

A stylized map of Europe in light purple, overlaid with several thick, curved, overlapping ribbons in shades of green, orange, blue, and red. The ribbons are arranged in a way that suggests movement or flow across the continent.

AREPO technical meeting on the future of CAP post 2020

Giulia Scaglioni, AREPO Policy Officer

*Heraklion, Crete
October 5th, 2017*

AREPO technical meeting on the future of CAP post 2020

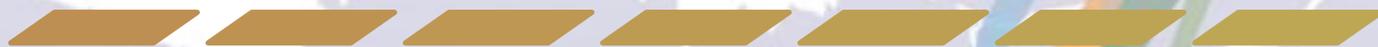
1. Context: EC public consultation on CAP



2. AREPO position paper



3. Main results of the consultation on CAP



4. Next steps



5. Discussion on AREPO strategy for the future



A new CAP for high quality food

Context

- Growing societal demand for a **CAP delivering public goods**
- **Cork 2.0 Declaration**
- Sustainable Development Goals (SDG)
- Paris Climate Agreement

GIs contribute to EU priorities

- **Sustainable rural development, growth and employment**
- **Sustainable agriculture**
- **Diversification** of rural economy

Main message

- **CAP should support the functioning of this virtuous economic model capable of delivering public goods.**

A new CAP for high quality food

Modernisation: a new CAP for high quality food

- Horizontal priority on quality schemes
- Specific measures and support tools for quality schemes

Simplification of existing measure for quality schemes

- Measure 3.1 on support for certification costs
- Measure 3.2 on promotion

Coherence with other EU policies

- Rural agenda
- EU trade policy

Modernisation – I Pillar

DIRECT PAYMENTS

- **Coupled support: Quality schemes** should be included among the **beneficiaries of coupled support**, regardless of their belonging to the sectors mentioned in Art. 52 of Reg. 1307/13.
- **Conditionality should include the respect of social, sanitary and environmental standards.** Furthermore, the greening should be restructured in order to include more efficient agricultural practices with the objective to reduce CO₂ emissions, with adequate financial support for farmers.

SINGLE CMO

- **Producer groups as defined in Regulation 1151/12** on quality schemes should have the possibility to implement specific programmes to support coordinated activities along the supply chain.

Modernisation – II Pillar

HORIZONTAL PRIORITY ON QUALITY SCHEMES

- **Advisory services, farm management and farm relief services**
- The measure for the **setting -up of producer groups and organisations** should explicitly refer to GI producer groups
- Inclusion of quality schemes among the **sectorial priorities of cooperation measure**
- **Inclusion of a sub-thematic program for quality schemes for agricultural products:** a horizontal programme using different measures to support quality schemes

Modernisation – II Pillar

SPECIFIC MEASURES AND SUPPORT TOOLS FOR QUALITY SCHEMES

Importance of **collective organisation** and **role of producer groups** should be supported by new rural development measures including the **possibilities to financially support:**

- **Technical and socioeconomic assistance** projects for GI products characterisation;
- **Preliminary studies** for producers consortia concerning new applications for participation in quality schemes;
- **Credit programmes** for structural investments in processing;
- Activities related to the **surveillance of the enforcement of the protection** of the registered names, especially for small and new PDO/PGI.

Finally, climate change represents a great risk, especially in disadvantaged areas with environmental constraints. A specific aid should be included to support quality products in **climate change adaptation and risk management.**

Simplification of existing measure for quality schemes

MEASURE 3.1 ON SUPPORT FOR CERTIFICATION COSTS

- **Elimination of criterion of *new participation* to a quality scheme:** due to the inclusion of this criterion the registration of a producer to a quality system has to be done after the application for aid. As a consequence, very few farmers can benefit from these measures and a lot of producers who entered in a quality system before the entry into force of new RDP have been excluded.
- **Reduce administrative burdens for small amount of aid: under a ceiling of 5.000€** per enterprise per year, the **administrative checks** on beneficiaries should be done only on a **sample basis**, in order to reduce the administrative burden and costs both for managing authorities and for beneficiaries.

Simplification of existing measure for quality schemes

MEASURE 3.2 ON PROMOTION

- **No coupling between measure 3.1 on certification and measure 3.2 on promotion:** due to the linkage between measure 3.1 and 3.2, only the quality schemes receiving support in accordance with measure 3.1 are considered potential beneficiaries for 3.2. As a consequence, optional quality term for mountain products is excluded. For this reason, it is important to separate the two measures.
- **Inclusion of the operating expenses of producer groups (*consortia*)** among the eligible costs.

Coherence with other EU policies

- **Integration of rural development and regional development tools** to enhance the sectorial intervention and effectively include all supply chain actors.
- Furthermore, we need a more coherent set of policy and financial instrument for rural development, with a strong territorial emphasis.
- AREPO supports the demand for the implementation of a **rural test** in EU policies (Cork 2.0 Declaration), as well as the call for a **rural agenda**, which should take into consideration employment, the environment, climate change, agriculture, and innovation aspects.
- Finally, it is highly crucial to reconsider the place of agriculture and food (in particular EU quality schemes) within the **EU trade policy**, given the critical importance of this sector for Regions and territories.



HIGH PUBLIC INTEREST ON AGRICULTURE, RURAL AREAS AND THE CAP:

- 322 916 submissions (including 258 575 from Living Land Campaign)
- 1 423 position papers (**693**)
- **58 520** replies to the on-line questionnaire:
 - **21 386 farmers** (36,5%)
 - **27 893 other citizens** (47,7%)
 - **9 241 organisations** covering private companies, public authorities, trade, business or professional organisations, NGOs and platforms, and research and academia (15,8%) .



EU VALUE ADDED OF THE CAP

- Ensure a level playing field within the single **market**.
- Address **cross-border challenges** like food security, **environment** or **climate change**
- Underpin **common position in the international** context
- Contributed to **economic, social and territorial cohesion**
- Provide a common framework for sharing best practices
- Efficient solutions through common management of budget



CHALLENGES AHEAD:

- **Fair standard of living for farmers**
- **Pressures on the environment:**
 - Biodiversity
 - Soil degradation
 - Sustainable use pesticides and fertilisers
- **Climate change** mitigation and adaptation



ELEMENTS PERCEIVED BY RESPONDENTS:

- CAP addresses matters of societal concerns only to a certain degree
- There is an excess of bureaucracy
- **Farmers provide valuable contributions to society:**
 - Supply healthy, safe and diversify products
 - Protection of environment (citizens)
 - Animal health and welfare (citizens)



NEW SOCIETAL DEMANDS

The public consultation confirm the call to pay grater attention to new societal demands within the scope of the CAP:

- Animal welfare
- **Organic farming**
- **Quality products**
- Consumer protections
- Health standards



A MODERN AND SIMPLER CAP SHOULD:

- provide income support for farmers
- improves farmer's position in the value chain
- deliver more benefits for environment and climate
- focus on ANC/High Natural Value Areas
- limit the support for large beneficiaries
- support young farmers

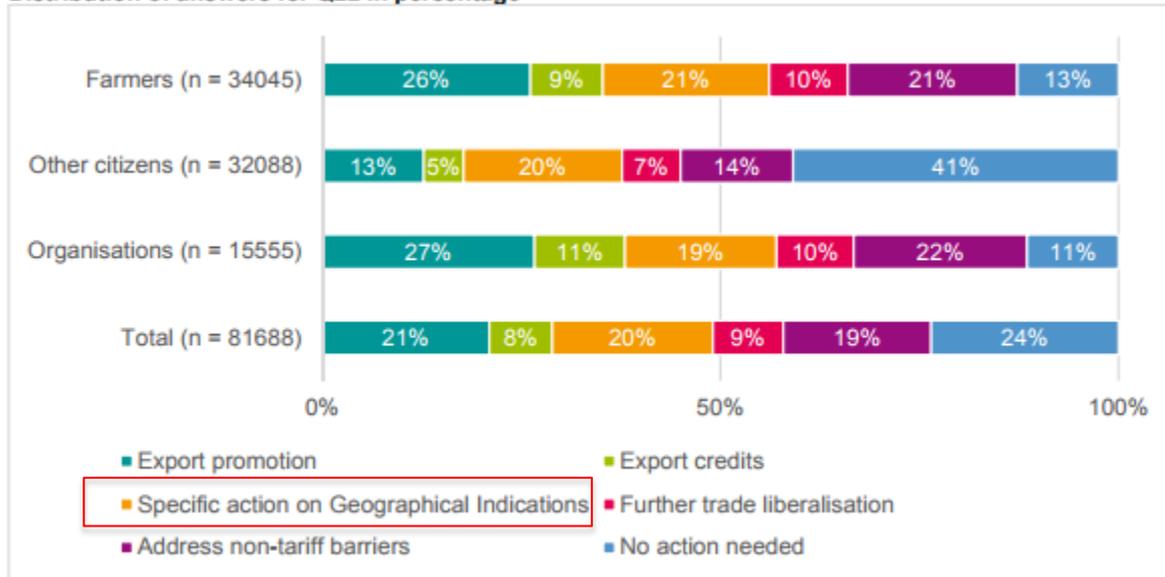
Elements on GI in the EC consultation

6.4 Which actions could further improve the EU export performance? (Q22)

Respondents were asked to select up to three choices among six options:

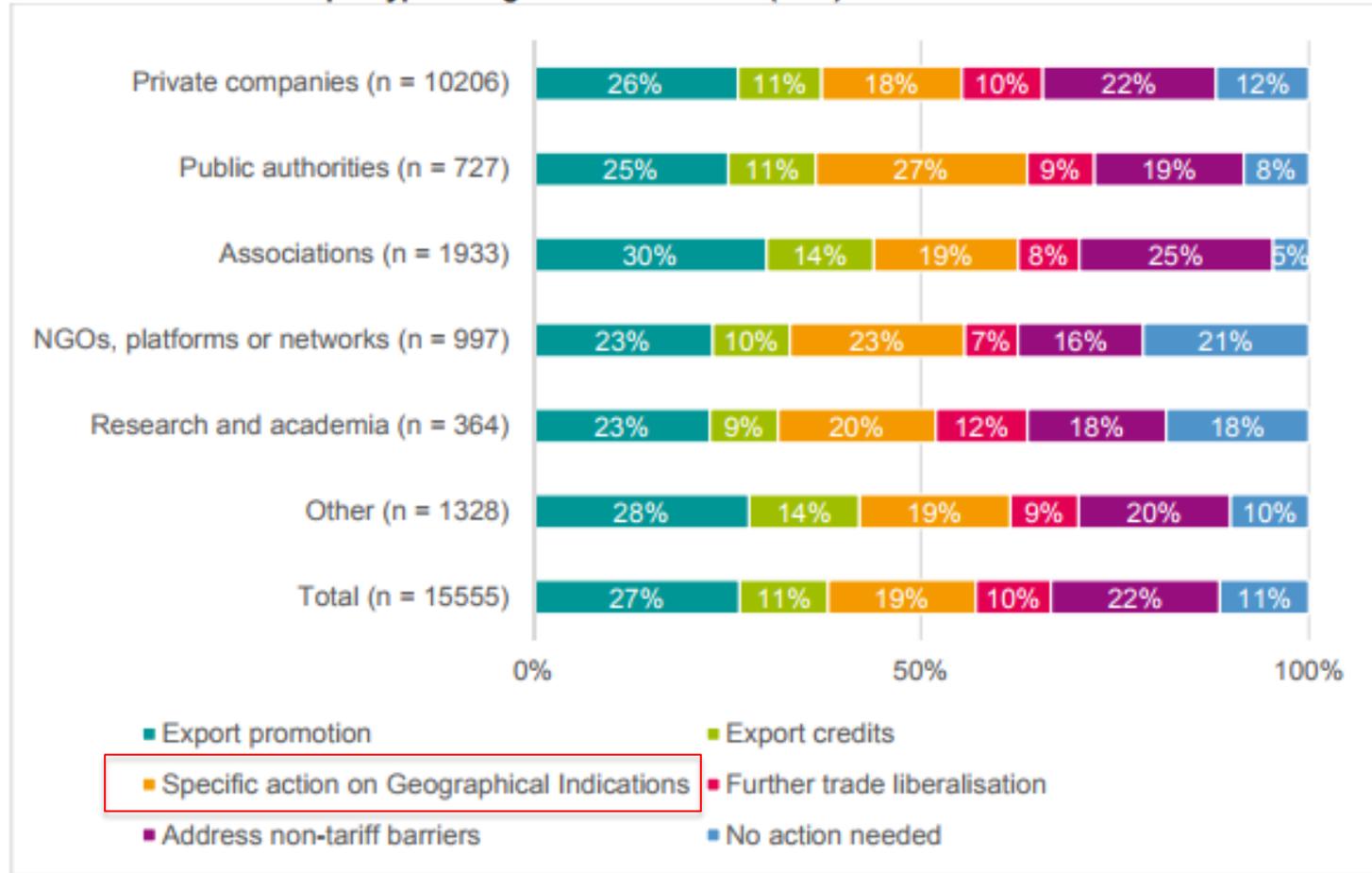
1. Export promotion
2. Export credits
3. Specific action on Geographical Indications
4. Further trade liberalisation
5. Address non-tariff barriers
6. No action needed

Distribution of answers for Q22 in percentage



Elements on GI in the EC consultation

Distribution of answers per type of organisations for Q22 (in %)



Informal meeting with Unit on GI - DG AGRI

EC Unit on GI is not directly implied in the analysis of the results of the consultation, but they will contribute to the Communication and they welcomed our position paper.

In particular:

1. they recognise the need to support producer groups in filling product specification and
2. To advise producers for marketing strategies and packaging solution
3. Important contribution on simplification of measure 3. They would welcome more data on the implementation.

Informal meeting with Unit on GI - DG AGRI

They would like to achieve the right recognition of the GI in the Communication.

In order to justify support for GIs in CAP they would need information and data on the following points:

1. Evidence on the **socio-economic impact of GIs** (helpful also to justify need of EU regulation on non-agri GIs)
2. Information on **control and enforcement**: need and potential of producers organisations to address the enforcement
3. Support EC in their effort to simplify the administrative system (suggestions and complaints)

Actions in support of GI are justified by importance of protection of IP rights under the **European Charter of Fundamental Rights**.

Next steps

- **EC public consultation** “Initiative to improve the food supply chain” (deadline 17 November 2017)
- **End of November 2017:** publication of the EC Communication on Modernisation and Simplification of the CAP

March 2018: AREPO event in Brussels

- **May/June 2018:** first EC legal proposal on the MFF, followed by the EC legal proposal for the CAP

Public consultation: Initiative to improve the food supply chain

Context

- CAP more market-oriented and less reliant on the management of markets
- EU agriculture and agri-food sector are increasingly integrated in global markets
- Important business opportunities, but also **greater market uncertainties and increased price volatility**

Objective of the consultation:

Analysis of 3 areas relating to farmers' position in the food supply chain:

- unfair trading practices (UTPs)
- market transparency and
- producer cooperation

The input received from this consultation will complement the work on the simplification and modernisation of the CAP.

Deadline for the consultation: 17 November

Open discussion

- **Do you agree with the focus on GIs or do you think we should enlarge the scope?**
- **New CAP measures for quality schemes:** Do you have suggestions for further measures needed in the CAP to support GIs and quality schemes?
- **Simplification of measure 3 on quality schemes:** Do you think that the position paper highlight the most important aspect of measure 3 that need to be simplified? If not, what aspects need further simplification?
- Do you think that the consultation on improving the food supply chain is relevant for the GI sector? Do you have input to share?