

Commissioner Hogan's Speakings

High-Level Panel

Green Week, Berlin

15 January 2016

Part 1: Where are we? What are the challenges?

Speakers are invited to provide their views on the current interaction between countryside and cities and challenges for the agricultural production and productivity to feed urban dwellers.

Commissioner Hogan's intervention:

- Ladies and gentlemen, we all agree that 21st Century problems require both rural and urban solutions, not working in isolation, but working in tandem. This is in every way a symbiotic relationship. In order for modern cities to thrive, modern rural communities must thrive, and vice-versa.
- But we have to acknowledge the challenges. It is a fact that rural depopulation is accelerating in many regions of Europe. It is a fact that the EU farming sector is declining in size while increasing in age. These are trends which must be halted or reversed if we are serious about the task ahead.

- The broad challenges we face have both a rural and urban dimension. Food security is the bottom line, but focusing only on food production is too narrow.
- Rural areas supply countless public goods to urban areas: ecosystem services, fresh air, recreational opportunities, waste management, raw material, energy and climate solutions.
- When it comes to climate change, for example, rural areas will provide carbon sinks and more sustainable food production systems, while urban areas must curb emissions, increase energy efficiencies and tackle food waste. But this will not function to an optimal degree unless it is done in synergy.
- Statistics prove that urban dwellers understand the central role that rural areas will play in tackling our shared modern challenges. A Eurostat poll from earlier this month showed that 90% of EU citizens believe agriculture and rural areas are very important for the future.
- However, I believe there is a constant need to remind urban dwellers that rural areas are only as sustainable as the communities which live in them and nurture them.

- Rural communities must provide a broader spectrum of job and lifestyle choices to younger citizens if they are to stay and raise their families there.
- We are also faced with a faulty food supply chain, where the primary producer all too often receives only a fraction of the price paid by the urban consumer for his high-quality produce. We must be brave enough to acknowledge that this is a form of economic inequality which cannot endure.
- We must also recall that farmers and indeed many rural businesses have difficulty accessing the investment and credit they need to fulfil these tasks.

Part 2: Where do we want to go?

Speakers are invited to describe their political vision on the future they see for agriculture and rural development in a more and more urbanised and globalised world.

Commissioner Hogan's intervention:

- The baseline for sustainable solutions must be "parity of esteem" between urban and rural areas. It must be viewed as a partnership, not one serving the other.
- Yes, urbanisation is a fact of modern society. But many of the technologies and innovations which have powered urban growth can help to rejuvenate rural areas too.
- Broadband and ICT will become an even more important driver for change in agriculture and rural areas. It has the potential to improve services and improve business opportunities, but also to improve farmers' productivity, competitiveness, access to markets, environmental footprint and revenues. It is clear that we need to do more to unleash this potential for all types and sizes of farms.

- We must invest in research and innovation in this field and share best practices. Rolling out broadband to remote and rural areas is a priority but making technology available is just the first step. To be successful we must also focus on training, developing skills and knowledge in rural areas.
- Research shows that there is a strong link between knowledge and education on the one hand, and economic growth and development on the other. Therefore, the promotion of knowledge transfer and education should be a top priority.
- We also need to enhance both public and private investment in rural areas. This must be facilitated by simplifying investment rules and requirements, and developing smart and tailored loan instruments to improve farmers and rural enterprises' access to capital.

Part 3: What are we going to do about it?

Speakers are invited to focus their answers on the most important actions to take as policy makers.

Commissioner Hogan's intervention:

- First and foremost, this is a question of food security. Urban dwellers must be constantly reminded of the fact that they have broad life and lifestyle choices because they have delegated the job of feeding their families to farmers.
- And urban dwellers must likewise be informed of the paramount importance of producers getting a fair income. Without a producer, there is no product. I welcome any awareness raising campaigns which serve this purpose.
- I also believe, as I said in my introductory remarks, that we must do more to repair our faulty food supply chain. This week I launched the EU Agrimarkets Taskforce, which will examine the EU food supply chain and identify clear actions to improve the position of farmers.

- On the other side of the coin, consumers are more sophisticated and knowledgeable these days, and they demand the highest standards of quality and safety in their food and drink. This places an onus on farmers and agribusinesses to produce the best quality food in the best possible way.
- This is a virtuous cycle which should be enhanced. I believe we are doing a sterling job in Europe of producing high-quality food and drink in a safe and sustainable fashion. But we can do more. And more and more people understand that farming plays a central role in climate strategies.
- Agriculture must therefore become more efficient and more intelligent. We need to produce more, using fewer resources. This will require huge evolutionary changes in the way we produce food and drink, and I am pleased to say that EU policies are already channelling significant funds towards making this a reality. For example, we are investing billions in research and innovation in the agri-food sector.
- But as I mentioned in my introductory remarks, rural areas are about much more than farming.

- And if we want to keep young people in rural areas, to farm the land, to create new businesses, to rejuvenate rural communities, we need to invest heavily in supporting holistic rural development.
- EU Rural Development Funds are currently investing in rural broadband connectivity, they are stimulating rural business creation, they are incentivising sustainable landscape management and tree planting.
- Our integrated approach to rural development goes beyond the farm gate and focusses on improving rural environment and livelihoods as well as developing synergies with urban policies.
- Developments in technology, infrastructure and society in general have made it possible for rural areas to diversify and boost their economic activities considerably. This should not happen in a vacuum.
- Rural growth incentives work most effectively when they take advantage of links with nearby towns and cities – asking what products and services they can offer and what the towns and cities can offer in return.
- And I believe policymakers can do more to bridge that gap.