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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Market situation in particular following the invasion of Ukraine - *Delegations' comments*

With a view to the meeting of the Special Committee on Agriculture on 6 March 2023, delegations will find in the Annex delegations' comments on the above subject.

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DELEGATIONS' COMMENTS

1. CZECH REPUBLIC

- Imports of number of agricultural commodities from Ukraine to the European Union have increased with the context of the war conflict in Ukraine. The Czech Republic has also noticed an increase in imports of some agricultural products from Ukraine (especially maize, rapeseed and sugar) to the Czech Republic during the second half of 2022. Currently, the Czech market is experiencing an overall decline in trade in cereals and rapeseed, a decrease in their exports compared to the normal situation and a decline in their prices. For 2022, there is a significant decline in cereals and rapeseed export from the Czech Republic to Poland (cereals - 32% compared to the 5-year average, rapeseed - 54% compared to the 5-year average).
- We believe that the situation needs to be monitored closely, also in view of the possible wider impact within the EU, including in livestock commodities, where the impact of increased imports may be seen particularly in the poultry meat and egg production sectors.
- The Czech Republic therefore welcomes the safeguard clause in the draft regulation on the extension of the EU autonomous measures against Ukraine, which commits the European Commission to regularly monitor the market and potentially impose import tariffs in the event of market disruption.
- Sugar imports from Ukraine to the Czech Republic have been almost zero until recently, but since September 2022, imports have started to increase by thousands of tonnes. If sugar imports from Ukraine were to increase at the same rate, the sum of total annual imports could cause a problem on the Czech market.

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2. FINLAND

The producer prices have levelled in Finland in January and February and there is even a downward pressure on some products like cereals. Unfortunately, these prices do not bring relief to the poor economic situation at the farm level due to the high input prices, weak cash flow and increasing interest rates.

The situation in the cereal sector is good with regard to winter sowing. Sowing area for winter cereals is above average. No significant damage has been reported so far, even though the weather was challenging in mid-January due to heavy rains and fluctuations in temperatures.

An unofficial survey has been carried out among producers on their sowing intentions this year. Preliminary results indicate that the area under cereal production will decrease slightly from last year. A higher decrease in oilseeds (-15%) and a slight increase in protein crops (+5%) is expected. There is also a growing interest to set aside (+14%). Survey results also indicate that producers intend to use less fertilizers than last year. In Finland the spring sowing season starts at the end of April, so producers still have two months to finalize their plans.

While taking into account that survey results need to be considered more indicative than real, it is clear that affordability of fertilizers is an issue that still needs to be monitored. The cereal market prices that are currently offered to producers, do not sufficiently cover the current prices of fertilizers and other inputs for this year's production. However, the tight situation in the fertilizer market has eased and prices have been declining over the past two months, so the acute crisis situation the sector faced last Autumn seems to have eased now.

In the animal sector, the high price of feed combined with the price of energy and general price inflation have caused a situation that has not been seen before. In fact, this negative situation has lasted for a long time and consequences can be seen in the structure of the farms and producers' reduced willingness to invest in the future production. Also commercial greenhouses have limited production due to energy prices. The possible risk of energy rationing (planned power supply outages) during winter months is still a concern in Finland but now the risk is lower than before, because the mid-winter's cold weather period is over.

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High inflation in retail prices and rising living costs have changed consumer behaviour and they are looking for less valuable food products. This means that there are hardly any opportunities for increasing producer prices in the food value chain, as the costs of processing have also increased significantly.

Finland considers that the Commission should continue its close market surveillance on producer and input prices and take measures to balance the markets, if deemed necessary, or if security of supply of the European Union is going to be endangered. Finland is ready to consider on a case-by-case basis further exemptions to the rules of the CAP to fully utilize the production possibilities in the EU. In order to help producers to overcome the long-term poor economic situation in agricultural production, Finland sees that it is important to consider all available measures, including the activation of the agricultural reserve.

3. FRANCE

La France souhaite apporter les éléments d’informations suivants en ce qui concerne les prévisions de récolte de l’année, et la situation des marchés de manière générale.

Les prix élevés de l'énergie, des engrais et de l'alimentation animale ont toujours un impact fort sur les coûts de production et la rentabilité des exploitations.

En 2023, les surfaces de **céréales** d’hiver sont estimées à 6,8 millions d’hectares : elles augmenteraient par rapport à la moyenne 2018-2022 (+1,7 %). Dans le détail, les surfaces de blé tendre d’hiver seraient proches du niveau quinquennal (+0,4 %). Celles d’orges d’hiver seraient davantage en hausse de 7,0 % par rapport à la moyenne quinquennale. Au contraire, les surfaces de **blé dur** subissent une **baisse importante** sur cinq ans (-12,6 %). Les surfaces consacrées aux semis de **colza** d’hiver sont estimées à 1,34 million d’hectares, en **hausse** par rapport à la moyenne 2018-2022 (+ 10,9 %). La récolte 2022 de blé tendre est confirmée à 33,7 millions de tonnes, alors que la production de maïs (semences comprises) est revue à la baisse, à 10,8 Mt, en lien avec une diminution du rendement et un transfert de surfaces du maïs grain vers le maïs fourrage. Concernant le maïs fourrage, le rendement (104,9 q/ha) et la production (13,4 Mt) sont en recul. Le rendement des betteraves industrielles est également révisé à la baisse, à 78,6 t/ha, pour une production à 31,6 Mt.

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Par ailleurs, la décision de la CJUE, par son caractère imprévisible et brutale, en l'absence de disposition transitoire, s'avère très pénalisante pour les acteurs agricoles et industriels du secteur et pourrait avoir des conséquences économiques désastreuses sur cette filière, en décourageant la production de betterave. Une **baisse importante des surfaces plantées en betteraves en 2023** est attendue autour de 7 à 8 % au niveau national par rapport à 2022 et de plus de 14% par rapport à la moyenne 5 ans (les surfaces sont estimées d'après les baisses de vente de semences à fin février). Cette baisse menace directement la pérennité de certaines industries sucrières. Des **inquiétudes** sont soulevées par les **semenciers** qui après une mauvaise année de récolte (liée à la sécheresse) en 2022 ont puisé dans leurs stocks pour couvrir les semis 2023 (surtout pour le maïs). Une mauvaise récolte de semences en 2023 serait catastrophique pour les semis 2024.

La France est une nouvelle fois affectée par une **épizootie d'influenza aviaire**. Cet épisode fait suite à celui sans précédent qui a affecté en 2021-2022 la région Pays de la Loire, deuxième région avicole de France et bassin de génétique. Les autorités en lien avec l'ensemble de la filière surveillent avec la plus grande attention l'arrivée de nouveaux foyers. À la date du 24 février 2023, 311 foyers en élevage ont été confirmés depuis le 1er août 2022. Face à cette épizootie, les conséquences économiques sur les filières avicoles, notamment sur la production de palmipèdes et de volailles festives dont les bassins de production et de génétique ont été fortement impactés, sont suivies avec attention.

Lors de la dernière réunion du Grex « produits animaux » du 22 février, la Pologne, la Lituanie et la Lettonie ont appelé l'attention de la Commission et des autres États membres sur la détérioration de la situation des marchés laitiers et ont demandé la mise en place de mesures de soutien des producteurs de lait et de la filière. En France, comme dans les autres États membres, les prix du beurre et de la poudre de lait écrémé sont en net repli par rapport aux sommets atteints en 2022. Toutefois, **le prix du lait reste à un niveau élevé** et ne montre pas à ce stade de retournement de tendance. La baisse de la collecte, de 0,8% sur l'année 2022 et qui s'accélère début 2023, pourrait expliquer cette situation. Les charges des éleveurs laitiers sont toutefois toujours élevées et la situation du secteur est suivie avec attention.

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En ce qui concerne la **filière biologique**, la situation économique et géopolitique perturbée de ces deux dernières années la fragilise. Cette crise est principalement liée au contrecoup de la crise du COVID-19 qui, après avoir profité au secteur biologique durant les confinements de l'année 2020, a plutôt entraîné depuis une baisse de pouvoir d'achat des consommateurs et des changements d'habitudes alimentaires notamment au détriment des produits de qualité. A la suite de la guerre en Ukraine, le déséquilibre entre offre et demande de produits biologiques s'est accentué, du fait d'une inflation générale sur les produits alimentaires de 5,3 % au 1er semestre 2022, qui, bien que moins importante sur les produits biologiques, contraint les ménages à diminuer la qualité de leurs achats alimentaires. Le 1er semestre 2022 a ainsi été marqué par une diminution des ventes de produits biologiques (ventes bio à poids fixe en grandes et moyennes surfaces en diminution de 6,0 % en valeur au 1er semestre 2022 par rapport au 1er semestre 2021) et du chiffre d'affaires des magasins spécialisés bio (recul de 15 % au 1er semestre 2022 par rapport au 1er semestre 2021). La prise de risque liée au passage à la production biologique pour les opérateurs économiques est donc désormais plus importante que par le passé, ce qui entraine un ralentissement des conversions, mais aussi pour certains secteurs, en particulier l'élevage, un mouvement de dé-conversion qui pourrait se poursuivre. La nécessité du renouvellement des moteurs de croissance du secteur du bio est donc prégnante.

En ce qui concerne la **viticulture**, la production 2022 est au-dessus de la moyenne quinquennale mais fait face à de fortes difficultés locales. Selon les dernières estimations établies au 1er novembre 2022, la production viticole 2022 s'élèverait à 45,4 millions d'hectolitres. La récolte dépasserait de 6 % la moyenne 2017-2021. Cette situation nationale masque cependant des disparités selon les bassins de production. Des accidents climatiques (le gel et la grêle) ont touché cette année les vignobles du Bordelais, des Charentes et du Sud-Ouest plus largement, ainsi que le Val de Loire. Le déficit de pluie à partir du printemps et les fortes chaleurs à l'été ont réduit le potentiel dans plusieurs bassins, notamment dans le Sud-Ouest et en Alsace. Les précipitations tardives à la fin de l'été ont eu en revanche une incidence positive sur les volumes de production dans les Charentes et en Languedoc-Roussillon.

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Ces disparités régionales concernant également la commercialisation des vins et plus généralement la situation économique des entreprises viticoles. La reprise remarquée après les deux premières années de la crise sanitaire ne doit pas masquer les difficultés au vignoble. La baisse tendancielle de consommation de vin depuis plusieurs décennies sur le marché intérieur, encore accélérée depuis la crise COVID-19 et en particulier sur les vins rouges, conjuguée aux difficultés de commercialisation vers les pays tiers (isolement de la Chine, contentieux Airbus-Boeing avec les États-Unis), mettent certains vignobles en grande difficulté. En conséquence de cette situation, certains bassins connaissent des problèmes de stocks excédentaires, en rouge tout particulièrement : les vins de la Gironde sont particulièrement affectés (le département produisant à 85 % des vins rouges), ainsi que ceux de la Vallée du Rhône et du Languedoc. Les outils de régulation existants risquent de n'être ni suffisants ni assez réactifs face à ces crises, le tout dans un contexte de renchérissement général de l'énergie et de difficultés d'approvisionnement pour les intrants et les consommables.

Courtesy translation

France would like to provide the following information on the crop forecasts for the year and the market situation in general.

The high prices of energy, fertilisers and animal feed still have a strong impact on production costs and farm profitability.

In 2023, winter **cereal** areas are estimated at 6.8 million hectares: they would increase compared to the 2018-2022 average (+1.7%). In detail, soft winter wheat areas would be close to the quinquennial level (+0.4%). Winter barley areas would be up by 7.0% compared to the quinquennial average. On the contrary, durum wheat acreage has fallen significantly over five years (-12.6%). Winter rapeseed sowing areas are estimated at 1.34 million hectares, up from the 2018-2022 average (+10.9%). The 2022 soft wheat crop is confirmed at 33.7 million tonnes, while maize production (including seed) is revised downwards to 10.8 Mt, due to a decrease in yield and a shift in area from grain maize to feed maize. For fodder maize, both yield (104.9 q/ha) and production (13.4 Mt) are down. The yield of industrial beet is also revised downwards, to 78.6 t/ha, for a production of 31.6 Mt. Moreover, the unforeseeable and sudden nature of the CJEU's ruling, in the absence of a transitional provision, is proving to be very penalising for the sector's agricultural and industrial players and could have disastrous economic consequences for this sector, by discouraging beet production. A significant drop in the area planted with beet in 2023 is expected to be around 7

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to 8% at national level compared to 2022 and more than 14% compared to the quinquennial average (the areas are estimated according to the drop in seed sales at the end of February). This drop directly threatens the survival of certain sugar industries. Concerns have been raised by seed companies who, after a poor harvest year (linked to drought) in 2022, have drawn on their stocks to cover the 2023 sowings (especially for maize). A poor seed harvest in 2023 would be catastrophic for 2024 sowings.

France is once again affected by an **avian influenza** epizootic. This episode follows the unprecedented one that affected the Pays de la Loire region, France's second largest poultry region and gene pool, in 2021-2022. The authorities, in conjunction with the entire industry, are keeping a close eye on the arrival of new outbreaks. As of 24 February 2023, 311 outbreaks in farms have been confirmed since 1 August 2022. In the face of this epizootic, the economic consequences for the poultry industry, particularly for the production of palmipeds and festive poultry, whose production and genetic basins have been greatly impacted, are being carefully monitored.

At the last expert group on "animal products" meeting on 22 February, Poland, Lithuania and Latvia drew the attention of the Commission and the other Member States to the deterioration of **the dairy market** situation and asked for measures to be put in place to support milk producers and the sector. In France, as in other Member States, butter and skimmed milk powder prices are down sharply from the peaks reached in 2022. However, the price of milk remains at a high level and does not at this stage show a reversal of the trend. The fall in milk collection, of 0.8% over the year 2022 and accelerating at the beginning of 2023, could explain this situation. However, dairy farmers' costs are still high and the situation in the sector is being closely monitored.

The disrupted economic and geopolitical situation of the last two years has made the **organic sector** more fragile. This crisis is mainly linked to the aftermath of the COVID-19 crisis which, after having benefited the organic sector during the confines of the year 2020, has instead led to a drop in consumer purchasing power and changes in eating habits, particularly to the detriment of quality products. Following the war in Ukraine, the imbalance between supply and demand for organic products has increased, due to a general inflation on food products of 5.3% in the first half of 2022, which, although less important on organic products, forces households to reduce the quality of their food purchases. The first half of 2022 was thus marked by a decline in organic product sales (fixed-weight organic sales in large and medium-sized stores down 6.0% in value in the first half of 2022 compared to the first half of 2021) and in the turnover of organic specialist shops (down 15% in the first half of 2022 compared to the first half of 2021). The risk involved in switching to organic

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production for economic operators is therefore now greater than in the past, leading to a slowdown in conversions, but also for some sectors, particularly livestock farming, a movement of de-conversion which could continue. The need to renew the growth drivers of the organic sector is therefore pressing.

As far as **viticulture** is concerned, the 2022 production is above the quinquennial average but faces strong local difficulties. According to the latest estimates as of 1 November 2022, wine production in 2022 would amount to 45.4 million hectolitres. The harvest would exceed the 2017-2021 average by 6%. This national situation, however, masks disparities according to the production basins. Climatic accidents (frost and hail) have affected the vineyards of Bordeaux, the Charentes and the South West more widely this year, as well as the Loire Valley. The lack of rain from spring onwards and the high temperatures in the summer reduced the potential in several basins, notably in the South-West and Alsace. Late summer rainfall had a positive impact on production volumes in the Charentes and Languedoc-Roussillon.

These regional disparities also concern the marketing of wines and more generally the economic situation of wine companies. The recovery noticed after the first two years of the sanitary crisis should not mask the difficulties in the vineyard. The downward trend in wine consumption for several decades on the domestic market, further accelerated since the COVID-19 crisis and in particular for red wines, combined with marketing difficulties towards third countries (isolation of China, Airbus-Boeing dispute with the United States), put some vineyards in great difficulty. As a consequence of this situation, some basins are experiencing problems of surplus stocks, especially in reds: the wines of Gironde are particularly affected (the department producing 85% of red wines), as well as those of the Rhône Valley and Languedoc. The existing regulation tools risk being neither sufficient nor sufficiently reactive in the face of these crises, all in a context of a general increase in energy prices and difficulties in the supply of inputs and consumables.

4. POLAND

Poland would like to draw the attention primarily to the problems on the cereals and milk markets.

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Cereals market

On the cereals market, the outbreak of the war in Ukraine initially caused a dynamic increase in prices. Their highest levels were recorded in May 2022. In the following months cereals prices gradually decreased, especially in July 2022. The following months, i.e. August and September, brought a temporary stabilization on this market. In October 2022 cereals prices increased again, while from November cereals prices began to fall. This trend was maintained also in January 2023. Beginning of February brought the lowest level of cereals prices in a year. In the period of February 13-19, 2023, the price of wheat for consumption amounted to EUR 279/tonne on average and was lower by 4.1% than a month earlier. The average maize price in this period was EUR 263/tonne, i.e. 3.3% lower than a month earlier.

In Poland, problems on this market result from a large inflow of cereals from Ukraine, while the transit of cereals through Poland is small, implying that solidarity corridors do not function properly. Entities processing cereals, guided by economic considerations, purchase cheap Ukrainian cereals. Thus, domestic cereals, the surplus of which results from the high harvest in 2022, is uncompetitive for potential recipients. This applies especially to the region of south-eastern Poland. Some purchasing entities, especially in south-eastern Poland, have suspended or limited the purchase of domestic cereals because the warehouses are full. Agricultural producers in regions of the country where prices are significantly lower than the average (as a result of excess cereals) are not willing to sell cereals at the prices offered by purchasing entities. The described problems take place in a situation of strong competition from Russian wheat in international markets. Itshould be borne in mind that in the spring, warehouses should be prepared to receive cereals from the new harvest.

It should be noted that in 2022, the imports of agri-food products from Ukraine to Poland increased almost 3 times, i.e. to EUR 2.76 billion, and Ukraine became the second largest supplier of agri-food products to the Polish market - mainly sunflower oil, maize, rapeseed and soybean oil.

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Milk market

The purchase price of milk had been increasing throughout last year, reaching its maximum level in December 2022 - EUR 0.59/kg. In January 2023, the average purchase price of milk dropped sharply and amounted to EUR 0.52/kg, i.e. 13.2% less compared to December 2022. In the northern and southeastern regions of Poland, the price drop was even deeper and amounted to 13.8% and 14.1%, respectively. The preliminary analysis shows that in February 2023 dairies continued to reduce milk purchase prices. Taking into account thisreduction, in February the purchase price of milk will be lower than in January 2023 by approximately 11.2%. A downward trend in the purchase price is also expected in March. The decrease in the purchase price of milk is a consequence of the decrease in the prices of dairy products.

Skimmed milk powder wassystematically more expensive from November 2021 to May 2022, with the price reaching EUR 3.96/kg. Over the next months, slight fluctuations in the price of this product were observed. From November 2022, the price of skimmed milk powder began to gradually decrease, reaching the level of EUR 2.43/kg in mid-February 2023, it was also 27.2% lower than the year before. In the period of February 13-19, 2023, skimmed milk costed EUR 2.58 / kg, i.e. 6% more than a week ago, but at the same time 24.3% less than a year ago.

The price of butter in blocks increased from February 2022 (EUR 5.59/kg) to October 2022 (EUR 6.91/kg). This meant a price increase of over 26%. From November 2022 to mid-February 2023, the price of butter fell to EUR 4.50/kg, i.e. by over 19.5% compared to February 2022. In the period of February 13-19, 2023, the price of butter in blocks was EUR 4.70/kg, i.e. 4.3% more than a week ago, but at the same time 16.4% less than a year ago.

From January 2023, the prices of ripening cheeses are also falling. In the period of February 13-19, 2023, Edam cheese cost EUR 4.85/kg. This meant an increase in price compared to the previous week by 2.1%, but compared to the beginning of the year it was a decrease by over 14%. On the other hand, Gouda cheese in mid-February 2023 cost EUR 4.90/kg. The price was 0.8% lower than the week before and nearly 8% lower compared to the beginning of 2023.

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Summary

Due to the deteriorating situation on the cereals and milk markets, Poland is requesting the EU support.

In the case of the cereals market, we believe that a good solution would be to subsidize the costs of transporting agricultural products to ports. Farmers in Poland are also calling for the introduction of a deposit system for cereals imported from Ukraine in order to streamline and better supervise the transit of cereals.

We would also like to draw the attention to the low level of intervention prices, which does not match the current reality. Intervention prices are sometimes several times lower than market prices, and agricultural production costs and the general level of prices have increased strongly as a result of the inflation in the entire EU economy

5. SLOVAKIA

The current market situation caused by increased imports of grain, oilseeds and other agro commodities from Ukraine and their impact on farmers in the Slovak Republic:

Letter of Samuel Vlčan, minister of Agriculture and Rural Development of the Slovak Republic has been sent to Commissioner Wojciechowski to inform him about the current situation on our domestic market. We have reported difficulties relating to the impact of increased imports of grains and oilseeds not just within the meeting of the Group of Experts for the Common Organisation of Agricultural Markets – Subgroup „Arable crops and olive oil“ on 26 January 2023, but also during the previous meeting on 22 December 2022. The Slovak Republic is facing similar problems in relation to imports of commodities from Ukraine as Poland and therefore we fully supported the initiative of Poland with the proposals for measures presented at the last AGRIFISH meeting on 30.01.2023. Slovak growers had to establish harvests in the previous and current season with increased inputs, which included increased energy prices by up to 700 %, increased fertiliser prices by an average of 250 % (+131 % y.y) and also increased seed prices by an average of 20 %.

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Regulation (EU) 2022/870 of the European Parliament and of the Council abolished import quotas and applied a zero tariff for all goods and products originating in Ukraine as of 1 July 2022. Although Slovakia supports Ukraine as well as the adoption of this regulation, it is important to note that the farmers from the neighbouring Member States, such as Slovakia are seriously affected and highly disadvantaged since the application of this regulation, as in addition to increased inputs and storage costs, the market is flooded with cheaper agricultural commodities from Ukraine, imported duty-free.

According to the Statistical Office of the Slovak Republic, the production of wheat in Slovakia in 2022 was 2 086 900 tonnes, barley 560 100 tonnes and grain maize 797 000 tonnes. Exports of wheat annually amount to about 1 mil. - 1.2 mil. tonnes, barley 100 000 tonnes and maize 400 000 - 700 000 tonnes. However, imports of wheat, barley and maize into Slovakia were several times higher in 2022.

The following commodities dominated in imports from Ukraine to Slovakia:

- cereals

Period: January - November	2021	2022
Wheat	0	47 894,69 t
Barley	476 t	11 584,838 t
Maize	0	223 380 t

- oilseeds

Period: January - November	2021	2022
Sunflower seeds	0,7 t	19 508 t
Rapeseed	0	42 125 t
Soya beans	0,04 t	33 863 t

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- poultry meat

Period: January - November	2021	2022
Poultry meat	1 589,42 t	7 318 t

- vegetable fats and oils with a year-on-year increase of 13 %

- honey with a year-on-year increase of 81,81 %

- flour from other cereals than wheat with a year-on-year increase of 115,5 %.

In terms of total EU production, the Slovak one is not very significant, but for most domestic farmers, the grain harvest represents the main source of income on which the possibilities for establishing the next marketing year's harvest, for the repayment of financial obligations, as well as opportunities for investment objects depend, and therefore the loss of income from cereal and oilseed production is a critical point in the planning of the next period for Slovak farmers; for smaller farmers it means an existential threat.

Due to low prices of processed wheat imported from Ukraine, there is a distortion of prices on the Slovak market, which is notable by our mills in a drop in production in the amount of 15-20 % of the total average monthly production.

Unfortunately, we haven´t got the final import data from Ukraine for the last month of 2022 at our disposal yet. According to the preliminary data available, during December 2022, imports of maize and wheat have had an upward trend.

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Increased imports of commodities from Ukraine are causing a loss of income for our farmers. A farm in the south-west of Slovakia experienced a drop in sales of 180 000 € due to a drop in the execution price of wheat by 45 €/tonne, a drop of 80 000 euro due to a drop in the execution price of rapeseed by 48 €/tonne and a drop in the execution price of maize by 39 €/tonne. Only with an average wheat production in Slovakia (2 million tonnes) and an export capacity of 1 million tonnes, it is possible to calculate a loss 80-100 million €. With an average maize production of 797 200 t and a 39 €/t fall in the maize execution price, a loss of 28-30 million € can be estimated. If the Slovak Republic had not lost 53,7 % of its maize harvest as a result of the extreme drought in 2021 and the average harvest was as in 2021, i.e. 1,58 million tonnes, the total estimated loss would have been 62,283 million €. With an average oilseed production of 724 376 t and a fall of 48 €/t in the oilseed execution price, the estimated loss would be 34,770 million €. The situation also applies to other arable crops.

We would like to draw your attention to the fact that imports from Ukraine are not only negatively affecting the domestic market, but at the same time, our exports are also suffering as a number of growers are reporting non-renewed contracts from their regular buyers from abroad, as these are already overwhelmed with Ukrainian commodities. Without action, it will be very difficult to answer the frequent questions of our growers what crops to sow, in which seed area, or whether to sow anything at all. A large amount of maize and rapeseed remains in storage compared to previous years.

Therefore, in view of these major changes from a long-term perspective, as well as the incompatibility of the terms of trade and different phytosanitary trade regulations in Ukraine (use of pesticides banned in the EU, cultivation of GMO crops, risk of pests, etc.), we would like to call on the European Commission to revaluate the functioning of the solidarity lanes and rethink the provision of sufficient economic support for framers affected by this situation. Another effective measure would be to reintroduce the tariff quota regime for EU markets and retain duty-free regime for commodities transiting through EU. This would ensure that solidarity lanes are maintained without distorting the internal market.

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