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Press Release

COPA-COGECA APPROVES DETAILED POSITION PAPER ON CAP POST-2013, OUTLINING MEASURES TO ENSURE FOOD SECURITY, PRODUCTIVITY, SUSTAINABLE GROWTH AND EMPLOYMENT

In a position paper on the future Common Agricultural Policy (CAP) approved today, Copa and Cogeca Presidents presented their detailed reaction to the EU Commission's legislative proposals on the future CAP to 2020. They highlighted the need to boost productivity and efficiency in a sustainable way as well as ensure CAP simplification.

Copa President Gerd Sonnleitner stressed "If the EU agricultural sector is to meet society's concerns over the coming years it must confront two major challenges. First, how to ensure food security in the face of rising world demand, dwindling resources of land and water and climate change. Secondly, how to contribute to much-needed economic growth and employment. The answer is to improve the productivity and efficiency of EU agriculture and to do it in a sustainable way. If EU agriculture can respond positively to these challenges, we believe the public will recognise that the cost of the CAP – less than 1% of EU public expenditure –is an extremely good investment".

But Gerd Sonnleitner warned that the Commission proposals to impose further mandatory environmental constraints on farmers, without taking into account the impact on food security, will actually undermine farmers' ability to meet these challenges. Applying the same 3 measures across-the-board to 13 million EU farms is not the best way to achieve environmental benefits and will, at the same time, increase farm costs, reduce production and have a negative impact on farmers' already low incomes.

He continued "That is why Copa-Cogeca is calling for the CAP to focus on measures which ensure green growth in the future: measures which benefit the environment at the same time as maintaining production capacity, efficiency and employment. There should be an EU list of measures so that farmers can make a choice based on their own farm situation".

He insisted "The Commission's proposal to cap direct payments also runs counter to achieving a more dynamic and efficient sector since it would penalise farms which have improved their structure, or wished to do so through economies of scale".

"We welcome the proposal to target CAP direct payments to active farmers but believe that Member States need more flexibility to decide the most appropriate way of doing so", he added. Copa-Cogeca is also calling for a fair and equitable treatment of farmers, taking into account differences in conditions, when redistributing the budget between Member States. The move towards a more uniform hectare payment within Member States proposed by the Commission will have extremely adverse effects on some farmers and they must be given more time and flexibility to adapt.

With increasing market volatility, Cogeca President Paolo Bruni called for strong safety nets and measures to manage the markets. Copa-Cogeca is also calling for EU farmers' positioning in the

food chain to be strengthened to enable them to get a better return from the market. This can be achieved by strengthening producer organisations (PO), such as cooperatives. Paolo Bruni therefore welcomed as a step in the right direction the Commission proposal to extend the product coverage for recognition of POs but called for a more precise definition of POs,their aims and tasks and a guarantee of "legal certainty" under Community competition law so that they are able to consolidate. We also need specific measures to eliminate unfair and abusive commercial practices in the food chain.

Copa-Cogeca also welcomes the Commissions' overall approach on EU rural development policy, especially the introduction of six updated priorities. But Copa-Cogeca argues that the Commission has failed to provide sufficient measures geared specifically to meeting the new challenges ahead. Copa-Cogeca is calling for a new article supporting green growth measures under rural development, linked to the 5th Union priority – win-win solutions which are beneficial for the environment but, at the same time, have a positive impact on their productivity and profitability. For example, measures to encourage resource efficiency or the use of residues for bio-energy production.

Finally, both Presidents warned that although the Commission subscribes to simplification, many of its proposals will make the system less transparent to the public and much more burdensome for farmers and governments. "Simplification must be achieved in this reform", they stressed.

Wrapping up, both Presidents urged the European Council, European Parliament and the European Commission to take Copa-Cogeca's' proposals, which were approved in Brussels today, on board. "Our proposals for a strong CAP, with a strong budget behind it, are essential to ensuring a dynamic, innovative and more profitable agricultural sector, which employs some 40 million people and contributes to overcoming the current economic crisis in Europe".

For further information, please contact:

Shelby Matthews Chief Policy Advisor Tel.: +32 2 287 27 36 Shelby.matthews@copa-cogeca.eu

Amanda Cheesley Press Officer Mobile: + 32 474 840 836 amanda.cheesley@copa-cogeca.eu

CDP(12)1180:1