To: SCANNELL Michael (AGRI); (AGRI); (AGRI); (AGRI); (AGRI); (AGRI); (AGRI); (AGRI)

Cc: (AGRI); (AGRI); (AGRI); (AGRI); (AGRI); (AGRI);

Subject: Minutes of Meeting 20 July between DG AGRI G2 and COPA/COGECA F&V working party

Participants:
• DG AGRI G2: (AGRI), (AGRI) and (AGRI)
• COPA/COGECA: The Chair and members of the F&V working party and COPA Secretariat

The meeting focused mainly on two aspects: A) damages suffered by the F&V sector due to weather events and how and if the COM can help with that and B) recent CAP agreement

With regards to A) the following points were raised:
• The sector reported that this has been a difficult year with various climatic events causing production as well as supply related losses. While the damages from the out-of-season frost in April are clear (especially for summer fruits in Italy and France and other regions and less so for pip fruits), the impact from the recent flooding (which hit severely in July Germany and Belgium) is less so with for example Belgium reporting little impact on vegetables and possibly some damages on fruits (which might be apparent in September)
• The sector asked whether any financial help will be forthcoming and whether the COVID related exceptions granted to operational programmes will be renewed
• The COM replied that it’s very aware of the losses suffered by the sector and it’s following the evolution of the market and relies on the sector to provide up to date estimates of the damages as well as in net production value.
• COM reminded that the market measures cannot be activated to compensate ex-post losses due to weather related events; however there are two policy tools which can be used to help with preventive measures (one being the financing of risk management and insurance measures in the operational programs for the benefit of producers organisations and the other one being financing of insurance schemes and other risk management measures through the rural developments programmes directed to and managed by the MS).
• COM explained that the COVID related measures will not be renewed given the low uptake while there is an on-going reflection on how to make ex-ante risk management tools more attractive and how to smooth out the variability of the calculation of the value of marketed production (for calculation of support to operational programmes de coming year) given the losses suffered by the sector.
With regards to B) the following points were raised:

- The sector wanted to know more about the recent CAP political agreement (and had specific questions) and was eager to read the final text
- The COM explained the process which foresees currently some work at technical level on the basic act (to translate the politic agreement between co-legislators) as well as work on secondary legislations. The target for final adoption of the basic act is November / December 2021
- On the specific questions, COM explained that i) the F&V system was kept without budget limit (which could be a challenge for future reforms as it’s the only sector with that); ii) the percentage of expenditure for environmental actions has been increased to 15% with at least three intervention compulsory (10% or two actions in the current CMO); iii) 2% for innovation and research is to be considered separately from environmental ring-fence; iv) the role of Market Observatories has not changed i.e. market and economic intelligence tool for DG Agri services to support COM decision for market measures.

The Chair thanked the discussion and proposed to have further contact in September once the reform texts will be known.