

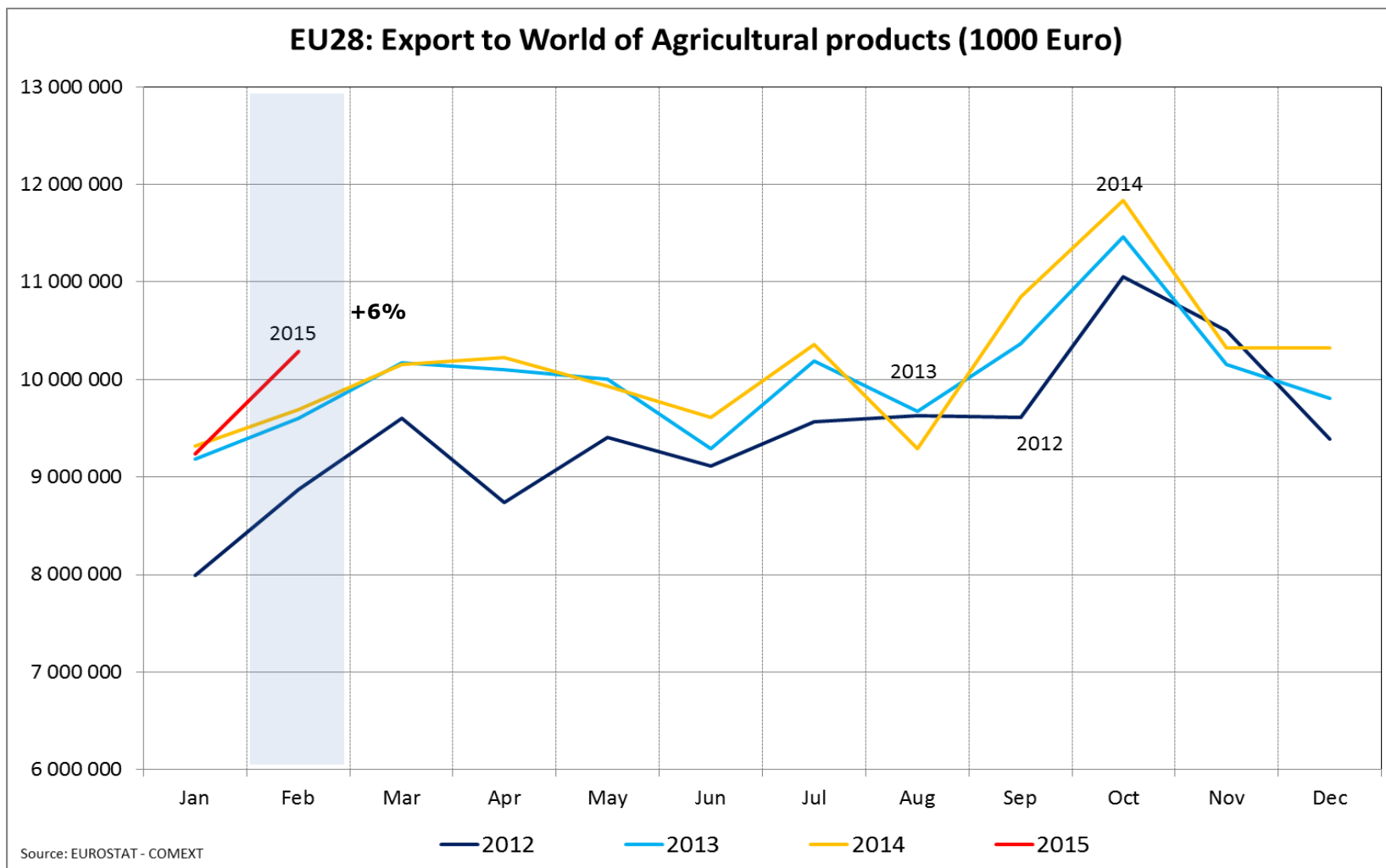


Russian Embargo

**Civil Dialogue Group
International Aspects of Agricultural Policy
Brussels – 5 May 2015**

**Diego Canga Fano
European Commission
DG Agriculture and Rural Development
Director – Multilateral Relations, Quality Policy**

CURRENT SITUATION





EU28 AGRI EXPORTS TO....

EU28 agri-food export to.... (million Euro) Source: COMEXT	Aug 2013- Feb 2014	Aug 2014 - Feb 2015	Difference Aug 2014 - Feb 2015 to Aug 2013- Feb 2014		Feb 2014	Feb 2015	Difference Feb 2015 to Feb 2014	
			mio Euro	%			mio Euro	%
Extra-EU28	70 472	72 139	1 667	2	9 690	10 286	596	6
United States	9 035	10 108	1 073	12	1 188	1 413	225	19
China	4 014	4 646	632	16	498	656	158	32
Switzerland	4 082	4 175	93	2	608	624	16	3
Russian Federation	6 907	4 061	- 2 846	-41	933	474	- 459	-49
Japan	3 013	2 970	- 43	-1	408	418	10	2
Saudi Arabia	2 446	2 238	- 207	-8	275	414	139	51
Hong Kong	2 238	2 812	575	26	303	404	101	33
Turkey	1 587	1 971	385	24	205	353	148	72
Norway	2 291	2 330	39	2	311	303	- 9	-3
Algeria	1 978	2 029	51	3	259	288	29	11
Egypt	1 304	1 407	103	8	273	259	- 14	-5
Canada	1 803	1 835	32	2	226	256	30	13
United Arab Emirates	1 447	1 661	214	15	207	224	17	8
Korea, Republic of	1 080	1 436	357	33	157	191	33	21
Australia	1 395	1 549	154	11	170	190	20	12
Morocco	872	839	- 33	-4	208	170	- 39	-18
Brazil	934	1 008	75	8	121	142	22	18
Ukraine	1 319	933	- 386	-29	209	141	- 68	-32
Singapore	1 127	1 085	- 42	-4	147	140	- 6	-4
South Africa	926	953	27	3	129	124	- 5	-4
Other Countries	20 676	22 093	1 416	7	2 856	3 103	247	9



OVERVIEW ON THE BANNED PRODUCTS

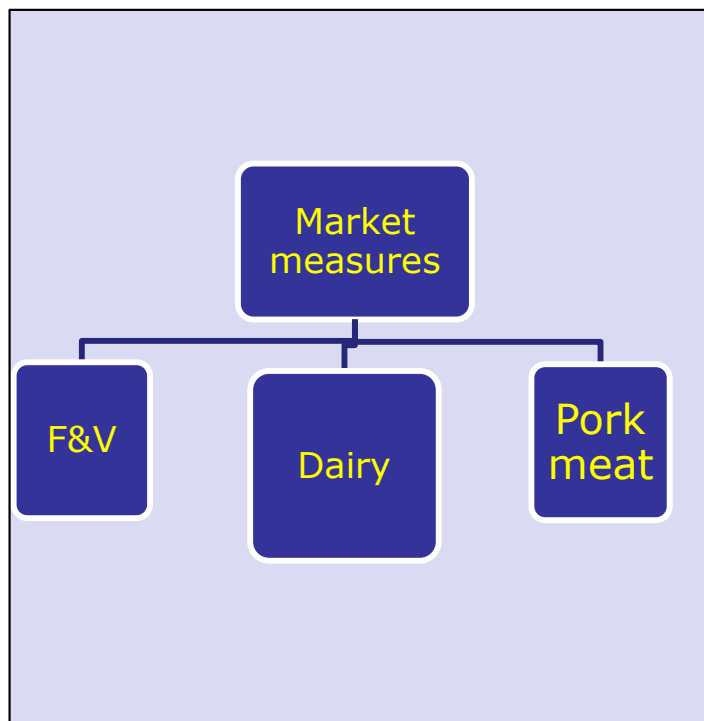
Export values for banned products	% Change Aug 2014 -Feb 2015 on Aug 2013- Feb 2014	% Change Feb 2015 on Feb 2014
	%	%
Bovine meat (fresh, chilled or frozen), w/o preparations	10	20
Pork meat (fresh, chilled or frozen), w/o preparations	3	31
Poultry meat (fresh, chilled or frozen), w/o preparations	4	7
Offal and other meats (fresh, chilled or frozen), w/o preparations	5	12
Meat preparations	-7	-7
Fresh dairy products & milk powders for final consumption	-5	-18
Butter	-5	-11
Cheese	-17	-17
Vegetables (fresh and chilled)	-13	-15
Fruits (fresh or dried)	-13	-21

Calculations based on values

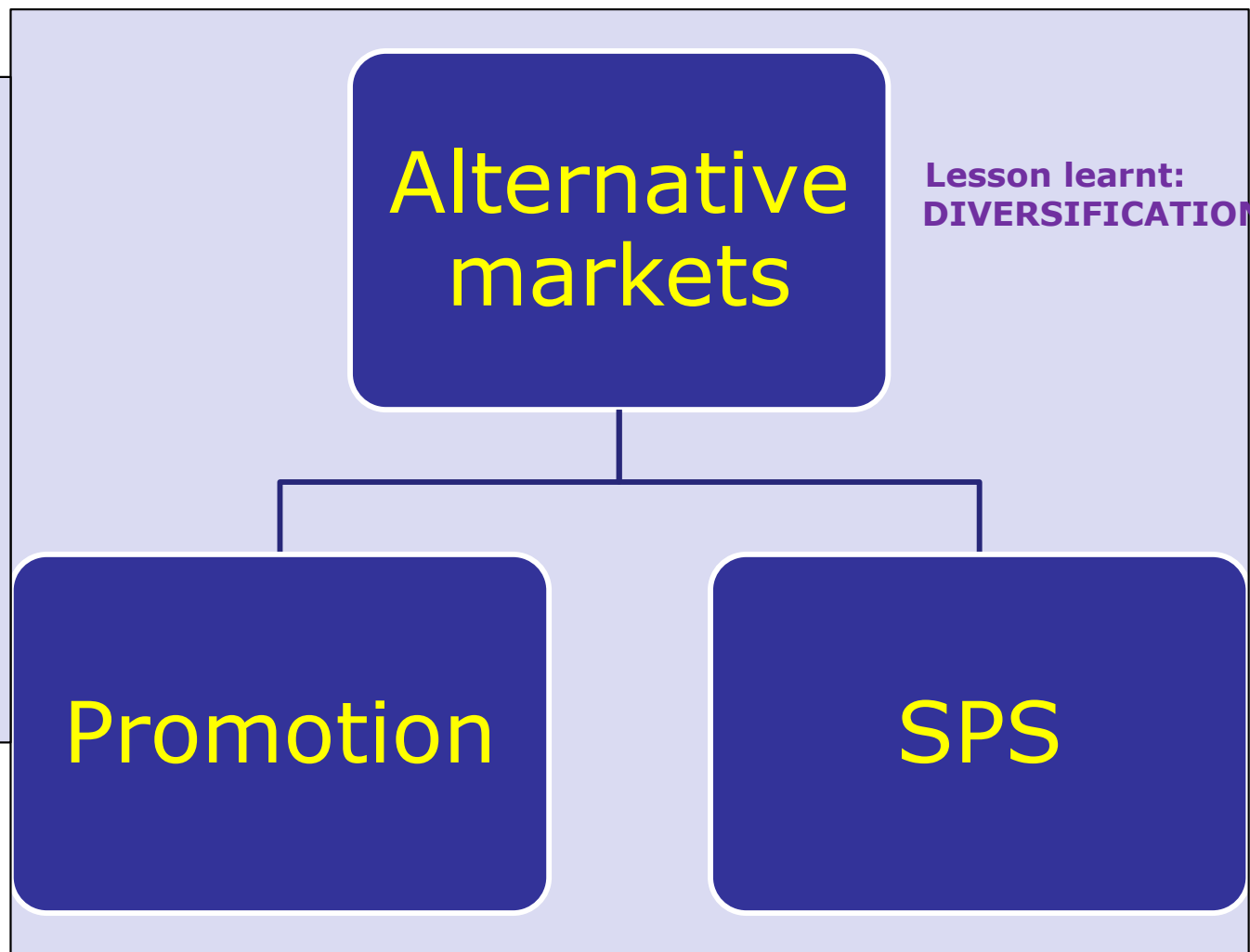


EUROPEAN COMMISSION ACTIONS TO MITIGATE THE EFFECTS OF THE RUSSIAN BAN

Internal Dimension



External Dimension



Lesson learnt:
DIVERSIFICATION



INTERNAL MARKET MEASURES

- **AD HOC SUPPORT FOR FRUIT AND VEGETABLE PRODUCERS**
- **PRIVATE STORAGE FOR CERTAIN DAIRY PRODUCTS**
- **SPECIAL MILK PACKAGE FOR BALTIC COUNTRIES**
- **PRIVATE STORAGE FOR PORK MEAT**



SPS BARRIERS REMOVAL

• Actions to reduce SPS barriers (priorities)

- Brazil: pork, dairy, bovine
- China: pork, dairy, bovine
- Chile: pork F&V
- Colombia/Peru: pork poultry, dairy
- India: pork, poultry, dairy
- Indonesia: F&V
- Mexico: Pork, F&V
- Turkey: **Bovine***, poultry, dairy, F&V
- US/Canada: **Bovine***, dairy, **F&V***
- Vietnam: F&V

*SPS barriers for these products have been already successfully removed in the mentioned countries.

SPS FIRST RESULTS

- Turkey: **Bovine,**



Resumption of live cattle exports

MORE THAN FIVE FOLD INCREASE IN EXPORTS

- US: **Bovine**



BSE ban removal for certain EU origins;

- Canada: **F&V**



**Apples and pears
partial access for some EU Member States**



PROMOTION IN PRIORITY ALTERNATIVE MARKETS:

The reply to the Russian embargo in the current promotion system

The EC increased the budget by 30 million Euro and explored potential in new destinations, which resulted in:

- **remarkable increase in applications!**
- **very steep increase in financing granted!**
- **proportion Third Countries vs. Internal Market almost reversed! - from around 1/3 previously to 60% now**
- **significant diversification of target destinations!**



PROMOTION IN PRIORITY ALTERNATIVE MARKETS— New promotion policy (as of 1 December 2015)

- ***significant increase of the budget available for promotion***
- ***expansion and diversification of the agricultural exports***