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MOTION FOR A RESOLUTION

further to Question for Oral Answer B7-0559/2010

pursuant to Rule 115(5) of the Rules of Procedure

on the crisis in the EU livestock sector

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on behalf of the PPE Group

European Parliament resolution on the crisis in the EU livestock sector

The European Parliament,

- having regard to its resolution of 8 July 2010 on the future of the Common Agricultural Policy after 2013¹,
 - having regard to its resolution of 7 September 2010 on fair revenues for farmers: a better functioning food supply chain in Europe²,
 - having regard to its resolution of 5 May 2010 on evaluation and assessment of the animal welfare action plan 2006-2010³,
 - having regard to its study entitled 'The impact of Europe's protein dependence',
 - having regard to Rules 115(5) and 110(2) of its Rules of Procedure,
- A. whereas European producers must comply with the most stringent regulations in the world regarding food safety and quality, the environment and animal health and welfare,
- B. whereas the current crisis in the livestock sector may lead to a significant reduction in meat production across the European Union which will have serious consequences, not only on prices but also on food security in the EU and will mean a greater dependence on imports,
- C. whereas EU agricultural income is 50% lower than average EU income and the incomes of livestock producers are the lowest in the farm sector; whereas this situation has been further aggravated by the current economic turmoil,
- D. whereas imports from third countries have been gaining market shares in the European Union and putting further pressure on market prices for livestock products,
- E. whereas European producers are competitively disadvantaged vis-à-vis third-country producers as their production costs are higher, resulting to a great extent from the need to achieve very high standards in animal health and welfare, food safety, environmental protection and labour conditions,
- F. whereas the European Union is highly dependent on soya beans and maize imported from third countries and any interruption of the supply of these products due to a minute presence of non-authorised GMOs has a very costly impact for the European feed industry and for livestock farmers (for example, EUR 1 billion if the disruption lasts six months),

¹ Texts adopted, P7_TA-PROV(2010)0286.

² Texts adopted, P7_TA-PROV(2010)0302.

³ Texts adopted, P7_TA-PROV(2010)0130.

- G. whereas the huge investments required in the livestock sector make it particularly vulnerable to market crises,
 - H. whereas farm incomes in the beef, sheepmeat and dairy sectors depend very heavily on direct payments, which range between 50 and 90% of total revenues,
 - I. whereas, in some new Member States, very few farmers in the livestock sector have benefited from direct payments and therefore have had greater difficulties in complying with the stringent European standards that require costly investments,
 - J. whereas the pig and the poultry sectors do not receive any direct support from the CAP, have no safety net to alleviate the impact of market volatility and must comply with the most stringent EU regulations regarding the environment and animal welfare,
 - K. whereas it is urgent that the EU adopts measures to stop price volatility and fight against market speculation, which has been one of the main causes of the recent increase in cereal prices,
 - L. whereas world demand for meat and other livestock products will rise in the coming decades as the world population is expected to grow rapidly and purchasing power will increase considerably,
 - M. whereas the EU lacks the tools to anticipate the evolution of world market prices and is too dependent on forecasts delivered by third countries, such as the USA,
 - N. whereas the gap between prices paid by consumers and prices received by producers has grown noticeably,
 - O. whereas the EU livestock sector is inextricably linked to the economy of Europe's rural areas, many of which are less-favoured and have no viable production alternatives,
 - P. whereas competitive crop production is closely linked to a vibrant livestock sector,
 - Q. whereas the situation on the beef market is closely linked to developments in the dairy sector, given that 70% of EU red meat production comes from dairy cows,
 - R. whereas the EU dairy sector has been facing extreme market volatility since 2007 with detrimental effects on dairy farmers' incomes and on the ability to sustainably produce quality food for European consumers,
 - S. whereas Commission data on the functioning of the food supply chain shows that there is a need for more transparency and more information related to production and market developments,
1. Calls on the Commission and the Council to ensure that the CAP beyond 2013 is adequately financed to guarantee the viability of all EU farmers, including livestock farmers; stresses in this context that fair competition between farmers in the different Member States must be guaranteed;
 2. Calls on the Commission, in the context of the next CAP reform, to reinforce the market

management mechanisms in the livestock sector and to put in place the necessary measures to limit, for the agricultural sector as a whole, the impacts of price volatility and speculation;

3. Calls on the Commission to make use of the available market mechanisms to alleviate the current crisis in the pig meat sector and other livestock sectors;
4. Calls on the Commission to propose market tools that guarantee an appropriate supply of cereals for animal feed; believes that a safety net should be applied in all cereal sector with a minimum intervention price for the tendering system;
5. Asks the Commission to propose flexible market mechanisms to respond more quickly to critical situations within the single CMO (chapter II – section 1 emergency measures);
6. Considers that export refunds should remain as long as the EU's main competitors have not withdrawn their support measures for exports within the next WTO agreement;
7. Supports, as a matter of urgency, the introduction of a protein plan for the European Union that would promote the cultivation of protean and leguminous crops, which could also play an important role in the reduction of gas emissions;
8. Calls on the Commission to provide legal certainty for imports of soya and maize from third countries by introducing a pragmatic threshold for adventitious GMOs which are not yet authorised in the European Union but are under scientific consideration;
9. Asks the Commission to review the current ban on meat and bone meal for non-ruminants and to evaluate the possibility of lifting the restrictions under conditions which would ensure a high level of food safety;
10. Asks the Commission to take into account, within the next CAP reform, the special vulnerability of certain livestock sectors and the unfair conditions in which they are competing with third countries;
11. Asks the Commission to consider specific measures, within the next CAP reform, to avoid serious losses of EU support for intensive livestock farmers which apply sustainable production conditions;
12. Calls on the Commission to reinforce measures to support the livestock sector in less favoured areas;
13. Calls on the Commission to apply the same conditions required of European producers in terms of food safety, the environment and animal welfare to imports;
14. Calls on the Commission to intensify promotion campaigns, supported by the CAP, to make citizens aware of the high standards of EU producers in food safety, environmental protection and animal welfare;
15. Considers it necessary to provide the European Union with a tool to forecast the evolution of world markets; believes that the new European External Action Service could be a very appropriate instrument to help anticipate strategic changes in third countries and to

promote the European model of farming throughout the world;

16. Asks the Commission and the Member States to take into account the high costs of complying with animal welfare legislation, especially as these costs do not find themselves reflected in selling prices; calls, therefore, on the Commission to ensure the compliance of third-country imports with EU standards in animal welfare in order to avoid unfair competition; stresses that the pigmeat and the poultry sectors will have to comply in the coming years with still more stringent requirements without any financial support from the European Union;
17. Calls on the Commission to evaluate the economic impact of the introduction of new welfare rules and to delay any new project until the current legislation is fully implemented;
18. Asks the Commission to review the modalities for implementing the marketing rules for poultry meat to ensure more transparency for consumers and clarify the definition of fresh poultry meat preparations in order to avoid the use of frozen poultry meat as fresh poultry meat in the preparation;
19. Calls on the Commission to propose a reinforcement of producer organizations in all livestock sectors in order to allow them to bargain better the price of their products while taking into account the production costs;
20. Calls on the Commission to adapt its promotional tools within the CAP to allow for the promotion of standard meat products as long as they are produced exclusively within the EU;
21. Calls on the Commission to fully safeguard the interests of European producers in bilateral trade negotiations with Mercosur and other third countries by avoiding concessions that could put EU livestock production at risk;
22. Instructs its President to forward this resolution to the Council and Commission.