

## Minutes meeting Miguel Ceballos Baron – Copa-Cogeca on beef market access in EU-Mercosur negotiations (28/09/2017)

### Participants:

**Copa-Cogeca:** [Art. 4(1)(b)]; Arnaud Petit, Director

**Commission:** Miguel Ceballos Baron (Deputy-Head of Cabinet Malmstrom), Sandra Gallina (Director, EU Chief Negotiator), [Art. 4(1)(b)] (TRADE D3)

### Report:

Copa-Cogeca expressed concerns as regards potential impact on EU beef producers from a prospective **EU-Mercosur** deal, recalling the world has changed substantially since the beginning of the EU-Mercosur negotiations, in 2000. Copa-Cogeca highlights a 20% drop of beef consumption in the EU over the last 10 years, and the disruption that could be caused from a potential "Hard Brexit".

More detailed concerns of Copa-Cogeca **focussed on the economic edge of Mercosur beef producers** (largest beef world exporters, more competitive on the grounds of economies of scale, lower feeding costs and ability to use practices which lower the overall cost of production that are not allowed in the EU) **and on the issue of compliance with EU production standards**, as Copa-Cogeca fears that Mercosur countries do not comply with strict EU rules on food safety (SPS), namely as regards traceability, and on animal welfare.

COM reassured Copa-Cogeca that issues brought to the Commission attention are well known and taken into account in the negotiation, with the Commission being aware of the importance of beef production in the local economy of many rural areas of Europe. COM rebutted the figures presented by COPA-COGECA, underlining the recovery of the EU beef market (both consumption and production) over the past years, which led the EU to become a net exporter of beef not only on volume but now also in value. COM recalled all efforts being done at EU level to open new market for EU beef exports, both by removing duties in FTA with countries that need to import beef, and by using the FTAs as leverage to solve long-standing unjustifiable SPS barriers banning EU beef exporters.

As regards SPS, COM reassured that the EU will not change its food safety standards in an EU-Mercosur agreement, and that an agreement would actually reinforce the ability of the administrations to tackle effectively any crisis or problem.

To soften the impact from any concession granted, and mitigate impacts from Brexit, Copa-Cogeca stressed the importance to phase-in concessions gradually, as the EU beef sector is undergoing deep transformation and could become a competitive one 20 years from now.

COM reassured Copa-Cogeca that market access in a future EU-Mercosur would be provided in a gradual fashion, with many years elapsing from today until the full access is granted.