



PRESS RELEASE

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### ***Legislative proposals for the CAP 2014-2020***

**Markets without driver, farmers without income, payments without justice: the European Union has to outline future perspectives for farmers and for young people who want to become farmers.**

- **The concrete proposals don't reflect the objectives of better social/environmental legitimacy of the direct payments.**
- **The absence of regulation of market and production announces forthcoming sectorial crises.**
- **National cheques replace a true, fair, social and sustainable CAP for farmers and consumers.**

The European Commission had announced it as of November: in spite of the aggravation of the global crises and the challenges European agriculture is facing, it would not change the neoliberal framework in which the CAP has fitted for 30 years<sup>1</sup>. To leave the markets in the hands of speculation shows that our European institutions obey other interests than those of farmers and consumers.

If the Commission proposal is not surprising with respect to the markets, the European Coordination Via Campesina (ECVC) is astonished on the other hand that the steps forward announced as regards better distribution and use of the direct payments are not concretized by credible instrumental proposals. From the praiseworthy objectives as for ceilings, greening, support for small-scale farmers, active farmers, ... it remains very little.

ECVC will be active in the next months at the European Parliament and the Council, which co-decide the CAP reform, and also at the European Commission, to modify the contents of these proposals in order to create a coherent framework for the agricultural policy and to guarantee worthy and durable perspectives to millions of European farmers.

You will find below our point of view on some key points of the proposal<sup>2</sup>:

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**Markets and production without regulation:** The agricultural sectorial crises with repetition have shown that without regulation of the production and of the markets, without instruments to prevent structural surpluses or shortages, it is not possible to stabilize the markets. However it is one of the priorities given to the CAP by the treaty of Lisbon: but there is nothing in the Commission proposal, which here defends the interests of industry, big retailers and the import-export sector.

To treat price volatility only downstream by insurance schemes amounts to privatize the management of the markets and to give public funds to the insurance companies, while making pay producers and taxpayers the damages of the deregulation.

<sup>1</sup> See ECVC position on 11/19/10 <http://www.eurovia.org/spip.php?article396>

<sup>2</sup> ECVC will publish a more detailed analysis and proposal later in autumn

ECVC is opposed to the suppression of **vine plantation rights** in 2016, which would concentrate even more the production. Moreover the wine Member States are opposed to this suppression. The same applies to the suppression of the **sugar quotas** and the **dairy quotas**: it is necessary to improve instead of removing them. Supply management, for all the sectors, is a requirement for the stabilization of the markets and for fair and sufficiently stable farm prices.

**Active farmers:** It is necessary to deliver direct payments only to active farmers, but the definition the Commission proposes is too lax. It is necessary to increase the suggested 5% threshold.

**Payment per ha:** ECVC rejects the payment per ha and defends the payment per active person. If the abandonment of the historical reference is positive, the date of 2019 is too distant: it is an additional gift to those which monopolized the payments since 1992. The payment per ha, decoupled from production, has perverse effects on the price of agricultural land and leads to income for the owners.

**Levelling off of the direct payments:** it is essential. But the ceilings proposed are too high. The recovered amount would be very weak<sup>3</sup>. The EP and the Council must lower these ceilings, to release more funds in favour of small-scale farms and the less favoured areas or sectors.

**Lump sum for the small-scale farms:** It is positive that this support is proposed in the first pillar. But while proposing to small farmers to choose between a small lump sum -in settlement for the first pillar- and the system of direct payment, the Commission treats the small-scale farms separately, instead of integrating them in the same system as the others, i.e. an evolutionary system. In addition ECVC awaits the implementation of specific standards for small scale processing of agricultural products at the farm or local craftsman. Industrial standards are for industry.

**A far too less significant “greening”:** ECVC was expecting more significant progress in favour of an agriculture sparing inputs and energy, which stops the fall of the organic matter in the soil and thus contributes to decrease the global warming, which stops the development of factory farms (pig, poultry, milk, rabbit,...) and other too intensive modes of production, as in for wine, fruits & vegetables, etc....

- *Diversity of the cultures:* obligatory rotation, that ECVC and many other organizations had required to decrease inputs and to improve soils, is forgotten, replaced by very low thresholds of diversity of the cultures: a farm could develop a monoculture on 70% of its surface. That is aberrant, especially as the reform is planned for 6 years, making it possible to check rotation.
- *Permanent meadows:* prohibition to turn over permanent meadows is positive, but the date of selected reference (1.1.2014) risks to lead a great reversal of meadows before this date, which runs counter to the objective. In addition this measure does not increase the surface of permanent meadows, what we need to improve now the soil, climate, and biodiversity.
- *Plant proteins:* whereas the EU is dependent to 75% on the imports, the advantage of these crops for soil fertility and climate has been for long time recognized, and the EP required it, it is scandalous that the Commission does not integrate in the greening an obligation of rotation including leguminous plants, where one can cultivate them.

**Rural development:** If the intended aims allow to considering interesting achievements, in particular for the collective projects, one can be concerned about the interpretation and the implementation which will be made by the various countries and regions. Who will be the “stakeholders” invited to contribute to the diagnoses and the regional programming, how to guarantee the taking into account of the real stakes, how to avoid the capturing of funds by industrialized farming?

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<sup>3</sup> 0,2% of the total basic payment for Germany and only 1,3% for the EU-27.