The Future of Food and Farming

Skopje, 14 December 2017

DG AGRI, European Commission

#FutureofCAP
Why a Communication on Food and Farming?

Analysis and wide public consultation confirm major achievements of the CAP reform path...

- Bridging the gap between world and EU farm prices, thus increasing competitiveness
- Turning the EU from a major trade player for both exports and imports into a net agro-food exporter
- Providing relative income stability within a very volatile income and price environment

...but also identify shortcomings that need to be addressed...

- Despite progress, the environmental performance of EU agriculture requires further improvement
- Productivity growth is mainly driven by the outflow of labour, and less by research or innovation
- Questions on equity, safety net and simplicity of the CAP are still hotly debated

....with the Communication on the Future of Food and Farming aiming to:

- Confirm agriculture's crucial role and importance in food provision and environmental protection
- Consolidate and improve CAP framework through broad avenues of reflection
- Prioritise simpler rules and more flexible approaches for the CAP to better deliver its results
THE CONTRIBUTION OF EU AGRICULTURE TODAY

- CLIMATE & CLEAN ENERGY AND ENVIRONMENT
- STEWARD: 48% OF EU LAND
- BIO & CIRCULAR ECONOMY
- 44 MILLION JOBS IN THE FOOD CHAIN
- FOOD SECURITY FOR 500 MILLION CONSUMERS
- SINGLE MARKET
- EU AGRI-FOOD EXPORTS €131 BN

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Main issues for the future CAP debate:
public money for private and/or public goods?

Source: DG AGRI.
The objectives of the Communication at a glance

Strengthen the environmental and climate ambition...
➢ ... because it is urgent

Better target support ...
➢ ... because it is fairer

Rely more of knowledge and innovation ...
➢ ... because it is modern

Rebalance the responsibilities between EU, MS and the farmer...
➢ ... because it could be simpler
Strengthening environment and climate action

EU sets wide objectives ... 
➢ ... suitable for achieving CAP objectives

EU sets list of available types of intervention ... 
➢ ... based on recognised best practices

MS define the most pertinent schemes/operations ... 
➢ ... based on EU-priorities and their specific needs

Farmers apply for schemes and comply with stringent criteria ... 
➢ ... defined by MS to reflect environmental needs
Better targeting support

Farm income still lags behind income in the rest of the economy ...
➢ ...with Direct Payments providing an important income safety net in all regions

The current distribution of area-based payments reflects land distribution ...
➢ ... and is thus concentrated among a minority of farmers

To target direct payments more effectively alternative approaches can be explored ...
➢ ... such as compulsory capping, degressivity or redistributive payments

To follow the principle of equality among member states ...
➢ ... differences in CAP support between them should be reduced
Rely more on knowledge and innovation

A better link of what we know to what we grow ...
  ➢ ... would promote the use of smart agriculture

Anticipating future knowledge needs ...
  ➢ ... should promote research to address them in a wide array of farm-related issues

Exchange and transfer knowledge ...
  ➢ ... will spread and multiply the impact of innovative practices

Well performing Agricultural Knowledge and Innovation Systems...
  ➢ ... are essential to bridge the knowledge gap among farmers
A new model of sharing responsibilities

Moving from one-size-fits-all to more tailored made solutions ...

➢ ... will reduce EU requirements to what is necessary to ensure EU value is added

The Union would still set the basic policy parameters of the CAP ...

➢ ... fulfilling the Treaty obligations and other EU agreed objectives (e.g., COP21, SDGs)

Member States should establish "CAP strategic plans" approved by the Commission ...

➢ ... tailoring interventions to reflect local conditions and needs in line with EU-objectives

A shift from compliance to results and performance...

➢ ... would increase MS flexibility in their design of measures/compliance requirements
Other priorities

Growth and jobs in rural areas...
➢ ... to address structural weaknesses and promote bio-economy

Attracting new farmers ...
➢ ... to address the generational renewal challenge

Improve risk management tools ...
➢ ... to better address price, income and production-related risks

Address broader EU concerns and the global CAP dimension ...
➢ ... from emerging health challenges to food waste and trade issues
FUTURE OF FOOD AND FARMING

KNOWLEDGE & INNOVATION

FAIR INCOME

RESILIENT FARMING SECTOR

ENVIRONMENTAL CARE

CAP

FOOD SECURITY

GENERATIONAL RENEWAL

THRIVING RURAL AREAS

CLIMATE ACTION

FUTURE OF FOOD AND FARMING
Reports and data available at:

https://ec.europa.eu/agriculture/index_en.htm
https://ec.europa.eu/agriculture/events/2016-outlook-conference_en
https://ec.europa.eu/agriculture/statistics_en
https://ec.europa.eu/agriculture/cap-indicators_en

https://ec.europa.eu/agriculture/consultations/cap-modernising/2017_en

Thank you for your attention!