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Press Release

COPA & COGECA WELCOME EU FARM MINISTERS CONCERNS ABOUT BAD EU AGRICULTURE MARKET SITUATION & WARNINGS ABOUT FREE TRADE TALKS WITH LATIN AMERICAN TRADE BLOC MERCOSUR

Copa & Cogeca welcomed today serious concerns expressed by EU Farm Ministers about the bad EU agriculture market situation and of any attempt by the EU to make the situation worse by negotiating unfair trade concessions on agriculture in the free trade talks with the Latin American Trade bloc Mercosur.

At Ministers meeting in Luxembourg, as many as 20 Ministers warned the EU Commission against making an offer on agriculture which includes sensitive agriculture products in the free trade talks with Mercosur. Cogeca President Thomas Magnusson also warned in a meeting with the Dutch Presidency that this would have a catastrophic impact on the EU agriculture sector, especially beef. Mr Magnusson also told the Dutch Presidency that EU pork prices are still at a critical level, being lower than they were 11 years ago. He urged Ministers to adopt measures that they agreed last month as soon as possible including loan/debt relief for investments and find new markets to take pressure off producers. He warned of the difficult situation on the dairy market with prices continuing to drop for 25 months and farmers being squeezed by high input costs. He regretted that Member States have only paid out 162 million out of the 420 million euros aid package agreed last September. This has seriously reduced the impact of the measures and they need to act, he said .

He went on to explain that European farmers are already suffering from a crisis and he expressed serious doubts about the free trade negotiations with Mercosur especially since studies show the EU agri sector risks losing in excess of 7 billion euros from such a deal and when Mercosur is already a major exporter of agri commodities to the EU, with 86% of our beef imports and 70% of our poultry meat imports coming from these countries. They therefore do not need extra quotas tariff free to increase their trade to the EU, also as little of our beef is let into their countries. Furthermore, these imports do not meet the EU's high environmental and quality standards and there are still concerns about safety aspects of meat production in these countries such as traceability. "The Commission also promised Ministers it would come up with an impact assessment before proceeding with an offer which it has failed to do", he said.

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