



CLOSING SPEECH

**by Jos van Campen (NL),
President of the International Confederation of European Beet Growers (CIBF)**

Ladies and Gentlemen,

We are coming to the end of these three Congress working days. Your attention has been held by exceptional speakers, panel members and coordinators whom I would like to thank. I would also like to thank the chairmen of the working sessions who ensured that everything ran smoothly. The attention you have given to these sessions, shows the importance of the issues we have dealt with, issues which will determine our future.

Discussions at this Congress have demonstrated that growers took up the challenges of restructuring and are always continuing to improve their competitiveness and sustainability in order to turn the new conditions to their advantage. The drastic restructuring generated by the reform strongly impacted the profitability of beet and has imposed radical changes. From the field up to the factory all these aspects have been discussed in depth during this Congress; from beet growing, harvesting, transport and logistics to delivery conditions. This reflects the determination of growers to always improve their techniques and their negotiating' skills, taking into account the increasing challenge of the environment and their own regional and national specificities.

It is essential for growers to reduce their production costs and increase their technical yields. It is a question of survival in the short, medium and longer term. While the increase in the oil price opened up new outlets for sugar beet, at the same time it increased production costs. This required further efforts towards productivity.

European beet growers are perfectly capable of doing this, particularly with the help of the technical institutes and seed breeders. Sugar beet techniques remain our future. The breeders and the technical institutes are our main factors for progress. Cultivation techniques can be carried out optimally thanks to information networks, tools for diagnostics and numeric growth and plant development models. This is and, will be, beneficial for technical yields, costs and environmental protection.

Our sector is actually tackling the emerging challenges of the CAP: climate change, biodiversity, water management, bioenergy. Beet growing stands at a crossing point of these challenges. Progress in the reduction of environmental impacts and of the carbon footprint of beet growing has to be pursued. The contribution of beet growing to the production of bioethanol or biogas represents an opportunity and a competitive advantage in terms of climate change mitigation.

The issue on environment and climate change will be a key issue to be taken into account in the debate to come on the future CAP and on the next sugar regime after 2014. It is of importance for our sector to be prepared and active in this debate.

With our partner, the sugar industry, growers have taken up their responsibilities. The EU Commission and our national governments have also to take up their own responsibilities. The EU Commission achieved its objective: 6 million tonnes of quota cut and a 45% minimum beet price decrease. But it must respect its side of the reform which is to ensure sustainable, viable sugar beet production in Europe and to respect the huge effort done. Recent provisions or decisions by the EU Commission are alarming for all of us, of which, in particular, the issues on:

- the Production Charge,
- the Restructuring Funds,
- the safeguard mechanisms for imports,
- the repeated opening up of the EU market,
- the consequences of the suspension of export refunds,
- the principle of out-of-quota.

The issue of the Production Charge is of particular importance for EU growers and CIBE will work actively on this. The abolition of the Production Charge is a necessity if we are to improve our competitiveness. We must lobby our governments and the European institutions to obtain the removal of the Production Charge. This is of the highest importance in view of the future discussions on the EU budget, on the new CAP and on the new sugar regime to come after 2014.

We need sufficient, appropriate customs' duties and safeguard clauses. We have to make sure that the WTO talks allow the protection of the sugar reference prices at all times and that our share of the EU sugar market is maintained

The Doha Round at the WTO is now at a turning point. Priorities today are the economic crisis and its social consequences in our countries and climate change issues. Negotiations based on modalities are questioned but not to our advantage. The biggest stumbling blocks to the negotiations are the US, seeking a deal offering new opportunities for U.S. businesses, and the big emerging countries like India, Brazil and China insisting up to now on protecting their farmers and young industries. Achieving a deal today appears more difficult with the economic crisis. Nevertheless, the end of 2010 for a conclusion of the Doha Round of negotiations looks like a possibility, however, the new approach, essentially based on market access, defended by the US is worrying. It is to be hoped that the EU will not, in response, give more in the hope of moving the process forward (as it did in the past)...

We must keep our eyes on this issue and all continue to lobby our Ministers for Agriculture and for Trade to make sure the EU Commission does not go beyond its commitments.

We must also remain firm about the several and repeated attempts to open up the European sugar market even more. Sugar and products with a high sugar content must be excluded from the bilateral free trade agreements under discussion. This is essential for a balanced market and for balanced EU prices. First of all, we are still in a transitional period. The market must be managed in order to avoid any market disturbances and pressure on prices that would be counter-productive for EU, ACP and LDC partners.

Secondly, the new investments to modernise our sector will be amortised after the end of this sugar regime. The medium-term sustainability of our sector must not be put into jeopardy.

When the new regulation was put in place, we expected that the production of yeasts and others chemicals would be greatly facilitated. Sugar suppliers and sugar users should have been able to freely discuss the price and conditions for out-of-quota sugar supplies, including those for long term contracts as they can do in other countries in the world. Growers were also expected to benefit from these contracts, obtaining a good price for out-of-quota beet taking into account these outlets. However, this is not at all what has happened. The principle of out-of-quota was bypassed by a regular opening of TRQ's to the chemical industry which now have free access to the white and raw world sugar market. It is a clear market share loss for EU out-of-quota sugar. We consider this provision as a means to give unilateral concessions to WTO partners without any necessity or counterparts!

Now more or less the same thing is being repeated with the consequences of the suspension of export refunds for processed products containing sugar (non Annex 1 products). The Commission is now facilitating the Inward Processing arrangements to the food industry which before used to consume quota sugar for those products. Consecutively the food industry will be given duty free access to the world sugar markets. This may represent another loss of outlets for our quota beet. The risk is to put into danger the balance reached for quota sugar. This must be strongly opposed; we have to continue to support our quota beet.

We are really concerned by these recent developments, it forces us to be constantly vigilant. This is also something we must bear in mind when discussing the future regime after 2014. A clear, predictable and of course, secure background is a necessity for investments.

Since our last Congress the issue of bioethanol has progressed significantly. We welcome the recent adoption of the EU Climate-Energy Package, in particular the Renewable Energy and the Fuel Quality directives. We now ask Member States to effectively implement them with the aim of promoting the development of biofuels, including beet ethanol.

But the development of the European market in bioethanol is the object of much temptation, especially from Brazil. Therefore we must ask the Commission to be careful. They must reserve the main part of the EU market in bioethanol for European bioethanol production. We insist that the development of bioethanol uses benefits European producers, and that it is necessary to limit and adapt ethanol imports (through customs' tariffs and appropriate trade agreements) to the EU domestic market, production and sustainability requirements.

Within this context, the economic balance between growers and processors is more than ever a necessity. Campaign length, transport costs, premiums, topping, and pulp allowance, all these parameters are becoming increasingly important to balanced agreements. The modernisation of beet reception conditions is still a necessity in some countries and the beet crown must be paid for what it is worth.

Our organisations must ensure rigorous and reliable control. It is one of their fundamental missions. But, at the same time, they have fewer resources in comparison with previous years before the reform. Therefore savings must be made on the reception control budget. Automation-reduced sampling, abolishment of topping – these are some of the best paths to follow.

I am convinced that with the new context we are all facing, growers and processors, that realism will dominate. Sometimes we will be able to negotiate our inter-professional agreements under good conditions and sometimes under less good conditions. We will have to adapt to this and emphasise our common interests.

But one thing is clear: whether delivering to cooperatives or private companies, the issue of beet supply conditions and the defence of our inter-professional agreements, and our capacity to negotiate such agreements, will be key in the next discussions about our future sugar regime after 2014.

I would like to conclude on the next steps of the CAP after 2013 and on the future CMO for sugar which we will have to deal with. EU beet growers will participate in the debate on: the issue of food security and sugar supply security in the EU, on the issue of sustainability, and in particular environmental sustainability, and on the issue of the budget. There will be discussions on how to spend it between those who have a more liberal view and those who have a less liberal view. There will be discussions about the need to secure food supply, the need to balance agricultural markets and the progress of rural development and of the preservation of our environment. But let me point out something important; it is a nonsense to expect that some developing countries will be able to feed the world. Agricultural production is and will be more and more dependent upon techniques and capital and not on labour.

We are modern and efficient farmers. We are capable of making the most of the significant technical progress available to us. So we will remain modern and efficient farmers, proud of our profession and of our performance in the service of society and our families.

Dear delegates,

Our CIBE has shown its capacity to evolve: important changes for our organisation occurred last year: the transfer of our activities from Paris to Brussels, the evolution of the team, the decisions with regard to translations. The quality of the services provided by CIBE and its lobbying has had to adapt and to improve. Part of this improvement has been the construction of a website. After the Congress you will be receiving an email giving you a password so that you will be able to access a secure area where you will find all of the Congress speeches and presentations for you to download if you so wish. CIBE has proved its ability to move forward and we can be satisfied with the progress achieved so far.

Our Congress is drawing to a close.

You will be meeting again this evening with your accompanying persons for the Congress closing evening, courtesy of the Danish sugar beet growers and sponsors (Nordic Sugar, Maribo Seed, Danske Markets, Nordea, KWS, Syngenta and Strube). I think it is an important part of our Congress which has to remain a festive event for the growers' families. This gala dinner is an opportunity to continue our discussions and strengthen our ties with the Danish beet growers and the other delegations. It is an important moment for CIBE and for us all.

Unfortunately I will not be able to attend or chair this closing dinner. I have to fly to Bologna in order to address the CEFS Congress which ends tomorrow. Mr Marihart kindly accepted to be a part of our opening session despite his full agenda, and I thank him for that. It is now my turn to do the same for him.

I would also like to thank the President, Jørn Dalby, very much on behalf of everyone here, and the Danish Beet Growers' Association, for inviting us to hold our Congress in this beautiful city of Copenhagen and, as First Vice-President of CIBE, for accepting to replace me during this dinner.

I would also like to thank, in particular, the Director of the Danish Beet Growers' Association, Mr Klaus Sorensen, for the energy and the time he has dedicated to organising this beautiful event.

Enjoy your agricultural excursions tomorrow and your sightseeing in this beautiful country. Have a safe journey home and a good 2009 campaign.

Thank you to the sponsors.

Thank you to the interpreters.

The next CIBE Congress will be held in 2012 and so I would like to give the floor to Mr Eric Lainé, who has an announcement to make.