

Civil Dialogue Group Meeting
International Aspects of Agriculture
9 October 2024

Notes



Welcome to the *CIVIL DIALOGUE GROUP*

INTERNATIONAL ASPECTS OF AGRICULTURE
HYBRID Meeting
CCAB room 1.D

on 9 October 2024 from 09:30 to 17:30

Chair: Ms Agata GALINSKA, Head of Unit
DG AGRI G1 – Global Issues, WTO and relations
with ACP

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Agenda item	Speakers
1. Welcome participants / Adoption of agenda	Chair (AGRI G1)
2. EU agri-food trade developments	Mr Barthélémy Lanos (AGRI G1)
3. Strategic Dialogue on the future of EU agriculture, final report: relevance for agri-food trade	Ms Catherine Geslain-Lanéelle, AGRI A
Coffee break (11.15h-11.30h)	
4. Update on G7 and G20 Agriculture Ministerials	Mr Ádám Gerencsér (AGRI G1)
5. Update on bilateral relationships: Americas - Asia and Australasia - neighbourhood countries	Mr Luis Carazo Jimenez (AGRI G2), Mr Raimondo Serra (AGRI G3) and Mr Lionel Mesnildrey (AGRI G4)
Lunch break (13h-14.30h)	

Agenda item	Speakers
6. Deepening of the relationships between the EU and Ukraine under the 2014 Association Agreement in relation to sugar	Ms Marie-Christine Ribera, European Association of Sugar Manufacturers – CEFS
7. Mirror clauses and animal welfare: advantages and disadvantages	Ms Roxane Feller, AnimalhealthEurope
8. Mirror clauses in the agri-food sector: relationships with chemical pesticides and biocontrol	Ms Isabelle Pinzauti Babrzyński, International Biocontrol Manufacturers Association – IBMA
9. AOB and Conclusions	Chair (AGRI G1)

EU Agri-Food Trade Developments

Morocco:

- Morocco is an important trade partner for the EU, with a 2% decline in exports and a 3.3% increase in imports in the first semester of 2024.
- Exports of sheep and goat to Morocco increased, while vegetable oils saw a decline.
- Imports of olives, olive oil, and vegetables from Morocco increased significantly.
- Overall, exports to Morocco increased by 5% in 2024 compared to 2023, while imports decreased by 6%.
- More detailed analysis and figures can be provided upon request.
- Further investigation is needed to compare exports to production volumes.

Strategic Dialogue on the future of EU agriculture: Relevance for agri-food trade

Catherine Geslain-Lanéelle

- The trade section is crucial, underlining its significance for wealth generation in the food industry and European food security. It also addresses trade challenges and the impact on stakeholders, emphasising the potential to decrease dependencies and vulnerabilities.
- The discussion extends beyond trade to encompass the EU's role in international organisations like the UN and WTO. Rules-based multilateralism is stressed as vital, especially given the current global context.
- The focus is on gathering input for the future of trade and international activities, as well as developing a vision for agriculture and food in the next five years.
- Preparation is underway, involving various DGs and aiming to address regulatory measures, investments, and incentives to support sustainable agricultural transition.
- Trade will play a significant role in creating a fair playing field and promoting sustainability through bilateral agreements. The goal is to enhance policy consistency and align EU policies for the benefit of all stakeholders in the food chain.
- These aspects will be central in shaping the vision to be presented by the new Commission in February.

Comments by CELCAA:

- The discussion focused on the importance of coherence in trade policies and the need for alignment within Europe and with trading partners.
- The report highlighted the necessity of addressing structural challenges in sustainability standards and trade impact. It emphasised the interconnectedness of trade and sustainability, calling for global solutions and increased transparency. The issue of institutional coherence was also raised, particularly in the approach to export and import regulations.
- The debate on mirror clauses concluded that a set of conditions is essential for all parties involved. Moving forward, concepts like reciprocity and equivalence should be explored to enhance trade relations. The report acknowledged the complexity of the task at hand and the need to further develop ideas in the following months.
- Overall, the focus was on fostering a constructive approach to trade and sustainability, recognising the significance of finding common ground and implementing effective strategies.
- The report underscored the need for continued dialogue and collaboration to address the challenges ahead.

Update on G7 and G20 Agriculture Ministerials

- In 2024, there were significant developments in agricultural diplomacy, with busy ministerial meetings in both the G7 and G20 settings
- Italy, holding the G7 presidency, emphasised the importance of agriculture, highlighting key aspects such as quality products, food sovereignty, and safety standards.
- The G7 ministers adopted a communique covering topics like profitability, sustainability, and innovation in agriculture
- They also discussed issues like AI, generational renewal, and aquaculture
- The meeting included a youth hackathon, where young farmers presented recommendations
- In contrast, the G20 ministerial meeting, which included the African Union for the first time as a permanent member, faced challenges in reaching agreements due to differing interests among member countries
- However, a compromise was made at the ministerial level to focus on technicalities despite geopolitical tensions
- Looking ahead, Canada will host the next G7 presidency, while South Africa will hold the first African G20 presidency, focusing on African agriculture, food security, and capacity building
- These meetings serve as reference documents for the wider diplomatic community in agriculture, aiming to find solutions through collaboration regardless of political differences
- The EU actively involves African partners in these discussions to ensure diverse perspectives are considered in shaping the agenda for future meetings
- The G7 and G20 platforms seek to identify common ground and work together on shared objectives, emphasising multilateral cooperation for global agricultural development

Update on bilateral relationships:

Americas Luis Carazo Jimenez

- The American continent remains relevant for agri-food trade, with a modernised agreement with Chile set to enter into force next year.
- Uncertainty surrounds last minute negotiations with Mercosur, focusing on non-agricultural issues as agriculture negotiations were concluded in 2019.
- Agreements with Andean and Central American countries are in force, with ongoing committees discussing relevant export points.
- Negotiations with Mexico on a modernised agreement have stalled since 2018, with speculation on the new Mexican president's willingness to advance.
- Collaborative efforts with the U.S., including a communication platform in agriculture, aim to shift conversations from disputes to mutual challenges.
- Technical workshops with FEAC on sustainable animal nutrition solutions are in the works to address climate-neutral livestock production.
- CETA with Canada has seen positive results for the EU food sector, with provisional application due to incomplete ratification.
- Discussions on Mercosur focus on clarifying sustainability commitments rather than additional market access for agriculture.
- Efforts to align agricultural goods imports with environmental concerns are ongoing, with a focus on reassuring constituents and maintaining positive trade relationships.

Asia Raimondo Serra:

- The Indo-Pacific region is of interest because it represents the fastest-growing economy in the world, with big clients such as India, China, Indonesia, and Pakistan.
- Food exports to the region have potential for growth, with China currently leading in exports but other countries showing promise.
- Negotiations with Australia are near completion, with agriculture being a key sticking point.
- Negotiations with India have passed 2 years, are complex but progressing, with a need to recalibrate ambitions for a deal. New College of Commissioners that will likely enter into force on 1 December will have to make a political stocktaking of the progress that's been made so far and the possibility to conclude an agreement with India. On agriculture, there is a balance in terms of defence and offensive interests. Certainly, India has more access to our market today at MFN conditions, do not predict that agriculture will be a stumbling block to a possible deal.
- Indonesia is another almost final deal, with negotiations ongoing.
- Talks with Thailand, Philippines, and Malaysia are progressing with positive outcomes.
- Thailand, negotiation that is still in its infancy. It started last year. We are negotiating at a reasonable pace with Thailand. There is appetite from both sides to make it real as soon as possible. But again, substance over speed. We know that Thailand poses to the agricultural sector of the EU certain threats: sugar, poultry, starches, and rice. On Market access offer, for sugar this will not come first, only once the less contentious products are settled.
- Philippines is a big market, low tariffs already. Even the perspective to make those tariffs close to zero or at zero.

- China has imposed tariffs on EU products in retaliation for EU investigations, prompting a response through WTO and potential support for affected farmers.

Neighbourhood countries Lionel Mesnildrey

- Recent European Court of Justice decision on Morocco's products from Western Sahara rejected appeals and clarified labelling requirements. here were two cases, two appeals from the Commission and supported by the Council against the determination of the extension of the agreement to products originating in Western Sahara and third one on the labelling of products originating in Western Sahara at some of the important to the EU. Both appeals were rejected by the Court of Justice and the information on the labelling as being clarified by the European Court of Justice in an unabridged way. At this stage, the Commission assessing the rulings and will start as soon as to work with the Member States and with Morocco to respect those rulings as well as the EU's international commitments.
- Extension of autonomous trade measures to support Ukraine's economy until 2025, with safeguard measures activated for various products.
- Review of trade agreement with Ukraine interrupted by war, aimed at broadening and accelerating trade liberalisation.
- Formal opening of EU accession process for Ukraine and Moldova, with steps like explanatory screening of EU legislation underway.
- Renewed autonomous trade measures with Moldova until 2025, engaging in review of DCFTA for Moldova's accession perspective.
- Enlargement process ongoing for nine countries and one potential candidate, with growth plan for Western Balkans.
- On Russia the EU has adopted Council Regulation 2024-1662 at the end of May that increased the import duties for a number of agricultural products from Russia and from Belarus. The increase was effective as of 1st July 2024 and covered mostly grains but also derived products or sugar beets pulp for example and other products. The design of this measure is to prevent the imports of these products into the EU.
- United Kingdom's phase-in of control on imports from EU since beginning of the year may impact exports.
- Continued negotiations with Switzerland to revise agreements for internal market consistency.