

## FINAL MINUTES

### Meeting of the of the Civil Dialogue Group (CDG) on the CAP

4<sup>th</sup> March 2015 - Brussels

The meeting started with a “tour de table” in order for each umbrella organization to present itself. Commission (COM) commented on the richness of the group in terms of sectors represented.

#### 1. Organizational aspects

##### a) Approval of the agenda

COM reported a modification on the agenda of the day. Ms. MARION Gaelle and not Ms. CANENBLEY Christiane will be making the presentation on CMEF - point 3. COM asked participants to send them potential questions.

The agenda was adopted by the participants.

##### b) Approval of the minutes of the last meeting of the Advisory Groups (AG) of 13 March 2014

COM explained that under the previous AG system, international aspects were dealt under the CAP and therefore the CAP CDG has to approve the minutes of 13 March 2014.

Minutes were approved by the participants.

##### c) Election of the President and Vice-Presidents

COM gave the floor to the candidates for the positions of the Chair and two Vice-chairs in order to give a short presentation of themselves.

Mr. Matteo Bartolini (CEJA) was elected in the position of the Chair and Ms. Faustine Defossez (EEB) together with Mr. Niels Treschow (ELO) were elected in the two Vice-Chair positions.

##### d) Presentation of the new system of the CDG/strategic agenda/adoption of rules of procedure.

COM explained the reasons behind the revision of the former AG system as well as the selection procedure of the current CDG system.

COM underlined the important role that the strategic agenda of the CAP CDG – 7 year duration - could potentially have in the inter-institutional discussions and added that the Chairmanship will have to cooperate for next meetings’ agenda and that all participants have the right to request the inclusion of points.

COM asked for approval of the rules of procedure after it explained that other CDGs have been already working under these rules.

The rules of procedure were approved by the participants.

The Chair mentioned that he does not have a ready-made strategic agenda and welcomed the ideas of all the participants.

EEB asked how the Chair would wish to receive the comments and when, it also complimented COM for having provided the PPT presentations in advance of the meeting.

COM replied that as from next week an e-mail will be sent to all participants asking for their ideas and will provide the deadline for this.

ELO commented that it will be useful to have the meeting agenda 2-3 weeks in advance in order for the organizations to be able to properly prepare.

COM replied that they get notified on the availability of the rooms about 30 working days in advance, however a provisional calendar is always sent to participants which allows the organisations to start preparing for it.

COPA and COGECA commented that the strategic agenda has to take into account the general orientation of the new COM that has attributed particular importance to employment.

COM responded that the CAP CDG, as a cross-cutting one provides the opportunity to come up with a more political agenda that includes elements such as innovation, jobs and growth, investment, etc.

FDE mentioned the importance of including elements such as competitiveness, sustainability, simplification as well as trade agreements without though ending-up with an infinite agenda. They proposed the possibility to invite MEPs to future CDG meetings.

The Chair commented that it will be useful to build bridges with the EP.

COM saw no problem with inviting MEPs, however noted that this intention has to be notified to the services well in advance in order to allow them sufficient time to take care of the logistics and examine if their presence corresponds with the purpose of the agenda.

EFFAT mentioned the need to include jobs, growth and competitiveness adding that the social aspect of sustainability should not be overlooked.

Beelife noted that the CAP has not emphasized sustainability as an indicator considering the falling biodiversity. Bees and other pollinators have to be used as indicators.

BirdLife mentioned that it is important to look all the different objectives of the CAP including the environment and proposed to invite EEA to provide feedback.

EEB noted that the CAP has to connect farming to food and consumers and that there is a need to develop a policy that restores biodiversity, brings higher standards for animal welfare and reflects the environmental concerns. The ultimate goal should be the development of an EU common food and farming policy.

Concord noted that trade agreements are very important and should be taken into consideration, despite the fact that there is another group dedicated on that topic.

EFNCP proposed the possibility of press releases (PR) that reflect the outcome of the meeting as a tool of avoiding not repetitive discussions.

CEETTAR explained that they are excluded from the CAP support despite the fact that they are directly linked to farmers, represent innovative and modern technologies and help farmers be more competitive.

The Chair commented that the CDG has to ensure that its input is effective and this will only be possible if participants find common ground. Replying to the suggestion on producing PR after the meeting mentioned that the minutes provide sufficient information of the discussion and he would prefer a more cautious approach on the communication.

EURAF mentioned the role agroforestry could play in order to fulfill the objectives highlighted by FAO, particularly regarding climate change adaptation and mitigation.

ECVC mentioned that in the future it will be difficult to attract young people in the sector and that every aspect of agriculture has to be discussed in the groups. Environment, food as well as international negotiations have to be included.

## **2. Presentation of the DG AGRI programme for EXPO2015**

COM made a presentation on **“DG AGRI participation in EXPO 2015”**

The Chair encouraged organisations to participate in EXPO as this year’s theme is closely linked to agriculture.

COM informed the participants that:

- They will make available to AGRI stakeholders a conference room the week of 8 and 15 September 2015.
- Focus will be given to events on the CAP and the theme of the EXPO.
- The call is foreseen at some point mid-April.

EUROMONTANA asked if a call will be opened in April by DG AGRI for the organisations to express their interest and whether interpretation will be provided.

COM replied that:

- They will put on the availability of stakeholders a room together with limited interpretation.

EPHA asked if the selection will be based be on a first come first served basis.

COM confirmed that this will be the case. However, stakeholders will not have the right to hold their General Assemblies and the theme of the conferences has to be linked to the CAP.

COPA and COGECA asked if the Commission stand will actually be part of the Italian one.

COM replied that they have a separate stand for COM as a whole – different DGs will not have separate stands.

IFOAM asked if there is a limitation on the times an organization can apply and requested more clarification on the selection criteria, as well as whether delegates participating have to pay the entry ticket.

COM responded that for the events that DG AGRI will be organizing the entrance will be free. COM will get back again on what will be the case for the events that stakeholders organise.

BirdLife pleaded for the selection to be based on quality and not speed.

COM replied that setting “quality” as a criterion will be very difficult.

EUROMONTANA asked how developed the idea has to be the moment of submission.

COM responded that the application can be brief – a complete agenda will not be needed- but the basic elements of the idea have to be mentioned.

### **3. Presentation of the new Common Monitoring and Evaluation Framework (CMEF)**

COM made a presentation on “**Monitoring and Evaluation the CAP**”.

EURAF commented that the presentation did not mention forestry despite the fact that under the bio-economy agenda forestry plays an important role. They also added that farm accountancy data have barely been used for forestry.

Pan Europe missed the aspect of pesticides residues in water and animal welfare.

COPA and COGECA asked what will be the interaction between the outcome of this work and the future CAP review.

EEB asked if COM is will be also examining ammonia within the impact indicator called emissions from agriculture and regretted the fact that the final results of the monitoring will not impact the new reform as by that time the proposals will be most probably already out.

COM replied that:

- Some indicators do refer to forestry i.e. protected forests, EFA: agroforestry hectares, how many ha will be afforested.
- On pesticide residues COM should be able to have some results based on the indicators on water quality.
- COM will be able to see how much money has been dedicated to animal welfare under RD.
- Regulation does not mention a mid-term review. We have to be realistic for the 2018 report as at best case the data will derive from 2017.
- Results regarding ammonia will be included in the report.

EURAF noted the lack of easily accessible data on a common webpage.

ELO mentioned that would like to know the impact of greening measures before the CAP mid-term review, including the economic impact to farmers’ income.

COPA and COGECA commented that would appreciate some preliminary results will and then asked for full results by 2019.

Birdlife wanted to know how will the combined effect of Pillar I and Pillar II changes be measured?

CEMA mentioned that would like to see focus on sustainable productivity and inquired if the concept of TFP is taken into consideration.

COM replied that:

- They are currently working on creating a single data basis but for the moment it is internal.
- The system will be complimented by case studies, local studies, thematic studies and even if they will not be per se evaluation they will complement the work on indicators.
- A report is to be deliver by March 2017 on EFA.
- The exact purpose is to see the changes that have happened due to the application of the new on CAP.
- TFP is indeed included.

Eurogroup for Animals mentioned that animal welfare is not sufficiently included in the CMEF which seems to be focused on economic and environmental aspects, when in fact animal welfare is also a concern for consumers. It also noted that, the absence of animal welfare impacts, runs contrary to DG AGRI's aim to avoid a silo approach, and thus animal welfare should be better considered in the CMEF.

ELO noted that the biological impact on EFA will take longer period of time in order to be evaluated.

BirdLife asked if previous reports will be used as a baseline for the new one.

Beelife mentioned the need to take into account:

- The Court of Justice ruling on the cost of water pollution (FR case)
- The impact of international agreements regarding imports
- The environmental impact on third countries

EPHA asked if the indicators will be static or developed over time.

EEB stated that COM has to look into the foot print of agriculture and into changing diets towards more plant-based ones.

COPA and COGECA expressed the wish that existing data will be used as much as possible so as not to add more burden to farmers.

COM:

- Mentioned that most comments focus on why certain elements have not been included. COM worked with MS that express concern with additional burden.
- Nothing prevents from looking other data when doing studies. COM has committed itself to the current minimum set of indicators.
- Indeed biological effects cannot be measured in a year.
- Reports from previous years will be used as there has to be a degree of continuity.

- For this period the list of indicators is indeed closed, in order to guarantee continuity.

#### 4. Exchange of views on the CAP Implementation

COM made a presentation on “**CMO Task Force: State of play**”, Regulation 1308/2013 of the European Parliament and the Council

COM made a presentation on **Public intervention**, Regulation 1308/2013 of the European Parliament and the Council and 1370/2013 of the Council

COM made a presentation on **TRQ review**.

Concord asked if this substitutes products that come from the rest of the world.

COPA and COGECA asked if there has been stakeholder involvement in the workshop and what would happen with TRQ year round/ how seasonality of products will be managed.

FDE commented that associations do not have access to the information that MS experts have and added that they would not like to see too much change regarding TRQ.

ECVC commented that despite the fact that COM spoke on the positive effects from imports due to FTA’s small farmers feel this will be in their detriment.

FDE asked about sugar constraints and what was the result of case law (was it a precautionary approach to fraud?).

COM replied that:

- This will be the first meeting of the expert group. Participants are only MS and experts from the European Parliament. They had ad hoc meetings with Stakeholders.
- For the moment it is not foreseen making the documents available to the CDG as they include MS position and before any further dissemination COM will have to check with them.
- There is no aim to change the policy as agreed by the Institutions. It has to do simply with implementation.
- On public intervention: no change is taking place on the basic act (there are clear boundaries imposed by the legislator). Only effort is the make the system more operable. Public intervention is not guiding the prices but acting only as a safety net.
- TRQs are a DG TAXUD issue and DG AGRI is only involved on a technical review and not fundamental.
- When opening TRQ for the whole year the whole quantity is available.
- The case law described how abusive the TRQ distribution can be.

CELCAA commented that removing any proof of trade raises serious concern. They see danger of increased speculation and negative implication for domestic producers.

COM made a presentation on “**Marketing standards**”

COM made a presentation on “**School fruit scheme and vegetables scheme**”.

COM made a presentation on “**Fruit and Vegetables**”

The Chair mentioned that there was no more time under this point and asked participants to send any questions to the Chairmanship.

*(meeting continued without interpretation)*

Eurogroup for Animals commented that on marketing standards there is not enough transparency adding that relevant consumer research exists, showing that consumers want to know more about the methods of production and underlined that there should be mandatory method of production labeling for animal products, such as already exists for shell egg. Finally it asked COM what is doing to ensure consideration of relevant consumer studies and how and when will they will consult stakeholders on the marketing review.

COM made a presentation of the time table, as indicated in the PPT and mentioned that next months will focus on simplifying and improve existing rules.

COM made a presentation on **“The CAP toward 2020. Implementation of Rural Development Policy – State of Play of RDPs”**

Concord mentioned the issue of employment in rural areas noting that if the employment is to accelerate in order to have a higher wage this has to happen while taking into account sustainable agriculture.

EURAF asked:

- When COM expects the rest of the programs to be approved;
- Why this delay has occurred and if the reason behind it is an administrative one;
- How MS should go about if they start applying without prior COM approval;
- Requested to have a proper update of MS implementation on the COM webpage.

COM replied that:

- The late adoption of the programs is due to the late adoption of the regulation and the fact that they had to deal with partnership agreements (last one adopted beginning NOVEMBER 2014).
- COM prefers quality over speed.
- MS can proceed to implementation but on own their own risk.
- COM publishes on the webpage programmes adopted.
- They are examining together with DG REGIO the number of jobs created as a result of the Common Strategic Framework.

COM made a presentation on **“The CAP toward 2020. Implementation of the new system of direct payment –MS notifications”**

EURAF asked whether it will be possible to know the greening options made by MS and whether a change to these options/measures will be possible by the end of the period.

COPA and COGECA commented that:

- COM recommendations on regionalization led to 50 regions in ES instead of 24.
- New rules interpretation creates uncertainty to farmers (DK case). COM should let Ministries to proceed to implementation.
- Farmers would like to see the legal documents (guidelines) that have consequences to them and pleaded COM to make them public.

FDE expressed concern on competition distortion in the case of MS choices on coupled support.

COM replied that:

- They communicate with MS when they see a risk of non-compliance which can be avoided.
- Expressed the preference not to comment on specific MS cases.
- They have had concentrated bilateral exchanges with MS regarding their policy choices in 2014 so that in 2015, MS could focus on implementation.
- Coupled support can be granted only under strict conditions to limited number of sectors and only to create an incentive to maintain current production. When it is below 13%, COM cannot approve/reject. COM always examines MS notification i.e justification for granting it. If production marginally increases then the level of aid will be reduced accordingly in line with Regulation.
- Guidelines documents only explain the existing regulation and do not introduce new elements. They are there to help MS with implementation.
- On changing EFA option: in principle this is a one-time shot, but COM decided to allow flexibility and therefore some changes might take place during the period.
- Permanent grassland measure is obligatory for all MS.
- No clear assessment on EFA as MS are now in the process of reacting.

COM made a presentation on the **“Simplification of CAP. State of Play and Next Steps.**

COPA and COGECA commented that:

- While trying to ensure that the simplification of the CAP, the diversity of EU agriculture should not be missed.
- Subsidiarity has to be ensured for MS provided that it does not endanger a level-playing field.
- The political agreement should not be destabilize as this will be to the detriment of farmers.
- Problems are to be expected with declarations when it comes to the identification of parcels and crops.
- Tolerance will be needed in the first years.

CEJA underlined that the definition of young farmers in Pillar II creates serious issues to young people, as it is very unlikely that in the first 5 years young farmers will be able to carry out all their investments.

Concord mentioned that the reform championed the notion of convergence however the gap between EU 15 and EU 12 is still prominent and asked if the CAP rules could be revised.

ELO mentioned that controls on crop diversification and the mapping process of EFA features seem to be onerous, burdening farmers as well as paying agencies.

COPA and COGECA expressed satisfaction that the Commissioner has put political ambition behind this exercise on added that despite the fact that in the past simplification caused complication, now concrete steps should be taken ahead.

CEETAR proposed working with codes and giving technical specialists more tasks in order to speed up reimbursements in Pillar I and asked if deadline can be postponed to 30 of May.



COM replied that:

- The simplification work on sCMO and DP is going in parallel with some timing differences.
- The new regime added a certain degree of complexity, but COM hopes that some of those elements could be simplified in the future.
- 15 May is indeed a challenging deadline. COM is aware that this is a problem but they cannot say more for the moment.
- COM would encourage MS to make increased use of IT based systems.
- COM shares the objective of having a certain degree of stability for the years to come. The level of flexibility for MS is not always a question for simplification. The new advisory system can help farmers
- COM is fully aware of the issue that has come up with young farmers, but the objective of the young farmers' measure should also be taken into account.
- The question of the global distribution of money will be discussed again in the new MFF. The work on simplification will not look into that.
- MS have to start already now with the mapping of different areas.

IFOAM noted that it will not be easy to take simplification too far as MS are responsible for a lot of the complication and added that the best simplification will be to take away DP.

The Chair mentioned that when unintentional mistakes take place in relation to greening, then at least for the first year of implementation farmers should not be penalized.

COM replied that it will not be possible to give a "carte blanche" to farmers. For the case of greening there will be no penalties, only reduction in case of non-compliance.

COPA and COGECA commented that many times the reduction of payments is more costly to the farmer than a penalty.

Beelife noted that there are very few cases where inappropriate use of pesticides has been sanctioned. The "polluter pays" principle has to be applied and the "economic viability" criterion should not be the only one to be looked at. They added that industry follows stricter rules compared to agriculture.

COM replied that greening is a new element in Pillar I but at the same time often similar to certain AEC measures of Pillar II that farmers are familiar with and therefore those measures provide already a basis to work on.

ECVC commented that CAP does not really deal with small farmers.

#### Disclaimer

*"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."*