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Minutes meeting Commissioner Malmström – COPA-COGECA on trade and agriculture (19/09/2016)

Participants:

COPA-COGECA: Mr Merrild (COPA President), Mr Magnusson (COGECA President), Mr Pesonen (COPA-COGECA Secretary-General) and Mr Petit (COPA-COGECA Director on trade and commodities).

Commission: Commissioner Malmström, Miguel Ceballos Barón (Deputy-Head of Cabinet Malmström),  (TRADE D3)

Report:

COPA-COGECA first recalled its strong commitment to trade: it is an essential tool for EU agricultural products finding its valorisation, and new opportunities. That relationship has never been stronger than today, and the Russia ban on EU products in 2014 has actually contributed to illustrate the importance of external trade. There's only one market for each product: a worldwide market, as failure to seize opportunities abroad implies producers have to take their foodstuffs to the EU internal market. At the same time, the context since 2014 has been a difficult one for some EU sectors as EU farmers are supplying the market at depressed prices. Longer term prospects for the agricultural sector will be driven how the growth rate of productivity of farmers is able to keep pace with the pace of world's demand increase.

COPA-COGECA underlined its full support for CETA: a balanced deal offering new export opportunities, GI recognition and upholding EU standards. COPA-COGECA also perceives CETA as a first necessary building block in a wider picture of international trade agreements. After CETA, ensuring a good outcome for TTIP and EU-Japan trade deals are the cornerstone for EU farmers acceptance of a EU-Mercosur deal. Still as regards EU-Japan FTA, COPA-COGECA trusts that EU's defence of legitimate interests of the EU car industry does not undermine achieving a very ambitious package for EU agricultural exports, as the EU needs a good case for the EU agricultural sector on trade policy. On Mercosur, COPA-COGECA expressed some concerns as a trade deal could pose challenges to EU beef, poultry, sugar and ethanol markets, while offering opportunities for dairy.

Commissioner Malmström (CM) thanked COPA-COGECA's support for trade negotiations and expressed satisfaction for the recognition of the importance of trade in fostering prosperity among EU agricultural sectors, and for the acknowledgment that EU

trade deals have an important role to play on such advancement. CM provided a state-of-play of each area of negotiation, and in the context of a possible EU-Japan deal reassured COPA-COGECA that COM is ready to show some flexibility to Japan provided that the Japanese counterpart accepts that it needs to open up in agriculture. On the trade-offs, CM took note of support for TTIP and EU-Japan, and added that EU-Vietnam FTA deal recently concluded, as well as new negotiations starting this week on EU-Indonesia FTA provide further opportunities for EU agriculture. More specifically on TTIP, lot of progress has been done but important things remain open. Strong push to achieve more progress is ongoing, while conclusion this year being unlikely. On CETA, the provisions are agreed already, and debate in the Council is ongoing, followed by Parliament. CM trusts that consent and provisional entry into force can take place in beginning of 2017. Canada is a reliable partner, and the outcome of the deal is good, thus CM expects that in many areas CETA can set up standards for future actuation.

COPA-COGECA called upon a modernised EU-Mexico FTA to remove tariffs on EU exports of pork, currently at 20% while competition from the US enters the Mexican market duty-free. Also, COPA-COGECA urged more action from the Commission on trade defence practices by some trade partners (sugar and Canada, processed tomatoes and Australia, Brazil and skimmed milk powder) On Russia, COPA-COGECA wondered what can be expected in the near future. Finally, COPA-COGECA underlined importance that political considerations do not trump science-findings as regards glyphosate. The product is widely used by EU farmers and worldwide, and banning its usage in the EU in the absence of science-based conclusions will merely damage the level playing field of EU farmers, damaging directly animal protein producers and affecting the competitiveness of EU meat producers. Strong support for Commission's action based on science.

CM took note of COPA-COGECA's support of its action on glyphosate, and explained that in Russia some concrete actions can be done to overcome specific SPS-invoked hurdles – for example the recent victory on the DSU panel on pork – while it cannot be expected progress any time soon as regards removing the political-related hindrances. CM also recalled existing joint efforts with Andriukaitis and Hogan to unblock concrete problems affecting EU agricultural exports by using more effectively provisions already available in existing bilateral and WTO agreements.