



# The Future of Food and Farming

Brussels, 29 November 2017

*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...***

- ***Bridging the gap between world and EU farm prices, thus increasing competitiveness***
- ***Turning the EU from a major trade player for both exports and imports into a net agro-food exporter***
- ***Providing relative income stability within a very volatile income and price environment***

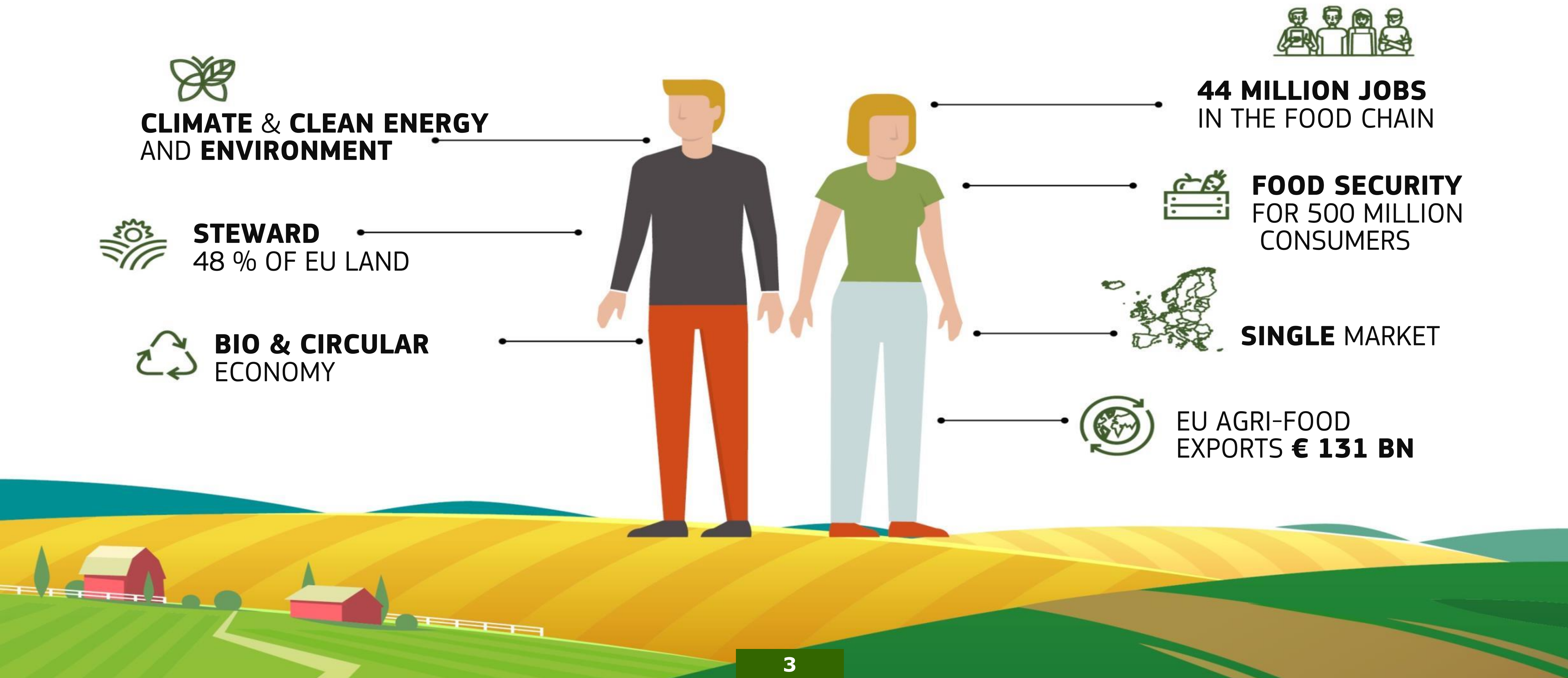
***...but also identify shortcomings that need to be addressed...***

- ***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:***

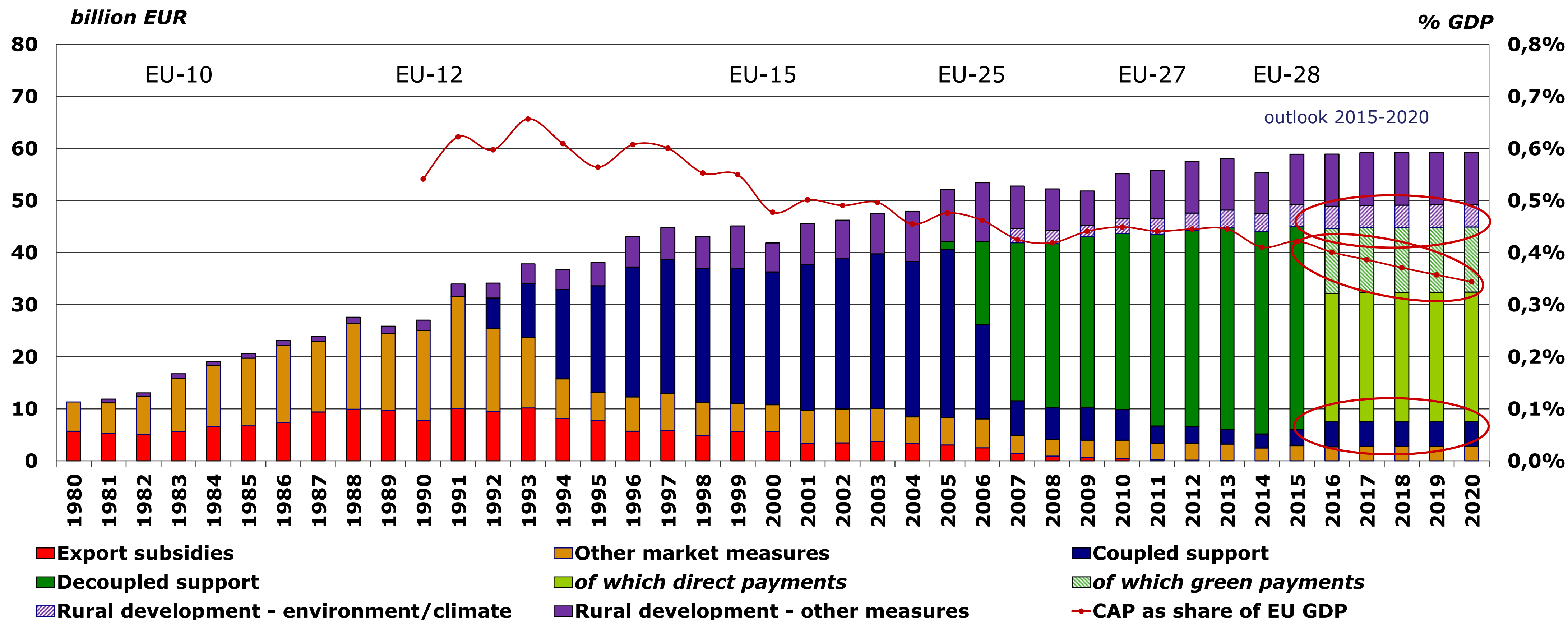
- ***Confirm agriculture's crucial role and importance in food provision and environmental protection***
- ***Consolidate and improve CAP framework through broad avenues of reflection***
- ***Prioritise simpler rules and more flexible approaches for the CAP to better deliver its results***

# THE CONTRIBUTION OF EU AGRICULTURE TODAY



# *Main issues for the future CAP debate:*

## *public money for private and/or public goods?*



Source: DG AGRI.

# ***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***

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

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

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

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

- ***... based on recognised best practices***

## ***MS define the most pertinent measures ...***

- ***... based on their specific needs***

## ***Farmers comply with stringent criteria ...***

- ***... on a choice of measures that are more relevant to their needs***

# ***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 ...***

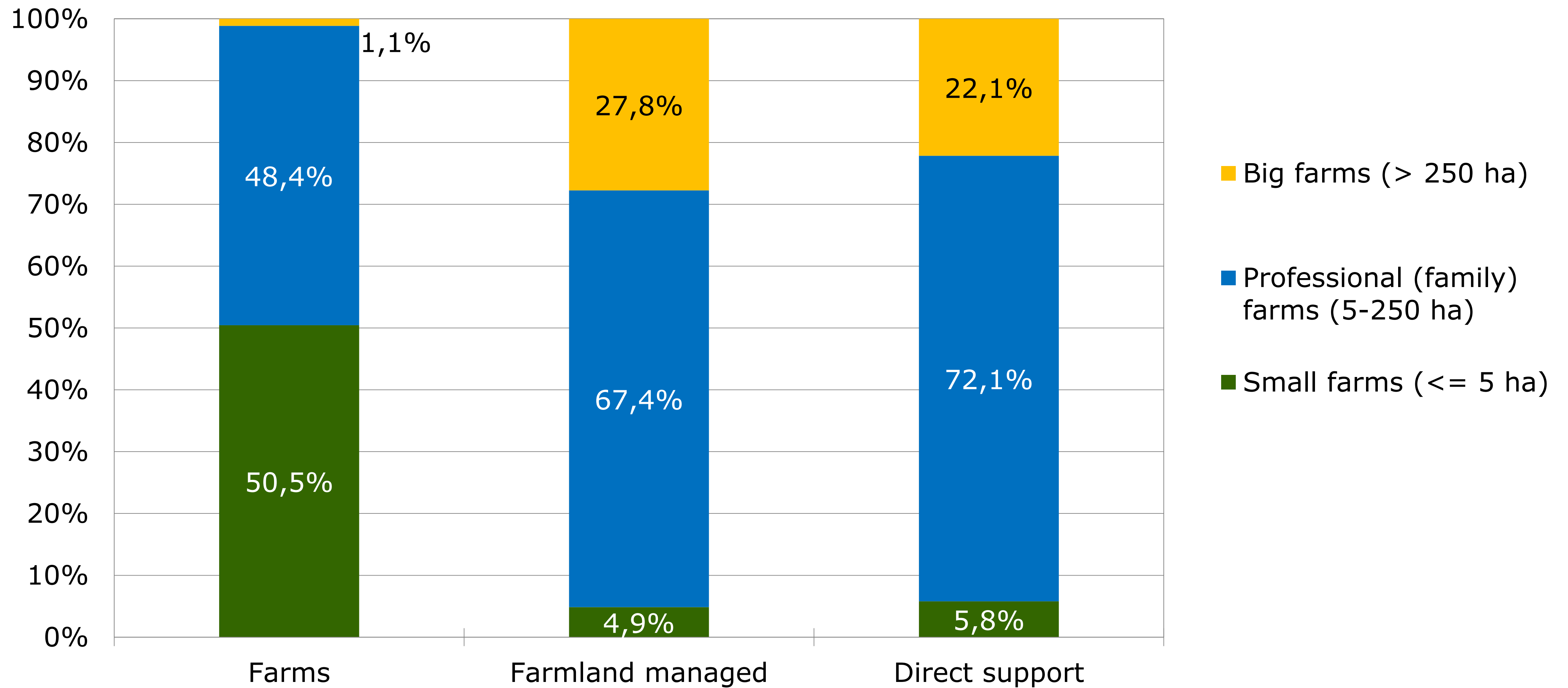
- ***... differences in CAP support between them should be reduced***

# 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***

# ***A new model of sharing responsibilities***

***Moving from one-size-fits-all to more tailored made solutions ...***

- ***... will reduce EU requirements to where 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 Pillar I and II interventions to meet local conditions and needs***

***A shift from compliance to results and performance...***

- ***... would increase MS flexibility in the design of their compliance and control system***

# ***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***

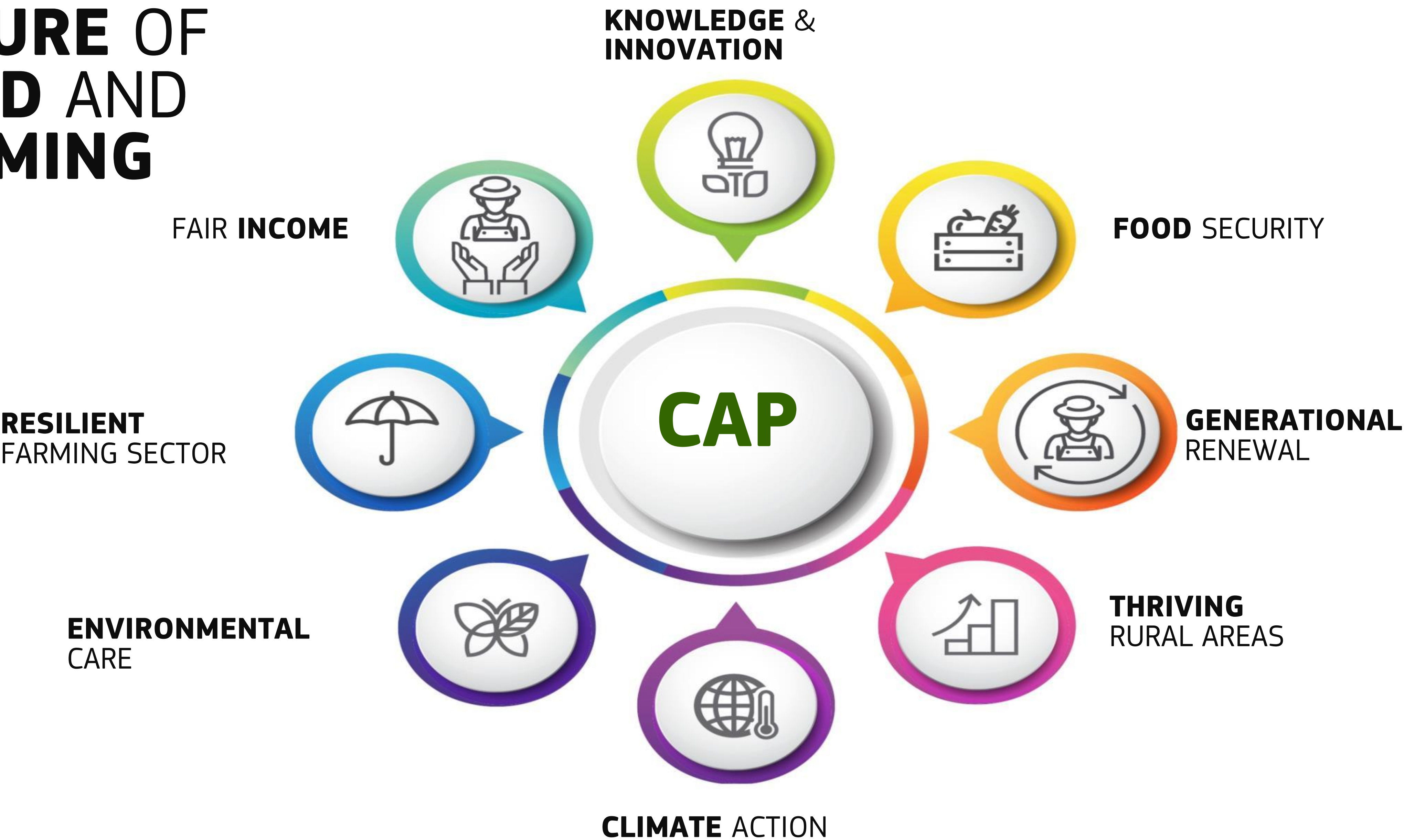
## ***Improve risk management tools ...***

- ***... to better address price, income and production-related risks***

## ***Address broader EU concerns and the global CAP dimension ...***

- ***... from emerging health challenges to waste and trade issues***

# FUTURE OF FOOD AND FARMING



# ***Reports and data available at:***

[https://ec.europa.eu/agriculture/index\\_en.htm](https://ec.europa.eu/agriculture/index_en.htm)

[https://ec.europa.eu/agriculture/policy-perspectives/index\\_en.htm](https://ec.europa.eu/agriculture/policy-perspectives/index_en.htm)

[https://ec.europa.eu/agriculture/policy-perspectives/impact-assessment/index\\_en.htm](https://ec.europa.eu/agriculture/policy-perspectives/impact-assessment/index_en.htm)

[https://ec.europa.eu/agriculture/markets-and-prices/index\\_en.htm](https://ec.europa.eu/agriculture/markets-and-prices/index_en.htm)

[https://ec.europa.eu/agriculture/events/2016-outlook-conference\\_en](https://ec.europa.eu/agriculture/events/2016-outlook-conference_en)

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[https://ec.europa.eu/agriculture/consultations/cap-modernising/2017\\_en](https://ec.europa.eu/agriculture/consultations/cap-modernising/2017_en)

***Thank you for your attention!***