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Press Release

AHEAD OF AGRICULTURAL ATTACHE DISCUSSIONS AND MEPS VOTE NEXT WEEK, COPA-COGECA SENDS LETTER CALLING FOR EU SUGAR PRODUCTION QUOTAS TO BE KEPT UNTIL AT LEAST 2020

Ahead of the Special Agricultural Committee discussions in EU Council and European Parliament vote on the future of the EU sugar regime next week, Copa-Cogeca sent a letter to MEPs and Agricultural Attaché calling for EU sugar production quotas to be kept until at least 2020, in order to ensure a stable European sugar market and a dynamic beet industry.

In the letter, Copa-Cogeca Secretary-General Pekka Pesonen stressed “The sugar beet sector needs a stable regime in order to continue improving its competitiveness. There has already been a big restructuring of the sector on a serious scale in the 2006 reform. Major economic cuts were made under the 2006 reform. On the one hand, national quotas were reduced to 85 percent of EU internal demand, transforming the EU from a net exporter into a net importer. On the other hand, the 2006 sugar reform introduced a liberalisation of the refining of imported raw cane sugar while maintaining some privileges, leading to an increase of raw sugar refining capacities since 2006. Granting additional privileges to the refining industry must be absolutely rejected as it will put into question the effort done in terms of competitiveness and the future sustainability of the sugar beet industry.”

He added “Further progress in plant breeding, through which up to 20 tonnes of sugar per hectare can be achieved in the best beet producing regions, will contribute to a more efficient sector. Maintaining the sugar beet industry in our rural areas necessitates also maintaining the attractiveness of beet growing in comparison to other arable crops sectors”

That is why Copa-Cogeca calls on the EU institutions to ensure that the current organisation of the sugar market be extended until at least 2020, including the 2019-2020 marketing year and that a flexibility mechanism be introduced which automatically allows out-of-quota sugar to be placed on the market when it is required to balance the market. The existing organisation of the sector and its contractual procedures must also be maintained. This contractual framework allows the beet supply chain in the EU to function well . If quotas were to be abolished, the market risks being much more volatile. This would be detrimental to farmers, industry and consumers. It would also be bad for the environment as sugar beet plays an important role in crop rotation.

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