

The results of the High Level Group on the Competitiveness of the Agro-Food Industry

Specific issues concerning agricultural raw materials

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« Food Industry »
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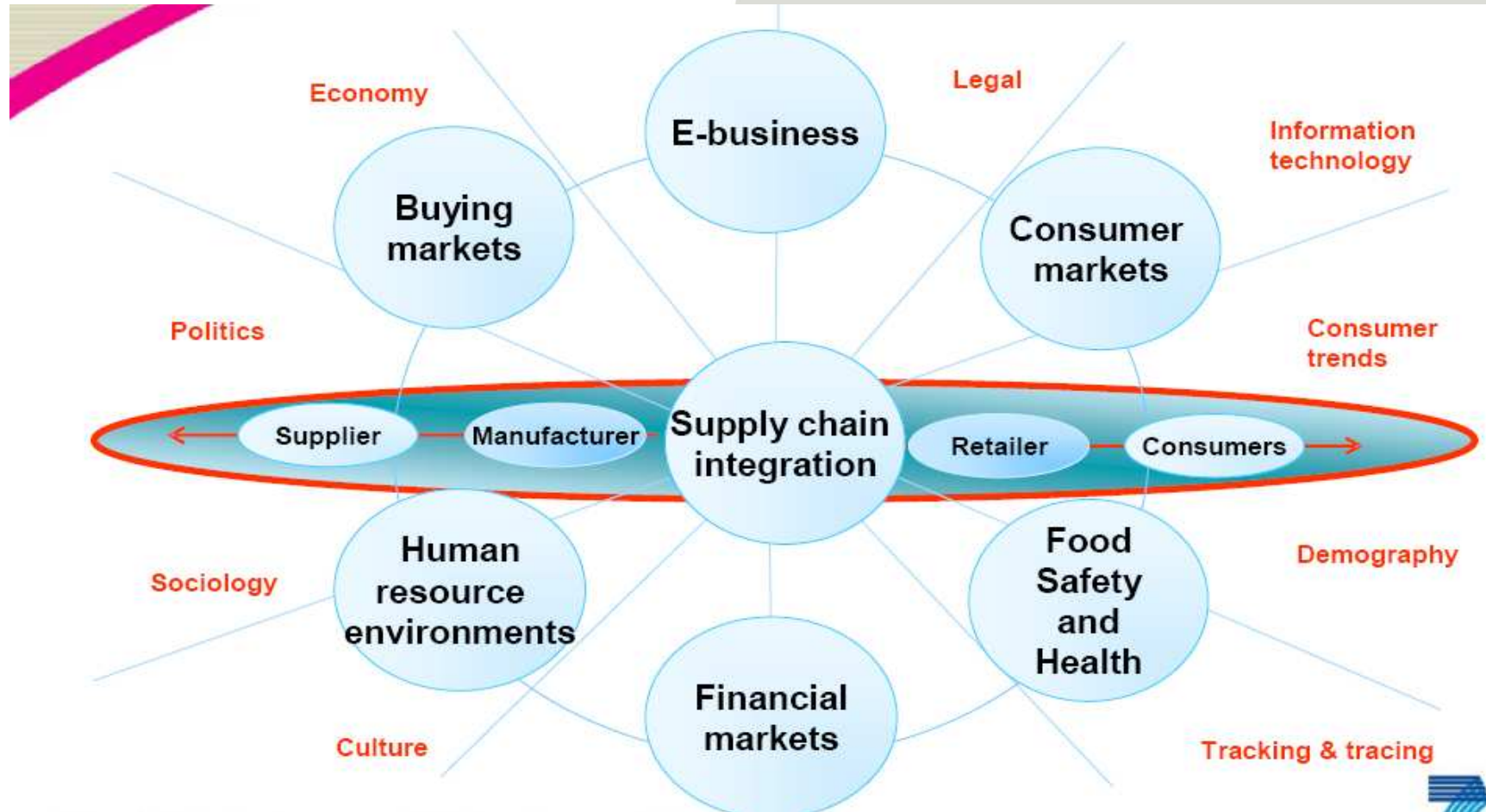


European Commission
Enterprise and Industry

The High Level Group on the competitiveness of the Agro-Food Industry

- Initiated in 2008
- Objective: Identify the factors that influence the competitive position and sustainability of the Community Agro-Food Industry, including future challenges and trends.
- Composition:
 - 4 Commissioners (Chair: VP Verheugen) + 1 MEP
 - 8 Member States representatives (Ministers)
 - 13 industry leaders + 6 associations representatives

The Food System





EUROPEAN COMMISSION

Community research

FOOD INNOVATION

Opportunities along the Food chain

Consumers

Nutrition

Processing

Safety

Environment

Health and well-being of consumers

Nutritional value / digestion / health impacts

Organoleptic impact

Safe, high-quality foods

Preparation

Storage / transport / retail

Environment

Processing

Production systems: Agriculture / Fisheries / Aquaculture



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Conclusions and recommendations

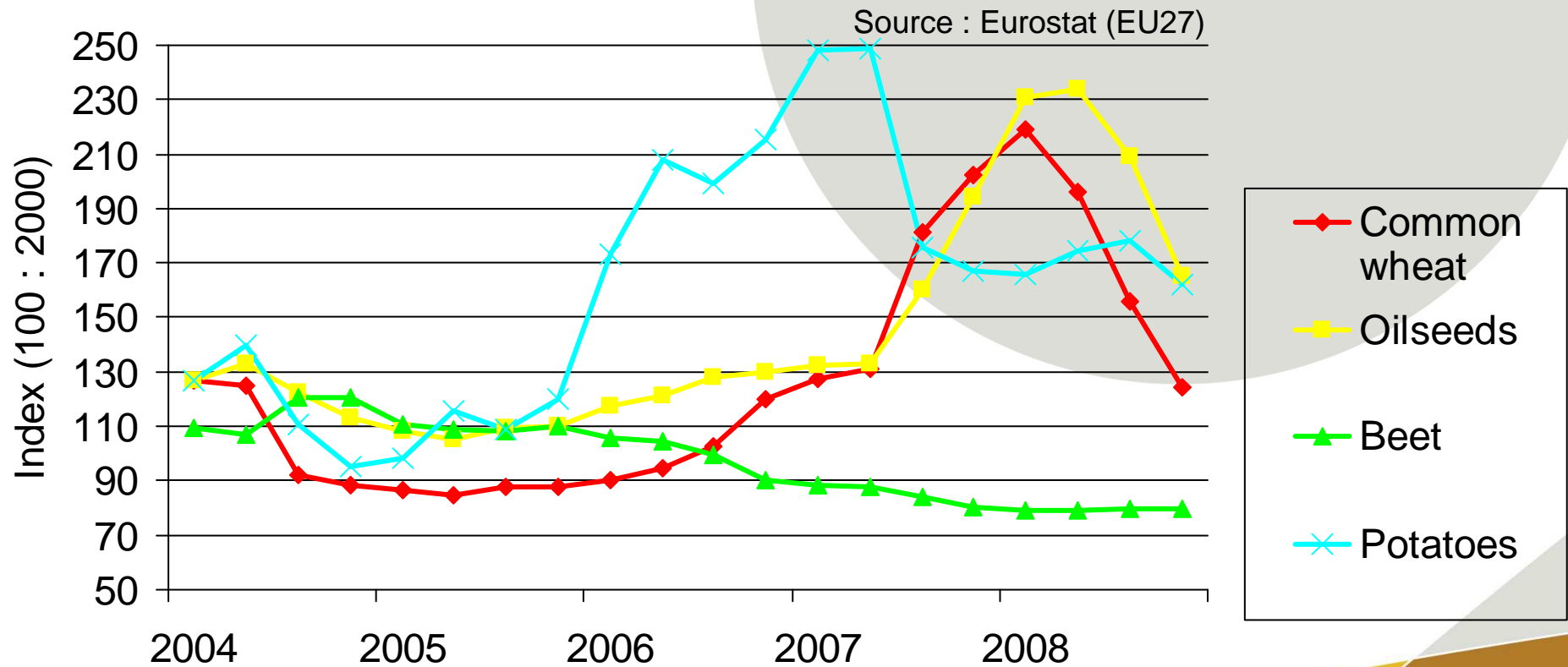
- An integrated approach, cover 5 areas of interest:
 - Agricultural and Environmental Policy
 - The Internal Market for Food
 - The Operation of the Food Chain
 - Research and Innovation
 - Trade and Exports
- 30 recommendations issued on 17/03/2009
- Roadmap of concrete actions to be adopted in July

The HLG and the high volatility of agricultural commodities prices

- The debates in the HLG occurred in 2008-2009: a period of price volatility for agricultural commodities.
- EC communication “Tackling the challenge of rising food prices. Directions for EU Action” identified as major causes of the 2007 increase in prices:
 - The increasing demand for food in emerging markets
 - The damages to crops due to severe water conditions
 - Trade restrictions and low world stock levels
 - High energy prices and high demand for bio-fuels
- There is a need for an improvement of the functioning of price transmission along the food supply chain.

The HLG and the high volatility of agricultural commodities prices

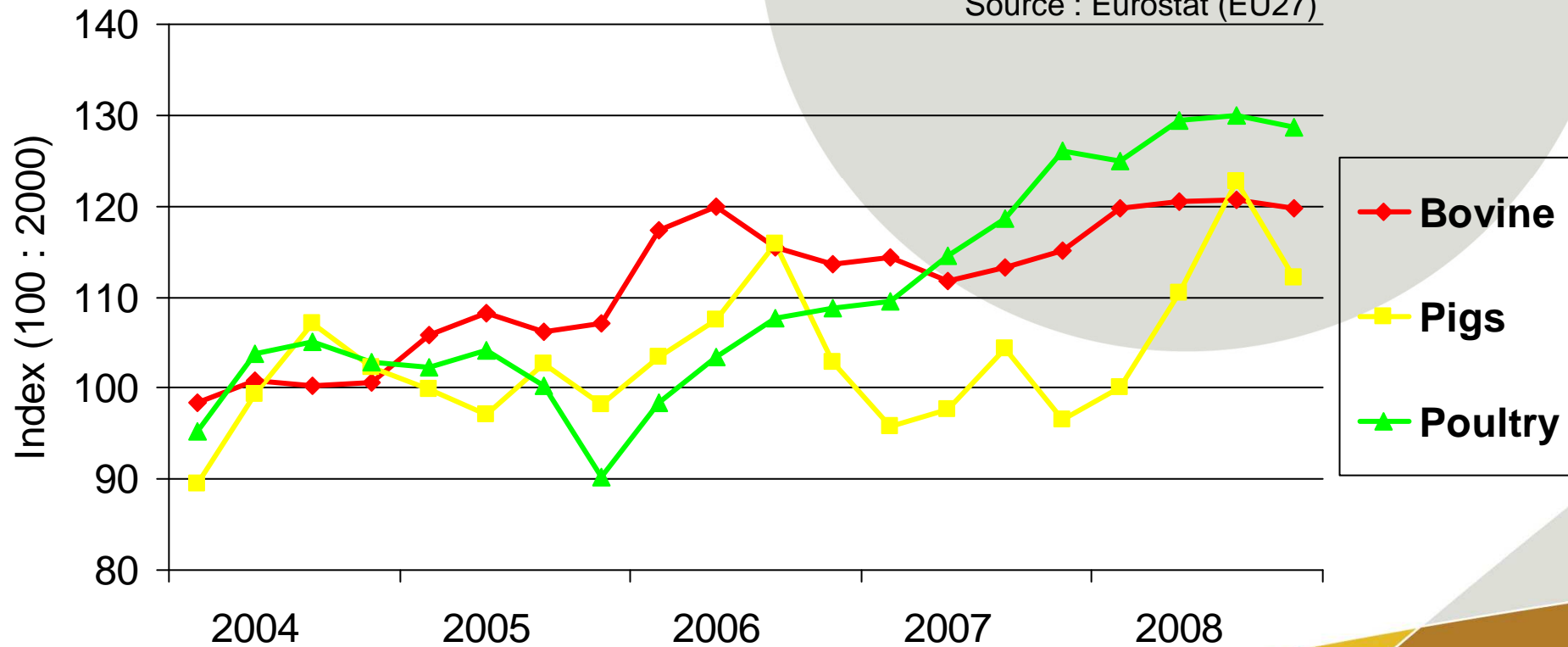
Price paid to farmers



The HLG and the high volatility of agricultural commodities prices

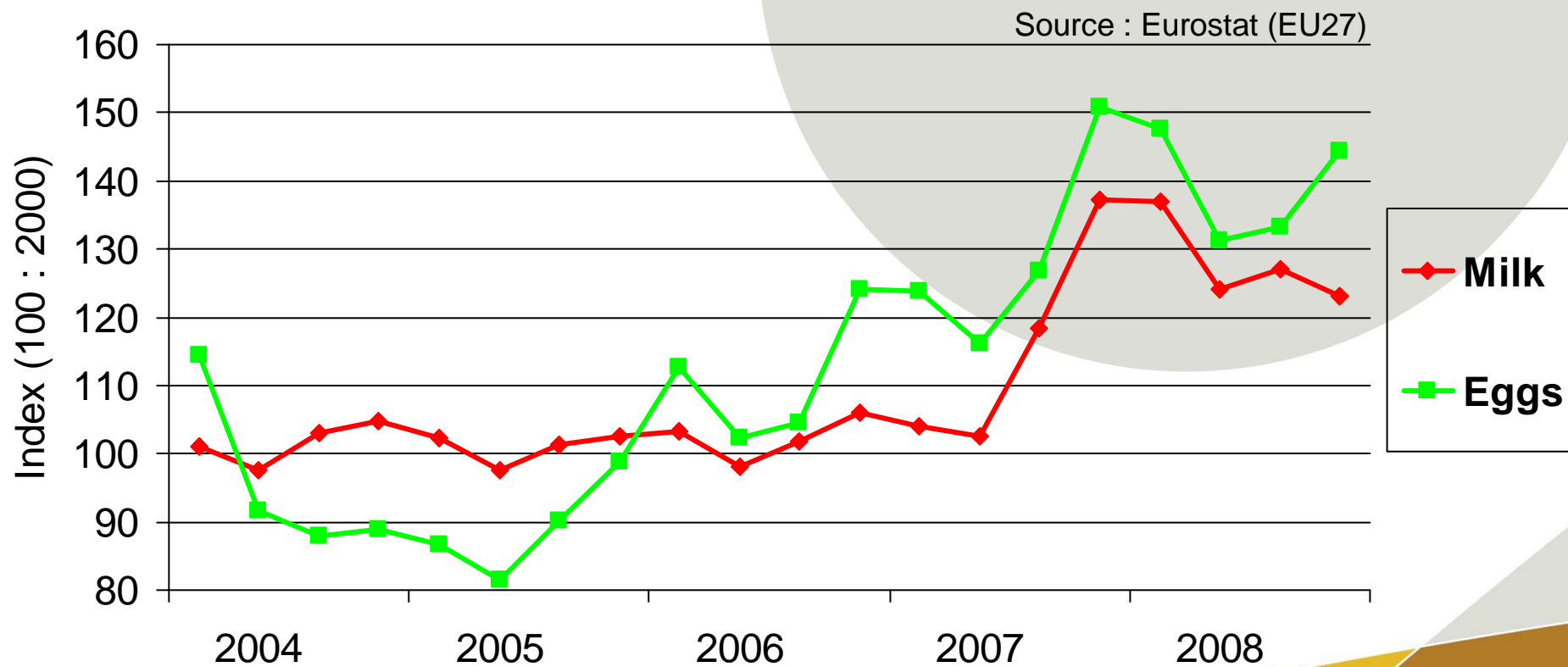
Price paid to farmers

Source : Eurostat (EU27)



The HLG and the high volatility of agricultural commodities prices

Price paid to farmers



Recommendations related to agricultural raw materials (1/2)

- Continued support for an ambitious development of the CAP
 - Enable farmers to better respond to market signals
 - Apply the established market management instruments in a balanced way
 - Address prices volatility and availability of raw materials
 - Consider new policy instruments to assure the efficient management of production and market
 - Adapt the instruments to regulate production to market trends
 - Empower the Commission to suspend temporarily customs tariff conditions so to facilitate quick response to crisis

Recommendations related to agricultural raw materials (2/2)

- Insure sufficient supply of raw materials at competitive prices
 - Set up a holistic EU-policy framework for the facilitation of sufficient and sustainable supply of competitively priced raw materials for food and feed purposes
 - Improve efficiency and transparency of the authorization procedures for GMOs
 - Seek a technical solutions for the asynchronous authorization of GMOs in different parts of the world

For more information on the High Level Group :

<http://ec.europa.eu/enterprise/>

- Industry sectors
 - Food Industry
 - Competitiveness
 - High Level Group