

Brussels,

FINAL MINUTES

*Meeting of the Civil Dialogue Group HORTICULTURE, OLIVES AND SPIRITS –
Subgroup Olives
13 November 2020*

Chair: Mr Rafael Sanchez de Puerta - COGECA

Organisations present: All Organisations were present, except BEUC, EFNCP, EPHA, Pan Europe, SACAR, Tomato Europe

1. Approval of the agenda

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

1. Approval of the draft agenda

The agenda was approved.

2. Restitution from the Working Group on olives of the Civil Dialogue Group HOS, following its meeting on 13 November 2020 (morning)

DG AGRI, G.4, presented the outcome of the discussion and highlighted the following points:

- Given that the first official estimates by the Member States on the figures for the current Marketing Year (MY) 2020/21 are due for 15 November, the data used for the presentation are the latest International Olive Council's data.
- According to IOC's data, EU production estimates for 2020/21 production are around 2,3 million tonnes, but the actual production is expected to be lower. Production is expected to recover in Spain (foreseen around 1,6 million tonnes), while a -20% decrease is expected for Italy (290,000 tonnes) and Portugal (130,000 tonnes). Stable production for Greece (280,000 tonnes).
- Tunisia registered a sharp drop in production (120,000 tonnes, in contrast with 350,000 tonnes in 2019/20).

- Imports in 2019/20 increased of 65% compared to last five-year average (90% of imports coming from Tunisia of which 58% under inward processing).
- Exports in 2019/20 also has risen by 30% compared to the five-year average, partly due to the low olive oil prices over the last months and partly due to the lockdown measures, which increased household consumption.
- Prices: the lower than expected production for 2020/21 led to a significant and steady recovery in prices across different olive oil categories and across Member States.

Copa-Cogeca stated that data presented by the Commission are too optimistic. Spanish production for 2020 is expected to be around 1,45-1,5 million tons. The lockdown measures led to an increase of consumption at domestic level and in third countries, showing an increase in exports too. Italian harvest is expected around 240,000-270,000 tons. Portugal production is expected around 100,000 tons, and Portugal confirms the increase of exports. Greece production is expected around 230,000 tons, due to the extreme weather conditions.

FoodDrinkEurope confirmed the increased consumption and exports to US, notwithstanding the 25% duty imposed by the US on bottled Spanish olive oil.

DG AGRI, G.4 also informed the participants about the three presentations delivered: for Italy by **FoodDrinkEurope** on olive oil production forecast 2020/21; area developments; interbranch plan development; xylella situation; for Greece by **Copa Cogeca** on olive oil production forecast 2020/21; area developments; state aid to the olive oil sector; for Spain by **FoodDrinkEurope** on production forecast for marketing year 2020/21 and new export markets for table olives.

3. CAP reform: update on the legislative process (DG AGRI)

DG AGRI, G.4 presented the state of play of the legislative process of the CAP post 2020 reform. Parliament and Council defined their negotiating position and trilogues have just started. The objective is to adopt the reform package by June 2021. As per the transitional regulation, although not yet adopted, Council and Parliament reached a partial provisional political agreement in June 2020, suggesting a 2-year transition period. This regulation foresees the continuity of the work programmes for olive oil (current ones come to an end in March 2021). The adoption of the transitional regulation is linked to an agreement on the Multi Financial Framework and the new financial instrument, Next Generation EU, which has not been strike yet.

The Chair underlined the importance of the inclusion of olive oil under article 167 of the Regulation (EU) No 1308/2013 (CMO), which allows producer Member States to lay down marketing rules to regulate supply to improve and stabilise the operation of the common market, in the transitional regulation text (still to be adopted). The activation of article 209 of the Regulation (EU) No 1308/2013 (CMO) for the olive oil sector is also welcomed.

Copa Cogeca welcomed the inclusion in the European Parliament final text for the Single CMO of private storage for table olives, prohibition of mixing of olive oil with other vegetable oil, adoption of marketing rules for table olives, and extension to olive oil of the marketing stabilisation measures. Copa Cogeca insisted on the need to delete the limitation of sectoral interventions to 5% of the marketed product of the demanding entity and on the importance of including the interbranch organizations among the

beneficiaries of the sectorial interventions. Copa Cogeca underlined that Member States should be able to activate all sectorial interventions both through producer organisation and without, leaving the choice to the Member States and not forcing an alternative between the two. Restructuring of olive orchards should not be linked exclusively to phytosanitary needs and traditional olive groves should be preserved against international competition.

4. Presentation and exchange of views on the US additional duties on olive oil in the context of the US/EU dispute on large civil aircraft (DG AGRI)

DG AGRI, A.3 presented the state of play regarding the US additional duties on olive oil in the context of the US/EU dispute on large civil aircraft at the WTO. Additional tariffs were originally imposed in October 2019, following WTO authorisation. Two revisions took place in February 2020 and August 2020, without major changes. On 26 October 2020 the WTO recognized to the EU the possibility to impose tariffs on US products on the parallel case on Boeing, up to 4 billion dollars value. The EU imposed tariffs following this authorisation. With this new leverage vis à vis the US, hopefully the negotiations with the US will advance and a solution will be found but it's difficult to anticipate when, also taking into consideration the change in the US administration following the US elections.

FoodDrinkEurope stressed that issues regarding large civil aircraft should not impact the agricultural sector. Tunisia recently became the second world olive oil exporter and for sure took advantage of the US/EU trade disputes to gain market shares. The Commission must work to find a viable solution to normalize trade relations with the US.

DG AGRI replied that this is the logic of the WTO dispute settlement, hitting, other than the sectors under dispute, the most valuable sectors of each counterpart, putting more pressure on the countries to solve the dispute and remove the tariffs.

FoodDrinkEurope asked about the risk of getting a strong response from the US administration in the two remaining months of the Trump administration.

DG AGRI commented stating that it's possible, within the legal limits of the awarded value of tariffs by the WTO.

FoodDrinkEurope asked about how much we can rely in the upcoming Biden administration and what we can reasonably expect from them.

DG AGRI commented saying that the Biden administration will likely have a more collaborative and less protectionist approach, which is needed in view of the reformation of the WTO dispute settlement system and in view of the continuation of the negotiations to eliminating the existing tariffs, which ultimately goes back to finding a solution regarding subsidies on large civil aircraft.

5. Presentation and exchange of views on Xylella fastidiosa and related Horizon

2020 research projects

a) Xylella fastidiosa: state of play

COPA-COGECA delivered a presentation on the state of play of Xylella Fastidiosa in Italy, going over the main aspects of the issue regarding the sanitary and economic

emergency, the national countermeasures adopted, the current state of the research on tolerant and resilient varieties, the role of organizations at territorial level, needs and prospects for the future.

DG SANTE, G1 delivered a presentation on regulatory updates regarding the measures to tackle *Xylella Fastidiosa* and the EU outbreak situation. A new legislation is in force since 17 August 2020. Main points highlighted:

- Eradication of *Xylella* from the Union territory or preventing its further spread (active containment) when eradication is not possible, remains the EU priority.
- New legislation builds up on the latest EFSA scientific evidence and technical information and experience from the different outbreak areas.
- Ensuring more targeted and quicker actions in the *Xylella* control strategy.

b) Horizon 2020 projects: state of play (DG AGRI)

DG AGRI, B.2 presented the state of play of Horizon 2020 research projects on *Xylella Fastidiosa*. The main projects are POnTE, XFactors, Biovexo and Cure-XF.

Due to time constraints **DG AGRI** invited the participants to find more detailed information on the projects, their progress and results on the relevant European website.

In Horizon Europe, the new research project that will start in 2021, funds will be available for plant health issue projects. All the abovementioned projects will continue running but for POnTE which ended in 2019.

6. Farm to Fork Strategy and nutritional labelling for olive oil (DG AGRI)

DG AGRI, G.4 delivered a presentation regarding the different proposals embedded in the Farm to Fork strategy, to achieve a more sustainable food system, with a focus on those proposals particularly relevant for the olive oil sector, such as the revision of the EU marketing standards, the strengthening of legislative framework on geographical indications and the proposal for a harmonised mandatory front-of-pack nutritional labelling (FOPNL). EFSA will provide a scientific advice on the FOPNL proposal.

Copa Cogeca commented on the FOPNL. A common European approach is supported, to avoid market distortions and additional costs for operators. The Commission should privilege labelling schemes which are science based, respectful of dietary guidelines and in line with an assessment of the full alimentation matrix and portion based. Over simplified schemes risk to be misleading, in particular for olive oil and traditional products. The developments must be monitored closely also in light of the hard work done over the past years on olive oil quality and GIs protection.

DG AGRI commented that this is the right time for stakeholders to share views on the nutritional labelling schemes impact on traditional food and stated that they are aware of the special features of traditional and single ingredient products. The Commission is currently evaluating all the voluntary schemes already proposed or adopted at national level and welcomes the support to have a European approach on FOPNL.

7. Any other business (AOB)

No other business discussed.

4. Conclusions/recommendations/opinions

N/A

5. Next steps

N/A

6. Next meeting

N/A

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 Horticulture, Olives and Spirits – Subgroup Olives

13 November 2020

MEMBER ORGANISATION	NUMBER OF PERSONS
Bureau Européen des Unions des Consommateurs (BEUC)	0
European agri-cooperatives (COGECA)	9
European Coordination Via Campesina (ECVC)	2
European Council of Young Farmers (CEJA)	2
European farmers (COPA)	8
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	2
European Forum on Nature Conservation and Pastoralism (EFNCP)	0
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	4
European Public Health Alliance (EPHA)	0
FoodDrinkEurope	8
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	2
Pesticide Action Network Europe (PAN Europe)	0
SACAR - Secrétariat des Associations du Commerce Agricole Réuniones / Joint Secretariat of Agricultural Trade Associations (SACAR)	0
Stichting BirdLife Europe (BirdLife Europe)	1
TomatoEurope	0
Total: 38	