

WRITTEN QUESTION P-2094/10  
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to the Commission

Subject: Implications of the trade agreement with Colombia and Peru for bananas and sugar

In late 2009 an international agreement was signed providing for a progressive reduction in EU banana tariffs from their current level of EUR 176 per tonne to EUR 114 per tonne in 2017. The ACP countries and the EU's outermost regions have expressed great concern as to the ramifications of this agreement as a result of the substantial erosion of preferential treatment accorded to them. They will also find it even harder to remain competitive in future as the Commission has earmarked only EUR 200 million over three years to support the ACP countries and has announced no further support measures for the outermost regions.

What is more, an agreement with Colombia and Peru was recently announced which will cut tariffs to EUR 75 per tonne by 2020. Since other countries, such as those in Central America, have every reason to demand similar treatment in their current negotiations with the EU, it is probable that, by virtue of future bilateral agreements, this tariff of EUR 75 per tonne will, in effect, replace the rate set in the multilateral agreement. This could have disastrous economic and social consequences for these regions, which already suffer high rates of poverty and unemployment.

Furthermore, negotiations with the Andean Community, Central America and possibly Mercosur will lead to further concessions on other highly sensitive products such as sugar, produced in ACP countries, the outermost regions of the EU and also continental Europe. The European sugar sector runs the risk of being severely affected by the granting of duty-free export quotas that will rise by three 3% per year for an unlimited period. These preferential trade conditions could lead to third countries, essentially Brazil, taking advantage of quotas that remain unused by other third countries to sell their sugar on the European market. This triangular trade would be completely against the spirit of the reform of the common organisation of the market in sugar in 2006.

Since overall consistency in policies is a priority of the EU's external activity, such disregard for our partners in the ACP and outermost regions in trade negotiations is unacceptable and amounts to jettisoning the long-standing EU objective of support for development.

Could the Commission tell us what its objectives are in these negotiations towards trade agreements that will have such serious consequences for banana and sugar production in the EU's outmost regions and the ACP countries? How are the singular economic and social circumstances of these regions taken into account in the negotiations? Is the Commission aware of the problems that these regions face and can it tell us what it intends to do to resolve them in current and future negotiations?