

**SECTORAL SOCIAL DIALOGUE  
COMMITTEE  
FOR THE SUGAR SECTOR**

**Restricted meeting**

**27th May 2005**

# **COMMISSION COMMUNICATION ON RESTRUCTURING AND EMPLOYMENT**

## **Communication of 31.3.2005**

- ⇒ Change in EC legislation can have a dramatic impact on certain industries
- ⇒ It is coherent for the EU to bear the cost of the new policies introduced

# **SOCIAL PARTNERS REQUEST**

## **Letter to Mrs Odile Quintin 25.4.2005**

- *Reinforced sectoral follow up for certain sectors undergoing rapid and far-reaching changes*
- *Taking the sugar sector as a priority regarding the sectoral dimension of industrial policy (currently : car industry, textile, shipbuilding)*
- *Possibility of EC intervention in case of crisis (specific EC social funds for event with severe regional or sectoral impact)*
  - *Privileged access to structural funds.*

# THE SUGAR REFORM

- **Legislative proposal should be adopted by the college of Commissioners on 22.6.2005 and presented to EP on the same day**
    - **It should be presented to the Council of Agriculture on 18.7.2005.**
  - **EP : agreement expected October plenary session.**
    - **Mrs Fischer Boel**
- Council adoption expected November 2005**  
**before the WTO Ministerial of Hong Kong planned December 2005.**

# **FORESEEABLE IMPACT OF THE REFORM**

- **Fall in price : about 39 %  
over 2 campaigns**
- **Low impact estimation on jobs  
25 000 direct jobs  
1 direct job = 5 indirect jobs  
= 125 000 persons  
In total : about 150 000 persons**

# **IMPACT OF THE REFORM SPECIFICITIES OF THE SUGAR INDUSTRY**

- **Concentration of sugar factories  
in rural zones**
- **Restructuring over a short period  
(mainly 2006/2007 – 2007/2008)**
  - **Sugar Code of Conduct  
(Report 2004)**

**Difficulties to anticipate and take measures  
over a very short period**