



14 May 2019

Open Letter to the EU Commission and the Agri Council 14 May 2019

“Trade for all”: hollow words for the EU beet sugar sector?

Dear Mr Petre Daea, President of the Agri Council and Minister of Agriculture and Rural Development of Romania,

Dear Agri Ministers of the EU Member States,

Dear EU Commissioners for Agriculture and Trade,

“Trade for all”

The EU’s trade policy must work for everyone: defensive as well as offensive sectors, agriculture as well as industry. Regrettably, the EU beet sugar sector has been neglected by trade policy in recent years, and used as a bargaining chip in negotiations. Over the past five years bilateral access to the EU sugar market has increased almost threefold, and now totals over 700,000 tonnes. WTO (CXL) access has also increased, to almost 800,000 tonnes. On the flip side, almost no market access at all has been granted the EU sugar sector in recent free trade negotiations, in particular with Japan and Canada.

We are now faced with a situation where market access for third countries well exceeds market requirements; requirements that will fall substantially with Brexit. The progressive opening of the EU sugar market must stop.

The respect of “EU values” and “EU standards”

EU sugar beet growers and processors are suffering despite having engaged in drastic restructuring to increase their competitiveness and sustainability. Our sector is currently enduring an unprecedented period of hardship. Sugar prices are well below the EU reference threshold – the benchmark for the health of the sector – and insufficient to cover the costs of even the most efficient EU producers. Recent and potentially forthcoming decisions on plant protection products will damage the competitiveness of the sector vis-à-vis third countries and undermine good environmental practices.

At the same time, standards within the Mercosur bloc – and in particular in Brazil – are diverging more and more from ours. The recent decisions in Brazil on deforestation, plant protection or social minorities rights (incl. continuous infringement of indigenous population rights) reflect clearly this divergence. In an open letter, 600 European scientists and 300 indigenous groups call for the EU to insist on the respect for

environmental and human rights standards in its current trade negotiations with Brazil. An agreement that fails to take these elements into account would be a betrayal not just of our sector, but of European values.

Agenda 2020 for jobs & growth

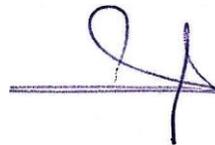
The adverse context that we are currently facing will have consequences for the rural communities that are sustained by sugar beet cultivation and processing. Sugar beet processors are planning to close a number of beet factories. Currently the sugar sector provides a sustainable income for 140,000 farmers across the EU, as well as high-quality, industrial, remunerative employment in regions where few alternatives exist.

We urge the Member States to listen to our sector and to defensive interests in general, to resist unreasonable demands from the Mercosur countries, and to express clearly a commitment to an in-quota duty of 98 EUR/tonne for sugar and not a euro less. The EU-Mercosur agreement will shape the perception of the EU for a generation of EU farmers and primary food processors. If the EU's trade policy fails to work for everyone, the European project, of which EU farmers have so far been supporters, will suffer.

Yours Faithfully,



Paul Mesters,
President
European Association of Sugar Manufacturers (CEFS)



Eric Lainé
President
International Confederation of
European Beet Growers (CIBE)