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### EU sugar sector: EU policies need to be coherent to ensure a just transition

On the occasion of their **Social Dialogue Plenary session on 8 February 2021**, CEFS and EFFAT, social partners in the Sugar Sector discussed various crucial issues for the industry in the context of the EU Green Deal and the Commission's Trade Policy. They agreed on the **following conclusions**:

- The **end of sugar quotas** gave the world price of raw sugar a major guiding role on the domestic EU sugar market. The **world price is not "sustainable" as it is influenced by unfair government support** (i.e. the subsidies provided by India to its sugar sector) and does not reflect average production costs.
- The European sugar sector has been plunged into an **unprecedented crisis since the end of quotas on 1<sup>st</sup> October 2017**. As a consequence, many factories have closed with other severe measures taken to drastically reduce administrative costs.

A recent update on the **cumulative effects of the trade concessions to third countries** presented by Commissioner for Agriculture Wojciechowski, has further cast light on the sensitivity of the European sugar sector. This leads social partners, CEFS and EFFAT, to call the European Parliament and the Council of Ministers to:

- ✓ reject the sugar and ethanol concessions provided for by the **EU-MERCOSUR agreement**;
- ✓ exclude sugar from all future free trade agreements under negotiation (Australia, Thailand, etc.) and negotiate strict rules of origin;
- ✓ request the Commission to establish precise and real-time statistical monitoring to assess the impact of the United Kingdom's new sugar policy on the European sugar market and if necessary, to immediately act to protect jobs and businesses from unfair competition.

**The Social Partners in the Sugar sector are committed to pursuing a sustainable future both from an environmental and a social perspective.** To do so, EU actions need to ensure coherence throughout the food chain and between the different EU policies that push for a environmental and climate ambition, including trade.

**The transition should be just and inclusive, leaving no one behind, and it should create economic growth, build a predictable environment for investment, and ensure qualitative employment.**

In view of the huge investments needed to achieve emission reductions by 2030 and carbon neutrality by 2050 as part of the EU Green Deal, CEFS and EFFAT **urgently request visibility to the European Commission on the access to the various European funds to ensure the social, economic, and environmental sustainability of the sector.**



Founded in 1953, CEFS represents European beet sugar manufacturers, cane sugar producers and refiners covering sugar production in 18 EU countries (Austria, Belgium, Croatia, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Lithuania, Poland, Romania, the Netherlands, Slovakia, Spain, Sweden) plus the United Kingdom and Switzerland

**EFFAT is the European Federation of Food, Agriculture and Tourism Trade Unions.** As a European Trade Union Federation representing 120 national trade unions from 35 European countries, EFFAT defends the interests of more than 22 million workers employed along the food chain. EFFAT is a member of the ETUC and the European regional organisation of the IUF.