

Brussels,

## **FINAL MINUTES**

*Meeting of the Civil Dialogue Group "Arable Crops – Rice Sector"*

*Date: 25 Mai 2018*

Chair: Mr Jean-Michel Aspar (CELCAA)

Organisations present: All Organisations were present, except, Beelife, CEPM EBB, ECVC, EFFAT, ELO, EURAF, Fertilizers Europe PAN Europe and Sacar.

### **1. Approval of the agenda (and of the minutes of previous meeting<sup>1</sup>)**

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

The meeting was non-public.

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

#### **Exchange of views on the situation of the rice market and in particular on imports of EBA rice from Cambodia and Myanmar**

The COMMISSION gave a presentation on the situation of the rice market situation at world level and EU level. Production of milled rice at world level during the marketing year 2017/2018 was 503.9 million tonnes and it is expected to have a production of 510.6 million tonnes for 2018/2019 according to FAO data. At EU level, the total EU imports were slightly up (+2%) during 2017/2018 marketing year, and imports from EBA slightly down (-2%). EU paddy rice prices have been increasing since February 2018. As regards the balance sheet for marketing year 2017/2018, there were lower imports and higher exports, but stocks are still high.

The COMMISSION representative also informed the members that the COMMISSION had not received any application under the promotion programme on rice by the April deadline. However, the COMMISSION, in particular Commissioner Hogan, would highly welcome to receive proposals for the coming year and the attendees are encourage to use the opportunities under the promotion programme for the next period.

COPA COGECA stressed that the increase of exports is also due to the fact that price remain low compared to the costs of production. In addition, the figures presented on

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<sup>1</sup> If not adopted by written procedure (CIRCABC)

imports do not take into account imports of broken rice. If they would, we would see a huge increase of imports.

The Chair asked a question on the imports of rice from UK. After Brexit, are we going to reduce the share that is going towards UK?

The COMMISSION replied that most rice imported by UK is Basmati rice and it arrives duty free based on the international agreement on 9 Basmati varieties. In addition, there is still much to be discussed before Brexit becomes effective.

### **Update on the initiation (16th of March 2018) of the safeguard investigation of EBA rice imports**

The COMMISSION explained the process that led the COMMISSION to the launching of the safeguard investigation of EBA rice imports. On 16 February 2018, the COMMISSION received from the Italian government a new dossier in view of setting up the safeguard clause. After one month of assessment of the new dossier, they found enough ground to launch this official investigation. They also already decided on regions to deepen the investigation and they selected the different operators to be interrogated. They have one year in total to complete the investigation.

CELCAA asked if traders received the questionnaire.

FOODDRINKEUROPE said that the COMMISSION should finalise its investigation and take a decision before January, because it is when farmers take their decisions in terms of area and crops.

COPACOGECA asked about the possible measures to decide by the COMMISSION in order to establish the safeguard clause: tariffs or quotas or both?

The COMMISSION replied that three traders were selected: 3 from France and 1 from Croatia. On the measures to take, it is only possible to reintroduce custom tariffs.

### **Modification of EU concessions on husked Basmati rice**

The COMMISSION gave a presentation on the background of the initiative. During the 14th India-EU Summit, held in New Delhi on 6 October 2017, the leaders of both parties reaffirmed their commitment to strengthen EU-India relations. Donald Tusk, President of the European Council, and Jean-Claude Juncker, President of the European Commission, represented the EU, while India was represented by Prime Minister Narendra Modi. Among various initiatives, the EU committed to initiate the process for granting duty-free access to some additional varieties of husked Basmati rice.

The Commission started the internal procedures. It is for the Council to decide whether to grant the authorisation to the Commission to open negotiations with interested WTO members.

The Commission explained that granting duty-free access to some additional varieties of husked Basmati rice is neither expected to cause damage to the EU rice sector, nor to cause substantial increase in imports of husked Basmati rice.

A representative from COPA COGECA said that they do not support these negotiations as this will lead to an increase of the volumes imported into the EU. Has the COMMISSION carried out an impact assessment? In addition, given the current context of the EU rice market situation, this initiative will do no good for the sector.

The COMMISSION replied that there was no need to carry out an impact assessment because there is no expectation to see the volumes of Basmati rice imports increase. The main consequence of the extension of the list would be a gradual substitution of the traditional varieties with the more recent ones as production of Basmati rice has been gradually switched from the older to the more recent varieties. In addition, Basmati rice is not produced in the EU, so it has to be imported.

Birdlife Europe said that is necessary to have reliable expectations on the consequences of such decisions.

The COMMISSION then informed the participants that the free trade negotiations with India are still on-going but at very slow pace.

### **Request to DG TAXUD by Denmark for reduction in broken rice tariff**

A representative from DG TAXUD explained to the participants the specific issue raised by Denmark on the need to have a reduction in broken rice tariff. Indeed, they claim that broken rice from the EU does not have the same quality as the one imported. Member states were consulted and the deadline to react was on 30/06/2018.

CELCAA said that it is possible for all EU operators to supply this company with EU broken rice with good quality. In addition, we already import broken rice with no tariffs and duty-free-quota-free from EBA countries.

### **PPP in rice**

Representatives from the COMMISSION in charge of PPPs could not attend the meeting, therefore a written contribution on this topic was sent out. The written contribution is the following one:

#### “Quinclorac:

This active substance was not approved for the use in plant protection products in 2004 and Member States were allowed to maintain it on their market for some uses until end of 2007. Since 1 January 2008 quinclorac is prohibited in the EU for the use in plant protection products.

#### Propanil:

This active substance was not approved for the use in plant protection products in 2011 and Member States had to withdraw authorisations by 2012. Since then, the active substance is prohibited for use in plant protection products in the EU.

A new application for approval of propanil was submitted in 2016 and the risk assessment carried out by EFSA is ongoing. It can be expected that the risk assessment will be finalised in the second half of this year and EFSA will adopt a conclusion on the

risk assessment still in 2018. The Commission will then decide whether the substance may be approved or not.

#### Tricyclazole:

An application for an import tolerance for Tricyclazole in rice was submitted to the evaluating Member state Italy. Italy drafted a first assessment, the evaluation report. As a second step Italy has submitted their evaluation report on Tricyclazole to EFSA very recently. EFSA are now preparing their reasoned opinion. The Commission has asked EFSA to assess the request with priority.

#### Buprofezine:

The EU approval of buprofezin as active substance in plant protection products (PPPs) was restricted to uses in non-edible crops, with effect from 21 March 2017 and with a maximum grace period up to 21 June 2018. The restriction was based on an EFSA conclusion regarding information that under high-temperature processing conditions, buprofezin is degraded into several metabolites, including aniline. Aniline is a carcinogen for which a genotoxic mechanism cannot be excluded and therefore no threshold for acceptable exposure can be assumed. Exposure of consumers to aniline via consumption of processed crops cannot be excluded except by restriction of the approval of buprofezin to uses in non-edible crops. This is not a specific concern for rice but pertains to all food crops.

In line with these considerations, DG SANTE is currently preparing a draft lowering all maximum residue levels (MRLs) for buprofezin to the limit of analytical determination. This is consequent to the withdrawal of all authorisations for buprofezin-containing PPPs on food crops in the Member States, following the ALARA principle (MRLs should be set as low as reasonably achievable), and to further protect consumers, including in terms of imported commodities that may contain buprofezin residues.

The draft will be discussed with Member States at a meeting of the Standing Committee for Plants, Animals, Food and Feed on 13/14 June 2018. A vote might take place after the summer break.”

COPA COGECA regretted that the COMMISSION representatives could not participated in the meeting because this is a major concern for the rice sector that suffers every year with the lack of plant protection products able to protect their crops and safe the rice harvest.

#### **AOB**

CELCAA regretted that the name of the participants was no more indicated in the meeting room. The COMMISSION should reintroduce it.

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

n/a

## **5. Next steps**

n/a

## **6. Next meeting**

11<sup>th</sup> December 2018 (*to be confirmed*).

## **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: 25 Mai 2018

	MEMBER ORGANISATION	NAME OF REPRESENTATIVES
1	BIRDLIFE EUROPE	JUAN CARLOS CIRERA MARTÍNEZ
2	CEJA	MANUEL COIMEIRO
3	CEJA	PAOLO MOSCA
4	CELCAA	JEAN-PAUL SCHEPENS
5	CELCAA	LUCIA SEGURINI
6	CELCAA	CEZARY ZIMNIEWSKI
7	CELCAA	SAVINA VLAHOVA
8	CELCAA	JEAN-MICHEL ASPAR
9	COGECA	JUAN CORBALAN
10	COGECA	GIUSEPPE FERRARIS
11	COGECA	RUIZ ALONSO
12	COGECA (Note taker)	CYNTHIA BENITES
13	COPA	EMANUELE OCCHI
14	COPA	ENDRE OLAH
15	COPA	JOÃO REIS MENDES
16	COPA	BERTRAND MAZEL
17	COPA	SPYRIDON REPPAS
18	COPA	MARIA CARMELO GARCIA FLORIA
19	COPA	SILVIA PICONCELLI
20	COPA	MANRICO BRUSTIA
21	COPA	JOSÉ DANIEL CARBONELL ARANDA
22	COPA	DAVID GIL MORENO
23	EEB/ BEE	JOSEPH RACAPE
24	EEB/ BEE	ANAMARIJA SLABBE
25	EuropaBio	MIGUEL MINGUET-GIMENO
26	FoodDrinkEurope	CHRIS DOWNES
27	FoodDrinkEurope	ROBERTO CARRIERE
28	IFOAMEU	VICTOR GONZALVEZ
	<i>TOTAL</i>	28