

Common Agricultural Policy 2021+

Sustainable land use

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Tulln, 26 April 2017

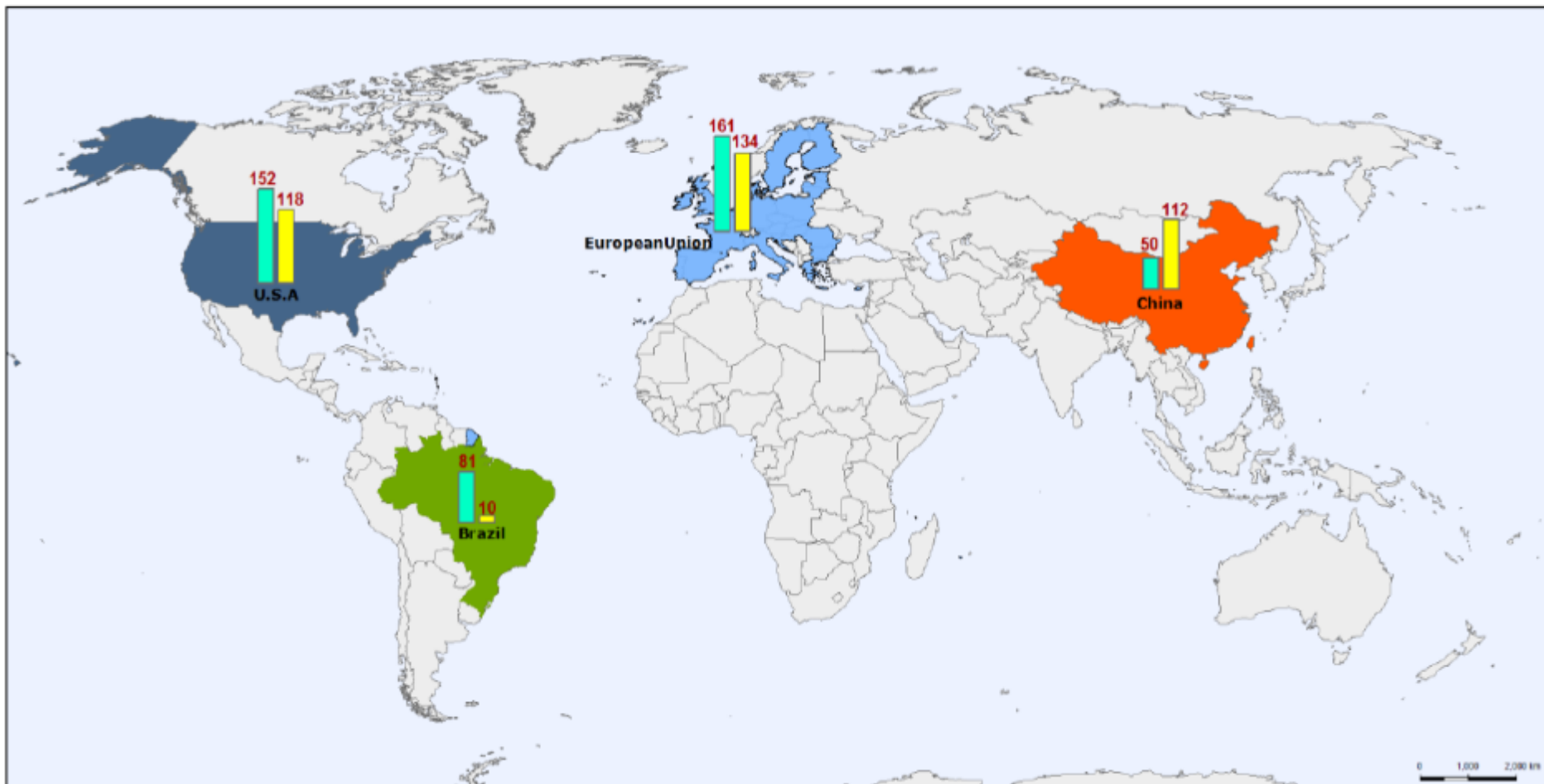


landwirtschaftskammer
österreich

Driving factors for the farming sector

- ☐ Demand of secure food supply
- ☐ Farmers' position in the food chain
- ☐ Price volatility for agricultural commodities
- ☐ Trade liberalisation
- ☐ Production of additional services (e.g. landscape)
- ☐ Climate change
- ☐ Reform of the Common Agricultural Policy

Main agro-trade flows



Agri-Food Trade (Avg 2013-2015 in billion US\$)

Exports
Imports

Source: COMEXT, GTA
Cartography: DG AGRI GIS-Team 04/2016



Map Projection World: Eckert III - Map Scale 1:110.000.000

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Note: The borders of the map does not necessarily represent the official position of the EU. The map has only a statistical value.

Concentration – input und retail sector

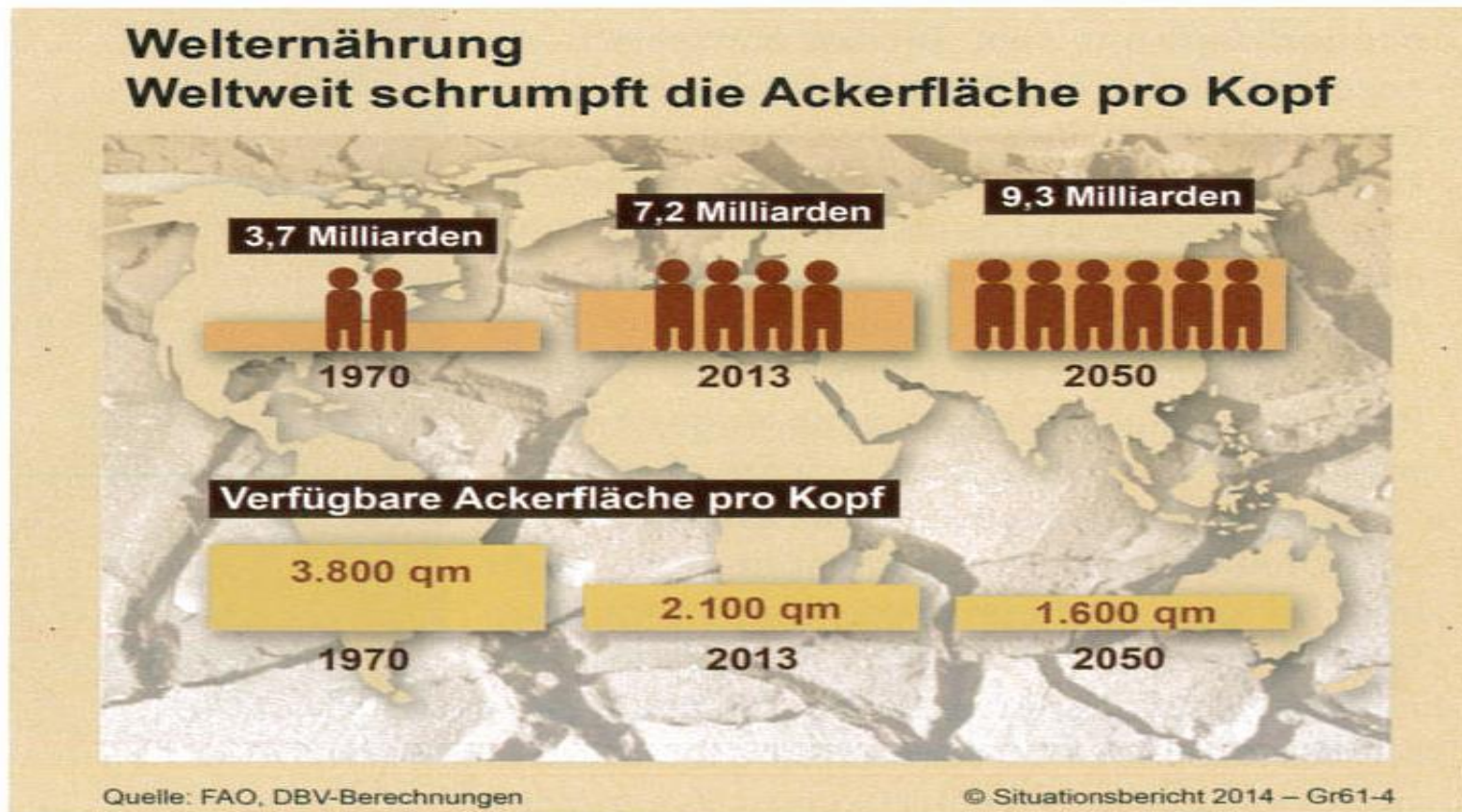
Problem: High concentration



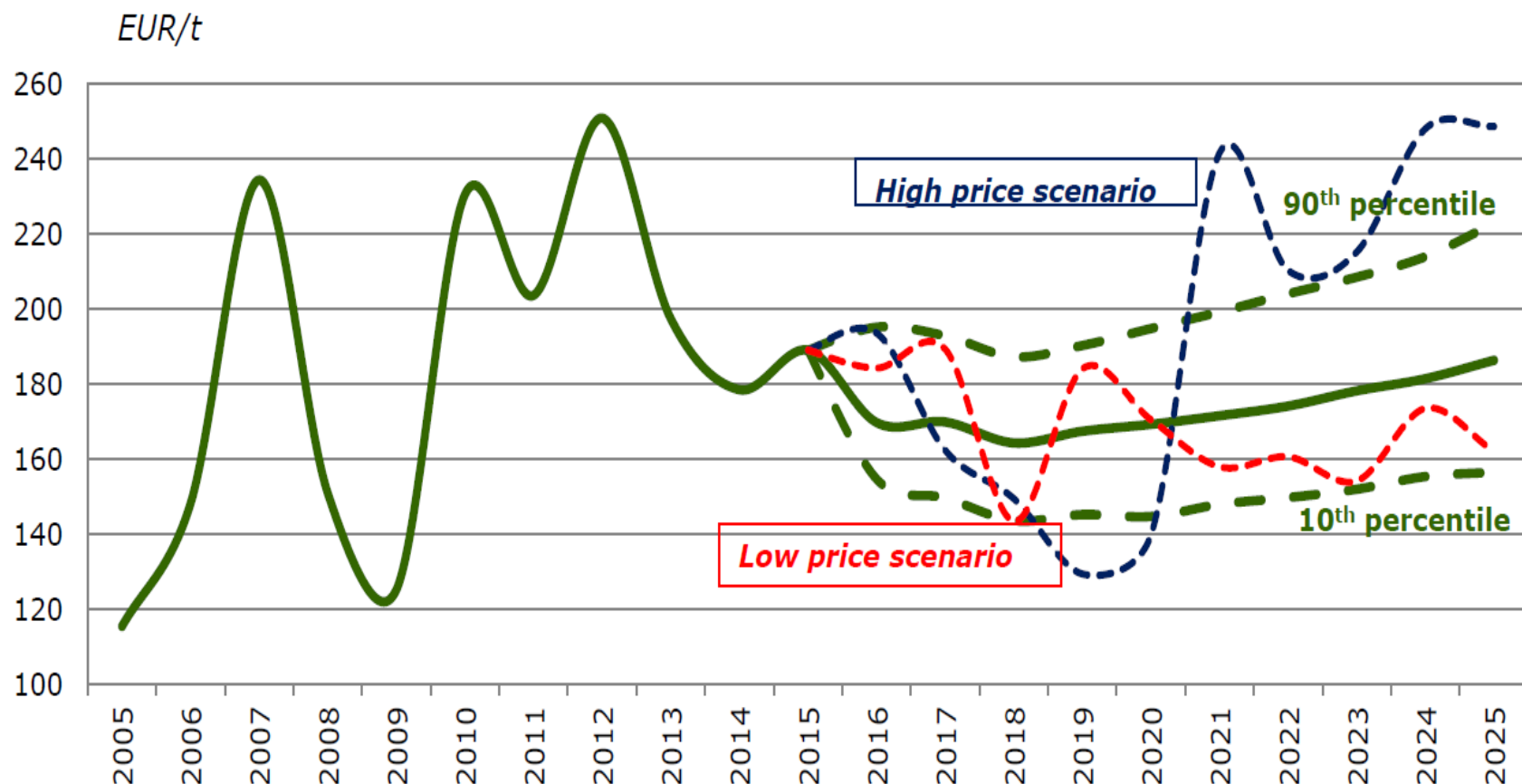
Solutions:

- Priority to **specific competition rules for agriculture** (e.g. mergers; producer organisations)
- Interbranch agreements
- European rules concerning unfair trading practices

Future food demand

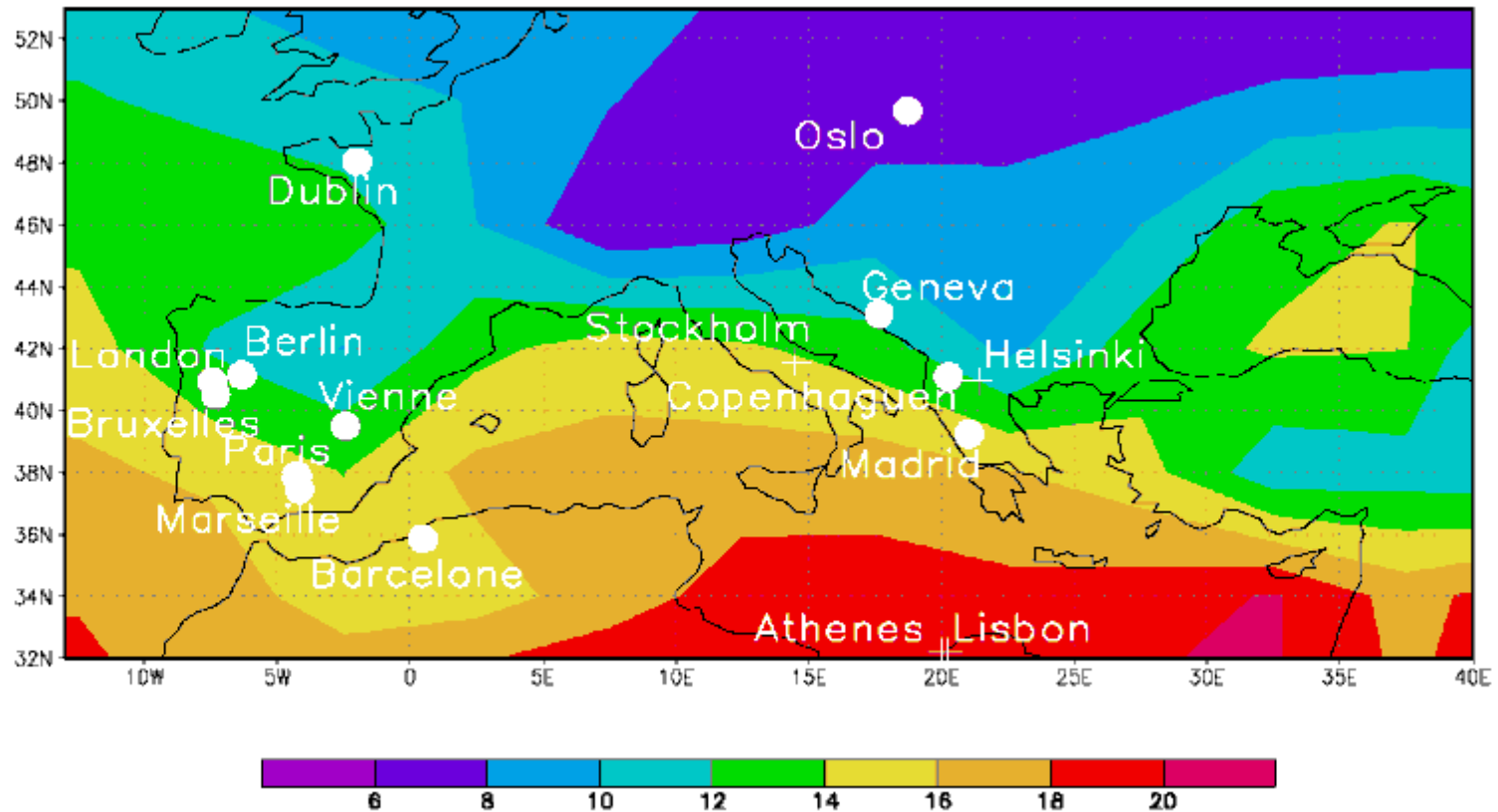


The likely wheat price path (2016 DG AGRI Outlook)



Source: DG AGRI Agricultural Markets Outlook 2016-2025.

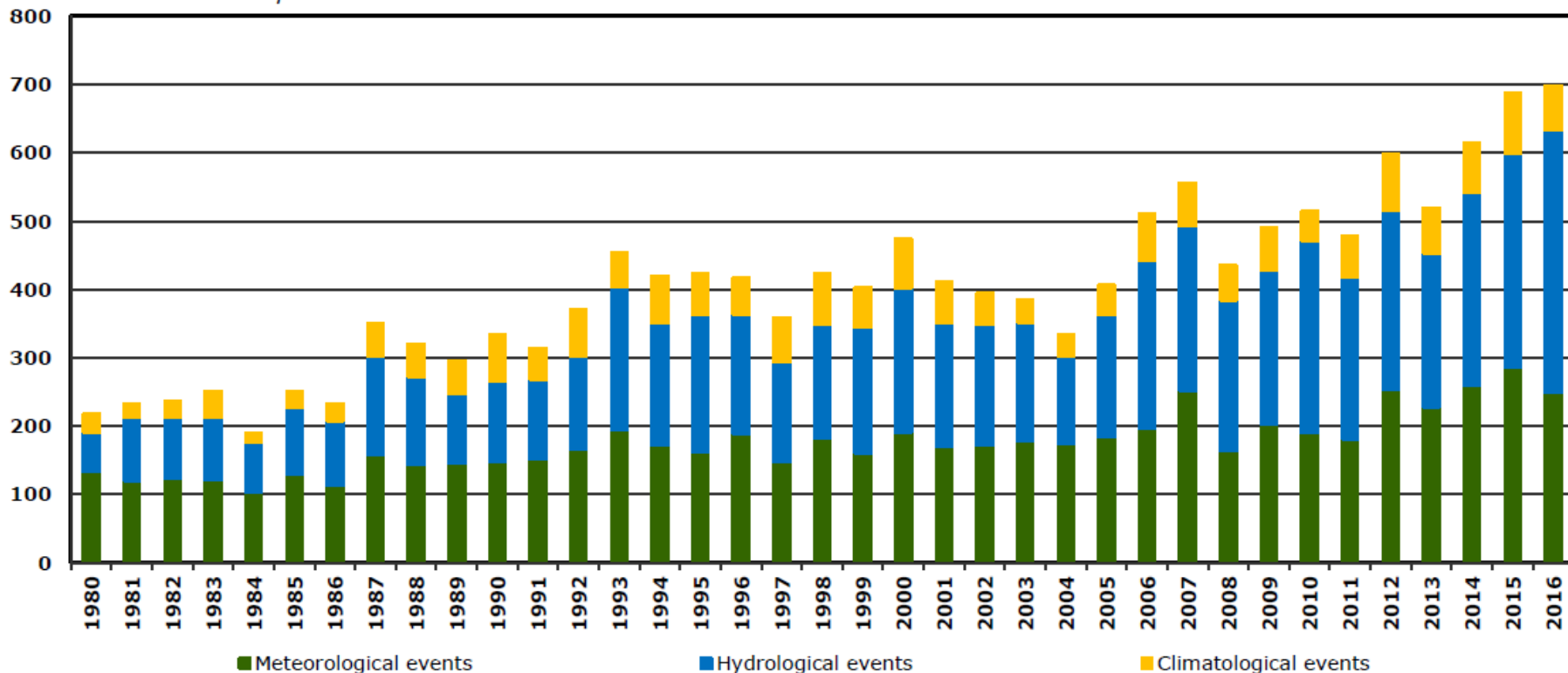
Climate-scenario 2070



Source: Hallegatte, Ambrosi, Hourcade (2007)

Climate linked loss events in dramatic increase

Natural catastrophes worldwide - number of events



Meteorological events: Tropical storm, extra-tropical storm, convective storm, local storm

Hydrological events: Flood, mass movement

Climatological events: Extreme temperature, drought, forest fire

Timetable CAP Reform 2021+

- Public consultation 2.5.2017
https://ec.europa.eu/agriculture/consultations/cap-modernising/2017_en
- EC proposal for new CAP begin 2018
- Discussion on future financial framework
 - Brexit
- Election to the European Parliament spring 2019
- Trilog (Council, EC, Parliament) ???
- Decision CAP 2021+ ???

Main position Common Agricultural Policy 2021+

- **Continuation with a COMMON European agricultural policy** - no renationalization, but a possibility to differentiate between member states by objective criteria (e.g. purchasing power)
- **Maintenance of the 2-pillar structure of the CAP**
- **Maintenance of the competitiveness of family farms**, regarding the high volatility of markets and the increasing impacts of climate change
- **Strengthening the position of farmers in the value chain**
- **Simplification of the current CAP - System:** towards more legal security for farmers and administration

Position CAP 2021+ (1)

- **budget:**

- Total budget of the CAP 2021-2027 must be ensured
- No renationalization of the CAP

- **competition law:**

- Increasing the share of agriculture along the value chain
- Guaranteeing the special position of agriculture = exceptions within competition law for agriculture (for branch associations and producer organizations)
- Transparency of markets – stopping unfair competition

- **simplification on the farm-level:**

- Moving away from “pseudo exactness” to introducing real reference area tolerance levels: within a range of +/- 3% at a check should always lead to 100% of applied payments for farmers (no more burden of proof for farmers)

Position CAP 2021+ (2)

- **Demands to consider higher costs in production:**
 - Further development of agri-environmental programs to protect our resource-efficient and circular-orientated agriculture
- **Protection of comprehensive agricultural management within mountain areas and other disadvantaged regions**
- **higher supply security of proteins**
- **New definition of community preference:**
 - Priority of regional products in (public) purchasing
 - EU-standards also for import goods
- **Further Development of EU and national instruments of quality policy**
 - Introducing labeling of origin for agricultural products - Information for important product groups (dairy-/meat products)



Thank you for your attention!

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