



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate E. Markets
The Director

Brussels,

MINUTES

Meeting of the Civil Dialogue Group on Animal Production

Beekeeping and Sheep & Goat

12 June 2023

Chair: AGRI E3 Animal Products

The following organisations were represented:

Beelife, CEJA, CELCAA, COGECA, COPA, EEB, EFA, EFNCP, EURAF, F.E.E.D.M., FoodDrinkEurope

1. Nature of the meeting

Non public

2. List of points discussed

Morning session – Beekeeping

1. Approval of the agenda

Under AOB, COPA-COGECA asked for putting on the agenda of the next CDG a point on Asian hornet (*Vespa velutina*), an increasing threat for honeybee populations in the EU.

The agenda was adopted.

2. Honey market overview

The Commission presented an overview of the honey market situation based on the latest data available. The number of hives has followed an increasing trend since 2017 (latest data referring to 2021). Based on preliminary data reported by Member States, this trend is expected to continue in 2022. However, EU honey production does not seem to follow suit (final EU honey production data to be available by September 2023).

The EU remains a net importer of honey with a largely negative trade balance. In 2022, EU honey imports increased by 10% in volume compared to 2021 to 190 600t, driven by a sharp rise of imports from China, Argentina and Turkey whereas imports from Ukraine declined by 14%. Higher imports were shipped into Southern Member States (Spain, Portugal, Italy), filling their domestic production gap, and into Belgium and the Netherlands. Most recent import data by mid-May 2023 indicate a drop in honey imports (-10% in volume year-on-year) across all main origins.

EU honey exports declined by 1.6% in volume, to 25 000t. Exports were stable into the UK and Switzerland, they increased notably to the US and Japan, while dropping significantly to Saudi Arabia.

In 2022, the average unit value of honey imported into the EU saw an increase compared to 2021 (2.64 EUR/kg, +13% year-on-year) indicating that honey was traded at higher world prices last year. The lowest import unit values were recorded from China (1.58 EUR/kg) and Vietnam (1.91 EUR/kg). The average unit value of exported honey increased as well (6.1 EUR/kg, +5.5% year-on-year).

Some stakeholders point to relatively low productivity of the EU honey production (low honey yield per hive) enquiring about the reasons behind this unfavourable situation. They note that 2022 was marked by high uncertainty on the world market characterised by cost increases, resulting in higher honey prices. Some shifts in trade flows occurred driven by several factors, importantly due to antidumping duties applied by the US on honey imports from several origins. For 2023, concerns are expressed with regard to reliable supplies for imports into the EU market. Export demand is expected to be strong, representing an opportunity for EU honey. Other stakeholders stress higher production costs in the EU but also higher honey quality. They argue that the lower productivity of EU's beekeeping can also be attributed to increasing environmental pressure on bee populations and use of pesticides. Some express concerns on what they see as honey imports from third countries into the EU at dumping prices, thus exerting downward pressure on EU honey prices while they see difficulties to export EU honey due to complicated export requirements in importing countries. There are also concerns about an increased threat of outflow of beekeepers as well as a lack of young beekeepers entering the sector.

The Commission recalled that apiculture is subject to increased CAP support and programmed through national strategic plans under the new CAP (see under point 3). Due to firm demand for honey that cannot be met with domestic production, the EU has been traditionally a large net honey importer, a situation that is expected to continue in the years to come. Honey imports are subject to EU import requirements and controlled by Member States' competent authorities. The Commission in cooperation with Member States is actively involved in monitoring honey imports and deterring imports of honey that would not comply with EU requirements (see under point 5). Constructive cooperation between all actors - the Commission, Member States' authorities and EU beekeepers - is needed to address challenges in the beekeeping sector.

3. Uptake of apiculture interventions under the CAP strategic plans

The Commission presented an overview of the implementation of the last national apiculture programmes 2020-2022, focusing on expenditure by Member States for measures implemented in apiculture years 2020 and 2021. Partial data on expenditure

for 25 Member States for apiculture year 2022 were also presented showing increasing absorption rates in all countries compared to previous years.

The presentation went in details into apiculture interventions and other support in the 28 approved CAP Strategic Plans:

- Some EUR 610 million planned total public expenditure for apiculture interventions for 2023-2027;
- Overall co-financing stands at 46.8% for the EU and 53.2% for national contributions.

86% of the available budget is allocated to two types of interventions - investment and other actions (67%) and knowledge exchange, technical assistance and advisory services (19%) compared to 94% of the total realised expenditure for similar measures under previous apiculture programmes in 2020 and 2021. More budget is allocated for interventions supporting implementation of research programmes and promotion and marketing actions.

Support for apiculture is also available through Rural Development interventions, most notably farm and processing investments and environmental, climate-related and other management commitments (AECM). 10 MS include targeted AECM's specifically supporting beekeeping. Beekeeping is also benefitting from indirect support through AECM and eco-schemes commitments for creating/maintaining biodiversity cover and areas, integrated pest management and organic practices and reductions/bans of pesticides and fertilisers.

4. Revision of the Honey Directive – state of play

The Commission informed about the latest state of play of the revision of the Honey Directive 2001/110.

After having completed an impact assessment process, the Commission tabled a legislative proposal for reviewing the Honey Directive on 21 April 2023 (in a package of several Breakfast Directives covering honey, fruit juices, jams and dehydrated milk). The core of the proposal is the introduction of the compulsory indication of all individual countries of origin for honey blends with a derogation for honey packs of less than 25g. The Commission recalled key principles guiding this proposal, in particular: the need to improve consumer information by labelling all countries of origin in blends while avoiding an excessive administrative burden for honey operators and competent authorities, and making the proposed obligatory requirements proportionate and controllable. The Commission's proposal is now discussed under the ordinary legislative procedure with the co-legislators (within the Council's Working Party on Agricultural Markets and in the EP under the main responsibility of COMENVI).

Stakeholders commented on the Commission's proposal, broadly acknowledging that it goes into the right direction. Some asked for more ambition (listing origins in descending order, adding the percentage shares of individual origins and expanding the proposal to other provisions for addressing honey adulteration), while others were broadly satisfied with the proposal but argued for extending the derogation from the country of origin labelling to cover small packs of less than 30g.

5. Follow up on the EU coordinated action “From the hives”

The Commission representative informed about corrective actions following the publication of the results of the EU coordinated action “From the Hives” and notably:

- Increasing control frequencies (EU market and EU borders);
- Listing of establishments exporting to the EU for a better coordinated performance for official controls;
- Informing third countries authorities and requesting investigations;
- Modifying EU import requirements.

These actions would complement the validating and recognizing of authenticity controls methods and the origin labelling of honey blends.

The Commission’s JRC presented planned work on optimisation and harmonisation of analytical methods to detect adulteration of honey with exogenous sugars. The work will be structured into several stages including:

- Round table with technical experts: consensus on markers, analytical methods, sampling, decision rules; collaborations
- Gathering of samples: representativeness of genuine honeys, adulterants, bee feeding products, tailored made adulterated/contaminated materials
- Optimisation of analytical methods
- In-house laboratory validation of analytical methods
- Drafting standard operating procedures for selected analytical methods
- 1st collaborative study to validate the fitness-for-purpose of the selected analytical method(s) (including training)
- Analysis and interpretation of the results, adjustments of relevant SOPs
- 2nd collaborative study to estimate the diagnostic capacity of each selected analytical methods and chemical markers.
- Final report on validation of selected analytical methods.

In this context, the JRC made a strong call for receiving samples from honey stakeholders:

- JRC has an urgent need of representative samples through the honey supply chain: genuine honeys (incl. honeydews), sugar syrups, bee feeding products, fully traceable tailored made adulterated/contaminated materials (e.g. honeys from beefeeding experiments). Amount per homogenized sample: ≥ 150 g.
- Different geographical origins, botanicals origins, monofloral / polyfloral, blended or not, different years, different seasons, different process, etc.; Different batches / lots
- Interested contributors, should e-mail to Olivier.DE-RUDDER@ec.europa.eu mentioning as subject: “HarmHoney – Sampling contribution” explaining the types & number of materials and the metadata you can offer. After evaluation, the guidelines, sample forms and instructions to dispatch the samples will be provided.

Afternoon session – Sheep and Goat

1. Update on Australian and New Zealand trade negotiations involving the sheep and goat sector

The Commission representative provided the CDG with updates on the EU-New Zealand and EU-Australia FTAs.

On New Zealand, the legal verification and translation of the Agreement have been concluded successfully and it is envisaged to sign the Agreement in July 2023. It will then need to obtain the consent of the European Parliament and to be ratified in NZ. The NZ parliamentary elections scheduled for 14.10.2023 could procedurally extend the process. Politically both major NZ parties support the conclusion of the FTA. Entry into force is expected in the first half of 2024.

On Australia, negotiations are ongoing and entered in a decisive phase. The Commission takes into account the sensitivities of the sheep and goat sector: in addition to a careful approach in terms of volumes, other elements such as a segmentation into fresh/chilled or frozen meat as well as quota management rules are considered.

2. EU sheep & goat market situation.

The Commission representative provided the CDG with updates on the EU sheep and goat market situation: production, price and trade information was delivered.

Sheep and goat supply is currently limited in many Member States. Due to this tight supply lamb prices remain high, around 7.5-7 euros/kg cw for both types of carcasses. EU sheep trade has increased with New Zealand and the UK in 2023 compared with 2022. World prices for sheep meat are more competitive than European prices.

The Commission stressed that it has only received 1 contribution from stakeholders on questionnaires collecting views and information about carcass classification for sheep and goats and sale designations labelled in domestic markets for types of sheep and goat produce.

3. Exchange of views with market experts following feedback from questionnaires.

The market independent expert, Mr Hadjigeorgiou, who supplied data for CY and EL in the questionnaires, explained by a short presentation the situation of the sheep and goat sector in Greece.

Afterwards, the Commission representative presented an overall summary of data from EU sheep/goat sectors, that was collected and supplied from market experts. Unfortunately, information was only available from AT, CY, DE, EL, FI, FR, HU, IE, IT and LT. During the subsequent debate, experts from IE, DE, ES, FR and IT updated and completed information on their domestic markets and Portuguese sheep prices.

4. World market situation.

GIRA's ad-hoc expert explained that the global sheepmeat market is supply driven. Supply recovery is anticipated in the medium term, driven by the recovery of the Australian flock post drought and growth of informal flocks (SSA, MENA). This will put downward pressure on average farmgate prices globally. The size of the Chinese market creates market volatility, particularly when demand weakens as seen during the Chinese lockdowns in 2022. When Chinese demand weakens, sheepmeat from major exporters (NZ & AU) must find alternative destinations, weighing on farmgate prices in these markets.

5. Update on the sheep pox and goat pox situation in Spain.

The Commission representative explained the state of pay of sheep and goat pox (SGP) in Spain. SGP reappeared in Spain, after 50 years of absence, on September 2022, in the province of Granada, in the Autonomous Region of Andalusia. Between September and November 2022 there were 23 outbreaks in total, in two clusters, in the regions of Andalusia and Castilla-La Mancha. From January to May 2023 there have been 7 outbreaks, only in Castilla-La Mancha. To control SGP, Spain has currently in place extended protection and surveillance zones around the locations of the outbreaks, as well as a further restricted zone that includes 4 provinces of Castilla-La Mancha. To date approximately 50.000 sheep and 2.000 goats have been put down to control the disease. In spite of the improvement in the epidemiological situation it is estimated that strict implementation of control measures will be required for some additional time, in order to fully eliminate the disease.

6. Summary of Member States' interventions targeting the sheep and goat sector under the CAP Strategic Plans.

The Commission provided an overview of interventions implemented by Member States in their CAP Strategic Plans, with a specific focus on the sheep and goat sector. The overview encompassed several articles, namely Art. 31, which pertains to schemes for climate, environment, and animal welfare; Art. 32/33, which relates to coupled income support; Art. 47, which addresses specific sectors; and Art. 70, which deals with environmental, climate-related, and other management commitments. For each intervention, the speaker offered a brief explanation of available support, including a breakdown of financial allocations in the case of Coupled Income Support, highlighting the segregation based on animal species and production objectives. To provide clarity on the range of options available to farmers managing sheep and goats during the current programming period (2023-2027), the Commission presented examples of various measures and agronomic practices.

7. AOB

A last minute AOB that could not be handled at the meeting was raised by EURAF asking whether wool use for mulching trees is categorised as category 3 material under the animal by-product Regulation (EC) No 1069/2009 and whether it is subject to strict regulations as regards processing in case it is a) used on farm level or b) placed on the market - in both conventional and organic agriculture. A written reply was sent by the Commission after the meeting explaining that, in accordance with Regulation (EC) No 1069/2009, wool may be used as a nationally approved organic fertiliser or soil improver. Given the national

character of this possibility, recommendation was given to discuss animal health conditions for the use of wool as mulching material with the veterinary authority of the country in question.

3. Next steps

Due to time constraints the agenda point on “Revised EU Pollinators’ initiative” could not be presented. In consequence, it was decided to include it in a forthcoming CDG scheduled in the autumn.

4. Next meeting

The next meeting of the CDG on Animal Production with focus on Beekeeping and Sheep & Goat is foreseen on 22 November 2023.

5. List of participants

In annex

(e-signed)

Pierre BASCOU

Annex
List of participants– Minutes
Meeting of the Civil Dialogue groups
Beekeeping and Sheep and Goat
12.06.2023

ORGANISATIONS
BeeLife - European Beekeeping Coordination
CEJA - Conseil Européen des Jeunes Agriculteurs / European Council of Young Farmers
CELCAA Conseil Européen des Jeunes Agriculteurs / European Council of Young Farmers
COGECA - European agri-cooperatives / General Confederation of Agricultural Co-operatives of the European Union
COPA - European farmers / Committee of Professional Agricultural Organisations of the European Union
EEB - European Environmental Bureau
EFA - Eurogroup for Animals
EFNCP - European Forum on Nature Conservation and Pastoralism
European Agroforestry Federation (EURAF)
F.E.E.D.M. - European Federation of Honey Packers and Distributors
FoodDrinkEurope
Ad-hoc experts