Common Agricultural Policy post-2020

Michael Pielke
European Commission
DG Agriculture and Rural Development

#FutureofCAP
THE PROPOSAL FOR A MULTI-ANNUAL FINANCIAL FRAMEWORK

In billion euro, current prices

I. SINGLE MARKET, INNOVATION AND DIGITAL
   €187.4
   1 Research and Innovation
   2 European Strategic Investments
   3 Single Market
   4 Space

II. COHESION AND VALUES
    €442.4
    5 Regional Development and Cohesion
    6 Economic and Monetary Union
    7 Investing in People, Social Cohesion and Values

III. NATURAL RESOURCES AND ENVIRONMENT
     €378.9
     8 Agriculture and Maritime Policy
     9 Environment and Climate Action

IV. MIGRATION AND BORDER MANAGEMENT
    €34.9
    10 Migration
    11 Border Management

V. SECURITY AND DEFENCE
   €27.5
   12 Security
   13 Defence
   14 Crisis Response

VI. NEIGHBOURHOOD AND THE WORLD
    €123
    15 External Action
    16 Pre-Accession Assistance

VII. EUROPEAN PUBLIC ADMINISTRATION
     €85.3
     17 European Public Administration

CAP 365 €

Food, agriculture, rural development and bioeconomy
10 €
MULTIPLE DEMANDS TO THE NEW CAP

SIMPLIFICATION
- Reduce administrative burden!

PERFORMANCE BASED SYSTEM
- Ensure policy results!

BETTER TARGETING
- Rules with better links to local realities!

KEEP STRONG COMMON ELEMENTS
- Keep a level playing field

Enhanced ambition!
CAP-specific Objectives

- Increase Competitiveness
- Rebalance Power in Food Chain
- Climate Change Actionen
- Sustainable Resource Management
- Preserve Landscapes & Biodiversity
- Support Generational Renewal
- Ensure viable Income
- Food Safety and Quality; Animal Welfare
- Vibrant Rural Areas
A new CAP Delivery Model

**EU**

- CAP Strategic Plans and Annual Performance Reports
- Basic rules, performance clearance and review, and system control

**Member States**

- Detailed rules and specifications

**Beneficiaries**

- Detailed rules and criteria
A NEW GOVERNANCE

01 PLANIFICATION
Definition of the European framework (EU)
9 objectives, indicators to monitor implementation, types of possible measures (interventions)

02 POLICY IMPLEMENTATION
Development of a national CAP Strategic Plan (MS)
Identification of needs, selection of tailored interventions and quantified objectives, responsibility for the implementation

03 PERFORMANCE & assurance
Implementation tailored to local realities (MS)
In order to improve the economic, social and environmental performance of farms

04 EVALUATION
Annual and multiannual monitoring (MS, EU)
Annual report on the performance of the policy implementation
A NEW RELATIONSHIP WITH ESI FUNDS

COMMON PROVISIONS REGULATION

CLLD

Sound Econ. Gov.

Visibility

CAP

Financial Instruments
CAP Strategic Plans

- Needs Analysis
- Intervention Design
- Budget Allocations
- Milestones

9 CAP Objectives
A FAIRER AND MORE EFFECTIVE INCOME SUPPORT

➢ Priority for the support of small and medium-sized farms, as well as to young farmers:

- **Reduction of direct payments** above €60,000 per farm and **capping beyond** €100,000 (taking into account the cost of labour)

- **Compulsory redistributive payment** and ‘internal convergence’ of the amount of support per hectare

- ‘**External convergence**’ (rebalancing of the average aid level per hectare between countries)

- Minimum 2% of the national envelope for direct payments specifically earmarked for **young farmers**

- Attribution of income support to “**genuine**” farmers

- **Coupled support** to help sectors struggling to increase their competitiveness, sustainability and quality
Mandatory for farmers receiving area-based support.

Voluntary for farmers.


Eco-schemes funded by EAGF.

Environment and climate management commitments funded by EAFRD (30%).

Targeting interventions towards EU objectives and needs on the ground.

Higher ambition.

Greater flexibility.

Innovation.

Investments.

Compensation for area-specific disadvantages.

Cooperation.

Farm advisory services.

Knowledge transfer.

Inovation.

The New Green Architecture
Member States design interventions on the basis of 8 broad EU Interventions (replacing around 87 measures and sub-measures)

- Area-specific disadvantages resulting from certain mandatory requirements
- Payments for natural or other area-specific constraints
- Environmental climate and other management commitments
- Investments
- Cooperation
- Risk management
- Installation of young farmers and rural business start-up
- Knowledge exchange and information

**Specific Features**

- **Ring-fencing of total EAFRD contribution:**
  - 30% for interventions addressing the 3 environmental/climate objectives
  - 5% for LEADER

- **Mandatory risk management tools and Risk Management Strategy**
- **Digital strategy to be included in CAP Strategic Plans**
- **Possibilities for combining Financial Instruments and grants**
- **Simpler way of ensuring coherence with other EU funds:** CAP Plan instead of Partnership Agreement

**Simplified implementation of LEADER**
A strategy for generational renewal must be developed by the Member States, covering in particular the problem of access to land, credit and knowledge, and national rules on taxation and transmission of assets.

Identifying a clear and coherent set of interventions, including the interplay with national instruments with a view of improving the consistency between Union and national actions.

Enhanced support with min. 2% of Pillar I dedicated to support to young farmers: top-up income support (pillar I) and/or lump-sum payment (pillar II).

Opportunity to build intergenerational partnerships to encourage the takeover of farms.

Opportunity to promote access to financial instruments.
ADDRESSING SOCIETAL DEMANDS

- **Specific objective** to improve response to society’s expectations on food and health, including safe, nutritious and sustainable food, food waste as well as animal welfare. Monitoring by a set of indicators
- **Enhanced conditionality**, including on animal and plant health and animal welfare
- Continuation of the **school milk and fruit schemes**
- Support for **organic farming** and participation in Union quality schemes
Compulsory part of the CAP Strategic Plan
Can address all the objectives of the CAP
Common CPR provisions on the method and coordination of CLLD for the 4 Funds
Min. 5% EAFRD allocation; preferential co-financing (80%)
Multi-fund approach of CPR applies
Cooperation between all CLLD LAGs
Possibility for 1 Fund to support all preparatory, management and animation costs
TOWARDS A NEW CAP AFTER 2020

- 7 JULY: Public conference “The CAP: Have your say”
- 29 NOVEMBER: Communication on “The future of food and farming”
- 2 MAY: Commission proposals for a Multiannual Financial Framework post 2020
- 1st JUNE: Presentation of CAP legislative proposals
- SINCE JUNE: Inter institutional discussions
- 23-26 MAY: European elections
- NOVEMBER...: New Commission
Thank you for your attention