

## meeting summary

11 July 2018

- o The fourth meeting of the Crops Market Observatory (CMO) took place on 11 July 2018, chaired by Mr. Jens Schaps, Director for Agricultural Markets. It gathered the representatives of organisations from all stages of the cereals, oilseeds and protein crops supply chain. The following CMO members were represented: COPA-Committee of Professional Agricultural Organisations, COGECA-General Confederation of Agricultural Cooperatives, European Flour Millers – flour industry, Starch Europe – starch industry, CAOBISCO – confectionery industry, CEFIC – chemical industry and EPURE - ethanol industry.
- o The meeting started with a presentation from DG Agri of the almost finalized Agri-Food Data portal for the sectors of cereals, oilseeds and protein crops. This new dynamic tool for data visualisation is intended to substitute in the next future all the other publications of data on prices, production and trade based on traditional spreadsheet and pdf files. The Board appreciated this new tool and considered it as a further step forward in the EU market transparency (*Agri -food data portal*).
- o DG AGRI presented also the "**Market Transparency Initiative**", recommended by the Agricultural Markets Task Force. The experts were invited to provide their views on this subject.
- o The meeting continued with a presentation from the Joint Research Centre on the methodology for the crops yield forecasts and the 2018 forecast for cereals and oilseeds. Areas of weather concerns were identified. The Economic Board stressed the importance of having accurate forecasts on yield/production because this information can play an important role in the market.
- o As usual, part of the meeting was devoted to an exchange of views on the current market situation and developments for cereals oilseeds and protein crops. With regards to cereals, the Economic Board stressed the importance of the quality of the production. Quality is still a driver on a global market. EU is currently facing a strong competition from Black See region not only in terms of price, but also quality. It was also highlighted the extraordinary logistical capacity of Russia with respect to cereals trade. The record maize imports for the 2017/18 marketing year are linked to bad harvest in certain MS and to price competitiveness of maize versus the other grains. A lively discussion continued on the production volumes. Some members considered that volume for next years could also go below 300 million tonnes and subject to fluctuation due to weather conditions. On the oilseeds market, the Economic Board commented that the 2018/19 production is affected by a very bad yield due to adverse weather condition. Some experts also highlighted that in the future lack of plant protection product will negatively impact the production volume for certain products
- o Finally Starch Europe made an overview on the use of cereals in the starch industry. After a short but exhaustive presentation of the starch industry the presentation continued with detailed information on the cereals used in the starch industry which normally are of high quality and of EU origin. It was also highlighted the significant contribution of the starch industry in the proteins supply for both food and animal feed.
- o The next meeting of the CMO Economic Board is scheduled for 3 December 2018 afternoon (tentative date).