Social Dialogue in the EU Sugar Industry

Brussels, 1 March 2016

Draft report of the plenary meeting

The meeting was chaired by both Dr. Norbert Kailich (CEFS) and Mr. Harald Wiedenhofer (EFFAT).

1. Policy up-dates from the European Commission

Mr. Chaussard (DG Employment) highlighted three points as follows:

a. Newsletter

DG Employment decided to re-launch a social dialogue newsletter but in a lighter format and distributed by e-mail and stored as a pdf format on the EU Social Dialogue website.

Mr. Chaussard explained the newsletter would contain the following features: news from the European Commission, latest news from social partners (cross-industry and sectoral), information from the EU Agencies, upcoming events, calls for proposals.

The information would be provided in English in the form of extended headlines, with a maximum of 50-70 words, and should contain an indication (link to a webpage or an e-mail address) where to find further information.

Social Partners were invited to submit short contributions (50-100 words) with a view to share information on their work and achievements.

b. Calls for proposals: the European Commission’s calls should be published by the end of the month of March.

c. Re-launch of the social dialogue

Mr. Chaussard explained that at the high level conference of 5 March 2015 on relaunching social dialogue, the social partners (ETUC and BusinessEurope) emphasised the need for practical follow-up to the event. In response, DG Employment set up two thematic working groups on social dialogue, policy making and law making. The work carried out in the thematic groups culminated with a joint "Declaration for a new strong Social Dialogue" of the social partners adopted early February 2016.

Mr. Chaussard clarified that the social partners had demanded the European Commission to endorse this declaration as soon as possible.
2. Review of the work programme 2015

Mrs. Brentnall presented the activities carried out in 2015 and the results achieved. She highlighted 4 items:


The annual reports cover the implementation of the compulsory CSR Code of Conduct in the EU sugar industry, which includes eight minimum standards, from human rights, working conditions to business relations and choice of suppliers, and are illustrated by examples of good practice.

ii. CEFS and EFFAT completed their demographic analysis of the EU sugar industry workforce. EFFAT and CEFS conducted a mapping of the EU sugar industry demographics over 2013-2014 and a questionnaire was circulated for this purpose. A draft report was made available at the SSDC working group meeting of 10 November 2014. The final report was presented at the plenary meeting on 26 February 2015. The report can be accessed here: [http://www.sugardialogue.eu/resources-for-social-partners/ eu-sugar-sector-socio-demographic-analysis/](http://www.sugardialogue.eu/resources-for-social-partners/ eu-sugar-sector-socio-demographic-analysis/)

iii. EFFAT and CEFS launched, at the occasion of the Food Expo in Milan in September 2015, the outcomes of their joint work on their long-term project towards a ‘Sustainability Partnership’ along the EU sugar supply chain that also involves the beet farmers association CIBE. The objective of this partnership is to highlight and report on representative good practices of sustainable production of beet sugar in the EU in a context of further intensification of the global sugar market and the phase out of the EU sugar regime as of 2017. In particular, this partnership builds upon key social standards of the CSR Code of Conduct of the EU Sugar Industry. For further information: [http://www.sustainablesugar.eu/](http://www.sustainablesugar.eu/)


The participants noted the information.
3. **Presentation of the 13th report on the implementation of the CSR Code of Conduct for 2015**

Mr. Ruiz presented the CSR report for the 2015 period.

Like the previous year, the report informs about the circumstances surrounding the difficult market situation while highlighting the improvements achieved by the sector under those difficult circumstances. The report therefore comes full of good practices regarding employability, training and education and, as part of our commitment to OSHA’s bi-annual campaign on ‘Healthy Workplaces - managing stress’, we have also selected this year three more examples of good practices by sugar companies in this area. The report also celebrates the joint work of the partners in 2015 and notably the EU Beet Sugar Sustainability partnership’s major launch of the Good Sustainability Practices at Milan Expo.

The report also refers to the interest of the social partners on the sustainability of private company pension funds and talks about the recent rebranding of the social partners website ‘www.sugardialogue.eu’. In its final part, the report also includes a brand new section on ‘Brief news from the sector’ that refers in this first edition, to the emerging social dialogue in Eastern Europe and the joint call from the social partners to the EU decision-makers to take measures to accompany the difficult sugar market situation.

As usual, the report concludes with the new work program and objectives for 2016-17 and a recollection of CSR/sustainability reports published by EU sugar companies in 2015.

The participants welcomed the draft report and formally adopted it.

4. **Work programme 2016**

Mrs. Brentnall presented the proposed work programme for 2016-2017. In this context, she asked all participants to send her more information for the website concerning the Jobs and skills campaign and proposed that it would be beneficial to set up a newsletter (bi-annual) with regards to the broader social partners’ communication strategy, that could also be circulated to other stakeholders.

On the issue of the future of the sugar sector, discussions took place highlighting the economic uncertainties and potential social risks that the sector was facing.

Mrs. Ribera, from CEFS, highlighted the importance of the European social dialogue in this volatile climate and if not vigilant, the EU risked exposing sugar producers to unfair competition from protected third country producers such as Brazil, India and Thailand.

The social partners from Italy proposed to set up a monitoring group, since the Expert group from the European Commission did not share enough information about the sector.
Workers’ representatives from Poland agreed that the current situation needed to be monitored, and suggested extending the quota regime to 2020. They highlighted the need for a global level playing field in the sector with greater social and environmental standards.

Workers’ representatives from Spain added that unfair competition threatened domestic jobs. Workers’ representatives from Austria stressed that EU producers could not compete with other third countries with low labour standards when sugar prices were at rock bottom.

Workers’ representatives from Germany expressed their solidarity with the Polish delegation to campaign for an extension of the quota regime however they pointed out that the decision to end the current regime had already been taken and that there was an urgent need to continue fostering the social dialogue.

Dr. Kailich closed the discussions, encouraging the participants to stress their points again under the agenda item dealing with market and competitiveness issues. Dr. Kailich pointed out the need for a fair and stable worldwide sugar market, with minimum standards applied across the board.

5. **UN Global Compact – Taking our commitments to the next level?**

Mr. Ruiz discussed the ongoing analysis of options regarding the participation of the social partners to the UN Global Compact (UNGC). He stated that it is a work in progress with the aim of making stakeholders more aware of the industry’s CSR engagements. A conference-call will be set with the UNGC and CEFS and EFFAT Secretariats as soon as possible. Among other practical issues, it will be discussed whether the social partners in the sugar sector can jointly become members of the UNGC or whether they should do that separately. A formal decision can be taken at the next occasion, when the social partners meet again in October 2016.

6. **Strengthening social dialogue**

Mr. Michal Gawryszczak, Director, Association of Sugar Producers in Poland, presented the social initiatives undertaken by the beet sugar industry with their social partners.

The Polish workers’ representatives commented that the pursuance of social dialogue to achieve a sectoral agreement was essential.

Mr. Wiedenhofer concluded the presentation by applauding the work of the Polish social partners on their commitment in building mutual trust and a strong social dialogue.
7. **The EU Sugar sector: market and competitiveness issues**

Mr. Ruiz gave a presentation on the competitiveness of the sugar sector.

A discussion took place between participants and Mr. Jeroen Smits of the European Commission (DG Agriculture). Mr. Smits pointed out that the current situation was being seriously monitored.

The social partners stressed their concerns that major world competitors such as Brazil & Thailand had developed policies making their producers artificially more competitive. Protection of such producers led to a rise in output & dumping on the world market at lower than the cost of production. The social partners made a call on the EU to push for a global agreement, involving all key players in the world sugar market, to end all subsidies and other trade-distorting policies affecting sugar. In that way, the EU would support a level playing field for the EU's highly efficient sugar sector, with high-quality manufacturing jobs and which would be respectful of the environment.

Dr. Kailich and Mr. Wiedenhofer both closed the discussions by concluding that the end of the quota regime and its potential consequences were fundamentally about people and their right to work.

8. **Joint initiatives of the social partners – what’s happening now**

Mrs. Brentnall updated the participants on four initiatives as follows:

- **Rebranded social partners’ common website**: all participants were asked to have a look at the new website sugardialogue.eu

- **EU Beet Sugar Sustainability Partnership**: the new Issue Brief explaining the background of the social dialogue in the sugar sector was presented. The issue brief can be downloaded here: [http://www.sustainablesugar.eu/](http://www.sustainablesugar.eu/)

- **Restructuring fund**: We called last year for a restructuring fund to be included in the budget of the European Commission for this year. This was not retained by the Council.
- **Jobs and skills profiles campaign:**

  ✓ Paperless, website-based e-campaign.
  ✓ General goal: to champion our industry and workforce and give public recognition through our joint website, [www.sugardialogue.eu](http://www.sugardialogue.eu)
  ✓ Target: to promote careers in the sugar sector with a focus on most wanted/scarc job profiles (socio-demo study 2015).
  ✓ Call for proposals/input to members launched. Examples already exist. So far low return. We call for your kind help!

The participants noted the information.

As there was no other business to discuss, Dr. Kailich thanked all participants and closed the meeting.

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**Annexes**

**Annex 1:** PowerPoint presentation on the EU Sugar sector: market and competitiveness issues

**Annex 2:** PowerPoint Presentation on strengthening social dialogue: presentation of the Polish social partners

**Final list of participants-Sugar social dialogue committee working plenary meeting**

**EMPLOYERS**

- RUIZ Oscar – CEFS
- RIBERA Marie-Christine - CEFS
- GARTLAND Josh –CEFS
- Dorte NORTOFT ANGERSEN (DK)
- Michal GAWRYSZCZAK (PL)
- Marek WOJICK (PL)
- Dominique BRAOUDE (FR)
- Alberto SANCHEZ (ES)
- Félix FEO (ES)
Norbert KAILICH (DE)

Giorgia HEINE (DE)
Giorgio SANDULLI (IT)
Patrick PAGANI (IT)

WORKERS
WIEDENHOFER Harald – EFFAT
BRENTNALL Estelle – EFFAT
COLOMBI Maddalena – EFFAT
SERGEANT Stefanie – EFFAT
VANDERGUCHT Stiene – EFFAT
BUDER Thomas – PRO-GE (AT)
CORNU Tanguy – FGTB-HORVAL (BE)
HAUTEKEUR Charlotte – FGTB-HORVAL (BE)
HUBIN Philippe – FGTB-HORVAL (BE)
PLATEAU Grégory – FGTB-HORVAL (BE)
PETROV Slavcho – FITU FOOD (BG)
DAHLBERG Morten – CO-industri (DK)
DARLEY Sylvain – FGA-CFDT (FR)
TRAMCOURT Guillaume – FGTA-FO (FR)
VOGEL Franz-Rudolf – NGG/Südzucker (DE)
WIEDERHOLD Rolf - NGG/Südzucker (DE)
KRIFATON Vera – MEDOSZ (HU)
SAVIGNANO Armando – FAl-CISL (IT)
IOVINO Roberto – FLAl-CGIL (IT)
RUFFOLO Pietro – FLAl-CGIL (IT)
LUBAŚ Stanisław – NSZZ Solidarnosc (PL)
SZCZESZEK Tomasz – NSZZ Solidarnosc (PL)
LUENGO BECERRO Jose Fernando – FEAGRA-CC.OO (ES)
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EUROPEAN COMMISSION
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SMITS Jeroen – DG AGRICULTURE