

VB(12)9605:1

MINUTES OF COPA-COGECA WORKING PARTY ON BEEF AND VEAL ON 26/11/12

PRESENT: CHEVALIER, FLEURY, BUCZINSKI, COLIN, SCHUTZ, BORGER, FECHLER, DAANJE, MOONEN, GOLEBIEWSKI, PUKK, MATOUSEK, SEMAILLE, ENDRODI, PODMILJSAK, GKOULIADITI, BASTO, MIRA, TOVANEN, MANNINEN, BURNS, KINSELLA, LIND PEDERSEN, LINDBERG, FALCERI, BORIN, PIENATTI, COSTELA, MONTAIGU, BONITO, TREACY, DROSIO, LIVESEY, GARBUTT, FOOT, GALLAGHER, ELKIN, DAVIES, MARTIN, PONTAGA, GARCIA, POLLASTRI, DZEKCIORIUS, VRABLIK, ROGL, KICINSKI

SECRETARIAT: AZEVEDO, MATTHEWS, GYORFFY

1. Election of the Chair and Vice-chair of the Copa-Cogeca Working Party on Beef and Veal

Mr Pierre CHEVALIER (FNB - FNSEA, FR) was re-elected as Chairman of the Copa-Cogeca Working Party on Beef and Veal for a two year mandate. Mr Andrew FOOT (NFU, UK) was elected as Vice-chairman.

2. Election of Copa-Cogeca Vice-chair of the Advisory Group on Beefmeat

Mr Henry BURNS (IFA, IE) was elected as Copa-Cogeca Vice-chair of the Advisory Group on Beefmeat. His name will be sent to the COM once approved by the Praesidia.

The group adopted the agenda of the meeting.

4. Approval of the minutes of the last meeting (18.04.2012)

Poland requested a change in the minutes on Polish statement on the transport of animals, as follows "the limitation of the transport to 8 hours will lead to cutting off the sales market what will reduce the profit on the bred piece of animal. Poland is against such a solution" (document VB(12)5768).

5.1 Situation, forecasts and management of the beefmeat market (including world production and consumption and the issue of production costs and margins)

The Secretariat presented this point [COM\(12\)6847 \(rev.1\)](#), [OCDE\(12\)5427 \(rev.1\)](#).

A majority of delegations underlined that the prices are stable but that there is concern about the feed price or feed availability because of rain/drought, which made margins negative in certain countries (critical situation in IT, ES, PL, SE, AT, LV, FR). Consumption of beefmeat is declining, consumers prefer other types of meat. Only in Finland, consumption has increased.

DK: the tax on saturated fat was eliminated. SI: the retail sector is unwilling to bear the increase in production costs (also supported by UK). Some slaughters have been closed (also in Austria). BE: problems with the retailers. Suckler cow premium will be maintained. CZ: export growth to Turkey since May. LT: problems with exports because of bluetongue. FR: calf prices have decreased, margins have deteriorated by 10%. Scotland: supermarkets have the "divide and rule" policy.

The chairman concluded that in a context with good prices, production is decreasing in all Member States. The increase in production costs makes production less profitable.

5.2 Future of the CAP – state of play on issues related to beef and veal (European Parliament and Council), including the negotiations on the CAP budget

The Secretariat presented this point [PR\(12\)8500 \(rev.1\)](#). It was underlined that COM's proposal was more balanced than Van Rompuy's proposal (6% cut in direct payments and 9% cut in rural development). The second proposal of Van Rompuy foresees a less severe cut. The crisis reserve was proposed outside the CAP budget by the COM but following the Van Rompuy's proposal it is back in. European Council won't discuss the budget in December but on 7-8.02.2013. On MFF, there is no co-

decision, but there is a need for unanimity, EP can veto still. Meanwhile, the European Parliament is working on compromise amendments which will be voted on 23.01.2013 but there is a possibility that the vote is postponed. Copa-Cogeca is pressing to have an agreement to give farmers more certainty on the outlook. No agreement is worse. The Secretariat also presented the main compromise amendments (all can be found on Agri-Info under section CAP).

PL: surface area of permanent grassland would be applicable at MS level? IE: Will Member States have flexibility for the transfer between the pillars? What are the changes as far as internal convergence is concerned? AT: coupled support is important and the 10% should be increased. UK: if member States transfer 15% between pillars in both ways, this is not a very common policy. FR: European livestock sector needs to be safeguarded: preservation of feed autonomy, transmission of production costs along the chain, attention in bilateral negotiations. IT: consumption is falling, there is a need for support.

The Secretariat replied that there is some support for the regional application of the % for permanent grassland. It is up to Member States to decide if they do the transfer between the pillars. A more progressive move to internal flat rate is supported. There is no change in the % for coupled support in the compromise amendments. Some of the proposals from the Commission go in the wrong direction: increase farmers' costs and take land out of production. The Secretariat reminded about the Action Plan for the European Livestock Sector [VP\(12\)6894 \(rev.3\)](#) which will serve as lobbying document.

The chairman concluded this point by underlining that he had meetings with the Commission, the rapporteur to speak about the importance of the beefmeat sector in the CAP negotiations and the need to support this sector because of the economic and social contribution it plays.

5.3 State of play on the bilateral negotiations : Canada

5.5 Market access barriers in the Republic of Korea, Japan, USA

The Secretariat presented these points [BILAT\(12\)9106 \(rev.1\)](#), [BILAT\(12\)9094 \(rev.1\)](#), [BILAT\(12\)6488 \(rev.1\)](#), [BILAT\(12\)8569 \(rev.1\)](#).

The chairman underlined the opportunities for EU if restrictions are lifted for Japan and Korea.

5.4 Electronic identification and the voluntary labelling of beefmeat – state of play

The Secretariat presented this point. The draft mandate of the Council for the negotiation with the Parliament was presented. Attention was drawn to the provision referring to the fact that the COM is empowered to adopt delegated acts to simplify country of origin presentation and specific indications to be put on the label. The trilogue has not started yet, postponed to December (problems with the provision on the two means of identification should bearing the same code or derogation on this). The deletion of provisions on voluntary labeling of beefmeat is still problematic at Council level.

6. The Schmallenberg virus – state of play

The Secretariat presented this point. There are still many countries imposing trade restrictions on live cattle (Algeria, Egypt, Jordan, Lebanon, Morocco, Turkey, Russia, Ukraine etc.).

The chairman expressed his concern about these trade restrictions and their impact on the sector.

8. Update on animal welfare

9. Recent developments on animal transport legislation

10. Implementation of the EU Action Plan on antimicrobial resistance – state of play

The Secretariat will inform the group about these points in written.

11. Any other business – lactic acid

The Secretariat informed the group about the proposal from the COM on lactic acid [VB\(12\)6441 \(rev.3\)](#).

The chairman underlined that EU and US have two different sanitary approaches, health and hygiene is checked along all stages of the animal's life while in US they check these only at the end of the process. In addition, all the strict standards beef producers have to comply with are meeting society's expectations. There is no reason to lower our standards.

DK: favours the COM proposal. FR: surprised that US have put as a pre-condition for starting the negotiations the adoption by the EU of the proposal on lactic acid. During a trip to US, the French

delegation had the opportunity to see what is the procedure in a slaughterhouse (animals treated with chlorine and lactic acid from the very beginning, along all the process). Also meat used for minced meat is treated with lactic acid. IT: important to define if it is a trade aspect that we are concerned about or the hygiene. IE: supported the FR delegation: lower standards can't be accepted.

The chairman concluded the meeting by thanking the participants and the interpreters.