

International Confederation of European Beet Growers

CONFEDERATION INTERNATIONALE
DES BETTERAVIERS EUROPEENS
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CONFEDERAZIONE INTERNAZIONALE
DEI BIETICOLTORI EUROPEI



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European sugar beet growers are facing big challenges and increasing risks

At their annual General Assembly today in Newmarket, UK, European beet growers discussed the extremely challenging context they have to cope with and the higher risks they have to face as from this marketing year. The abolition of the quota system leads to a changing regulatory context with regards to their position in the supply chain, to increased competition and to a greater exposure to market risks due to expected strong volatility and low prices.

European beet growers welcomed the so far cautious approach by the Commissioner not to implement temporary measures for the MY 2016/17. They noted the 17% increase in beet area for the next MY 2017/18 and discussed the state of the crop and the short and medium term forecasts for global and European markets, including a focus on the potential consequences of Brexit presented by the NFU. They also addressed the issue of contractual framework conditions in MY 2017/18, the first without quota.

“Growers’ bargaining power has been strained, with higher risks of increased transfer of value to the undertakings and higher risks for growers to be the adjustment variable of the sugar supply chain” stated Bernhard Conzen, President of CIBE. “On the one hand, the response of sugar undertakings should adapt with fair contracts conditions and trading practices so as to avoid unprofitable beet income in the short term and opportunistic behaviour of growers in the medium term. On the other hand, the CAP should provide market transparency and appropriate risk management toolkit so as to avoid underinvestment and unsustainable situations in the long run”, he added.

Preventing and managing risks is now crucial for European beet growers. CIBE welcomes the work and shares the recommendations made by the Agricultural Markets Task Force and the European Parliament with regards to contractualisation and competition rules, unfair trading practices, market transparency and management of volatility. CIBE also welcomes and supports the recent proposal by the Commission and by the Agriculture Committee of the European Parliament to introduce sector specific public/private risk management tools.

“There is lot of work ahead of us. But all these efforts should not be ruined by detrimental further market access concessions to third countries (Mercosur, Mexico), by phasing out beet sugar based bioethanol, and by hasty and unjustified decisions with regards to plant protection products, in particular neonicotinoids, used in pelleted beet seed, which would set us back 20 years with unsustainable practices; otherwise, the Commission, the Sugar Experts Group and the Sugar Market Observatory will only take note the damages to our sector”, concluded Bernhard Conzen.