



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Assistant to Director-General

Brussels, February 2019
AGRI.DG/

MINUTES OF MEETING

Subject: Meeting with COPA president Rukwied on 14 February 2019

Participants: Mr Rukwied, [REDACTED] (COPA), Mr Plewa, Mr Niejahr, Mr Scannell, Mr. Haeusler, [REDACTED] (DG AGRI)

Mr Rukwied thanked for the opportunity to discuss the future Multiannual Financial Framework of the Union, the reform of the Common Agricultural Policy and the challenges of a possible no-deal Brexit.

Mr Plewa underlined work on preparedness for no deal Brexit started many months ago and that the Union will play its part to address, for example, market disturbances. As regards budgetary aspects, he clarified European Council conclusions on the Multiannual Financial Framework are scheduled for October and clarified the procedural aspects. In case of success, this would allow progress on sectoral policies, including the CAP. He underlined the balanced Commission MFF proposal in light of Brexit and new challenges and recalled the relatively modest cuts to the agricultural budget and the important benefits for farmers. He asked COPA to support the proposal.

Asked whether the new MFF would be decided on the basis of the current proposal, Mr Haeusler clarified that the proposal is for an EU27, that the General Affairs Council seems to generally accept the orientations and that time for preparation of a new proposal is not available before 2021.

Mr Haeusler explained the difficulties of a no-deal Brexit scenario for the EU budget for 2019 and 2020 and referred to the Commission proposal allowing the UK to pay into the budget after a 'hard' Brexit, if it notified its wish to do so by 18 April. He said the UK has not yet pronounced itself on this proposal. He clarified that in absence of such a choice by the UK, a revision of the current MFF would probably be necessary to address the change in revenue for the EU budget. In such scenario budgetary availabilities in 2019 and 2020 for any market measures would be very limited.

Mr Scannell underlined uncertainty depends largely on UK decisions. Possible disruptions are linked to three areas: customs tariffs, regulatory barriers (SPS), and logistics. We work on the basis of a no deal worst case scenario. [REDACTED] stressed the importance of information on changed procedures as not all operators are properly informed by MS authorities.

Mr Rukwied inquired whether the proposal for reform of the CAP could be revised and what would happen in case of delay.

Mr Niejahr clarified that discussions on the current CAP proposal are in full swing in Parliament and Council and that the Commission is pushing strongly for getting as far as possible before the EP elections. Mr Tajani requests the EP plenary to take position on sectoral proposal in April at the latest. He said that clarity about the agenda for COMAGRI votes on CAP reform is expected on 19 February. Mr Plewa added that the Commission would ensure continuity, that a regulation to address issues related to Claim Year 2020 was adopted on 13 February and that it is too early to discuss any transitional arrangements.

Mr Rukwied referred to a recent letter of German State Secretary Aikens to the Commission on sugar. He recalled Sudzucker announced closure of two sugar factories and indicated the company would lose 400 million on its sugar business. He reiterated the concern of the State Secretary that there is no level playing field for sugar due to coupled support and emergency authorisations for neonicotinoids in many Member States. He said allowing seed treatment with Neonicotinoids lead to a difference of 200-300 euro per hectare. He asked whether remaining money from the sugar restructuring fund, EUR 600 million, could be used to aid the sugar sector.

Mr Plewa indicated the issue of Voluntary Coupled Support and neonicotinoids was discussed at length in the sugar High Level Group, but that views differed on this issue between Member States. He indicated the High Level Group would report to the Commissioner by summer 2019. He also explained that the Commission does not approve Member State choices on Voluntary Coupled Support today, adding that in future coupled support would be limited to 10% of the DP envelop and under certain conditions. He added that the sugar-restructuring fund finished some years ago.

Mr Rukwied added that COPA attaches a lot of importance to Civil Dialogue Groups and asked the meetings of these groups not to be reduced.

(e-signed)

c.c.: J. Plewa, M. Scannell, G. Haeusler, M. Niejahr,