



# The Future of Food and Farming

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*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...***

- ***Increasing competitiveness ... and turning the EU into a net agro-food exporter***
- ***Providing relative income stability within a very volatile income and price environment***

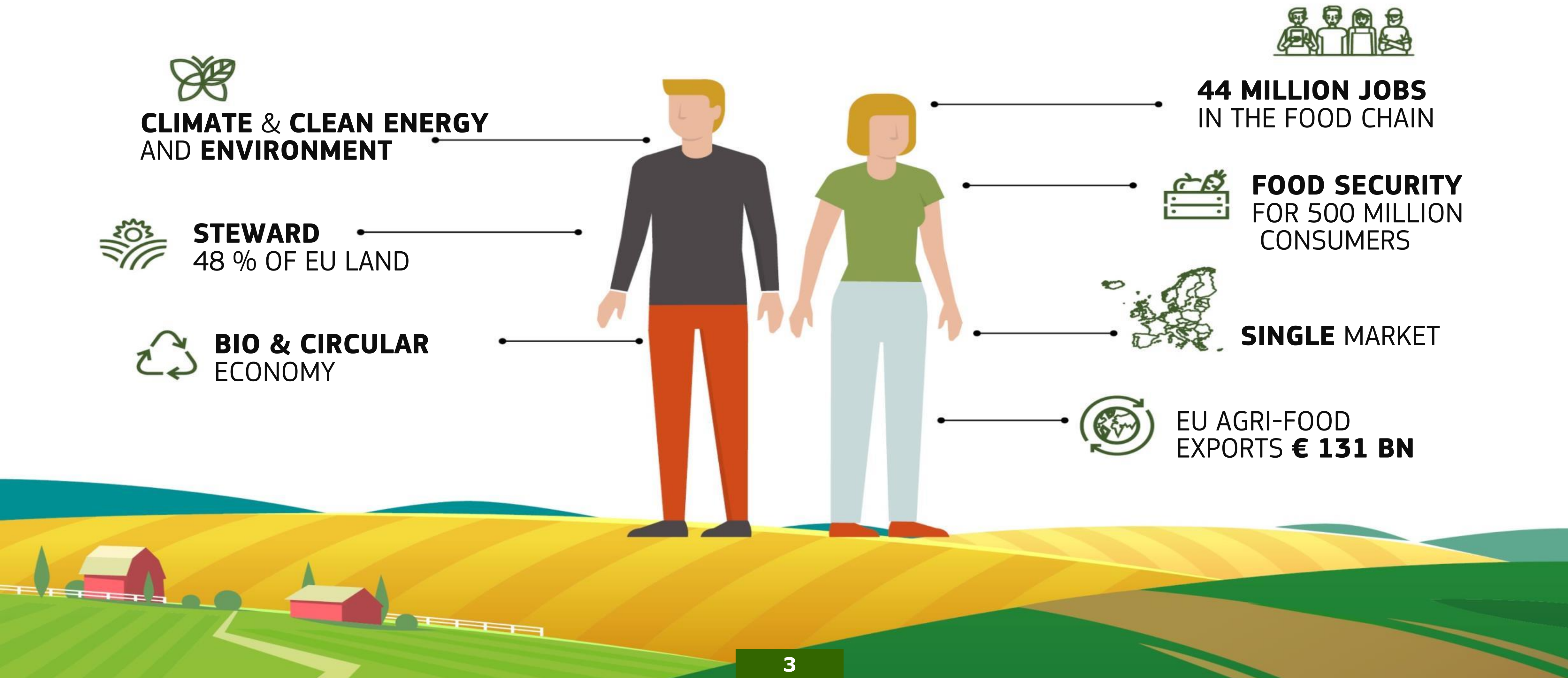
***...but also identify shortcomings that need to be addressed...***

- ***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:***

- ***Present broad avenues of reflection for future CAP for preparing legal proposals***
- ***Confirm agriculture's crucial role and importance in food provision and environmental protection***
- ***Prioritise simpler rules and more flexible approaches for the CAP to better deliver its results***

# THE CONTRIBUTION OF EU AGRICULTURE TODAY



# ***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*



# ***Future CAP: Objectives and priorities of intervention***

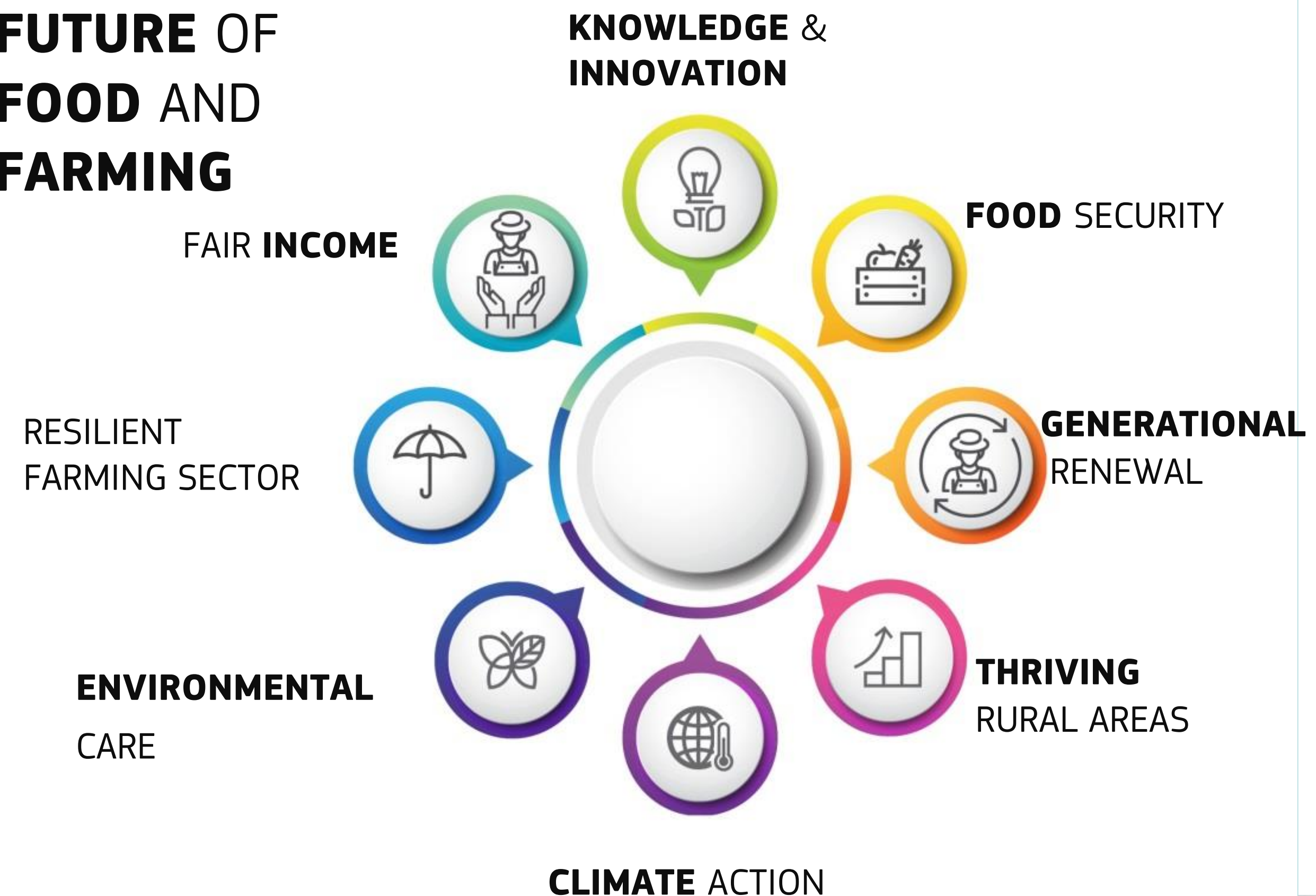
Foster a smart and resilient agricultural sector

Bolster environmental care and climate action and to contribute to the EU environmental and climate objectives

Strengthen the socio-economic fabric of rural areas

Enhance knowledge-basis  
More subsidiarity/performance  
Enhance synergies with other policies

## **FUTURE OF FOOD AND FARMING**



# ***Strengthening environment and climate action***

***EU sets wide objectives ...***

- ***..... on air, water, soil and biodiversity***

***EU sets list of available types of intervention ...***

- ***...suitable for achieving CAP objectives***

***MS define the most pertinent schemes/operations ...***

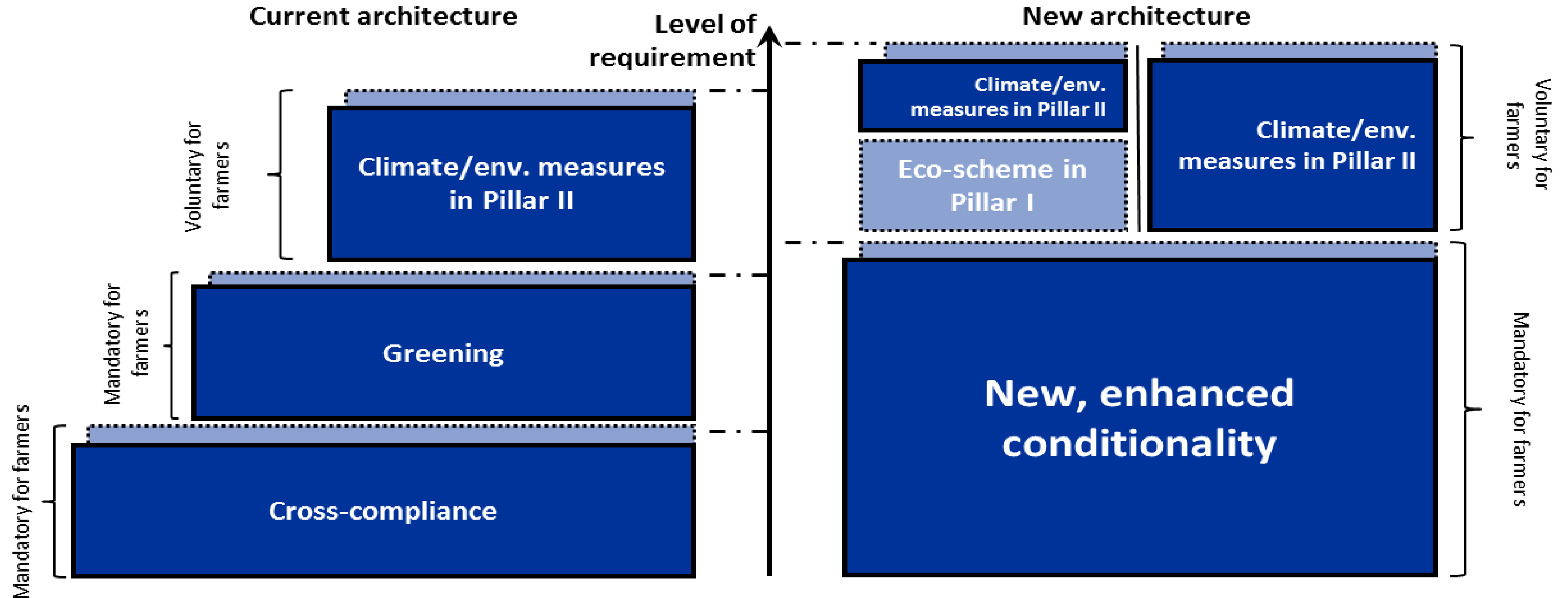
- ***... based on EU-priorities and their specific needs***

***Farmers apply for schemes and comply with stringent criteria ...***

- ***... defined by MS to reflect environmental needs***



# *The new green architecture of the CAP*



European  
Commission

Agriculture and  
Rural Development

# ***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***

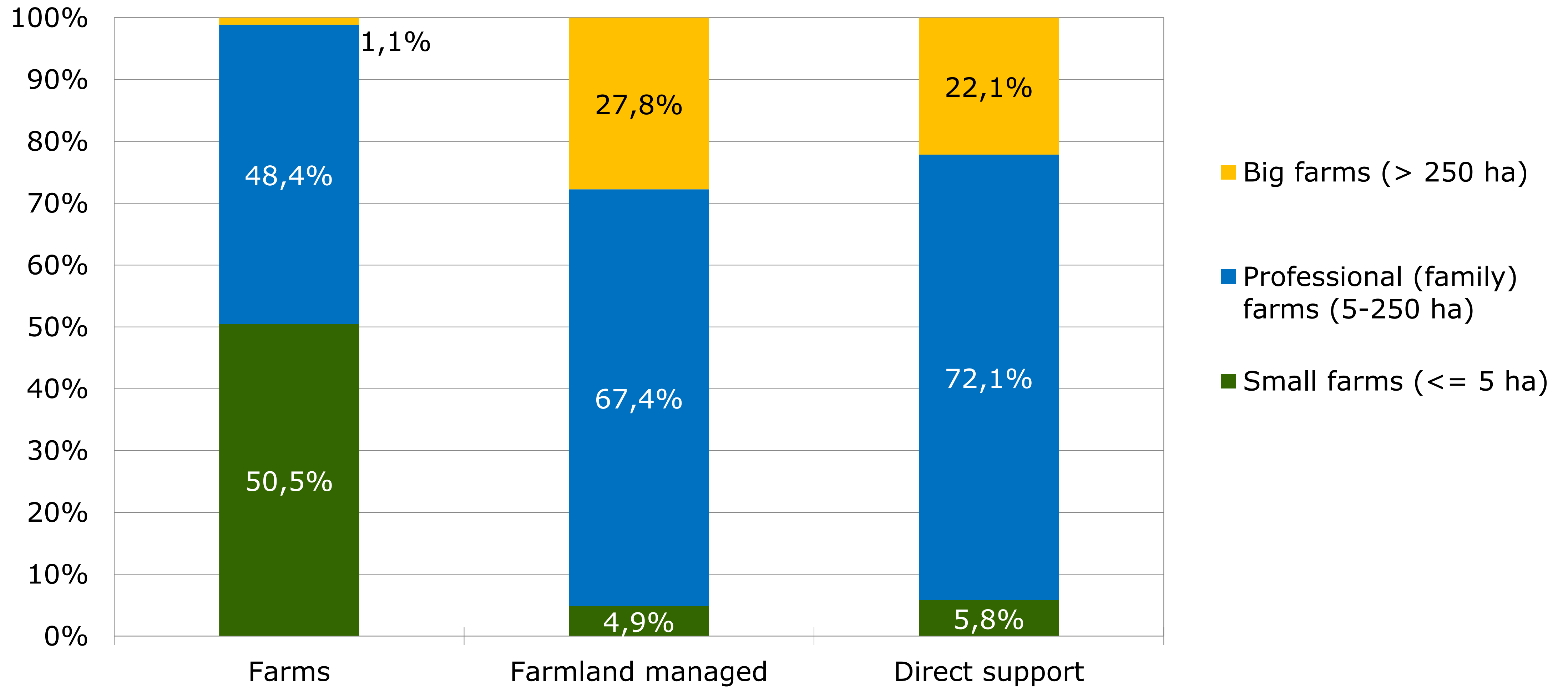


# DISTRIBUTION OF EU DIRECT SUPPORT TO FARMERS



Source: CATS control data, 2015

# *Distribution of EU direct support to farmers (%)*





# ***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***

# ***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***



# ***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)***

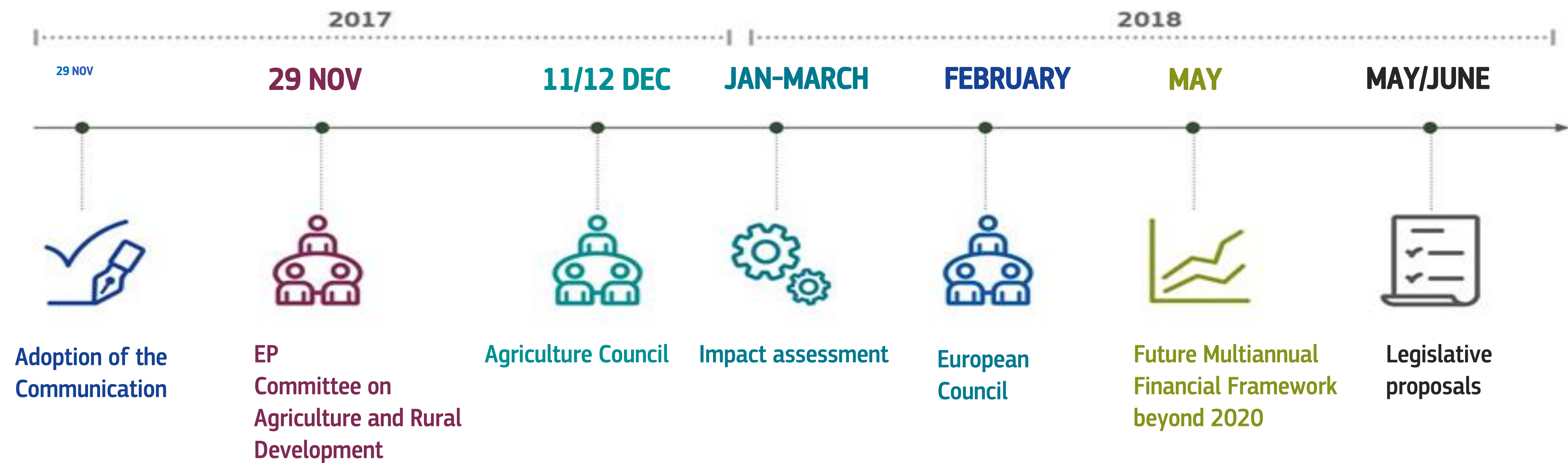
***Member States should establish "CAP strategic plans" approved by the Commission ...***

- ***... 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***

# CAP MODERNISATION AND SIMPLIFICATION ROADMAP





# FUTURE OF FOOD AND FARMING

