



Die Rübenbauern

Common statement on the reform of the European Sugar Market Regulations by AGEZ, the platform of development-political NGOs in AUSTRIA and “DIE RÜBENBAUERN” (“The Sugar-beet Agriculturists”), Association of Austrian beet growing agriculturists

Reform suggestions that ensure the survival of smallholders families in the developing countries and advance a sustainable and extensive agriculture within the EU

1) The export of subsidised sugar has to be stopped

The EU will have to pass a “Zero-Export” Common Market Organisation (CMO) in the sugar sector which requires a reduction of production quota. Within the next three years the export of C-beet will have to be fully stopped. The B-quota will have to expire within a foreseeable time span. Non planned surplus will have to be saleable in alternative domestic markets e.g. in the production of bio-ethanol; the ecological and economical functionality would have to be studied.

2) The market access for the Least Developed Countries (LDCs) has to be improved

The import of preferential sugar consequently leads to a reduction in the European sugar production.

Governments of LDCs prefer the keeping of a quota regulation with a long transition period until at least 2019. This would allow them exports into the EU at appropriate and foreseeable prices. This market access will be allocated as tariff quotas and distributed from a development-political point of view.

We therefore advocate a postponement of the “EBA-initiative” on sugar by the EU.

3) The quota for the ACP-countries have to be newly allocated according to the countries’ needs and compensations negotiated

The ACP sugar agreement (contract between the EU and countries of Africa, Caribbean and Pacific) which will exceed in 2009 shall be fundamentally reformed, especially in respect to the allocation of ACP-quota. A reform of the CMO will lead to lower guaranteed prices which makes the profit of exporters from ACP-countries decrease. Many of those countries are threatened by considerable adaptation costs as well as social and economical upheavals. For each country an appropriate transitional solution with possible compensations shall be negotiated (e.g. by gradually decreasing tariff quotas on sugar, other trade preferences and/or remission of debt or development cooperation).

4) The allocation of priority delivery-rights for sugar and ethanol to developing countries and the support by public development cooperation have to be strictly linked to social and ecological minimum requirements and have to promote smallholders’ structures.

The improved market access for sugar and all its products (e.g. ethanol) and the keeping of the quota regulation for LDCs have to be linked to bilateral contracts regarding minimum standards in terms of living and working conditions for peasant workers and workers in the sugar industry according to the

core working regulation set by the ILO and workers rights. This agreement will also have to include environmental standards for cultivation, processing and settling. These standards are subject to constant scrutiny. The trade unions and other relevant organisations in the civil society of the country in subject are to be involved.

In this respect importance is drawn to advice and (financial) support of the governments at setting of social standards and working regulations.

From public European and Austrian funds and by organisations that are related to the Austrian development cooperation, no indirect promotion or credit allocation must be given to the sugar industry of any developing country that has not been scrutinised in terms of meeting environmental and social standards and which scrutiny is part of the conditions.

5) Pro a sustainable, socially consistent and fair EU-Agrarian policy – promotion of smallholders family-businesses and stronger control of sugar industry and sugar processors

Smallholders in Europe are to be promoted in a way that they can contribute to a socially and ecologically sustainable agrarian system. Beet-growers shall be compensated for the quota diminution. The compensation instalments are allocated in connection to environmental conditions (so called cross compliance). For this reason special methods of “good professional practice” for the cultivation of beet are to be defined and prescribed. Furthermore, special agrarian environmental programmes for sugar should be promoted. This includes e.g. crop rotation criteria, safety of biological diversity, protection of soil and reduction of use of pesticides. With funds from the rural development (second pillar in the EU-Agrarian policy) alternatives to the cultivation of beet are to be developed in those areas which are especially harmed by the loss of quota (diversification).

The market ruling position of European sugar industry groups will be fundamentally changed by this reform. As long as the EU-sugar industry exercises sovereign functions in the regulation of the EU-sugar market, it will have to reduce its political influence in the sugar-political frame conditions at home and abroad. Its business policy within and outside the EU shall be publicly controlled in a better way. The basis for this is the code of conduct negotiated between the European sugar business association CEFS and the European food trade unions EFFAT. A public monitoring assures that the sugar industry applies to the OECD-guidelines for multinational groups in foreign countries as well and that they are delegated to their suppliers there, too.

Linking the agrarian expenditure to concrete social indicators and ecological tasks could lead the EU and its agriculturists in direction of a sustainable and extensive agriculture. Smallholders structures would be saved, the environment preserved and the production of surplus reduced. By this the export of “dumping products” would decrease and it would lead to an ease of the world markets. This again would give developing countries a decent chance of sustainable development and ensure the survival of peasants. With EU-agricultural subsidies which promote a sustainable agriculture both, the North and the South would gain from this.

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