Dear Commissioner,

Copa and Cogeca are appreciative of the progress made during the CAP trilogue negotiations and would like to insist on the need for a timely but, above all, good outcome for European farmers and their cooperatives.

We consider the Common Market Organisation as an essential part of the CAP, which complements the interventions under direct payments and rural development. This is a key component of the first pillar of the CAP aiming to help farmers cope with the impacts of market disruptions, to allow producers to organize themselves and increase their bargaining power through collective negotiations, to trade and market the agricultural products according to specific rules, including some detailed sectorial rules. Thus, we trust a good agreement will be reached.

In view of the next trilogue meeting on CMO on 12th May, Copa and Cogeca would like to share with you, in the enclosed background note, a recap of our views.

Copa and Cogeca are at your disposal to further clarify our thinking on these aspects.

Faithfully yours,

Personal Data

CC: Mr Wolfgang Burtscher, Director-General of DG Agri
Background note

Definitions
We support the definitions of sugar beet and sugar cane in the definitions and section on sugar as these amendments are a technical adaptation to consolidate the omnibus revision (notification of sugar beet prices).

Marketing years
We support the inclusion of table olives among the products that have marketing years.

Market management (public intervention and private storage)
Copa and Cogeca oppose any weakening of the market management measures in the form of public intervention. Public intervention is there to act as a safety net and give a signal to other parts of the chain that the price cannot fall below the safety net level.

The removal of the automatic triggering of public intervention for common wheat is a step in the wrong direction. Public intervention requires a review of reference price to take into account higher production costs.

We reject the deletion of quantitative limitations for buying-in at fixed price (in line with the statement in art. 15).

We reject the deletion of the fixed price for buying-in under public intervention. Copa and Cogeca support the fixed price system before activating the tendering system as it gives more certainty to operators in times of crisis. Relying purely on the tendering system might not be beneficial for the overall market evolution. We support the provision according to which when fixing the level of the public intervention price, the Council shall use objective and transparent criteria, which shall be in line with the objective of ensuring a fair standard of living for the agricultural community.

We support increasing transparency when it comes to the use of public intervention, but this should not go contrary to data protection.

We welcome the eligibility of table olives and rice for the aid for private storage. The table olive sector is closely linked to the olive oil sector, which already benefits of the system of aid for private storage as instrument to regulate the supply and acting as safety net. As a result, the private storage measure should be open to table olives. Dehydrated alfalfa should also be eligible for the private storage aid mechanism in the event of a crisis in the purchasing capacity of livestock farmers (dairy farmers, for example) and we regret that it is not included.

Marketing standards
We support the provision on marketing standards and welcome the extension of the list. Hemp should be added to the list of products to which marketing standards may apply. The establishment of specific marketing rules is necessary to ensure the proper functioning of the common market and a consistent protection from fraudulent imports, that can pose serious risk for human and animal health.

We support the prohibition of mixing olive oil with other vegetable oil in order to keep high standards and preserve the quality of the product.

It is absolutely necessary to clearly state the marketing rules of olive oil to avoid frauds and enhance the consumption of quality products. It is not possible to determine in a mixture of oils the concrete percentage that corresponds to each one of them. The consumer does not therefore have transparent information, in some cases it can be misleading and contribute to devalue the image of the product.
Adjustment of supply

We welcome the voluntary extension (at the request of PO or IBO) of the regulation of supply for products with PGIs and PDIs to other products than cheese, wine and ham (therefore similar to existing articles 150, 167, 172). This offers a good tool for GIs to ensure a better economic return.

We welcome the introduction of voluntary marketing rules to improve and stabilise the operation of the common olive oil market/ Producer Member States should be entitled to lay down supply control measures, to avoid surpluses and a fall in prices.

PDOs and PGIs

We support the amendment to article 93 to change under “a”, point (i) “quality and characteristics” to “quality or characteristics”. It is very difficult to link a subjective factor such as “quality” to a geographical environment. Therefore, the producer should be given the opportunity not to have to demonstrate that link, but just the link between the “characteristics” of his products and the geographical environment. We are not against the amendments of the Council, but we do not support them especially either. We do not support the amendment to introduce "A name traditionally used in a specific place" in the definition of designation of origin because it is too restrictive.

We can support the different versions proposed for the application of protection.

We support the articles on Preliminary national procedure, Commission scrutiny, Objection Procedure, Decision on protection as it clarifies and simplifies the procedure.

We support the proposal to introduce the fact that the name of a trademark is refused if it is already used by a GI. This offers greater protection against trademarks using GIs names.

We support the proposal to strengthen the protection against misuse for PDOs and PGIs, including when they are used as an ingredient. This provides greater protection for GIs.

We also support the proposal to introduce a classification between two categories of amendments to products specifications: amendments requiring an objection procedure at Union level (‘Union amendments’) and amendments to be dealt with at Member State or third country level (‘standard amendments’). This allows for some simplification regarding the possibility to adapt GIs specifications.

We support the Commission’s proposal on cancellation as it simplifies the management of GIs.

We support the Commission amendments to checks related to PDOs, PGIs and TSG as it improves and clarifies GIs protection.

Producer organisations

In reference to the EP amendment 238 to article 153, in what relates to paragraph 1, Copa and Cogeca stress that the derogation from “one producer, one PO” should not undermine the stable membership base and supply of cooperatives and POs as this would prevent them from achieving their objectives and nature. It is imperative that if this possibility is made available, it is included in the statutes of producer organisations and democratically approved by its members.

Copa and Cogeca reject the EP amendment 238 to article 153, in the part that concerns the proposal for a new paragraph 2a as it would give the possibility to the members of a producer organisation such as cooperatives to engage directly in contracts with buyers for some items like quality control, supply logistic chain.

The provisions of this article (see paragraph 3 of the EP amendment on article 153) do not apply to producer organisations in the milk and milk products sector as this sector has its own specific rules (articles 149 and 161 of Regulation 1308/2013).

In what regards fruit and vegetables, considering that this sector is covered under article 160, and given this sector’s specificities, the “one PO rule” and the “selling by the PO rule” should be
applied in the same way as up to now (as established in the current Regulations 891 and 1308). Consequently, Copa and Cogeca consider that amendment 120 to article 160 should be rejected (as it goes beyond the current derogation set by art. 12.2 of Regulation 891) and amendment 238 to art. 153 (both paragraph 1 and the new paragraph 2a) should not apply to POs in the fruit and vegetables sector.

Copa and Cogeca have asked that the specific objectives and/or recognition criteria which producer organisations must ultimately meet (e.g. defining the legal status, determining the minimum number of producers and a minimum volume of marketable production, etc.) must be individually defined for each agricultural sector, so that the specific characteristics of each sector are taken into account. Therefore, and by way of derogation for the sugar and potatoes sectors, considering their specific needs, the provisions introduced by the EP mandate with amendment 238 to article 153 (both paragraph 1 and the new paragraph (2a)) should be enforced.

Contractual negotiations in the milk and milk products sector
We support the increase in the % of volume of raw milk at Union level covered by contractual negotiations as this may lead to an increase in the bargaining power of milk producers.

Recognition of interbranch organisations
We support the recognition of IBOs conditional on a balanced representation of the stages of the supply.

Import provisions
Our external trade must be based on balanced, fair and transparent rules to avoid distortion of competition. Agri-food imports from third countries must comply, as a general rule, with all our production standards given the need to ensure fair competition between EU and imported products. During market crisis, imports must be managed according to consumer demand.

We welcome the reintroduction of provisions related to hemp imports.

EU Observatory of agricultural markets
We fully support the principle of market transparency and information but reject the idea of a single EU observatory, merging all existing ones. Considering the specificities of sectors as well as maintaining a practical approach we would rather broaden the scope of the current EU market observatories and extend this to other sectors.

Market disturbance
We reject the activation of exceptional market measures before the market management measures as this would diminish the European Commission’s role in ensuring the public safety nets. The proposed possibility given of adapting the entry scheme for fruit and vegetables through consultation with third countries that export to the Union is a step in the right direction.

We cannot support the proposed voluntary reduction scheme tied together with the measures to stabilise production in periods of severe market disturbances by imposing a levy on those producers increasing production. This does not take into consideration the differences between sectors, nor provides an indication on where the financing to cover these interventions would come from, and as such is unacceptable. The European Commission has indeed the flexibility, according to the current legal basis, to adopt delegated acts to take the necessary measures in case of market disturbance in a particular sector.

Annexes
We welcome the inclusion of new definitions for beehive products in Annex II –part IX which are crucial for ensuring a harmonized EU market. A specific definition for royal jelly on quality for feeding processes of bees is needed. On bee venom, any medical references are problematic and EFSA’s scientific opinion would be required.
If the definition of the standard quality of beet at 16° is deleted from Annex III, part B Section 1, this definition should be included in Annex X, point II paragraph 2.

We welcome the strengthening of the dairy terms in Annex VII – part III – point 5. Copa and Cogeca are very supportive of the protection of dairy terms to avoid misleading practices, ensure fair competition and transparency for consumers when it comes to nutritional properties and characteristics of the product.

Copa and Cogeca also strongly support the protection of meat denomination at EU level, to avoid misleading practices. Moreover, this should be extended to other types of agricultural products, for the same reasons. The use of the same term by products of different food categories should be avoided for the sake of fair competition and transparency towards consumers.

We support that Article 1 of the Commission Delegated Regulation 2016/1166 on the purchase terms of beet be included in this basic act in Annex X, point XI, 4a (new).