Eat Just, Inc.'s mung bean protein is set to be launched in the EU in 2022. According to the EFSA, there is a "*growing number*" of applications for sustainable protein alternatives for meat, egg and dairy products. Indeed, the Commission's website provides summaries of the novel food applications and notifications, and currently lists, *inter alia*, novel foods applications for water lentil protein, pea and rice protein fermented by *Shiitake mycelia*, krill protein hydrolysate, beet leaf protein, and barley rice protein. Those novel proteins are intended to be used as plant-based alternatives to animal-based food ingredients in various products from different food categories including meat and dairy substitutes. In this context, European retail sales of plant-based food products reached EUR 3.6 billion in 2020, according to a recent *Nielsen* data report, which is 28% more than the sales from the previous year, and 49% more than in 2018. This indicates that the sales of plant-based food will likely keep increasing. In particular, in 2020, the plant-based egg market experienced significant growth, as more

consumers begin to desire alternatives to animal-based products. The shift to plant-based diets is one of the main elements within the Commission's *Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system*, which calls for a more sustainable food system and states that "*Moving to a more plant-based diet with less red and processed meat and with more fruits and vegetables will reduce not only risks of life-threatening diseases, but also the environmental impact of the food system*". All interested stakeholders should closely follow developments on novel foods, in particular regarding plant-based food.

Recently adopted EU legislation

Trade Law

- *Commission Regulation (EU) 2021/1891 of 26 October 2021 amending Annexes XIV and XV to Regulation (EU) No 142/2011 as regards imports into and transit through the Union of animal by-products and derived products*

- *Decision No 1/2021 of the EU-Georgia Customs Sub-Committee of 1 September 2021 amending the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, by replacing Protocol I thereto concerning the definition of the concept of 'originating products' and methods of administrative cooperation [2021/1858]*

- *Decision No 1/2021 of the EU-Iceland Joint Committee of 16 July 2021 amending the Agreement between the European Economic Community and the Republic of Iceland by replacing Protocol No 3 thereto concerning the definition of the concept of 'originating products' and methods of administrative cooperation [2021/1857]*

Customs Law

- *Commission Implementing Regulation (EU) 2021/1922 of 4 November 2021 amending Implementing Regulation (EU) 2018/1517 laying down detailed rules implementing certain provisions of Council Regulation (EU) 2018/581 temporarily suspending the autonomous Common Customs Tariff duties on certain goods of a kind to be incorporated in or used for aircraft*

- *Commission Implementing Regulation (EU) 2021/1832 of 12 October 2021 amending Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff*

Food Law

- *Commission Regulation (EU) 2021/1917 of 3 November 2021 amending Annex I to Regulation (EC) No 1334/2008 of the European Parliament and of the Council as regards the inclusion of 2-(4-methylphenoxy)-N-(1H-pyrazol-3-yl)-N-(thiophen-2-ylmethyl)acetamide in the Union list of flavourings*

- *Commission Regulation (EU) 2021/1916 of 3 November 2021 amending Annex I to Regulation (EC) No 1334/2008 of the European Parliament and of the Council as regards the inclusion of 4-amino-5-(3-(isopropylamino)-2,2-dimethyl-3oxopropoxy)-2-methylquinoline-3-carboxylic acid in the Union list of flavourings*

- *Commission Implementing Regulation (EU) 2021/1900 of 27 October 2021 amending Implementing Regulation (EU) 2019/1793 on the temporary increase of official controls and emergency measures governing the entry into the Union of certain goods from certain third countries implementing Regulations (EU) 2017/625 and (EC) No 178/2002 of the European Parliament and of the Council*

- *Commission Delegated Regulation (EU) 2021/1890 of 2 August 2021 amending Implementing Regulation (EU) No 543/2011 as regards marketing standards in the fruit and vegetables sector*

Other

- *Commission Regulation (EU) 2021/1902 of 29 October 2021 amending Annexes II, III and V to Regulation (EC) No 1223/2009 of the European Parliament and of the Council as regards the use in cosmetic products of certain substances classified as carcinogenic, mutagenic or toxic for reproduction*

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