

FINAL MINUTES

Meeting of the Civil Dialogue Group on Animal products - Beef and veal

Date: 16/04/2021

(Videoconference)

Chair: Mr Cormac Healy.

Organisations present: All organisations were present, except AnimalhealthEurope, Bee Life, BEUC, BirdLife Europe, EFNCP, EMB, EPHA, ERPA.

1. Approval of the agenda

The agenda item on “State of play animal welfare related actions foreseen in F2F” was replaced by an update on the EU Promotion policy. The agenda was then approved.

2. Nature of the meeting

Virtual meeting, non-public.

3. List of points discussed

Market Situation

COM presented the beef & veal market update, highlighting the December census data and January slaughterings pointing to an expected 2% reduction in production for 2021. Tighter EU production is expected to stimulate a more positive price development, with prices already stronger than year earlier levels despite the ongoing impact of the Covid pandemic on the HORECA sector. The first two months of 2021 have seen exports down by 8% and imports up by 19%. The initial months after Brexit have seen significant impact on trade flows in both directions between the EU and UK. Copa representatives raised concern at the increase in imports registered, in particular the impact as the EU market sought to deal with the Brexit fallout, recover from the pandemic and as EU producers strive to deal with the many challenges presented by the EU F2F strategy. They urged caution on import levels and especially any ratification of the EU-Mercosur agreement which would greatly expose the EU market. Eurocommerce representative pointed out that the increase of imports is due to an unusual import of fats in Uruguay of around 12 000 t (cw) in January alone (February figures are not available in detail to Eurocommerce). Without that quantity, the import volume has actually gone down by about 5%. COM agreed to relook at the data and circulate an update.

EU Promotion Policy

COM presented a detailed overview of the EU agri-promotion policy including policy context and background (objectives, F2F, Eurobarometer survey, EU Cancer plan, trade policy, etc.) as well as future policy options in the roadmap and milestones & indicative timeframe. Promotion policy will be aligned with F2F strategy and encouraging sustainable food production and consumption and meat is not excluded. The importance of the promotion policy to developing opportunities in non-EU export markets is recognised. Change in policy will be progressive and there will be flexibility in annual work programmes.

An intensive discussion followed with strong advocates for the continued support of the livestock and meat sector in EU promotion policy, a balanced approach to be followed (noting the substantial shift in funding towards organic production) but also calls for a clearer definition of sustainability.

Participation in the public consultation was encouraged as well as the opportunity for and importance of stakeholders substantiating the positive impacts of meat for all three pillars of sustainability (environmental, economic, and social).

Future of EU livestock

COM gave an overview of the EU financed study on the ‘Future of EU Livestock: how to contribute to a sustainable agriculture sector’, which highlights the important role that livestock production plays in providing protein and nutrients for our diet, the jobs and economic activity it creates and its role on many parts of the EU agri-landscape where crop production is not feasible. The report also addressed the impact that livestock production can have on the environment and the many actions that can be taken to ensure ongoing sustainable production. A recent workshop was hosted by COM which provided a platform for a constructive discussion between producers, industry consumers and NGOs. The initiative was overwhelmingly welcomed by the CDG participants.

Update on CAP reform

COM focused its update on CAP reform on highlighting firstly concrete examples of possible CAP support measures (24) towards addressing environmental/climate change challenges under the headings of production system, focus on animals, manure management and knowledge & innovation. Secondly, detail was provided on the CMO amending regulation under the 6 fields of public intervention, observatory, exceptional measure, trade, early warning mechanism and the framework for COM action. On the CAP reform negotiations, the hope remains for conclusion under the Portuguese presidency, with four triologue meetings completed and a fifth due on 21 April.

EEB raised concerns about greenwashing and lack of ambition in addressing animal welfare and ongoing intensification of production, particularly in poultry. Copa and CELCAA highlighted existing work programmes already underway to tackle emissions and the potential in future technology. Producer representatives also expressed concern about how new proposed eco-schemes will work, the pressure they will place on producers and the costs associated with them. Under the CMO, concern was raised at the ongoing exclusion of the veal sector from adequate support (e.g. APS) and that this is not being addressed in the reform proposals.

EU-UK TCA / state of play of the present situation

CELCAA/UECBV gave an introductory presentation from the stakeholder perspective on the immediate impacts of Brexit and the EU-UK TCA and on pending issues. Operators welcome the achievement of a trade deal that delivers tariff/quota free trade but highlight that it does not achieve frictionless trade and many new trade obstacles have come into the business and have impacted on trade flows and costs. Several areas have yet to be addressed including the next phase of implementation of the UK Border Operating Model which will bring a major burden of export certification for EU exporters and also the need to address problems for groupage transport and trade in fresh/chilled meat preparations, products, and minced meat.

COM SANTE addressed a number of issues, in particular pointing out that the UK Border Operating Model has not been updated yet to reflect the 1 October changes, and that pre-

export certification to GB is not required ahead of export certification by the final Member State as the “EU single entity” is recognised through the TCA. It was clarified that MS should not accept to certify goods that have already left the EU. If the UK needs additional guarantees to re-export EU goods to the rest of the world, it should be arranged at operators’ level. It was also clarified what can be done, or not, for certification of groupage consignments. And in conclusion, SANTE gave some information on the work in progress for the IT connection between TRACES and IPAFFS.

Update on EU trade negotiations

COM informed briefly about ongoing negotiations on NZ and Australia Free Trade Agreements. For AUS, the recent round took place 9-19 March focusing on Geographical Indication (GI) and wine. Negotiations are not at an advanced stage and it is clear that beef and lamb are sensitive for EU. It is also clear that there cannot be progress in other areas, if there is no progress on topics like GI, rules of origin and SPS. Next round is scheduled 1-11 June 2021. NZ situation quite similar as regards sensitivity of beef and lamb and GI. Market Access was not tackled yet. The recent round took place 16-29 March and the next one is foreseen end June 2021.

4. Conclusions/recommendations/opinions

The beef market has shown strong resilience in the face of Covid disruption in HORECA. Price levels are more positive at present and tighter production forecasts point to improved prices in 2021. A relaxation of Covid restrictions and resumption of food service sector activity is critical. Concerns remain around the influence of imports on the EU market as it deals with Brexit and recovers from the pandemic. In much of the policy background (F2F, promotion, etc.) there is a sense of attack on our sector and this needs to be countered with balanced, informed, and factual dialogue. Brexit/TCA has given us tariff-free but not frictionless trade and there are more challenges ahead for EU exporters.

5. Next steps

Clarification on beef import data to be provided by COM. Participants strongly encouraged to engage in the public consultation on EU promotion policy. Future of EU Livestock report shows that a more balanced debate is needed and possible in terms of the future role of our EU livestock and meat sector in the context of wider policy developments such as the Green Deal, F2F strategy and CAP reform. Many outstanding issues in the context of Brexit and the TCA remain to be addressed and need to be returned to.

6. Next meeting

The next meeting will take place on 20 October 2021.

7. List of participants

List of participants is attached to the minutes.

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 CDG ANIMAL PRODUCTS – BEEF & VEAL SECTORS

Date: 16/04/2021

MEMBER ORGANISATION	NUMBER OF PERSONS
EuroCommerce	1
Eurogroup for Animals	1
European agri-cooperatives (COGECA)	8
European Coordination Via Campesina (ECVC)	2
European Council of Young farmers (CEJA)	1
European Environmental Bureau (EEB)	2
European farmers (COPA)	7
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	1
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	8
Fédération Européenne pour la Santé Animale et la Sécurité Sanitaire (FESASS)	1
FoodDrinkEurope (FoodDrinkEurope)	5
IFOAM Organics Europe	2