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**THE COMMON AGRICULTURAL POLICY AND
ENLARGEMENT : opportunities and perspectives**

Thank you for the opportunity to be present at this conference both as a representative of the Irish Department of Agriculture and of the current EU Presidency. To state the obvious the evolution of the CAP and the on-going enlargement of the European Union are inextricably linked. Since its inception the CAP has been a major instrument and binding force in the operation of the European Union. It has been the subject of a fair amount of reflection and ultimately adjustment and reform. The most recent reform was agreed in Luxemburg in June of last year. It is a complex instrument with considerable budgetary resources. At its most fundamental it should and does support a shared vision of European agriculture and rural life. Within that process its goals and objectives should be acceptable not just to farmers but also to wider society and in particular it should deliver goods and services which are of value to society as well as supporting those directly involved in agriculture. The CAP is unique in that it touches on the life of millions of European citizens whether they are producers, processors or consumers. Through the recent reforms there is now a greater political consensus on the direction of the modern CAP and it is particularly important that many of the earlier criticisms such as the build up of intervention stocks, supports not going directly to producers and insufficient attention to the environment have been dealt with. We believe that the modern CAP is well positioned to support sustainable agriculture into the future.

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The Irish Presidency is now well into its stride. The theme of the Irish Presidency is “Europeans working together”. A major overall goal is the development of the Lisbon Process which is designed to make the European economy more dynamic and competitive. Clearly this project is of interest not just to existing members but also to new and potential Members. Issues such as the constitutional Treaty and financial perspectives are also of fundamental importance for the future direction of the Union and the Irish Presidency will do everything possible to advance these. In the agriculture context the priorities of the Irish Presidency centre on three main areas; to continue the process of simplification which was initiated in the Mid Term Review, the integration of the new Member States into the CAP and the development and enhancement of Food Safety standards. These headings encompass a range of different proposals and measures. Agreement on a package of reforms in regard to Mediterranean products will be particularly important as well as agreement on consolidated legislation in the food safety area. Proposals on the welfare of animals during transport is a special priority for the Irish Presidency. There are a number of other proposals which may be initiated during our Presidency for example sugar, rural development, fruit and vegetables which are likely to have detailed consideration during the Netherlands Presidency.

However the formal entry of the 10 new Members on 1 May will be the highlight and will mark the achievement of a political and economic project, the significance of which is hard to over-state.

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The enlargement process is not complete and this explains the purpose and value of today's programme. It is clear from experience that any enlargement requires detailed planning and considerable preparation. We know that adjusting control and administration systems is not easy and that the process of structural adjustment can be painful. There is a well tested process in place for accession negotiations and this is being applied for both Bulgaria and Romania. Therefore a good knowledge of the workings of the CAP and a clear understanding of its purpose and philosophy is essential. From a Presidency perspective we are pleased with the progress which has been made in relation to the negotiations on Bulgaria and Romania and we believe that we can make further substantial progress in the period ahead. An overriding theme of the Irish Presidency is the strengthening and enhancing of the European model of agriculture which allows wide diversity in production systems, protection of the rural environment and good safe food for our citizens.

As you know Ireland is a small Member State on the periphery of Europe with a strong agricultural identity. In fact the opportunities for agriculture were one of the main factors in our entry to Europe in 1973. Has the experience been positive? The answer is yes. It is generally accepted that our economy has achieved very strong growth in recent years which has allowed balanced development. Our agriculture has changed dramatically over the past 30 years and it has had to make some painful

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adjustments particularly in regard to scale and the ability to compete in international markets. That process of change and adjustment continues today at an even more accelerated pace. There are certain stark realities associated with competing in an international food industry.

As new Members in 1973 we were confronted with many of the same issues which are now exercising your minds here in Bulgaria. The CAP has brought a robust support system for individual farmers and just as important a clear vision of the connection between environment, rural development and sustainable agriculture. We have learned that the CAP is not a static policy and while we have been staunch in our defence of the core values of the CAP we recognise that it must remain relevant to internal and external circumstances. We have to protect it from challenges within the WTO process. It is also the case that agriculture policy does not operate in a vacuum. It cannot be separated from budgetary considerations and there has to be synergy between it and other policies, such as environment, trade and international relations. We have learned that structural adjustment is unavoidable but that it should be managed, to the greatest extent possible, and therefore strategic planning and coherence between different schemes and measures is essential. Above all we have learned of the primacy of the consumer and the absolute necessity to have strong and transparent controls in regard to food safety.

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It may be of interest to you to note that Ireland has opted for full decoupling in the reformed CAP. This decision was very much in accordance with the wishes of our farmers who were anxious to minimise bureaucracy and to produce according to the requirements of the market rather than basing their production decisions on the conditions of premia. Therefore we consider that Irish and indeed European agriculture is entering into a new and interesting era.

On behalf of the Irish Presidency I assure you of our good-will towards the Bulgarian accession and of our determination to advance the process. There has been a strong tradition for the existing Members to assist and encourage accession states and I have no doubt that this will apply on this occasion. I also assure you that we are prepared to share our experience and expertise in any-way that you might consider helpful.