



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from:	Presidency
to:	Council
Subject:	International competitiveness of the European agri-food model <i>- Presidency paper and questionnaire</i>

Delegations will find attached (in Annex I) the paper and questionnaire drawn up by the Presidency with a view to structuring the exchange of views at the Council (Agriculture and Fisheries) session on 17 May 2010.

The conclusions of the seminar "External competitiveness of the European agri-food model" held in Sevilla on 15-16 April 2010 are set out in Annex II¹.

¹ Available only in English.

Under the auspices of the Spanish Presidency, on 15 and 16 April 2010 the Spanish Federation of Food and Drink Industries organised in Seville a seminar on "External competitiveness of the European agri-food model" with the broad and varied participation of experts representing European industry and production as well as national and Community administrations.

The discussions held at the meeting focused on three interesting issues:

- Affirmation of the model in the global context
- The regulatory framework governing our external trade
- The EU's agri-food promotion policy

The conclusions and policy proposals presented with the aim of serving as a starting point for discussing the aspects included in the attached questionnaire are set out in the annexed "Seville Declaration".

The following questionnaire is therefore proposed with a view to promoting a structured and profitable Council debate:

1. Do you consider that the current European agri-food model meets the requirements and expectations of European citizens? Do you think that it is a sustainable and balanced model from the social and environmental, but also the economic point of view?
2. Do you think that this model is sufficiently known and recognised at international level? How should we promote it and improve our negotiating position with third countries?
3. Do you consider that the current instruments for agri-food promotion are useful, adequate and necessary in the context of the new CAP? How could we improve their efficiency?

**SEVILLE DECLARATION
REINFORCING THE EXTERNAL ASPECT OF THE EUROPEAN
AGRI-FOOD MODEL**

INTRODUCTION AND OBJECTIVES

These are crucial times for the European agri-food model. The current economic situation and the new Community environment provide the setting for the operation of a system driving the economic and social activity of the Union, which has a brilliant future if there is convergence between the efforts required from public and private stakeholders to improve its competitiveness.

One of the components of the strategy for exiting from the current economic crisis undoubtedly focuses on reinforcing the external aspect of the European model. The world economy is growing beyond our borders and Europe must continue to maintain the leadership it has always shown.

This requires an analysis of the current European agri-food model, supplemented by ideas, constructive proposals and recommendations, which would give impetus to renewed growth.

For this purpose, a group of representatives of the European agri-food system – producers and industry, at both Community and Member State level – has prompted this reflection, under the auspices of the Spanish Presidency of the Council of Ministers of the European Union, with the participation of speakers from the European Commission, representatives of the European Parliament, ETUC, the Spanish Parliament and the Spanish public sector.

In the form of an open, multisectoral dialogue held from an exclusively Community-based point of view, discussions took place for a day and a half in Seville on a range of proposals with the essential purpose of contributing to future debates in the Council of Agriculture Ministers on policies to reinforce the external competitiveness of the European model.

The Seminar proceedings focused on three areas regarded as key to developing the external aspect of the European agri-food model:

- Affirmation of Europe's own model in the global context,
- Improvement of the regulatory framework on health, plant health and food which governs our foreign trade,
- Reinforcement of the Union's agri-food promotion policy.

In the light of these three factors, we, as participants in the Seville Seminar held in April 2010, present the following considerations and proposals:

CONSIDERATIONS AND PROPOSALS

A. AFFIRMATION OF EUROPE'S OWN MODEL IN THE GLOBAL CONTEXT

A.1. Considerations

1. In connection with **THE EUROPEAN AGRI-FOOD MODEL**, all the participants agree on the need to work towards sustainability. We consider that **the best way to ensure its viability and future is to use its social, economic and environmental aspects as a basis.**
2. This is the principle behind the policy measures such as environmental protection, animal welfare, social standards, high levels of food security and quality, and consumer information, which characterise our model.

It is those values, translated into regulations and combined with the development of food research and production, which will enable us to meet the global challenge of doubling food production, which the FAO assures us will be necessary by 2050.

3. **The implementation of this model has called for, and still calls for, considerable efforts from Community operators, both producers and industry. More precisely, efforts must be made to comply with Community legislation on food security and quality, the environment and animal welfare, and this significantly increases the production costs.**

A.2. Recommendations

For this purpose, the EU must find solutions to strengthen its own model based on the market orientation, and **respecting the rules on competition and international agreements**. Among the possible measures, we should like to make the following contributions:

- **Improve the conditions of access:** It is important that the monitoring of imported products is applied on the basis of harmonised procedures, so that all products, irrespective of their point of entry, offer the same guarantees of security and quality. It is a question of reciprocity for European operators.
- **Improve international support for the European model:** it is necessary for the European Union to explain and promote international acceptance of our model, based on sustainability values promoted at global level by the United Nations. Organisations such as the WTO, the FAO and the CODEX Alimentarius Mundi, OIE, UNCTAD, IPPC and others must be part of this outreach effort. Likewise, the highest possible degree of harmonisation of legislation at international level should be sought so as to avoid differential treatment.
- **Improve international technical assistance,** promoting initiatives such as "Better Training for Safer Food", which supports technical cooperation with developing countries, exporters or potential exporters to Europe, through the training of technicians, the drafting of rules and standards, exchange of officials, etc.
- **Improve cooperation:** the EU could also examine the possibility of improving development cooperation, in the case of those developing countries which bring their systems into line with the Community model.

- **Better legislation:** Simplification of legislation may be a highly useful instrument for reducing unnecessary burdens, provided that this does not mean a loss of information to the consumer or lost opportunities for operators.
- **Promote and raise awareness of the European production model among European citizens and third countries to inform them of its advantages and of its added value.**
- **Identify whether European citizens value the model and whether it responds to their demands and expectations.**
- Review it and, if necessary, adapt it to the actual market and to the needs and demands of European citizens.

It should not be forgotten that part of our model is based on those "public goods" that the citizen and the consumer value as necessary: the most important are differentiation based on territory and production methods, animal protection, the precautionary principle and protection of the environment.

B. REGULATORY FRAMEWORK ON HEALTH, PLANT HEALTH AND FOOD WHICH GOVERNS OUR EXTERNAL TRADE

B.1. Considerations

1. As regards **RULES ON HEALTH, PLANT HEALTH AND FOOD** that provide the context for our external trade, we want to highlight their importance, which increases as customs barriers gradually become less relevant in the agri-food field. They are in fact a basic prerequisite for external trade and therefore key to its development.

As for the Community system, Europe has acquired a framework characterised by:

- A single system of rules and standards based on the highest levels of consumer protection;
- Consideration of security as a factor unrelated to competition and its use as a protectionist measure;

- Application of the principles of transparency and scientific basis;
- A common framework for imports.

Europe has managed to turn itself into the world's largest agri-food commercial bloc and create a single market where there is free movement throughout its territory under common rules and a high level of trust on the part of European consumers.

B. 2. Recommendations

1. Although the existing international framework has proved its worth in recent years, there is still considerable room for us to make improvements.
 - Collaboration between the Committee on Sanitary and Phytosanitary Measures, **OIE, CODEX and IPPC needs to be improved as these are the bodies which advise on the national rules governing such matters;**
 - Encouragement should be given to improvement of the Agreement on the Application of Sanitary and Phytosanitary Measures in the context of the WTO, especially the provisions on transparency and an arbitration mechanism.

The European Union should, as an active participant in the multilateral sphere, resolutely back such action.

2. At Community level, the lack of harmonisation in the export field restricts what we can do – "one single market, 27 exporters" –, weakens our negotiating position and increases the cost of operations, which means that the following steps should be taken:
 - Require third countries to exclude any discriminatory treatment in application of the sanitary and phytosanitary controls and requirements they impose on European exports,
 - Improve the levels of cooperation between the Commission and the Member States by encouraging transparency and mutual trust,

- Develop a rapid surveillance system which makes it possible to avoid disputes and promote application of the instruments provided for in bilateral agreements in order to thereby improve the legal certainty of operators.
- Promote consideration of ways of improving use of the instruments agreed on bilaterally in order to increase their effectiveness.

Regarding import controls, the Union should reinforce application of common legislation with a view to greater harmonisation and closer collaboration between the Commission and the Member States.

C. STEPPING UP THE POLICY OF AGRI-FOOD PROMOTION

C.1. *Considerations*

1. **THE PROMOTION OF EUROPEAN AGRI-FOOD PRODUCTS** is the best way of informing the consumer of the advantages of our agri-food model: wealth, diversity, security, quality, nutritional value, etc. This being the case, agri-food promotion should be regarded as a highly important instrument for achieving the objectives of the new Common Agricultural Policy after 2013.
2. **A Community policy complements national efforts** and projects an image of European products that is improved and more far-reaching. If properly coordinated, national policies and Community policy are mutually enhancing, particularly in external markets.

The best way of boosting these advantages is through synergies between the various programmes, coordination and collaboration between Commission, Member States and professional organisations and a combination of public and private investment to ensure that our products reach markets and consumers.

C.2. Recommendations

The instruments of such a policy of collaboration should ensure that:

- On the internal market, European consumers are shown the value of our products, by informing them and helping them to make the best choice;
- In third countries, the position of our products is improved and assistance is given in opening up new markets, particularly emerging markets;
- An appropriate balance is established between generic promotion, forms of quality differentiation and brands;
- The procedures for managing promotion programmes are simplified throughout the market chain;
- The relationship between quality policy and agri-food promotion is established as an instrument for demonstrating the value of European production;
- A common framework is set up for agri-food promotion with regulation that is appropriate from the point of view of competition and State aid;
- The policy is endowed with the means to achieve its ambitions.

Seville, April 2010

