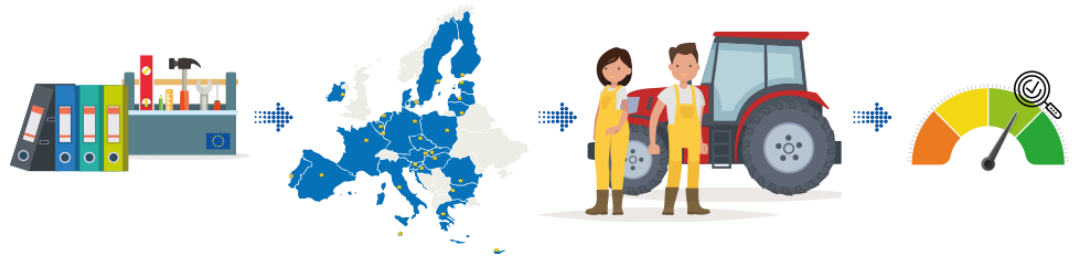


The CAP after 2020



The proposals for the post 2020

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The CAP after 2020

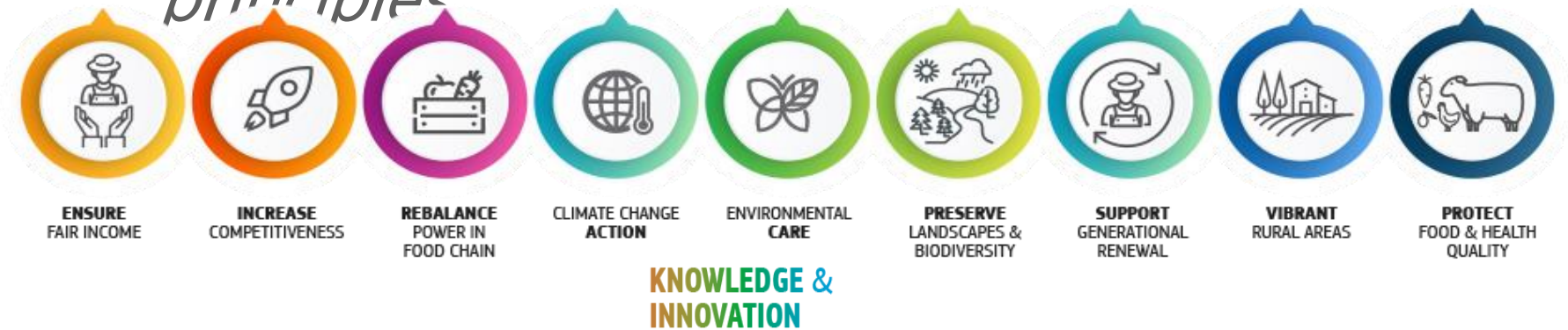
- 1. Key elements of the proposals for the future CAP*
- 2. Impact assessment*
- 3. Other ongoing initiatives*



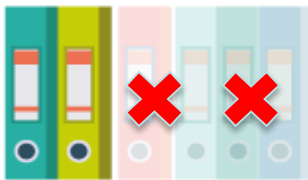
1. Key elements of the proposals for the future CAP



THE 9 CAP OBJECTIVES and main policy principles



SIMPLIFICATION



Reduce
administrative
burden

PERFORMANCE BASED SYSTEM



Ensure
policy results

BETTER TARGETING



Rules with better links
to local realities

KEEP STRONG COMMON ELEMENTS



Keep a level
playing field

Enhanced ambition



Key elements of the future CAP

- Rebalancing responsibilities between Brussels and the Member States (more subsidiarity).
- More targeted, result and performance based support.
- Fairer distribution of direct payments.
- Enhancing environmental and climate ambition.
- Simplifying and modernising the policy



Economic sustainability

- Support farm **income** through direct payments.
- Improve **resilience** by promoting the use of risk management tools
 - the agricultural sector faces inherent risks, increased by **climate change**; extreme weather events are increasingly frequent and severe.
 - The livestock and agronomic assets are further affected by more and more frequent sanitary and phytosanitary crises.
 - Consequently, it is necessary to provide a basic level of income to farmers (i.e. a safety net) to ensure income stability and the long-term viability of farms;
- Enhance **competitiveness and market orientation** (support investments, promote research, cooperation among farmers...).



Environmental sustainability

- Higher ambition in terms of environmental protection and climate action
- New green architecture based on three elements:
 - conditionality,
 - eco-schemes,
 - environmental and climate management commitments in Pillar II
- Preserve the production potential (soil, water, ...)



Social sustainability

- Fairer distribution of subsidies (internal convergence, capping/degressivity, redistributive payments, genuine farmers)
- Develop human capital (support training, knowledge sharing, research)
- Promote generational renewal
- Maintain a territorial balance (e.g. support for areas under natural or other area-specific constraints).



Rules on the agricultural markets

- **Sectoral interventions are integrated in the CAP plan** to improve consistency and synergies with other types of interventions.
- The key elements of the Common Market Organisation remain unchanged.
- In particular, the **safety net** tools remain available:
 - Public intervention
 - Private storage aid
 - Exceptional measures.

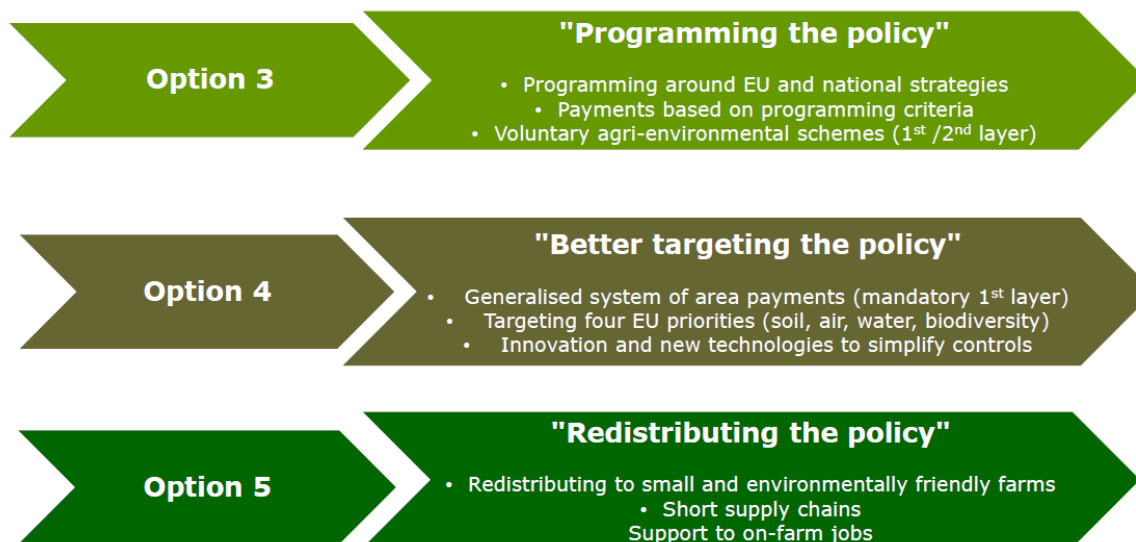
2. Impact assessment





Impact assessment for the CAP after 2020

- The three dimensions of sustainability were analysed for each policy option versus the baseline.
- The proposals for the CAP post 2020 contain a combination of elements of the different options.





Impact assessment for the CAP after 2020

- **Scenar 2030** (Option 2) analyses the "extreme" scenario of No CAP
 - **Negative economic effects:**
 - The total value of agricultural production decreases by 4% (decrease in agricultural production, leading to price increases)
 - The impact varies depending on the sector (cereals -9%, beef -5%, milk -1%, olives and pigmeat stable, ...)
 - and **deterioration** in terms of **environmental and social** sustainability:
 - increase in environmental pressure,
 - loss of agricultural jobs (3%), territorial balance harmed (8% of land abandonment).
- **World Bank's** study on the CAP provides additional evidence on the **value added of the CAP** (reduction of poverty and the creation of better jobs for farmers across the EU).

3. Other ongoing initiatives





Improving the functioning of the EU agricultural markets

- Unfair trading practices (UTPs):
 - the Commission adopted a proposal for a Directive on UTPs in business-to-business relationships in the food supply chain on 12 April 2018.
 - The directive is currently negotiated between the European Parliament and the Council.
- Improving market transparency
 - Market observatories on milk, meat, sugar and crops to provide the sectors with more transparency by disseminating market data and short-term analyses in a timely manner.
 - The Commission is currently analysing the situation to determine if additional measures to increase market transparency are needed.
- Development of plant proteins in Europe
 - Report adopted by the Commission on 22/11 on supply and demand situation
 - Exploring economic and environmentally sound ways to increase the production.

THANK YOU!

Further information is available at:

- https://ec.europa.eu/commission/publications/factsheets-long-term-budget-proposals_en
- http://ec.europa.eu/budget/mff/index_en.cfm
- https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-common-agricultural-policy_en