

Brussels,

FINAL MINUTES

Meeting of the Civil Dialogue Group Arable Crops - Rice sector

Date: 16 September 2020

Chair: Mr Max Schulman

Organisations present: All Organisations were present, except CEPM, EBB, ECVC, EFFAT, ELO, EURAF, Europa Bio, SACAR

1. Approval of the agenda

2. Nature of the meeting

The meeting was **non-public**.

3. List of points discussed

Exchange of views on the rice market situation

The Commission presented the international market situation. In India, the situation is steady but there are logistic delays due to rains and COVID-19. Although there still some COVID-related issues in export, the Indian export is very strong. Regarding price, the magnitude between the Indian and Thai price is the biggest. The Thai price is at the highest among Asian producers due to tight production.

A new USDA report has been published where it expects a rebound of Thai exports in 2021 along with Indian exports. It is expected that Myanmar's export would be above average due to an abundant supply.

The US 2019-2020 crop production was low while consumption was high. As such, there has not been much production going into export.

Regarding EU rice trade, there has been an increase in August in total imports to a cumulative 1.6 million tonnes in rice milled equivalent (+14% year on year). As EU stock is low and most of the production has been sold, the market was mostly supplied by imports. There has been a + 7% increase in imports from EBA countries.

Regarding EU exports, there are at same level than last year. EU stocks have been depleted and EU prices have been high.

Looking at the japonica and indica imports from Cambodia and Myanmar, the level of imports of Indica rice from Cambodia remained the same even under the safeguard

measure on Indica that came into force in January 2019. Moreover, there are more imports of Japonica rice from Myanmar to EU.

The import duties for husked rice has been changed to 65 EUR/tonne since 9 September 2020 (see Regulation (EU) No 2020/1259). The level of imports for the entire marketing year exceeded the level of 517,130 tonnes (650,037 tonnes).

The EU-Vietnam FTA was implemented on 1st August 2020. The 2020 TRQs quantities were calculated pro rata. 33,333 tonnes or 5/12th of the annual amount was allocated to the 2020 TRQs.

On the rice area planted in EU and based on preliminary elements sent by Member States, the total area is up by 2.4% year on year. A major shift is reported in Italy with an increase in area attributed to an increase of Japonica planting compared to a decrease in Indica planting. A decrease is reported in Romania due to the weather conditions. According to the recent weather report from the JRC, the conditions are favourable in all rice producing member states except for Romania and Bulgaria due to drought and cold. The first estimates for the 2020-2021 season is an increase in rice production of +2.5%.

The chair opened the floor for discussion.

Sociedad Española de Ornitología/Bird Life Europe asked if there is any difference in import duties for organic rice.

Cia-Agricoltori Italiani/COPA commented on the fact that due to the high imports from the EBA countries, the EU producers have lost their share of indica rice and this has distorted the market. The effects of the EBA concessions are leading to issues on the EU market and thus there should be a greater contribution paid to the EU rice sector. Furthermore, a hard Brexit would be a major issue for the rice sector.

The Commission replied that they are collecting data on organic production. The import duties are the same for organic and conventional rice. Regarding the EU market for rice, the consumption has absorbed all the production and imports. The rice sector has benefited from the COVID pandemic. The Commission does not agree that the shift of planting from indica to japonica is due to imports as it is under the farmers choice to plant this variety. There is a limited area for planting in EU and the Commission does not see much area growth in the future. These imports are needed to satisfy market demands and these have not had a dampening effect on EU prices. The first markets for Cambodia and Myanmar are not the EU but China and Middle East.

Confagricoltura/COPA commented that an impact assessment on overall EU production is been considered looking at the imports of Japonica rice from Myanmar and the reduction in CAP payments.

The Farm to Fork Strategy

The Commission presented the new farm to fork strategy. The EU Green Deal is a transitional policy for the EU society and EU economy. It covers a broad range of sectors. The farm to fork is at the heart of the EU Green Deal and it plans to transform how the EU produces, transforms and eats food. The Commission is looking at sustainability in its three pillars, as an integrated approach of the EU food system. The consumer can influence what is put on the market depending on the choices they make. The targets that are set are a political vision of the EU Commission in terms of reducing

pesticides and the impact of fertilisers. The Commission is discussing with Member States on how these will be applied in the national strategic plans. The food industry and retail have also a role to play. For the citizen, the proposal is creating the right environment where people can make informed choices themselves.

The Commission is preparing its first farm to fork event on the 15th-16th October which will be part of a series of annual events.

The Chair opened the floor for discussion.

FERM/FoodDrinkEurope asked the Commission if all the DGs are working on this proposal who should one contact to share positions.

COCERAL/CELCAA asked if there will be a limited number in participants for the event on the farm to fork.

The Commission replied that the lead on the farm to fork strategy is in DG Sante. A few initiatives under the lead of other DGs. For instance, the organic action plan is under the lead of DG Agri.

Regarding participation to the event on farm to fork, there are certain limitations to the platform and as such there will be a limited number of participants that will be able to ask questions. Other participants will still be able to watch the event.

Cia-Agricoltori Italiani/COPA questioned the 50% target for pesticide reduction and if it takes into account what has happened previously. The EU rice sector has already done a lot in reducing the use of pesticides.

Confagricoltura/COPA commented that the ambitious objective in the farm to fork are important. However, it must be reminded the issues faced by farmers in EU, such as the difference in environmental measures between the EU and in third countries.

The Commission answered that the targets are set at EU level but there is no breakdown per sector and per Member State. The Commission will work with Member States on how to analyse the national situation. It will come up with recommendations to Member States to integrate the new objectives of the EU Green Deal into the strategic plans. The Commission will also work with third countries on these environmental aspects.

Sociedad Española de Ornitología/Bird Life Europe asked how the strategy will be put in practice. To have this successful vision for sustainability, there is a need for coordination between the different DGs.

BeeLife commented that these targets might be forgot as some Member States have not got the same vision. BeeLife asked whether the dialogue with member states will be at technical level rather than at administrative level as the administrative levels might not have the experience in the technical questions.

The Commission replied that the strategy covers the entire food supply chain and these issues will be answered through the instruments of the CAP. The Commission engages with the Member States at administrative level. The Member States should have already consulted with the stakeholders to build their national strategic plans.

Sustainability challenge: efforts undertaken by rice producers

COPA-COGECA presented the activities carried out by Italian farmers in order to increase the sustainability of their production. On the one hand, various tools have been used such as:

- Field visits to exchange experiences of rice cultivation and visit of model farms
- Transfer of expertise between rice farmers and brands on the challenges and opportunities of rice farming
- Refresher courses held by technical experts on the latest techniques of sustainable rice farming
- Publication of information bulletins drawn up by technicians of the National Rice Agency (Ente Nazionale Risi) for the entire cultivation campaign

On the other hand, the SAI-Platform was created with the purposes to promote, support, disseminate and adopt the criteria of sustainable agricultural production. The platform is identifying good agricultural practices and ethical social behaviours that are universally recognised as fair and sustainable. One project under the SAI-Platform called SAIRISI identified 12 “good practices” that would need to be adopted by farmers to improve their environmental and economic sustainability.

The Chair open the floor for comments.

Sociedad Española de Ornitología/Bird Life Europe commented that the proposal is interesting. It would be good to see the results of these good practices through different sets of indicators.

BeeLife would like more details about the practices used on the ground and how effective these are.

COPA-COGECA answered that the farmers have always respected the environment and the rice farmers have been quite proactive in reducing the use of plant protection products.

IFOAM asked if there is any mention of buffer zones in the Commission’s proposals as pollution from pesticides can also come from water irrigation.

The Commission mentioned that rules already exist for buffer zones and that the response will be supplied to the note taker.

4. Conclusions/recommendations/opinions

5. Next steps

For the next CDG meeting, BeeLife requested to add a point on examples of good sustainable practices implemented by farmers, with aim of reducing the use of plant protection products.

6. Next meeting

The next meeting is planned for the 12th November. The Commission cannot confirm is interpretation will be available on that day yet.

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

Civil Dialogue Group Arable Crops – RICE sector

Date : 16 September 2020

MEMBER ORGANISATION	NUMBER OF PERSONS
Beelife	1
Stichting BirdLife Europe (BirdLife Europe)	1
European Council of Young Farmers (CEJA)	3
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	4
CEPM	--
European agri-cooperatives (COGECA)	4
European farmers (COPA)	10
EBB	--
European Coordination Via Campesina (ECVC)	--
EEB	1
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	--
ELO	--
EURAF	--
EUROPA BIO	--
Fertilizers Europe	1
FoodDrinkEurope	3
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	1
Pesticide Action Network Europe (PAN Europe)	1
SACAR - Secrétariat des Associations du Commerce Agricole Réunies / Joint Secretariat of Agricultural Trade Associations (SACAR)	--
Total: 30	

