

Trade-Deal: Beef-Producers in Germany and Europe endangered

EU-Study about effects of free trade deals on the agriculture leaves out important parameters

Berlin, 18 November 2016 – Free trade deals like TTIP are expected to have negative long-term effects on several agricultural sectors in Europe. Requested by 20 EU farm ministers, the European Commission was pushed to carry out a scientific study on the impacts of twelve current and proposed trade agreements on European farmers. Especially the producers of beef, sheep and rice will have to expect drawbacks – in these sectors, the European trade balance will likely degrade. The initiative SME against TTIP also criticize the sole focus on tariff reductions, although the quality of our future agriculture will be mainly effected by the standards of environmental and consumer protection.

“This EU-study shows, that the trade deals will disadvantage whole sectors like the beef production”, said **Gottfried Härle**, owner of the German brewery Clemens Härle and co-initiator of SME against TTIP. Especially the planned deals with South America and Australia will have negative effects for Europe. A full implementation of trade deals could lead to an increase of 365,000 tons of beef imports to the EU. The resulting price pressure will be even stronger, if the EU dairy productions grows at a rate of 0.7 percent, as the Commission expects: Since about two thirds of European beef production stems from dairy herds, prices may drop between 8 and 16 percent, depending on the scenario.

Other losers of these free trade deals include rice (-2 % of European production), poultry (-1.3 %) and sugar (-1 %). “This is a sharp contrast to the Commissions display of an “overall positive picture”, even more so, because the traditional Mediterranean produces fruits and vegetables, olive oil and wine, as well as processed foods, have not even been part of the study”, Härle adds. A massive 70 percent of the EU’s food export market remains totally without comment in the study.

Härle particularly criticizes, that the study only researches the effects of tariff reduction, since environmental and consumer protection are also heavily disputed in trade deals like TTIP and CETA. “But it’s especially these non-tariff clauses, which determine the quality of our future agriculture and food production”, Härle comments.

Besides investigating on the already existing trade deals with Turkey and Mexico and the ones already negotiated (Canada with CETA and Vietnam), the research also took the planned free trade deals with the United States (TTIP), South-American Mercosur-countries, Japan, Thailand, Indonesia and the Philippines as well as the aspired deals with Australia and New Zealand into account.