Ministers vote on the future of agriculture

by Paula Andrés • 3 HOURS AGO • 9 MINUTES READ

Press play to listen to this article

0:00 / 11:53

Voiced by Amazon Polly

MORNING AGRICULTURE & FOOD

By PAULA ANDRÉS

with ALESSANDRO FORD and CAMILLE GIJS

SNEAK PEEK

- EU farm ministers gather in Luxembourg today to vote on their conclusions on the future of agriculture and to take stock of ongoing files.
- A Council position on new gene-editing rules is closer than ever after a last attempt by the Belgian presidency to soften Poland's opposition.
- Ukraine's farmers can make EU agriculture more competitive, says the head of a Ukrainian farm lobby.

Welcome to Morning Agri! Send tips, comments and scoopy documents to: Bartosz, Paula and Alessandro | Follow us @ThisIsBartosz, @paulandresr and @FordAlessandro.

DRIVING THE DAY

DIVINING THE FUTURE OF AGRICULTURE: EU agriculture ministers will assemble in Luxembourg today for the last ministerial meeting under the Belgian presidency.

High on the agenda are the conclusions on the future of agriculture in the EU, obtained by POLITICO, on which the Belgians are hoping to get unanimous approval. But the talks have been "intense" and the conclusions are still "fragile," according to diplomats.

What for: If adopted unanimously, the Council conclusions will provide a strong basis for the new European Commission to prepare future farming policies — including the post-2027 Common Agricultural Policy (CAP).

In a nutshell: The draft text highlights strategic issues in agriculture in the years to come, paying special attention to farmer competitiveness — including an adequate and fair distribution of funding, a level playing field on trade, and support in the transition toward sustainable practices.

Where it hurts: Diplomats noted that the trickiest articles in the text concerned funding, trade and external convergence.

The piggy bank: Work on the next EU multiannual financial framework (the bloc's budget) for 2028-2034 — which will impact the cash available for farmers — starts next year. This far out, some agriculture ministers were reluctant to speculate on how much funding will be available.

Mirror, mirror: Agricultural trade relations were another sticky point. Ministers urged "a fair, open, rules-based trading system and level playing field, with strict control and

enforcement of health and safety standards," while recalling the conclusions of a report by the EU executive to "extend to imported products EU production standards provided this is done in full respect of the relevant WTO rules."

Equals or not: The last area of disagreement — and one that could still turn some countries against the text today — is whether farm subsidies should be equalized between older and newer members of the bloc (known as "external convergence").

On that point, ministers added only that "a fair distribution of CAP support, in particular direct payments, among Member States is a sensitive issue and an adequate solution should be sought."

Other business: Once the conclusions are settled, the presidency will take stock of ongoing files under their term — such as plant and forest reproductive material and animal transport rules. In addition, ministers will be briefed on the outcomes of a symposium on front-of-pack nutrition labeling that took place in April, followed by a number of AOB items to abolish the ceiling on state aid and to allow the use of rural development funds for the purchase of breeding animals.

Something missing? New gene-editing rules (NGTs) are not on the agenda, as the Belgian presidency hasn't wrapped up the issue and is hoping for a last-minute deal. More below.

GENE-EDITING

BELGIUM SEDUCES POLAND WITH PATENTABILITY DEAL: The EU's new rules to regulate new gene-edited crops have been a headache for the past two presidencies. With Hungary and Poland holding the next two terms, proponents of the technology feared it was a now or never.

Context: Patentability rules — or the lack thereof — have been the most contentious issue in this dossier and the main reason why Poland has been blocking a majority for months while the European Parliament struck a deal in February that included a full ban on patents.

Latest plot twist: The Belgian presidency presented a new draft that allows field trials of conventional-like NGT plants (Category 1) to start without having to wait for patent verification, according to Euractiv. The text will be discussed during a meeting of deputy ambassadors (Coreper I) on Wednesday.

Optimism: Diplomats seem divided on whether the latest proposal will produce an agreement, but largely agree that this is the closest Poland has been to a deal.

"It seems like they're more positive," an EU diplomat said, while another added that the "last version was tailor-made to flip Poland." In the meantime, Polish PM Donald Tusk and Belgian PM Alexander De Croo are set to huddle this week, which could speed up the negotiations, according to diplomatic sources.

** Follow the movers, shakers, and deal-makers in post-election Brussels with POLITICO's EU Transition Playbook. As the election is behind us, our newsroom will report weekly on every twist and turn on what's ahead for the EU. Sign up to read here.**

UKRAINE

UKRAINE'S FARMERS WILL MAKE EU AGRICULTURE MORE COMPETITIVE:

Kyiv's eventual entry into the EU will inject some much-needed vigor into the bloc's increasingly anemic agricultural sector, according to a Friday event organized by the Ukrainian Agribusiness Club (UCAB) on the recovery of the country's agrifood industry.

Reminder: EU leaders will formally begin accession talks with Ukraine in Luxembourg tomorrow. Negotiations will also begin soon on revising the 2016 EU-Ukraine trade

agreement, also known as the Deep and Comprehensive Free Trade Area, given the recent extension of emergency measures until June 2025.

Don't worry: Before the 2004 round of EU enlargement, "the fears were exactly the same: 'The Romanian farms, the Polish farmers, the Czech farms are going to going to completely ruin the Common Agricultural Policy, it's going to be extremely difficult for western European agriculture,'" said Georg Nolcken, CEO of Continental Farmers Group. "And nothing happened."

Tractor protests: It's equally important now to note that the problems of European farmers are not due to Ukraine, Nolcken argued. "It's the discussions around the Green Deal in Europe and the impacts on farms, it's the discussion around rising energy prices for farmers," he said. In fact, Ukraine's modern, large-scale farms can help EU producers, such as by being top suppliers of cheap soymeal for livestock, as well as of biofuels for cleaner tractors.

POLAND 'DOOMED' TO COLLABORATE ON AGRICULTURE: Warsaw is "doomed" to collaborate with Kyiv on agriculture, Polish Agriculture Minister Czesław Siekierski said on Thursday during a conference titled "Polish Agriculture: 20 years in the EU." He called for "joint ventures in the field of processing and trade," and urged the country's farmers to focus more on value-added products.

Polish presidency: Warsaw will hold the rotating presidency for the first half of 2025, giving it a prime role during negotiations on the next CAP. "Is the stage of direct payments ending or not? To what extent should the EU switch to financial, market and insurance instruments, or accelerate changes in the agrarian structure, or leave it to free-market processes?" Siekierski asked. "There are a lot of questions here."

Here's one answer: Outgoing Agri Commissioner Janusz Wojciehowski was quick to reply on X. "Is the stage of direct payments coming to an end?... No, it does not end there, concern for food security requires an increase in direct payments in the future CAP," the Polish farm chief posted on Friday.

TRADE

SOUTH AFRICA SUES BRUSSELS OVER CITRUS: South Africa is expected to escalate its dispute with Brussels at the World Trade Organization today over the bloc's citrus black spot regulations, according to the Geneva-based organization.

At a meeting of the Dispute Settlement Body, Pretoria will request the establishment of a panel — the second step in any dispute at the international trade body. South Africa started consultations with the EU in the summer of 2022 and then launched a separate case last April over similar concerns.

"Unfortunately, consultations have failed to settle the dispute," the South African government wrote in a note in mid-June.

Context: Pretoria is suing the EU over its restrictions on imports of South African citrus because it sees the phytosanitary grounds conveyed by Brussels as disproportionate.

The EU has classified citrus black spot — a disease that leaves dark spots on fruit — as posing a risk to the health of plants. As a result, Brussels imposed heavier treatments on South African citrus, which Pretoria in turn regards as an unfair trade barrier.

Wait a minute: South Africa is the world's second-largest exporter of citrus, just behind Spain. South African citrus producers see the move as shielding Spain's producers from competition.

EU reasoning: "Citrus black spot is a plant disease not present in the EU which, if introduced, would have devastating consequences for our citrus production," said Commission spokesperson Olof Gill.

"The EU is convinced that its measures are compatible with international rules and are necessary to prevent the significant damage that these pests could do to plant health and our farming economy in the EU. The EU regrets that South Africa has reverted to dispute settlement," he added.

But but but: With the WTO's Appellate Body out of action since 2019, and South Africa not a member of the alternative appeal body set up at the initiative of the EU, the cases might end up going nowhere, with Pretoria left to appeal the panel's decision into the void.

MOVERS AND SHAKERS

WORLD FARMERS' ORGANIZATION: France's Arnold Puech D'Alissac was reconfirmed as the president of the World Farmers' Organization last week for another two-year term, promising to "defend a model of agriculture that is diverse, family-based, professional and fully open to the world." The ex-head of the FNSEA farmers lobby in Brittany will represent farmers at November's COP 29 in Azerbaijan.

FRANCE'S ANIA: Jean-François Loiseau was elected president of France's powerful Association of Agrifood Industries on Thursday. A farmer from Loir-et-Cher, an administrative region in central France, Loiseau is already president of the Axereal cereal cooperative and of the Intercéréales cereal association.

FAST FOOD

GAZA FAMINE: The Israel-imposed famine in Gaza will have health consequences for generations of Palestinians, leaving victims with stunted growth, metabolic dysfunction and organic damage likely leading to "permanent biological changes that are encoded at a genetic level," according to a Thursday report by the Centre for Strategic and International Studies.

LABOR EXPLOITATION: Italy will continue hiring more labor inspectors and double the number of agricultural inspections in the coming year, Labor Minister Marina Calderone said on Saturday, as the shocking death last week of a 31-year-old Indian farmhand prompted renewed calls to eliminate *caporalato* (labor exploitation in agriculture). Our colleague Leonie has the story.

GRAIN RESERVES: Countries should build grain reserves that can be released during shortages as a form of strategic price control to curb food inflation and prevent corporate price-gouging, according to a new paper published on Thursday by influential (but highly unorthodox) American economist Isabella Weber.