

CC(17)7072:1 – [REDACTED]

Mr Jean-Claude Juncker
President
European Commission
200, rue de la Loi
BE-1049 Brussels

Brussels, 26th September 2017

Re: Trade negotiations with Mercosur

Dear President,

Copa and Cogeca are the united voice of farmers and agri-cooperatives in the EU. Copa represents over 23 million farmers and their family members, whilst Cogeca represents the interests of 22,000 agricultural cooperatives. The European agricultural sector is committed to supporting your aim to revive economic growth and create jobs for the European economy. Today, the European agricultural and agri-food sector employs over 43 million people and registered a positive trade balance of 20 billion euros in 2016.

Mercosur already provides more than 75% of the beef imported into the EU, consisting almost exclusively of high value cuts. Beef imports from Mercosur already represent 20% of the EU high value cuts market. However, at the same time, the EU beef sector is facing a negative consumption trend, with a 20% drop in the last decade. The subsequent negotiations with Australia, New Zealand and the USA could also potentially lead to new beef imports.

Furthermore, the beef sector has been identified as the most affected by the current negotiations on the withdrawal of the UK from the EU. Indeed, in the short term, new outlets may need to be found for around 250,000 tonnes. The withdrawal of the UK from the EU could also have an impact on the next CAP budget.

We would therefore like to express our deep concern about the potential introduction of beef products in the second market access offer to Mercosur.

Aside from the market access issue, we would like to remind you that we have some of the highest food safety and animal welfare standards in the world, which imports from these countries do not share. We record an individual animal's movements from the day it is born to the day it dies. In Mercosur countries, on the other hand, only 10% of an animal's life is accounted for. Our system reassures consumers about the safety and quality of our meat. Beef production in Europe – especially specialised beef production – also provides growth and jobs in EU rural areas, where there is often no alternative source of employment. It also contributes to green growth. The farming community will not understand or accept the presence of double standards in the single market.

The sugar and ethanol sectors are heavily subsidised directly and indirectly by Mercosur countries. These countries have not shown any new commitments to reduce this public distortive support. Therefore, we do believe that the current negotiation is not yet mature enough to already put figures on these very sensitive sectors.

Please be aware that a copy of this letter has also been sent to the Commissioners for Trade, Cecilia Malmström, and Agriculture and Rural Development, Phil Hogan.

Yours sincerely,



Pekka Pesonen
Secretary General

Cc: Cecilia Malmström, Phil Hogan