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Sent: lundi 19 avril 2010 13:48
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Subject: COCERAL position on CAP beyond 2013
Attachments: Coceral Position paper on CAP after 2013.pdf

Dear Commissioner Ciolos,

It is our pleasure to send you the COCERAL position as contribution of the EU cereals, oilseeds, feedstuffs, olive oil and agrosupply trade sector to the present discussions on CAP beyond 2013.

Thanking you for your consideration and remaining at your disposal for further information, I remain

With best regards

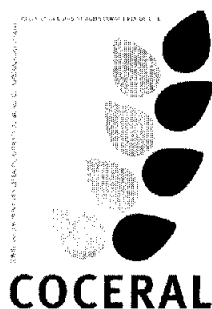
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Brussels, 13 April, 2010

**POSITION PAPER
ON THE FUTURE OF THE CAP AFTER 2013**

COCERAL, the European association representing the cereal, rice, feedstuffs, oilseeds, olive oil, oils and fats and agrosupply trade, welcomes the Commission initiative to consult stakeholders on the future of the CAP after 2013 and hereby brings its contribution.

COCERAL is in favour of an EU common CAP organised on two pillars.

A recent Commission study¹ broadly supports the maintenance of a strong single CAP sustained through public action. The maintenance of a direct decoupled single farm area payment contributes to the development of farming activities across all of Europe and paves the way to ensuring global food security.

In order to ensure a proper functioning of the single market single farm payments should continue to be EU-managed and a renationalisation of the CAP has to be prevented. Other measures on environmental protection and the preservation of biodiversity should be approached holistically in line with the basis of EU agricultural policy and support global food security.

COCERAL supports the further review of current market instruments and looks forward to working with the Commission on the further exploration of risk management tools and other policy initiatives.

COCERAL strongly believes that market intervention system should continue to function as a safety net. The instrument should be governed by clearer rules for all products, which should be harmonised at the level of the EU, allowing only very limited exceptions at local or regional level. The system should improve predictability for the sector, allowing farmers to take market based decisions while driven by a more transparent market mechanism.

Other mechanisms, such as disaster recovery payments, should not be left to Member State regulation, as this could bring supplementary market disruptions.

Better and strong functioning futures markets within the EU, under the supervision of market participants, are a key instrument to manage price volatility. Coceral looks forward to working further with the Commission in the context of discussions around futures and derivatives legislation later on this year.

¹ "Provision of public goods through agriculture in the European Union", December 2009 Report, http://ec.europa.eu/agriculture/analysis/external/public-goods/index_en.htm

COCERAL asks for a continued support for trade and its vital role in agricultural development, through the elimination of tariff and technical barriers to trade.

COCERAL supports EU's commitment to conclude the Doha Round, which would ensure a level playing field, overcoming the fragmentation of trade resulting from bilateral agreements. We also draw attention on the need to see that the agreements already in place are correctly applied by EU's trade partners. This objective would be achieved through an increased coordination among Member States' representations and Commission delegations in third countries and their constant consultation with stakeholders.

In the context of a growing world market, the CAP after 2013 needs to further support the competitiveness of agricultural production not only through its quality, but also through the dismantling of trade obstacles and barriers.

As the EU is not self sufficient for a series of raw materials and as cost-benefit analyses repeatedly showed, imports should not be restricted for a series of products for which a domestic production strategy would be more costly. In addition, as the food demand will considerably increase especially on the world market, in comparison to the EU, European exporters should be supported in capitalising this export market potential. In view of current and foreseeable food supply challenges, the future CAP should ensure a level playing field for both domestic production and trade.

Additionally, restrictive EU legislation on sanitary and phytosanitary issues has become an obstacle to the free trade of agri-bulk commodities and should be tackled accordingly.

The future CAP should not endanger the competitiveness of the food, feed and non-food chain and ensure a balanced supply of agricultural products.

COCERAL supports EU farmers' access to technological advancements, namely GMOs, precision farming and other technological innovations. In order to achieve a sufficient level of agricultural production, the CAP after 2013 should support the increasing use of modern technologies in agriculture and of productivity gains.

COCERAL reconfirms that the future CAP has to remain a common EU policy and acknowledges its role as main provider of public goods. Facing the challenges ahead, COCERAL asks for a CAP endowed with better legislation and instruments which would ensure sufficient supply of goods and the competitiveness of EU agri-bulk trade.