

Brussels,

FINAL MINUTES
Meeting of the Civil Dialogue Group
“Arable Crops – Sectors Cereals, Protein Crops and Seeds”
Date: Friday 6 March 2020

Chair: Mr Max SCHULMAN (COPA)

Organisations present: All Organisations were present, except Beelife, Birdlife Europe, EBB, EFFAT, EURAF, EuropaBio and SACAR.

1. Approval of the agenda

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

Morning session: COP

1. Approval of the draft agenda:

The agenda was approved. COCERAL requested a discussion regarding the presence of undesirable seeds in cereal and oilseed batches.

2. Market situation - Exchange of views on the market situation for cereals, oilseeds and protein crops

The Commission presented the updated world market data for MY 19/20 and the forecast for 20/21 for cereal crops based on the latest IGC report. For wheat, world production (763 million t), consumption (753 million t) and stock are at a record level. Russia remains the top exporter, the EU has advanced to second place. IGC forecasts +2.1% for the wheat area worldwide (+13% for India) and an increase of world production (769 million t) and consumption (759 million t).

For maize, world production has decreased compared to 18/19 due to the USA's low yield and area. Since world demand is high for feed uses, world ending stocks have declined, reaching the lowest level since 2014.

For barley, world production is at a record level with 157 million t due to good crops in Russia and Ukraine. World consumption is 152 million t and the ending stocks are 30 million t. For 20/21, IGC forecasts -0.9% for the area.

The Commission presented the evolution of prices for each type of cereal and the export/import data. The Commission presented the revised production forecasts for 2019 and an updated balance sheet 19/20 for the EU 27+UK. The Commission indicated the sowing area for 20/21 for some Member States.

Reacting to the Commission's presentation, COCERAL confirmed that EU should be achieving 30 million t of wheat exports. CEPM confirmed that according to the EU balance sheet the EU should import 20 million t of maize. The EU has been the world's largest importer of corn for 3 years.

The Commission presented the world and EU market situation for oilseeds on the basis of a report by USDA. The 19/20 world oilseeds production is estimated at 577 million t, compared to 597 million t for MY 18/19. World soybean production is below consumption and the 19/20 final stock is 99 million t, the level of 2017. For MY 20/21, USDA is forecasting a 12% increase in area and 14% in production. The world price should decline after COVID-19 and Argentina has decided to increase of export taxes from 30% to 33% for larger exporters (more than 1000 t). Rapeseed prices are following a downward trend. The Commission presented updated figures for cultivated area and production for MY19/20 and the import/export figures. Imports of rapeseed have increased by about 30%. The Commission presented an updated balanced sheet for oilseeds, oil and meal.

Reacting to both presentations, COPA commented on the weather situation, the lack of frost in the Nordic regions, the drought in Southern Europe and the excessively wet conditions in several Member States. Spring sowing will be delayed as well as fertilisation of winter crops. Pressure from pests and diseases will increase because of the warmer winter conditions. Spring conditions will affect the crop output. The CHAIR underlined that farmers need a toolbox to protect their crops.

FEDIOL noted that China is influencing the world market. The palm oil price is higher than soy and was shifting trade flows. Logistical disruption resulting from COVID-19 in China has affected the world oilseed complex. However, it seems as though rapeseed will be able to escape the downward trend. China has been buying EU rapeseed as result of the Chinese-Canadian political dispute.

FEDIOL asked how one was supposed to combat undesirable seeds in batches of oilseeds (Ambrosia) if farmers had less access to herbicides, according to the upcoming Farm to Fork Strategy. As the ban on neonicotinoids has had a negative effect on the domestic production of rapeseed, FEDIOL questioned the EU's level of rapeseed production if less PPPs are used.

COPA acknowledged that the reduction of PPPs is posing problems. The ban on neonics for seeds coated with dangerous PPPs has been replaced by aerial spraying of other less dangerous PPPs with higher volumes and now the Commission is imposing a reduction target for PPPs on us. A representative of COPA pointed out the risk of all PPPs being phased-out. He mentioned a recent study of INRA on « **Place des agricultures européennes dans le monde à l'horizon 2050 Entre enjeux climatiques et défis de la sécurité alimentaire mondiale** » released in February 2020. This study suggests that European citizens adopt a new "healthy" diet, which is not defined. The Commission is also promoting changes in diets. But are we going to ask the consumers about their opinion on a change of nutritional recommendations? In France, some ideas are being floated about a social security system for food. Are we going to start rationing food in Europe? A representative of COPA said that in dry conditions, it is possible to limit the use of herbicides. However, without insecticides, it is not possible to grow rapeseed. The proposed PPP reduction target is not based on a scientific approach and COPA cannot accept such a proposal.

PAN Europe pointed out that alternatives to pesticides do exist, based on management methods that reduce pest and weed pressure. Examples include crop rotations, agroforestry, polycropping systems and silvo-arable-pastoral systems. PAN Europe stressed that the economics of these systems are becoming increasingly attractive because of their much higher resilience to the extreme weather events brought by global heating. PAN Europe recommends that the CGDs make more room for expert presentations on these systems and their economics, such as the one foreseen but regrettably not shown in today's agenda. PAN Europe asked for the debate on pesticide use reductions to be done as part of point 3.

IFOAM indicated that yields are lower in organic farming but organic farming has proven that it is possible to produce with alternative production methods.

FEDIOL questioned the Commission on the decision of the French Conseil d'Etat regarding herbicide tolerant sunflower varieties. The COM replied that the COM does not comment on national decisions. DG SANTE is conducting a study on NGTs.

A representative of COPA underlined that the outcome of this decision is problematic, the precautionary principle is enshrined in the French constitution and the French constitution could be revised to incorporate climate change. Therefore, such tendencies may prove to be persistent.

The CHAIR asked the COM about the next initiative on plant protein.

The COM said that the livestock sector is glad that forage has been included in the EU protein balance sheet. The CHAIR reminded those present that the yield of protein crops is unstable and once the farmers have incurred losses, they do not take the risk a second time. Protein crops have a role to play in crop rotation.

COCERAL asked the COM if there are Commission guidelines regarding the treatment of grains stemming from ASF areas. No answer was given at the meeting.

3. Risk management tools for maize crops

The agenda foresaw a presentation by an expert from of PAN EUROPE to be delivered by video conference because of travel restrictions. A technical problem meant this was not possible in the morning. This presentation, which is appended to these minutes, details a risk management scheme in Veneto that has allowed maize growers to reduce their pesticide use by 95% on 43,000 hectares of maize, without any significant reductions in income for the farmers involved.

The CHAIR indicated that the speaker will be invited to the next CDG "Arable Crops – Sectors Cereals, Protein Crops and Seeds" to make a presentation. PAN Europe stressed that enough time should be foreseen for a detailed discussions.

4. Role of plant proteins

This item was discussed under item 2.

5. Tools for fertiliser management

A representative of Fertilizers Europe gave a PPT presentation. 40% of the nutrients applied is lost in the environment. Therefore, tools are needed to improve the efficiency of fertiliser use. These tools are beneficial for farmers and the environment. The primary objective is food security. This can only be achieved if crops are managed with a balanced plant nutrition. In order to achieve economic benefits for farmers and to avoid losses to the environment the use efficiency of applied nutrients must be improved. For the most

important nutrient N scientist promote the NUE concept (Nitrogen Use Efficiency). Fertiliser Management Tools help to improve this NUE value.

COPA reminded everyone that the way of using fertilisers has greatly changed how the dosage of Nitrogen is fractionated for cereals. This is thanks to tools for decision-making support and mapping of soils, e.g. FARMSTAR by Arvalis in France. As far as mid-term solutions are concerned, farmers are placing great hope in research into microbiota and microbial life in soil. The challenge when using precision fertilisation is that the yields are not known before harvesting. Precision fertilisation should be the objective. The approach of setting an arbitrary target for reducing fertilisers is stupid. Precision fertilisation contributes to reducing GHG emissions, fertiliser leakage into water, and is beneficial to farmers.

ECVC welcomes the progress made with new technologies but believes that crop rotation cycles should be longer and that old cereal varieties require less fertiliser to produce good yields.

EEB welcomes the positive progress regarding fertiliser management tools and made three remarks: The EU should not export to the world markets, resource efficiency needs to improve because resources are limited (nitrogen from fossil energy and P from rocks), reconciling livestock and crop production on farms.

A representative of COPA reacted by raising the issue of the societal acceptability of livestock farming, which has become a problem for urban society.

A CEJA representative explained the positive outcome of a pilot project in Spain aiming to optimise fertilisation. He believes that the way forward is in new plant varieties and fertiliser use optimisation.

IFOAM pointed out that the population could be fed with less meat and that organic farming is capable of supplying enough food. Farming must become more attractive for young people.

The CHAIR underlined that organic farming can equally benefit from fertiliser management tools.

CEJA reacted to IFOAM's view: organic farming cannot produce enough to feed the world's growing population.

COGECA said that the EU couldn't ignore the growth of the world population and the increasing demand for agricultural commodities. We have to change the production model and produce more with less. Spain is an importing country of cereals and oilseeds. With more organic production, the imports will increase much more and there is no level playing field between the different production standards (environmental and social standards and deforestation). Farmers need access to progress from science and innovation.

The CHAIR said that we need access to new technologies to improve yields and quality and to reduce the environmental impact.

Fertilizers Europe thanked the participants for the comments. Mineral fertilisers complement organic fertilisers. The mineral fertiliser industry is already working on the principle of circular economy but need more time to adapt. Fertiliser management tools have a role to play.

6. Contaminants: update on ergot, ergot alkaloids and opium alkaloids

DG SANTE reported on the state of the debate on ergot sclerotia, ergot alkaloids and opium alkaloids in food, and mentioned that discussion is ongoing with Member States on possible guidance levels for ergot alkaloids for feed and a possible related lowering of the current maximum level for rye ergot in unground cereals destined for feed.

COPA called into question the regulation because all the measures that farmers are advised to take in order to reduce ergot (use of certified seeds, weed controls, ploughing, shredding the edges of fields) do not seem to be in line with other policy objectives such as preservation of biodiversity, avoid erosion, reduce dependency of pesticides,

DG SANTE acknowledged to be aware of this challenge and stressed the need to find a right balance ensuring a high level of human and animal health protection while pursuing the other policy objectives.

COGECA pointed out the challenges regarding the detection limit for residue levels in light of the ban of Chlorpyrifos and Chlorpyrifos-methyl.

DG SANTE took note of these challenges and will inform the responsible unit.

7. The Farm to Fork Strategy and the European Green Deal

DG AGRI informed those present about the upcoming Farm to Fork Strategy and the role the CAP national plans will play in reflecting this strategy.

COPA noted that the Farm to Fork Strategy includes imposing brutal measures on primary producers. COPA asked what enforcement measures would look like? And how will IFOAM enforcement measures affect European consumers?

IFOAM stated that without a political signal, the growth of organic farming should achieve 12 to 15%. In public canteens, the rate of organic food/meals should reach 20%.

COPA argued that promoting an increase in the supply of organic products removes the market premium for these products, which has a negative impact on organic farmers' incomes, and the smaller farmers will pay the price for this move towards organic. Regarding the pesticide reduction target: how will the baseline situation be defined? How would one avoid Danish farmers, who were pioneers of environmental protection, being penalised? How is PPP use to be reduced further?

The Commission responded that it would not be imposing an increase of organic supply because the ambition will be translated via the CAP national plans on the basis of a SWOT analysis. Differences between Member States are therefore being taken into account. The targets are long-term political targets. In the proposed CAP reform, greening is going to change and eco-schemes follow a bottom-up approach and they are voluntary for farmers. The Commission will not tell consumers how and what to buy, it will only guide trends with recommendations for diets, guidelines for public procurement and more transparency on what farmers do through labelling.

COPA said that farmers want to be environmentally friendly but need to be compensated. The MFF proposals do not maintain an appropriate budget for the CAP post 2020. We could hope for an increase in commodity prices, but imports of products with lower production standards are increasing, and this approach is pushing prices down.

PAN EUROPE recalled being in favour of a 80% reduction target in pesticide use, not risk, by 2030. PAN Europe also recalled that to ensure the needed change in the agricultural system it is crucial to integrate new stakeholders in this exchange that EU citizens trust. This has been done in a referred to a recent Eurobarometer survey on food safety survey on the trust in farmers and called for an 80% target for PPP reduction. PAN Europe also recalled that many interventions that reduce environmental impacts have a positive impact on farmers' bottom lines, in that they reduce input costs, boost resilience to adverse events, and generate higher value addition.

IFOAM requested a true cost accounting system.

CEJA expressed their concern about the PPP and fertiliser reduction targets and organic farming and their impact on farm productivity. How will the increased costs be compensated, taking into account imports from countries with lower standards? The targets

must be based on science. Has the COM calculated the impact of the targets on the EU cereals balance sheet?

A representative of COGECA said that EU agricultural productivity is expected to decrease and imports to increase. How will the EU diversify its own production and its import origins? Are agricultural commodities covered by the scope of the carbon border adjustment mechanism? Will the Farm to Fork ambitions be taken into account in the bilateral agreement? The timeframe of the Farm to Fork Strategy is too short for agriculture to adapt.

ECVC called for organic and conventional farming to be put on equal footing as far as certification is concerned.

A representative of COPA explained that the organic products produced in his country are exported to neighbouring countries because the size of the domestic market is too limited. The EU must not accept imports with lower production standards. In view of the debate on reducing PPP usage, he requested a ban on the use of copper and sulphur.

The Commission could not answer detailed questions as long as the F2F strategy has not been published. Regarding international aspects, the EU must comply with WTO rules. As far as the true cost system is concerned, labelling can help to increase transparency on production methods and externalities. Public support is available to help with conversion to organic production. As far as the scientific approach for the reduction target for PPPs is concerned, an impact assessment is required for a legislative proposal. Regarding the CAP national strategic plans, each Member State is facing challenges, but these differ from one Member State to another. There is an intense debate on indicators in the Council.

8. A.O.B

Afternoon session: SEEDS

1. Approval of the draft agenda

Approved. PAN Europe did not take part in the afternoon session, and comments below therefore does not reflect PAN EUROPE point of view.

2. Market situation for seeds

COPA: Higher demand for spring cereal varieties as a result of wet autumn conditions that disrupted winter cereal sowings. In addition, winter cereals may be replanted with spring varieties due to excess wet winter conditions in certain Member States. Enough spring and malt barley and oat in Nordic countries. Ireland is on the lookout for spring wheat. Milling spring wheat available but farmers want a good price for it. For legumes and grass, stocks are available. For Brassica, need of imports from New Zealand. No problems with supply for spinach and carrots. Organic seeds are available in certain Member States but in other Member States, organic farmers are using conventional seed.

CEPM: maize for seeds. Last year 92% of the production target had been achieved but stocks are available. CEPM forecasts an increase of 2 to 3% of maize due to decrease of winter cereals. For seed, CEPM forecasts +12% of the area of maize for seeds in MY 20/21.

FEDIOL heard about a shortage of sunflower seed.

IFOAM supports the provisions for organic seeds and organic heterogeneous material in origin farming regulation 2018/848 and expects that the new database will ensure use of organic seeds is successful.

ECVC mentioned that farmers can exchange their seeds. Farmers who belong to programmes for the in-situ conservation ECVC commented varieties that are not registered

in the catalogue use this approach. Organic legislation prohibits the exchange of seeds which are not registered in the catalogue. Organic seeds regulated under Directive 2018/848 should not be regulated by the seed control authorities but by organic certification bodies.

COPA: farmers can use seeds obtained from certified seeds under the provisions of the CPVO and Farm Saved Seed. In Denmark, the rebate for royalties has been rescinded. Farmers who use seeds obtained from certified seeds have to pay 100% of the certified seed royalties.

The CHAIR concluded that seed quality and plant health are an issue for organic and conventional seeds.

3. Organic farming regulation: organically bred varieties and temporary experiments

DG SANTE explained the different approaches to support organic plant propagating materials under organic regulation 2018/848. The draft rules governing the production and marketing of plant reproductive material from organic heterogeneous material is currently being discussed. Under the seeds law, temporary experiments for heterogeneous materials are being conducted in order to look into DHS and VCU test derogations to support organic under the Seeds marketing directives.

IFOAM thanked and voiced its support for the Commission.

ECVC: organic seeds which are not certified cannot be listed in the organic database. ECVC requests allowing the registration of organic seeds that are not certified in the organic database of the Member States. The interest of the heterogeneous material is its diversity which favours its capacity to adapt quickly to the local conditions of culture. But if the heterogeneous material contains patented traits, farmers will not be able to use the seeds from their harvests to adapt it to their local growing conditions. What are the rules regarding the use of seeds from heterogeneous material by the farmers?

DG SANTE answered that only certified seeds can be sold to farmers. This applies also to organic seeds, which must be certified. Heterogeneous material obtained through essential biological processes cannot be patented.

COPA argued that there is a high demand for seed patent applications. It is not possible to distinguish whether they are natural or man-made. EPO must understand and change its position regarding the non-patenting of seeds.

There is a lot of internal debate on NGTs at the Commission in the context of the Farm to Fork Strategy.

4. Presentation and exchange of views on amendments to the seed laws

DG SANTE mentioned the history of the dossier. In the context of Better Regulation 2008-2013, the new seed law was initially proposed by the Commission in 2012 and failed. The Commission withdrew its proposal in 2015. In November 2019, the Council requested the Commission to submit a study on the options for updating the existing legislation on the production and marketing of plant reproductive material by 31 December 2020. The Council requested the Commission to submit a proposal, if appropriate in view of the outcomes of the study, or otherwise to inform the Council of alternative measures required as a follow-up to the study. The Council agreed upon compromise recommendations under the Greek presidency in 2014.

A representative of COPA requested working on a carbon footprint VCU test.

5. New genomic techniques:

a) Farmers' needs and demands for the breeding sector

COPA explained the needs of the European farmers. Farmers do not know about new genomics techniques, but they know their needs. They need plants adapted to climate change, resistant to fungi and insects because of the reduction of PPPs although PPPs helped us resolve many problems but the insects became resistant to PPPs. The plants also need to be capable to respond to the special demands of industries and have a better yield because of the need to feed a growing population and replace fossil fuels as part of the bioeconomy. Society needs more cereals to meet the vegan demand. The yields of cereals are stagnating in the EU. We need a dedicated plan to address this. Thanks to CPVO, the EU has higher wheat yields in comparison to the USA because the CPVO is not blocking access for competitors. In the EU, there are significantly more family breeders than in the USA. In the USA, seeds are protected by the patent systems, which prevents competition between breeders. Within 2-3 years, the EU could import soy obtained with NBT because the border control authorities would not be able to detect it due to the lack of detection methods. European farmers need fair competition with the rest of the world. New mutagenesis techniques do not pose problems. European farmers do not want to patent seeds. European farmers rely on having breeders in all of the EU's regions in order to have access to seeds that are well adapted to the local conditions. There are organic farmers who do not want to use seeds obtained by NGTs and they must have the right to choose the kind of seed they want to sow. We should elaborate a carbon footprint test as part of the VCU because the carbon emissions will have to be declared on the label.

The CHAIR: farmers need new varieties to be able to respond to societal demands, climate change, and specific needs.

FEDIOL: Oilseed rape (OSR) production based on PPPs will not be possible in the future. Will new OSR varieties be able to maintain the EU production level?

ECVC commented that certified varieties are not heterogeneous and not able to adapt to huge variations in the climatic conditions. The certified varieties are bred to be used together with PPPs. In order to allow for an adaptation to climate change, heterogeneous material would require better performance. ECVC requested that the breeders of farmers' seed should receive the same level of support as the selection of the breeders of certified seeds in terms of private and public financial investment aid. If no effort is made regarding heterogeneous material, farmers will not have the varieties that are needed to adapt to climate change.

IFOAM agrees to granting farmers privileges, opposes patenting of seeds, supports fair competition and calls for strengthening border controls. IFOAM requested more flexibility regarding VCU testing for organic varieties.

The CHAIR underlined that there are many family breeders in the EU who had survived thanks to CPVO.

COPA: the seed law proposals were scrapped in 2013 because of organic heterogeneous material. It is possible to test heterogeneous material regarding DUS, with the exception of U. in DK, we test for S.

ECVC agrees that farmers need the strongest local varieties, if possible organic and non-organic. However, we need a description of the varieties.

COPA responded to FEDIOL that OSR varieties with white flowers are currently tested to avoid certain insects, which are attracted by the yellow colour of the OSR flowers. The placing on the market is slowed down because of red tape.

The CHAIR called for investments in research and innovation for protein crops. Farmers need a complete tools box, new varieties are only one tool. We need to reverse the downward trend in cereal yields in the EU.

b) International policy developments and examples:

EUROSEEDS was not present at the meeting due to the COVID-19 outbreak. The point was cancelled.

6. Presentation on the operation OPSON IX and the targeted action on seeds

A representative of EUROPOL explained the role of EUROPOL in fighting against illegal seed imports, illegal trafficking and fraud in the seed sector (false labelling). EUROPOL will assemble the customs authority's staff to provide schooling on European seed legislation.

COPA welcomes the work of Europol. Farmers believe in their seed suppliers. There are illegal seeds from Asia entering the EU market. Farmers are paying for seeds which do not provide a good yield and cause plant diseases. These practices must be stopped. COPA thanked the representative of EUROPOL.

ECVC said that industry that claims patents on plant products obtained through NGTs claims they cannot be detected and wondered how patent rights could provide protection. ECVC asked EUROPOL whether they investigate matters regarding counterfeited patents for plant products.

EUROPOL replied that currently checks are carried out on a documentary basis and that DNA analysis have never been necessary before. If they become necessary, by accredited laboratories in the Member States. Europol is limited to fraud on labelling.

The CHAIR asked how EUROPOL goes about launching an investigation. Europol replied that investigations are opened on the basis of reports filed with the police. Farmers must inform local police if they note fraudulent labelling on the market. In the present case, DG SANTE is also involved.

DG SANTE said a network would be established following the present case of illegal seed importation.

7. UK/EU future Trade relations

The Commission representative summarised the state of play on three aspects of the relationship between the EU and the UK, namely

- compliance with the Withdrawal Agreement and the Memorandum of Understanding with Northern Ireland, until the end of the transitional period.
- the future relationship between the EU27 and the UK, both parties have published their negotiations mandates and the first round took place in Brussels
- the revision of the tariff quotas set at the WTO. There is no agreement at the moment.

UK has published a negotiation mandate for a bilateral agreement between the USA and the UK.

IFOAM asked DG SANTE about the situation in the seed sector. DG SANTE replied that the situation of the seed sector will depend on the future agreement between the EU27 and the UK. Varieties registered in the UK would be removed from the Common Catalogue. In order to import seeds from the UK, an equivalence agreement would have to be established between EU27 and EU27. EU27 would have to recognise inspection bodies and tests. However, the approach would depend on the future agreement which is under negotiation.

COPA asked about the fate of varieties tested in Northern Ireland. DG SANTE replied that they could circulate within the EU27 and that the variety tests should not be moved from Northern Ireland to the continent in case of no deal.

8. A.O.B.

None

6. Conclusions/recommendations/opinions

None

7. Next steps

No next steps

The CHAIR confirmed that the speaker will be invited to the next CDG “Arable Crops – Sectors Cereals, Protein Crops and Seeds” to make a presentation and that it would be given main attention with enough time foreseen for a detailed discussion.

8. Next meeting

The date is not yet fixed.

9. 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
“Arable Crops – Sectors Cereals, Protein Crops and Seeds”
Friday 6 March 2020

MEMBER ORGANISATION	NUMBER OF PERSONS
Beelife	--
Birdlife	--
European Council of Young Farmers (CEJA)	3
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	3
Confédération européenne de la production de maïs (CEPM)	1
European agri-cooperatives (COGECA)	3
European farmers (COPA)	10
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	--
ELO	2
EURAF	--
Europa Bio	--
Fertilizers Europe	1
FoodDrinkEurope	4
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	2
Pesticide Action Network Europe (PAN Europe)	1
European Biodiesel Board (EBB)	--
European Coordination Via Campesina (ECVC)	3
European Environmental Bureau (EEB)	2
PAN Europe	1
SACAR - Secrétariat des Associations du Commerce Agricole Réunies / Joint Secretariat of Agricultural Trade Associations (SACAR)	--