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CIBE CONTRIBUTION TO THE EU COMMISSION CONSULTATION ON FARM TO FORK STRATEGY

A shared ambition

- 1) **Sugar beet is a key rotational crop** in the EU, grown in 18 Member States on around 1.7 million ha. The sugar beet sector contributes 3.6 billion € directly to the Union's GDP and 15.6 billion € when including indirect value. Around 80% of the value is created in rural areas.
- 2) From household sugar to high-tech products, the sugar beet processing industry develops a wide range of products: food ingredients, animal feed, green chemistry products and renewable energy (bioethanol and biogas). It is a key contributor to the transition to bio-based economy in Europe. **The Farm to Fork Strategy should take into account the broad role of EU agriculture and farmers in the energy transition and bioeconomy.**
- 3) Arable crops and in particular **sugar beet have great potential in terms of carbon capture** (sugar beet captures around 36 t of CO₂ equivalent/ha/year). Therefore, they have an important role to play in the mitigation of global warming and should be considered at the core of the European Green Deal and Farm to Fork Strategy.
- 4) **CIBE welcomes the general objective of the Farm to Fork Strategy towards sustainable food systems that encourages the production and marketing of European sustainable agri and food products**, promotes developing sustainable labelling by integrating environmental and social aspects, including the origin indication for certain products, and, as part of the European Green Deal, tackles carbon-intensive, biodiversity/environment-damaging imports.
- 5) The Farm to Fork Strategy should ensure and pay great attention to the level playing field with third competitors as well as to the functioning of the EU Single Market.
- 6) CIBE also highlights that an increase in environmental and climate ambitions of the CAP should go hand in hand with **providing appropriate funds for their implementation; the budget dedicated to the future CAP and Farm to Fork Strategy must match these ambitious challenges.**
- 7) CIBE considers that DG AGRI should ensure the definition of appropriate objectives for EU agriculture and EU farmers, the assessment of potential impacts as well the good implementation of future measures.

Strengthening the role and resilience of growers in the supply chain

- 8) Following the end of the quotas in the sugar sector as from 1st October 2017, beet growers have faced a drastically changing regulatory context with changes in the regulatory contractual framework. The consequences of these changes have been **a weakened position in the supply chain**. During the 3 years

following the end of quotas, around 3 billion Euros have been transferred from sugar beet growers to sugar users (mainly food companies), without benefiting EU consumers.

- 9) The **resilience** of our sector is now put at risk with a sharp decrease of beet growers' income and a tougher and highly volatile markets environment.
- 10) After three years of severe crisis in our sector and the heavy burden shouldered by sugar beet growers, the **relationship between growers and their associations and sugar manufacturers** is particularly strained in some regions. **Cooperative structures** have highlighted the importance of close and good relationships between growers and processors, in particular during difficult times.
- 11) CIBE has **welcomed the progress made, notably with the Omnibus Regulation, the Directive on Unfair Trading Practices and the implementation of greater transparency in the sugar market**. However, CIBE considers that in some cases, additional tools and clarifications are necessary to progress towards:
 - the transparency in the sugar beet contractual framework, notably in establishing beet prices, indicators, value sharing clauses and especially the possibility for growers to hedge on markets;
 - the implementation of risk management tools and new insurance schemes and the monitoring of these tools;
 - the transparency of the entire supply chain and in particular of the sugar users and of the retailers so as to balance the market power along the supply chain and to avoid weakening the position of growers and primary processors;
 - the derogation to competition rules granted to Producer Organisations (POs) and Interbranch Organisations (IBOs) during severe market imbalances.
- 12) CIBE considers that **Producer organisations (POs) and Interbranch Organisations (IBOs)**, as defined in the CMO regulation on a voluntary basis, could allow this progress to materialize - in particular when cooperative structures do not exist.
- 13) **Therefore, CIBE welcomes that the Farm to Fork Strategy proposal will address “the position of farmers and their cooperatives in the value chain”.**

Supporting growers and recognizing/valorising the results already achieved

- 14) **The EU sugar beet sector has been working hard for decades to manage and improve its sustainability**. It has invested in a robust technical framework of cooperation between growers, manufacturers and 13 beet technical institutes. This has enabled to deliver and respond robustly and responsibly to societal demands, as demonstrated by the generalized implementation of sustainability certification schemes at national level and by **the EU Beet Sugar Sustainability Partnership (EUBSSP)** launched in 2013, with reports and regular updates on commitments and **Good Practices** (<http://www.sustainablesugar.eu/>). The EUBSSP aims to:
 - facilitate access and dissemination of knowledge regarding sustainable practices in the sector covering the 3 pillars of sustainability: economic, social and environmental;
 - help consolidate sustainable practices in EU beet growing and processing (beyond EU laws);
 - provide case studies to illustrate these good practices;
 - provide a platform for dialogue on sustainability with our stakeholders.
- 15) **CIBE favours and supports the “place of farming” origin labelling at EU level to valorise these achievements and considers that EU consumers and customers should recognize that European sugar beet growers respect some of the highest standards of the world.**
- 16) CIBE considers that incentives, such as the **proposal by the Commission on value added tax to make more targeted use of VAT rates to reflect environmental ambition**, could support European sustainable products vis-à-vis non-sustainable imported products.

- 17) Developing sustainability performance is not limited to environmental performance and must **not neglect the social and economic aspects**. It must include economic conditions: farms and agricultural production must be economically viable and resilient in the long term. Agriculture and in particular sugar beet cultivation have an important role to play in the Farm to Fork Strategy, provided they remain viable! Therefore, CIBE requests that **impact assessments, including economic impact assessments, be carried out for all decisions made in the Farm to Fork Strategy**.
- 18) The cultivation of sugar beet and the good beet growing practices in different parts of Europe are adapted to the different soils, climatic and weather conditions, spread of certain pest and diseases as well as cropping systems. No single technical itinerary is satisfactory every year, for every grower, everywhere in Europe. The variability within the EU's diverse natural and climatic conditions requires an open toolbox of techniques to achieve sustainability goals. **It also requires implementing innovation and development of new techniques as well as agronomic advice, in particular on plant protection, at farm level, using the specific farm context and data in the best possible way.**
- 19) This **variability in conditions is increasing from year to year and is becoming more and more complex** in the context of climate change. This is illustrated in the crop performance that tends to vary more from year to year. This **necessitates rapid adaptation, targeted responses and access to new tools and techniques**.
- 20) Sugar beet needs a soil in good condition and sufficient nutrients to grow. Proper nutrient management, notably through widespread use of software and online services, is implemented to ensure that nutrient requirements are precisely met. Various other good practices (reduced tillage, use of catch crops, use of manure, sowing into mulch etc.) are being implemented to maintain soil fertility and prevent nitrate leaching. **This has allowed a significant decrease in nitrogen applications in sugar beet from more than 150kg/ha in the late 1990s to less than 80 kg/ha today (a 50% decrease in 20 years, see EUBSSP reports). No further arbitrary targets are therefore necessary, but new tools & techniques as well as financial support for their development should be promoted and implemented.**
- 21) Over the past two decades, **EU beet growers have reduced inputs while producing more and better**. Growers use Plant Protection Products (PPPs) in a targeted manner to grow healthy beet on competitive terms and ensure that consumer demands are met. **Plant protection plays a crucial role in beet growing**. In the absence of appropriate protection, be it against weeds, pest, diseases or – as mostly the case – a combination and/or succession of these, there are **massive losses and even crop failure, as well as increased risks in terms of health, biosafety and biosecurity**.
- 22) These increased risks of crop failure must be addressed: appropriate **insurance tools** and public support for these instruments should be made available.
- 23) For these reasons, growing **organic beet, which started in the 2000s, entails considerable challenges - with a high risk of yield variability**. Organic beet area in the EU currently represents 0.6% of total beet area. At global level, organic sugar cane area represents less than 1% of total sugar cane area. In normal conditions, organic sugar beet yield is generally 30 to 50% lower than conventional beet (its price is around 3.5 times the price of conventional beet). However, more extreme climatic conditions are leading to some dramatic results, as reflected in Denmark in 2017 when only 30% of organic beet growers could harvest and obtained yields more than 50% below that of conventional beet.
- 24) Organic beet sustainability also has to take into consideration higher costs in terms of labour, leading to a lower economic sustainability compared to conventional beet. Moreover, thanks to significant improvement in environmental sustainability of conventional beet, in normal conditions the carbon footprint of organic and conventional beet is quite comparable. A GHG emissions impact assessment of organic beet in the EU should be carried out, but also a broad **assessment of the sustainability of organic beet should be carried out, including all the pillars of sustainability**.

- 25) Therefore, CIBE considers that **any quantifiable target to be reached for EU organic beet area, in particular if this target is above the EU domestic demand, would jeopardize its sustainability**. Interfering with market drivers and in a very delicate market balance would risk destroying the added value of EU organic beet sugar and consequently destroy the EU organic beet sugar sector. The current growth of EU domestic demand for organic sugar (it must be recalled that organic sugar is fully equivalent to conventional sugar: only the sugar beet growing cultivation method is different), estimated in 2019 at a maximum of 2% of the total market, is sufficient to push for the development of organic beet area in the EU.
- 26) The monitoring and reporting of EU organic products and in particular organic sugar has improved but necessitates further improvement and transparency, notably through the establishment of a market observatory.
- 27) CIBE has taken note of the Regulation on organic production and the labelling of organic products (Regulation (EU) 2018/848) published on 30 May 2018) whose new rules will apply from 1 January 2021. In line with the ECA Special report 4/2019, CIBE considers, with regards to **the import of organic products**, that the Commission should: address the remaining weaknesses in Member State **control systems and reporting**, improve the **supervision** over imports through better cooperation and carry out more complete **traceability checks**.
- 28) **Integrated Pest (and disease) Management (IPM) is widely implemented in sugar beet growing in Europe** as reflected in the EUBSSP report on plant protection. This is the “normal” cultivation method applied and it is at the heart of sugar beet growing. In particular:
- Sugar beet is systematically grown in rotation with other crops, which helps to prevent build-up of host-specific pests and disease-causing pathogens;
 - Resistant/tolerant varieties are the norm in all beet growing countries of the EU;
 - Breeding progress continues, with **double and triple resistant/tolerant varieties** gaining ground (between 30 and 100% of the beet varieties on offer in any given beet growing MS);
 - **Seed treatment** is an excellent plant protection practice because young beet are highly susceptible to pests & diseases that have been proven to be present in the fields. It is not, as too often suggested, an unnecessary preventive practice but on the contrary a good practice. Such treatment with low doses of fungicide/insecticide:
 - i. protects the young beet against pests & diseases present in the field during the first 80-90 days after sowing;
 - ii. avoids 2 to 3 (sometimes 4) fungicide/insecticide applications later on in the crop season;
 - iii. limits risks to non-targets (incl. beneficial insects), e.g. by reduced doses, by reduced application frequency or partial applications;
 - **Development of combined mechanical/chemical weed control** is materializing;
 - Regular controls (weekly from July to September) are carried out on monitoring sites for pests and leaf diseases from July to September; this allows growers to receive alerts to inspect their fields and measure whether the control thresholds are exceeded or not
- 29) The **role of sugar beet breeding in addressing competitiveness and sustainability challenges** has been remarkable, with a 1.5% increase/year in productivity gain in the past two decades.
- 30) Thanks to these developments, in some regions, **the reduction of the use of fungicides and insecticides in sugar beet growing has been drastic**: respectively 50% and 75 % in France within the past 20 years and the risks related to these PPPs have also been reduced thanks to the use active substances which are safer for both human health and the environment. Growers’ technical excellence, work and achievements must be recognized. **The Farm to Fork Strategy should recognize the results already achieved with regards to PPPs and should not neglect their use in the context of IPM.**

- 31) Indeed, various strategies to further reduce the use of insecticides and fungicides have been implemented and largely developed at farm level: the monitoring for pests and diseases, the careful management of PPP use to avoid resistance, computer-assisted & robotic control, research in biocontrol, development of new resistant/tolerant beet varieties, combined mechanical/chemical weed control. However, **these strategies to prevent, detect, control and innovate do not only need significant investments, but they are currently challenged** because of:
- Rapid **loss of key active substances** that may lead to an increase in treatment frequency index and in the volume of less efficient active substances used, as well as to the development of resistance that must be carefully managed;
 - Appearance of **new pests** every year (example: weevil infestation in Austria and Poland in 2018 and in Austria, Romania and Poland in 2019);
 - **Lack of registered biocontrol substances and high costs of these products as well as very limited availability of low risk active substances** (currently only 10 fungicides and 1 insecticide approved in the EU);
 - Long time required (at least 10 years) for the development of new conventional varieties and
 - **Adverse regulatory framework for the development of New Breeding Techniques (NBTs).**
- 32) **The Farm to Fork Strategy and the revision of the Directive on the sustainable use of plant protection products must address the gap between the rapid loss of active substances and the availability and costs of new tools to manage plant protection.**
- 33) Without a safe and effective toolbox at hand, especially where growers already use low levels of pesticides, it is clear that **yields will decrease** and that therefore not only the supply security of sugar beet factories will be threatened, but the whole sustainability of the sector will be jeopardized. For example, with the disappearance of the neonicotinoid seed treatments, the aphids are more difficult to control, which increases the risk of the virus yellows disease they transmit to sugar beet. In the 2019 crop year, many plots with the characteristic yellow spots could be seen in the Netherlands. These negative impacts alone have been estimated by the sugar industry in the Netherlands in 2019 at €2.3 million revenue loss (lower productivity) and €4.7 million additional spraying costs.
- 34) CIBE regrets that the process of authorisation/renewal/non-renewal of active substances is more and more based on arguments that are not science-based, on an overly conservative implementation of the precautionary principle and on inappropriate timing. CIBE regrets that this leads to some chaotic situations in the authorisations granted by Member States for PPPs with certain active substances. **CIBE supports a science-based and risk-based assessment of active substances.** CIBE counts on the Commission not to give in to scaremongering, fear tactics and advocacy campaigns that prevent rational debate based on facts. **Stopping the use of all active substances (be they chemical or non-chemical) is neither feasible nor desirable and will generate catastrophic consequences for our production.**
- 35) The harmonised risk indicators recently adopted in the EU show a 20% reduction in the risk to human health and the environment from PPPs in the European Union in the period from 2011 to 2017 (Harmonised Risk Indicator I) but also a 50% increase in the number of emergency authorisations granted by Member States (Harmonised Risk Indicator II) during the same period. Notwithstanding the question of the relevance of these indicators, this demonstrates how important it is to **pay attention to alternative tools and to accompany closely the increased banning of active substances.**
- 36) The involvement and engagement of sugar beet growers and their technical beet institutes have also reflected the **very difficult issue of metrics and indicators with regards to the use of PPPs** which often results in misunderstanding and damaging conflicts between farmers and civil society.
- 37) We note the need to assess **appropriate indicators** and the need for monitoring these indicators in a very transparent manner. We also note the extreme difficulty to respect quantitative targets in the reduction of the use of PPPs in some Member States, in particular when these targets are arbitrary. It is therefore crucial

that if any objectives are introduced in the future Farm to Fork Strategy, they should be carefully defined and assessed in the light of availability of alternatives tools, realistic and applicable for and to all (to avoid distortions between Member States).

- 38) European sugar beet growers want to pursue their objective to achieve sustainable, competitive and safe production respecting health and environment. But **the reduction of chemical PPPs does not always and automatically allow to reach this objective if alternative sustainable tools do not exist** (see for example the consequences of the ban of neonicotinoids in fighting against aphids and virus yellows). Reducing the crop protection toolbox too quickly and too dogmatically will leave farmers unable to combat sustainably way against naturally occurring threats.
- 39) **Therefore, CIBE does not support arbitrary quantitative targets: they are not necessary, not achievable and misleading.** Moreover, if not achieved it would reinforce divisions and conflicts with society, fuel attacks against farmers and give our third country competitors reasons to criticize and weaken our standards instead for us to be in capacity to promote them.
- 40) **European sugar beet growers have always favoured technological progress, improvement and transformation of their practices. CIBE supports further improvement and optimization of the use of IPM and Good Practices, including the reduction of hazardous pesticides, under the condition that objectives and timing be agreed with growers, that technical deadlocks are avoided and that it goes hand in hand with the increasing availability of effective and affordable alternative and innovative tools, namely low risk PPPs, biocontrol and unequivocal support for NBTs.**

A strategy whose ambitions should match with regulatory framework and resources

- 41) The Commission should explain in detail how we are going to “*significantly reduce the use of pesticides and fertilisers*” when there is no mention of a list of sustainable and credible alternatives in the Green Deal.
- 42) **Therefore, the EU Commission needs to explicitly list the “new technologies and scientific discoveries” mentioned in the Green Deal communication, so that the Farm to Fork Strategy will include the NBTs.** Following the recent European Court of Justice’s decision on that matter, an appropriate regulatory framework should be developed. The Commission must recognize the potential of these techniques to improve sustainability along the food chain.
- 43) CIBE notes that the Council has requested the Commission to submit a study, by 30 April 2021, regarding the status of New Genomic Techniques (NGTs) under Union law. But the Farm to Fork Strategy cannot and should not wait for the result of this study to clarify its support for these techniques.
- 44) The current process, based on an old and unfit Regulation and implemented following the ECJ ruling on NBTs, only takes into account the “history of safe use” of processes and does not assess the distinguishability or indistinguishability of the resulting product(s); it leads to different interpretation between Member States, is clearly not workable and is hampering research and innovation on that crucial matter.
- 45) CIBE is a participant in the targeted stakeholders’ consultation on New Genomic Techniques launched in February 2020 by DG SANTE and will document the potential contribution of NBTs to sugar beet breeding and improvement in sustainability of beet cultivation (see for example the support that it could bring in allowing the development of resistant varieties to the several virus yellows that are transmitted by aphids). **The challenges in sugar beet breeding are: time** (variety development is too slow to cope with rapid changes in needs – see time needed to develop resistant varieties to virus yellows following the ban of neonics beet seed treatment), **access to genetic diversity, and detection, validation & exploitation of genetic diversity. Precision breeding through the use of NBTs can respond to all these challenges.**

- 46) NBTs can help to develop **quickly** (at least faster than so-called conventional breeding) and in a more **targeted** manner varieties more suited to new challenges, namely varieties that are, for example, resistant/tolerant to **abiotic stress** (e.g. drought, which with climate change risks becoming a more frequent factor) and/or **biotic** (for example against one or more leaf diseases including virus yellows and/or root diseases).
- 47) The Vice-President of the European Commission has underlined that new technologies and “disruptive innovation” are critical to achieve the objectives of the European Green Deal. We are convinced that targeted mutagenesis breeding (including with genome editing) can contribute to various goals of the European Green Deal by saving land resources, reducing the use of PPPs and decreasing GHG emissions while stabilizing and increasing crop yields and sustainability to ensure food security.
- 48) More than ever and urgently, farmers need precise and reactive tools such as NBTs. EU growers cannot accept:**
- being effectively denied access to such tools and
 - being subjected to discrimination vis-à-vis imported products.
- 49) **CIBE supports improving further the environmental sustainability, combining ambition with innovation and realism. The awareness among sugar beet growers has always been there, above all they need trust, support for investments and solid science and risk-based regulatory framework.**
- 50) **The Research and Development needs financial support. CIBE takes note of the proposed €10 billion of Horizon Europe to be allocated to Cluster 6, including bioeconomy, agriculture and environment. CIBE considers that a part of it should be allocated for programmes developed jointly by sugar beet technical institutes to accompany this evolution.** In addition, more targeted support should be dedicated through other EU programmes (for example the DG-AGRI European Innovation Partnership (EIP)).

Respecting the Farm to Fork Strategy: ensuring the consistency with other EU policies and stopping the import of illegal agriculture in the EU

- 51) We also stress the necessity of **consistency of the Farm to Fork Strategy with international trade and the EU trade policy**: while the EU further increases the requirements to be met by its farmers and the gap in standards and in competitiveness is increasing with third partners, **it is crucial to agree on ambitious and solid rules regarding trade and sustainability** in all our trade relations to **ensure food security, a level playing field and fair competition for EU farmers, to restore growers’ confidence in 21st century EU trade policy and to avoid decline and abandonment of sugar beet cultivation in the EU**. Growers as well as society cannot accept that products that would be illegal to produce in the EU would be allowed and imported in the EU. The statement included in the Green Deal *“Imported food that does not comply with relevant EU environmental standards is not allowed on EU markets”* must **materialize in practice** to all trade partners and should include not only the imported product itself, but also the way it is produced, i.e. the inputs used to produce it.
- 52) In particular, CIBE requests that all trade agreements, including those already concluded and implemented, be updated by 2025 to reflect the Farm to Fork Strategy, i.e.:
- **imported agri products should be up to the level of ambitions requested for EU agri-products by 2025 and respect the same standards of production as in the EU, be it in terms of GHG emissions or in terms of environment and biodiversity impacts;**
 - **active substances that are banned in the EU should not be authorized through Import Tolerances or MRLs in imported products;**
 - **“sustainability criteria” should be defined (including the respect of the list of active substances banned for cultivation, the respect of protection of environment and GHG emissions, health and workers) to be met by third country to allow primary imported products like sugar to enter**

the EU market; **along with a timetable for their implementation as well as the establishment of control and checks for the respect of these criteria;**

- **market access and tariff preferences should be suspended** when imported sugar does not comply with these standards/criteria;

53) Another urgent issue to be addressed with regards to trade is the **Inward Processing Regime**. At a time when all the EU agri-products markets have been reformed, where EU prices for agri-commodities are in line with world market prices, and where the EU is promoting high value-added export, this regime is absolutely obsolete. It acts against the EU sustainable production by favouring the import of cheap commodities and ingredients from third countries in the EU, to be processed in the EU and then re-exported outside the EU. **Sustainable food systems cannot continue to authorise such a scheme. The Farm to Fork Strategy should address the issue of Inward Processing Regime, which must be abolished for sugar.**