



N° 20 – April- July 2019

New European political context : what agricultural perspectives? (p.2)

> Editorial

A very complicated European panorama

The recent elections at the European Parliament confirmed two important developments: the rise of extremists and the environmental breakthrough. The Greens have won a few seats, but more importantly all parties represented in the EP have placed the environment and climate change at the heart of their priorities. In a more "fragmented" Parliament, alliances may evolve at the will of the subjects but often to create majorities "against".

Noticing that a majority of the European Parliament could be anti-CAP, anti-agricultural budget, anti-new breeding techniques, anti-agricultural exports, anti-irrigation ... is a painful finding. A second difficulty adds to this conclusion: 60% of MEPs are newly elected. Extensive pedagogical work, meetings and field visits will therefore have to be implemented by agricultural networks to tackle major and complex issues.

To succeed, two conditions are necessary: first, to combine the available forces. This is the goal of the Agriculture & Progress platform, whose development is continuing with other sectors, particularly energy. Then rebalance the precautionary principle / innovation principle relationship. With the risk for European agriculture, already penalised in many aspects, to regress technologically. This will undoubtedly be the mother of battles for the agricultural world.

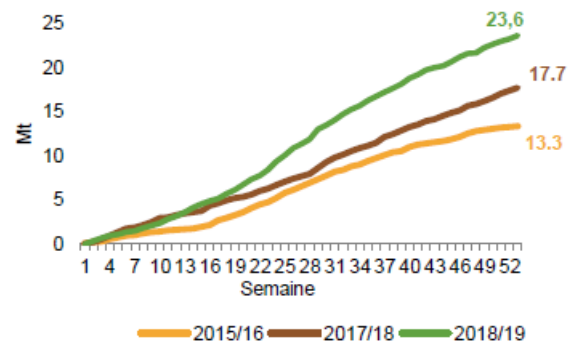
Céline Duroc,
CEPM Permanent Delegate
AGPM Director general

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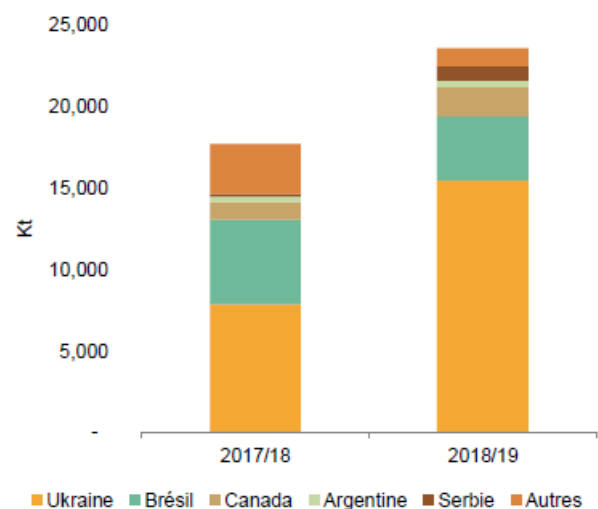
Key figures:

Cumulation of EU imports from 01/07/2018 to 01/07/19



Source : DG AGRI

Origin of EU imports from 01/07/2018 to 01/07/19



Source : DG AGRI

COMMON AGRICULTURAL POLICY?

The European elections in May 2019 have reshuffled the cards in the European Parliament, while the post-2020 CAP reform was left unfinished by the previous Parliament and whose rapporteur, MEP Herranz Garcia, has not been re-elected and cannot resume her role.

New actors in Brussels

The European elections in May 2019 have reshuffled the cards. Parliament's AGRI Committee elected MEP Norbert Lins (Austria, EPP) as its leader during its first meeting on 10 July. The name of the future CAP rapporteur is not yet known at this stage.

In parallel, the Romanian Presidency gave way to the Finnish Presidency (July - December 2019), and passed on the CAP reform dossier or rather a "progress report", as the Member States had not reached a common position by the end of the Romanian Presidency in June, pending arbitration on the Budget.

The major institutional manoeuvres have begun. While Ireland has again nominated Phil Hogan as its candidate for the post of Commissioner, it is not clear whether he will take over the agricultural portfolio in the future European Commission. The President-elect, Ursula Von der Leyen, will have to build her team of Commissioners over the summer, which will be validated at the beginning of the parliamentary year through individual hearings and a joint vote.

Maize needs a new European ambition

In the current state of the debates on the post-2020 CAP, with the new Commission taking office, the resumption of the dossier by the new MEPs, and the entry into play of the Finnish Presidency, it is not too late to give back European maize producers their production strength and secure their income. CEPM has made 4 proposals in this regard:

- Frame subsidiarity for direct payments by devoting at least 60% of the first pillar to basic payments.
- Limit cross compliance to current requirements and make eligible any alternative practices to rotation that effectively contribute to soil quality.
- Limit all possible transfers from the first to the second pillar to 15%.
- Devote 30% of the second pillar to risk management to ensure the competitiveness and resilience of operations.

NEWSFLASH INTERNATIONAL TRADE – MERCOSUR

The European Commission and the South American bloc of Mercosur (Argentina, Brazil, Paraguay, and Uruguay) reached an agreement on 28 June after more than 20 years of negotiations. Unfortunately, transparency has been neglected and the consequences for maize could be major.

As a reminder, this agreement concerns in particular a liberalisation of trade in a series of agricultural products, accompanied by precise quotas for each product upon entry into the European Union. Of relevance to maize, the list includes in particular:

- Corn (and sorghum) via an import quota of 1 Mt sans customs duties, even though previous discussions had focused on 750 Kg.
- Canned sweet corn: 1,000 tons without customs duty.
- Ethanol: 450,000 tonnes for chemical use without customs duty and 200,000 tonnes of ethanol for all uses (including fuel) at reduced customs duty.

European maize is therefore clearly in the forefront, in a context in which Europe is already the world's leading importer!!!

Both parties now have to carry out a legal review of the trade agreement and the texts will then be translated into the 24 working languages of the European Union (maximum 1 year). The agreement will then be sent to the EU Council and the European Parliament for ratification.

The agreement will also have to be ratified by around 40 national and regional parliaments across Europe. This implies that the text will not enter into force for several years and its adoption is still very uncertain.

However, in a context that is already particularly difficult for the sector, CEPM intends to mobilize both in Brussels and in the Member States in response to this agreement, which is an additional threat to European maize and to the sectors that use it.

MAIZE IN 2019: MARKET AND OUTLOOK

During the General Assembly and followed by the European Congress in Brussels on Wednesday 26 June, the European Corn Production Confederation (CEPM) denounced the situation of a European maize in loss of competitiveness at a time when the Union's demand is increasing and the Union has become the world's largest importer of maize.

The European Union needs its maize

By the end of the season, the EU will have imported more than 23 million tonnes, i.e. 35% more than the last season, which was already marked by record imports. So it will soon be three campaigns that the EU is the world's largest importer of maize. At the same time, due to a lack of competitiveness, European maize production is eroding: areas lost 1.5 million hectares between 2012 and 2018 and today 27% of the maize consumed in the Union is imported. CEPM members intend to denounce this situation, which impacts the EU's economic health by worsening its trade balance. It also goes against the interests of European consumers who aspire to local, high-quality and sustainable food, while corn imported mainly from Ukraine, Brazil and Canada does not meet EU production standards because it is produced with plant protection products banned in Europe (neonicotinoids, atrazine...) or GMOs on the American continents.

European agriculture at the heart of progress

European maize growers have all clearly understood societal expectations and are fully committed to the progress expected by their fellow citizens. The challenge is all the more important as maize production is at a crossroads of the most important European and global issues: food, energy, renewable chemistry, health, etc.

"Alongside the precautionary principle, the principle of innovation must also take on its full meaning because the future of European agriculture depends on it. The innovations of yesterday and today are necessary to develop those of tomorrow," said Daniel Peyraube, President of CEPM, at the "Maize: Agriculture & Progress" Convention on 26 June 2019. "We cannot accept that our fellow citizens be misled as to where their food comes from. They aspire to local and sustainable production, a source of economic wealth, and European maize production intends to be present and say so loud and clear".



ROUNDTABLE AGRICULTURE & PROGRESS



In the second part of the European Convention, CEPM organised a round table bringing together high-level panellists for a lively debate on the subject of "Boosting and securing agricultural innovation".

The participants of the round table, moderated by Daniel Guéguen were (from left to right):

- **Ignacio Sanchez Recarte** (Secretary General of the European Committee of Wine Companies)
- **Daniel Peyraube** (President of the CEPM)
- **Elisabeth Lacoste** (Secretary General of the International Confederation of European Beet Growers)
- **Alain Scriban** (Special Advisor to the European Landowners' Organisation)

The discussion focused in particular on the presentation of the Agriculture & Progress platform (of which CEPM is a founding member) and the context of new European politics. The latter will not be without consequences for the Common Agricultural Policy and food legislation. The aim is

to create effective tools to engage in constructive - that is, proactive and credible - debates with decision-makers in Brussels and in the capitals of EU countries.

In this context, participants stressed the need for legal certainty to innovate and sell agricultural products. The platform's position that science has been trivialized in the public mind is shared and it is necessary for farmers and associations to adapt to new modes of communication.

Daniel Peyraube stressed that innovation is part of the DNA of farmers in Europe, which is often forgotten. Thus, it is essential to work and adapt together, to trust science and to rely on technical institutes as part of a constant pedagogical concern that allows us to answer the questions of civil society.



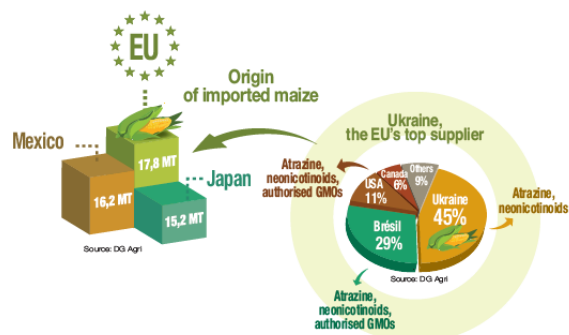
EUROPEAN MAIZE PRODUCERS UNDER SOUTH AMERICAN PRESSURE

CEPM was invited to participate to the MAIZAR Congress, which brings together the maize-producing countries of South America and the United States, on May 28th in Buenos Aires. Its Vice-President, Luis VASCONCELLOS, presented the European context. The atmosphere was very positive with more than 1,700 participants, reflecting the record figures for the South American continent in terms of both harvest and exports.

In this context, amplified by the conclusion of the EU-Mercosur agreement, South American producers want to (amicably) put pressure on European producers, in particular regarding the European ban on the cultivation of GMOs, which is interpreted as protectionist. These countries (Argentina in particular but also Brazil) have enormous production potential and want to put pressure on Europe to develop their imports.

It is essential in these circumstances to open and maintain a dialogue between producers on these issues, and to consider the next steps to defend European production and its requirements criteria in a context of ever greater competition.

European Union: the world's top maize importer



CEPM members

GERMANY – *Deutsches Maiskomitee (DMK)*

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

SPAIN - *Asociación General de Productores de Maíz de España (AGPME)*

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

HUNGARY – *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

08-07-2019: Environnement and climate change

28-06-2019: Arable crops – rice

25-06-2019: Arable crops – cotton, flax, hemp, dried fodder, energy and non-energy crops

12-04-2019: Arable crops – sugar

09-04-2019: International aspects of agriculture

Meetings of CEPM and its member organisations

3e trimestre 2019

- ✓ **CEPM:**
 - **26 June 2019:** General Assembly & Board meeting, 2nd European Maize Convention: public conference « Maize: Agriculture & Progress», Brussels.
- ✓ **France:**
 - **5-6 June 2019** : « Les Cultureles » ARVALIS Institut du Végétal, Poitiers
- ✓ **Germany:**
 - **13 May 2019** : Working group on maize selection
 - **15 May 2019** : Working group on Information & Communication
 - **16-17 juillet 2019:** Working group on plant protection
- ✓ **Poland:**
 - **September 2019:** Maize days, 6.09.2019 : Puławy-province Lublin / 8.09.2019: Szepietowo province Podlasie / 15.09.2019: Chrzęstowie province Kuyavian-Pomeranian
- ✓ **Portugal:**
 - **4 June 2019** : InovAgri Student'19, event organised for students in agricultural sciences with the participation of 15 Portuguese academic institutions, Coruche.
- ✓ **Romania:**
 - **12 and 26 September 2019** : Maize Days, Oregu - Targu Frumos
 - **24-25 September 2019** : European Biotechnology Week: The Benefits of New Genetic Improvement Techniques - Conferences in partnership with the US Embassy, Lasi Agricultural University and agribusiness associations, Bucharest – Lasi.