



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***

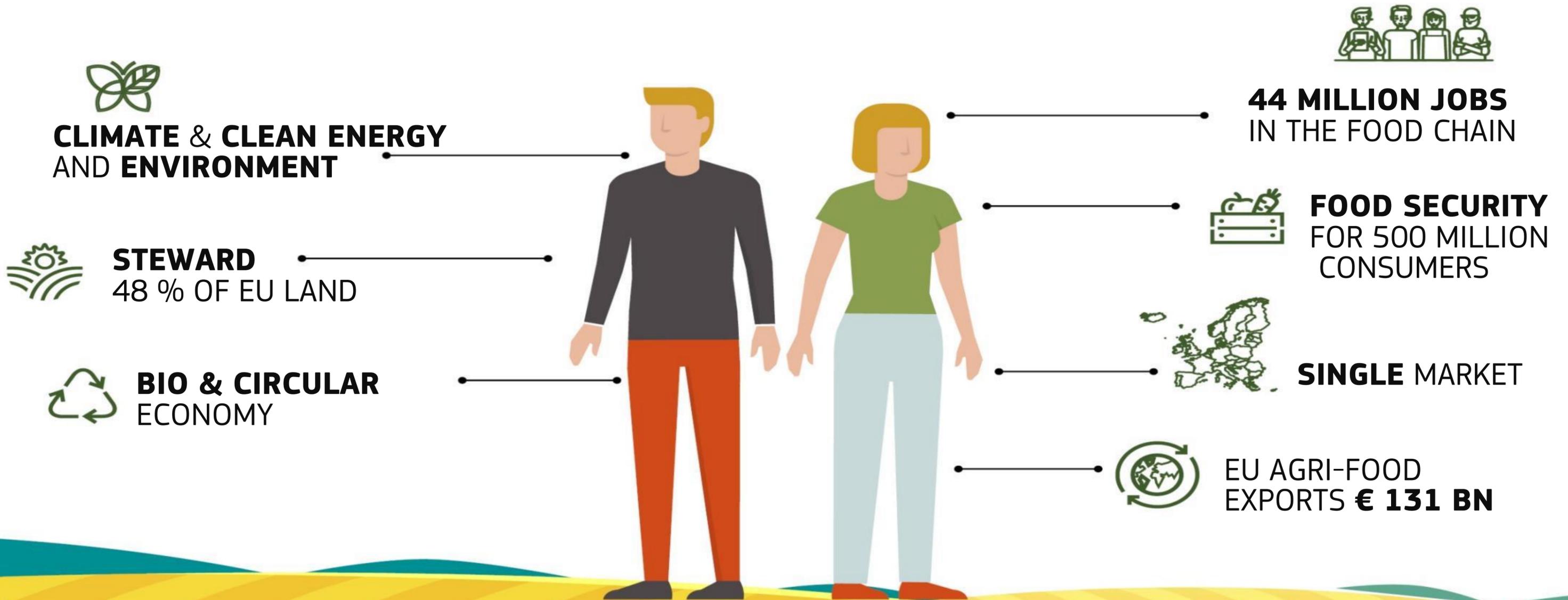
...but also identify shortcomings that need to be addressed...

- ***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***

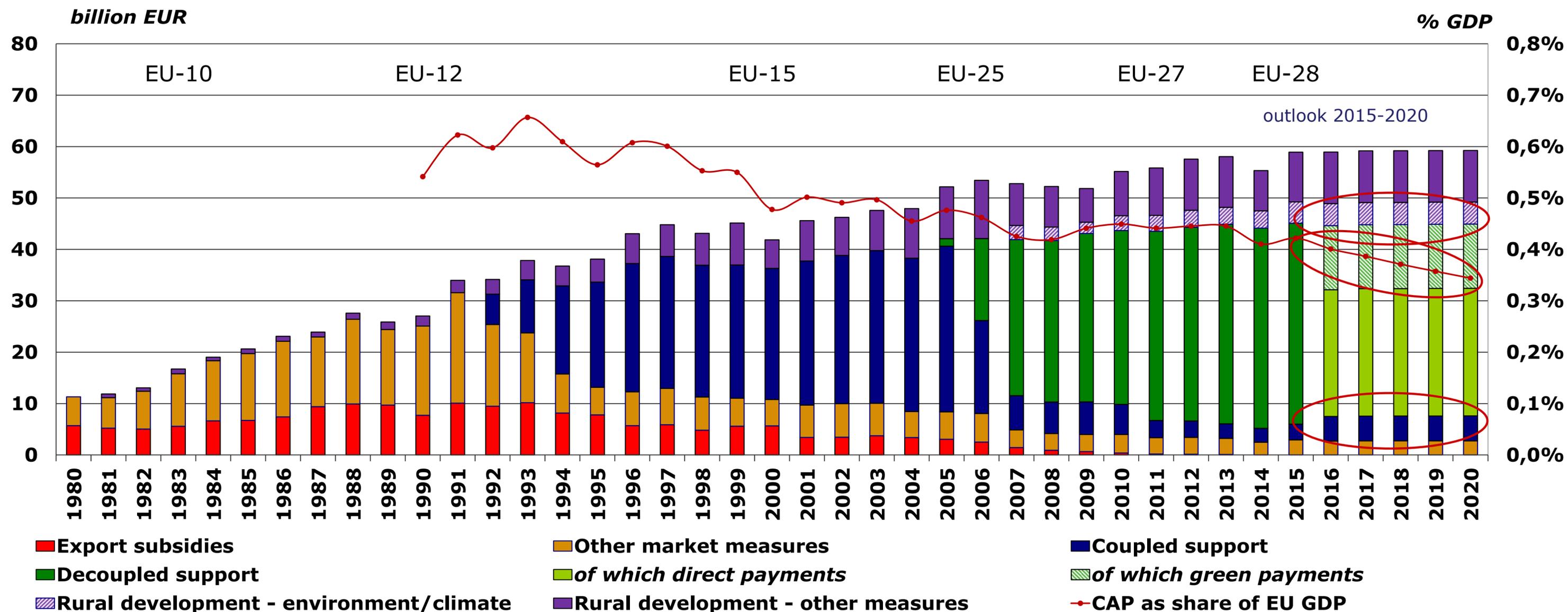
....with the Communication on the Future of Food and Farming aiming to:

- ***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

NUMBER OF **FARMS**
(million)

FARMLAND MANAGED
(million ha)

DIRECT SUPPORT
(billion EUR)

SMALL FARMS
(< 5 hectares)



PROFESSIONAL (FAMILY) FARMS
(5-250 hectares)

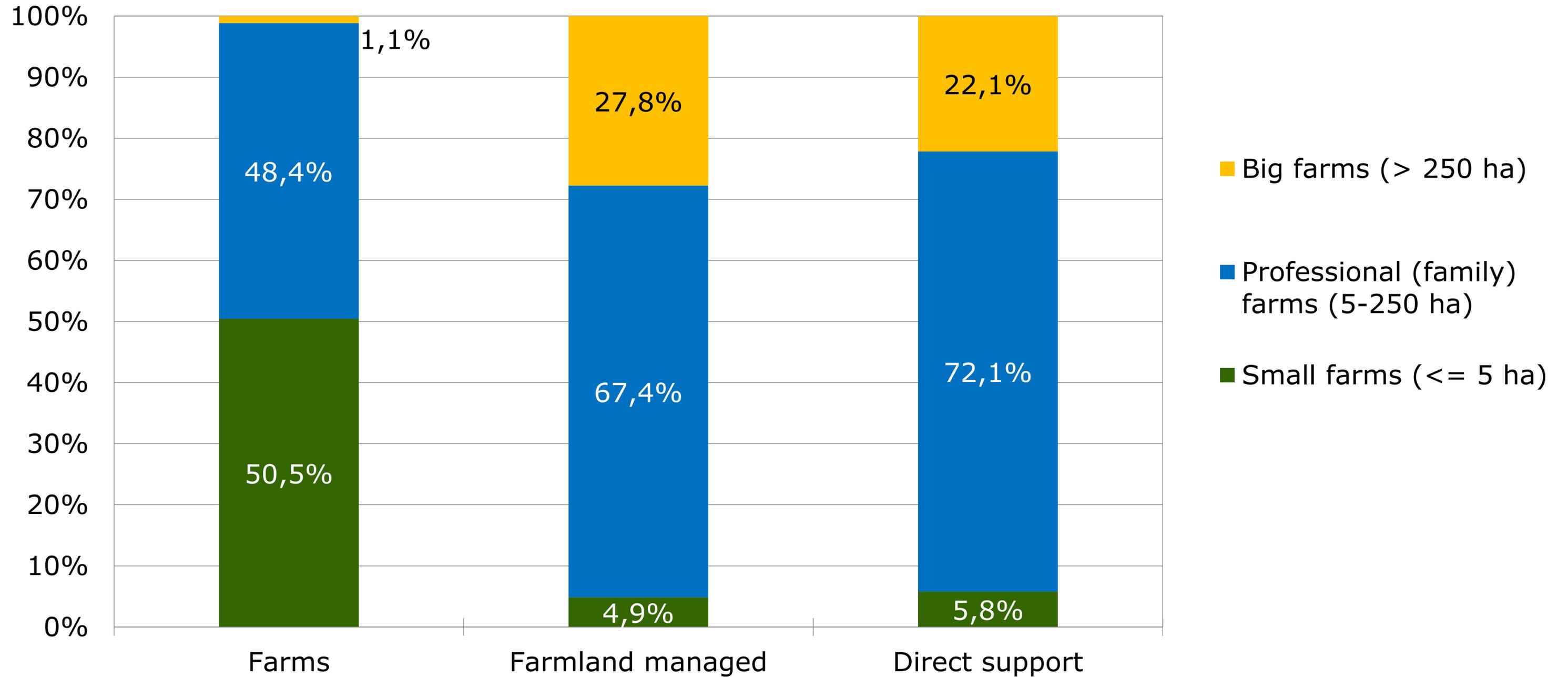


BIG FARMS
(> 250 hectares)



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*

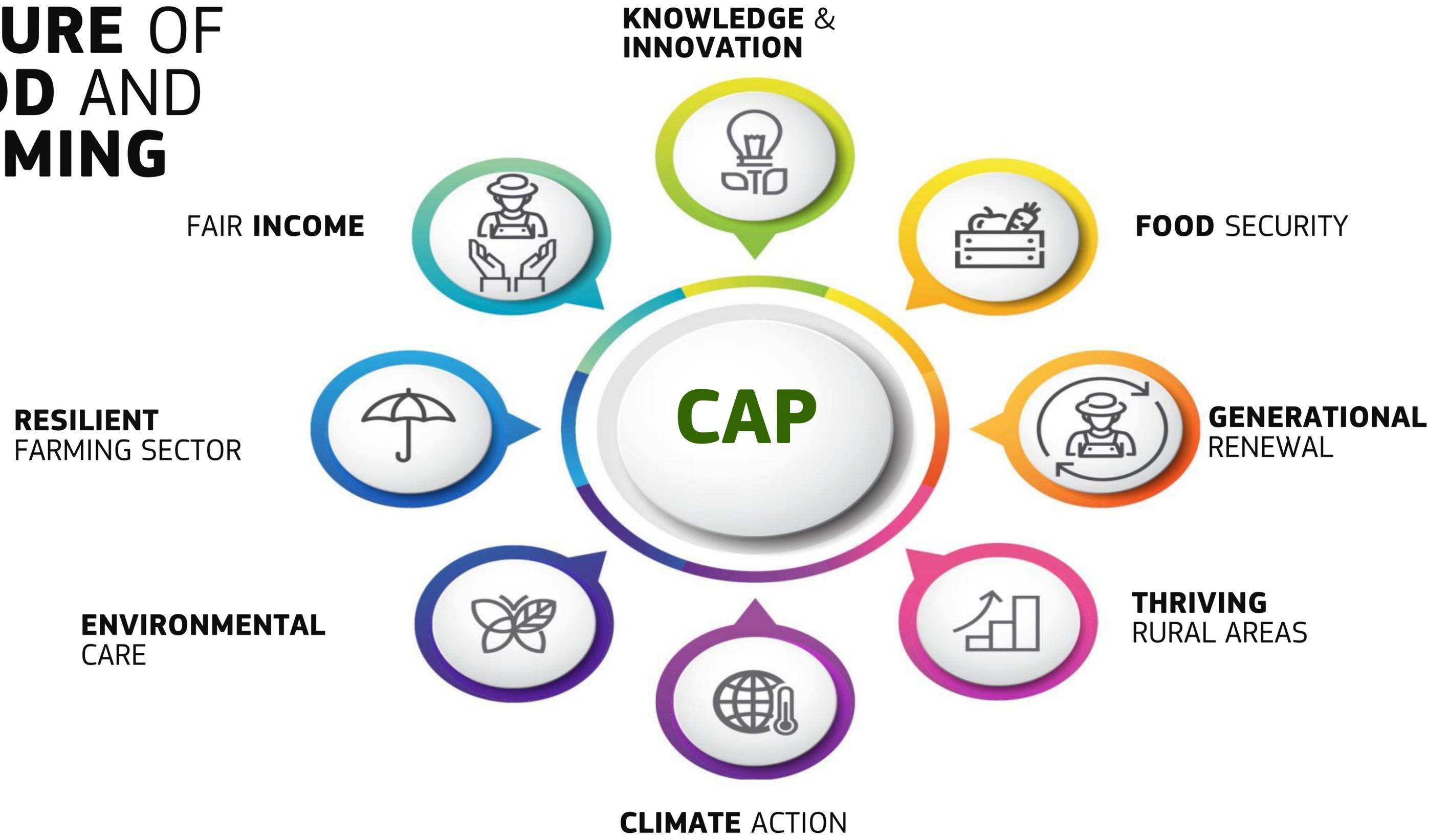
Improve risk management tools ...

- *... 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/policy-perspectives/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/events/2016-outlook-conference_en

https://ec.europa.eu/agriculture/statistics_en

https://ec.europa.eu/agriculture/cap-indicators_en

https://ec.europa.eu/agriculture/consultations/cap-modernising/2017_en

Thank you for your attention!