



## European Committee of the Regions

### Reform of the Common Agricultural Policy: Local and regional leaders call for a fair, sustainable and inclusive CAP

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The European Committee of the Regions has adopted its recommendations for the reform of the Common Agricultural Policy (CAP) after 2020. The overall aim is to maintain high-quality, sustainable and fairly priced agriculture that provides adequately paid jobs in all regions of the European Union, in line with the objective of territorial cohesion. The aim is also to align the CAP more closely with citizen's expectations and to give more legitimacy to its budget. The recommendations issued by the EU's assembly of local and regional representatives are in line with the main outcome of the [public consultation](#) on the future of the CAP (published on 7 July), which indicates that the policy should continue to be managed at EU level and that its main objectives should be to support farmers and protect the environment.



Guillaume Cros

The [opinion](#), adopted by a large majority at the plenary session on 12 July, is the response of the European Committee of the Regions (CoR) to the European Commission's request for the Committee to take part in a foresight exercise for the CAP post-2020. It represents the Committee's contribution to the consultation process ahead of the publication of the

Commission's Communication on modernising the CAP scheduled for the end of this year, to be followed by a legislative proposal early 2018.

While emphasising the strengths of European agriculture, including its rich diversity, the natural assets of its agricultural areas and its capacity to innovate, the CoR nevertheless stresses the challenges facing the agricultural industry and rural areas, which make it essential to reform the CAP: these include a 20% drop in the number of farms between 2007 and 2013, significant inequalities in the distribution of direct payments, the increasing concentration of production, the low incomes received by many farmers, the challenges relating to the environment, climate and public health, and the growing development gap between rural and urban areas.

Against this background, rapporteur **Guillaume Cros (FR/PES)**, Vice-President of the Regional Council of Occitanie, stressed that: *"We all want to see thriving, dynamic and innovative rural areas. This cannot be achieved without significantly increasing the attractiveness of farming and without adequate economic recognition through fair and stable farm incomes, derived first and foremost from product sales, i.e. the market. We therefore need to regulate agricultural markets, not only to prevent sectoral crises but also because doing so is far cheaper than intervening ex post. Moreover, the fact that 80% of agricultural holdings receive only 20% of direct payments, as recently confirmed by the European Commission, calls for a fairer and more legitimate distribution vis-à-vis taxpayers."*

**Czesław Siekierski (PL/EPP)**, Chair of the European Parliament's Agriculture Committee, addressed the plenary saying: *"The new rural areas development policy should support not only farmers but also their non-agricultural development. It should have a strong territorial dimension and a strong orientation towards advancements regarding all sorts of services. Environmentally- and climate-friendly agriculture is vital for the sustainable development of a country. Underpinning the development of agriculture is the need to maintain the inflow of young farmers, which is connected to securing an adequate level of income and stabilisation on the agricultural market, and establishing a suitable position for farmers in the food supply chain."*

### **First pillar: markets, prices, agricultural incomes and the environment**

In the CoR's view, the CAP budget must be kept at a "sufficient level". The Committee rejects the idea of co-financing the first pillar of the CAP, as put forward by the European Commission in its discussion paper on the future of EU finances, which would amount to renationalising the CAP, placing a burden on the budgets of regions and disadvantaging the poorest EU Member States.

Concerning **direct payments** tied to surface area, CoR members are in favour of capping and adjusting these, taking into account the number of workers on the farm. The aim is to support small family holdings and help young farmers set up. The CoR also calls for a reduction in the disparity in the levels of direct payments between farms and between Member States.

A further important recommendation: as the leading importer and exporter of food products, the EU should exercise its weight internationally to **change the existing rules on international agri-trade** and ensure **a level playing-field in trade agreements** with third countries. Priority should be given to family farming that is geared towards local and regional markets and short supply chains.

The Committee members point out that the position of agricultural producers is often too weak compared to that of agro-industry and large retailers, and advocate greater coordination of supply chains so that margins are distributed fairly.

*"The environmental question must not be a battleground between farmers and environmentalists. The challenges of food security, public health, biodiversity, water resources, soil fertility and climate change are the same for all,"* warned **Guillaume Cros**. In this connection, elected local representatives recommend further strengthening climate and environmental protection measures, including through crop rotation, upholding the ban on ploughing permanent grassland, and maintaining ecological focus areas in which the cultivation or use of plant protection products is prohibited.

## **Second pillar: rural development**

Rural and intermediate areas account for more than 90% of EU territory, 60% of its population and more than 50% of its jobs. The CoR therefore calls for the second pillar of the CAP to be strengthened, and for Member States to be given greater room for manoeuvre in transferring funds from the first to the second pillar.

The CoR also proposes increasing the overall EU contribution to rural areas, which has fallen sharply, and making it easier to pool the various funds aimed at rural development. In so doing, the aim would be to focus on technical and social innovation, vocational training, maintaining local public services and eliminating the digital divide.

- Opinion of the CoR on The CAP after 2020 (the consolidated version including amendments will be available in the upcoming days)

- Photos of the plenary session are available on our [Flickr gallery](#)

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