



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate G – International  
G.1 – Global issues, WTO & relations with ACP

Brussels,  
AGRI/IS (2022) 8341261

## *MINUTES*

### *Meeting of the CDG INTERNATIONAL ASPECTS OF AGRICULTURE*

*Date: 10 October 2022*

Chair: DG AGRI, G1

Participants: All member organisations of this CDG were represented, except EuropaBio, ACT Alliance, AnimalhealthEurope, BEUC, EFA, ECPA, EFFAT, EMB, FoEE, FTAO and SlowFood.

#### **1. Approval of the agenda and of the minutes of previous meeting**

The agenda was approved.

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

The meeting was non-public via Webex for external attendees and in L120 building for the European Commission staff

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

##### **1. “Tour d’horizon” of the agricultural international files and economic situation**

DG AGRI director for international opened with a presentation of the overall market and trade situation. International prices have eased, due to increase of EU and Ukrainian cereal exports. Imports and exports have risen significantly in value and volume compared to last year. Farmers face increasing costs for energy and fertilizers, COM responded by proposing to suspend certain customs duties for imports of until the end of 2024. Global fertiliser availability has been impacted by trade restricting measures from Russia. On the state of play of FTAs. The recently concluded New Zealand FTA creates a global standard for commitments on sustainable development. NZ expectations for market access were very high, however COM agreed to only to very modest volumes of TRQs for sensitive products (dairy, meat), which represent a tiny percentage of the EU consumption. It also provides unprecedented protection of more than 2000 EU GIs. In June the EU relaunched negotiations with India for a FTA, IPA, and an Agreement on

GIs. No discussion on market access is foreseen at this stage but statistics on trade will be exchanged. On the offensive side, we have exporting interests in dairy products, meats, fruits and vegetables, olive oil, alcoholic beverages, chocolate. On the defensive side, we would protect sugar, rice, poultry, rum, oils, and fats. High import duties and internal taxes are the main factors hampering EU exports to India. Regarding the agreement on GIs, the second round will take place from 10 to 12 October in Brussels. With Australia negotiations started in 2018 and 12 rounds have taken place so far, last in February 2022. The 13th round will take place from 17 October, where both sides will have a 2nd exchange of offers on market access for goods. From the EU side this offer will still exclude the most sensitive sectors: red meat, sugar, rice, or dairy. Conclusion of negotiations could happen in 2023, but as in other FTA negotiations “substance should come over speed”. The EU won the dispute settlement procedure under the EPA concerning the safeguard measures taken by SACU against the EU export of poultry meat (under Article 34 of the EPA). COM is working with Japan in the framework of the EPA to add 27 additional EU GIs to the existing list of protected names in 2023. Commissioners visit to Vietnam was very successful and very much appreciated by Business Delegates, EUMS representatives and Vietnamese authorities and businesses. With Singapore the implementation of the FTA is smooth, the one potentially difficult issue concerns labour legislation as Singapore has not yet ratified three ILO fundamental Conventions. High-Level dialogue with China discussion focused on SPS issues, the EU is looking to build on the recently agreed MoU (by DG SANTE) on animal health with China to work toward a bilateral agreement. On WTO apportionment, in this last year the EU achieved significant progresses with major WTO partners.

## Q&A

SpiritsEurope called on more cooperation with CHN and ASEAN and expressed concern about standards in ZAF and SNG. CEPM requested that sweet corn be considered a sensitive product. COPA called for elimination anti-dumping duties on fertilisers and SPS dialogue with CHN, inquired on the revision of the promotion policy, expressed concern for sheep meat liberalisation, called not to give SAF extension on citrus measures. OPTA called for more promotion of organic. CEEV concerned about UK revisions on wine taxation. WFF enquired on sustainability chapters in FTAs. SpiritsEurope welcomed Mercosur deal, while CEPM is afraid that the additional protocol will not be enough to level the playing field on climate and SPS.

## 2. United States

There is renewed interest for US-EU trade relations. Trade has recovered in 2021, although it hard to compare trade results with 2020, a year impacted by Covid and trade retaliation against agri products. Compared to 2019, there is 10% increase in exports. We are observing a repositioning and recovering all the EU Agri food on U.S. market. Especially for spirits, confectionary, and olive oil. COM is hopeful that the improved relationship will make lifting of retaliation measure permanent. COM also presented the progress of collaboration platform with USDA. One will include a workshop on livestock emission, but new genomic technics are not part on the dialog.

## Q&A

FoodDrinkEurope. FEFAC asked if trade and technology council with US will focus on food security. ECVC wanted to more about the US push on biotechnology and biomanufacturing as a source for food and agriculture innovation, and how would the EU control imports of NGT seeds.

### 3. Africa

DG AGRI reported on the ongoing negotiations on deepening the EPAs with eastern and southern Africa countries. On the Africa summit in Brussels held earlier this year, saw the signing of a joint vision for 2030 and numerous commitments, in particular the global gateway proposal. Investments in agriculture feature prominently, especially with the prospect of the African continental free trade area. A strong component in our development Corporation with the African colleagues is sustainability. EU is moving beyond traditional cooperation to exchange of policies. In that context we exchange with African Union Secretariat. One of the highlights of this cooperation are the business platforms wit EU and African stakeholders launched in July 2020. Research corporation our research programs horizon Europe provides support the professional development in Africa's processing sector. COM is providing financial support for the implementation of the African Union strategy to develop geographical indications. COM also reported on visit to Ghana to African network for economic analysis of policies and exchange on policy with African partners.

## Q&A

Via Campesina wanted to more about the reaction from African small-scale farmers in our exchanges with stakeholders. COM reported on meetings and with regional farmers organisation and share of experiences on setting up producer organisations. SpiritisEurope wanted to know the next step for the African Union Agri business platforms, and about plans to organize workshops on illicit trade.

### 4. European Neighbourhood

AGRI.G4 reported that trade between the EU and the UK is resuming and EU exports to the UK picked up strongly in 2021 and were in the first months of 2022 well above last year's level. The relationship with the UK must be based on full respect of the Trade and Cooperation Agreement and the Northern Ireland Protocol, with the COM open to discuss joint solutions with the UK within the framework of that Protocol. As regards the Western Balkans, several countries had recently taken export restrictions on various agricultural products, which create uncertainty on the markets and unjustified trade restrictions are discouraged as they only aggravate the market situation and disrupt trade flows. The COM services are underlining the concerns at any form of trade restrictions and recalling the countries concerned their obligations under the Stabilisation and Association Agreements. For Moldova, the Council and EP had endorsed last July the COM proposal for a one-year autonomous trade measure, including additional import tariff quotas for certain fruits and vegetables. The actual uptake under this regulation remains so far modest. As regards Ukraine, the COM proposed last April a one-year duty-free quota-free access for all Ukrainian products to the EU market, which the Council and EP endorsed. So far, significant imports from Ukraine of poultry meat and eggs have been observed. The COM services are monitoring the actual imports under this new regulation and will shortly start publishing trade figures on a COM webpage. The

COM services are aware of the concerns of certain EU stakeholders, while also noting Ukraine's request for prolonging the duty-free access beyond the current one-year arrangement that expires in early June 2023.

#### **Q&A**

COPA expressed concern about tomato imports from Morocco, and impact of Ukrainian imports on the market of neighbouring countries and lack of customs checks on GM crop imports. COCERAL welcomed tariff liberalization with Ukraine. AVEC confirm the huge impact of Ukrainian imports on their sector. Spirits Europe asked COM how will it deal with UK proposed higher taxation of alcohols commonly produced in Europe.

### **5. Food security**

EEAS presented the Team Europe response to global food insecurity, consisting of four strands: solidarity in form of humanitarian and short-term response, including addressing macro-economic instability; boosting production and resilience in the medium and longer term; facilitation of global trade, and exports of grains from Ukraine; and support to multilateral solutions. Followed by a breakdown of the EUR 7.7 billion commitment on food security until 2024. Finally, EASS presented the EU Solidarity Lanes initiative for Ukraine, thanks to which 12.5 million tonnes of grains, oilseeds and related products were exported since May, and the UN-TR-facilitated Black Sea Grain Initiative that helped export a further 6 million tonnes of grain and foodstuffs until October. COCERAL reiterated the importance European exports play in ensuring food security globally, however traders need minimal infrastructure to operate and avoidance of artificial barriers to imports. DG INTPA underlined the crucial role of the European private sector in improving productivity in developing countries to provide for their food security by improving their supply chance with positive economic, social, and environmental effects.

#### **Q&A**

COPA expressed concern that the productivity of European farmers will diminish due to crisis and new trade liberalisation which will impact on domestic and global food security. Via Campesina questioned the assumptions that the crisis is due to a drop in production of staple crops and tasked the COM to investigate market speculations as cause for the price hikes. COCERAL dismissed speculation allegations on European markets and defended future markets as way to manage volatility. COM responded that it is working with FAO to improve transparency in the market. UECBV for the meat industry welcomes COM efforts on solidarity lanes but is asking for more information on the initiatives for the use of the industry.

### **6. WTO MC 12 outcome on agriculture & follow up**

DG AGRI presented the WTO 12<sup>th</sup> Ministerial outcomes in agriculture, notably the Declaration on Food Security and the World Food Programme exemption from export restrictions. DG AGRI also analysed the current state of negotiations under the Domestic support, Market Access and Export Competition and Export Restrictions pillar. What lies ahead for the WTO now is the discussion how to implement the Food Security Declaration, particularly in the parts on stopping export restrictions and improving productivity in developing countries, and how to move the negotiations on new rules

forward. New themes for negotiations have been suggest, ranging from sustainability, improved transparency, improving monitoring to focusing on food security.

#### **Q&A**

FoodDrink Europe asked about details incoming WTO Director General’s retreat and on ideas how to introduce sustainability in agricultural reform negotiations. WFF supported integrating sustainability in the agenda. Via Campesina asked how the WTO responds to criticism to the liberalization of agriculture from small farmers around the world.

### **7. State of play of major trade disputes at the WTO**

DG AGRI presented the state of play of major trade disputed where the EU is party, or its outcomes could be of systemic relevance to the CAP. The highlight of the presentation was an analysis of the report in the case that the EU brought against the US on Anti-dumping and countervailing duties on ripe olives from Spain. The panel found that the US determination of de jure specificity was not based on a reasoned and adequate explanation of why access to the BPS and SPS subsidies was explicitly limited to olive growers, and that the US Tariff Act of 1930 is as such inconsistent the GATT and the SCM Agreement. The EU and the US agreed that the reasonable period for the US to implement the DSB's recommendations and rulings will expire on 14 January 2023.

#### **Q&A**

COPA expressed support for the COM handling of the olives case and express hope that US will remove tariffs.

### **8. Report on the application of health and environmental standards to imports of agri-food products**

DG AGRI presented the report on the application of health and environmental standards (including animal welfare) to imported agri-food products that was adopted in June 2022. The Commission outlined the main elements underpinning the debate namely the need for a global shift to sustainable food systems. The report identifies three routes to support this shift: the multilateral route, the bilateral route, and the use of autonomous measures. With respect to autonomous measures, the Commission stressed the importance to be WTO compatible and explained that the report includes a thorough legal analysis of WTO law which shows that it is possible to apply environmental and animal welfare standards to agri-food imports in a WTO compatible way, provided that several conditions are met.

#### **Q&A**

AVEC called for reciprocity in standards for imports evoking an example of slaughtering standards. COPA called on the COM to tackle issues of competitiveness inside and across the border, especially having regard for higher cost of production stemming from new policy initiatives. CEPM supported reciprocity asked about reciprocity in maximum residual levels of pesticides. Spirits Europe expressed concern about any unilateral action as they were subject to both formal and informal retaliation. Eucolait supported SpritisEurope views.

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

*The Chair* thanked all speakers and participants 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**

11/05/2023

#### **7. List of participants - Annex**

Electronically signed

Head of Unit G1

List of participants– Minutes  
**Meeting of the CDG INTERNATIONAL ASPECTS OF AGRICULTURE**  
**Date: 10/10/2022**

<b>ORGANISATION</b>
AMERICAN CHAMBER OF COMMERCE TO THE EUROPEAN UNION (AMCHAM EU)
CONFÉDÉRATION EUROPÉENNE DE LA PRODUCTION DE MAÏS (C.E.P.M)
EURO COOP - EUROPEAN COMMUNITY OF CONSUMER CO-OPERATIVES (EURO COOP)
EUROPEAN AGRI-COOPERATIVES (COGECA)
EUROPEAN COORDINATION VIA CAMPESINA (ECVC)
EUROPEAN COUNCIL OF YOUNG FARMERS (CEJA)
EUROPEAN ENVIRONMENTAL BUREAU (EEB)
EUROPEAN FARMERS (COPA)
EUROPEAN FEDERATION OF ORIGIN WINES (EFOW)
EUROPEAN FORUM ON NATURE CONSERVATION AND PASTORALISM (EFNCP)
EUROPEAN LANDOWNERS' ORGANIZATION ASBL (ELO ASBL)
EUROPEAN LIAISON COMMITTEE FOR AGRICULTURE AND AGRI-FOOD TRADE (CELCAA)
EUROPEAN PUBLIC HEALTH ALLIANCE (EPHA)
FOODDRINKEUROPE
IFOAM ORGANICS EUROPE
ORGANIC PROCESSING AND TRADE ASSOCIATION EUROPE (OPTA EUROPE)
ORGANISATION POUR UN RÉSEAU INTERNATIONAL D'INDICATIONS GÉOGRAPHIQUES (ORIGIN)
SACAR - SECRÉTARIAT DES ASSOCIATIONS DU COMMERCE AGRICOLE RÉUNIES
WWF EUROPEAN POLICY PROGRAMME (WWF EPO)