

European Parliament vote disappointing but strongly declining support for sugar quotas signals the beginning of the end

Brussels, 14 March 2013 – The European Starch Industry Association, AAF, is extremely disappointed that the European Parliament's plenary session of 13 March, voted to support the Agriculture Committee's amendment to extend the EU sugar quotas until 2019/20. The European Commission has proposed an end to sugar quotas in 2015.

The EU sugar regime restricts the production of isoglucose, a cereal based sugar derived from EU maize or wheat starch, to just 5% of the EU sugar quota. With dairy quotas to be abolished in 2015, sugar is the only EU agricultural product which is still restricted by a quota system, to the detriment of not only EU starch producers, but also EU sugar users, EU cereal farmers and EU consumers.

Responding to the result, AAF managing director, Jamie Fortescue, commented "This is obviously a disappointing overall result but the significant shift in the Parliament's position must not be underestimated. As recently as 2011, the European Parliament adopted, with more than a 90% majority, the Dess report which called for an extension of sugar quotas to at least 2020. It is not even two years later, and today less than 2/3 of MEPs have supported an extension until 2019/20.

The European Parliament's position as it enters into negotiations with the other EU institutions is very weak and the message is clear 'the days of the outdated and anti-competitive EU sugar quotas are numbered'. We urge the EU Member States to acknowledge the rapidly declining support for EU sugar quotas by supporting the European Commission's proposal to abolish the EU sugar quota system in 2015".

For more information please visit <u>http://www.aaf-eu.org</u>

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The AAF is the trade association which represents the interests of the EU starch industry both at European and international level. Its membership comprises 23 EU starch producing companies, together representing more than 95% of the EU starch industry, and, in associate membership, 7 national starch industry associations.