

A collage of three images: a cargo ship at sea, a modern building with a curved facade, and a close-up of corn cobs on a wooden surface.

OUR PRIORITY: TRADE FOR A BETTER MARKET

Brussels, November 2014

CELCAA aims to engage with Members of the European Parliament, Commission officials, representatives of Member States and relevant stakeholders in a constructive dialogue on opportunities for the European agricultural trade sector. The aim of this document 'Our Priority: Trade for a better market' is also to convey the expectations of the CELCAA membership towards the new European Commission and recently-elected European Parliament.

In addition, CELCAA's document seeks to raise awareness of the positive role European Union trading companies' play in the supply chain of agricultural goods. As active and responsible participants in the market they provide valuable services constantly seeking efficiencies by balancing supply and demand markets, reducing the chances of food loss and waste, and lessening the impact of price volatility.

We therefore call on EU decision-makers to help all actors along the chain take full advantage of these merits. CELCAA therefore proposes a series of measures to support traders in their daily business operations.

CELCAA's members regard EU trade and the organisation of the single market as key policy areas providing most opportunity for trading companies to contribute to economic growth and job creation in the EU. European traders play a crucial role in the chain as they connect producers to consumers, through distribution capacities and services. Traders improve the functioning of the market by constantly adjusting supply and demand imbalances in various markets. Traders contribute to the good functioning of the chain and add value along the transaction: from providing expertise on specific goods to tailored services such as insurance, guarantees, trade operators make the delivery of goods efficient, affordable and secure to consumers worldwide. The positive role of the trade should therefore be acknowledged.

The EU is engaged in a myriad of trade negotiations / agreements with third country trading partners. Considering the lack of further significant growth in EU consumption of agricultural goods, these new markets play an important role in supporting growth for the entire European agriculture sector. In parallel, the EU should seek fairer trade relations with its trading partners, in particular when it comes to leveraging its high standards of food safety, animal welfare and protection of the environment. At the same time reintroduction or preservation of barriers to trade amongst Member States should be avoided. This would destroy the dynamic that creates competitiveness and added value through innovation at all levels of the supply chain.

CELCAA AISBL

The voice of European traders in agri and food commodities

10 rue de Tamines, 1060 Brussels - BE

www.celcaa.eu - info@celcaa.eu

Tel/Fax : +32 2537 37 11

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The European Parliament has the power to contribute concretely to the shaping of EU trade policy impacting on agricultural products while securing the benefits for the internal market. Therefore, we call on the Members of the European Parliament to campaign for an ambitious EU plan vis-à-vis our trading partners and for a continued support of the internal market, and finally to support all necessary measures to ensure that the EU remains competitive on the global scene.

Considering

- That the European Union is one of the most open and transparent economies which stimulate the EU to be competitive and innovative;
- The high standards of food safety, animal welfare and environmental protection in the EU, and its impact on production costs;
- The growing demand worldwide as the world population is expected to grow by over a third, or 2.3 billion people, between 2009 and 2050¹;
- That agricultural products traded are on a global market; traders and their daily activities help combat sudden and unexpected food demand and supply imbalances²;
- That the trade's complementary role grows more crucially to cope with shifts in global trade and internal demand, while world food trade helps assure food security and an adequate nutritional diet for people today by complementing local & regional supplies;
- That the EU is competitive on the world market in part due to competitive pressure on its sizeable internal market;
- That the trade works on razor thin margins to provide for timely, low cost, high quality and high volume supply;
- That in a situation of overall higher prices and increased volatility, a transparent, predictable, and rules-based system governing trade in agriculture will certainly become more important.

CELCAA calls on Members of European Parliament to consider these top priorities: `

1. Promote and support predictability and visibility for EU trade operators and business; particularly in relation to the management of tariff rate quotas;
2. Support multilateral trade negotiations and framework;
3. Support ambitious market access when negotiating FTAs with trading partners for European agricultural products; including tackling key non-tariff barriers, export bans imposed by third countries and help dealing with public stocks;
4. Enhance EU trade negotiators relations with trade operators on the ground, who can serve as 'trade advisers' to negotiating teams;
5. Ensure maximal participation of traders in the food and agricultural chain while helping remove artificial barriers to trade;
6. Support an ambitious and efficient promotion policy for European agriculture in third markets.

END

CELCAA is the EU umbrella association representing EU organisations covering the trade in cereals, grains, oils and fats, olive oil, agro-supply, animal feed, wine, meat and meat products, dairy and dairy products, eggs, poultry and game, tobacco, spices and general produces. Members include CEEV, CIBC, COCERAL, EUCOLAIT, EUWEP, FETRATAB, GAFTA EU, UECEBV. CELCAA's main objectives are to facilitate understanding of European decision-makers and stakeholders on the role played by the European traders in agri-commodities; to act as a platform of dialogue and communication with the European Institutions and to encourage public and general interests in agri-trade issues.

¹United Nations Population Division, Department of Economic and Social Affairs. (2011). *World Population Prospects: The 2010 Revision*. New York: United Nations. Available at <http://esa.un.org/unpd/wpp/Excel-Data/population.htm>.

²Food and Agriculture Organization. (2005). *Agricultural Trade and Poverty: Can Trade Work for the Poor? The State of Food and Agriculture 2005*. Rome, Italy: FAO.

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