



MINUTES

Meeting of the Civil Dialogue Group International Aspects of Agriculture

22.10.2021

Chair: DG AGRI, A1

All organizations were present except: ACT Alliance EU, BEUC, ECPA, EFA, EFNCP, EPHA, Eurocoop, Europabio, FOEE, FTAO, AnimalhealthEurope, Slow Food and WWF

1. Approval of the agenda

The agenda was approved.

2. Nature of the meeting

The meeting was non-public via Interactio for external attendees and in Charlemagne building for the European Commission staff.

3. List of points discussed

I. Administrative and governance matters

Presentation by DG AGRI chair (A1) - Approval of new rules of procedure of the CDG: the new rules are accepted.

II. WTO MC 12 – state of play agriculture negotiations

Presentation by DG AGRI (A2)

The Commission presentation started by an **overview on the context of MC12**: failed MC 11 due to disagreements on agricultural issues, WTO's credibility **at stake**. The Commission explained that its **positions on the main files for agriculture (domestic support, market access) have not changed since MC11**. Fisheries and food security will be at the core of the multilateral negotiations of MC12. The US, China and India are defensive on agricultural subsidies. Regarding the EU's political context as it enters MC12, a political agreement was reached over the summer 2021 on the CAP reform (focus on sustainability) and the legislative process is on the way. For the Commission the agricultural **issues at negotiation table** will concern:

1. The EU has tabled a proposal for **transparency improvements in agriculture**. US, Japan and Canada joined as co-sponsor of this proposal.

2. A work program on reductions of trade distorting **domestic support** is to be agreed at MC12. The EU is focusing on only trade distorting support (to preserve the availability of Green Box support).
3. The EU does not perceive any solution on the issue of **public stockholding for food security purposes for MC12**. India's positioning is particularly difficult.
4. The Commission addresses two strains of work on **export restriction**: 1- exempt humanitarian purchases of the world food program from export restrictions (food security package); 2- improve notification requirements for export restrictions that would lead to more transparency.
5. For **export competition**, the goal is to ensure the implementation of the decisions taken at the MC in Nairobi in 2015 (notifications, transparency and schedules of WTO members).
6. For **market access**, the EU will focus on increasing transparency for traders with emphasis **on the proposal for transparency in applied tariff rate changes**.
7. Finally, a review of Bali decision on TRQ management is also on the MC12 agenda.

Q&A

Participants manifested interest for the proposal on transparency. They had questions on the SPS declaration by a group of countries and also asked if social conditionality is in any way integrated in the WTO framework.

DG AGRI replied that:

- The EU will not be joining the declaration on SPS, but it is considering its own initiative (related to F2F). DG AGRI is not in the lead on that.
- The EU has submitted a transparency proposal on a large number of technical and systemic issues that cover all agricultural pillars for MC12 in July and was joined by Canada, Japan and US as co-sponsors.
- For instance, the Nairobi decision changed the area of obligation in export competition. There is a need to refocus on the requirements for export competition notifications to ensure compliance with the Nairobi decisions and monitoring.
- DG AGRI also reacted on the question of social standards although this issue is more the concern of DG Trade. Nonetheless, the Commission mentioned that in Buenos areas, in 2017, several multilateral initiatives in agriculture were launched on issues of social standards, environmental standards etc. The EU is part of quite a few of them is actually in the lead on some of these initiatives (also on MC12 agenda).

III. Food systems – UNFSS

Presentation DG AGRI (A1)

The Commission specified that the Secretary General of the UN initiated the United Nations Food System Summit (UNFSS), which took place on September 23, to discuss the fate of food systems in the world. DG AGRI focuses on the nature-positive production work stream. **The idea is to think of the whole food chain and all actors involved in it.** The current and emerging FtF policy is pertinent to that discussion and stands as an initiative on the world scene. The UNFSS process has had a significant effect on getting other actors to think about food systems: **many countries have now started to think about their own food systems, and the EU is helping build their capacity to do so.** Finally, the Citizen Dialogue of the UNFSS (although online) has many implications on how policy on food is developed, and on how to make such policy inclusive because food concerns us all.

Presentation by COPA

COPA emphasized that **food producers expectations from the UNFSS were transcribed in a joint declaration: rebalancing the power in the food value chain, food producers' access to finance, empowerment, and strong independence for primary producers at UN level.** In the joint declaration, the producers declared their commitment to produce enough food for a growing population while improving the sustainability of their production, they commit to preserve habitat. **Primary producer demand EU to reward their efforts to preserve biodiversity and planetary boundaries** through easy access to technology, knowledge, and financial resources to achieve their goals.

Q&A

Some participants referred to Civil Society Organisations which had called to stop the UNFSS process, considering that it lacked inclusivity of small producers and indigenous populations. The UNFSS was said to be held to the benefit of the corporations that hold the funds and was less inclusive than the principle of one country on vote. Other participants saw the UNFSS in a more positive eye and underlined its capacity to address health issue through diet improvements. It was also mentioned that COPA-COGECA was present at the UNFSS and that it is a representation of 11 million farmers and 22 thousand cooperatives.

DG AGRI replied that there were only two barriers to participation to the UNFSS: having a good internet connection and having sufficient time to engage in a process that treated a policy area still very unfamiliar. A main outcome of the UNFSS has been a “shaking up” of views on food systems because all 3 pillars of sustainability have been addressed. This has not necessarily led to a concrete outcome, rather more an awareness raising. The Commission specified that, at this stage, it has not engaged in any type of coalition and is assessing possible coalitions for their relevance to EU policy objectives, likelihood of success and availability of suitable financial resources.

IV. Organic – state of play equivalence arrangements with third countries

Presentation by DG AGRI (B4)

As of January 2022, a new legislative framework applies in the EU (Regulation 2018/848). The legislative framework foresees equivalency recognitions that can be made under international trade agreements and also ones currently not based under international trade agreements which will expire by December 2026. This applies to **11 arrangements: Canada, Israel, Japan, New Zealand, Tunisia, the US, South Korea, Argentina, Australia, Costa Rica and India.** The Commission has submitted a negotiation directive request to the Council, which granted it for the 11 countries. Hence, towards the end of June 2022, the Commission will transform the arrangements into international agreements and the negotiations will start with these countries.

Q&A

Participants asked for the timeline of the equivalence agreement work given the short 2026 deadline and had interrogations on the possibility to secure the UK organic equivalency in time and beyond that date.

DG AGRI replied that the EU already has a recognition for organic products exported and with others not. The concern is more on standards than on timing. **The Commission does not expect these negotiations to last as long as usual negotiation on a comprehensive trade agreement** thus expects to be done before the deadline in December 2026. On the UK, the Commission replied that there are 3 agreements (Chile, Switzerland and the UK) that do not enter in the category mentioned previously with an expiration in 2026 because they are already covered by Trade Agreements. For the UK, the TCA includes equivalency provisions, there is a clause on organic that this has to be reassessed by 2023 in order to verify that there is still an equivalency or not.

V. Costs of freight and maritime transport and poor-services quality impact on EU exports

Presentation by CLECAT and by Global Sheppard Forum) - Disruption in container shipping, is there an end in sight?

The speakers explained that shippers of different sectors are confronted with climbing shipping rates.

- At the same time, service quality has been declining rapidly, scheduled reliability has hit a record low 53% by the end of August, shippers have troubles distributing goods in time.
- The **COVID-crisis affected port productivity** and disrupted sailing schedules by port omissions and blown Estimated Time of Arrival's (ETA) (leading to a shortage of warehousing, trucking capacity and extended container equipment turnaround times, reduced availability). This resulted in congestion, surcharges, peaking freight rates, empty container shortages, hinterland issues, unreliability, beneficial cargo owner's (BCO) reconsider sourcing options, bankruptcies. **The available capacity in the global shipping market is now behind the global demand.**
- **The root cause is market concentration.**

Recommendations for the Commission: 1- an **early review of the Consortia Block Exemption Regulation (CBER)**; 2- Assessment of **the capacity management of carriers to exchange data**; 3- **monitoring competition in liner shipping** (US Federal Maritime Commission) and to **end special treatment of liner shipping** in EU competition rules.

Q&A

Participants agreed that the situation of costs and delays is becoming critical and requested more insight from the speakers in terms of what could be done by the Commission.

The Speakers replied that this is a global crisis in shipping, and many economies around the world are experiencing the same disruption regarding import and exports unreliability. The OECD confirmed that this is a true economic crisis for the whole world. The actions so far from DG COMP is simply the effect of the COVID pandemic. At the end of January, there is a traditional reduction in the flow of containers at the Chinese new year (holiday). The capacity management will probably ensure that the prices remain high. The problems are not likely to go away after that and regulators (DG AGRI, DG COMP etc.) need to see the problem as an economic problem, not only a problem of the shipping sector. The understanding and addressing of the problem need to get through to other parts of the Commission.

VI. FTA negotiations and agreements – state of play

Presentation by DG AGRI (CLARKE John)

The Commission presented its Agri-food trade performance. During the first half of 2021, EU27 agri-food trade is on the upward trend. The value of EU27 agriculture-food exports totalled €95.3 billion, whereas imports attained €61.8 billion in value. Looking at the monthly developments, EU agri-food export values in June 2021 were 14% higher compared to the same month in 2020, after having increased steadily since March 2021.

The main facts are: 1) increasing exports to the US, downward trend in exports to the UK, 2) Strong Performance of EU exports of Wine, Spirits and Liqueurs, 3) Strong Decline in EU imports from the United Kingdom, 4) Expanding surplus in EU27 agri-

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 information⁴

food trade. Taking a step back, the good trade performance is due to a combination of factors. The CAP reforms have made the EU competitive on world markets for a range of sectors, and not just the high value added products. Global demand for food is growing due to population increase and growing middle classes able to have a more diversified diet. There is a growing appreciation of European safety, quality, sustainability and authenticity, which increasingly outweighs price considerations. The EU's growing network of Free Trade Agreements opens up markets that were in the past more closed.

Regarding the state of play of our various free trade agreements both those in force and those being negotiated, a reminder: the EU now has 40 FTAs with around 80 countries, and if we include the UK agreement over one third of our agri-food trade is now under preferential FTAs. Agri-food trade with preferential partners grew at 2.2% in 2020, i.e. down from 8.7% in 2019, but still it grew twice as fast as overall agri-food trade. Agri-food exports under preferential agreements grew by 1.8%. We have seen trade grow more strongly under FTAs than outside them, in other words they are starting to deliver significant results. The presentation of the Commission then described the success stories of Japan, Canada, Vietnam before presenting the ongoing FTA negotiations (Chile, New Zealand, Australia, Mexico). Finally, the presentation addressed the states of the bilateral files between the EU and China, India, Mercosur, Ukraine and Morocco.

To conclude, while some signs of economic recovery appeared, the Commission keeps **monitoring closely the situation on the markets**. The EU will **further advance on the agenda in trade negotiations** and keep focus on enhancing the implementation and enforcement of the existing FTAs. **Trade continues to be a necessary tool in strengthening the EU's resilience** and contribute to economic growth for EU agriculture-food. It cannot be a panacea and it cannot be expected that trade agreements will shoulder the burden of all other policy areas. However, the EU is trying to use trade agreements where possible to leverage higher standards in its partners – be it on environment and climate change, sustainable food systems or animal welfare, as part of the Farm to Fork Strategy.

Q&A

Participants raised questions about the EU trade relations with several countries: Canada (CETA ratification and the wine laws review after 5 years), Ukraine (non implementation of standards requirements, possibility to reduce existing TRQs?), UK, Australia, New Zealand, Vietnam (tax increase on alcoholic beverages), China (registration requirements for EU organizations, packaging requirements), Mercosur (where are we with the additional instrument on environment and deforestation and will the MSR FTA be renegotiated to reflect this?), India (Tariffs, GIs, GMOs), Kenya (problems with EPA implementation), Indonesia (high import tariffs, food fraud and illicit trade, risk of exclusion of wines and spirits from the FTA?), South Africa (SPS barriers), Morocco (ECJ decision), Algeria (dispute settlement), the need for industry federations to organize a conference to promote open trade.

Reply by DG AGRI:

- **On CETA**, the remark is acknowledged by the Commission and will be kept in mind in the 5-year review. The Commission considers it essential that the European industry participates in reviewing the situation in **Canada** as well as the new options on settlement with other countries at the WTO.
- The Commission is in active FTA negotiations with **Australia and NZ**.
- The Commission is aware of the tax issue in **Vietnam**.
- **On China**, the Commission has not heard complaints recently from industry stakeholders regarding the registration requirements for industry federations or promotion bodies, so it would seem there is no problem any longer. This will be followed-up to check.
- **On Mercosur**, the additional instrument on environmental matters is not yet ready but it will

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 information⁵

not amount to a renegotiation of the Mercosur agreement. It will more likely be a detailed roadmap. Furthermore, the Sustainable food system chapter inserted in new FTAs do not explicitly deal with **food fraud**, but it can be addressed within them.

- The Commission is moving ahead on dispute settlement with **Algeria** to get a removal of unjustified duties on EU exports.
- About **Morocco**, the question deals with politics and commerce. The European Court Decision will not be applied pending a decision by the Council on appeal, the Western Sahara will keep benefiting from the preferential agricultural agreement. Whether or not the Western Sahara products are included in the agreement or not, the volumes of the TRQ will not be affected. If the court decision is upheld on appeal and Western Sahara is taken out of the agreement, then Morocco will still fill its tomato TRQ.
- **On India**, we have sent to India a list of barriers that could be removed in the agri-food sector, with no reply yet. In the next few weeks it is expected that negotiation of the FTA will restart.
- The Commission added that there is a lack of capacity on the **Indonesian** side as the COVID pandemic has affected the economy of the country. A new round of negotiations is planned for November. Regarding the inclusion of wines and spirits duty elimination within the FTA, the Commission also underlined that in Indonesia, the tourism and hotel sector is strong and thus they have every reason to remain within the scope.
- The **Kenyan** case will be looked into. On the idea of a conference by stakeholders to promote the EU trade agenda, the Commission recalled that a public event was planned before COVID (but was cancelled due to the pandemic) to demonstrate the importance of open trade and demonstrate the quality of the European Agri-food sector. Initiatives to go ahead with that plan would be welcome.
- The Commission also welcomed information on which standards **Ukraine** is not respecting in order to see if it can be tackled in FTA. Nonetheless, Ukraine is in a unique situation, as it should incorporate the EU acquis. The Ukraine production standards (animal welfare and environmental) will have to be aligned with the EU in due time. Reducing the existing TRQs will be difficult in the context of the FTA review because the negotiation is more about further market opening rather than less.

VII. EU-UK relations – state of play trade

Presentation by DG AGRI (AI)

Update on challenges in EU-UK trade in food product controls: The Commission underlined that now, 10 months since the implementation of the Trade and Cooperation Agreement (TCA), it is a good moment to take stock of the new trading relationship with the UK. The TCA cannot deliver what the single market had delivered in the past but is the best possible solutions given the choices of the UK. The more difficult trade conditions are the consequence of the UK's decisions to leave the EU single market and customs union. Now it is of crucial importance to monitor the correct implementation of the agreement. All trade specialized committees have met in the past weeks and days. The Commission has also opened a central complaint point for complaints in relation to the implementation of the TCA. This adds to the existing Single Entry Point for complaints in relation to trade issues, managed by DG TRADE.

Red tape on EU-UK exports and imports: the Commission highlighted that, although agri-food trade with the UK was clearly impacted by the new trading conditions, the latest developments indicate some stabilisation. In the first 6 months of 2021 EU agri-food exports to the UK declined by 3% compared to the 4-year average for the same period. The top 10 EU agricultural-food product exports performed quite well in the first 6 months of 2021. For instance, EU exports for cut-flowers, rice, citrus, bovine meat and poultry even exceeded the 4-year average. On the other hand, EU agri-food imports from

the UK declined significantly in the same period, by 34% compared to the 4-year average. Exports to the UK appear to be less impacted than imports from the UK, probably because the UK is still to introduce full SPS and customs checks, but it is too early to foresee what the long-term consequences of BREXIT will be.

Feedback on Trade Specialised Committees meetings

Presentation by DG SANTE (D3)

The Commission referred to the state of play with regard to SPS trade conditions between the UK and the EU since the end of the transition period in 1 January 2021. The Commission pointed out that, unlike to what is the case for products from Northern Ireland, thanks to the relevant Protocol under the Withdrawal Agreement, imports from Great Britain are subject to SPS requirements and procedures for third countries (such as certification and border controls). Information on the recent prolongation of the staged approach for the introduction of SPS certification and border controls for imports from the EU into Great Britain was also provided. The Commission also referred to the outcome of the 1st Trade Specialised Committee on SPS measures established under the EU-UK TCA where a number of bilateral SPS trade issues were either clarified or agreed to be followed up in technical discussions while cooperation in the areas of animal welfare, antimicrobial resistance and sustainable food systems was also addressed. The minutes of the meeting will become publicly available as soon as agreed between the two Parties.

Presentation by DG TAXUD (E4)

The Commission informed that **DG TAXUD has continuous exchanges with the UK regarding procedural aspects of rules of origin, distribution centers, formalities at import, export, transit and other customs procedures.** The minutes of the first committee meeting are in preparation and should be published in the coming weeks. The Commission presented the elements of the Committee's agenda that are of interest for this civil dialogue group: the current customs legislation (no change on EU side), the 8 free ports planned in the UK, the preparation of decisions regarding rules of origin (drafts of Article 63(3) and Article 43 of TCA) and, finally, the future cooperation on customs matters. The Commission reminded that the pre-notification for agriculture goods was delayed to 1 January or 1 July 2022, and the health and SPS certificates, like physical checks at the border control points postponed to 1 July 2022.

Presentation by DG AGRI (A1)

The Commission presented the keys aspects in relation to agricultural products discussed during the TBT Committee, namely **organics and wine**. In relation to organics, both parties confirmed that they had taken all the necessary steps for the implementation of the TCA commitments in relation to organic certification. The UK, however, could not provide any timeline for the development of electronic certification. The Commission informed that, as it is the case in the SPS area, the UK waived the organic certificate for EU exports until July 2022. **On wine**, the focus was on certification issues and the UK confirmed that they are preparing all the legislative changes to remove all certification requirements for EU wine (and the rest of the world) as of January 2022. In addition, the UK is not planning any changes for labelling of wine until October 2022. Finally, the Commission informed about the UK confirmation that the transition provisions on labelling and stock exhaustion of wine included in the TCA will be taken into account in the next legislation on labelling (not expected until October 2022).

Q&A

Participants expressed concerns on the EU's capacity to meet the January and July 2022 deadlines for pre-notification requirements and certification requirements. Partakers needed

more information on the Northern Ireland case as well as on the issue of certificates' translation and the potential consultation with private stakeholders in order to remedy the additional burden that EU exporters face and UK one do not.

DG TAXUD confirmed that MS were closely involved in discussions on the Border Operating Model (B.O.M) and an informal exchange with the UK will take place soon. The information collected will be shared on public webpages. There are many ongoing interactions on the situation in Northern Ireland. **DG SANTE** added that the Commission has ensured the translation of the certificate for the MS that have asked for it. The certificates matter in their content not in their format. The Commission recommends, of course, the use of a system to facilitate this. The 9 months delay gave the Commission the opportunity to be better prepared.

DG AGRI expressed the Commission awareness of the request to simplify the issue of the exports certificates in relation to fruits & vegetables and informed that the relevant market unit is looking into possible solutions.

VIII. EU-US trade relations – state of play

Presentation by DG AGRI (A3)

The Commission explained that the US market, after the UK, is the second export destination:

- Strong dependency for specific products (alcoholic beverages and olive oil as 1/3 of these EU products go to the US).
- In the last 4 years there have been tensions in the trade relationship between EU and US linked to the WTO case of Airbus/Boeing (allowed US to impose an extra duties on some products such as wine, olive oil, spirit, pastries, cheeses and a few more were impacted).
- The Trump administration was using a lot of “carrot/stick strategy” (digital tax, cars).
- Slight diminution of our export in 2020 compared to 2019 (about 2% loss in value) due to combined effect of US sanctions and COVID. The decrease is reasonable because **EU producers have decided not to give up the US market (although low or absent profits)**, to accept reducing the profit and wait out the tempest. The signals of the first months of the Biden presidency go exactly in this direction. The duties associated to the Airbus/Boeing case were suspended by both sides. Other trade conflicts will through dialogue at EU level (e.g. at G7) and cooperation based on major political challenges like climate change. Even if key divergences may remain, **what is changing is how these divergences are addressed.**

Q&A

Participants asked to be reassured on the EU's strategy to ensure that tariffs do not come back after December 1st.

Reply from DG AGRI: The commission exposes that problem is the retaliation tariffs led to the US tariffs, hence affecting steel and aluminum. The commission has discussed with involved stakeholders and explained them the reason for selecting these products. Even if tariffs have until now not eliminated, they have not been increased. The EU-US summit has worked closely on solving the existing trade conflicts. One of these is steel and aluminum (sector supplied in majority by China). The discussion aims at finding a solution beyond what is already done, eliminate tariffs and to prevent a return to them. There is a strong intention to assure that US and EU are working together better than in the past and that both parties remain are close partners.

IX. Update on TSD Chapter

Presentation by DG TRADE (C3)

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 information⁸

The Commission recalled the contents of the Trade and Sustainable Development (TSD) chapters in the EU trade agreements, outlined the main developments in terms of TSD negotiations and implementation, and highlighted the on-going TSD review. As a general comment, the Commission stressed, trade policy should and indeed has been contributing to sustainable development (SD), including by facilitating dissemination of green goods and technologies, fostering efficient allocation of resources, or using negotiations and implementation of trade agreements to promote workers' rights and support climate objectives. However, SD is not the only objective, and trade still has to be creating jobs and fostering economic development.

- **Trade and SD chapters:** The chapters are about labour and environmental, including climate commitments based on international standards (ILO principles and conventions, Multilateral Environmental Agreements, such as the UNFCCC and the Paris Agreement). In addition, the chapters create institutional structures, including for the civil society to be involved in monitoring FTAs. There is a dedicated enforcement mechanism in those chapters. The key element of the EU TSD chapters has been the engagement-based approach: it is a pro-active way of working with the partners, including civil society from both sides from day one of entry into force of an agreement. However, the TSD chapters are not the only tool of trade contributing to sustainability, and complement the EU trade action at multilateral (mainly WTO) level and EU's unilateral schemes such as the GSP. The TSD chapters are an integral part of EU FTAs since 2011 (EU-South Korea). Now, 10 TSD chapters in are enforced in FTAs (+ sui generis provisions in the UK TCA). Two FTAs with TSD chapters most recently concluded include the agreements with Mexico and Mercosur (plus the investment agreement with China).
- **TSD negotiation, implementation and the 15 points Action Plan:** Since February 2018, the Commission has been implementing the TSD 15-points action plan - a strategy of enhanced engagement, and stepped-up monitoring as well as more assertive enforcement. The Action Plan has seen some important positive developments. For example, the labour **changes on the ground in Vietnam**, which are visible in substantial labour reforms (2 ILO fundamental convention ratifications), ahead of entry into force of the agreement (1 August 2020). **And, as for an example of a more assertive TSD enforcement strategy, the South Korea labour case** where the EU resorted to a bilateral TSD dispute settlement mechanism, which already brought Korea's ratification of 3 fundamental ILO conventions. **Another important strengthening of TSD implementation and enforcement is the creation of CTEO and the Single Entry Point for complaints.**
- **TSD Review:** on-going (brought forward from 2023 to 2021). The review includes an open public consultation and an independent comparative study of Third Countries' TSD approaches (the inception and interim reports of the study have been already published, and the final report should be expected early 2022). Moreover, a dedicated Civil Society Dialogue will take place in October 2021.

Q&A

Participants stressed that a balance needs to be found between the important sustainability and economic objectives, and urged the EU to include business corporations in discussions of good practices and standards.

X. Update on discussions on sustainable food system chapters with 3rd countries

Presentation by DG SANTE (D3)

It was explained that, in accordance with the Communication on Trade Policy Review and the comments received from Council and EP, the Commission is including a chapter on Sustainable Food System in line with the Farm to Fork Strategy. The Commission explained that the objective of the Chapter is to cooperate on specific aspects of the food system like the sustainability of the food chain, the reduction of food waste, on AMR, on reduction of the use of fertilizers and pesticides, AW, the fight against food fraud and to cooperate in multilateral fora. In addition, the Chapter includes the establishment of a committee to ensure the implementation and management of the Chapter.

These negotiations represent 2 major challenges:

- **It is the very first time such Chapter is discussed with third countries and there are not framework references for its provisions in the international standard setting organizations.** The SFS chapter is being currently discussed with Chile¹, New Zealand and Indonesia and will be also proposed to Australia and in turn to other 3rd countries in order to widen the cooperation on the sustainability of the food system. Discussions are open with Thailand (Partnership and Cooperation Agreement).
- **Another challenge relates to the degree of ambition of the Parties in relation to the sustainability of the food system.** The Commission confirms its confidence that the chapters can deliver good outcomes. An example is that Chile accepted, since the starting of the negotiations, the binding provision on the use of antibiotics as growth promoters.

Q&A

Participants introduced the remark on the need for FTAs to consider the interest of small farmers both in third countries and in Europe.

4. Conclusions/recommendations/opinions

Chair (DG AGRI AI) thanked predecessor, who chaired the committee several times, thanks were given to all speakers, participants, technicians and interpreters for an extremely rich and interesting day.

5. Next steps

Participants are asked to send emails on points to add to the agenda for the next CDG meeting.

6. Next meeting

Spring 2022, no date set yet.

7. List of participants - Annex

John A. CLARKE

Electronically signed

¹ The SFS Chapter has now been concluded, being the 1st Chapter of this nature concluded with a Third Country

List of participants– Minutes

**MEETING OF THE «CDG INTERNATIONAL ASPECTS OF AGRICULTURE»
22/10/2021**

| MINISTRY OR ORGANISATION | NUMBER OF PERSONS |
|---|-------------------|
| AmCham EU American Chamber of Commerce to the European Union | 1 |
| ACT Alliance EU | --- |
| BEUC | --- |
| CEJA European Council of Young farmers | 3 |
| CELCAA European Liaison Committee for Agriculture and agri-food trade | 5 |
| C.E.P.M Confédération Européenne de la Production de Maïs | 1 |
| COGECA European agri-cooperatives | 10 |
| COPA European farmers | 10 |
| ECPA | --- |
| ECVC European Coordination Via Campesina | 1 |
| EEB European Environmental Bureau | 1 |
| EFA | 1 |
| EFFAT European Federation of Food, Agriculture and Tourism Trade Unions | 3 |
| EFNCP European Forum on Nature Conservation and Pastoralism | --- |
| EFOW European Federation of Origin Wines | 1 |
| ELO European Landowners' Organization asbl | 1 |
| EMB European Milk Board | 1 |
| EPHA | --- |
| Eurocoop | --- |
| EuropaBio | --- |
| FOEE | --- |
| FoodDrinkEurope | 8 |

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.

| | |
|--|-----|
| FTAO | --- |
| AnimalhealthEurope | --- |
| IFOAM Organics Europe | 1 |
| Origin Organisation pour un réseau international d'indications géographiques | 1 |
| SACAR - Secrétariat des Associations du Commerce Agricole Réunion / Joint Secretariat of Agricultural Trade Associations | 2 |
| Slow Food | --- |
| WWF | --- |
| Ad hoc experts | 2 |

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 information¹²