

Minutes of China-EU 6th Dialogue on Agriculture

China-EU 6th Dialogue on Agriculture was held from December 1 to 3, 2011, in Guiyang, Guizhou, China. Mr. [REDACTED] Deputy Director-General of the Department of International Cooperation of the Ministry of Agriculture of the People's Republic of China and Mr. Jerzy Plewa, Deputy Director General of the Directorate General for Agriculture and Rural Development of EU, led their respective delegations (hereinafter referred to as the Parties), attended and co-chaired the meeting (See attachment for name list of the delegates).

According to the usual practice, exchanges and discussions were conducted in 4 working groups on the following 9 topics: overview of cooperation since the 5th dialogue meeting, agricultural trade and development in 2010, organic and green food, quality of agricultural products and geographical indications (GIs), Chinese and EU's macro-agricultural policies, impact of the crisis on agriculture and remedying measures, major policy development for food processing industry, food processing research and primary processing of agricultural products at the place of production.

The Parties first exchanged information on the latest agricultural development since the 5th dialogue meeting. Mr. Plewa recalled the major bilateral cooperation activities over the past year, in particular highlighting the successful visit of Commissioner Ciolos to China in March 2011. He also briefly introduced EU's position on the topics to be discussed. Deputy Director-General [REDACTED] briefly introduced a number of cooperation activities between China and EU as well as EU member states over the past year, gave full recognition to existing sound cooperation in the field of agriculture between China and EU, stressed the importance of strengthening mutually beneficial agricultural cooperation and expressed the willingness to intensify and promote pragmatic bilateral cooperation in the field of agricultural trade, quality and safety of agricultural products and processing technology. Later on, the Parties conducted discussions on the above-mentioned 9 topics:

I. Agricultural trade

The Parties conducted an in-depth analysis of bilateral trade data of 2010, exchanged views on agricultural trade and fully recognized the opportunities for further development of bilateral agricultural trade.

The Chinese side introduced China's overall situation of foreign trade in 2010 and pointed out that according to statistics of the China Customs

Database, China's agricultural trade totaled USD 121.96 billion in 2010, up by 32% over the previous year. Among it, the China-EU agricultural trade totaled USD 11.85 billion in 2010, up by 28.7% over the pervious year; to be specific, China's agricultural export to EU was USD 6.91 billion, up by 21.7% over the previous year; EU's agricultural export to China was USD 4.94 billion, up by 39.9% over the previous year. By October 2011, the China-EU agricultural trade totaled USD 12.144 billion, showing a sound upward trend. China expressed that EU was currently the third largest export market of agricultural products for China, and EU is the fifth largest source of import for Chinese market. The total export value of the five categories of products, including aquatic products, vegetables, animal products, fruits and nuts accounted for 71% of China's total value of agricultural export to EU; China-EU agricultural trade becomes more and more important.

The EU side stressed that the bilateral trade in agricultural products has increased over the past year and the deficit on the EU side has now decreased. This is largely thanks to growing EU exports of wines, spirits and processed agricultural products. The EU agricultural exports have been less affected by the global economic crises than other markets. In terms of overall trading partners, EU is now the forth supplier of agricultural products to China (after United States, Brazil and Argentina).

The Parties analyzed and discussed challenges for China-EU agricultural trade. The Chinese side hoped that the two sides could make joint efforts to optimize the environment for the development of bilateral trade and suggested that EU consider China's export concerns over garlic, mushroom in airtight containers and poultry meat etc, increase tariff-rate quotas (TRQs) to relevant Chinese products, allocate TRQs appropriately and fairly and allow the accumulation and transfer of quotas. EU hoped "China could lift restrictions on beef import from the EU and remove existing export barriers of fruits and diary products as soon as possible". The Parties agreed to create favorable conditions and to work proactively to promote sound development of agricultural trade, encourage cooperation between agri-businesses and remove non-tariff factors that constrain a healthier development of bilateral trade.

II. Quality of agricultural products

The Parties exchanged information on policies of quality of agricultural products, in particular, organic agricultural products and GIs.

The Chinese side introduced the development of organic agricultural products in 2010 and China's current system of regulations and standards of organic products, gave detailed introduction to the European side on the

scale of production of all kinds of organic agricultural products certified in China, analyzed the status quo of China's market of organic food and provide an overview of the future development of organic agricultural products in China. The European side presented the developments in the organic sector including the production statistics, market developments and the likely future developments. The EU side also presented the future changes to the legislative framework and how it is going to affect the organic sector.

The Parties exchanged information on GIs. The Chinese side indicated that China has always been attaching great importance to the protection agricultural GIs and agricultural GIs are of crucial importance to agriculture, rural areas and regional economic development. Protection through registration of agricultural GIs is an effective approach to developing modern agriculture and a priority area in agriculture in China currently and in future. China-EU exchanges and cooperation on agricultural GIs have progressed well thanks to the concerted efforts of both sides; the Chinese side hoped that the current meeting would further promote bilateral exchanges and cooperation in all fields of agricultural GIs.

- The European side briefly introduced the current EU's legislation and the ongoing reform affecting the GIs regulatory framework. The EU also outlined the benefits of GIs for farmers, rural areas and consumers. In terms of EU-China cooperation, the EU side underlined that GIs remain a very important issue of our bilateral cooperation with all Chinese institution involved MOA, AQSIQ, SAIC and MofCOM. EU acknowledged the good cooperation and progress achieved so far in terms of the ongoing negotiations of bilateral GIs agreement.

The Parties agreed that GIs are of great importance to agriculture and rural development. The European side stated that the next dialogue due to take place in Europe might offer a good opportunity for the Chinese side to learn and experience the EU GI and invited the Chinese side to pay field visits to EU, for which the Chinese side expressed appreciation.

III. Policy information

The Parties exchanged in-depth views on China-EU agricultural macro-policy, impact of crisis on agriculture and responding measures.

China elaborated on agricultural policies in the 12th Five-Year Plan. The Plan identified the objectives and strategic measures of China's economic and social development during 2011-2015, emphasizing that agricultural

modernization should be promoted, abreast of industrialization and urbanization drives. The priority during the 12th FYP was to address the issues of agriculture, rural areas, and farmers. The Chinese government had always stuck to the principle of coordinating urban and rural development, industry nurturing back agriculture, scaling up pro-farmer measures, speeding up the transformation of agricultural development, and increasing the modernization level and farmers' wellbeing.

The EU side presented the newly launched reform of the Common Agricultural Policy outlining the three main objectives of viable food production, sustainable management of natural resources including climate change and balanced territorial development. The EU side also stressed the increased importance of "green" payments and innovation in the new policy.

The Parties discussed the impact of crisis on agriculture and remedying measures. China briefed EU on how China's agriculture addressed climate change and its views on global food security. In order to help agriculture address climate change well, China had taken on proactive measures, hammering out the *Action Plan on Addressing Climate Change by Agriculture*, with effectiveness in mitigating green house gas emissions and beefing up agriculture's capacity to adapt to climate change. In terms of global food security, China safeguarded its domestic food security; meanwhile, China honored its international obligations in global food security, sparing no effort to contribute to promoting world food security and agricultural development. EU introduced its global efforts in the context of G20 Agricultural Summit and explained the internal policies for addressing food security and combating climate change.

The Parties were fully aware that in the current circumstances there was an increased need to cooperate more closely on issues of, food security, food safety, climate change, information and technologies in order to contribute to stable agricultural development and safeguarding global food security. The two sides agreed to further strengthen communication and exchange, promote understanding and trust, and proactively promote cooperation in relevant fields.

IV. Food Processing Technology

China and EU exchanged in-depth views on food processing technology. EU briefed China on the existing major policies of food processing and the latest research progress in this area, focusing on product R&D, technology, innovation, processing technology and information exchange. China elaborated on the current situation, difficulties and policy suggestions for primary processing in the producing areas of agricultural products, which

attracted great interest from the EU side.

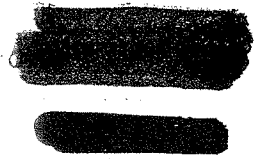
The Parties exchanged ideas on the latest development of food science and technology and expressed willingness to enhance cooperation in this area. China hoped to strengthen cooperation in primary processing in producing areas of agricultural products through thematic seminars, field investigation and visits, and joint projects, so as to establish an exchange platform for China-EU food processing technology. EU agreed that the area of agricultural research offered new possibilities of further cooperation.

V. Other Arrangements

The Parties expressed their satisfaction with China-EU 6th Dialogue on Agriculture, expressing their appreciation for the opportunity to exchange opinions on a wide variety of important topics.

China-EU 7th Dialogue on Agriculture is planned for the second half of 2012, hosted by EU, with the attendance of the Chinese delegation.

The Parties signed the minutes of the meeting in both Chinese and English by exchanging the document in December, 2011.



Deputy Director-General,
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Jerzy PLEWA

Deputy Director-General, DG
Agriculture and Rural Development

Annex:

Attendees of the Meeting

Chinese Delegation

1. [REDACTED] DDG, Department of International Cooperation
2. [REDACTED] [REDACTED] Agricultural Committee, Guizhou Province
3. [REDACTED] DDG, Agricultural Committee, Guizhou Province
4. [REDACTED] [REDACTED] of European Affairs
5. [REDACTED] [REDACTED] Department of Policy and Regulation
6. [REDACTED] Agricultural Officer, Economic and Commercial Councillor's Office of the Mission of the People's Republic of China to the European Union (First Secretary)
7. [REDACTED] Deputy Division Director of Industry Development, Bureau of County and Township Enterprises
8. [REDACTED] Deputy Division Director, Center of Quality and Safety of Agricultural Products, MOA
9. [REDACTED] Deputy Director, China Organic Food Certification Center
10. [REDACTED] Deputy Division Director of European Affairs
11. [REDACTED] [REDACTED] Regional Trade, Agricultural Trade Promotion Center, MOA
12. [REDACTED] [REDACTED] Foreign Economic Cooperation, Agricultural Committee, Guizhou Province
13. [REDACTED] Programme Officer, Division of European Affairs

EU Delegation

1. **Mr.Jerzy PLEWA:** Deputy Director General, in charge of Directorates A and B,DG Agriculture and Rural Development
2. **Mr.Joao ONOFRE:** Head of Unit, B1 Latin America; Asia other than OECD members, DDG1, DG Agriculture and Rural Development
3. **Ms.Lucia CAUSEY – HUGEKOVA:** China Desk Office, B1 Latin America; Asia other than OECD members, DDG1, DG Agriculture and Rural Development
4. **Mr.Dirk Leon Marie POTTIER:** Research Programme Officer - Environmental impacts and total Food chain, Unit 3 Food, Health, Well-being, DG Research and Innovation
5. **Mr.Benjamin VALLIN:** Economic and Trade Affairs Manager, Unit 5 Food and Healthcare Industries, Biotechnology, DG Enterprise and Industry
6. **Mr.Markus KLINGLER:** First Counsellor, EU Delegation to Beijing
7. **Mr.Philippe VIALATTE:** First Counsellor, EU Delegation to Beijing
8. **Ms.WANG HUAN:** Assistant, EU Delegation to Beijing