



TTIP

An opportunity not to be missed

**GMCC 2015
20 November 2015
Amsterdam**

Dr. Klaus Schumacher
COCERAL

Outline

- COCERAL facts and figures
- Global grain market today: buyers and sellers – EU position in the global market;
- Everyday trade environment: increasingly challenging
- EU and US trade: impressive value
- EU and US trade: barriers
- EU and US trade: wish list
- Do's and Don'ts for regulatory cooperation



COCERAL MEMBERS

ASSOCIATE MEMBERS

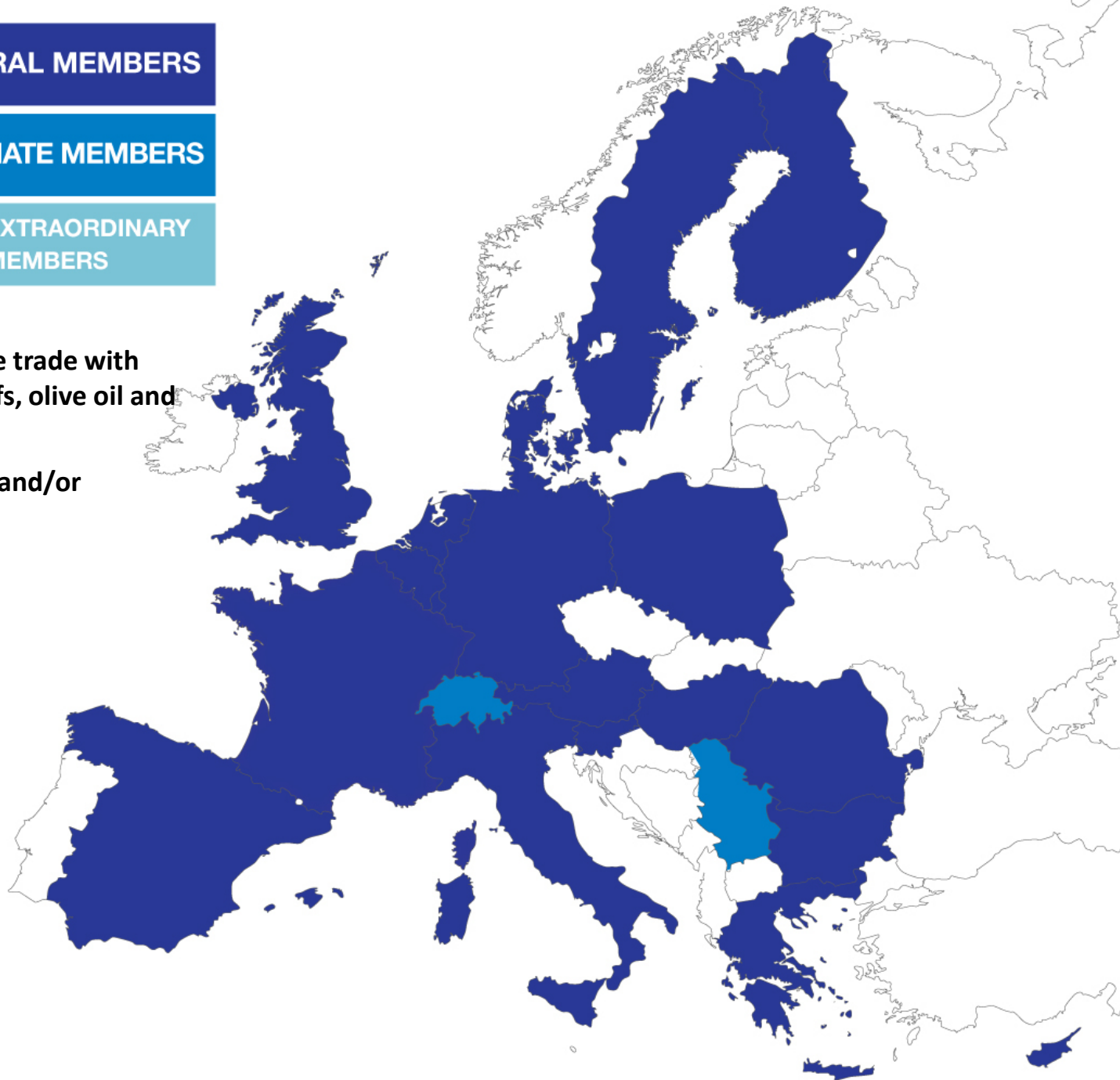


**EXTRAORDINARY
MEMBERS**

**EU association representing the trade with
cereals, oilseeds, rice, feedstuffs, olive oil and
agrosupply**

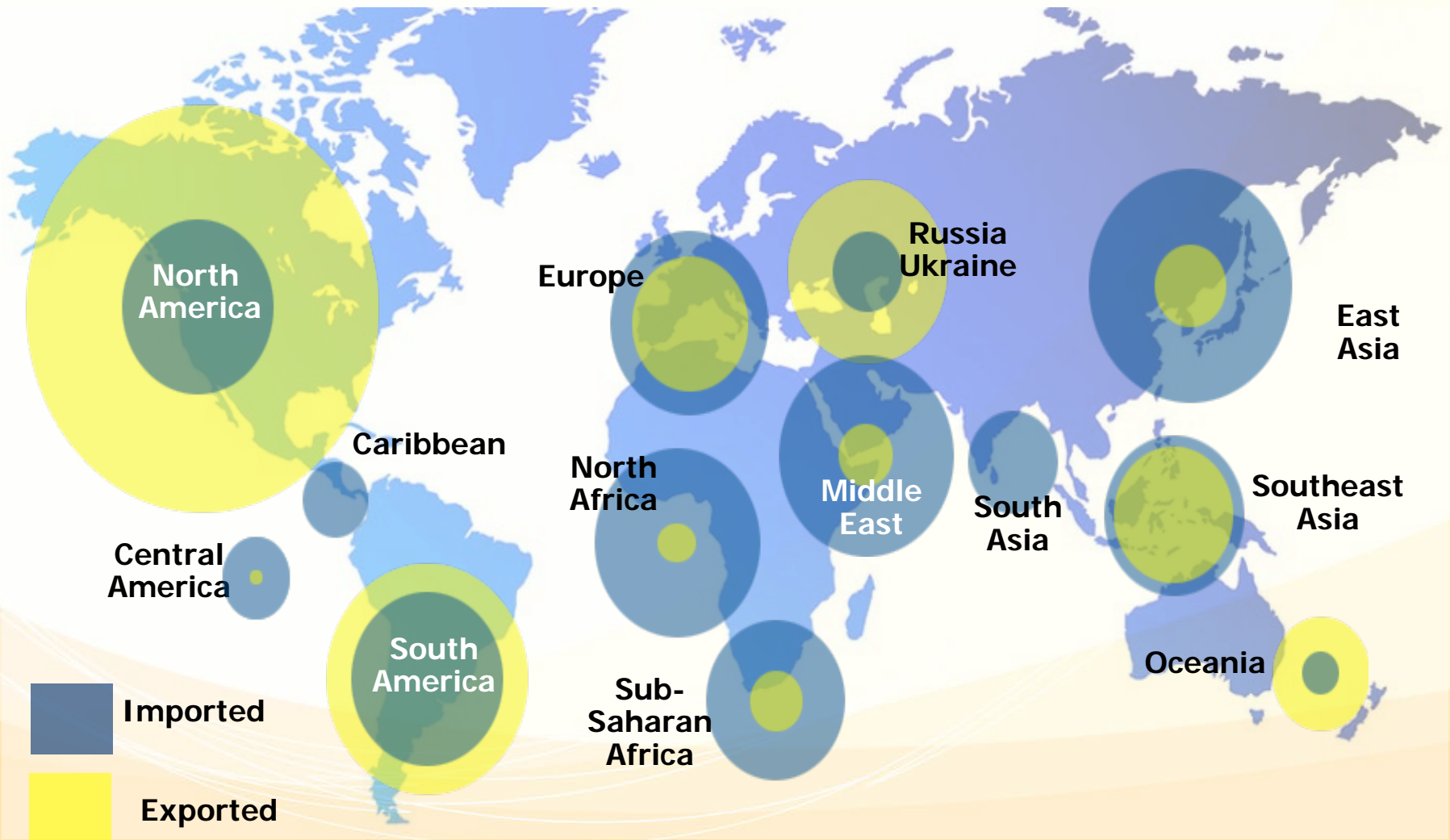
**Grain merchants, storekeeper and/or
international traders**

- ✓ **30 Member Associations**
- ✓ **19 EU countries**
- ✓ **2 Associated members**
 - ✓ **Switzerland**
 - ✓ **Serbia**
- ✓ **GAFTA**
- ✓ **3500 companies**



Bulk grains handling system

Global grain trade : buyers and sellers



Trade environment

Commodity
price
volatility

Threat of
political
market
disruptions

Limited
new land
area

Size of
shipments

Increased
weather
variability

Limited
access to
new
technology

TARIFF
Trade barriers

NON-TARIFF
Trade barriers

Trend towards
trade liberalisation

TRQs the main
tangible benefit of
FTAs

Policies often based
on zero tolerance or
reduced limits

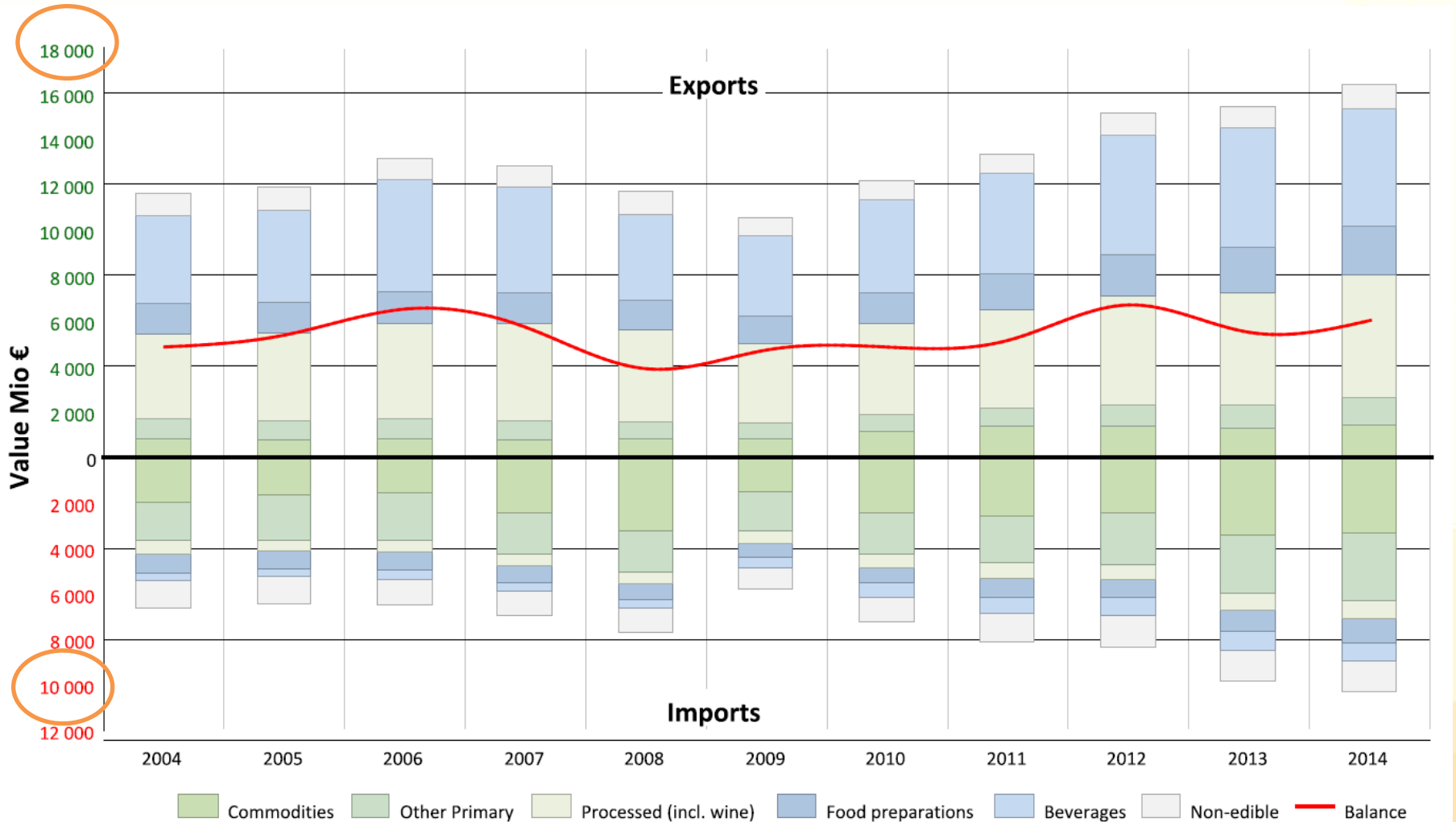
Technical and SPS
constraints

Emerging
environmental and
sustainability
requirements

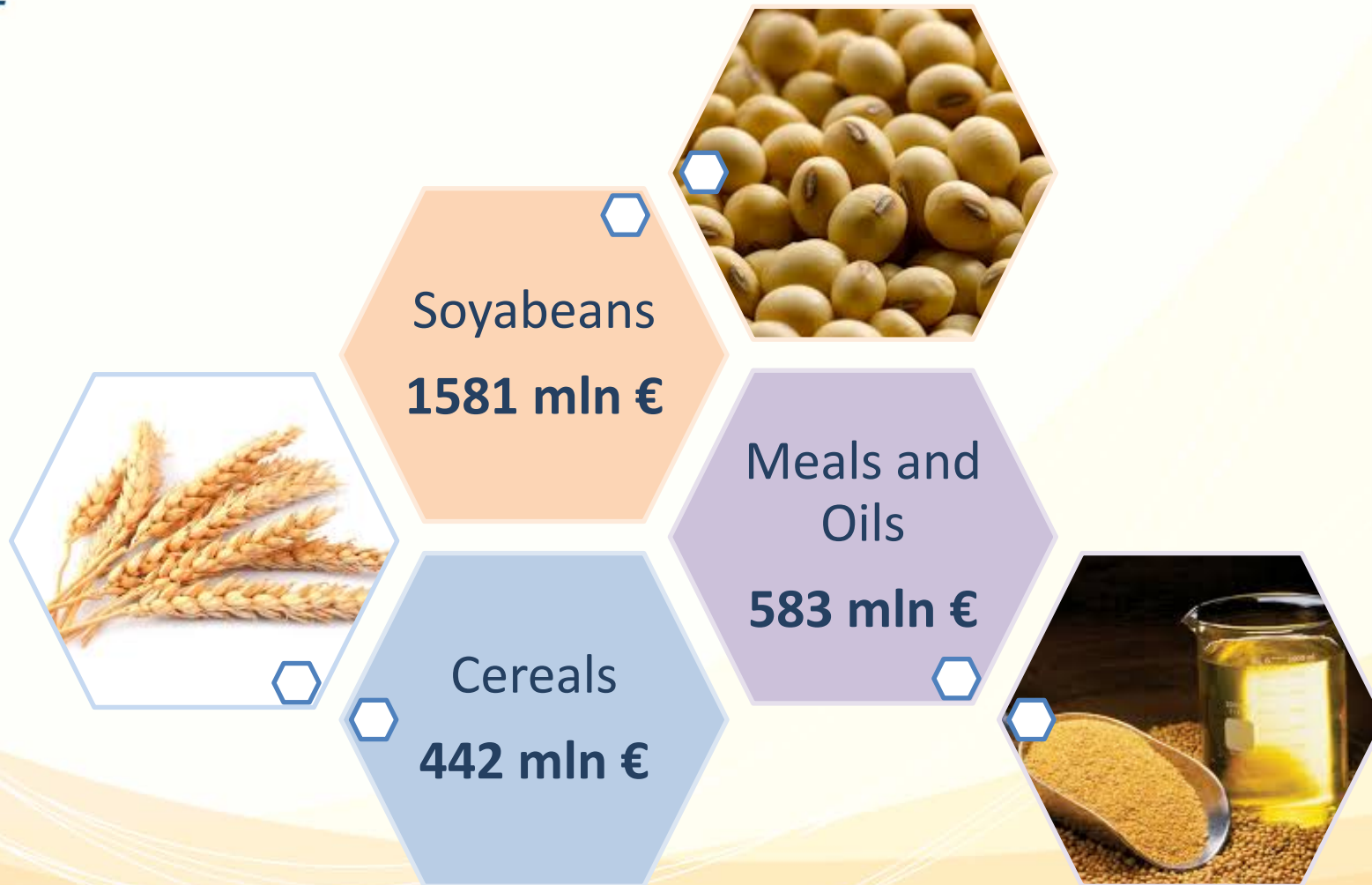
Multilateral versus Bilateral Agreements

Transatlantic Agri-Food Trade

(value, mln €)



EU grain imports from US



EU-US Trade Barriers





- **Biotechnology**
 - Zero tolerance policy equals unbearable legal compliance risks
 - 1 incident = 50,000 tons shipment corn = €25 mln loss
- **Plant Protection**
 - Different active substances authorized for plant protection products
 - Diverging maximum residue limits
- **Sustainability**
 - Similar goals for environmental and social protection but different trajectories for meeting them
 - We often do the same things but have different ways of demonstrating compliance

EU-US Trade Wish List


- **Continuous and formal platform for cooperation in regulatory matters**
 - **Mutual recognition**
 - **Equivalence**
 - **Harmonization**
 - **Use of international standards**
- Synchronized approval process for biotechnology: common data package and information exchange during the assessment
 - Mutual recognition of risk assessment
 - Threshold of regulatory concern for plant protection product residues
 - Objective-oriented evaluation of respective sustainability efforts

Do's and Don'ts for regulatory cooperation

Embrace forward-looking policies in FTAs to minimize non tariff barriers

-  Science based regulatory systems / regulatory cooperation is the key area
-  Acknowledge “zero” risk does not exist
-  Commercially acceptable solutions
-  Risk mitigation methods: maximize the value of grain products and minimize cost inefficiencies along the supply chain

Embrace innovative approaches to address market access issues

-  International initiatives
-  Standardisation, adoption of internationally-recognised standards

Assess and work on the business climate

-  Produce less
-  Stop trading
-  Delay free trade negotiations



COCERAL

Working together to make trade work

Thank you for your attention

Website: <http://www.coceral.com>

E-mail: secretariat@coceral.com