

Manifesto

for the European Parliament Elections 2014

In the run up to the European Parliament elections in May 2014, Copa-Cogeca has launched a 2014 Elections Manifesto outlining priorities for the EU agriculture sector in the years ahead. These include:

- A strong EU agriculture sector for growth and jobs, economy and society
- International trade agreements that respect high EU production standards
- Better income from the market for farmers
- Combating climate change and diversifying energy supply
- Creating new business opportunities for rural areas
- Making the EU Common Agricultural Policy a success

Strong EU Agriculture Sector Crucial for Growth and Jobs, Economy and Society

Copa-Cogeca calls on European Parliament to maximise the huge potential of the European agriculture, forestry, aquaculture and fisheries sectors. They are good for the economy, for the environment, for growth and employment especially in EU rural areas and ensure quality food supplies for consumers across the world.

The EU's agri-food chain is in fact the biggest economic sector, creating growth and jobs and employing over 40 million people from the input industries to farming, processing, marketing and sales which has knock-on effects on other sectors. It helps member states to overcome the current economic crisis. At the same time, it provides annual EU-28 production worth over 400 billion euros. Family farms and agri-cooperatives play a crucial role, being the driver of rural economies, and producing quality food which respects high animal welfare and environmental standards.

The Common Agricultural Policy (CAP) played and is still playing a major role in the construction of Europe, being the only common policy, at a cost of less than 1% of EU government's total public expenditure. Consumers spend only 15% of their incomes on average on food. Despite this, CAP food is still treated differently in Member States for instance through different VAT levels. Without the CAP, there would be 28 separate agriculture policies in the 28 member states which would cost governments far more than the CAP does. The EU agriculture sector also plays a major role in combating climate change.

With world food demand expected to climb by 60% by 2050, and resources scarce, Copa-Cogeca therefore urges candidates in the European Parliament elections to campaign for the maintenance of a European agriculture sector that is:

- sustainable,
- competitive,
- resource efficient.

To achieve this, investment in the sector must be stepped up significantly, research and innovation encouraged. The food chain also needs to work better to enable farmers to get a better return from the market. In addition, fair and balanced bilateral free trade agreements are crucial.

Copa-Cogecas' demands are outlined below in more detail.

EU Trade Policy: International Agreements must Respect High EU Production Standards

Europe exports each year agriculture produce worth 114 billion euros, two thirds of which are processed agricultural products. Copa-Cogeca therefore calls on MEPs to ensure that trade agreements are fair and balanced, and recognize the EU's high production standards. European farmers and cooperatives would prefer a multilateral trade framework under the World Trade Organisation 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. A global deal must take into account consumer demands.

In the case of the upcoming bilateral EU/US free trade talks, Copa-Cogeca believes that there is potential for growth on both sides of the Atlantic. The US is our biggest market for high quality agricultural products. We are seeing positive market trends for wine, cheese processed meat in particular. Copa-Cogeca estimates that three quarters of the gains from a free trade deal with the US would come from lifting non-tariff trade barriers and red tape. This needs to be addressed. For example, last year the EU authorised the use of lactic acid in bovine carcass treatment. In return, we called for EU beef to enter the US market as soon as possible to show commitment from the US side too.

Copa-Cogeca also calls for EU production standards to be respected in all bilateral negotiations. In particular, the use of hormones and other growth promoters in

meat production and the chlorination of chicken is not allowed in the EU by law. Imports to the EU must comply with these standards. The EU system of geographical indications (GIs) which protects European quality produce like speciality wines from imitations must also be acknowledged and legal certainty must be developed worldwide. For producers of some EU regions and sectors, this is crucial for keeping the value added at farm level. Copa-Cogeca consequently urges MEPs to ensure that non-tariff barriers are tackled, red tape minimized, regulatory convergence ensured where possible and EU production standards respected.

The most sensitive EU sector will meanwhile be the meat sector. It has been classified as sensitive in the EU Commissions' initial offer to the US on market access. But in view of the different bilateral negotiations, the classification of sensitive products is no longer sufficient to take into account the specificity of the sectors. We therefore urge MEPs to follow closely the tariff rate quota management in order to avoid failure in the EU markets. The US offer on market access must also be improved significantly.

In addition, the EU is pursuing a series of other bilateral trade agreements in which the EU has offensive interests like with Japan. In the case of the EU neighbourhood policy, the European Union should seek to strength the role of family farming. Copa-Cogeca believes this priority should be reflected in our relations with Euro-Mediterranean countries and also with Ukraine.

Better Functioning Food chain: Farmers must get more income from the market

The impact of unfair and abusive trading practices on the farming sector is all too clear. Copa-Cogeca urges the European Institutions and in particular the European Parliament to ensure that clear and tangible steps are taken to curb unfair and abusive practices in the EU food chain to the benefit of everyone, including consumers. We need a system where voluntary codes of good practice are backed up by legislation and proper enforcement mechanisms. The anonymity of complainants and the application of sanctions in case of breach by an Ombudsman/adjudicator are necessary parts of the system. We are convinced that the voluntary initiative recently launched will not deliver. The sanctions are not strong and deterrent enough to prevent abusive practices. Some Member States have already introduced legislation as self-regulation did not work when confronted with the huge power of a handful of retailers.

To strengthen farmers positioning in the food chain, Copa-Cogeca calls on MEPs to encourage the development of agri-cooperatives. This will ensure a better distribution of the value added along the food chain. Studies have shown that agri-cooperatives play a vital role in helping farmers to get a better share of the value added in the food chain and in strengthening their bargaining power. Continuous investment and innovation is consequently needed to add value to produce and improve the effectiveness and competitiveness of agri-cooperatives to give farmers a better return.

Farmers contribute to combating climate change and diversifying energy supply:

Farmers make a serious contribution to combating climate change as they are seeing the effects of it more and more, experiencing changing harvest times, early or late frosts, fires, flooding and drought. Early adaptation to climate change is therefore crucial for the farms' viability. At the same time, farmers are cutting emissions both on and off the farm through sustainable management practices on farm, as well as through a more efficient use of crops, straw, manure and other residues for renewable energy, solar heating and by providing electricity from wind power as well as for other sectors. The products from crops and livestock residues can also be used to produce biofuels and renewable industrial materials on-farm. This helps to reduce emissions in other sectors and reduce the EU's dependency on its fossil fuel supplies. Copa-Cogeca consequently urges MEPs to exercise caution in the EU Commission climate and energy proposal vis-à-vis the option to raise the greenhouse gas emission (GHG) reduction target to 40%, as this will increase the burden on the non-ETS sector which includes agriculture. Copa-Cogeca is convinced that the existing framework for non-ETS sector remains an appropriate tool to ensure that the agricultural sector can contribute to the non-CO2 emission reduction commitment. But the sector will not be able to maintain this pace in the coming years. Copa-Cogeca also warns that the Commissions' proposals for 2030 climate and energy policies lack ambition in terms of setting targets for renewable

energies. A GHG reduction target alone is not sufficient to achieve the EU climate change agenda. It must be coupled with targets on renewable energy resources (RES) implemented through national mandatory targets. Such a target for RES should include a specific sub-target on RES used in transport of more than at least 10% considering the development of renewable electricity and electric vehicles. Without national binding targets on RES, sub-targets on RES used in transport and ambitious reduction GHG targets in transport, energy from fossil fuels will be consumed instead of renewables, making the GHG reduction target more difficult to achieve. Scrapping support for sustainable first generation biofuels will consequently have a very negative impact on the commercial development of advanced biofuels. European biofuels must not be penalized by GHG emissions from indirect land use changes as long as the real impact remains impossible to assess due to the lack of mature science. Copa-Cogeca urges MEPs to ensure that this is addressed.

Agriculture, Forestry, Aquaculture, Fisheries: Boost Growth and Jobs and Create New business Opportunities: Innovation and Investment Crucial

The EU's agri-food chain employs over 40 million people from the input industries to farming, processing, marketing and sales which has knock-on effects on other sectors. Copa-Cogeca calls on MEPs to maximise the potential of the agriculture, forestry, aquaculture and fisheries

sectors, including the bio-economy, in providing additional sources of income for farmers and creating new business opportunities.

Over 77% of the EU's territory is classified as rural. Forests and other wooded land cover over 40% of the EU area and are a key driver for growth and employment in EU rural areas at the same time as protecting eco-systems. The new EU Forest Strategy recognises the vital contribution the forest sector makes to the Europe 2020 Strategy and promotes opportunities to further develop the bio-economy. The competitiveness of forests therefore needs to be enhanced and the contribution forests make to the rural economy should be highlighted in future legislative proposals. The multifunctional role must also be promoted. Copa-Cogeca urges MEPs to ensure this.

Renewable energy like biofuels, the bio-economy, aquaculture, fish farming have enormous potential to help boost growth and jobs. The case for using biofuels is strong. They are beneficial in terms of reducing oil dependency and greenhouse gas emissions, stabilising commodity markets, boosting employment in rural areas and ensuring vital animal feed supplies. To maximise the potential, farmers need the best possible tools and modern technologies available to them. Integrated pest management only works if farmers have access to a full tool box which includes mechanical, chemical and biological means. Availability of safe plant protection products is particularly important for minor uses and speciality crops.

Fish is also a valuable source of high quality protein in both food and feed. Investment in these sectors must be stepped up, biofuel use encouraged and research and innovation boosted.

The Future Common Agricultural Policy (CAP): Making it a Success

Copa-Cogeca urges candidates to include our demands in their campaigns and ensure that there is a sustainable, competitive EU agriculture sector in the future that farmers are proud to be a part of.

In view of these many benefits of the EU agriculture, forestry, aquaculture and fisheries sectors, Copa-Cogeca urges MEPs to ensure that they are viable in the years to come, capable of meeting future demand. A good budget is crucial to ensure this.

It will be crucial to examine the additional bureaucracy and red tape emerging from the new CAP reform. Bureaucracy and red tape under the CAP must be minimised as it has been found in Copa-Cogeca barometer surveys to be a key concern amongst farmers and agri-cooperatives. Copa-Cogeca also urges MEPs to give priority to implementation of the new CAP. The reform should also ensure effective implementation of the measures which extend the policy for producer organisations, like cooperatives, to cover all sectors. Investment must be stepped up and research and innovation boosted, including for example research into new crop varieties, sustainable farming practices and cooperation models to meet growing demand and to make best use of scarce resources. We need measures in the future which benefit the environment at the same time as maintaining production capacity, efficiency and employment.

European Parliament Elections are set to take place on 22-25 May with the first plenary of the new Parliament on 1-3 July. From July-September, there will be the formation of the new college of European Commissioners and in October, Parliament will confirm the new college of Commissioners, which takes office on 1 November.

