1. The agenda and minutes of the meeting held on 19th June 2009 were approved.


Decision 2010/2/EC on the list of sectors and sub-sectors deemed at significant carbon risk of carbon leakage was adopted on 24/12/2009. Each year there will be the possibility to add a sector or sub-sector. DG CLIM was approached by many sectors requesting their inclusion on the list. The analysis conducted is very detailed and technical. For this reason, DG CLIM and CIDE intend to hold a bilateral meeting on the issue. Member States are responsible for granting derogation and the rules apply to individual companies.

CIDE expressed its views:
The objective of the ETS Directive is not the closure of plants but the reduction of greenhouse gas emissions. Agriculture also stores carbon. ETS takes into account carbon release but not the overall carbon balance. The implementation of the ETS Directive could lead to the closure of 200 factories in the EU. This would lead to additional carbon leakage and loss of biodiversity if alfalfa cultivation is brought to an end. According to the ETS reference scenario, there would be an increase in production costs of 20 €/ ton. However, the benchmark scenario is not feasible because the factories located in the south are used as a benchmark. Therefore, CIDE requested for the “grandfathering” approach to be used.

DG CLIM launched a public consultation on the Commission’s climate analysis report in particular for energy intensive sectors, which closed on 12th April. 15 responses were received. There was no reply from the dried fodder sector.

3. Regulation of the European Parliament and the Council on food information for consumers

A central issue in the discussions in the EP and the Council is the labeling of origin.

With regard to the carbon footprint labeling, this issue has not been addressed in the proposal on food information to consumers. However, DG ENVI is working on the issue of sustainable production and consumption and could be interested in taking this up. CIDE stressed that carbon emissions is not the only dimension to sustainability.

4. Biodiversity

DG ENVI provided information on the EU biodiversity strategy which examines innovative ways of supporting biodiversity as a public good. COPA asked how alfalfa would be supported in the CAP post 2013. DG ENVI replied that DG AGRI has the lead in revising the CAP and should integrate a way to remunerate public goods. CIDE stated that the maintenance of biodiversity provides benefits to society as a whole; however it is only farmers who assume the costs for this. Pillar II of the CAP does not remunerate biodiversity services; it only provides a compensatory payment for the loss of revenue or additional costs due to a change in practices.

5. Scenar 2020

All scenarios show that production levels will be maintained excepted for beef meat, and with a strong intensification in the most competitive areas.
6. 2009-2010 Marketing year

A representative from the Commission provided an estimate of dried fodder production in 2009/2010 of 3.7 million tonnes, similar to 2008/2009 and well below the MGQ of 4.96 million tonnes.

The dried fodder processors estimate 3,770,000 tones will be produced and marketed. They set out that the marketing year is an unusual one as farmers are finding themselves with no revenue to buy dried fodder. CIDE appealed to the EC to come out as soon as possible with the package promised by Mr. Ciolos to support the revenue of dairy farmers.

7. The CAP Health Check

COPA-COGECA representatives raised questions regarding integration of aid to the dried fodder processing industry into the Single Farm Payment by 2012. Member States may choose a reference period from 2005-2008. It should be based on the historic model. DG AGRI currently has no views as regards the reference period chosen by Member States.

The German farmers organization asked whether the integration of the dried fodder premium would be done based on the historic or regional model. Based on the historic model, it would increase the entitlement by 400 €/ha, whilst based on the regional model, it would increase the entitlement by 1€/ha. DG AGRI stated it would need the question to be submitted in writing and would look into it in order to provide a detailed response.

CIDE asked how the stock of dried fodder will be managed as of 31/03/2012. DG AGRI stated it would have to check the legal situation with the legal services before providing a definitive answer.

COPA expressed its concerns over the price that would be paid by the industry in 2012.

8. The CAP post 2013

DG AGRI gave a PowerPoint presentation and commented on some ideas:

- Need for greater balance and efficiency in decoupled direct payments
- Possibilities to make use of art.68
- Need for risk management due to the volatility in the agricultural markets

Rural development measures could be further reviewed to take into new challenges linked to climate change; which could be interesting owing to the energy intensity of the sector.

Disclaimer

"The opinions expressed in this report represent the point of view of the meeting participants from agriculture-related NGOs at Community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the information presented here above."