Minutes meeting Starch Europe – Maria Åsenius on the treatment of starch products in EU-FTA negotiations (17/02/2015)

Participants:

Starch Europe: Jamie Fortescue (Managing Director Starch Europe), Gianfranco Patrucco (Vice-President Roquette), Marie-Laure Empinet (Director External Relations Europe)

Commission: Maria Åsenius (Head of Cabinet Malmström), Christian Burgsmüller (Member)

Report:

Key concerns of Starch Europe focussed on TTIP, as the EU industry deems its US counterpart (world’s biggest producer) as more competitive on the grounds of enduring lower raw materials costs (maize-based US production), higher industrial scale of production and lower energy costs.

Industry also expressed very rapidly some concerns over a prospective EU-Thailand deal as well, and called on the Commission on the less important, but still non-negligible, attention needed as regards Vietnam. According to the industry, the strong US position on starch is a direct consequence of the EU sugar policy (production quotas for sugar and isoglucose still existing and continuing until 2017), and will take many years to revert. This situation has crystallised strong demand of isoglucose in the US (8 million t) compared to only 700,000 t in the EU market limited by the quota system.

Commission (Maria Åsenius) took note of the concerns of the industry. MA noted the strong exporting position of the EU industry, able to outcompete the US worldwide, and put the perceived challenges ahead against the global picture: prospective end of the quota regime in the EU, expected gains for starch products in ongoing/recently concluded FTAs (e.g. Japan, CETA), and need to deliver market access to a large number of EU offensive interests across a broad number of sectors. [Art.4.2 first indent]

Starch Europe explained that strong export position of the EU industry was due to specialisation in higher value produce and differentiation. For commodities the industry sees EU import duties playing the key role. Starch