

RIZ(19)6237:2/CB/mb

Mr Phil Hogan
Commissioner for Agriculture
and Rural Development
200, rue de la Loi
B-1049 Brussels

Brussels, 4th July 2019

Re: Increasing imports of duty-free Japonica rice from Myanmar

Dear Commissioner,

Six months after the implementation of the safeguard clause, which reintroduced standard tariff rates on Indica rice imports from Cambodia and Myanmar, the European market is once again being impacted by zero-duty imports of rice from Myanmar. However, this time it is the Japonica rice variety, which accounts for 75% of total EU production.

According to data provided by the European Commission (TAXUD), in the first nine months of the 2018/2019 marketing year the European Union imported 58,029 tonnes of milled Japonica rice from Myanmar compared to 24,014 tonnes in the same period of the previous marketing year, and 4,917 tonnes in the 2016/2017 marketing year.

We are facing a 142% increase in imports year-on-year and a 1080% increase compared to two years ago. This exponential growth is driven by prices that are far below European prices. If things continue at this rate, it could lead to the collapse of EU Japonica rice production, in which the EU is self-sufficient.

Moreover, we are concerned by the cumulative impact of other trade concessions. The agreement with Vietnam, which foresees a substantial concession regarding rice, is expected to be implemented in the coming months. In the framework of the Mercosur deal, the EU has just agreed to additional concessions that will heighten the current cumulative impact.

Rice, and primarily the Japonica rice variety, is deeply rooted in European culture and is cultivated in eight EU countries, from Portugal to Bulgaria. Rice cultivation provides approximately 50,000 direct and indirect jobs in EU regions, above all in areas where it is not possible to grow any other crops. Rice fields also provide many environmental benefits: they are essential for maintaining biodiversity and providing many animal species with a wetlands habitat and a source of food.

In light of this, we believe that it is essential and of an urgent nature to protect the European rice sector from the impact of zero-duty Japonica rice imported from Myanmar. Losing rice fields and production would run counter to the objective of the Common Agricultural Policy, which encourages agriculture to contribute to maintaining biodiversity.

We therefore call on the European Commission to take urgent action and implement appropriate measures to prevent the sector from facing a new market crisis in the run-up to the next marketing year.

Please note that a copy of this letter has also been sent to Commissioner Cecilia Malmström and Commissioner Neven Mimica.

We hope that you will take our arguments into consideration. We remain available should you have any further questions or wish to discuss this matter further.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Pekka Pesonen', with a stylized flourish at the end.

Pekka Pesonen
Secretary General