

# Briefing for Commissioner WOJCIECHOWSKI

## Meeting with **Personal data**- CropLife Europe - Ukraine and Food Security

**05/05/2022, 09:30 – 10:30**

**Brussels, Commissioner Office**

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## SCENE SETTER

You are meeting CropLife Europe **Personal data**. CropLife Europe is the lobby group of crop protection solutions producers.

CropLife Europe has recently (25 March) send a letter to President von der Leyen and EP President Roberta Metsola, putting forward their views on how to tackle the challenges we are currently facing (most prominently, the war in Ukraine) and ensure food security in the long term. They make three main observations:

- Support the logistics and supply of products to ensure planting and harvesting through the establishment of safe import corridors to Ukraine.
- Avoid export restrictions and bans to ensure free flow of food within Ukraine and across the region;
- Prepare the transition towards a more sustainable and resilient EU agriculture through quicker access to innovation.

Your main messages could evolve around the following elements:

- Assistance to Ukraine is provided through the EU humanitarian aid effort (mainly food and multi-purpose cash transfers) but COM is assessing ways to further help Ukraine and is in close contact with the bordering Member States in an attempt to ease border formalities. Securing Ukrainian exports is as important as safeguarding import of inputs to Ukraine.
- COM strongly opposes export restrictions and bans and intends to maintain the integrity of the single market.
- Sustainability and resilience remain the focus of CAP and in the long run climate change is the main challenge we have to fight with. Innovation occupies a prominent place in the new CAP: cross cutting objective and Agricultural Knowledge and Innovation System, both of which heavily focus on innovation, are integral part of it. MSs must scale up efforts to support innovation in their CAP plans and turn knowledge and innovative solutions into practical solutions by encouraging cooperation.

You may also want to test the position of CropLife on the issue of banning the EU export of plant production products to Russia as part of the forthcoming sanction packages. CORTEVA, one of its members, has already announced its intention to proceed with such a ban.

## SPEAKING ELEMENTS

- On behalf of President von der Leyen, I would like to thank you for your letter of 25 March.
- In this letter, you have raised important aspects in relation to Russia's invasion of Ukraine. I very much **appreciate your contribution, and your commitment to alleviate the suffering of the Ukrainian people.** In particular, your donations to support emergency assistance operations in Ukraine and beyond are of great benefit.
- As you know, the consequences of the Russian aggression in Ukraine are grave - for our food security, our food systems and our agriculture but also for global food security.
- In your letter, you raised the concern about export restrictions. The Commission is very clear on this. Any export restrictions within the EU violates the rules of the internal market. Together with Commissioner Breton, I have written to the Hungarian authorities to make our point clear and to ask them not to implement any export restrictions.
- You are aware that, on 23 March, the Commission adopted the communication on "Safeguarding food security and reinforcing the resilience of food systems".
- In this comprehensive communication, the Commission addressed food security and market-related issues, outlining the short, medium and long-term solutions to address some concerns.
- The communication also outlines that, despite some necessary short-term measures, the Commission will keep on track with the transition towards a more sustainable and resilient EU agriculture. I believe that was also one of your points raised in the letter.

- We also took note of your point about the logistics and the establishments of safe import corridors. This is a difficult task. I have discussed the issue with the Ukrainian Minister and we are maintaining a consistent dialogue aimed at finding a good solution.
- I invite all stakeholders to **continue with their efforts in addressing the hardships in Ukraine**, in particular as regards food security. We need to stand united during these difficult times and exchanging information surely helps in coordinating our response.
- Related to that, I **welcome your intention to become a member of the Expert Group on the European Food Security Crises Preparedness and Response Mechanism**.
- The launch of this Expert Group took place on 9 March and since then the Group has met on several occasions.
- I will inform DG Agri about your intention to join the Group.

## DEFENSIVES

***Q1: Need to support the logistics and supply of products to ensure planting and harvesting through the establishment of safe import corridors to Ukraine.***

**Reply:**

- Indeed, land and connections with Ukraine remain far below the needs but improving them is a top priority for the Commission, in particular Commissioner Vălean and her team in DG MOVE, and we are working actively on these aspects.
- Encouraging news are that forecasts for the next harvest in Ukraine have been recently adjusted upwards compared to initial fears. However, numerous farms, food production and storage facilities have been destroyed and Ukrainian access to Black Sea trading routes through its seaports has been cut off. Ukrainian farmers lack workforce and necessary agricultural inputs: in particular diesel and to a lesser extent feed (especially for poultry), seeds, fertilisers and veterinary medicines)
- The Ukrainian authorities have requested EU assistance with the provision of such inputs.
- COM is currently assessing all possible ways to effectively help and make sure that Ukraine could be supplied with products necessary to ensure planting and harvesting. At the moment, help to the Ukrainian agricultural sector is provided through the EU humanitarian aid effort and through the funds administered by DG NEAR.
- COM is also actively in contact with the member state governments to assure that Ukraine gets the fuel needed for the spring sowing. For example, Poland and Romania are working on the improvement of infrastructure and on regulatory barriers to transport and transit.
- Finally, in all of these areas, the efforts of the private operators are hugely important factor. These companies are making great efforts to maintain their well-established trade network, with encouraging results given the very difficult circumstances.
- We are most grateful for all these efforts of private operators and I would call on your support to encourage your members to continue to show this concrete sign of effective solidarity with the Ukrainian people.

***Q2: Need to avoid export restrictions and bans to ensure free flow of food within Ukraine and across the region***

**Reply:**

- Fully agree. Commission strongly opposes Member States' measures to protect domestic food supply by preventing exports. Such trade distorting measures are *a priori* incompatible with the Single Market, may breach our WTO commitments and ultimately have a negative impact on food security.
- The Commission has communicated its position to relevant Member States, we are analysing respective decisions by Hungary and others and we remain committed to promptly investigate and take action against any unilateral measures imposing unjustified restrictions on the free movement of goods
- Trade is part of the solution, not part of the problem and COM in particular joins calls for avoiding export restrictions on food which we know can lead to panic effects, tighter supplies and increased prices.

***Q3: Need to prepare the transition towards a more sustainable and resilient EU agriculture through quicker access to innovation***

**Reply:**

- I would first like to underline that when talking about sustainability and resilience of European agriculture, our number one long-term risk factor is still climate change. Thus, all policy initiatives aiming to increase sustainability and resilience must be climate-smart in the long-run.
- This is strongly recognised and reinforced in our recent Communication on "*Safeguarding food security and reinforcing the resilience of food systems*".
- Stemming from that, the flagship Green Deal initiatives, notably the Farm to Fork Strategy and the Biodiversity Strategy, set the path to, inter alia, reducing our dependence on external inputs like fertilisers and pesticides, without undermining productivity.
- The new Common Agricultural Policy (CAP) with its nine specific objectives on all dimensions of sustainability, will continue to be the key tool to support farmers in the transition to sustainable production and in achieving the targets and objectives of the European Green Deal.
- Being more specific about innovation and its role, innovation and cooperation are key to accelerate progress in areas like precision farming, nutrient management, organic farming and agro-ecology.

- This is why the future CAP explicitly introduces a cross-cutting objective of fostering innovation in agriculture, forestry and rural areas.
- Thanks to Horizon and European Innovation Partnership (EIP-AGRI) initiatives, we have many projects that deliver a wealth of new knowledge and innovative solutions supporting farmers in responding to the sustainability challenges of today and tomorrow. That would help us to bring agricultural research and innovation (R&I) to the next level and allow us to invest billions to support Green Deal priorities in agriculture, food and the bio-economy.
- At the same time, the new CAP comes with an important role for knowledge and innovation. In their CAP Strategic Plans, Member States will need to also further develop the Agricultural Knowledge and Innovation System.
- Finally, knowledge and innovative solutions must be turned into practical solutions that help farmers to transform and adapt the way in which they manage land, produce food and respond to changing consumers' preferences. I strongly believe that this can only happen when those who need innovative solutions – the farmers – cooperate with others in the innovation process.



## BACKGROUND

Some stakeholders (in the EP and elsewhere) have raised the question about the possibility of expanding the export ban of fertilisers and herbicides to Russia under the upcoming sanctions package.

Currently, our understanding is that export of herbicides (and plant production products in general or PPPs) is unaffected by the sanctions as is export of fertilizers. Export ban applies to good like jet fuel, quantum computers and advanced semiconductors, high end electronics, software, sensitive machinery and transportation equipment. There seems to be some farm machinery / food industry parts which are affected also by the export ban.

Import ban however applies to fertilisers, although there be seems to be non complete ban of imports of fertilisers from Russia but rather a limitation on certain types of fertilisers and on the quantity which can be imported (this is being clarified with other DGs).

Importantly, EU trade position of fertilisers and PPPs and or farm machinery parts are completely opposite. As much as we are very dependent on Russia for fertilisers, the EU is net exporter of plant protection products and farm machinery parts towards Russia. Because of long processing time, most recent statistics on trade, covering the period since the beginning of the war, is however not available yet.

Export of PPPs largely depends on private businesses, some companies decided to continue doing business in the Russian Federation and export products (Chinese owned Syngenta for instance), arguing that stopping exporting their products to RF could contribute to food insecurity, some companies decided to stop their businesses in Russia and some companies decided to scale back their business in Russia.

CropLife Europe's views about export ban of PPPs to Russia would be interesting to hear as most of those private agrochemical business (including Syngenta) are members of CropLife Europe.