

CONSULTATION FOR THE IMPACT ASSESSMENT ON THE "COMMON AGRICULTURAL POLICY TOWARDS 2020" PROPOSALS

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I. PERSONAL DATA	
1. For the purpose of the analysis of this consultation you want to be identified as:	Organisation from the farming sector
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Yes, you can publish this contribution with my personal data.

II. CONSULTATION QUESTIONS

POLICY SCENARIOS

1. Are the policy scenarios outlined consistent with the objectives of the reform? Could they be improved and how?

The scenarios are consistent with the objectives of the reform. Maintaining the agricultural production capacity, ensuring the provision of environmental public goods and contributing to the vitality of rural areas and territorial balance throughout the EU are ambitious objectives which require the active policy from the European Union implying notably that rejection of "laissez-faire". In that context, the common agricultural policy can not be summarized to income support for farmers. The agriculture and the rural development require that the CAP addresses the challenges faced not only by all the stakeholders of the agricultural production chain but also by all economic actors in the rural areas. The services provided by land based contractors to farmers, rural areas and forests are crucial for the competitiveness, sustainability, biodiversity in agriculture and beyond. Their positive contribution to farmers as well as to the society should be equally considered and supported by the community policy and the funding of the rural development should be adapted accordingly.

2. Are there other problems apart from those set in the problem definition section of this document that should be analysed when considering the architecture of the CAP in the post 2013 period? What causes them? What are their consequences? Can you illustrate?

The problem definition section misses the following important point. During the last fifty years, the agricultural world has been fully transformed; rapid and far-reaching changes affecting agriculture and the conditions for agricultural work (quality, environment, rural conservation) have inevitably led to the development of new production methods and jobs, as well as advanced and diversified skills. To an increasing extent, these new methods have been developed by specialised companies, the agricultural. These rural contractors have helped replace or enhance traditional agricultural methods and specific tasks required in the past. At least 60% of agricultural work is currently sub-contracted to third parties (agricultural and rural contractors). Therefore, the common agricultural policy can no longer limit itself to defining agriculture as being the exclusive domain of the farmer.

3. Does the evolution of policy instruments presented in the policy scenarios seem to you suitable for responding to the problems identified? Are there other options for the evolution of policy instruments or the creation of new ones that you would consider adequate to reach the stated objectives?

The various scenarios presented in the impact assessment offer a sufficient diversity of policy options. However, the perspective of an active and anticipative future common agricultural policy aiming at promoting and supporting a competitive and sustainable agriculture and the rural areas requires the strong political and financial commitment of the European Union. Therefore, few policy scenarios remain plausible (i.e. the adjustment scenario and the integration scenario) to adequately underpin the objectives and instruments to be presented by the future legislative proposal.

IMPACTS

4. What do you see as the most significant impacts of the reform scenarios and the related options for policy instruments? Which actors would be particularly affected if these were put in place?

Adjustment scenario: the gradual change in line with previous reforms of the common agricultural policy is a “minimum” scenario. The impact of these changes would be very much limited for the stakeholders of the agricultural and rural economy who are not farmers, unless measures clearly address their challenges and provide for the appropriate support. Integration scenario: the comprehensive revision of the policy framework with substantial changes to both the first and second pillars of the common agricultural policy to address the three described objectives should be undertaken in the way that the second pillar focus not only on the environment and but on the restructuring/innovation of the actors the production chain. As we stated in point 2, agriculture is not only the problem of farmers but also of numerous external actors, directly or indirectly involved, indispensable for a vivid economic activities in the rural areas. Therefore, if income support for farmers is guaranteed by the first pillar, with improved financial instruments, a sustainable and competitive European agriculture require an ambitious rural development fund supporting the economic actors. By doing so, the common agricultural policy would match the Europe2020 strategy: it will support a sustainable growth (promoting resource efficiency, maintaining the food, feed and renewable production base, increasing competitiveness, providing environmental public goods), an inclusive growth (by unlocking local potential, diversifying rural economies, developing local markets and opening up alternative opportunities to accompany agricultural restructuring) and a smart growth (by supporting innovation, technology and skills). Re-focus scenario: by phasing out the income support and market management elements of the common agricultural policy in favour of a less expensive policy targeted on sustainable growth, environmental conservation and climate change, the European Union would miss the economic dimension of agriculture and the specificities of the agricultural commodities. A risk of a concentration of the competitive agriculture would appear, jeopardising all the attempts and measures undertaken for decades to ensure food security, food safety and a balanced rural development throughout Europe. Moreover, the volatility of the prices is a serious concern expected to remain. Therefore, the market management tools remain crucial to guarantee the minimum stability required for the production of food and feedstuffs. Finally, Status quo and no policy: these two scenarios are not relevant.

5. To what extent will the strengthening of producer and inter-branch organizations and better access to risk management tools help improve farmers' income levels and stability?

6. What environmental and climate-change benefits would you expect from the environment-targeted payments in the first and the second pillar of the CAP?

7. What opportunities and difficulties do you see arising from a significant increase of the rural development budget and a reinforcement of strategic targeting?

As stated in the replies to the questions 1 and 4, the common agricultural policy should support all the actors which are creating economic, social and environmental added-value in rural areas, in full respect of the territorial diversities. By reallocating a fair share of the European funding to the rural development budget and reinforcing the strategic targeting accordingly to these objectives, the future common agricultural policy will be make its objectives and means consistent. However, it is equally important that amongst the priorities a clear support is brought to innovation and modernisation. The challenge of combining competitive agriculture with a high level of environment protection requires advanced technology and a degree of sophistication from the relevant players. Considering the financial importance of the investments in question, the initiatives taken by all the stakeholders of the agricultural economy to satisfy always stricter rules need to be supported and promoted.

8. What would be the most significant impacts of a "no policy" scenario on the competitiveness of the agricultural sector, agricultural income, environment and territorial balance as well as public health?

The no policy scenario is in total contradiction with the ambitions of the future European agriculture as sketched by the Commission in the Communication of 18 November 2010. By considering agriculture as only a market-oriented activity entails a risk of monotonisation of the agriculture with negative impacts for the vitality and diversity of the economic activities in the rural areas as well as for the environment. Moreover, the “no policy” scenario leaves the stakeholders in the European agriculture in the palm of the political

decision made by uncontrollable actors in third countries: the decisions they take concerning quality, quantity, price, and innovation would jeopardise the whole chain of production as well as challenge some other European policies (ie. public health, food prices, regional development, GMOs...).

MONITORING AND EVALUATION

9. What difficulties would the options analysed be likely to encounter if they were implemented, also with regard to control and compliance? What could be the potential administrative costs and burdens?

10. What indicators would best express the progress towards achieving the objectives of the reform?

11. Are there factors or elements of uncertainty that could significantly influence the impact of the scenarios assessed? Which are they? What could be their influence?

Factors of uncertainty are mainly related to global issues. Climate change, growth of the world population, conclusion (or not) of the Doha round, speculation on agricultural commodities and other political evolution in third countries may disturb the global trade and the prices of food and feedstuffs and eventually have an impact on the European agriculture, although it cannot be fully foreseen. These potential risks justify to keep a certain diversity of economical, legal and financial instruments within the common agricultural policy and to maintain as high as possible their possible adaptation.

For other requests please feel free to contact us at :

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