For your information Mr Thomas Vilsack, US Secretary of Agriculture, has confirmed his participation in our Praesidium that will take place next week. We agreed to focus our discussion on three major topics: Climate change, farming policies and agricultural trade where USDA is involved. Any thoughts/last developments that we should integrate in our reflections are welcomed.

Below you can find some of our thoughts on EU-US relations.

Kind regards,

COPA-COGECA PRAESIDIA VIDEO MEETING, 17/06/2021

Item 1/7: Exchange of views with Mr Thomas Vilsack, US Secretary of Agriculture, regarding the key challenges for farmers on both sides of Atlantic

Procedure:
- This is a point for exchange of views focusing on three main topics:
- The President of Copa may welcome US Secretary Thomas Vilsack and his team:
  - Farmers are the first to face the consequences of climate change. The current political cycle in Europe and its ambition to become the world’s first climate-neutral continent will shape the future of the European farming model for the decades to come.
  - Farming policies will be key to implement Climate Change and sustainability measures. The Commission’s Communication on the European Green Deal approach has several axes that are inextricably linked to the agricultural sector and the CAP in particular. Amongst the ones that are intimately interwoven with the current CAP reform process are a transition to a circular economy and the Farm to Fork and Biodiversity strategies.
- The commitment in the new EU Biodiversity Strategy implies that the Commission will ensure full implementation and enforcement of the biodiversity provisions in all trade agreements.

- The US has recently joined the Paris Climate Agreement. The Biden administration has been working on practical, market orientated and voluntary initiatives on climate change. Could you share with us the work that you are doing on Climate Change, on carbon credit schemes and access to new technologies. How can we promote these political initiatives in international trade?

- **The President of Cogeca** may inform that:

  - The WTO negotiations should continue to form the cornerstone of the EU's trade negotiation strategy for the agricultural sector. From an EU perspective, it is essential that talks on production standards and all the aspects of sustainability (economic, environmental, and social) be accompanied by clear enforcement mechanisms. This particularly applies to how to integrate the Paris climate agreement into the trading system. We are also looking into new mechanisms such as Carbon Border Adjustment Mechanism and well-functioning dispute settlement body.

  - Copa-Cogeca has always supported trade within the EU and with third countries as long as its fair, balance and transparent. The limitations and obligations that European producers must adhere to should also apply to imports into the EU. If we face tighter restrictions on cultivation and higher production standards due to the EU framework (the Green Deal, F2F, the Biodiversity Strategy, the CAP), we expect to be treated fairly.

  - In the past, EU farmers and agri-coops supported the process of the TTIP negotiations. Even though the political realities are now different, our approach to the US-EU trade relations is to develop them further. We see some favourable development on both sides, and we certainly would like to continue this progress. In recent months, the transatlantic trade relationship has gained new impetus:
    - Improve market access for US sustainable soya bean exports.
    - WTO TRQs for hormone free beef (ring fencing 36000T for the US)
    - WTO tariff rate quota (TRQ) apportionment after Brexit.
    - Four-month suspension to retaliatory tariffs stemming from WTO disputes over Airbus and Boeing (ending July 11).

  - For Copa and Cogeca this move is of particular importance for the EU and US farming sectors. European farmers and agri-cooperatives encourage both partners to use these four months to find a permanent solution while avoiding causing agriculture to pay a high-price for a conflict they are not involved in.

  - In agriculture the Airbus/Boeing is not the only trade friction between both partners. There is a risk for a similar Airbus/Boeing development in the framework of the digital tax. In addition, Spanish black olive producers still face a 35% import tax as a result of a decision by the US Administration in 2018. We encourage the EU and US to work together on mutual beneficial solutions.
- The Presidents may give the floor to USDA Secretary Thomas Vilsack
- The Presidents may open the floor for debate.
- The President of Cogeca may thank the US delegation for the participation.