



ARC 2020
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ATTN: EP rapporteurs and MEP De Castro,
Minister Coveney Chairman of the Agri Council

CC: Commissioner Ciolos

Brussels, 17 April 2013

Dear MEPs,
Dear President,

Following the vote of the European Parliament on 13th March for negotiation mandates, and the agreement on 19 March by the Council of Agriculture Ministers on a general approach the reform of the Common Agricultural Policy (CAP), trilogue negotiations are beginning, and will run until the end of June to reach an agreement under the Irish Presidency.

These inter-institutional negotiations are crucial for the future of the CAP and for its legitimacy in the eyes of European citizens, who are increasingly attentive to the use of public money; they want every euro spent by the EU to be a useful and fair euro towards public goods, social, economic and environmental services.*

ARC 2020 considers that public spending within the CAP is justified only if it contributes to the development of truly agro-ecological farming and food systems, which are not currently guaranteed by the market alone. This means redirecting spending towards a genuine greening of agricultural systems -including the need to give more attention to healthy soil starting with crop rotation- and taking account of agricultural employment.

We are afraid that the current negotiations can no longer achieve this goal. However, substantial differences can still be made to fulfil the demands of EU citizens.

The ARC 2020 platform, which brings together EU farming, international development, rural development, local food system and consumer organisations as well as

environmental and nature conservation NGOs, has compiled a list of essential points that are still not decided in this trilogue. ARC 2020 asks you to actively support the attached positions.

ARC 2020 still believes that the CAP reform trilogues are an opportunity not to be missed to achieve a meaningful reform.

We remain at your disposal for any information or clarification.

Yours sincerely

For ARC 2020,

Benny Haerlin
Meine Landwirtschaft

Romuald Schaber
European Milk Board

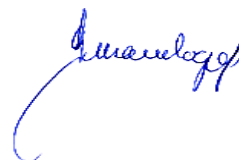
Susane Løgstrup
European Public Health
and Agricultural Consortium



Adrian Bebb
Friends of the Earth Europe




Paolo Di Croce
Slow Food International



François Veillerette
Pesticide Action
Network



Marco Schlüter
IFOAM EU Group



ARC 2020 is a civil society platform of over 150 networks and organisations in 22 EU Member States, all pushing for a real reform of the EU's Common Agricultural Policy (CAP).

ARC 2020 represents a great variety of interests, including human rights, farmers, consumers, rural communities, nature protection, cultural heritage, animal welfare, minorities, public health and organic food, including Friends of the Earth Europe (FoEE), the International Federation of Organic Agriculture Movements (IFOAM) EU Group, Slow Food, PAC2013, Pesticide Action Network (PAN) Europe, and APRODEV.

More on www.arc2020.eu

* Eurobarometer, 2011. The Common Agricultural Policy, Special Eurobarometer 368, http://ec.europa.eu/public_opinion/archives/ebs/ebs_368_en.pdf
Factwise on behalf of WWF, 2013. European opinion on the use of public money in the agricultural sector, http://awsassets.panda.org/downloads/european_opinion_on_the_use_of_public_money_in_the_agricultural



ARC's demands for Trilogues on CAP reform

1. Directs payments

a) Strengthen the Greening principles

Article 29: The principle of a few simple and efficient greening measures to be implemented by all farmers in the EU should be defended. Following the clear mandate of the plenary vote, negotiations should respect the integrity of the European Commission's initial proposals of three agronomic measures. Any equivalence mechanisms would weaken the expected outcomes, while unsubstantiated exemptions should be avoided to ensure there is a transition to more sustainable agricultural practices (support Commission proposal and Parliament amendment);

Article 29 (2): Farmers should receive 30% of the national envelope for fulfilling greening requirements. Member states should not be allowed to reduce greening payments by linking it to the internal convergence of direct payments (support Commission proposal and Parliament amendment);

Article 30: farmers which have eligible arable land above 3 hectares shall respect the diversification measure including at least three different crops (support Commission proposal);

Article 31: Conservation of permanent pastures and grasslands: no ploughing of semi-natural habitats, Carbon-rich or wetland soils, and no further weakening of the requirements (support Commission proposal);

Article 32: Ecological Focus Areas should start at 5% and reach 7%, without further delay, exceptions or dilution; this is the single most effective greening measure of the CAP and should be defended, with no ploughing, no pesticides or fertilisers as key principles (support Parliament amendment).

b) Fairer distribution of CAP subsidies

Article 11: Capping and degressivity of direct payments should be mandatory in all Member States and not an option at the disposal of national governments; The European Parliament and the Commission should jointly defend the principle of EU wide minimum standards of equity to be observed when spending European taxpayers money to stabilise farmers' income (support Commission proposal and Parliament amendment);

Article 22: for Member States which still have payments entitlements based on historical references, an internal convergence of direct aids with a move towards an uniform rate in 2019, without any delay in moving away from historical references; the Council compromise is unacceptable and goes against the objective of fairer distribution of CAP funds between farmers (support Commission proposal);

c) Better targeting of direct supports

Article 28a: In the same spirit, redistribution of “top up” payments for the first hectares should be restricted to no more than the national average of hectares per holding rather than a fixed size for all (50 hectares) as proposed by the Council; while the use of up to 30% of the national envelope as proposed by the Parliament should be defended (support Council amendment).

Article 29a: introduce a clause requiring the Commission to submit a strategic plan for the supply of vegetable proteins under the CAP, as proposed by the European Parliament (support Parliament amendment);

Article 36: introduce a mandatory payment for young and new farmers from Pillar 1 envelope (support Commission proposal and Parliament amendment);

Article 39: coupled payments should not be allowed for tobacco production; the re-introduction of such supports to tobacco would send a very negative signal for coherence with public health policies (support Commission proposal);

Article 48: defend the mandatory small farmer's scheme including a payment of 1500 € instead of 1000 € (support Commission proposal on the principle and support Parliament amendment on the annual payment amount).

d) Flexibility between funds

Article 14(2): There should be no flexibility allowing transfer of funds from pillar 2 to Pillar 1, while transfer from Pillar 1 to Pillar 2 should be maximised where funds target agri-environmental schemes and agro-ecological approaches.

2. Rural Development

a) Funding measures and minimum spending

Article 29 (am 144): No double funding for agri-environment -only commitments going beyond the baseline of greening+cross compliance should be funded (support Commission proposal and Parliament amendment);

Article 65: Defend that at least 25% of EAFRD expenditure should only be allocated to agri-environment and organic farming and be legally binding for all member states. This ensures a minimum threshold of targeted support for advanced sustainability approaches. Council's proposal to include payments for areas with natural constraints would substantially reduce the EAFRD's beneficial environmental effect and so should be rejected (support Parliament amendment).

b) Natural resources and biodiversity conservation

Article 39 (am 81): Ensure no access to insurance schemes if farmers don't first climate-proof their farms and make their agro-ecosystems resilient to environmental fluctuations (support Parliament amendment);

Article 18(1)b +(3) (am 58): defend sustainable management of genetic resources, energy and water saving, and agro-ecological production systems (support Parliament amendment);

Article 18 and Annex 1: investment support in physical assets for agro-ecological production systems and organic farming should be defended (support Parliament amendment);

Article 27(1) (am 27): ensure that aid is granted only to investments which do not harm biodiversity or ecosystem services (support Parliament amendment);

Article 29 (am 144): support the forerunner principle in meaningful agri-environment-climate measures (support Parliament amendment);

Article 36 (am 38): support reduction of waste and water and energy use (support Parliament amendment);

Article 61 (am 115): Agro-ecological production systems should be explicitly recognised in the European Innovation Partnerships.

c) Territorial development approaches

Recital 22 (am 8): Defend promotion of urban rural links cross-regional cooperation (support Parliament amendment);

Article 2(1) t (am 27): Defend direct sales, local market and community supported agriculture (support Parliament amendment);

Article 17(1) b (am 57): Defend short and local food supply chains (support Parliament

amendment);

Article 16 (4) (am 56): Defend advisory services for local processing and short distance marketing and hygiene rules (support Parliament amendment);

Article 18 (1)b (am 58): defend small scale slaughterhouses (support Parliament amendment).

c) Community based development and innovation

Recital 38 (am 14): defend community based innovation (support Parliament amendment);

Article 2(1)t (am 30): defend community-led local development (support Parliament amendment);

Article 20(2)a (am 60): defend community-led local partnerships (support Parliament amendment);

Article 21(1) (am 62): ensure access to village renewal for community led initiatives (support Parliament amendment);

Article 43(1)b (am 85): defend capacity building for a community-led development strategy (support Parliament amendment).

d) Policy coherence for development

Article 6 a (am 173): ensure the CAP is a "Do No Harm" policy adhering to IAASTD principles (support Parliament amendment).

3. Horizontal regulation

a) Funding measures

Article 29: no EAFRD payments for complying with Greening measure commitments, i.e. no double payments (ref. DP. Title III, art. 29) (support Commission proposal).

b) Farm advisory system and monitoring

Article 22 (ams 55, 56): defend broad monitoring of agronomic data, including agro-forestry areas, soil health and the agro-ecological resource base we depend upon long-term, with a view to valuing ecosystem services; not simply monitoring old-school productivist economic factors (support Parliament amendment);

Annex I (ams 167-171) and art.12(2)c (am 50): defend information on good agronomic and agro-ecological practises to be provided by Member States' farm advisory systems (support Parliament amendment).

c) Cross compliance

Article 93(4) (Am 143): respect the plenary call to introduce the Sustainable Use of Pesticides Directive into cross compliance (support Commission proposal and Parliament mandate);

Annexe II: introduction of GAEC on banning first ploughing of carbon-rich and wetland soils (support Commission proposal);

Annex II (ams 192, 193): defend the introduction of a new GAEC on action on antimicrobial resistance, including livestock density limits and good practise in animal husbandry (support Parliament amendment).

d) Transparency

Article 110a: defend a full transparency for the publication of CAP subsidies beneficiaries (support Commission proposal and Parliament mandate).

4. Common market organisation (CMO)

a) Producer organisations and market management

Articles 105b-112: defend the principle of producer organisations (PO) shall be strongly supported as a key instrument improving the bargaining power of farmers in the food chain and allowing them to manage markets to achieve fair prices for their production (support Parliament amendment);

Article 156a: support measures to address severe imbalances in the market for milk products, such as an indemnity for producers that voluntarily limit their production and a levy for those who increase their production (support Parliament amendment);

b) Export refunds set at zero

Articles 133-135: export refunds should under no circumstances be used to promote export of systemic surpluses as is the current practice, and should therefore be stopped. The EU has also committed itself to unilaterally reduce export refunds as per the WTO Ministerial Agreement of 2005 and shall. We therefore urge the rapporteur not to give in on pressures from the Council and the Commission to keep this "trade arm" in place. The EP plenary position is clear that EU funds for export subsidies are to be put to zero in order to abolish this dumping instrument (support Parliament amendment).