

## **Common declaration on the economic impact of the Russian ban on European agricultural and agrifood products**

The situation of several important European agricultural sectors is a matter of concern. Despite the measures adopted during the last few months, the economic conditions for some of the main products in the fruit and vegetables sector are still heavy-laden. Moreover, livestock markets – in particular dairy, beef and pigs - are significantly disrupted, with prices on a clear downward trend. The economic difficulties that this situation is causing may jeopardize a significant number of already vulnerable livestock farms.

Those difficulties stem in particular from the ban on certain agricultural and agrifood products from the European Union decided by Russia. This embargo has been depriving since August 2014 the European agricultural sectors of a significant outlet, representing around €5 billion per year. The shift of these quantities to the European market is leading to a collapse in prices affecting all European producers.

Given this context, the Commission must monitor the market situation with care and must regularly report to the Council the precise evolution of the situation in the different sectors. The Commission must be, if necessary, in a position to adopt swiftly further measures to prevent a deepening of the crisis.

This requires a clear identification of the origin of the budgetary resources dedicated to this type of action. Accordingly, the necessary budgetary appropriations must be provided in Budget 2015 so that the European Union is able to comprehensively address these market disruptions. It is therefore imperative that the measures already agreed for the fruit and vegetables and dairy sectors be underpinned by the appropriate resources in the 2015 EU budget, as the Commission undertook to do when these measures were announced.

The 2015 reserve for crises in the agricultural sector must not be used for funding these measures, because the high level of the assigned revenue anticipated for 2015 in heading II of the budget should be sufficient to fund all the measures implemented since last August or which could be implemented in the near future without resorting to the reserve. The reserve should therefore be preserved to maintain our response capacity in the course of 2015 in the event of a deeper or a new crisis.

The Ministers of Agriculture of Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Finland, France, Greece, Hungary, Ireland, Latvia, Lithuania, Luxembourg, Poland, Portugal, Romania, Slovakia, Slovenia and Spain are therefore opposed to the Commission's proposal to reduce the EAGF appropriations by €448million in the 2015 budget and request that these appropriations be used to finance the crisis measures related to the Russian embargo.