



EUROPEAN COMMISSION

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Taking stock with civil society on the future of the CAP

Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort

Conference on the future of the PAC/Brussels
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Ladies and Gentlemen,

It is my pleasure to open this day of debate with civil society. Over the course of the day we will have the opportunity to compare and contrast our points of view on the reform of the Common Agricultural Policy post-2013, which is currently under discussion.

I wanted to bring the reform to the discussion table and implement a more extensive consultation of the general public than has been the case in the past. The CAP is not only an economic policy. The CAP is not only a Community policy. The CAP is not only a policy for food production, for our regions and natural resources, or for employment – look at the Member States which are in the grips of a crisis full on: they are proving that, even in times of crisis, agriculture and the rural environment can attract young people.

The CAP is not only the sum of these individual parts, but rather it is a policy for the whole of European society for all these reasons combined.

Almost two years ago to the day, the Commission organised a conference open to civil society. The Commission has since concluded the public debate and proceeded to prepare its Communication on the reform of the CAP. This was followed in October 2011 by the legislative proposals for the reform.

All the relevant texts are now on the table: the Commission's proposals, the four draft parliamentary reports and the significant progress made by the Council under the Polish and Danish presidencies. Parliament and the Council have the political responsibility, as well as the legitimacy, to decide on the proposals by the co-decision process. The Commission will of course be present in a pro-active manner to ensure that the final compromise reached is a positive one.

This reform is not only intended for the future. Its results could have positive impacts now, in the context of the economic crisis.

The CAP could be one of the keys to the economic recovery, leading to job creation and generating sustainable growth in many European regions. In 2011, the EU agriculture and agri-food sectors exported the equivalent in value of more than 1000 Airbuses. Some Member States have seen a renewed interest in agriculture during the crisis.

Naturally, there has been criticism. I am hearing two things in particular: firstly, that more simplification is required, and, secondly, that the results of the 2010 public debate have been watered down somewhat.

Some consider that we have gone too far in the reform proposals, others believe we haven't gone far enough. There are arguments on all sides.

The Commission went to considerable lengths when preparing the proposals to find the right balance in various areas and take account of the seven key expectations expressed during the public debate:

- 1. to support food production in Europe. This has resulted in a clear shift towards revenue support for active farmers, by means of renewed market measures which place emphasis on the role of producer organisations, and a major drive to promote research and innovation;
- 2. to protect natural resources. This is taken up primarily in the proposal to support sustainable agricultural practices linked to direct payments, as well as agri-environmental measures;
- 3. to deal with the challenges arising from the opening up to world markets, with a new tool for dealing with price and revenue volatility;
- 4. to maintain the territorial roots of agriculture. This involves supporting the most vulnerable areas and better organisation of farmers, support for local agriculture, short marketing circuits and high quality products from our territories;
- 5. to make the most of the diversity of European agriculture. This calls for fairer, better distributed support, but also involves the opening up of agricultural restructuring programmes under the second pillar to agricultural production sectors and structures, and to marketing mechanisms which have been sidelined to date under the CAP;
- 6. to address the challenge of ageing in rural areas. The Commission is proposing enhanced support for young farmers;
- 7. and lastly, simplification of the CAP. We are proposing a flat rate of funding for small farms. But going beyond that, I have not been tolerant of any complexity which is not justified by the need to take account of local situations, which are by definition very different. And, moreover, I am now the one reiterating the objective of simplification during negotiations.

We have tried to strike the right balance between common tools and flexibility to take account of the diversity of our agriculture sector. The objective is to have a flexible system together with common foundations, which will enable us to move forward in the same political direction and to avoid distortion of competition and discrimination.

What we are talking about, ultimately, is getting the balance right between supporting the modernisation of European agriculture and respecting local traditions without any preconceived ideas in terms of a single model.

During the public debate, the voices heard the most loudly were those who wanted to change the CAP. During the negotiations, on the other hand, those in favour of leaving things as they are as far as possible are the ones making their presence felt the most.

From our standpoint, the objective is to introduce changes which are as far-reaching as possible. We want to make sure that everyone is on board, with expectations taken into account as well as what is feasible from the social, economic, budgetary and political angles.

My intentions in terms of the direction of this reform, the direction desired by the College of Commissioners, was clearly reflected in the Commission's Communication on the reform. The legislative proposals then took up the principles set out in the Communication, taking account of what is possible, acceptable and straightforward to apply.

This applies to the equity of support: moving towards convergence at EU, Member State and farm level, while at the same time having access to the adjustment tools which are absolutely essential, such as capping of aid, the ability to focus on active farmers and to enhance support for areas in difficulty.

It also applies to the greening of the CAP – and it is with this in mind that the Commission presented a working document during the negotiations. I am prepared to recognise the environmental efforts of those who are already going beyond the basic measures.

Similarly, with regard to the management of markets: markets which are ever more uncertain could discourage farmers or push them towards excessive intensification. The EU must provide strong answers.

- Firstly, we will be moving towards an increased role for private stakeholders through producer organisations and interbranch organisations.
- And secondly, the role of public authorities in urgent situations will be reinforced.

We will also be working in other areas to bolster the competitiveness of agricultural sectors, alongside the broader context of the revision of the CAP:

- Sectorial approaches continue to play a significant role (fruit and vegetables, olive oil, wine).
- In parallel, together with Commissioner Barnier, we will be working on the functioning of the food supply chain. This is also a question of sustainability, for all sectors of agriculture, from small farms supplying their local areas to large holdings looking towards the European or world market.

Today's debates will be an important opportunity for us to discuss all aspects connected with the sustainability of agriculture (economic, ecological and social), in a spirit of constructive dialogue and with a proactive approach.

Over the course of the conference, we will have the opportunity to re-engage in dialogue, to move forward, but above all to explain the content and reasons behind the legislative proposals, and to discuss them as a reflection of the expectations of the different stakeholders who make up civil society.

This will enable us to compare and contrast our ideas and develop the best arguments for a robust defence of a model of overall change for the CAP.

The reform signals progress in numerous areas. But the processes set in motion, the long-term developments for the CAP, for the next seven years and beyond, represent the most significant step forward.

All stakeholders are entitled to their viewpoints and their own expectations in the reform process. The final decision will be taken by the institutional triangle of the Council, Parliament and the Commission. But I believe it is essential that the process and content of the compromise be understood by all the stakeholders that you represent. You have presented your positions and contributed to the public debate.

The political and administrative legitimacy of the decision-making process must be underpinned by a legitimacy that reflects the whole of society through its various channels of representation. And this is why we have organised this conference.

Thank you for attending today's debates. Your presence demonstrates that society is increasingly taking control of the challenges facing the agriculture, food and rural sectors through the CAP. Thank you for your active participation, the ideas you have shared from the beginning of the process, and your continued input until the end of the reform and beyond...Keep it going!