



Committee on Agriculture and Rural Development

2023/0038M(NLE)

20.9.2023

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on International Trade

Conclusion of the Free Trade Agreement between the European Union and
New Zealand
(2023/0038M(NLE))

Rapporteur for opinion: Michaela Šojdrová

PA_NonLeg

SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas New Zealand is the EU's 53rd largest trading partner for goods; whereas agricultural exports to New Zealand accounted for 11.5 % (EUR 722 million) of its total exports to New Zealand in 2022;
- B. whereas the EU is New Zealand's third largest trading partner for goods; whereas agricultural exports accounted for 64.9 % (EUR 1 822 million) of its total exports to the EU in 2022;
- C. whereas on 24 February 2022, the Russian Federation illegally invaded Ukraine, the effects of which have put food security and the resilience of the global food system at the centre of the political agenda; whereas European food production must, therefore, be considered a strategic sector and be placed on an equal footing with energy security, defence and the fight against climate change at EU and international level;
- D. whereas Russia's war of aggression against Ukraine has demonstrated the need to diversify trade agreements and decrease dependency on imports and exports from a limited number of trade partners, and the importance of concluding trade agreements with like-minded partners and expanding the Union's economic relations in other regions, including the Asia-Pacific region;
- E. whereas the EU has chosen to develop its open strategic autonomy so that it is less exposed to crises and disruptions in supply;
- F. whereas the EU's agricultural, environmental and trade policies must ensure coherent European political action;
 - 1. Welcomes the elimination of tariffs on EU agri-food exports, including key products such as pigmeat (current tariff: 5 %) and wine and sparkling wine (current tariff: 5 %), thereby opening up new business opportunities;
 - 2. Notes, with concern, that the Agreement does not include the 'mirror clause' concept, which is a key demand of farmers aimed at ensuring that all producer countries are subject to the same conditions in terms of agriculture and livestock breeding, thus guaranteeing their ability to compete in the market and improve their production;
 - 3. Welcomes the inclusion of the protection of geographical indications (GIs) for EU wines and spirits in the Agreement, as well as for other agri-food products as required by the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) since 1995; calls on the Commission to also ensure the effective enforcement of GI protection rules in New Zealand; notes the efforts being made to protect EU producers of sensitive agricultural products through the imposition of tariff rate quotas (TRQs) to control access to highly sensitive products; calls on the Commission to report, within the next two years, on the progress being made on including EU production safety

standards in sustainability, social, environmental and animal welfare provisions;

4. Welcomes the concern about protecting the specific situation of the outermost regions in the Agreement, given that the Agreement affects sensitive products for the economies of those regions;
5. Insists, nevertheless, that the Commission carefully manage and monitor the TRQs, keeping Parliament constantly informed, and ensuring that they are used fairly and effectively in order to prevent any negative consequences for the agri-food sector, especially the meat sector; requests that the monitoring mechanisms be transparent and easy to understand for all parties involved and that they be applied in such a way as to avoid any market distortion or obstacles for European producers;
6. Calls for the EU to implement safeguards, such as seasonality, on a quarterly basis on the additional TRQs for agricultural products, as permitted by World Trade Organization rules, thus ensuring that seasonal variations in production and consumption are taken into account, particularly for European sheep meat, which has two demand peaks every year that European livestock breeders traditionally use to cover their costs; insists, in this context, that additional imports do not disrupt the market during peak domestic production periods; points out that dairy production is vitally important in economic and social terms in some European regions, such as the Azores; encourages the EU institutions to continue to engage in dialogues with farmers and local producers in order to gain a better understanding of their specific needs and the challenges they are facing;
7. Calls for the Commission to be able to adopt safeguard measures when a New Zealand product is imported under conditions which cause, or may cause, serious difficulties for EU producers of like or directly competing products:
 - (a) at the request of a Member State;
 - (b) at the request of any legal person or any association that does not have legal personality, acting on behalf of the Union industry, meaning all or a major proportion of Union producers of like or directly competing products; or
 - (c) on its own initiative if it is apparent to the Commission that there is sufficient prima facie evidence of serious difficulties as referred to in this paragraph;
8. Expresses concern that the EU dairy, beef and sheep sectors are under pressure owing to the market access being given to non-EU countries; calls on the Commission to consider, by way of a detailed prior assessment, the cumulative impacts of current and future trade deals on EU farmers, especially in relation to small and medium-sized farms and with regard to the need to invest in sustainable local EU production and to protect it when international prices are too low, in order to ensure food security for Europeans; notes that this includes developing a support strategy for EU farmers that makes provisions, in particular, for facilitating access to know-how and financing, developing infrastructure and encouraging innovation and efficiency in the agricultural sector; calls for the timely publication of the Commission's updated cumulative impact assessment on the impact of all trade deals on agricultural sectors; insists that it is necessary to maintain a level playing field for EU farmers, agri-food producers and

workers; calls, therefore, for the introduction of appropriate support measures for EU farmers;

9. Insists on the need to ensure that this agreement does not lead to a reduction in production or loss of competitiveness for EU farmers and livestock breeders, as this would also entail consequences for European society as a whole; stresses that sheep breeding is a key sector for maintaining rural populations and is also extensive, sustainable and vital for keeping upland areas clear and preventing fires; points out, in this respect, that livestock breeding plays a key role in rural areas, in both socio-economic and environmental terms, as it creates jobs and helps to maintain the landscape; calls on the Commission, during the development of this Agreement, to ensure compliance with the EU's social and environmental standards for the European agricultural and livestock breeding sector;
10. Highlights that EU and New Zealand legislation on the use of pesticides exhibit certain differences, notably in the regulation of seeds treated with pesticides, which may lead to divergent legislative treatment of pesticides or pesticide-treated products and may give rise to unfair competition for farmers using such products; calls on the Commission to clarify how it will ensure coherence in standards applied to imports and EU products, and whether specific cooperation or mirror measures are considered as a means to ensure protection of biodiversity and soil health in both New Zealand and the EU;
11. Calls for the EU to put in place reciprocity measures to ensure that New Zealand imports comply with European environmental, social and animal welfare production standards in order to guarantee fair conditions of competition between European and New Zealand farmers;
12. Underlines that it would welcome regular exchanges between the EU and New Zealand on good practices, in particular regarding regulations on new breeding techniques and on attracting young people, especially young female farmers, into the farming profession; underlines, furthermore, the potential of these collaborations to improve agricultural productivity and sustainability, and to promote attractive and sustainable career opportunities for young people; notes that this may include sharing innovative methods on the use of technology, training and skills development, and strategies to recruit and retain young people in the agricultural sector; invites the EU and New Zealand to engage in ongoing discussions, involving their respective farming organisations, on developments in farming practices and sustainability standards on both sides, with a view to continuous coordination and improvement; welcomes the chapter on cooperation on sustainable food systems and the commitment to engage in the transition towards sustainable food systems;
13. Stresses the need to ensure an adequate monitoring framework at Union level on the enforcement of food safety standards for imported products;
14. Calls for the EU to continuously monitor and react without delay to the potential impact of UK bilateral trade deals on access to the UK market for EU meat and potential market instability or distortion, if necessary, by reconsidering the Agreement between the EU and New Zealand; underlines that continuous and constant assessment and monitoring of trade flows and market behaviour, and the adjustment of trade policies

and deals, are essential in ensuring a level playing field for EU producers and avoiding unwanted disruptions in EU agricultural sectors through the import of food at standards different from those imposed on Member States.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	19.9.2023
Result of final vote	+: 29 -: 9 0: 7
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoş Benea, Benoît Biteau, Daniel Buda, Isabel Carvalhais, Asger Christensen, Angelo Ciocca, Dacian Cioloş, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, José Manuel Fernandes, Paola Ghidoni, Dino Giarrusso, Francisco Guerreiro, Martin Häusling, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Gilles Lebreton, Norbert Lins, Marlene Mortler, Ulrike Müller, Maria Noichl, Juozas Olekas, Eugenia Rodríguez Palop, Daniela Rondinelli, Bronis Ropè, Bert-Jan Ruissen, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Veronika Vrecionová, Juan Ignacio Zoido Álvarez
Substitutes present for the final vote	Rosanna Conte, Peter Jahr, Tilly Metz, Michaela Šojdrová, Irène Tolleret, Emma Wiesner

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

29	+
ECR	Mazaly Aguilar, Krzysztof Jurgiel, Bert-Jan Ruissen, Veronika Vrecionová
ID	Gilles Lebreton
NI	Dino Giarrusso
PPE	Salvatore De Meo, Herbert Dorfmann, José Manuel Fernandes, Peter Jahr, Jarosław Kalinowski, Norbert Lins, Marlene Mortler, Petri Sarvamaa, Michaela Šojdrová, Juan Ignacio Zoido Álvarez
Renew	Dacian Cioloș, Martin Hlaváček, Ulrike Müller, Irène Tolleret, Asger Christensen
S&D	Clara Aguilera, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoș Benea, Isabel Carvalhais, Paolo De Castro, Juozas Olekas, Daniela Rondinelli

9	-
ID	Ivan David
PPE	Anne Sander
S&D	Maria Noichl
The Left	Eugenia Rodríguez Palop
Verts/ALE	Benoît Biteau, Francisco Guerreiro, Martin Häusling, Tilly Metz, Bronis Ropë

7	0
ID	Angelo Ciocca, Rosanna Conte, Paola Ghidoni
PPE	Daniel Buda, Simone Schmiedtbauer
Renew	Jérémy Decerle, Emma Wiesner

Key to symbols:

+ : in favour

- : against

0 : abstention