



Paul Rooke

**President CELCAA,
European Liaison Committee for Agriculture and Agri-
Food Trade**

**Transatlantic Trade & Investment Partnership
Stakeholder Presentations Event**

Brussels, Belgium

12 March 2013

Check Against Delivery



Celcaa welcomes the initiative by DG Trade to organise a TTIP stakeholder event and is grateful for the opportunity to give our views.

Celcaa members are organisations representing traders across a wide range of sectors supplying into the food and feed sectors at farm, processing and retail level. We see this event as part of the development of a constructive dialogue and exchange between the business community and trade negotiators on a subject that is of crucial importance for the agricultural and food/ feed sector, bringing together two main trading blocs in terms of both export and import.

There is work to be done on elimination of tariffs, as the US maintains tariff rates across most agri-food sectors. We therefore call on the US negotiators to be more ambitious in their tariff offers and match the EU ambition.

Of great importance are the associated regulatory and non-tariff issues. Indeed figures from ECORYs suggest up to 80% of the value of liberalisation comes from action on NTBs – a value of some €6.9 billion in the agri-food sector alone. A focus from both sides should therefore be on improving areas of regulatory cooperation and acceptance of, and adherence to, international standards.

EU negotiators must begin by clearly addressing the current limitations on EU exports to the US as part of the drive towards a successful outcome. Examples would be overturning the unjustified import ban on EU lamb; addressing the protection of wine denominations under the Geographic Indications (GI) of origin; and securing equivalence of EU hygiene rules for dairy products with the grade A Pasteurised Milk Ordinance.

Returning to the issue of non-tariff barriers these are most evident in relation to defensive interests within the agri-food sector. Setting aside the list of sensitive products, including dried and liquid eggs and parts of the meat sector, where protection is still warranted, there is a need to take proper account of the high standards for factors such as animal welfare and environmental protection and ensuring the expectations of the EU consumer continue to be recognised. As an example, in 2012 the cost of EU legislation on food safety, animal welfare and environmental protection accounted for 15% of the total cost of EU egg production.

Celcaa members have identified clear offensive interests within the agri-food sector:

- in Dairy – where the EU is competitive on world markets and exports grow steadily – tariffs should be removed
- In meat where the EU has the potential to develop high-value/ low volume niche markets for veal and sheepmeat (US market being only 50% self-sufficient in sheepmeat)
- In wine where exports to the US have grown steadily and where both tariff and non-tariff barriers should be the target for liberalisation

CELCAA, European Liaison Committee for Agriculture and Agri-food Trade

10, rue de Tamines

1060 Brussels- BE

www.celcaa.eu

info@celcaa.eu

T: +32 488 36 83 47



Considering imports, we continue to recognise the EU dependence on imported raw materials such as vegetable protein. The EU must be able to secure affordable, sustainable, predictable and continuous import flows to meet its 70% import needs. Achieving this has to encompass agreement on the regulatory structure around biotechnology. From protocols to deal with the presence of GMOs in conventional seed to the potential €25 million loss resulting from rejection of a 50,000 tonne shipment through the absence of a low level presence policy as well as the growing regulatory problems arising from a lack of asynchronous authorisation

To finish with one or two specific examples of where we feel progress should be possible:

- Trade will be assisted through an equivalence between the status of authorised economic operators (AEOs) in the EU with the US system for certifying EU exporting companies;
- Both parties should look to harmonise their risk assessment evaluation process. This is not only in relation to the issue of asynchronous authorisation but also in terms of establishing a threshold of regulatory concern as part of a pragmatic means of guaranteeing consumer safety whilst at the same time expediting trade
- Finally, both parties should pursue an objective evaluation of their respective policies towards regulatory harmonisation – we believe there is more agreement on sustainability objectives than there are differences and it is important to set these in context.

To conclude, we call for an effective co-regulation, communication and legal convergence from both sides. New regulation should be based on the use of existing common international standards, not the creation of new ones.