

Mr Dacian Cioloş
Member of the European
Commission
B-1049 Brussels

Brussels, 12th August 2014

Re: Russian ban on food and agricultural products

Dear Commissioner Cioloş,

Copa-Cogeca would like to thank you for implementing extraordinary measures to help alleviate the pressure on European producers of peaches and nectarines. However, the limit of 4,6% has already been achieved for stone fruit in many producer organisations (POs), and therefore we need and a higher level of withdrawals than proposed outside POs and financed by an additional budget. Fruit and vegetables are perishable products and are therefore the most affected by the crisis.

Copa-Cogeca is extremely concerned about the impact of the political crisis between the EU and Russia on the EU agriculture and agri-food sector.

The embargo imposed by Russia on EU agricultural and agri-food exports will have a direct and indirect impact on the markets that will be felt well beyond one year. EU farm incomes are on a downward trend since 2012. The consequences of the Russian embargo will accentuate this trend outside of the basic markets. Exceptional crisis measures provided for in the CAP of the order of € 400 million will not be sufficient to deal with a crisis of this magnitude. Furthermore, the effects of speculation could occur in the food chain beyond what is necessary.

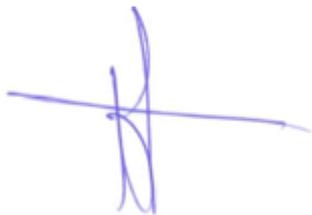
Copa-Cogeca therefore asks you to respond quickly with all the means at the disposal of the European Commission, for example, by implementing extraordinary market measures (private storage, exceptional withdrawals, none or green harvesting), accelerating the date of payment for direct payments, and so on. The harvest for apples, pears and citrus fruit will start soon, and it is therefore of major importance to extend fast the exceptional measures taken for stone fruits to all fruit and vegetables.

Copa-Cogeca would like to ask you to speed up promotion campaigns in third countries which may create alternative outlets for our produce. Accelerating some free trade agreements with third countries to open their markets, like China, Japan, the Middle East could be an option too. Given the scale and the speed of this crisis, monitoring the profit margins in the food chain would be of major importance to curb speculation.

Finally, the EU should ensure coordination between Member States and ensure that additional national funds are released to face the crisis. This situation is not the fault of the agri-food industry yet it has hit our sector hard. The support should therefore not be financed out of the CAP budget only but also from other funds.

The impact of the ban will also be much more far reaching and global, hitting other sectors and having severe knock-on effects. Copa-Cogeca cannot estimate yet the total extent of the damage and costs. Copa-Cogeca urges the EU Commission to monitor it closely and take further action when necessary.

Yours sincerely,



Albert Jan Maat
President of Copa



Christian Pès
President of Cogeca

CC: Georg Häusler, Roger Waite, Jerzy Bogdan Plewa, Joost Korte, Tassos Haniotis