

EU Farmers & Agri-Cooperatives

MAGAZINE • N°9 - July 2013

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In the wake of the United Nations International Year of Family Farms in 2014, Copa-Cogeca Secretary-General Pekka Pesonen highlighted the importance of family farms – the backbone of rural economies – and outlined key actions and events being organised to celebrate them and to stimulate policies.

Coming from a family farm himself, Mr Pesonen explained how family farms have served society for thousands of years, being a key driver for growth and employment in EU rural areas which has knock-on effects in other sectors of the economy. “That is why we are so concerned about their economic survival. If we lose them, we lose whole rural communities”, he warned. “Not only do they provide food for 500 million consumers in the EU, they also care for the environment. We must give them a competitive future and a quality of life that is comparable to other sectors”, he said, pointing out that farmers incomes are on average half the average level of earnings in other sectors of the EU. “In view of the increasingly extreme weather conditions and market turbulence, this is a huge challenge. Investment in the sector needs to be stepped up and research and development encouraged to ensure we have a dynamic, innovative, modern agriculture sector capable of meeting future challenges and to ensure family farms have a viable future”, Mr Pesonen insisted.

Ways of improving their situation, of making them more interactive with society and of stimulating policies will be looked at in upcoming events. In October this year, Copa-Cogeca is planning to co-organise with FAO and the World Farmers Organisation (WFO) a 2-day event to highlight the importance of family farming in Brussels. Copa-Cogeca will also participate with its member organisations in the EU Commission

Conference on November 29 2013 on the UN International Year of Family Farms 2014. Farmers from around the world will present real life stories and experiences and look at the future of family farms. We are also taking part in the Commission public consultation on this. Results from the Commission Conference will feed into the FAO Conference on this in Bucharest in April 2014. Finally, Copa-Cogeca, together with other organisations, will hold a lunch-time press conference this year to launch the International Year of Family Farms. Come and join us! A series of events will be held during the year 2014 and it will also play a big part in our 2014 Congress of European Farmers.





Copa President Gerd Sonnleitner claims CAP reform deal improvement on what was initially proposed

Reacting to the deal struck by the European Commission, Council and Parliament chief negotiators on CAP reform this Summer, Copa President Gerd Sonnleitner said “ It is a solution farmers can live with”. When we look at where we came from and consider the original proposals made four years ago, the outcome is acceptable and it is more realistic and practical than it was.

“Under the agreement, support will go to active farmers and measures to further green the Common Agricultural Policy (CAP) will be more practical and flexible and therefore more beneficial for the environment at the same time as ensuring food security . Measures deemed to be equivalent to greening measures under the new CAP are authorised as part of an agri-environmental programme or a national/regional environmental certification scheme. The 7% rate for Ecological focus Areas (EFA) has also been reduced. This is a step in the right direction. We have been lobbying hard for this for four years. On EU rural development policy, I broadly welcome the main thrust of the agreement. More emphasis has been put on farm viability and innovation, sustainable management of forests. But I deeply regret that

the competitiveness of the EU forestry sector has not been prioritised”, Mr Sonnleitner said..

“I am pleased to see that EU sugar production quotas will be extended slightly, but it is not for long enough. It will give producers a bit of time to adjust and ensure a stable sugar market as well as maintaining growth and employment in EU rural areas. The EU agri-food sector ensures 26 million jobs mostly in rural areas and it is a key driver for their economies, with knock-on effects in other sectors. This is crucial in the current economic climate”, he added.

“But some elements of the deal run counter to the objectives of the CAP. In particular, we oppose any transfers of funds from the first to the second pillar of the CAP. Though this still needs to be finalised by negotiators. The first pillar of the CAP will be more important than ever if the EU is to ensure food security, stability and sustainability”, he warned. He also opposed putting an overall limit on the amount of aid larger farmers, warning it penalises efficiency and modernisation.

He was nevertheless pleased that an agreement had been reached to end the uncertainty facing farmers and agri-cooperatives and to enable the new CAP to apply in full in 2015, with a transition phase in 2014. “There was a danger the whole process could have been prolonged for one or two years which would have caused even more problems”, he warned.





MEP Michel Dantin claims CAP deal shows EU co-decision making process works and outlines key points under deal

In an interview with Copa-Cogeca, MEP Michel Dantin welcomed the fact that the European Commission, Council and Parliament negotiators got a deal on Common Agricultural Policy (CAP) reform this summer. “It shows the new EU co-decision procedure works”, Mr Dantin said.

“I believe the agreement is more balanced than the original proposal”, he insisted. In particular, Mr Dantin, who was responsible for drawing up European Parliament’s report and the negotiating chapter on the Single Common Market Organisation (CMO) under the new CAP, said the agreement on producer organisations, which extends provisions for POs to all sectors like cereals, olive oil, beef, could have gone further but it’s acceptable. Already producer organisations like cooperatives play an important role in the milk and fruit and vegetable sectors. And it will now be possible in all the main sectors for producer organisations to negotiate collectively and enable a real management of supply, he said.

In addition, the agreement enables an update of the reference prices to better take into account the economic realities. The agreement also opens up the possibility to review reference prices in other sectors like olive oil and milk to take into account higher production costs, he added. Any changes to reference prices will come under the EU co-decision procedure. The quantity limit for buying-in butter into public intervention will also be raised from 30.000 t to 50.000 t and the intervention period widened.

But with the phasing out of EU milk quotas in 2015, Mr Dantin regretted that his proposal for compensation for milk producers in times of crisis did not get through. He believes it could come up again at the EU Commission Conference in September where results of the Commission study on future developments in the milk sector after 2015 are being discussed. With milk producers up against increasing challenges, he insisted that additional tools are needed to ensure a competitive dairy sector.

On sugar, Parliament would have preferred EU sugar production quotas to be extended to 2020, rather than 2017, to enable the sector to improve its competitiveness. But he stressed that it is good that the contractual framework between growers and sugar producers will be maintained after 2017.

Turning to the EU wine sector, where planting rights will be phased out and a new regulatory system will be introduced from 1 January 2016 and until the end of 2030, Mr Dantin said it’s a fragile sector and it is essential to maintain a regulatory system to keep a balanced market. He also believes promotion measures in the internal market to better inform consumers about the responsible consumption of wine and of the EU quality system will be beneficial, especially in non-wine producing countries.

Some outstanding issues still need however to be finalised and Mr Dantin thinks that the negotiators will finalise some issues during the CAP trialogues talks in September.

Wrapping up, Mr Dantin said the situation has changed a lot since 2000. A strong CAP is needed more than ever before. The market for foodstuffs cannot just regulate itself. Agriculture, unlike any other sector, is highly dependent on weather conditions, affected by natural disasters, and products are perishable. Efficient measures to manage and regulate the market are consequently vital. We need to launch a reflection process and look at new tools to be introduced in the sector after 2020 to ensure we have a vibrant EU agriculture sector in the years to come, he stressed.



Copa Vice-President seriously regrets U-turn in EU biofuels policy and outlines views on upcoming trade talks



In an interview, Copa Vice-President Xavier Beulin underlined his serious regrets over the EU Commission u-turn on EU biofuel policy, warning it is totally unacceptable.

He also regretted European Parliament's Environment Committee vote in July to impose a 5.5% limit on the use of biofuels made from arable crops in 2020. It not only threatens the future of the EU biofuel industry but also feed supplies for animals and runs counter to the EU 2020 Strategy for Growth and Employment and for Climate and Energy targets, he said.

"Farmers and industry have invested vast amounts of money in the sector after the EU institutions gave them their commitment in 2006 to ensure that 10% of transport fuels come from renewable energy sources by 2020. Many operators made plans for 2020 based on the 10% limit. Now, after the EU Commission proposed cutting this limit to 5%, many factories are closing down in France, Germany and Italy in particular as they could not sell the quantities on the market foreseen in 2006. The u-turn in EU policy is not coherent, consistent or responsible and breaks industry's trust in making further investments. There are already high levels of unemployment in many Member States and this will make the situation worse", he added. The cut puts an abrupt end to the development of the sector in many countries, threatening 220,000 jobs mostly in EU rural areas.

"The limit also threatens animal feed supplies as biofuel production provides major benefits for the animal feed sector as the rapeseed grains can be used simultaneously for both biodiesel production and in animal feed. The majority of the grain stays in the feed sector. It's the same thing for bioethanol and the cereal bi-products or the pulp from sugar beet", he added.

Moreover, Copa-Cogecas rejects the reports which were used as a basis to introduce iLUC factors in the fuel suppliers reporting to Member states. The model used for the report is not transparent and not suitable for precisely estimating the extent of land use change and the resulting greenhouse gas emissions, due to critical data errors and important methodical problems

He consequently hoped MEPs will opt for a higher limit when they vote on the report in plenary session in September to ensure a viable biofuel industry in the future. The case for using biofuels is strong. They are beneficial in terms of reducing oil dependency and greenhouse gas emissions, stabilizing commodities markets, boosting employment in rural areas and

ensuring vital animal feed supplies. With only around 2% of the EU cereal area dedicated to biofuel production, they have no impact on food prices compared to market fundamentals such as oil prices, exchange rates, weather extremes and ad-hoc trade policy restrictions. A new study by the University of Giessen in Germany "Do biofuels contribute to price volatility and food security?" also confirmed this.

Copa-Cogeca consequently urges MEPs and EU Ministers to ensure that at least 8% of transport fuels come from arable crops by 2020 and to reject the iluc factors and multiple counting. Multiple counting is a statistical trickery which misleads citizens on the real level of biofuel blends in fossil fuels and creates the illusion that environmental targets are met.

Turning to the trade liberalising negotiations between the EU and US, Mr Beulin saw both positive and negative aspects from a potential deal. "I am not against an agreement as long as it is fair and respects methods of production imposed on EU producers". For example, the EU has banned using hormones in beef production and has prohibited the chlorination of chickens and this must be respected by the US. Also the US currently has 100% duties on cheese imports to the US which is not acceptable. We need to be able to penetrate the US dairy market more easily", he stressed.

The US is a major trading partner of the EU and the US is the second biggest client for EU agri exports, especially for wine, and olive oil for which the deal could be beneficial. It could also benefit the dairy and processed meat sector. But Mr Beulin warned that the meat sector – beef, poultry pork – will be more sensitive. Copa-Cogeca will also be pressing for recognition of quality products. Negotiators aim to conclude negotiations by Summer 2015. The trade liberalising talks with Canada are meanwhile in their final phase and are expected to be concluded soon. But Mr Beulin warned that we must be careful as Canada is asking for access for large volumes of beef, especially fresh and chilled, as well as for pork and poultry whilst giving little on dairy in exchange. Copa-Cogeca wants Canada to move on dairy. We welcome the increased market access for fruit and vegetables and olive oil from the EU to Canada. But like many EU Farm Ministers, Mr Beulin argues that agriculture, especially beef, pigs and dairy, should not be used as a tool to get better access in non-agriculture areas. It also sets a dangerous precedent for the upcoming free trade talks with the US. Wrapping up, Mr Beulin said he would prefer the stalled round of world trade liberalising talks to be kick-started rather than pursuing a series of bilateral trade negotiations. Especially since what is agreed in bilateral agreements will eventually have to be included in a global WTO deal, he warned.



Political agreement on CAP reform by EU Commissioner Dacian Cioloș

At the end of June, after more than 3 years of preparation and discussion, EU Agriculture Ministers, MEPs and the European Commission secured a political agreement on the reform of the CAP. Finding a solution to such a big reform – reflecting the expectations not just of 14 million farmers, but also of all EU citizens – was not easy, but we have agreed important changes. Bearing in mind that the CAP is one of the main pillars of European construction, we have achieved a paradigm shift which will serve Europe and European agriculture well in the years to come.

We have managed to achieve a fairer distribution of CAP support, better reflecting the needs of sectors and regions in economic and development terms. This significant redistribution of CAP funding over the coming period, both between Member States and within Member States, follows a common framework with common objectives, but also provides flexibility in terms of time and allocation so that the evolution of these changes will be smooth and reflect the objective of investing in the future of EU agriculture in all its richness and diversity. There is a transition period until 2020 and a degree of security that no other sector enjoys. I might also just remind you of the talk of cutting the CAP budget by one third that was circulating in the corridors when I arrived in Brussels.

The new CAP puts the individual farmer at the heart of the policy, giving him the tools and the means to design his future within the food supply chain – no longer a mere spectator often without any power to respond to changes on the market which he is part of. As well as the changes to Direct Payments, the added flexibility of the new Rural Development rules provide a number of new options for farmers to add to the existing measures, varying from working more closely together and establishing short supply chains, to better embracing innovation, and establishing risk management schemes. On market measures, the reform

modernises the toolbox, but maintains the safety net, providing a more efficient, more flexible response if there is a market crisis.

With Greening, we have managed to introduce the clear link between Direct Payments and the provision of environmental benefits to society. For me, this is a key change which is vital for the long-term acceptance of the CAP. The primary role of farmers will always be to produce food, but it is important that citizens and taxpayers also recognise the wider environmental benefits that farmers provide for society.

A further challenge which we have addressed is the question of generational renewal. We have a vibrant sector with a CAP which invests in its future – through a compulsory top-up for young farmers through the first pillar complementing the investment and innovation support available through the 2nd Pillar.

Although we have a political accord, there remains a certain amount of work to be done, such as finalising the implementing rules. Member States must also take decisions on how they want to apply some of the rules. On this point, I can assure that the Commission will continue to keep a vigilant eye to ensure that Member States implementation is done in the spirit of the reform's objectives and in a way that is not overcomplicated.

In these circumstances I realised several months ago that not all of the elements would be in place and applicable from the start of next year. This is why the Council is currently discussing transitional rules which mean that many of the new elements for Direct Payments (such as the Greening and the elements of internal convergence) will only apply from 2015 onwards. Similarly, we are looking to ensure that certain "annual" Rural Development schemes will not be interrupted, while the new programmes for 2014-2020 are being prepared.

Now, with the main political decisions having been taken – and Member States now needing to play their role in implementing these changes – I hope that farmers around the EU will soon have the clarity that they deserve so that they can properly plan for the years ahead.

Cogeca President Christian Pees regrets lack of ambition in CAP Reform Package

With other countries stepping up their support for agriculture, Cogeca President Christian Pees regretted in an interview the lack of ambition in the deal struck on the future Common Agricultural Policy (CAP) this Summer.

He nevertheless welcomed the fact that a legislative package was agreed by chief negotiators from the EU Commission, Council and Parliament to end the uncertainty facing farmers and agri-cooperatives and to let them get on with their investment plans.

After 3 years of negotiations, it's a laudible effort, he insisted. The agreement is also an improvement on the original proposals, being more practical and flexible to apply. But he warned that the package lacks ambition and dynamism. And he doubted it would be enough to meet competition on international markets or future challenges, especially with food demand expected to grow by 70% by 2050 and market volatility on the increase.

"Many other countries like China and the United States are increasing their support for the farm sector whilst EU farmers are faced with support cuts of over 30% in some regions. Next year, China will get more support per head than the EU does", he stressed.

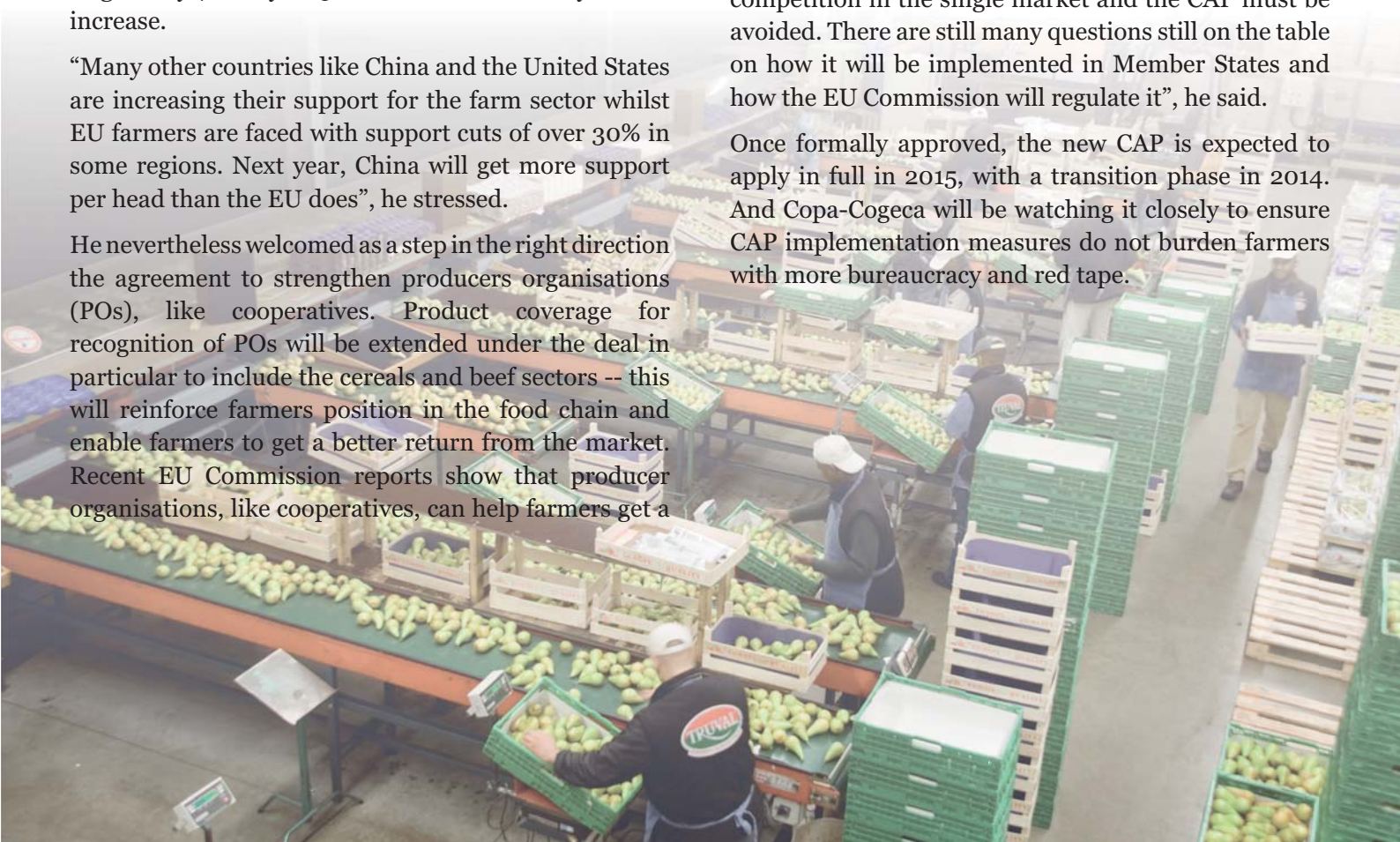
He nevertheless welcomed as a step in the right direction the agreement to strengthen producers organisations (POs), like cooperatives. Product coverage for recognition of POs will be extended under the deal in particular to include the cereals and beef sectors -- this will reinforce farmers position in the food chain and enable farmers to get a better return from the market. Recent EU Commission reports show that producer organisations, like cooperatives, can help farmers get a



better price for their produce. He also said introduction of the new EU regulatory system in the wine sector is a step in the right direction compared to the political decision made in 2008 to end the current system of planting rights which worked well in ensuring the high quality and wide diversity of European wines.

But he insisted that more efficient measures to manage the market to reduce extreme volatility on agricultural markets are also needed. Measures should be there before a crisis emerges like for example in the olive oil sector there should be stocks in place. He was also disappointed that more was not done to ensure green growth: measures which benefit the environment at the same time as maintaining production capacity, resource efficiency and employment. "In addition, distortions of competition in the single market and the CAP must be avoided. There are still many questions still on the table on how it will be implemented in Member States and how the EU Commission will regulate it", he said.

Once formally approved, the new CAP is expected to apply in full in 2015, with a transition phase in 2014. And Copa-Cogeca will be watching it closely to ensure CAP implementation measures do not burden farmers with more bureaucracy and red tape.





Copa-Cogeca Recommendations on future of EU dairy policy post-2015 presented

Faced with the phasing out of EU milk quotas in 2015, Chairman of Copa-Cogeca Milk Working Party Mansel Raymond presented the Working Party's reflections on the future of EU Dairy Policy post 2015 in an interview. The debate in the EU Council and European Parliament has proved that both institutions acknowledge that dairy quotas will be gone after 2015.

Outlining the situation, Mr Raymond said the medium term market situation looks favourable as a result of the continuing expansion of world demand which is driven by the increasing global population. "The demand is there. We have 700,000 milk producers in the EU which are important to the rural economies of the EU. I want a successful, profitably dairy industry", he insisted.

But milk producers are confronted with major challenges and uncertainties like bad weather conditions, extreme market volatility, high production costs. Northern member states were particularly affected by severe weather conditions this year, with serious floods. In order to cope with the challenges ahead and benefit from the opportunities which will arise, milk producers need to be able to avoid extreme volatility, need a better income and need the right conditions in place for optimum milk production across the EU.

To achieve this, he presented a series of possible measures. These include making use of already existing tools with priority given to market measures like public intervention, private storage; export refunds could be an option in times of crisis. There could also be an increase in intervention buying-in levels. The modernization of dairy cooperatives in rural areas should also be encouraged and facilitated. Other tools being considered include futures markets to take some volatility out of the market and insurance systems. An income stabilization tool under the future CAP has been introduced and a margins

insurance scheme could be investigated in order to help farmers managing the multiple risks.

In addition, priority should be given to the EU milk package which aims to strengthen contractual relations between farmers and processors and improve farmers' position, enabling them to get a better price for their milk. This is important with producers up against the huge buying power of a few retailers. It has been implemented on a voluntary basis in UK, Belgium, Denmark, Estonia, Germany, Austria, Ireland, Netherlands, Poland and on a compulsory basis in France, Spain, Hungary, Lithuania, Latvia, Portugal, Slovakia, Italy Romania and Bulgaria. A fair supply chain is important and retailers must act more responsibly towards milk producers.

The EU School Milk Scheme can also be beneficial in promoting dairy products and encouraging health eating habits at an early age but red tape needs to be reduced. Investments in productivity and competitiveness needs to be promoted, encouraged and supported at farm level. Those farmers who try to reduce their production costs by innovative techniques should be financially supported by the Rural Development Programme, he added. Support for Less Favoured Areas (LFAs) needs to be kept and additional support needs to be looked at, he said. Also the possibility of granting coupled support already exists and support for special quality schemes and promotion of mountain milk as a specific brand could be looked at. There could be better targeted agri-environmental payments to producers in mountainous areas and support for milk collection costs in mountainous areas, he concluded.

These recommendations are being presented at the EU Commission Conference where results of the Commission study on future developments in the milk sector after 2015 are being discussed.





Copa-Cogeca regrets EU move to withdraw new measure to ban refillable bottles of olive oil and urges EU Commission to move ahead with implementing action plan

Copa-Cogeca seriously regretted the EU move to withdraw a much needed measure to improve the labelling and quality of EU olive oil - the measure was crucial for producer countries and to ensure a good quality product for consumers.

In an interview, Chairman of Copa-Cogecas' Olive Oil Working Party Rafael Sanchez de Puerta said "The measure was very simple and aimed to better inform consumers of the quality and to improve the safety of the product and to make sure that they know what they are getting. The measure forbid restaurants from putting refillable bottles on restaurant tables and ensured that bottles are properly labelled. Dipping bowls would still be allowed as long as they were accompanied by a properly labelled bottle. This would help to preserve the image of olive oil. The measure has been in force in Portugal for several years. Cost increases from the measure were negligible and no excuse to not go ahead with it".

He continued "It represented a positive first step in the implementation of the EU Commission's Action Plan to improve the viability, quality and competitiveness of the EU Olive Oil Sector – a product which has many nutritional and health benefits with a high level of antioxidative substances. This measure was discussed for over a year and was supported by 15 Member States and passed through all the correct legal procedures. I was surprised to see the negative reaction from some media and see the measure withdrawn. Especially when similar actions are being carried out in other sectors, like giving consumers more details on the origin of their products. I think it wasn't explained well enough to consumers. We will hold events and actions and prepare clear brochures to help people to understand it better. I hope the Commission revises its decision. But I would like to thank Commissioner Ciolos and DG Agriculture services for the work done and urge the Commission to continue implementing other measures included in the Olive Oil Action Plan which are also very important and benefit both producers and consumers". In addition, promotion measures must be enhanced and focus on promoting the healthy and nutritional qualities of olive oil.





Copa-Cogeca Launches Farming Counts Campaign and Competition

Outside EU Farm Ministers meeting in May, Copa-Cogeca launched its new “Farming Counts” campaign and a competition, distributing leaflets and tomatoes highlighting our demands on the new CAP and the importance of farming and cooperatives to meet growing food demand. Agriculture is vital not only to meet increasing world food demand set to rise by 70% by 2050, but also to ensure jobs for 26 million people mostly in rural areas and care for the environment.

The campaign was launched in metro stations, social media and Copa-Cogeca's website. On twitter, you find us under #votefarming . Posters were set up at Schuman, Gare du Midi, Gare Centrale and Merode. Praising the move, European Commissioner Dacian Cioloș told Ministers in May that the tomatoes would provide energy to reach a CAP deal. He was right! . Prizes are set to be presented to winners at a cocktail reception in European Parliament on September 16 at 18.30 -20.30. Come and join us!



Enter our competition on the CAP at www.copa-cogeca.eu – the competition lasts from 13.5.13-15.09.13. Great prizes are to be had including a trip to Portugal and amazing hampers of quality food and wine. Prizes will be presented to winners at the cocktail reception. Copa and Cogeca Presidents will also share their thoughts on the future of European Agriculture.



Copa-Cogeca Cereal Working Party Chairman outlines upcoming challenges and presents EU-27 Cereals estimates for 2013/4

Up against extreme weather conditions this year, Chairman of Copa-Cogecas Max Schulman outlined in an interview the major challenges facing EU grain farmers. He also presented Copa-Cogecas' EU-27 grain harvest results this year, showing EU cereal production to be quite stable reaching 286.6 million tonnes, despite the catastrophic weather conditions. But the harvest is expected to be delayed due to the poor conditions which could cause serious supply shortages for a limited period. Also there are serious uncertainties about the quality of the crop and yield due to the adverse weather conditions during the whole cropping period.

Max Schulman from Finland stressed "The figures show that EU-27 grain production is expected to climb by 4.6% to 286.6 mt from 274 mt whilst soft wheat production will rise by 3.2% and barley production 4.4% . But sowing conditions were very difficult this year which might affect yields and possibly the quality of the crops . Many of our members complained of poor weather conditions like floods and drought". He pointed out that it gets more and more difficult to predict the weather patterns. ".EU farmers also have faced two consecutive years with a lack of available certified seed varieties. This limits them to choose the right variety to respond to market demand. More flexibility in the farm saved regulation will be needed so that emergency measures can be introduced", he stressed.



The newly agreed CAP reform will also be a big challenge, he said, with aid payment cuts of up to 30% in some regions expected. The biggest challenge will be from measures to further green the CAP, he added. To avoid cuts in production and to prevent productive land being taken out of production, we need implementing measures which take into consideration the reality of farming activities, he said.

In these uncertain conditions, financial markets are becoming more and more important . He welcomed the compromise agreement reached on the EU Commission proposal for futures markets and regulation of the agri-commodities futures markets (Mifid). Farmers need tools to help hedge against risks on volatile markets. It is a good move forward with Matif, a financial market place, but it is still not sufficient to deal with the fast developments on the cereals market and we still need additional delivery points for disposing of grain .

New EU27 oilseeds estimates for the 2013/4 marketing year have also been released by Copa-Cogeca showing a good EU-27 oilseeds harvest this year, despite the adverse weather conditions, with production rising by 5.8% on last years levels to reach 29.5 million tonnes in 2013/4. This shows the hardiness of the crop and its capability to survive adverse weather conditions. There should be a balanced market this year which is crucial for livestock industry as it provides a good source of protein in feed.

But Max Schulman expressed major concerns about the input and about the increasing number of bans on active substances in crop protection. In particular, he was seriously worried about the partial ban on the use of 3 neonicotinoids (clothianidin, imidacloprid and thiametoxam) for seed treatment. EU farmers are facing less and less comprehensive tools to fight against pest and disease which increases significantly their production cost. The partial ban is expected to have a severe impact on crop production, especially rapeseed with a potential drop of up to 30% foreseen for the next harvest. There are also no alternative treatments widely available at EU level and Copa-Cogeca is desperately looking for effective alternative treatments at EU level. "It's a big hit for the protein sector, especially as supplies are scarce on the world market The EU farming community will actively participate in the on-going discussions on the review in 2 years", he insisted. The UK bee association has attacked the planned restrictions warning the alternative solutions are worse. "It's a serious concern for bees as with less production there will be less food for bees. It's a tremendous hit for this business", he said.

Wrapping up, Max Schulman said market forecasts show opportunities exist for the future, with demand expected to rise. "We have quality EU exports and people are starting to invest more. There will be 9-10 billion people to feed by 2050. Research into new varieties needs to be stepped up and tools need to be improved to meet this growing demand", he concluded.

Copa-Cogeca 2013 agriculture barometer shows concern amongst farmers about decreasing levels of public support

With farmers aid payments set to drop in some Member States as a result of CAP reform, it is not surprising that many farmers were concerned about future levels of public support under the CAP in Copa-Cogeca Spring 2013 agriculture barometer. Fears were also raised about increasing levels of bureaucracy and red tape under the Common Agriculture Policy (CAP).

The Copa-Cogeca confidence index is calculated in spring and autumn each year on the basis of the results of national surveys from ten countries concerning how farmers assess the current and expected economic situation of their farms. The surveys are carried out in Belgium (Flanders), Germany, France, Italy, Hungary, the Netherlands, Poland, Romania, Sweden and the United Kingdom.

The results show that there is widespread uncertainty and concern about future levels of public support for agriculture. In the Netherlands, Dutch farmers were also worried about upcoming changes to the CAP. Whilst German farmers, when asked, had a negative view on the high levels of bureaucracy, red tape and costly rules and obligations under the CAP. The barometer nevertheless showed that confidence amongst farmers in the agriculture sector is in general up a bit compared to six months ago, notably in Belgium, Germany, the Netherlands, Poland,

Hungary, Romania. This is due to slightly better farm gate prices and slightly lower production costs compared to six months ago. High input costs are nevertheless still a major cause for concern for most farmers as well as the bad weather conditions seen recently, the barometer shows. In the UK and Sweden, the negative mood continued to prevail amongst farmers, especially over high feed costs. In France, confidence levels declined and there were great concerns in particular about high input costs in the livestock sector. The renewed optimism in some countries should nevertheless help to re-launch investments in the sector.

Reacting to the results, Peter Pascher, co-initiator of the barometer at Copa-Cogeca, said “The barometer is a useful indicator as it gives us information about the current situation on farms, farmers feelings and expectations about the future in different sectors and countries. It’s a very useful instrument in support our policy. For example, it demonstrates for policy makers the urgent need for CAP simplification – something which Copa-Cogeca has long been asking for. It’s also good that so many countries are joining us and I urge others to join to this great Copa-Cogeca project. The instrument is widely used and sought after by politicians and decision-makers in my country Germany, for example”, he concluded.



At Green Week conference, Copa-Cogeca showcases innovative agriculture projects to ensure cleaner air for all

In the wake of the upcoming review of EU air quality policy, Copa-Cogeca outlined at this year's Green Week Conference examples of good projects from the EU agriculture sector to help mitigate emissions and ensure clean air for all.

The Green Week Conference organised by the EU Commission was held at the Egg conference Centre in Brussels from 4-7 June. Air quality has already been improved over the last decades but the Conference looked at new ways to improve on this. Over half of EU land is farmed. Agriculture and the Environment are inextricably linked. Sustainable agriculture is a priority for Copa-Cogeca and for the EU as a whole. Experts from Copa-Cogeca and its member organisations consequently outlined current and new initiatives to ensure clean air for all.

Speaking at the event, Chief Environment Advisor from the National Farmers Union of England and Wales Diane Mitchell outlined examples of good projects and initiatives from across the EU that agriculture is undertaking to mitigate ammonia and methane emissions to air. These largely focus on manure management.

In view of the proposal on EU air policy due out later this year, and the ambitious ammonia reduction targets that the Commission wants to tighten under the National Emission Ceiling (NEC) directive, Diane Mitchell stressed that "There are already a great diversity of very good initiatives and actions being undertaken across the EU – a number of the projects presented today serve to improve water quality but also these will help to mitigate the above mentioned emissions. We need to recognise the important synergies between air policy and other policies, such as climate change. We also need to ensure that the reductions in emissions that are taking place are acknowledged by society and especially by the European Commission". Diane Mitchell also insisted that the biggest challenge to us all over the next few years will be to find ways in which farming can continue to produce high quality food and protect the environment. "The number of schemes and initiatives demonstrate the willingness for agriculture to take on the responsibility for improvements but we also need a supportive mix of research and development, promotion and development of new technologies and advice".



Specific examples of good manure projects from MTK Finland which decrease ammonia volatilization were presented at the Conference. Project Grignon Energie Positive from Coop de France which tests and evaluates technical options to reduce energy consumption and the greenhouse gas emissions of farms was also displayed at the stand. Eric Guillemot from Coop de France presented domestic projects based on fossil fuel substitution by biomass in the dried fodder sector. The French Chambers of Agriculture (APCA) displayed an energy diagnostic tool "ClimAgri". From Spain and France, the agri-cooperatives displayed a project to extend the best available practices for the evaluation of the energy situation and for the adoption of improving measures amongst the European SMEs on the agro-food sector, called TESLA. The Spanish Agri-cooperatives also showed the project CLIMA which aims at transforming the Spanish productive system into a low-carbon model. A GreenCow Project was showcased by the NFU which reduces methane emissions from cattle. The NFU also presented a project to resolve odour pollution issues attributed to pig and poultry farms. A sustainable management project by the Belgian Farm Organisation FWA to protect waters and reduce nitrogen and ammonia volatilisation was also presented. The Swedish Farm Organisation LRF presented a project concerning manure management. For Further details, see Copa-Cogeca website www.copa-cogeca.eu



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Priorities on agriculture under the Lithuanian Presidency outlined



After Lithuania took over the EU Council Presidency on July 1, Lithuanian Agriculture Minister Vigilius Jukna outlined his priorities for a sustainable development of the EU agriculture, fisheries and forestry sectors. These include above all making headway on CAP reform transitional and implementing rules after a political agreement was struck by chief negotiators from the three EU institutions in June.

Speaking in Brussels, Vigilius Jukna said he was delighted a deal had been reached after over 40 trialogue meetings between the three EU institutions. "This shows a lot can be achieved when there is a political will", he insisted. Some outstanding issues nevertheless still need to be finalised like imposing a limit on the amount of aid large farmers get; transferring payments between the 2 pillars of the CAP (15% from 1st to second pillar and 15 or 25% from 2nd to 1st pillar); external convergence; degressivity of aid payments. This is being dealt with in the framework of further CAP trialogue talks in September. Copa-Cogeca opposes any capping of direct aid payments as well as transfers from the first to the second pillar.

The CAP transitional arrangements need to be agreed under the EU co-decision procedure by the end of the year, so that the new CAP can apply in full by 2015. The EU Commission proposals provide transitional arrangements in 2014 for CAP rules, including the system of direct payments and rural development policy. This would mean that existing rules for the Single Payment Scheme, the SAPS (Single Area Payment Scheme) system and payments targeted under "Article 68" will continue in the 2014 claim year. New rules, for example those relating to measures to further green the CAP, would not apply until the start of 2015, thereby allowing the paying agencies more time to prepare for these changes. MEP Albert Dess has been appointed as rapporteur for CAP transitional measures for 2014.

The Commission is also set to release a Communication on the EU forestry strategy later this year and the Presidency intends to adopt conclusions on this. In addition, the Presidency aims to make progress on the EU Commission package designed to strengthen animal and plant health, seeds and safety measures in Europe and also official controls in food, feed, animal health and welfare and plant health. The Minister said they attach great significance to animal welfare issues and will hold a Conference on this. Priorities also include making headway on the bilateral trade liberalising negotiations.

Copa-Cogeca has approved a preliminary position on the planned trade liberalising talks between the EU and US, cautiously welcoming it, and seeing both opportunities and challenges to be had from the planned agreement. The US is a major trading partner of the EU and the US is the second biggest client for EU agri exports, especially for wine, cheeses and olive oil for which the deal could be beneficial. It could also benefit the dairy and processed meat sector. The most sensitive sector will be the meat sector – beef, poultry pork. Copa-Cogeca will further analyse the impact on the sector. Copa-Cogeca will also be pressing for recognition of quality products. For wine, there will be an opportunity to implement the second phase of the EU-US agreement on wine. This second phase includes the recognition of Geographical Indications and the use of semi-generic, oenological practices.



European Crop Protection

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UP TO **70%**

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MORE CROP PER DROP

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