

## Common Agricultural Policy: Key graphs & figures

Graph 2

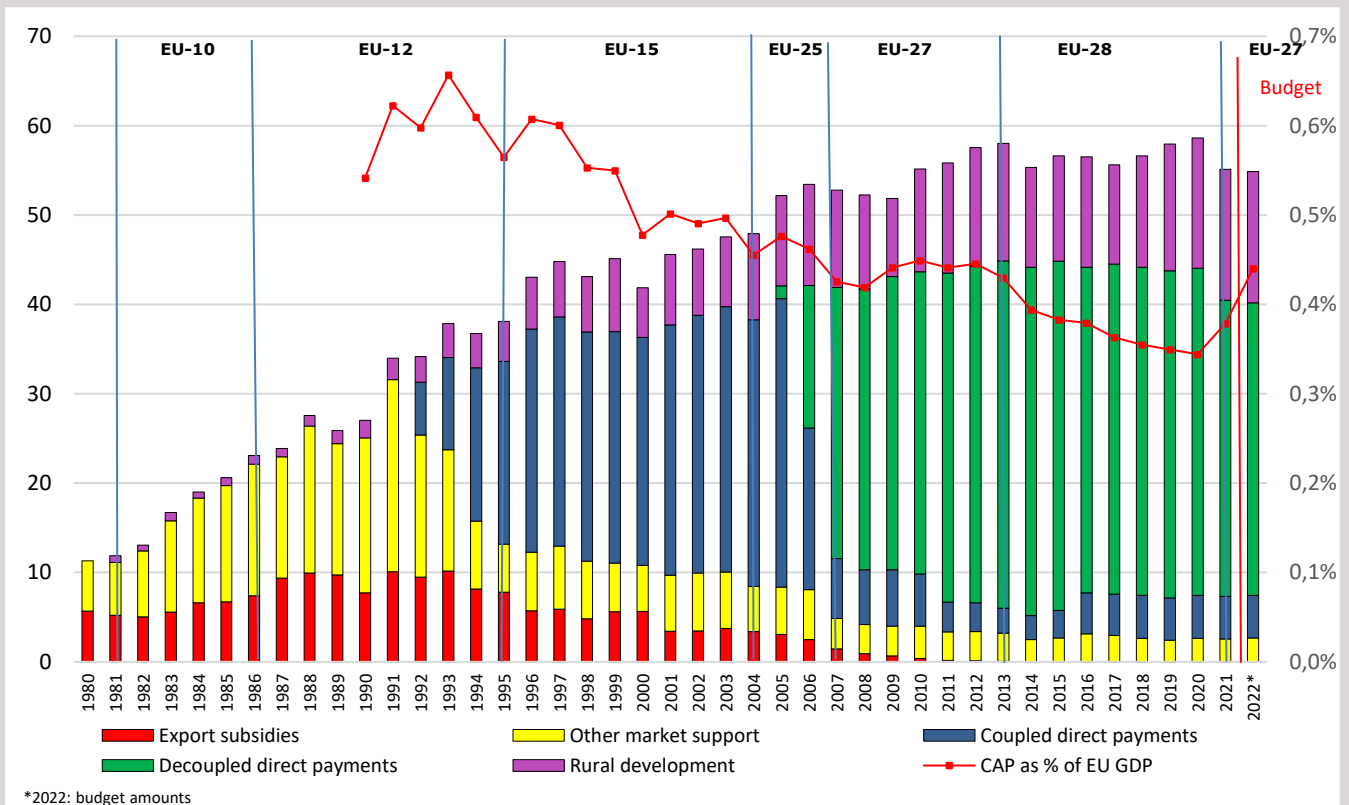
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### CAP expenditure and CAP reform path

This graph shows **the evolution of expenditure of the Common Agricultural Policy (CAP)** and policy change.

- In the **80's**, CAP spending was mainly on price support through market mechanisms (public purchases (intervention) and export subsidies) which rose by the end of the decade due to agricultural surpluses.
- In the **1992 CAP reform**, market price support was reduced and replaced by producer support in the form of direct payments. Spending on rural development measures also increased.
- **Agenda 2000** continued the reform process. Rural development policy was introduced as a second pillar.
- With the **2003 reform**, most direct payments were decoupled from current production as they were based on the farmer's historical receipts. Rural development expenditure continued to increase.
- The **2008 Health Check** continued on the path of CAP reform, further reducing market support.
- The **2013 reform** maintained the market oriented reform path, while reinforcing the link of decoupled direct support to environmental and climate measures.
- Despite successive enlargements, overall CAP spending as a share of GDP **has actually decreased** from 0.54% in the '90s to 0.34% in 2020. The departure of the UK resulted in a relative increase to 0.44% of EU GDP in 2022.

**CAP expenditure and CAP Reform path (current prices)**



**Sources:** CAP expenditure: European Commission, DG Agriculture and Rural Development (Financial Report). 2022 budget: DG Budget. GDP: Eurostat. Annual expenditure in current prices.

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