# **ACP-LDC Sugarcane Industries Group**

Representing the ACP and LDC sugarcane industries supplying the EU and UK markets

"Shaping the future of farming and the agri-food sector", Conference on the Vision for Agriculture and Food, 8 May 2025 in Brussels.

12 May 2025

## Background

The European Commission presented a "<u>Vision for Agriculture and Food</u>" on 19 February 2025, with proposals to:

- Review unfair trading practices and common market organisation (CMO) regulation
- Propose a fairer, simpler and targeted common agricultural policy (CAP)
- Enhance the EU Agri-food Chain Observatory
- Present a bioeconomy strategy
- Build an ambitious investment agenda
- Deliver a Generational Renewal Strategy
- Launch an EU Observatory on Farmland

Further to publication of the Vision for Agriculture and Food, the European Commission organized a conference on 8 May 2025 to hear the views of a wide range of stakeholders. The aims of the conference were to:

- © continue to build consensus around the Vision and its roadmap
- discuss and gather feedback, focusing on key initiatives outlined in the Vision
- engage with stakeholders on the future direction for the CAP post 2027

The Executive Director of the ACP/LDC Sugarcane Industries Group attended the conference and here presents his report to members of the Group.

## Report on the Conference on the Vision for Agriculture and Food

The conference was attended by seemingly around 1,000 participants in <u>The Square</u>, a very large conference centre near the Central Station in Brussels.





#### Welcome

The welcome coffee subsequent coffee sessions were an excellent opportunity to meet with the "Brussels scene", nearly all of whom seemed to be there! Under separate cover, I will briefly summarize conversations I had with some of these.

### Address by Mrs Ursula von der Leyen, President of the European Commission

Mrs Ursula von der Leyen opened the conference with a video address. She spoke of the need for the Common Agricultural Policy to generate simpler, fairer prices for farmers' produce. However, "it's hard to know if farmers are getting a fair deal". The Commission therefore proposes to review the regulations on price transparency in the agri-food chain. The Vision also seeks in particular to promote the interests of young and small farmers. Mrs von der Leyen's address ended with an assurance that, "we're listening and we're delivering".

# Address by Mr Christophe Hansen, Commissioner for Agriculture and Food

Commission Hansen's opening "keynote speech" promised a vision "based on reality". He acknowledged that the Commission has more to do to translate the Vision into "action". The Commission has five years of work ahead to work on the topics of unfair trading practices and simplification. Simplification of the CAP will be a priority for the Commission and a second package of proposals on this will be made later this year. Rural development and skills (for example, development of business plans in light of high borrowing costs) will be another topic in focus. Also, the Commission proposes to address land issues with a first step



to gather data in a "Land Observatory". Other vital topics include broadband connectivity, the bioeconomy, a focus on livestock farming, resilience: risk and crisis management, and a renewed focus on pollution. As regards the agriculture budget, the Commission will make a proposal this summer alongside in the context of the multiannual financial framework (MFF). The CAP will maintain farm income support within a dedicated CAP budget. In summary, the Commission's proposal on new CAP will impose fewer conditions and offer more incentives in a process of evolution, not revolution.

### Panel discussions



In a panel discussion following Commission Hansen's remarks, the agriculture minister from Poland insisted that there must be a separate budget for agriculture. There has been debate as to whether or not to subsume the agriculture budget into the general budget of the EU (effectively eliminating the EAGF and EAFRD), but this must be resisted. Panellists all agreed that dialogue – e.g. this conference – must be the answer to the recent farmers' protests. They also agreed on the need for simplification. The view was expressed that the CMO

must strengthen the role of farmers in food supply chain. There was discussion that new genomic techniques must be encouraged. An MEP on the panel noted that the Commission proposes to maintain the system of direct payments to farmers. These payments are mostly decoupled aids per hectare and are mostly "blind", however, 12% of these payments take the form of coupled support, which is not blind but depends on actual production of each product. The President of COPA, the farmers' union, Mr Massimiliano Giansanti, insisted that income support must be targeted towards farmers (rather than landowners?) and it must be stable. He also insisted that farm support is inadequate – it's currently 0.63% of EU GDP – it needs to be more, he said. The view was also expressed that farmers need to be encouraged to develop new income streams, for example, payments to support sustainable regenerative agriculture.

The panel also expressed the view that the EU's high sustainability standards must also apply to imports of farm commodities and food. Hence trade policy "requires nuance" (mirror clauses?!), especially as regards Ukraine and Mercosur. A panellist said he was "not against international trade but it must be fair". The view was expressed that DG TRADE tends to "dominate" DG AGRI in final decision-making in the Commission, however, the Commission as a whole must recognize the need for "reciprocity – this must be an essential element of the EU's international trade policy: it's really crucial".

The new CAP must also promote a crisis management strategy. There will be 10 billion people on planet Earth in 2030, so we will need 30% more food. Hence the need for an "ambitious" CAP to encourage EU farmers to produce more. For livestock farmers facing bluetongue, a viral disease spread by midges, we need solutions not bans, including the use of new genomic techniques.

Mr. Luis Planas Puchades, Minister of Agriculture, Fisheries and Food of Spain, spoke from the floor of the conference to insist that EU agriculture policy must be dynamic to meet the new challenges we face. Farmers need to be able to make a profit. Hence there can be "**no sustainability without profitability**". The minister insisted that there's no future for agriculture without more young people and women in farming. No future without innovation such as AI and new genomic techniques. The minister insisted that food security must be seen in the context of defence and energy security – there's no future without food security!

## Investment and generational renewal

The second "plenary session" focussed on investment and generational renewal. Mrs Gelsomina Vigliotti, Vice-President of the European Investment Bank (EIB), introduced the discussion noting that agriculture is a priority for the IEB, including investments in digital platforms, insurance schemes, climate adaptations, and to regenerate and modernize European agriculture.



A highlight of the session was testimony from Ms Anne van Leeuwen, a Dutch young farmer, "farmfluencer" and representative of <u>EARA</u>, the European Alliance for Regenerative



Agriculture. Ms van Leeuwen explained with the help of a video her journey to becoming a regenerative farmer. She explained the difficulties in starting as a new entrant to farming: that her farm cost €4.3m − "but if you look at the price of a carrot, you can quickly make a calculation that farm economics doesn't work". She explained how her farm has made use of cooperative structures to enable financial viability. Her farm does not use any pesticides or artificial fertilizers but instead relies on biodiversity: "we farm in such a way that everyone eats each other, so there's enough to eat for everyone: that's our resiliency".

During the panel discussion, Mr Peter Meedendorp, President of CEJA, the young farmers association, spoke eloquently about the difficulties that young farmers find in trying to secure bank finance. He noted that banks tend to take notice of agriculture and trade policy decisions, for example the proliferating Free Trade Areas such as with Mercosur, and the banks then question the viability of farm projects and make it more difficult for young farmers to access finance at reasonable cost. The panel seemed agreed that banking, finance and tax policy are key to "generational renewal". It was also noted from statistical evidence that organic farming seems to be more popular with younger farmers than older ones.

Mr Francesco Lollobrigida, Italian Minister for Agriculture, Food Sovereignty and Forestry, spoke of international trade policy in rather protectionist terms. I didn't understand fully as I didn't have headphones, but I'm pretty sure he said that mirror clauses are needed.

### Other quotes:

- Generational renewal: we must focus on that policy at breakfast, lunch and tea!
- A fair share of added value of food products needs to come back to the farm.
- More CAP cash is needed for disadvantaged regions.
- Farmers need payments for food AND societal benefits such as water and biodiversity.
- From Vision to Action.

### **Breakout sessions**

There were three "breakout sessions":

- 1) Enhancing resilience to risks and crises;
- 2) Developing excellence in livestock production chains; and
- 3) Leveraging opportunities for farmers from bioeconomy, nature and climate protection (i.e. carbon and nature credits).



Three rapporteurs reported back to the conference:

The rapporteur for the first breakout, Professor Erik Mathijs, Head of Division Bioeconomics, Katholieke Universiteit Leuven, reported that the session had concluded that the key to resilience is diversity. Risks are multiplying, not only climate risk. It is becoming impossible for society to pay for these risks. The motto is: protect, prevent, prepare. Nature based solutions and technological solutions, e.g. new genomic techniques (NGTs), futures markets, firm contracts, etc., are needed more than ever. Need to do this collectively via cooperatives and in collaboration with citizens, in fact with the whole population.

The rapporteur for the second breakout, Professor Holger Thiele, Agricultural Economics and Statistics, Kiel University, reported that animal welfare is key. Sustainability and profitability can be promoted by innovation, circularity, diversity and dialogue and access to finance.

The rapporteur for the third breakout, Ms Nataša Lovric, Senior Researcher, University of Eastern Finland, reported that the "eco-services" which farmers provide, such as carbon farming, must be monetized in the new CAP. These need to be clarified and targeted. Hence the future CAP could be linked to carbon credits, carbon sequestration and "nature credits". Moreover, the new CAP must encourage market innovations, proper accounting and financing schemes for eco-services, acceptable at scale by citizens. Bioeconomy: a future vision needs to offer a different vision for land use via a synergy between the CAP and the Horizon Europe research and innovation program. Moreover, agricultural policy should enhance and target eco-services with parallel programs, e.g. risk sharing schemes.





The concluding remarks of the conference were presented by Mr Pierre Bascou, Director for Sustainability and Income support, DG AGRI, European Commission. He emphasised that "dialogue very important for us". The New Vision for the CAP responds to challenging landscape, trade difficulties, climate, societal challenges, the need for safe food, rural landscape, and the need to respect planetary boundaries. Collaboration, trust and dialogue will continue to be key to achieving a sustainable and fair agrifood system. Responding to comments that the conference focussed more on agriculture than on food, Mr Bascou announced that the Commission will organize a dedicated event later this year about food.

The conference ended with words of support for Ukraine.