



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate A International

Brussels,  
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## FINAL MINUTES

*Meeting of the Civil Dialogue Groups International Aspects of Agriculture*

*Date: 18/10/ 2017*

Chair: Mr . Niklaus MORAWITZ

Organisations present: All Organisations were present, except/

AmCham EU, ACT Alliance, BEUC, CEPM, ECPA, EPHA, FOEE, FTAO, Origin, Slowfood

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

#### 1. AGENDA AND MINUTES OF THE PREVIOUS MEETING

Representative of **FoodDrinkEurope** reported not having received the final version of the agenda. They reminded that they would like to add a point on the provisional application of CETA. The **Chair** confirmed that the point was added in the agenda.

**FoodDrinkEurope**, as well as some other members, declared not having received the minutes of the previous CDG meeting of 10.03.2017. The **Commission** confirmed having integrated the comments and sent the final version. **FoodDrinkEurope** agreed to discuss the issue bilaterally at the end of the meeting.

The **Chair** postponed the adoption of the minutes to the following meeting. He reminded that minutes can be found on CIRCABC. The Chair proposed to treat the point on trade relations with Japan as first item. No objection was raised. The Chair asked the participants to make brief and pertinent comments in order not to delay the scheduled interventions.

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

## 2. JAPAN FTA

Ms. Antonia Gomez Moreno, Head of Unit, DG AGRI A4 took the floor on behalf of the **Commission** and introduced the results of the negotiations of the FTA with Japan. She stated that the legal scrubbing and translation would start next year and the ratification from Council and Parliament would follow. The scheduled date for the entry into force is mid-2019. The Commission argued that the swift negotiation is to be considered as a clear signal from the EU that it is capable of moving fast in the international context. It also considered the agreement as a success for the agri-food sector and a move against protectionism, giving EU agri-food operators new and valuable business opportunities. The Commission pointed out that the negotiation were nonetheless difficult, as Japan was negotiating in parallel to the TPP. It pointed out some sensitive sectors for Japan and showed that the EU managed to secure a very positive result. The main outcome highlighted was the high level of liberalization (97% of all products), which will allow the EU to become the main trade partner for Japan. The Commission reported also a success in terms of GIs protection, relations between GIs and trademarks, enforcement of protection, SPS and rules of origin. The Commission presented the main outcome of the negotiation in the most sensitive and/or important sectors: wines and sparkling wines, pigmeat, beef, cheeses, PAPs.

The **Chair** invited the participants to ask questions and make comments.

**Cogeca** representative raised the concerns on SPS chapter under the EU-Japan agreement. The Commission indicated that the text contains a reference to international standards and that the chapter on SPS will address most of the concerns of the sector and improves the situation while ensuring more predictability and simplified provisions.

**COPA** representative stated that the Commission should be moderate on the positive impact about the Japanese agreement: while opening the Japanese market for beef producers, it proposes excessive quotas for beef imports from MERCOSUR. COPA asked about the safeguard clause and whether it is supposed to disappear if not used. The **Commission** acknowledged that it is better to be moderate. Nonetheless it considered the negotiations result as a success, especially for beef and dairy. It stated that the safeguard clause would not be used, considered the current level of export and the level of the safeguard, and it is most likely to disappear

**FoodDrinkEurope (EDA)** representative asked for an update regarding the opposition made by USA against some of the European GIs listed in the agreement. The **Commission** reported that it is aware of the situation and is discussing with the competent authorities in order to have an outcome by the end of the year.

**FoodDrinkEurope (CAOBISCO)** asked for an update on the rules of origin for EU sugar containing products. The **Commission** explained that it reached a compromise on rules of origin which takes into account the interests of EU manufacturers of sugar containing products and EU sugar producers.

A **CELCAA** representative declared to be very satisfied and thanked DG AGRI. CEEV asked some clarification about the ratification process. The **Commission** reported that it expects that the ratification goes as planned. However it cannot anticipate whether the investment chapter will be ratified by national Parliaments or not.

### 3. CURRENT AND FUTURE TRADE AGENDA

John Clarke, Director at DG AGRI, on behalf of the Commission, introduced his presentation regarding trade negotiations in 2017 and invited the participants to check the handout for more detailed information.

As first point, the Commission highlighted that the services had been extremely active in terms of **FTA negotiations** (20 agreements in negotiation). It still considered CETA to be a top priority, especially since the implementation is to be watched carefully, particularly for the cheese and wine sectors. The Commission stated that negotiations with ASEAN countries might have very positive outcomes and presented the state of play for the main ongoing trade talks (Vietnam, Malaysia, Philippines, Thailand). Regarding the Americas, the Commission pointed out that negotiations with MERCOSUR proved sensitive and thus potentially lengthy, while the revision of the agreement with Mexico might be concluded by the end of the year. The Commission gave an update of the current trade files with neighbouring countries (particularly Turkey). Finally, it outlined the three main forces that made possible for the EU to successfully negotiate the agricultural part of the FTAs, notably: the high competitiveness of the EU agri-food sector, the high quality and reputation of EU products, the growing global demand for food. The Commission stated that the services will keep working for opening new markets, while protecting the sensitive sectors (beef for example) and focusing on a progressive liberalization until 2030.

As second item, the Commission reported the latest news regarding the **WTO multilateral negotiations** and the reform of rules for the agricultural sector. The next WTO Ministerial Conference which will take place in Buenos Aires, Argentina, in December was reported to be focused on three items: disciplines on domestic support, public stockholding and transparency on export restrictions. Regarding domestic support for the agricultural sector, the Commission mentioned that the EU has an offensive position and interest to get large countries on board to move away from distortive domestic support. The EU published a joint offer with Brazil on disciplining domestic support.

The third point of the Commission presentation focused on the priority of **removing trade barriers**: the Commission is trying to overcome all sorts of barriers in close partnership with stakeholders and working hard in order to have our food legislation recognized by third countries.

The last point of the presentation focused on the EU's **economic diplomacy**. The Commission stated that the European Union is trying to consolidate trade relations through the high level missions of Commissioner Hogan to promising and emerging markets. The Commission listed the previous (Mexico, Colombia, Vietnam, Indonesia, China, Japan, Canada) and future missions (Iran, Saudi

Arabia and most probably China, India, Egypt and some countries in South America and Africa) and mentioned that more technical workshops took place as well to explain the EU's SPS system to third countries (South Korea for example). These activities are to be considered as an essential part of the EU trade strategy that goes beyond negotiations of FTA's and G7/20 ministerial meetings. Finally, the Commission mentioned that DG AGRI would keep working in close collaboration with DG DEVCO on agricultural development in Africa countries, encouraging investment and technical cooperation.

The **Chair** asked for comments and reactions from the floor.

**FoodDrinkEurope (EDA)** representative highlighted that the implementation of the CETA would need to be looked into carefully and particularly the new setting up of class 7 for dairy products. The **Commission** confirmed and reported that the volumes for export in the first two to three years will be small but grow bigger. They are *also very aware about the class 7 standard and try to enforce some change. USA is putting pressure on Canadians to change standards and EC support that with other dairy exporters and international partners.*

**FoodDrinkEurope (AVEC)** representative highlighted some trade difficulties with Brazil and asked the Commission to make sure that controls are enforced in Europe. The **Commission** thanked for the point raised and reminded that the point would be covered later by a colleague from DG SANTE.

**EFNCP** representative asked whether a redistribution of quotas within WTO would be necessary after Brexit. The **Commission** informed the participants that it notified the previous week to the WTO the intention to split the TRQs according to the consumption levels of EU and UK.

**CELCAA representative** stressed the fact that the implementation of trade agreement is very important, particularly for the case of Canada, and the need to open and secure markets in a swift manner. The TRQ approach for sensitive products is not anymore sufficient and there management is also important. Finally he congratulated for the actions of economic diplomacy undertaken by the Commission but highlighted that those actions are long term and would not bring any immediate gains to the EU. The **Commission** agreed with CELCAA regarding the implementation of the agreements and stressed that the services are deeply concerned with this aspect and have dedicated staff. The Commission agreed regarding TRQs, however it pointed out that the EU has other tools and mechanisms for protecting a sector.

Finally the Commission stressed that the trade missions inaugurated by Hogan brought many positive results in different sector, such as the resolution of trade barriers for wine and pigmeat in Vietnam, Mexico and Colombia.

**CELCAA** representative congratulated the Commission for the excellent work but highlighted that the EU agri sector, and particularly the egg sector, cannot be undermined by imported products which do not have the same safety standards as the EU products. The **Commission** acknowledged the concern but stated that it would be difficult to impose to third countries our legislation and that a viable alternative is to push those countries to produce according to the highest possible environmental and animal welfare standards.

**Copa** representative thanked the Commission for the progress made in many trade talks. He questioned the Commission regarding the acumen of impact assessment. More particularly he argued that a better time could be chosen to negotiate the trade deal with Mercosur, considering that the Brexit is approaching, and expressed concerns for the beef sector. Finally he added on the preceding speaker on standards for imported product and reiterated the need for more stringent safety requirements for imports.

The **Commission** confirmed that the Brexit issue is incorporated in every assessment and will be reflected in the future negotiations. Regarding the beef sector, the Commission argued that the services tried to find a balance between the need to accommodate the EU sector and the need to offer something to MERCOSUR. Finally he referred to the presentation of DG SANTE regarding standards for imported products.

**FoodDrinkEurope** representative asked for some feedback on the Marrakech WTO informal ministerial meeting. The **Commission** replied that the meeting was inconclusive and it was not clear whether the EU proposal on domestic support would be part of the work program for the next meeting.

**COGECA** representative highlighted the need to support the internal market, particularly SMEs, and enhance the value chain. Finally he warned against the allegations against black olives imports in the US which may cause a precedent for other products and put in danger the WTO green box tools. The **Commission** agreed that we need to keep our internal market robust. However, he pointed out that the population in EU is not growing and that the EU needs to find other outlets, even for SMEs which are mainly focused on the internal market. The Commission added that the CAP will continue to support small farmers and foresee safety nets and doubted that the green box tools might be challenged at WTO.

#### **4. BEEF FRAUD IN BRASIL**

Laszo Sanz on behalf of DG SANTE stated that the **Commission** has always been keen on informing and cooperating with the stakeholders, the Council and the parliament. The Commission reported that controls at the borders were made more stringent and that an audit committee was sent to Brazil aimed at verifying the borders controls. Another audit exercise will take place at the beginning of next year. The Brazilian authorities were reported to comply to EU requests and proceedings with 20% of the deliveries checked. The Commission stated that since June systematic checks prior to departure of merchandise have been executed with 12,605 controls and 496 lab analysis. Salmonella has been found in 236 cases, E. coli in 14 cases and 73 shipments were blocked for other sanitary reasons (not properly packaged, certificate missing, etc.). The Commission argued that the system is working efficiently, although the imports have been decreasing (30% drop registered in meat and poultry sector) or stopped in the case of horsemeat. The Commission also reminded that only 9 Brazilian states have authorizations to export beef, and 8 for poultry.

**COGECA** representative reported that food safety is very difficult to monitor effectively. **COGECA** representative insisted on the fact that it is very important

to manage this sanitary issue and lamented that only minor improvements occurred. Finally he asked DG SANTE to base its judgement on factual elements and not to neglect the food sector's needs. **FoodDrinkEurope (AVEC)** representative agreed with the previous interventions. He also lamented the absence of audit exercises earlier in the supply chain (breeding, slaughtering). He stated that the audit report is not positive if read correctly and that 100% of shipments would need to be checked.

The **Commission** stated that, although relations with Brazil are tense, it is essential to protect consumers. The Commission added that traceability measures have been applied for a long time in Brazil and that animals have been inspected during residency period. Additionally operators need to have authorization for exporting. The Commission stated that 100% of controls are not conceivable and that overarching and combined measures are more useful for ensuring safety. The Commission announced that the audit report will be ready in January.

#### 5. AU-EU Ministerial Conference, G7, G20 up-date.

Cristina Miranda, on behalf of DG AGRI, gave a presentation on the upcoming AU-EU summit to take place in Abidjan. The **Commission** reported to be willing to step up the cooperation- with African Countries in areas such as agriculture, food policy, trade, energy and investments - moving away from traditional 'donor aid'. 700 participants are expected from public and private sector from both sides. Dorian Filote, on behalf of DG AGRI, informed the participants about the outcome of the G7 in Bergamo (IT). The main objectives on which agreement was found were: empower farmers, promote sustainability of the food system, develop rural areas and enhance cooperation.

**ECVC** representative hailed to the interest that the EU has for Africa but asked how to make sure that investments in the continent are done in a responsible way. The **Commission** reported that many criteria in this sense have been agreed and that investments are essential and profitable. EU- African partnerships can help create a more resilient African agricultural sector and contribute to the 15 million jobs to be created in Africa in agriculture every year. **FoodDrinkEurope** representative reminded that during the July AU-EU Agriculture Ministers Conference which took place in Rome in July the idea was discussed to set up an Africa-EU agribusiness platform. The **Commission** confirmed and stated that the platform is a specific deliverable of the strategy that will be established and possibly financed in its actions by the External Investment Plan (EIP).

#### 6. Debriefing of the roundtable discussion

- Wine market development outside EU: EC representative reported about the success story of the wine sector relating to trade, even if the EU wine sector is still dependent to specific markets. ASEAN countries have been

identified as strategic for the future. The recognition and enforcement of GIs are also another political priority.

- Trade export opportunities in Saudi Arabia and Iran (8 to 12 November 2017): EC representatives reported about the objectives, program and meetings of the High Level Mission of Commissioner Hogan and the business delegation. The results should be reported to the group after the diplomatic mission.
- OECD monitoring report 2016: EC representative reported the review of agriculture policy has been widened to education, research. OECD report highlighted the increased support to farmers due to lower market prices. EU is in an intermediate position. FAO is working with African countries to build capacity on policy monitoring. OECD will also hold a market outlook in November. Finally OECD is working on integrating environmental criteria in the monitoring work.
- Relation with SADEC: EC representative reported issues on textile and discussions would start on GIs and trade on wine and spirits.

## 7. Future trade policy

**ECOSOC** representative reported of the benefit of the EU agri-food chain sector report relating to trade. The impact on employment, quality, investment and productivity has been highlighted. **DG Trade** representatives updated the members on the implementation of the “Trade for All” strategy. **ECVC** representative expressed its concerns on the mechanism on investor –state dispute settlement on trade agreement (ISDS), the need for a new hierarchy on law between trade and labour and the setting up of an international tribunal on trade dispute. **Copa** representatives reminded trade bring also positive inputs for society and raised the impact of divergence of plant protection products approval between EU and third countries and other regulations. **DG Trade** reminded that at international level, the science is the main driver to fix maximum residue levels (MRLs).

**Copa** representative gave an update on the EU standards of production and their impacts on the competitiveness of the EU agri-food trade. The EU farmers are facing double standards on the EU single market. This reflection should be extended to the potential of the Paris agreement on production costs and look to WTO to ensure that standards of production should bring value to the products rather than technical barriers to trade. **DG Trade** reminded that EU cannot oblige third countries to adopt EU standards. But EU tried to keep the lead on world discussion.

Copa representatives underline the need to move on the conformity approach relating to standards of production.





**LISTE DE PRESENCES  
ATTENDANCE LISTE**

CDG IAA 18 10  
2017

Nom/Name	Prénom/ First name	NAT	ORGANISATION EUROPEENNE/ EUROPEAN ORGANIZATION	PRESENCE	
				YES	NO
ABAD	Aurora	ESP	CELCAA	X	
BERTONI	Micol	ITA	COGECA	X	
BONALDO	Ermanno	ITA	EFFAT		X
BOUWERS	Iris	NLD	CEJA	X	
BRUCAJ	Blerina	BEL	EFFAT		X
CASTILLA BARO	Jose Maria	ESP	COPA	X	
CHIRICO	Cristina	ITA	COPA	x	
COBIANCHI	Denny	ITA	FoodDrinkEurope		X
DAVIS	Lynne	GBR	ECVC	X	
DEHESTRU	Camille	BEL	C.E.P.M.		X
FEURLE	Kludia	D	SACAR		X
FURUSTAM	Christina	SWE	COPA	X	
GARCES	Marcos	ESP	CEJA	X	
GIROD	Claude	FRA	ECVC	X	
GIULIODORI	Arianna	ITA	COPA	X	X
GROSBOIS	Claire	FRA	FoodDrinkEurope		X
HINZEN	Louis	D	FoodDrinkEurope	X	
KIKOU	Olga	GRC	EEB / BEE	X	
KLUEMPER	Wilhelm	D	COGECA	X	
KORTER	Muriel	BEL	FoodDrinkEurope	x	
KUSTIC	Ines	HRV	COGECA	X	
LOPEZ	Paul	FRA	FoodDrinkEurope	X	
MADSEN	Lindharth Kenneth	DNK	COGECA	X	
MAGLIOLA	Christian	ITA	IFOAM EU GROUP	X	

MAMIAS	Sylvie	FRA	SACAR		X	
MASURE	Benedicte	BEL	FoodDrinkEurope	X		
MATAFOME	Jose Vasco	PRT	COGECA	X		
MERIAUX	Jean-Luc	FRA	CELCAA	X		
MIRIZZI	Francesco	ITA	COGECA	X		
MORAWITZ	Nikolaus	AUT	COPA	X		
NARRO SANCHEZ	Pedro	ESP	EuropaBio		X	
O DONOVAN	Alice	IRL	CELCAA	X		
PEREZ VEGA	Daniel	FRA	SACAR		X	
PETIT	Arnaud	FRA	COGECA		X	
PIATEK	Ryszard	POL	COPA	X		
PICARRA	Jaime	PRT	FoodDrinkEurope	X		
PRANAUSKAS	Eimantas	LTU	COGECA	X		
PUECH D ALISSAC	Arnold	FRA	COPA	X		
ROOKE	Paul	GBR	CELCAA	X		
RUIPPPO	Juha	FIN	COGECA	X		
RUIZ	Jabier	ESP	WWF	X		
SARON	Tiina	EST	COPA	X		
SCHENK	Andreas	D	EFNCP	X		
SILVEIRA	Pedro	PT	ELO	X		
SLABE	Anamarija	SVN	EEB / BEE	X		
STRAZDINA	Edite	LVA	COPA	X		
TRENZADO FALCON	Gabriel	ESP	COGECA	X		
VAN KEIMPEMA	Sieta	NLD	EMB	X		
WILLIAMS	Mark Richard	GBR	CELCAA	X		
WOODS	Angus	IRL	COGECA	X		
ZAHRL	Robert Thomas	CZE	CEJA	X		
ZANDONA	Daniela Ida	ITA	EFOW	X		
ZITTI	Lucia	ITA	COPA	X		