MINUTES MEETING JLD – COPA-COGECA ON EU-MERCOSUR (19/09/2017)

Participants:

Copa-Cogeca: SG Pekka Pesonen; Arnaud Petit, Director

DG TRADE: DG Jean-Luc Demarty; Director Sandra Gallina; (TRADE D3)

Report:

The meeting focussed on the state of play over a prospective EU-Mercosur deal. Copa-Cogeca expressed concerns on the impact of a possible agreement on a number of products, and in particular the impact on the EU beef market. For Copa-Cogeca, there is a decline in beef consumption in the EU over the last twenty years which increases the pressure on the beef market from market openings. This means that for Copa-Cogeca the Commission needs to pay special attention to the cumulative impact of the full range of EU trade negotiations on the beef sector, considering also Brexit.

Copa-Cogeca focussed on the economic edge of Mercosur beef producers (largest beef world exporters, more competitive on the grounds of economies of scale, lower feeding costs and ability to use practices which lower the overall cost of production that are not allowed in the EU) and on the issue of compliance with EU production standards, as Copa-Cogeca fears that Mercosur countries do not comply with strict EU rules on food safety (SPS), namely as regards traceability, and on animal welfare. European consumer may also be deceived from exports of so-called zebu meat (beef from Bos Indicus species) from Brazil.

COM (DG Jean-Luc Demarty) reassured Copa-Cogeca that the Commission is aware of the importance of beef production in the local economy of many rural areas of Europe and that any agreement would respect sensitive nature of beef production. Numbers presented by Copa-Cogeca need to be placed against a backdrop of recovery of the EU beef market over the past years and the fact that some of Mercosur's beef exports to the EU must be seen as complementary to EU production. COM also recalled efforts being done at EU level to open new market for EU beef exports.