VB(13)8871:1

MINUTES OF COPA-COGECA WORKING PARTY ON BEEF AND VEAL ON 11/04/13

PRESENT: CHEVALIER (Chairman), SCHUTZ, BORGER, HAAHR, PIGNATTI, BORIN, MEZZOGORI, FUENTES, MULVIHILL, MOONEN, GARCIA, TOIVANEN, MANNINEN, JOHANSSON, BONITO, COLIN, DUPAS, FLEURY, BUCZINSKI, KINSELLA, BURNS, GALLAGHER, ELKIN, FOOT, SLEIGH, GARBUTT, SEMAILLE, GKOULIADITI, PONTAGA, VRABLIK, BASTO

SECRETARIAT: ANDUGAR, AZEVEDO, PETIT, GYORFFY

SUMMARY AND CONCLUSIONS:

Item 1: Adoption of the agenda

→ The group adopted the agenda VB(13)1586 (rev.2). The Chairman underlined that taking into account the current discussions on CAP and international trade, a request to have another meeting in July should be put forward to the Commission.

The Lithuanian delegation have sent a written request for an AOB: including the purchase of purebred animals as eligible costs under the state aid rules.

Item 2: Adoption of the minutes

 \rightarrow The group adopted the minutes of the previous meeting <u>VB(12)9605 (rev.1)</u>.

Item 3.1: Election of the presidency of the Advisory Group on Beefmeat

→ The Secretariat informed the group that the candidacy of Mr Henri Burns (IFA, IE) for the position of Chairman of the Advisory Group on Beefmeat has been sent to the Commission services. Mr Burns thanked the members for their support.

Item 3.2: Exchange of views on the beefmeat market situation

→ The Secretariat presented the short term outlook $\underline{COM(13)2203 (rev.1)}$ and the perspectives for 2012-2022 for the beef sector $\underline{COM(13)463 (rev.1)}$, $\underline{COM(13)464 (rev.1)}$, $\underline{COM(13)465 (rev.1)}$.

The Chairman opened a roundtable discussion asking the members to focus on the consequences of the horsemeat issue.

A majority of delegations mentioned increased production costs and falling production and consumption. Germany experienced a fall in prices because of poor demand and lower exports to Turkey (lower exports to Turkey have also been experienced by Austria, Hungary, the Czech Republic). Poland: ritual slaughter is a problem dragging the price down. France: worrying predictions on production, collapse in the number of births. Belgium: mixed farms are disappearing, there is a switch to crop production. Estonia, Latvia: the number of beef cattle has increased because of the dairy farmers switching to beef. Latvia: sanitary risks stopped exports for a while.

A majority of delegations underlined that there were no big changes in consumption as a result of the horsemeat issue, fresh meat and local production ("buying local") being requested by consumers. Consumption of ready meals was affected. It was underlined that the horsemeat issue was not of sanitary or health concern but it was a fraud. The Netherlands mentioned that 50.000 t were to be destroyed because of the horsemeat issue.

The Chairman concluded by underlining the difficult economic situation in all member states, which is driving the consumption down, the worrying decrease in production and the instability in the sector in general. It seems that the horsemeat issue has not had a negative impact on consumption except for ready meals and processed food.

Item 3.3: Information and exchange of views on CAP reform and in particular questions concerning the beefmeat sector

→ The Secretariat presented this point <u>NEN(13)2560 (rev.1)</u>, <u>PAC(13)2550 (rev.1)</u>, <u>PAC(13)2668</u> (rev.1), <u>PAC(13)2670 (rev.1)</u>, <u>PAC(13)2671 (rev.1)</u> together with the timeline for adoption: a first compromise could be reached on June 20th on direct payments and rural development. On Single CMO, further discussions could be foreseen in September-October.

The issues of active farmers, flat rate, coupled support (including the flexibility the member states have and the possibility to use it for suckler cows in MS which so wish), greening (flexibility), livestock producers without land, LFAs were underlined. Without profitability, there is a risk that farmers switch to other types of production.

The Chairman concluded by underlining the importance of supporting European beefmeat production, including suckler cow production, otherwise EU will not be in a position to produce but will import large quantities of beefmeat from countries where the production standards are not the same as in the EU.

Item 3.4: Exchange of views on the difficulties accessing the international market, notably the South Korean and United States markets and Item 3.5 Information on progress recorded in negotiations on free trade agreements with Canada, the United States and Mercosur.

→ The Secretariat presented these points <u>BILAT(12)5555 (rev.1)</u>, <u>BILAT(12)9705 (rev.1)</u>, <u>BILAT(12)9703 (rev.1)</u>, <u>BILAT(12)9699 (rev.1)</u>, <u>BILAT(11)4411 (rev.6)</u>, <u>BILAT(12)8229 (rev.1)</u>, <u>BILAT(13)2637 (rev.1)</u>.

Due to the lack of time there were no discussions on these subjects.

The Chairman concluded that a proper attention needs to be paid to these negotiations in particular since their production standards are not the same as in EU and some of their sanitary conditions are not acceptable.

Item 3.6.1 Electronic identification of cattle and voluntary labelling of beefmeat. State of play and adoption of the Commission proposal by the European Council and the Parliament

→ The Secretariat invited the Council Presidency for an update on this point <u>VB(13)2846 (rev.1)</u>.

The Chairman invited the members to take the floor. While a majority of delegations see a benefit in this technology, several are worried about the way it will be implemented (there is a need to avoid the experience with sheep), requesting more flexibility. The issue of low frequency and high frequency was mentioned. Sweden opposes mandatory EID. Ireland favours a long transition period.

The Chairman concluded by mentioning that the cost of tags should also be considered especially when it comes to smaller farms and underlining a need for a progressive approach towards EID in this sector with a low income in order to avoid another possible burden on farmers and reminded the position adopted by the Praesidia $\underline{VB(11)6662 (rev.7)}$.

Item 3.6.2 Proposed regulation on animal health: presentation and 3.6.3 Proposed regulation on official controls: presentation

→ The members were informed in written about these points.

Item 3.6.4 Fraudulent labelling of beefmeat and products derived from beefmeat. Results of the enhanced EU control plan

→ The Secretariat informed the group about this point NCN(13)3323 (rev.1).

Item 3.7 Possibility of information on the revision of the EU directive on air pollution, notably recommendations on methane emissions

→ The Secretariat presented this point EN(13)2351 (rev.1).

The Chairman thanked the participants for attending, the interpreters for their work and closed the meeting.