



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 10 December 2013
(OR. en)**

17559/13

AGRI 834

NOTE

From: General Secretariat of the Council
To: Delegations

Subject: Problematics of the rice sector
- Requested by the Italian delegation, supported by Bulgaria, Greece, Spain,
France and Portugal

Delegations will find in Annex a document submitted by the Italian delegation to be presented under "Any other business" at the Council ("Agriculture and Fisheries") at its session on 16 December 2013. This document is supported by Bulgaria, Greece, Spain, France and Portugal.

**Request from the Italian delegation, supported by Bulgaria, Greece, Spain, France
and Portugal**

The above Member States wish to underline the particularly difficult situation that the EU rice sector is facing.

The cultivation of rice in the EU requires particular specialisation for cultivation practices, soil preparation, water management and conservation.

In some sensitive and dedicated agricultural areas of the EU, this cultivation represents the most important agricultural and economic activity of the entire territory.

However, over the past few years, this sector in the EU has gradually been losing profitability and, consequently, the land area planted with rice is constantly decreasing.

This negative scenario is getting worse due to the progressive increase in EU imports of milled rice, in particular those of the “indica” variety, both from the least developed countries (LDCs) and from other countries with which we have bilateral agreements.

In this context, the above Member States wish to point out that:

- Currently, according to the special regime stated in Regulation (EC) No 978/2012, duty-free imports from LDCs have been allowed. A progressive increase of milled rice in the EU has been registered. That increase is significant; indeed, from 5 000 tons imported in 2008 to over 180 000 tons during 2013;
- This trend has been confirmed by the Commission;
- In particular, Cambodia and Myanmar have, over the past few years, increased their investments with regard to infrastructures and the relative commercial net sales in the rice sector, with the goal of attaining over 5,5 million tons in exports of processed rice (that is over twice the supply requirement of the EU);

- This duty-free importation of “indica” processed rice is causing great prejudice to the marketing of the Community production of that rice. This will limit the possibility for our farmers to remain competitive; moreover, the survival of our rice processing undertakings is also at risk;
- It should be noted that the duties on milled rice have progressively decreased by 35/40 % on average in the last four years;
- And, meanwhile, the income for our producers is decreasing; the price for the rice variety “indica” is quoted at a very low level and in many cases most producers are not able to cover the input costs;
- Hence, if this trend should continue in the future, the cultivation of rice in the EU will be seriously prejudiced, with the result that rice cultivation will be abandoned in most areas of the EU, with the concrete risk that the EU will become completely dependent on imports.

Furthermore:

- The above Member States wish to point out that the cultivation of rice is strictly linked to particularly sensitive and dedicated areas characterised by a specific micro-climate and, moreover, by the structure of the soils and the agronomic and hydrographic systems created *ad hoc*;
- In particular, the hydrographic systems created over the centuries for rice farming have allowed positive results to be obtained for the entire territory for the capillary series of channels and pools that, by providing effective water management, have thereby been able to avoid the negative repercussions of floods;

- It is recognised that those traditional areas are characterised by a specific habitat that hosts particular and precious species of flora and fauna linked to this environment;
- The abandonment of rice cultivation in those areas will significantly change the precious landscape and the specific habitat, causing serious environmental losses that it will be impossible to recover in the future.

In conclusion, the abandonment of rice cultivation will give rise to serious damage for the entire sector, with severe, negative environmental, employment and social consequences.

For all these reasons, the above Member States call on the Commission to provide for a deep analysis of the problem described and invite the Commission itself to consider the possibility of activating proper initiatives according to the regulations in force.
