



**Joint letter of the Representatives of the Chambers of Agriculture
of Poland, Czech Republic, Hungary, Slovakia and Romania
JOINT LETTER ON TRADE LIBERALISATION WITH UKRAINE, THE IMPACT OF FREE TRADE WITH
UKRAINE ON EUROPEAN FARMERS IN CENTRAL AND EASTERN EUROPEAN COUNTRIES AND
RELATED POLICIES**

Representatives of the National Council of the Agricultural Chambers in Poland (KRIR), the Czech Chamber of Agriculture (AK CR), the Agricultural Association of the Czech Republic (ZSCR), the Hungarian Chamber of Agriculture (NAK), the Association of Hungarian Farmer's Groups and Cooperatives (MAGOSZ), the Slovak Agriculture and Food Chamber (SPPK), the National Federation of Producers in Agriculture, Food Industry and Related Services from Romania PRO AGRO, the National Union of Agricultural Cooperatives from the Crop Sector from Romania (UNCSV), the League of Agricultural Producers in Romania (LAPAR); and the Farmers' Force Association Romania and Republic of Moldova (AFF RO & MD)

We, the representatives of the agricultural chambers and organizations of Poland, the Czech Republic, Hungary, Slovakia and Romania, have decided to write this letter on the occasion of the **protest of farmers from our countries in Brussels, the protest will take place on 23/05/2023 between 11:00 and 13:00 in the Schuman area.**

WHY DID WE DECIDE TO TAKE SUCH A RADICAL STEP?

International trade in agri-food commodities with Ukraine has been liberalised for another year. The compensation paid to some countries is far below the level needed. Not all Central and Eastern European countries affected by trade liberalisation with Ukraine are compensated. We emphasise our support for Ukraine, the Ukrainian people and Ukrainian farmers. We hope for a speedy end to the unprovoked military conflict in Ukraine and we support the provision of aid to Ukraine, but such aid must not jeopardise the viability and competitiveness of European Union farmers or lead to their liquidation.



The situation is dire. Resulting of a de-facto failure of the so-called solidarity lanes, farmers in our countries are currently facing a rapid decline in prices and a lack of demand for cereals and oilseeds due to an excess of supply over demand. The stocks are at 150 % of the level typical for this time of the year, next harvest starts in less than one month and there is a real possibility that there will be no one to sell to and no place to store grains and oilseeds from the upcoming harvest. On the top of that, our farmers have to already face other major challenges and possible constrains in regards to NGTs, Green Deal, SUR, nature restoration targets, etc.

Solidarity lanes are not working. The situation is caused mainly due to the duty-free import of Ukrainian agricultural products into the European Union, where wheat, maize and soya have been imported, even though they were original as per the intent by the so-called solidarity lanes destined for third countries or traditional buyers of Ukrainian products. To help Ukraine export their agricultural production and feed countries dependent on imports, the Commission introduced so-called solidarity corridors, but these were abused by traders in order to enrich themselves easily and quickly.

The market is failing the farmers. Central and Eastern Europe is flooded with Ukrainian production. As a result, they will look for alternative storage or other marketing options at the cost of worse trading conditions. On such short notice, there is no real possibility of increasing storage capacity, at least not without compromising the quality parameters of the production and mainly its ability to resist mold and pests. This situation may have the greatest impact on smaller farmers in particular.

Farmers are not the cause of inflation in Europe. The price of wheat is determined by the world markets following the logic of balance between supply and demand. Farmers have not caused or intentionally exploited the market situation last year, as they can't influence the final price of the final destination of their product and are at this time unable to influence the market situation as well.

Ukrainian farmers are not benefiting either. A lot of Ukrainian wheat and other agricultural products ended up not in countries with a high dependence on food imports, but on the European market, without meeting strict quality parameters and without being grown with the same respect for the environment that the European Union requires farmers to adhere to. Given that agricultural commodities are imported into the European Union not by farmers but by traders, this partial take-over of our markets is not even to the benefit of Ukrainian farmers (the one's solidarity lanes were supposed to help) who themselves receive a fraction of the real price.



The consumers are at risk. We consider it a major problem that once goods cross the border in Ukraine, they move to the free single market of the EU and it is very difficult to distinguish their final destination. Even the official statistics may not reflect reality, as there is speculation about the repackaging of goods or deliberate mixing of Ukrainian wheat and other cereals with local production in order to meet quality parameters and reduce the risk of trapping unhealthy foodstuffs in the food chain.

Overloaded trucks coming from Ukraine are destroying our infrastructure. The number of trucks loaded with primary processed products (oil, wheat and maize flour, sugar) has increased and contingents are needed for all Member States in order to keep the situation under control and not lead to the destruction of the industries in Eastern European countries. The infrastructure in the bordering countries is unable to deal with this massive influx of agricultural products coming from Ukraine as it can barely provide for the needs of their own countries. If no action is taken there will be a total stalemate in the next campaign. Thus, a lot of harvested quantities will be left and put directly on the field or not harvested at all because there is no transport and no storage space available.

THEREFORE, WE, FARMERS FROM CENTRAL AND EASTERN EUROPE PARTICIPATING IN THE PROTEST ON MAY 23RD, 2023 IN BRUSSELS, HEREBY PRESENT OUR JOINT DEMANDS:

- To reinstate customs duties and quotas on Ukrainian agricultural and food products for front-line countries and nearby affected countries or to call for both spatial and temporal extension of the temporary precautionary measures on imports from Ukraine until at least 14th of June 2024, so that the remaining storage capacity in the CEECs can be used to store EU cereals after the new harvest and to avoid that new dumping from Ukraine again causes consequences for the EU cereals market at the most vulnerable time.
- In the event that after 5 June, the ban on imports into the 5 countries is lifted, we strongly request the introduction of the contingents to extend the need of risk-sharing among all EU Member States so that each state is to receive and use a contingent of agricultural products from Ukraine, directly proportional to the size of its country and population, so that we can continue to help Ukraine and not bring Eastern European countries into collapse. It is favorable that imports have been banned until 5 June 2023, but what is still worrying is that contracts already in place have been allowed to go unchecked. In this way, we cannot have a clear situation on them because they can be falsified or backdated.



- To expand the list of products covered by the regulations on temporary preventive measures concerning imports from UA to include eggs, poultry meat, honey, oil, wheat and maize flour, sugar, fruits and vegetables, and processed food and its extension until Ukraine joins the EU.
- To refrain from using agricultural budget to deal with situations arising from political problems. Agriculture is facing a series of external negative impacts as a result of climate change, which will need to be addressed to the maximum extent possible by using the potential of the Crisis Reserve.
- To extend the list of countries that may decide to prohibit the placing of certain agri-food commodities from Ukraine on their own markets to include the Czech Republic as well.
- To extend the list of countries eligible for compensation packages, including the Crisis Reserve, to include the Czech Republic as well.
- To create a special fund to assist farmers from Central and Eastern Europe particularly affected by the consequences of the Russian invasion of Ukraine, financed outside of the funds allocated to the Common Agricultural Policy.
- To ensure that products imported from Ukraine are also produced in line with the strict EU production standards, environmental, animal welfare and biodiversity measures expected of EU farmers. We also strictly demand increased controls on imported UA agricultural products.
- To allow the Member States of Central and Eastern Europe to apply national aid according to the decisions of their governments.
- To increase funding for the construction of transport routes, transport and port infrastructure enabling efficient transit of agricultural and food products from UA to ports on the Baltic and Black Seas; as well as creation of a transport infrastructure and logistics hubs for transit of products from UA through RO, BG to the port of Thessaloniki in EL. It is a safe, land-based corridor on EU territory and will allow the opening of the Constanta route for RO exports.
- To grant financial and personnel support for national phytosanitary services examining imported agricultural products.
- To strengthen mechanisms for controlling transport on solidarity lanes.
- To ensure quicker responses by the European Union authorities to the current economic situation in the agricultural sector.
- To achieve the objectives of the CAP without reducing the competitiveness of agricultural



producers and imposing unfair competition on EU agri-food products to the detriment of those outside the EU. We ask just for RECIPROCITY.

- Agriculture has recently taken on an increasing role in providing added value in terms of protecting the environment, reducing emissions and carbon sequestration, animal welfare and consumer expectations, in addition to productive activity. The additional cost of these public goods makes it essential to increase the CAP budget.
- To ensure urgent initiation of work on the new Common Agricultural Policy post-2027, which will take into account vulnerability of EU farmers and EU single market in relation to fluctuation of prices of inputs and agricultural production and also possible Ukraine's accession to the EU.

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CZECH CHAMBER OF AGRICULTURE (AK CR)	NATIONAL UNION OF AGRICULTURAL COOPERATIVES FROM THE VEGETAL SECTOR IN ROMANIA (UNCSV)
AGRICULTURAL ASSOCIATION OF THE CZECH REPUBLIC (ZSCR)	NATIONAL FEDERATION OF PRODUCERS IN AGRICULTURE, FOOD INDUSTRY AND RELATED SERVICES IN ROMANIA (PRO AGRO)
HUNGARIAN CHAMBER OF AGRICULTURE (NAK)	LEAGUE OF AGRICULTURAL PRODUCERS IN ROMANIA (LAPAR)
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