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Germany

Agricultural Situation

German Coalition Contract on Agriculture 1998

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Report Highlights:

Ecological and social aspects will have stronger impact on German agricultural policy in the future. It is intended to ban the use of antibiotics in livestock production. Germany is expected to push for higher ecological standards also in international trade negotiations. If they can not be achieved, German/European farmers shall be protected against imports from countries applying lower standards.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
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What is to be expected from the new German Ministry of Agriculture?

Federal elections on September 27, 1998, ended the 16-year reign of Chancellor Kohl and his conservative/liberal coalition. Chancellor-elect Gerhard Schroeder will take power by the end of October. He has announced that Karl-Heinz Funke, currently Minister of Agriculture in the State of Niedersachsen will take over the position of the Federal Minister of Agriculture (GM8071). Parliamentary Under Secretary will to be Dr. Gerald Thalheim, member of the Bundestag since 1990 and also a member of the Bundestag Agricultural Committee. Thalheim will replace Ernst Hinsken, who took over this position just about one year ago. The successor for Under Secretary Feiter will be the 58 year old Dr. Martin Wille, an official of the Ministry of Agriculture in the State of Nordrhein-Westfalen. Before Dr. Wille had worked in the Federal Ministry of Agriculture and in the Chancellor's Office.

Dr. Thalheim, born in 1950, is a native of the east German state of Sachsen representing, the interests of large-scale farming in Germany. Thalheim is a farmer by profession. As a member of the Agricultural Committee, Thalheim has been one of the leading agricultural experts of the SPD for the past eight years. He is an expert on German and EU agricultural policy and has already been to the United States.

The Federal Ministry of Health will be headed by Ms. Andrea Fischer, a member of the Green Party. Also the position of the Parliamentarian Under Secretary is likely to be given to a member of the Green Party. The most likely candidate is Ms. Christa Nickels, an outspoken consumer protection expert. Preventive consumer protection will therefore be an issue of growing importance.

As Germany is going to take over the EU presidency for the first half of 1999, it is essential to learn what critical changes in Germany's position concerning agricultural production, trade and product standards are to be expected. The coalition partners, the Social Democrats (SPD) and the Greens (Die Gruenen/Buendnis90) have just concluded a coalition contract laying down the cornerstones for the political goals for the next four years.

The Social Democrats and the Greens generally support the European system of family farming combined with a protection system against lower priced imports. The coalition contract covers agricultural issues under the titles "Ecological Modernization," "Support Rural Regions - Secure Agriculture" and "European Unity". This indicates that the focus of future German agricultural politics is moving towards environment-related issues. The general theme is to tighten ecological and social standards for German agricultural and food production. Minister Funke is generally supportive to small-scale farming and will maintain region wide farming. Relatively more labor intensive farms should receive higher subsidies than large scale cash crop producers. Production of renewable resources and organic farming will be supported to a larger extent. In the upcoming WTO negotiations, Germany will also work towards the implementation of higher ecological and social standards on the international level. If this can not be achieved, the EU shall request and impalement protection barriers against imports from countries applying lower and less costly standards.

The scattered portions of environment related legislation shall be bundled into an “Environmental Law Book”. A long term target is to devote about ten percent of the land to nature conservation zones. Securing the biological diversity and soil protection are two major cornerstones. Biotechnology is mentioned in the first place in connection with medicinal products. Application of gene-technology in food production will be further supported but critically monitored. In particular, the use of antibiotic marker genes is strongly criticized. Labeling regulations must be worked out so that the consumer has the option to buy genetechnology-free products.

The Common Agricultural Policy of the EU should be reformed so that the significantly differing structures in eastern and western Germany can survive. Farm improvement subsidies should depend on farm income and area related livestock production. Livestock producing farms may be eligible to higher subsidies if livestock concentration is below a certain level per hectare farmland. The use of antibiotics as growth enhancers in livestock production should be banned EU-wide. If this is not possible, Germany will implement its own rules banning antibiotics. Animal welfare will be ranked higher under the new government compared to the past. With the Greens heading the Federal Ministry of Health consumer protection issues will also rank higher than before.