



# COLLABORATION PLATFORM ON AGRICULTURE

## **USDA-DG AGRI Hybrid Event on Aid and Resiliency, Adaptation and Transformation**

In this event on Monday 25 September 2023, DG AGRI and USDA officials, led by Mihail Dumitru, Deputy Director-General for Agriculture and Rural Development, and Ambassador Robert Bonnie, Under Secretary of Agriculture for Farm Production and Conservation in the U.S. Department of Agriculture, exchanged on experiences and issues of possible common interest.

The participants discussed how the U.S. and EU absorb the impact of crisis on the short term, help farmers adapt on the medium term and promote long-term transformation in the farm business model. They identified issues of common interest for further joint work and coordination.

Mihail Dumitru opened the session by referring to the conversation earlier in the year where the USDA Secretary and the EU Commissioner agreed on the opportunity for their respective services to exchange experiences on risk management and preparedness. This is indeed a topical issue for agriculture where volatility has grown bigger, driven by climate change, geo-political events, the pandemic and other elements.

Ambassador Bonnie and USDA officials presented FPAC's recent program and conservation initiatives for assisting farmers and ranchers dealing with natural disasters and impacts from the pandemic. They presented in more details FPAC's approach to expanding programs to mitigate disaster, improve productivity and resiliency and to climate change, including through a partnership approach for climate-smart commodities and de-risking climate technology projects. U.S. agri-climate policy is incentive-based, including schemes for voluntary uptake of stewardship practices, and based on public assistance and partnerships, adaptation, and conservation practices for climate change.

DG AGRI officials presented the way the EU has improved its arrangements post COVID-19 to be better prepared for agricultural market crises (European Food Security Crisis Preparedness and Response Mechanism (EFSCM)), as well as the responses to recent crises triggered by rising energy costs and the Russian aggression towards Ukraine, and the EU's approach to risk management and to the promotion of long-term change through the Common Agricultural Policy (CAP) and its implementation via the national CAP strategic plans.

Concerning preparedness and response to crises, the parties exchanged on the different impacts of recent crises on their respective agri food sectors and the different types of responses (i.e., the Commission mobilising the EU agricultural reserve versus U.S. disaster relief programme linked to crop insurances

programmes). In an environment of increasing risks, ex-ante management of risks and adaptation of farm production are of crucial importance. Many interventions of the CAP provide EU farmers with increased resilience towards the consequences of natural disasters and market disturbances, including direct payments, sectoral interventions, and support for farm investments. The Commission encourages Member States to introduce risk management tools in the CAP Strategic Plans. Member States provide also national incentives for insurance against risks to agricultural production and funding for emergency farm relief.

After this informative exchange of information, both parties noted their mutual interest of deepening current cooperation and extending it to the following areas:

- 1) Design of risk management tools and creating complementarity between private and public insurance schemes and public intervention in case of severe disasters; and
- 2) Communication to consumers in relation to food production and sustainability.