

SECTORAL SOCIAL DIALOGUE FOR THE SUGAR INDUSTRY

FOURTH CSR IMPLEMENTING REPORT

28.2.2007

CSR IMPLEMENTING REPORT

2006

I – ECONOMIC CONTEXT

II – MANAGING RESTRUCTURING

**III – IMPLEMENTATION OF THE
CODE OF CONDUCT**

PREFERENTIAL IMPORTS

BY 2010

- . The sugar reforms provides for the reduction of **6 million tonnes of sugar**
- . The potential of preferential imports foreseen is **3.5. million tons**
 - . *EBA : 2.2 million tonnes in 2010
(Commission source)*
 - . *EPA : already 1.3 million tonnes from ACP*

Management of sugar imports is a crucial issue !

IMPORTS OF SUGAR MIXINGS INTO THE EU

**In addition to preferential imports,
large quantities of
deguised sugar imports
are regularly observed**

*For instance 91 000 t of cocoa mixing
were imported from Croatia
between January and August 2006.
This mixing was practically pure sugar
and used as such.*

***A monitoring of the imports of sugar mixings
is necessary.***

ECONOMIC CONSEQUENCES

**The risk of imports
that can no longer be offset by exports,
+
*the reduction of quotas by 6 millions tonnes
before 2010*
=
Closure of about 40 % of factories
*and loss of about 25 000 direct jobs
and 125 000 indirect jobs*
particularly in rural areas
where unemployment rate is already high !**

MANAGING OF RESTRUCTURING

Practical Guide to access to the structural funds

- . Practical Guide introduced on the Eurosugar website
in January 2006**

It is too early to assess the percentage of use.

However

***Many delegations experienced difficulties
in applying assistance from the structural funds :***

***complexity of the process, time and human resources required
in particular for SMEs.***

EUROPEAN ADJUSTMENT GLOBALISATION FUND

**The Regulation establishing a European Globalisation Adjustment Fund was published on
30th December 2006.**

***As explained in our joint position of July 2006, the
standard access criteria***

cannot be reached in our industry !

**However the final text was improved and provides for
the possibility of an application
even if the criteria are not met
when redundancies have
a serious impact on employment
and the local economy.**

IMPLEMENTATION OF THE CODE OF CONDUCT IN 2006

**CSR process is developing constructively
despite the difficult
restructuring conditions.**

***Particular accent placed on vocational training,
health and safety and restructuring standards.***

Examples of good practice

France : professional guides

Austria : « Arbeitsstiftung »

CONCLUSIONS

The period 2006-2010 appears very unstable with a reduction in production of about 35 %.

The European social partners are trying to promote a constructive communication and hold a positive exchange of information, ensure the monitoring of measures taken in different countries and move ahead on any matter of common interest.

The companies – despite the crisis situation – are complying with the Code of Conduct.

CONCLUSIONS

- **However when signing the Code of Conduct in 2003 nobody could have imagined the magnitude of the reform !**
- ***Companies's room of manoeuvre depends on today's economic realities and the ability to remain competitive.***
 - **Since the sugar reform is largely due to a political choice, it is legitimate that the authorities at all levels, European and national, help companies to remain profitable and ensure that workers have real job prospects also outside the sugar industry !**