

Brussels,

## **FINAL MINUTES**

### **Meeting of the Civil Dialogue Group Animal Products “Sheep and GoatMeat Sector” and “Beekeeping Sector”**

**Date: 18 June 2021**

Chair: Mr Cormac HEALY (CELCAA)

Organisations present: All Organisations were present, except BEUC, EMB, EPHA, ERPA and BirdLife Europe.

#### **1. Approval of the agenda**

The agenda as circulated was approved.

#### **2. Nature of the meeting**

The meeting was non-public and in virtual format.

#### **3. List of points discussed**

##### **Market situation with a particular focus on COVID-19 impact**

A generally positive market situation was outlined in the DG AGRI market presentation. There is a positive evolution of the sheep flock (+1.1%) in the EU after the stabilization in 2020. Following a decrease in EU slaughterings in 2020, production has increased in Q1 2021, coupled with higher average carcass weights as animals remain on farm for longer than usual, in the expectancy of better prices. The overall forecast is for a stabilization of the sheep flock in 2021 and a slight reduction of the production. There is an overall positive trend in prices both for heavy and light lambs. Regarding world prices, there is a clear gap between European prices and others. EU imports were decreasing, especially from NZ. Exports were on an increasing trend. Trade balance is positive. At world level, there is a growing demand from China, benefitting NZ especially. Australia is restocking. Producer representatives considered the good price as a right reward for the producers. They defend that fair prices and food sovereignty are key for the future of the sector, as well as cautions regarding the current negotiations of trade deals with NZ and AU. In the Goat sector, there is a decrease of the EU herd, mostly driven by ES and EL. The average goat carcass weight in the Mediterranean region decreased in the past year.

##### **Eco-schemes and the role of the sheep and goat sector**

The European Commission (DG AGRI D2) informed the members of the CDG on the main aspects of the eco-schemes and the latest developments of the CAP negotiations. The objectives of the European Green Deal (climate, biodiversity, greater sustainability...) are linked to the Common Agricultural Policy. The CAP presents a new green architecture with an enhanced conditionality and a new section: the eco-schemes that are voluntary for farmers. During CAP negotiations, the scope of the eco-schemes has been extended to animal welfare and anti-microbial resistance. There are different areas of action under the CAP strategic plans, from climate change mitigation to protection of biodiversity, and the Commission contemplates several main agricultural practices that would fit in these

objectives: some are established in EU policies (such as organic farming or integrated pest management) and others are indicative possibilities and, in particular, concerning animal welfare some examples of practices are feeding, genetics, animal health prevention. Regarding the timeline, if there is an agreement in the next trilogue, the adoption of the secondary legislation is expected for September 2021, the submission of the CAP strategic plans by end 2021, their approval by 2022, finally starting in 2023. Copa-Cogeca asked about how the animal welfare criteria would be determined and if the same standards for local production would be applied to imported products. Also, how already-existing animal welfare certificates would fit with the EU objectives. DG AGRI noted that existing AW certifications could influence the risk analysis and reduce the probability to be selected for on-the-spot-checks. It was also mentioned that there is ongoing work on animal welfare labelling by the Commission. Regarding trade, the Commission has the intention to include Green Clauses in future trade agreements. EEB underlined the importance of conditionality. EFNCP pointed out that in Germany they are moving Pillar 2 measures to Pillar 1, rebranding them as eco-schemes. This results in a shift of budget from Pillar 2 agri-environment-climate measures, which provokes a major issue for sheep and goat farmers that depend on AECM measures. FESASS underlined the fact that eco-schemes will incur an extra investment cost to get the money allocated. DG AGRI indicated that the eco-schemes are annual commitments, and their amount is calculated to compensate income forgone and extra cost of the eco-scheme implemented by the CAP beneficiary.

#### **Import-export issues of the sheep and goat product trade between UK and EU**

The European Commission made a presentation informing on the matter. Regarding the Northern Ireland Protocol, only temporary infrastructure is in place at the border posts, and the building of the expected permanent border control posts has been stalled. There is a lack of human resources on the UK side to carry on official controls. Regarding simplified certificates for supermarkets, the UK has unilaterally extended the grace period beyond March 2021. An infringement procedure is underway. Similar situation regarding the grace period regarding meats banned for export. Grace periods are due to expire at end June, but high-level discussions are underway. EU customs/SPS checks are showing a significant improvement in the level non-compliant consignments arriving from the UK. Regarding exports from the EU to the UK, the UK government decided to postpone deadlines for applying certification and border controls. New dates would be 1 October 2021 for certification, 1 January 2022 for animal products, and 1 March 2022 for live animals. The UK Border Operating Model has not yet been updated. On MS preparedness: most actors are aware of the certificate templates that will be applied from the 1 October 2021, as well as requirements on approved list of EU establishments and registration on TRACES NT. There is still uncertainty in many areas: missing certificates, update of UK Border Operating Model, problem with the new IPAFF system and its connection to TRACES, etc.

#### **State of play of the negotiations between the European Union with New Zealand and with Australia, and its potential impact on the EU and UK sheep markets**

There have been few new developments in these trade negotiations recently. Regarding Australia, the last negotiation round took place on the 11 June and GIs and wine issues were discussed. Australia insists on obtaining commercially meaningful access to the EU for sensitive products like sheepmeat, but before that, other subjects like GIs, rules of origin and SPS must be discussed. Regarding New Zealand, during the last round in March, also GIs and wine was discussed. There is a similar situation than the Australian negotiations regarding market access and sensitive products like sheepmeat. Copa-Cogeca underlined the need to review the percentages of fresh and frozen cuts traded to better

protect the ovine sector in the EU from unfair competition. At the same time, it is important to be proactive to find openings for EU products, to export to niche markets.

### **Afternoon session - Beekeeping:**

#### **Honey market presentation and update on the implementation of National Apiculture programmes and approval of amended programmes.**

Following COM presentation of the market situation, COPA-COGECA asked COM to improve the breakdown of information in its presentation and also raised anti-dumping measures, as in the US there is currently a dispute over imported honey and a possible retaliation by the US government which could have consequences on the EU market. COPA-COGECA asked COM to give further explanation about the financial provisions applying to the last 5 months of the apiculture year of 2022, following the extension of the apiculture programmes as these changes could impact EU beekeepers. FOODDRINKEUROPE pointed to the lower level of honey output per hive in the EU versus other global producers and questioned what the underlying issues are for this. Regarding imports from Ukraine, FOODDRINKEUROPE stated that most of the trade volume occurs under the non-quota regime.

COM replied that the budgetary ceiling for apiculture year 2022 applies for all measures implemented until December 2022, although those implemented until 31 July 2022 will be paid under financial year 2022 whilst those implemented from August to December will be paid under financial year 2023. COM recommended to use all funds for measures implemented before the end of July 2022, to ensure full absorption to the budgetary allocation for apiculture year 2022. COPA-COGECA stressed the fact that the budget of 2022 will have to cover 15 months, therefore they asked to put in place a solution to respond adequately to the problem. Regarding the production data, they stressed that production has been affected heavily by several external factors (such as adverse weather conditions due to climate change) and the number of beehives notified to the Commission is based on the beehives ready for wintering between September and December which are weaker compared to the summer ones.

#### **Pollinators**

##### **a) Implementation of the EU Pollinators Initiative**

##### **b) Support to beekeeping and pollination through the future CAP**

COM gave a presentation on the latest activities and programmes concerning pollinators. COPA-COGECA welcomed the intense and very extensive activity done so far by DG ENVI but called for increased efforts from DG AGRI. BeeLife welcomed the binding target to stop the decline of pollinators and asked if Commission is willing to collaborate on the project IB partnership with BeeLife and other EU partners. COM replied that there are currently several ongoing comprehensive synergies between DG AGRI and DG ENVI. COM also gave a presentation on the support that will be provided to beekeeping and pollination through the future CAP explaining the different avenues for support under the upcoming CAP Strategic Plan.

#### **AOB: Information from the Commission on adulteration of honey and bee's wax**

COM gave a presentation on adulteration of honey. COPA-COGECA asked which kind of techniques can be used during adulteration analysis and called for more coordination by COM of the techniques used by labs in the EU. BeeLife asked if the expert is involved in the authenticity of honey Working Group CEN TC 460, on standardization for LC IRMS and NMR. COM agreed on having better and stronger coordination on labs analysis, but they need to have legal certainties before moving to work on laboratories criteria.

#### **4. Conclusions/recommendations/opinions**

The sheep & goat meat sector continues to experience an improved price position and more positive tone to markets. The immediate outlook also appears stable. The improved market price is important to producer viability. Concerns exist around the outcomes of the next CAP for the sheep and goat sector, and indeed the bee-keeping sector also (especially funding arrangements in the interim). The sheep and goat sector are anxious regarding increased import access to the EU market arising from ongoing trade negotiations with Australia and NZ, which need to be monitored closely. All sectors are also aware of further potential trade implications and disruption in the aftermath of the next phase of the UK Border Operating Model coming into effect on 1 October 2021.

#### **5. Next steps**

For the next meeting, members are keen that more time be allocated rather than a half-day session. The bee-keeping sector has requested further granularity in the market presentation. Efforts should also be made to further explore developments in the global skins and wool market.

#### **6. Next meeting**

The next meeting will take place in the third quarter of 2021.

#### **7. List of participants - Annex**

##### Disclaimer

*"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."*

List of participants– Minutes

**Meeting of the Civil Dialogue Group  
Animal Products “Sheep and GoatMeat Sector”**

**Date: 18 June 2021**

| MEMBER ORGANISATION                                  | NUMBER OF PERSONS |
|--|-------------------|
| Bee Life-European Beekeeping Coordination (Bee Life) | 1                 |
| EuroCommerce   | 1                 |
| Eurogroup for Animals                                | 1                 |
| COGECA   | 7                 |
| ECVC   | 1                 |
| CEJA   | 3                 |
| EEB  | 2                 |
| COPA   | 8                 |
| EFFAT  | 1                 |
| CELCAA   | 6                 |
| FESASS   | 1                 |
| FoodDrinkEurope                                      | 2                 |
| IFOAM  | 1                 |