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Press Release

COPA & COGECA URGE EU FARM MINISTERS TO OPPOSE FREE TRADE TALKS WITH LATIN AMERICAN TRADE BLOC MERCOSUR WARNING CATASTROPHIC IMPACT

Ahead of EU Farm Ministers talks Monday, Copa & Cogeca urge Ministers to reject outright an EU Commission offer on agriculture which includes sensitive agriculture products in the free trade talks with the Latin American trade bloc Mercosur, warning it will have a catastrophic impact on the EU agriculture sector, especially beef.

Copa and Cogeca Secretary-General Pekka Pesonen said “European farmers are suffering from an unprecedented crisis squeezed by low market prices and high input costs. The EU agri-food trade is expanding but EU farmers don’t benefit at all at the moment. 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 especially since 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”

He continued “It is totally unacceptable that in its latest plan the Commission would like to include sensitive products like beef when there has been little improvement in the offer from Mercosur. The Commission also promised Ministers it would come up with an impact assessment before proceeding with an offer which it has failed to do. The last study carried out by the European Joint Research Centre reveals that the European agricultural sector would in fact face huge losses from such an Free Trade Agreement (FTA), in excess of €7 billion, surpassing a WTO multilateral agreement based on the current draft texts.”, he added.

Mr Pesonen went on to point out that the European agricultural and agri-food sector employs over 40 million people and registers a positive trade balance of 18 billion euros. “We cannot afford to jeopardise this, especially when we have serious doubts about Mercosur’s willingness to truly open up its markets, as they are still using unjustified export taxes or trade defence instruments. Mercosur is also not a complete single market which would limit the EU’s agricultural export potential tremendously as we would have to export to each country separately and comply with different trade rules and marketing standards. Led by France, 13 Ministers have already urged the Commission to withdraw the offer. We urge all Ministers to support this, otherwise the current economic crisis will deepen”, he concluded. We will meet the Dutch Presidency Monday to press our views further.

For further information, please contact:

Arnaud Petit

Director

Tel.: +32 2 287 27 03

Arnaud.Petit@copa-cogeca.eu

Amanda Cheesley

Press Officer

Mobile: + 32 474 840 836

amanda.cheesley@copa-cogeca.eu

CDP(16)3179:1
