

Weekly Newsflash

A weekly newsletter to the member organisations of Copa-Cogeca
6.7.18

PUB(18)5295:1

Copa and Cogeca revise EU grain forecasts downwards and underline difficult market situation

Copa and Cogeca released this week new estimates for this year's EU grain harvest, forecasting a 6% drop in EU cereal and oilseeds production, due to extreme weather conditions.

Copa and Cogeca Cereals Working Party Chairman Max Schulman said "Farmers in some Central European and Northern countries -Estonia, Latvia, Lithuania, Denmark, Sweden, Poland, Germany and Finland - have been hit by severe drought, which is reaching catastrophic proportions. Whilst some southern countries(Iberian Peninsula, Italy, France) have been experiencing floods. We consequently expect about 6% drop in the EU cereals harvest compared to 2017, totalling 273.8 million tonnes. For soft wheat, a 2.2 % cut in the area is predicted as prices remain below production costs and farmers continue to be hit by the cost-price squeeze", Schulman added.

Copa and Cogeca Oilseeds Working Party Chairman Arnaud Rousseau went on to warn of the estimated 6% drop in EU oilseeds production (2 million tonnes less), compared to last year, reaching 31.5 mt. "We are also concerned about the substitution of EU crop-based biofuels by palm oil and biodiesel imports. EU crop-based biofuels which generate a protein-rich co-product for use in animal feed must be promoted against palm oil in the EU. In addition, we call on the Commission to implement urgently the countervailing duty on biodiesel imports originating from Argentina". For protein crops, a 5% (100,000 hectares) cut in the EU-28 area compared to 2017 is due to the ban on the use of plant protection products (PPPs) in Ecological Focus Areas (EFAs) which we are very disappointed about. The production of protein crops is expected to be about 1 million tonnes less", Rousseau added. To support farmers suffering of extreme climatic adverse effects, Copa and Cogeca are consequently requesting an advance payment from the EU Commission to help farmers stay afloat. Copa and Cogeca call on the Member States to fully implement tools dealing with climatic risks. **Media response:** wide coverage in top press agencies and media across Europe.

International Day of Cooperatives: sustainable production at the heart of agri-cooperatives

Together with EU Farm Commissioner Phil Hogan and MEPs, the European Agri-Cooperative Organisation Cogeca celebrate the United Nations International Day of Cooperatives and underline the key role they play in ensuring sustainable production.

Cogeca President Thomas Magnusson said "Agri-cooperatives play a major role in enabling farmers – their members – to pool their resources, market their produce and add value to it whilst anticipating consumers' needs. We place people at the heart of our actions and serve the needs of our farmer members, enabling them to get a better return for their produce at the same time as creating vital job opportunities in the rural areas". The slogan of the United Nations 2018 International Day of Cooperatives on July 7 is "Sustainable society through cooperation"

which gives an opportunity to show how agricultural cooperatives run successful businesses, pool farmers assets for common goals, whilst respecting the environment and natural resources.

EU Agriculture Commissioner Phil Hogan said “Cooperatives are the lifeblood of the EU agri-food sector and they provide our farmers with greater strength and security through working together. By implementing the cooperative principles and placing sustainability at the core of their activities, agri-cooperatives enable their farmer-members to work together, in ways that increase the value of their production and optimise the use of resources and reduce energy demand”. “Today's celebrations remind us that cooperatives deserve to be supported in their development and protected in their commercial relations with other operators. It is crucial to allow cooperatives to develop further, so that their members can have access to tools needed for sustainable, resilient and innovative agriculture,” **Chairman of European Parliament's Agriculture Committee** MEP Czeslaw Siekierski stressed.

Water re-use and smart farming key ways to improve water quality and to save on water resources

Copa and Cogeca underlined this week the great strides European farmers and cooperatives have made in improving the quality of Europe's freshwater at a launch event for the European Environment Agency “State of Water” report 2018.

The report shows that thanks to implementation of European water legislation in the Member States, the quality of Europe's freshwater is constantly improving, but work remains to be done. Speaking at the event, Chairman of Copa and Cogeca's Environment Working Party Niels Peter Norring said “Significant environmental progress has been made by EU farmers and cooperatives in the last decade, as a result of the tough environmental rules in place under the **Common Agricultural Policy (CAP)**. The farming sector will continue to contribute to using water more sustainably. One of the main priorities under the future CAP is tackling environmental issues”. “In this context, **precision farming** is playing a vital role. Through smart farming, we will be able to manage natural resources more efficiently and minimize the environmental impact. For this, training and advisory services as well as knowledge exchange and financial incentives need to be strengthened. Water storage and **water re-use** are also important strategies to reduce the amount of freshwater we use and to further improve on-farm water use efficiency”, added Norring.

Copa and Cogeca welcome EU Council conclusions against unjustified attacks on Common Agricultural Policy (CAP) Copa and Cogeca has issued a statement supporting conclusions by heads of state and governments in Brussels opposing any protectionist moves which call into question the Common Agricultural Policy (CAP). Speaking in Brussels, Copa and Cogeca Secretary-General Pekka Pesonen said “It is very good news that heads of state and governments have taken united action against any unjustified moves against the CAP which is clearly a result of protectionism in trade”. The action was initiated after the U.S. Department of Commerce decided to impose anti-subsidy and anti-dumping duties on Spanish table olive imports. The CAP is non-trade distorting under WTO rules and it is consequently unacceptable to impose such duties. We welcome the support of the EU Commission and heads of state on this”, Pesonen stressed.

EU sugar observatory: Faced with high global stocks, low prices and bad weather conditions, the difficult situation was discussed at the EU sugar observatory meeting this week. Farm unions and coops across the EU also complained of the difficult situation on the sugar market at their praesidia meeting and are looking at action.

Austrian Presidency outlines priorities: Future CAP, budget, UTPs

Top priority for the Austrian Presidency is to make progress on the EU Commission proposal on the **future CAP and EU budget post 2020** as well as the proposal to **tackle unfair trading practices (UTPs)** in the food chain after they took over the EU Council Presidency on July 1. Faced with a very challenging timetable, the Austrian Presidency will debate simplification of the CAP at their next meeting on July 16, with the aim of having a general approach or partial general approach by December. It will also be debated at Ministers informal meeting on September 23-25. Ministers have been quite critical of the proposal, with many warning that the new delivery model does not amount to simplification and many oppose the budget cuts. The Presidency also aims to conclude the proposal on **UTPS** and sees a willingness from MEPs and Ministers to do this. They will hold a conference on the bioeconomy as well as on the water framework directive. In November, there will be a conference on further developing **protein crops**. There will be a review of the EU forest strategy and they will continue work on legislation on veterinary medicinal products, medicated feed and the new Plant Health and Controls Regulation. **Copa and Cogeca** also underline that the EU Commission proposal on the future CAP must be improved significantly to ensure a viable sector and call for a real simplification of CAP rules. It

Details of the CAP proposal? The CAP proposal includes further moves towards internal and external convergence as well as up to 15% transfers between pillar I and II. It also includes compulsory capping of direct payments to farmers at 100,000 euro with cuts starting at 60,000 euro which Copa and Cogeca oppose. 40% of direct decoupled payments will focus on meeting environment and climate objectives. The top up for young farmers remains at 2% and start up support for young farmers will be increased to 100,000 euros. Voluntary Coupled Support (VCS) will be limited to 10% + 2% (for protein crops) of direct payments.

Upa year book presented to Hogan: The Spanish farm organisation UPA presented its yearbook to Farm Commissioner Hogan and MEP Clara Aguilara last week which features Copa and Cogecas views on the future CAP. UPA conveyed to the Commissioner its commitment to a more sustainable, environmentally friendly Europe with a strong and diversified economy, but also warned that a reduction in the budget of the CAP "does not seem to be the best way to achieve these objectives",



New edition of Copa and Cogecas Magazine focusing on future CAP and Budget out

Copa and Cogeca have released the next edition of our magazine focusing on the future CAP and EU budget as well as on Unfair trading Practices (UTPs) in the food chain, in view of the proposals on this. Check out the link here: <http://www.copa-cogeca.eu/Download.ashx?ID=1834991&fmt=pdf>

European farmers and cooperatives open their doors to the public in 2018:

Copa and Cogeca welcomed this week the launch of French farm open day, bringing consumers back in touch with agriculture and showing where their food comes from. Open farm and cooperatives days are taking place all across Europe

Copa and Cogeca Secretary-General Pekka Pesonen stressed “More and more, there are on-farm activities and farm open days across Europe, with farm schools and cooking workshops which provide closer contacts with citizens and enhance consumers’ connection with farming, food and rural areas. This successful initiative enables consumers, especially the young, to discover delicious new recipes and a healthy lifestyle. It shows the good farming and welfare practices our farmers meet. It also highlights the benefit to society at large of farmers and farmers cooperatives in preserving the countryside”. “Ahead of the EU Commission proposal on the future of food and farming out this week, this confirms the need for a strong Common Agricultural Policy (CAP), backed up by a strong EU budget”, Pesonen insisted.

Check out the agenda here to find a farm or cooperative near you to discover the multiple benefits of agriculture and to have a fun day out with the family:

July 22: Estonian FarmOpenDay <https://www.facebook.com/events/1753794027964630/>

September 16 2018: Farm open days in Flanders, Belgium by Boerenbond & Denmark (DAFC) www.boerenbond.be ; www.agricultureandfood.dk

Upcoming events

Summer Cocktail and Agri-Coops Pub Quizz: July 11

Cogeca are holding a Summer cocktail and agri-coop pub quiz to celebrate the 2018 International Day of Cooperatives on July 11 @17.30 h at Atelier 29, Rue Jacques de Lalaing 29, 1000 Brussels.

Euractiv event on future CAP: July 12

Together with the EU Commission, Copa and Cogeca Chief Policy Advisor Paulo Gouveia is taking part in Euractiv’s event on “Greening European agriculture: can the new CAP be really green?” on July 12 @12-14 h at Euractiv Office, 1 Boulevard Charlemagne 1, 1040 Brussels. Come and join us !

The protein crop deficit in the EU: Different perspectives for potential common solutions: July 16 @14.30 h

Copa and Cogeca are participating in a workshop looking at how to solve the protein crop deficit in the EU organized by the Farmers Scientists network and Asaja. We will present our European protein crop plan to encourage the production of oilseeds, protein crops and fodder legumes in the EU. We also support the EU Commission initiative to present a report on the EU protein crop strategy by the end of the year, underlining their clear environmental benefits in terms of reducing greenhouse gas emissions, benefiting biodiversity and improving soil quality.

Copa-Cogeca Congress in Austria

Together with our Austrian members LKO, Copa and Cogeca invite you to our next Congress in the beautiful area of Linz Austria at the Austrian Design Centre on October 10-12 to debate the future Common Agricultural Policy (CAP), enjoy farm visits and networking along the river Danube. Come and join us at the Congress and experience some great agri produce and regional specialities

TIMETABLE FOR FORTHCOMING MEETINGS, EVENTS

July 9-10: European Parliament Agriculture Committee

July 10: Copa-Cogeca participating in copper in agricultural Parliament event

July 10: Copa-Cogeca wine working party

July 11: Cogeca pub quizz

July 12: Copa and Cogeca participating in Euractiv event on new CAP

July 13: Weekly Pocc/ccc meeting

July 16: EU Farm Ministers meeting

July 16: Protein crop event

July 22 2018: Estonian FarmOpenDay

September 5: Galileo event

September 16 2018: Farm open days in Flanders, Belgium by Boerenbond & Denmark

(DAFC) www.boerenbond.be ; www.agricultureandfood.dk

September 23-25: EU Farm Ministers informal meeting focusing on Future CAP and Rural Development

October 10-12: Copa and Cogeca Congress