

[Home](#) > [Pro Morning Agriculture & Food](#) > Solidarity for Ukraine — with quotas

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by [Bartosz Brzeziński](#) • JUN 6 • 10 MINUTES READ

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POLITICOPRO Morning Agriculture & Food

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with DOUGLAS BUSVINE

SNEAK PEEK

— **Ukrainian farm exports face €1.1-billion in losses and rising frustration** as EU wartime trade perks expire.

— **The next CAP is still (sort of) officially on track for July**, but behind the scenes, the timeline's looking wobbly.

— **Lula charms Macron with wine and cheese**, but France still won't swallow the Mercosur deal.

Welcome to Morning Agri! Agriculture Commissioner Christophe Hansen heads to Japan this weekend [for a six-day visit](#). We'll be off on Monday, back in your inboxes on Tuesday.

Mark your calendars: Our [weekly agriculture calendar](#) landed in your inbox on Thursday. You can also [go online](#) to export and plan your week or suggest [your own event](#).

Send tips, comments and scoopy documents to: [Bartosz](#), [Lucia](#), [Ketrin](#) and [Doug](#) | Here's the [POLITICO Europe starter pack](#) on Bluesky.

DRIVING THE DAY

UKRAINIAN FARMERS NAVIGATE POST-ATM TRADE WATERS: After the expiry of the EU's Autonomous Trade Measures (ATMs) for Ukraine, the country's agri-food lobby UCAB is cautiously eyeing the bloc's interim arrangements.

'Historic day': During a webinar hosted Thursday, UCAB leadership called the transition a "historic day," marking a shift from open-ended wartime support to a more restrictive framework until an updated free trade deal is brokered.

Back to quotas: Under the European Commission's [stopgap regime](#), Ukrainian agricultural exports will now fall under trimmed-down tariff-rate quotas (TRQs). These revert to the pre-war provisions within the Deep and Comprehensive Free Trade Area

(DCFTA) with some adjustments: sugar now faces an 11,000-ton limit, for example, down from over 260,000 tons under the ATMs.

Billion-euro hit: UCAB's Oleksandra Avramenko estimated that Ukrainian agri losses could reach €1.1 billion by end-2025 — better than the feared €3.3 billion had full quotas snapped back, but still “not the best-case scenario.” Small farmers, especially in war-ravaged south regions, will bear the brunt.

Trade ties at risk: Avramenko added that Ukrainian exports still account for a marginal share of the European agri market and are already aligned with EU standards. Backing that view, European dairy trade association Eucolait said Thursday the reintroduction of quotas “[serves no one's interest](#)” and urged the EU to swiftly conclude a new deal enabling full liberalization.

TOO CHICKEN TO COMPETE? In a stark rebuke of EU farm lobbies pushing to curb Ukrainian imports, Swedish liberal MEP Karin Karlsbro [told POLITICO's EU Confidential podcast](#): “I really wonder — are European farmers more afraid of competition from Ukraine than Putin winning the war?”

Brussels blinks: The harsh import limits, she added, are “the result of a very aggressive lobby against trade with Ukraine, and I'm very critical [of] the Commission, which has not been brave enough in this very tough situation.”

RECOVERY BLUEPRINT: A [recovery plan](#) from Washington-based think tank CSIS calls on the EU and partners to invest \$55.5 billion (€48.3 billion) in rebuilding Ukraine's war-torn farm sector. It warns of long-term disruption to EU food markets and Russian gains in the global agri trade. Priorities include demining farmland, rebuilding Black Sea logistics, and aligning with EU green and rural policies.

FARM POLICY

'NO EXACT DATE' FOR NEXT CAP: As calls mount to delay the unveiling of the post-2027 Common Agricultural Policy proposal, the European Commission is trying to project confidence — while hedging on timing.

Holding the line: DG AGRI Deputy Director-General Pierre Bascou told participants at the CEFS Congress on Thursday that the Commission is still working toward the July 16 deadline, when the broader Multiannual Financial Framework package is expected.

Another top official, Catherine Geslain-Lanéelle, acknowledged the tight timeline during the EU's first Strategic Food Summit, telling the audience: “We have to prepare the next CAP for July 16 ... there is little time to engage.” She added that the Commission's Vision for Agriculture and Food serves as the foundation for the upcoming proposal.

September whispers grow louder: Despite the official timeline, the center-right European People's Party is increasingly convinced the CAP proposal [won't land before September](#). Meanwhile, a draft letter from AGRI Chair Veronika Vrecionová, seen by Morning Agri, argues that releasing the CAP proposal alongside the MFF would preempt [Parliament's own reflections](#).

It warns that a rushed reform could lead to technical mistakes and leave too little time for meaningful input from farmers, national governments and other stakeholders. “A more measured timeline would help avoid such issues,” the draft reads.

One package, many pressures: Traditionally, the CAP proposal has followed the MFF blueprint by several weeks. But this time, Ursula von der Leyen wants to present the

MFF and sectoral proposals in a single package in July — a move complicated by staffing and capacity constraints in DG AGRI. For now, the Commission is holding the line, but time is running short.

Date still unclear: Commission spokesperson Balázs Ujvári told Morning Agri: “The future CAP will form part of the MFF package, but no exact date can be confirmed at this stage.”

MERCOSUR

OPEN YOUR HEART: Brazilian leader Luiz Inácio Lula da Silva made a heartfelt appeal to French President Emmanuel Macron on Thursday to drop his enduring opposition to a long-awaited trade deal between the European Union and the Mercosur group of South American countries.

“My dear Macron, open your heart a little bit to this possibility of concluding this agreement with our dear Mercosur,” Lula said at a press conference with the French president. “The deal is the best response our regions can give in the face of an uncertain context created by the return of unilateralism and tariffs protectionism,” he added.

Not so fast: While Macron smiled broadly in response to Lula’s comments, it didn’t look like the French president was going to cave in just yet, Clea Caulcutt writes in to report.

Yet again: Instead, he called for “an additional protocol” to be added to the Mercosur deal to prevent a glut of South American meat from disrupting European markets. Another demand is for so-called mirror clauses that would subject Mercosur farmers to the same environmental standards as their European counterparts.

Fear the farmer: While [the French position is known](#), the fact that Macron stated them publicly to Lula at this late stage in proceedings shows his resolve to reopen the deal — and appease French farmers by winning fresh concessions — rather than face a decisive vote later this year to ratify the deal that he risks losing.

“We need an additional protocol that ... says that when we encounter market destabilization that is not fair, we can hit a brake system,” Macron explained.

“I don’t know how to explain to my farmers that, at a time when I am asking them to comply with more standards, I am opening up my market on a massive scale to people who do not comply at all,” the French president said.

Meanwhile in Budapest: The agriculture ministers of France, Austria and Hungary put out a statement on Thursday [expressing their shared concerns](#) about the Mercosur accord.

Spotted: Lula plying Macron with cheese and sparkling wine during their *tête à tête* ... or was it champagne? [The bromance continues](#) ...

Read the full story from Clea and Camille Gijs [here](#).

BIOFUELS

INDUSTRY URGES EU TO RETHINK CROP BANS: At a European Landowners’ Organization event Thursday, biofuels producers warned that EU restrictions on crop-based biofuels risk stalling progress in decarbonizing transport.

Reminder: The third iteration of the [Renewable Energy Directive](#) (RED III), adopted in

2023 as part of the EU's Fit for 55 package, sets binding targets to reach at least 42.5 percent renewable energy by 2030, with sector-specific goals including 29 percent renewable energy in transport or a 14.5 percent emissions cut.

Give crops a chance: David Carpintero of ePURE, the European renewable ethanol lobby, said barring food-crop feedstocks from aviation and maritime fuels hampers the development of “alcohol-to-jet” fuels — a necessary complement to HEFA, fuels made from used cooking oil and animal fats.

RED III under fire: Under RED III, such crop-based fuels are capped in road transport and banned entirely in planes and ships, due to concerns over land use and food security. A fourth revision of the directive (RED IV) is on the horizon.

Commission treads carefully: But DG AGRI's Gijs Schilthuis signaled caution, saying that any revision would require Parliament and Council backing and could prolong uncertainty. He acknowledged industry concerns but made no promises, noting such debates have resurfaced for years. He stressed that the Commission remains committed to climate targets, while security of supply and competitiveness are now central to its policy thinking.

CLIMATE

DON'T SIDELINE FARMING IN CLIMATE PUSH, NGOS TELL HOEKSTRA: A coalition of 17 civil society and farming groups has written to Climate Commissioner Wopke Hoekstra, urging him not to weaken the EU's 2040 climate goals by relying on international carbon offsets and to put agriculture at the heart of the bloc's climate strategy.

Farms' untapped potential: The letter, sent Thursday, [argues that EU agriculture has untapped potential](#) to drive emissions cuts — if ambitious, binding targets are set.

Loopholes on the table: It lands amid a broader row over [Hoekstra's expected July proposal](#), which could let countries meet part of their emissions target by funding projects abroad rather than reducing pollution at home.

Science pushback: The EU's scientific advisors [warned earlier this week](#) that such a move risks undermining the EU's credibility and climate leadership. Afterwards Commission VP Teresa Ribera [told POLITICO](#) the EU should follow scientific guidance in defining a path to climate neutrality.

FAST FOOD

LEGAL TWISTS AND TURNS: The Advocate General of the EU Court of Justice concluded Thursday that the European Commission [acted unlawfully in reapproving cypermethrin](#) — a widely used insecticide toxic to bees and aquatic life — in 2021. The opinion follows an appeal by PAN Europe, after the NGO [lost its challenge](#) in the General Court last year. The Commission is accused of ignoring EFSA concerns and data gaps. While non-binding, the opinion could sway the final ruling expected later this year.

STOP OVERFISHING THE BALTIC, SWEDEN SAYS: With cod and herring stocks in collapse, Sweden's Peter Kullgren is again urging the EU to act on the Baltic fisheries crisis. In [an interview Thursday](#), the minister said more proportionate quotas are the key to recovery, but also reiterated his call to cull booming seal and cormorant populations — [a stance that drew fire last fall](#). He warned that “fishing pressure has been too high” and pointed to large-scale trawlers as part of the problem, urging more countries to support Sweden's push for lower quotas and tougher coastal fishing rules.

EU AGRI-FOOD EXPORTS RALLY IN FEB: EU agri-food exports rose by 3 percent in February from January, and by 1.4 percent year-on-year, to €19.6 billion, according to the latest [Agri-Food Trade Report](#) from the Commission. Leading the way: higher exports of cocoa, coffee products and protein crops to the U.K. On the other side of the ledger, imports fell 5 percent from January but were still up by 15 percent year-on-year due to high global prices — above all for cocoa and coffee.

THANKS TO: Clea Caulcutt and Camille Gijs.

