

## **Yksinkertaistamiskonferenssi, Brysseli 3.-4.10.2006**

Ladies and gentlemen, Commissioner, Mariann!

I would like to start by expressing my sincere thanks to you Mariann for organizing this conference. As we all know, you have been very active in taking forward the simplification and better regulation themes in the Common Agriculture Policy. I am sure that this conference provides for the next concrete steps towards simplification of the Common Agriculture Policy.

I welcome the initiative taken by the Commission's Directorate-general for Agriculture and Rural Development to step up the efforts to promote simplification and to gather us all to discuss simplification in detail during these couple of days. I am sure that we can help the Commission to choose the right way to simplify the CAP.

I am especially pleased to note that the Commission has brought together all the key players of the field. Especially I appreciate that the farmers will have an opportunity to express their concerns over the administrative burdens of the CAP. By the same token it is indispensable that we all reach together for a solution - in this case: genuine simplification. It is especially important to cooperate with young farmers and listen to their views as they are the ones to deal with CAP in the future.

Ladies and gentlemen, as we all know, Common Agricultural Policy covers a wide set of rules designed for the European agriculture. [As Mariann has already stated], the CAP has since its introduction developed into a comprehensive legal framework.

The CAP is said to be the oldest and most advanced of the Common Policies. Unfortunately, this has also brought along with it extremely wide body of very detailed and often complicated rules, which are also directly applicable in all the Member States and obligatory for the farmers to follow.

There was a proverb in Finland, before the time we joined the EU, that only two persons in the whole of the country knew the details of our domestic agricultural policy - and even of the two the other one got his details wrong. I wonder, if there is anyone, who can sincerely say that he or she knows all the details of the CAP, in the whole of Europe?

Last week we had a rich and innovative discussion on the European Model of Agriculture and its future challenges in the informal meeting of the agriculture ministers in Oulu, Finland. One of the key messages from that meeting was the need to simplify the CAP so that it could better respond and adapt to the future challenges and changing situations. Another message, which we heard very clearly, was that we need a strong CAP also in the future in order to tackle the challenges ahead. However, we cannot afford the sound application of the policy, which is widely accepted, to be jeopardised by the complexity.

So the question is: what can we do?

As we all know, simplification of a legal framework created during the past 50 years is a huge task. We could of course debate whether we are able to simplify the CAP meaningfully or do we just devote huge amount of effort to the exercise, which does not really produce any results? However, we can also take a wider approach to the question and pose two questions:

First, what else we could do than to try our best to simplify the most extensive policy sector of the European Union?

And secondly: What would be the most efficient way to simplify the CAP?

The answer to the both questions is the same and presumably well known to all of you: we could of course abolish the CAP. Things would be much simpler after that. In fact, the Community has already taken during the past few years major steps towards better market orientation of its agricultural policy.

Although I know that the comprehensive abolition of the CAP would be welcomed by some, the solution might not however be ideal to all of us. We should ask ourselves also a third question: why do we need the CAP? Above all we should bear in mind the original aims of the CAP: before anything the aim to ensure well functioning internal market, a fair standard of living for the agricultural community and fair priced supplies for the consumers.

The CAP is needed to fulfill these aims. The CAP is an instrument, which enables us to take into account the wide differences between different areas of the Community, for example in the production conditions in various areas or differences between production sectors. Also the food safety, food security and environmental concerns have all the time become more important in the context of the CAP. There are also traditional products and production methods, which we need to safeguard, as these form a part of our European identity.

In other words, if we wish to offer our consumers fair priced, healthy and safe food, which is produced in a methods they prefer, and to our agricultural community a possibility to fair standard of living, what we need is a just and well-balanced and well working

Common Agricultural Policy. This might bring along some complexity and burdensome rules, but in light of the overall aims that should be tolerated to a certain extent.

Ladies and Gentleman, Mariann, after accepting the fact that we actually need the CAP we have to move to the next stage: we have to ask ourselves what would be the most efficient way to simplify the CAP without removing the CAP?

This time the question is more difficult to answer. Bearing in mind that the European Union consists at the moment of 25 Member States, and two more a coming in from the beginning of next year, it could well be that we could find at least as many different answers. Presumably even more since, as we all know, a chosen solution is always only one of many possibilities. Thus, to get already at the beginning rid of the jungle of various ways of simplification, let me ask one more question:

What would be the most practical way to simplify the CAP?

The ambitious aim of the Commission is to reduce red tape for both the farmers and administrations by making rules more transparent, easier to understand and less burdensome to comply with. The tool, which is chosen for this challenging task, is a concept called "technical simplification". Since I am sure you all have carefully studied the commission communication concerning simplification, I present you my train of thought about the usefulness of the tool:

(Firstly), I have heard that some oppose the resort to technical simplification since the tool is supposed to be too restrictive one. However, according to my point of view there are two possible ways to simplify the CAP: either you change the policy first and

adapt the technical minorities afterwards - or you firstly safeguard the proven and well-working mechanisms of the CAP, but try to make the details more easy and smooth to apply. I am basically in favour of the latter option. I think that technical simplification is a good starting point in creating a more robust and better working instrument for the benefit of the whole society.

Only the time will tell how much the CAP still needs a reconstruction after a careful technical simplification. At the same time we must also use every possible opportunity to simplify also the basic regulations, where this can be done without endangering the basic policy aims of the CAP.

Thus I think we should be open-minded. My suggestion is that we start with confident minds the work together following the path suggested by the Commission and find out the right way to proceed in simplification - who knows, we might be positively surprised with the end result after few years of hard work. At any rate the simplification of a more political nature will be much easier after the deletion of unnecessary technical complexities.

Ladies and gentlemen, the Common Agricultural Policy is continuously changing and adapting to new situations. Now it is a good time also for you to contribute to the change: I hope that during these couple of days we can effectively exchange our views, present innovative ideas and discuss widely on various simplification approaches.

Thank you for your attention.