



On Thursday, October 2<sup>nd</sup>, the Irish Phil Hogan, designate commissioner for agriculture and rural development has presented his plans for the European agriculture during a hearing with the COMAGRI (the committee for Agriculture and Rural Development of the European Parliament).

## European news

### **European Study: half of the farmers will invest by 2020**

According to a study directed by the JRC, the Joint Research Centre of the European Commission, 56% of farmers interviewed in six EU Member States (Czech Republic, Germany, Spain, France, Italy and Poland) will invest over the period 2014 -2020 (in machinery and equipment for 40% of them, in the land to 21%, in buildings for 20%, in training to 16%, in the quotas and production rights to 3%). They expect improvements in working conditions and quality of their production rather than reduced costs and increased volumes. Uncertainty about the return on investment is the main obstacle, more than the lack of financial resources. 43.5% of surveyed farmers who do not have a project for 2014-2020 mainly explained that the return on investment is too uncertain or that they do not need new assets.

Moreover, the study shows that the recipients of support from the CAP (direct payments and rural development) are more likely to invest. It is surprising then that researchers from JRC feel they have not enough evidence to infer a causal link. However, they observe that most of the farmers acknowledge that their investment intentions depend on maintaining or increasing this support.

In the context of the implementation of national and regional rural development plans which may include measures to support agricultural investment, CEETAR will use this document to demonstrate the unequal treatment are too often subjected investments of agricultural contractors. Click [this link to access the report of the JCR](#) (in English only).

## Proposal for a revision of the rules on Emissions from non-road mobile machinery

The European Commission proposes to reduce emissions of major air pollutants from engines in non-road mobile machinery (NRMM) to simplify the regulatory framework for the sector and to ensure a level playing field for European industry.

Stricter emission limits on air pollutants for the placing on the market of new engines installed in non-road mobile machinery, including agricultural machinery (combines, cultivators...), have been advocated on 25 September by the European Commission to achieve the objectives for air quality. At the same time, the proposal is aiming to harmonize the regulations applicable to these engines in the EU, and to make future amendments more predictable.



Brussels stressed on the alignment of technical requirements at international level, particularly to reconcile those set by the European Union and those applicable in the United States in order to "ensure a level playing field for European industry."

The Brussels draft also tries to simplify the current regulatory for NRMM. The proposed text will replace a patchwork of twenty-eight national legislations on this subject. It also revoke an extremely complex directive, with fifteen annexes and amended

eight times since its adoption in 1997.

A technical review conducted there some time has identified a number of serious flaws in the directive, which confirmed the need for a fundamental revision, argues the Commission. The project is accessible on [the website of the Commission](#).

## Machinery: CEETAR supports contractors vis-à-vis AGCO

Last June, AGCO announced the closure of the production line of the Challenger TerraGator in Europe as soon as summer 2014. This decision, taken without consultation and without notice, has disastrous consequences for agricultural contractors who invest in this equipment.

On one hand, many of them have built a business strategy on the efficiency of the TerraGator compared with other machines on the market. This strategy is now obsolete and will require much effort and investment to find a commercial credibility. On the other hand by this single decision, AGCO just brought a major blow on the residual value of TerraGator and therefore the value of companies with this material.



CEETAR turned to the company to engage a dialogue and try to get clearer answers for the concerned entrepreneurs to enable them to respond adequately. In response, AGCO has confirmed the decision while ensuring the establishment of unit for

spare parts and technical support services. However there are no guarantees as to the quality / responsiveness of this unit, which is a serious problem since companies use TerraGator

on a very limited period during the year. The carelessness with which AGCO treated its main clients raises questions about the strength of its commercial commitments.

## **Phil Hogan, advocating the simplification of the CAP, approved by the COMAGRI**

On 2 October, Phil Hogan, the designated European Commissioner for agriculture, has passed without problems the hearing in front of the responsible committee of the European Parliament, which has approved his appointment to the post. In particular, many MEPs were attracted by his pledge to "reduce the administrative burden" of the new Pac, that he wants "simple, efficient and flexible." He also pledged to "contribute to the revision in 2016 of the

multiannual financial framework (EU) identifying ways to focus more on the Pac employment, growth, investment and competitiveness.

If the executive chaired by Jean-Claude Juncker receives the endorsement by the European Parliament in a plenary vote scheduled on 22 October, Phil Hogan will take over on November 1<sup>st</sup> the position of the Romanian Dacian Cioloș..

## **GMOs: The United States launch a comprehensive study on the advantages and drawbacks**

The National Academy of Sciences of the United States launched on 15 September at the request amongst others of the United States Department of Agriculture (USDA), a study on the pros and cons of GMO crops. The objective is to examine all aspects of GMOs and to inform the general public. Will be considered, including the contamination of conventional crops, food safety, the appearance of resistant weeds to herbicides, but also the commercial consequences (China, among others, are showing reluctance to authorize the importation of certain genetically engineered crops).

Experts already pointed out that the lack of consumer confidence is especially due to the regula-

tions of the United States which is largely based on studies provided by the firms that develop GM crops. This study will aim at providing the Academy of Sciences with "independent and objective"

information and should be completed by 2016.



## **Forest: 305,904 hectares destroyed by fire in 2013**

In 2013, forest fires destroyed 305,904 hectares in the EU, according to estimates from the Joint Research Centre of the European Commission. Some 95% of this area (291,101 ha) was located in the five largest countries in the Mediterranean region of the EU: Portugal, Spain, France, Italy and Greece. This represents a 34% reduction of the total area burned

in relation to the average of the last 15 years (average, 460,000 hectares burn annually in the EU), and reduced by half compared to 2012, when the fire season was particularly devastating with 607,304 hectares of forest burned. Surfaces destroyed in 2013 are close to the levels observed in 2009 (350 000 ha), 2010 (271,500 ha) and 2011 (332,000 ha).

## **International : contacts with the association of the agricultural contractors of Argentina**

In September, CEETAR was contacted by the Federación Argentina de Contratistas Maquinas Agrícolas (FACMA). The latter wanted to know how CEETAR organized cooperation between national organisations, because FACMA wants to establish a structure across South America. Beyond this issue, the two structures have begun a preliminary exchange of information on the problems faced by agricultural contractors for carrying out their activities. It appears that the major problems faced by Argentine entrepreneurs are close to what is known in Europe::

- Basic training of operators (with a shortage of skilled labor force)

- Training of entrepreneurs (especially in the management of the company - analysis of results)
- Legislation on road safety
- Legislation on agricultural policy
- Identification of entrepreneurs for a better recognition of the sector by the government.



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## Member organisations' activities

### Germany

#### **Germany: farm vehicles exempted from vignette in 2016**

In 3/2014 edition of its newsletter BLU-Newsticker, the German association of agricultural contractors BLU reports that all vehicles operating in Germany must pay a vignette from 2016 to support the investments in infrastructure. German vehicle owners automatically receive this vignette, with in return a lower tax on the vehicle. Good news for entrepreneurs German agricultural contractors:: tractors, combine harvesters and special vehicles will be exempted from this new tax.

Also in the area of movement of tractors and in this issue, BLU reports two experiments taking place in two villages in Lower Saxony, in the north of Germany: a toll project is currently under study in the municipality of Wardenburg for heavy agricultural vehicles in order to fund the development and remediation of roads based entirely on the town financial capacities. A two-year test phase is planned with exclusive authorization for farm vehicles to use roads with limited tonnage after the payment of fees. A different choice was made by the municipality of Schiffdorf near Cuxhaven where an agreement exists since 2007 between farmers and the local authority to finance road maintenance. Also a hot topic in the Federation of the German farmers who asks the maintenance of municipal roads to be paid by the landowners themselves..

#### **Germany: Introduction of the minimum wage for the agricultural sector postponed**

Following tough negotiations between employers and employees, the agricultural sector will benefit

from a period of transition in the application of the new German labor legislation on the minimum wage. Employers and employees have agreed on a national collective agreement to provides wage increases in stages. The agricultural businesses are not required to pay the minimum wage of € 8.50 per hour before 1 January 2015.

Concretely, a unification of the lowest wages is scheduled for 1 January 2015, with a gross hourly wage of 7 40 € for the states of the former West Germany, and € 7.20 for the states of the former East Germany. These proposals will be reviewed each year, with the goal of reaching € 8.60 for the whole territory from 2017 Decided by the Bundestag, the law on the minimum wage, however, provided tax relief for the recruitment of seasonal workers. (source: BLU-Newsticker 3/2014).

#### **Northern Germany: more than 67 000 ha of forest PEFC certified**

PEFC (Programme for the Endorsement of Forest Certification Schemes) forest certification applies to more than 67,000 ha in Schleswig-Holstein since 2004 and in the Hamburg region since 2009. A regional working group in which participates the federation of forestry contractors ensures compliance with rules related to this certification: for example, the surfaces of forest for liming must increase to 1,000 ha per year, the use of pesticides in the forest should be reduced, the use machinery in the forest can only be leaving on sites biodegradable materials, and forest contractors must undergo annual training around protection at work. (Source: LU aktuell July 2014)

### Spain

#### **A meeting to boost the forest sector**

The Spanish Association Asemfo proposed to the Spanish Ministry of Agriculture MAGRAMA a program to boost the forest economy at a meeting held in Madrid on 29 July in conjunction with COSE (Association of private forest owners of autonomous communities of Spain), ASPAPEL (Spanish association of manufacturers of pulp, paper and cardboard) and CONFEMADERA (Spanish confed-

eration of wood). The four associations reiterated the importance of the forestry sector in Spain, the latter representing 1.4% of GDP, 29,623 companies, 189,875 employees and annual sales of EUR 16.7 billion.

According to FAO statistics, Spain has 27.6 million hectares of forest area, the third of the European Union behind Switzerland and Finland. The participants of the meeting reiterated that at least 15% of the funds of the National Programme for Rural

Development (EAFRD) should be allocated to forestry. Aids are also available for all initiatives under the National Programme for sustainable growth, such as increased mobilization of generating starch forest resources throughout the production chain.

### **AMACO-ANESA wants to better protect contractors**

The Spanish Association AMACO-ANESA informs us that it has signed an agreement with SUMMA INSURANCE, an insurance brokerage company present throughout the Spanish territory with more than 60,000 clients, particularly SMEs. "SUMMA INSURANCE is negotiating with all insurance companies, with a final bid meeting our needs," says Die-

go J. Sanromán, the general coordinator of AMACO-ANESA whose



**AMACO-ANESA**

objective was to improve the insurance of harvesting machinery held by agricultural contractors.

In addition to traditional coverage (theft, fire, impact shock ..), proposed by SUMMA INSURANCE, the insurance covers tires, claims following the introduction of stones or other foreign bodies into the machine, as well as profits' losses. "Our members can benefit from an insurance policy to one million euros, which guarantees not only their business but also any damage caused to their customers" says Diego reminding that 90% of members AMACO-ANESA work on crop (cereal, corn, tomatoes, cotton, etc.), an area hitherto not really covered by insurance.

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### **United Kingdom: a new marker for fuel for agricultural use**

The UK and Ireland governments are to bring in a new product to mark rebated fuels, including red diesel, in a move that will boost both countries' fight against illegal fuel laundering.

The marker will help HM Revenue & Customs (HMRC) and the Irish Revenue Commissioners tackle the criminal market in off-road diesel, marked with a red dye in the UK and green in Ireland, and also kerosene primarily used for heating oil.

The new marker will make rebated fuel much harder for fraudsters to 'launder' (i.e. remove the marker from it) and sell on at a profit. Launderers filter the fuel through chemicals or acids to remove the government marker. The chemicals and acids remain in the fuel and damage fuel pumps in diesel cars.

The marker will be produced by the Dow Chemical Company. During a joint UK and Ireland evaluation, the chosen marker was proved to be significantly more effective than the current markers, and highly resistant to known laundering techniques. It will be implemented in consultation with the oil industry and other affected sectors and will be used alongside the current marker mix.

The NAAC has been assured the new marker will not have any detrimental effects on current or future machinery.

Source : [www.naac.co.uk](http://www.naac.co.uk)

### **Netherlands: A program for staff and machinery management**

The Dutch association CUMELA tells us two developments for this autumn. The "digital task card" is a program that combines the planning of staff and machines activities while integrating accounting and sending bills. A special application can directly contact machine operators on their mobile phone and inform them of upcoming projects, including name and location of the customer, and the mechanical equipment needed. The benefit of this program is recording and real-time billing activity of the company, which then allows to identify which activities are most profitable. "There is a real need for this type of program but the downside is they are not always connected to the financial service companies," commented Michiel Pouwels of CUMELA Nederland adding these solutions are developing on the Dutch market but also in Denmark or Germany.

Another development reported by CUMELA is the training of board members to improve the representativeness of their sector in their provinces or for their specific activities. "For an organization like CUMELA, it is not easy from a head office in the Netherlands to be in touch with all the local officials (environmental, traffic, local economy ...) without the help of our regional satellites," says Michiel Pouwels who wants to improve the proactivity of the board members. The purpose of the training is to help further networking and provide them with the information and tools they might need.

## France: success of Euroforest 2014



With 40,000 visitors, the latest edition Euroforest held in St-

Bonnet-de-Joux in Burgundy. became one of the main European forest events. Euroforest has once again given a special place in wood energy, today the largest market for wood, as recalled by the article published in the magazine's July-August of *Entrepreneurs des territoires*.

"Today we consume the equivalent of 6 million tonnes of biomass, we should be at 12 Mt in 2016, and the total demand will be doubled" says Sophie Pitocchi, wood energy coordinator (GCF-Forestry Cooperation Group) at a conference. Another significant issue addressed at the conference: 75% of the material will be used in installations for more than 25 000 t in 2016, resulting in a recurring question for the consumers: security of supply. In this context, forestry contractors appear unavoidable but fragile players, with their number paradoxically decreased in France between 2003 and 2012 from 8,429 units to 7,994. "They achieve 70% of silviculture reforestation as well as 80 % of operational works" says Helou, responsible for forestry and rural services at FNEDT.

## France: EDT Santagri Services starts the season in Portugal

In its issue of July-August, "*Entrepreneurs des territoires magazine*", the journal of the FNEDT recounts the original experience of Santagri Services, a contractor of agricultural work Picardie whose characteristic is to go to Portugal every year during the first week April, to achieve the pea crop for Bonduelle plant located north of Lisbon Santarem.

Starting with 200 ha in 1993, the experience today is 450 to 500 ha of peas. "a good organization is essential," says Olivier Brunel, one of the son of the contractor who said that two harvesters remain permanently in Portugal, while a third (a PMC 979 CT) is sent every year from the port of Antwerp. A team of eleven people is mobilized to the harvest which usually takes place from 20 April to early June. Total irrigation, pea crops in Portugal show yields of 55 quintals / ha as the last two years to 100 quintals / ha or more for certain plots. An interesting initiative for challenging season earlier and better use of both machinery and personnel.

## Italy: UNIMA for a competitive and sustainable agriculture

The edition of June 2014 of *Contoterzista Agricoltura*, the official journal of UNIMA returns in detail to the last general meeting of the Italian organization. Born in 1946 and now has 8,000 contractors, or about 70% of Italian agricultural contractors. In his speech, Silvano Ramadori, the President of UNIMA, emphasizes the importance of the primary sector, which must produce now both economically and sustainably. "Italian agriculture based on small farms that can not afford to invest in modern machinery," says Mr Ramadori which states that costs of mechanization vary from 30-50% of the value of production of a farm. Hence the importance of agricultural contractors who represent "the key to economic competitiveness of farms." For Silvano Ramadori, agricultural mechanization is an integral part of the whole food chain, with the aim of obtaining healthy and quality products. For UNIMA, the agricultural contractors have a new role to play in bringing innovations to serve all farmers, regardless of their size. The objective of this 68th General Assembly was to present the final UNIMA in a new light, with more outdoor advertising. "It is important that policies and institutional strengths include our key role in the modernization of agriculture," writes Silvano Ramadori in the editorial of *Contoterzista*. The recent formation of the CAI (Italian Agromechanical Coordination gathering CONFAL and UNIMA ) goes in this direction. Just as the constitution being UNIMA-Giovani, which aims to bring together young agricultural contractors in the image of what the German organization BLU....

## Belgium: Application of the new Royal Decree on the joint use of tractors

Johan Van Bosch, General Secretary Agri-Service details in the chart below measures related to the implementation of the Royal Decree of 19 May 2014 which deals specifically with tax measures to be applied to agricultural and forestry tractors used in a mixed use.

A graphical representation (in French) of the three cases is available on next page.

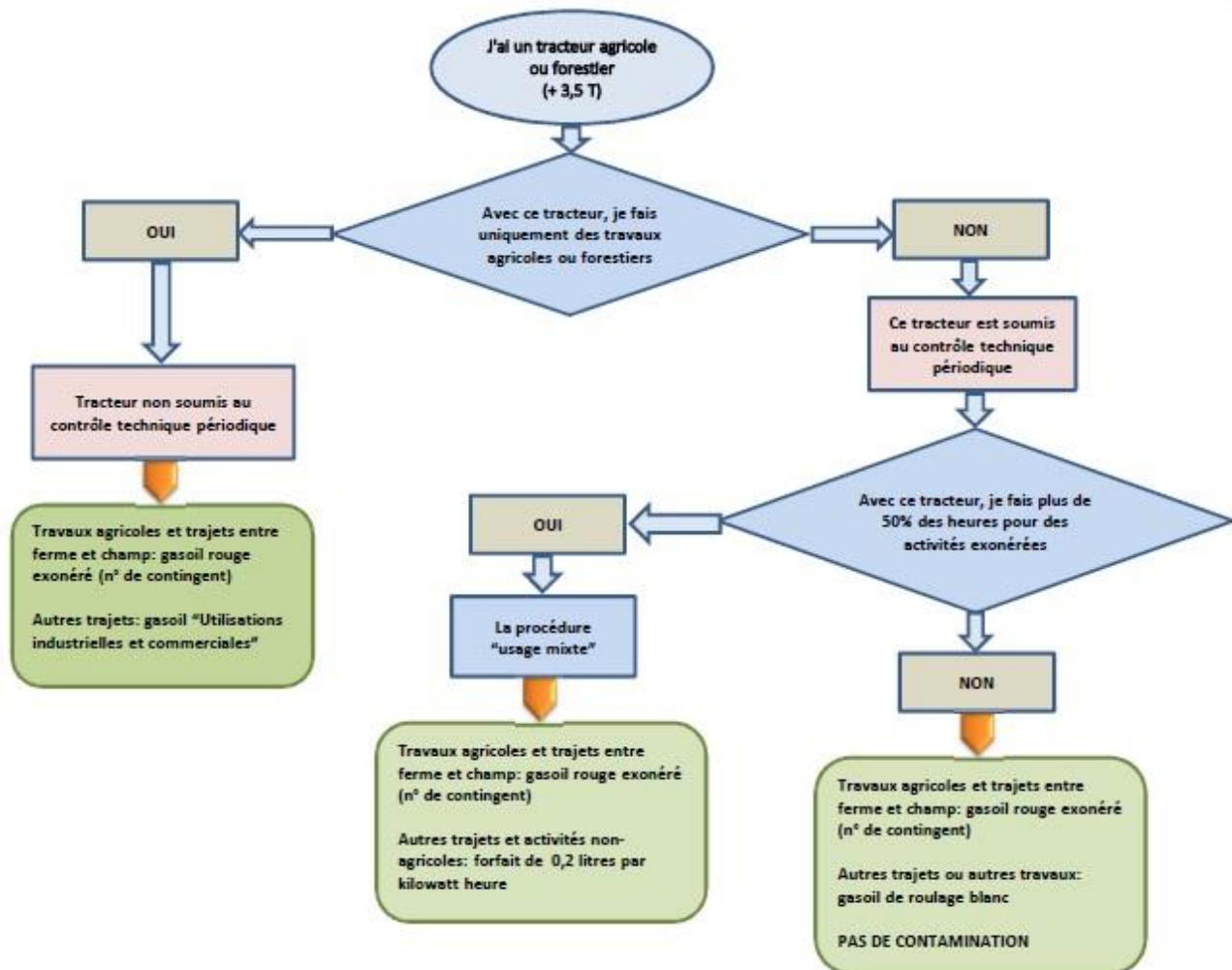
"Start at the top: I own a farm or forestry tractor over 3.5 tonnes. The first question I have to ask myself is: do I just do agricultural or forestry work with this tractor? Please note that we are also referring to maintenance of the surrounding roads, snow removal and salting. If I am only doing for agricultural or forestry activities, my tractor is exempt from the

periodic test. We are in the left column. You can use red diesel for farm work and travel between the farm and field. For other trips, you will drive diesel for "industrial and commercial uses," involving tax amounts to 22.68 euros per 1000 liters.

If you are engaged in other activities with the same tractor, you must submit to periodic test. We are in the right column. You will need to calculate how many hours you use your tractor for agricultural and forestry. If you spend more than 50% of the hours in these activities, we talk about the procedure "mixed use" (see the box in the middle, below). Field work and travel between the farm and the field can be red diesel. To the other routes or non-agricultural activities a fee 0.2 liter per kilowatt/hour for the abovementioned tractor.

What about the tractor subject to technical control but with which you do not reach 50% of the hours for ag. & forestry activities, that is to say, agricultural activities and trips between the farm and field. In this case (see box below right), you can roll the red diesel for farm work and for journeys between the farm and the field and as long as you have a quota number. For other trips and other non-agricultural work, you will drive to white diesel, contamination is not permitted. So we can not find any traces of red diesel in white diesel. "

<http://www.agroservice.be/fr/tracteurs>





### Sweden: Jubilee of Claes and Lill Jönsson a success

One hundred and forty guests were present on 28 June at Lill and Claes Jönsson's place who were celebrating a double anniversary: 55 years of their agricultural work company Claes who and Lill who turned 75. Guests, including three friends, agricultural representatives of the Swedish "We started our business in 1958 when we got married and when my father died," says Claes who recalled that his wife was the first in Sweden to get a driver's license for tractors. He is both a farmer and entrepreneur



300 ha. "We do all the work from planting to harvest," says Claes adding that farms in southern Sweden have two main types of crops: beets and cereals. "We plan to sell our business to our both son by the end of the year or next year," says Claes who chairs the Association of Swedish agricultural contractors LSM.



## Agenda

**13-14 October.** Luxembourg. Council of ministers for agriculture

**17 October.** Brussels. Meeting of the Working Group on Agricultural Tractors (DG ENTR)

**21 October.** Brussels. Meeting with PEFC Europe

**22 October.** Brussels. Confirmation by the European Parliament of the Juncker's Commission

**22 October.** Brussels. European Summit. Climate-energie and economic policy

**23 October.** Brussels. Meeting with CEMA : New rules for pollutant emissions and database for accidents involving agricultural machinery.

**5-6 November.** Brussels. European Parliament COMAGRI meeting

**14 November.** Brussels. Meeting of the ESCO reference group Agriculture, aquaculture, forestry.

**14 November.** Brussels. First meeting of the Civil Dialogue Group on CAP

**19 November.** Brussels. CEETTAR Management Committee.



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**European Organisation of Agricultural and Rural Contractors**

**Europäischer Zentralverband der Lohnunternehmer**