

Newsletter CEPM

LES DERNIÈRES NOUVELLES DE LA PRODUCTION EUROPÉENNE DE MAÏS • THE LATEST NEWS IN EUROPEAN MAIZE PRODUCTION



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CEPM for a strong CAP ! (p.2)

> Editorial

As expected, the Commission made headlines in early June with its legislative proposal on the future CAP. Farmers are extremely concerned. First of all, the fate of the CAP budget is not set in stone, as the Multiannual financial framework is currently discussed with strong debates towards making the CAP the adjustment variable of all other policies!

Then, uncertainties on the consequences of Brexit on the CAP and its budget are also in the back of everyone's mind.

Finally, the proposal itself – initially presented as a mere adaptation – is actually a real revolution as it reverses the logic of European integration towards more responsibility for each Member state as they will have to build their own CAP within a framework set and controlled by the Commission (which will be well received by the European Parliament!) but with de facto stronger subsidiarity.

In this context, CEPM will continue to defend a strong CAP, able to meet the European and international challenges. CEPM will continue to promote maize as a solution to the challenges we are faced with, both as sustainable food and as solution to fight climate change.

Céline Duroc,
CEPM Permanent Delegate,
AGPM Director General

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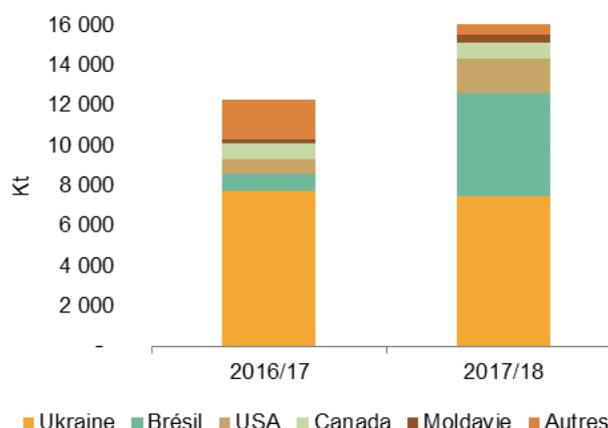
KEY FIGURES :

Total EU imports from 01/07 to 20/06/2018



Source : DG AGRI

Origin of EU imports from 01/07 to 20/06/2018



Source : DG AGRI

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CEPM FOR A STRONG CAP !

The European Commission published its legislative proposal for the future post-2020 CAP on 1st June. CEPM, the symbol of commitment of maize producers to the European project, takes a stance in favour of a strong and common CAP.

Renationalisation of the CAP

The announcements of the Commission on the future of the CAP are worrying, in a deleterious budgetary context. One of the biggest innovations of the proposal is a new delivery method: through national “strategic plans”, Member States will have more margin of manoeuvre when choosing budgetary repartitions according to their priorities. The strategic plans will be prepared by the Member States, but will have to be approved by the Commission who will also control their state of advancement towards agreed objectives.

C.E.P.M. opposes this project, which looks like a renationalisation of the CAP, a vector of increased distortions between European producers.

A strong environmental axis

The next CAP’s environmental ambition is clearly reinforced, with tools in the 1st and 2nd pillars: strengthened compliance, new « eco-schemes », agrienvironmental measures, organic farming... To this end, the Commission proposes, in addition to the possible 15% budget transfer between pillars, to authorise Member States to transfer another 15% from the 1st to the 2nd pillar for actions in favour of the environment and the climate. Direct payments could therefore be strongly reduced, depending on national choices!

These constraints are likely to further strain the competitiveness of a European sector already undermined on international markets.

Europe already is in maize deficit, and every year it imports maize from third countries. This imported maize is produced with lower standards than those European farmers have to comply with (access to other products and agricultural techniques).

Finally, the budget of the CAP in the 2021-2027 Multiannual Financial Framework (MFF) should amount to 365 billion €, which represents 28.5% of the EU budget and a **5% decrease of the CAP budget in nominal value** (or 12% in 2018 real prices without inflation). Out of this total, 265 billion € should go to direct payments, 20 billion € to market support measures and 78.8 billion € to rural development.

CEPM for a strong and common CAP

C.E.P.M. therefore recalls its expectations regarding the CAP framework and calls upon the Member States and the European Parliament significantly to rebalance the draft proposal that is currently on the table.

The CAP must ensure the income of European producers who are today ensuring food independence for European citizens and a high level of health and environmental safety. It must also help farmers to protect themselves from hazards and develop ever more virtuous practices. This requires a stable, coherent framework that makes it possible to valorise the efforts that have been made.

As Daniel PEYRAUBE, C.E.P.M. President, pointed out: *"The CAP is no longer one if the Commission’s proposal is not profoundly changed. European maize producers are ready to contribute to all the challenges facing them and C.E.P.M. will continue to get involved in the debates to make a positive change to this proposal"*.

CEPM MOBILISED IN BRUSSELS ON THE REFORM OF THE POST-2020 CAP

CEPM was extremely active in Brussels on the 2nd quarter of 2018 on the topic of the post-2020 CAP reform, with a wave of meetings with representatives of EU institutions, a workshop in the European Parliament, and the Annual Maize Congress.

Meeting the decision-makers and stakeholders

With **several advocacy days** on 22-23 March, 9 April, 3, 15 and 17 May, CEPM was strongly mobilised to meet agricultural attachés from Permanent Representations (Portugal, France, Romania, Germany, Hungary, Austria, Bulgaria, Spain, Italy), European Commission civil servants (DG AGRI, DG ENVI), Member of the European Parliament (Michel Dantin, Angélique Delahaye, Jacques Loyau, Eric Andrieu's advisor) and NGOs representatives (EEB, WWF, ELO, BirdLife). During these meetings, a delegation composed of Céline Duroc (Permanent Delegate of CEPM), and Gilles Espagnol (engineer and technical expert from Arvalis – Vegetal Institute) presented a **clear, rational and science-based position for the future of maize cultivation in the next CAP**. Their counterparts were always interested, especially in terms of **technical expertise on maize, a crop often targeted by clichés (on its water consumption, on monoculture, on its use in agricultural input...)**. Let us re-establish scientific facts on maize in the European agricultural policy: no to resignation, and yes to action!

The voice of CEPM is heard in Brussels

CEPM also organised a **workshop in the European Parliament** on 22 May on the topic "*CAP reform: which place for maize*", centred on the question of compulsory crop rotation for all plots of land. After a presentation of the reality of corn monoculture in France by Gilles Espagnol, a speech on the Romanian perspective by Cristina Cionga (APPRS) and a plea by Céline Duroc **in favour of a reformed CAP taking the specificities of maize into account**,

MEP Angélique Delahaye intervened to explain her position and the weak influence of the European Parliament before the May 2019 elections.



Finally, the **1st European Maize Congress** was organised on 5 June in Brussels. In front of a full room, the Congress began with a roundtable on CAP in the post-2020 CAP with Tassos Haniotis (DG AGRI), Jacques Loyau (European Parliament) and Jabier Ruiz (WWF). Gilles Espagnol then presented technical arguments in favour of the preservation of corn monoculture where it already exists. Then, Sébastien Abis, Director of the Club DEMETER, presented his geopolitics of maize. Finally, the President of CEPM, Daniel Peyraube, **underlined the need for CEPM to open up and come to Brussels**, and called upon EU producers to be courageous and bold in this debate.



PEST COMMITTEE: FROM INTENTIONS TO COMPLICATIONS?

Unanimously accepted by the EP Conference of Presidents on 8 February, the Special Committee on the Union's authorisation procedure for pesticides (PEST Committee) is approaching the halfway point of its mandate. The discussions in this committee are part of a more global context of reflections on plant protection regulation, initiated by the European Commission. Despite the progress of its work, it already seems to be amid turmoil.

At the constitutive meeting on 12 March, the composition of the PEST committee was set at 30 members, including 1 President (E. Andrieu (S&D, FR)) and 3 Vice-Presidents (BG. Piecha (ECR, PL), F. Ries (ALDE, BE), K. Konecna (GUE / NGL, CZ)), with a 9-month mandate. This period should allow for the evaluation of the Union's authorisation procedure for pesticides, its independence from the industry and the transparency of the decision-making process.

During its first working meeting on 12 April, the PEST committee adopted its work programme, formalised its schedule and reaffirmed its commitments. It has since begun its work of investigation and hearings. Thus, on 7 and 8 May, a PEST committee delegation travelled to Parma to the EFSA headquarters in order to assess on-the-spot the material and financial resources of the Agency. The PEST committee has also organised four public hearings, the latest one being held on 19 June. These public hearings are an opportunity for MEPs to assess the transparency and independence of evaluations conducted by agencies from different Member States (France, Sweden ...) and at European level (EFSA, ECHA). The MEPs also had the opportunity to discuss with the ECPA

representative, an association representing the plant protection industries in Brussels.

But after only a few months of work, the PEST committee has already been called into question. Internally, political differences between coordinators hinder the achievement of the committee's objectives. At the external level, the choice of participants is being doubted. For instance, on 7 June, Professor Christopher Portier, a highly controversial figure, testified as a private consultant alongside representatives of EFSA and ECHA. As a reminder, he is involved in the only scientific study challenging glyphosate (that of IARC), while the ECHA and EFSA studies have found the substance non-carcinogenic.

The next meeting is scheduled on 28 June and the last one on 6 December. The PEST committee will then present its report to the plenary of the European Parliament. Legally, this report will have no binding value, but on such a highly sensitive topic for public opinion, it is certain that the European Commission will then be under pressure to take it into account.

DEATH SENTENCE FOR 3 NEONICOTINOIDS SIGNED BY SCOPAFF

National experts meeting in SCoPAFF on 27 April 2018 approved proposals from the European Commission to extend the current ban on three neonicotinoid substances - imidacloprid, clothianidin and thiamethoxam - on all non-greenhouse crops.

The Commission managed to obtain a qualified majority in SCoPAFF on the 3 proposals to ban 3 neonicotinoids: 18 Member States voted in favour of the Commission's proposals (including France, Germany, Italy and the UK). Among those who opposed the proposals: Hungary, Romania, Denmark and the Czech Republic. This complete ban is very damaging insofar as there is no alternative substance for certain crops faced with certain pests, and this further reduces the number of molecules available in farmers' toolbox. This decision came at a time when

the European Court of Justice was issuing its conclusions following the contentious appeals lodged by the firms on the 2013 moratorium, which were confirmed by the CJEU.

In addition, the European Commission published its EU Pollinators Initiative on 1st June, which aims at improving knowledge and reducing the decline of pollinators, as well as to educate society and promote new initiatives. The European Commission will publish a report by the end of 2020, which may be followed by legislative action if appropriate.

RED II ON BIOFUELS: A LONG-AWAITED OUTCOME!

In 2016, the European institutions launched with great ceremony the revision of the EU energy-related directives. Only one piece of legislation has been validated out of eight. However, the proposal for a revision of the renewable energy directive (RED II), which was stuck in the trilogue phase since February 2018, was suddenly resolved.

During the night of 13 to 14 June, an unexpected agreement was finally reached with a compromise on a 32% renewable energy target by 2030 and the intention of complete elimination of palm oil in transport by 2030. We can only welcome the decision of the EP and the Council to reject the Commission's proposal to eliminate all first generation biofuels.

Nevertheless, at this stage it is still impossible to assess the effectiveness of the agreement as the key parameters of the Directive will be transferred to a delegated act to be adopted by the Commission in February 2019 at the latest. This decision creates a high level of uncertainty about the actual results of the political agreement.

CEPM has been actively engaged on this issue and must therefore continue its efforts! In fact, maize used in bioethanol represents almost 10% of the European production and nearly half of European bioethanol, which is by no means insignificant.

CEPM's action in trilogues was clear and assertive on this file in order to:

- Promote a common position of the biofuel chain on coherent and ambitious objectives,
- Take a stand against undue constraints on biofuels and intermediate crops at the Permanent Representations of Member States and Members of Parliament (AGRI committee, European People's Party).

CEPM has also partnered with other European organisations (Copa-Cogeca, Cibe, European Oilseed Alliance, ePURE, EBB and Fediol) in order to warn of the risk associated with any reduction in conventional biofuels to make room for future technologies with potential that has yet to be shown. A final negotiation session took place on 20 June to finalise the talks in the Council and a transition through COREPER on the 27th.

INTERNATIONAL TRADE : UNITED STATES AND MERCOSUR

CEPM and other European agricultural associations are very concerned about the impact of the free trade agreement with Mercosur, but concerns are also shifting to the United States.

At the G7 summit in Canada on 8 June, EU farm organisations highlighted the risk that the strong trade tensions caused largely by the United States will ultimately impact their sector. As a reminder, on 6 June the Commission approved the decision to impose additional duties on the list of US products to be subject to European retaliation. The list includes beans, maize, sweetcorn, rice, cranberries, orange juice, peanut butter, bourbon, cigars, cigarettes and tobacco. The Commission thus published an implementing regulation on 21 June, making the application of these taxes effective the next day.

Regarding South America, it seems that the conclusion of the EU-Mercosur agreement is imminent (July).

Discussions between the chief negotiators in Brussels from 16 to 18 May show that the EU would be willing to increase its offer for sugar and ethanol. In a letter Copa-Cogeca sent on 24 May to Commissioner Malmström, it reiterated its opposition on agricultural concessions, stressing that it is impossible for a European producer to accept competition from a production that does not respect the same rules as in the EU! CEPM supports this position, as it is inconceivable that the EU opens its market to a competition that does not abide by the same production rules, thus jeopardising the sustainability of European maize producers.



CEPM Members

GERMANY – *Deutsches Maiskomitee (DMK)*

BULGARIA – *National Grain Producers Association (NGPA) et Conseil des Organisations Agricoles*

SPAIN – *Asociacion General de Productores de Maíz de España (AGPME)*

FRANCE – *Association Générale des Producteurs de Maïs (AGPM)*

HONGRIE – *Vetőmag Szövetség Szakmaközi Szervezet és Terméktanács (VSZT)*

ITALY – *Associazione Italiana Maiscoltori (AMI)*

POLAND – *Polski Związek Producentów Kukurydzy (PZPK)*

PORTUGAL – *ANPROMIS*

ROMANIA – *Association Roumaine des Producteurs de Maïs (APPR)*

SLOVAKIA – *Zväz pestovateľ'ov a spracovateľ'ov kukurice (ZPSK)*

Civil Dialogue Groups

- ✓ **20-04-2018** : CDG CAP
- ✓ **25-05-2018** : CDG ARABLE CROPS + Rice
- ✓ **25-05-2018** : CDG ENVIRONMENT AND CLIMATE CHANGE
- ✓ **01-06-2018** : CDG ARABLE CROPS + flax and hemp died fodder energy & non-food crops
- ✓ **03-07-2018** : CDG ARABLE CROPS + sugar

CEPM member meetings

– 2nd quarter 2018

- ✓ **CEPM :**
 - June 5, 2018 : General Assembly & Board meeting, 1st European maize convention : Open conference “What role for maize in the future CAP”, Brussels
- ✓ **France :**
 - June 6 & 7, 2018 : “Les Cultureles” Arvalis Institut du Végétal, l’Isle Jourdain (Gers)
- ✓ **Germany :**
 - May 4, 2018: DMK Committee for information and communication, Handrup
 - June 5, 2018: conference about the EU fertilizer directive – “What are the consequences for maize?”, Osnabrück
 - June 11, 2018: Breeders working group, Magdeburg
 - June 26 and 27, 2018: DMK plant protection conference, Graz, Austria
- ✓ **Bulgaria :**
 - June 21, 2018: official inauguration of harvest campaign 2018, at wheat fields near the city of Sliven (East-Central Bulgaria).
- ✓ **Poland :**
 - August 20, 2018: seminar for employees of breeding and distribution companies dealing with corn, Coboru Słupia Wielka.
 - September 2018 : Days of Corn (4.09.2018 : Koberzyce, province Dolny Śląsk / 7.9.2018 : Osiny - IUNG Puławy, province Lublin / 9.9.2018 : PODR Szepietowo, province Podlasie / 14.9.2018 : Słupia Wielka near Środa Wlkp, province Wielkopolska).
- ✓ **Portugal :**
 - July 10, 2018 : Corn days ANPROMIS.
- ✓ **Romania :**
 - June 21, 2018 : Conference “Romanian Farmers 2018” - Mediafax&Agrointeligenta & APPR, Bucarest.
 - July 2-4, 2018 : Participation European Orobanche Congress, Bucarest.
 - July 5, 2018 : Meeting APPR - Agricultural Input Partners, Ialomita County, Romania. Visit of APPR Trial Network Maize, Sunflower, Winter wheat.