

CAP post-2013: Key graphs & figures

Graph 2

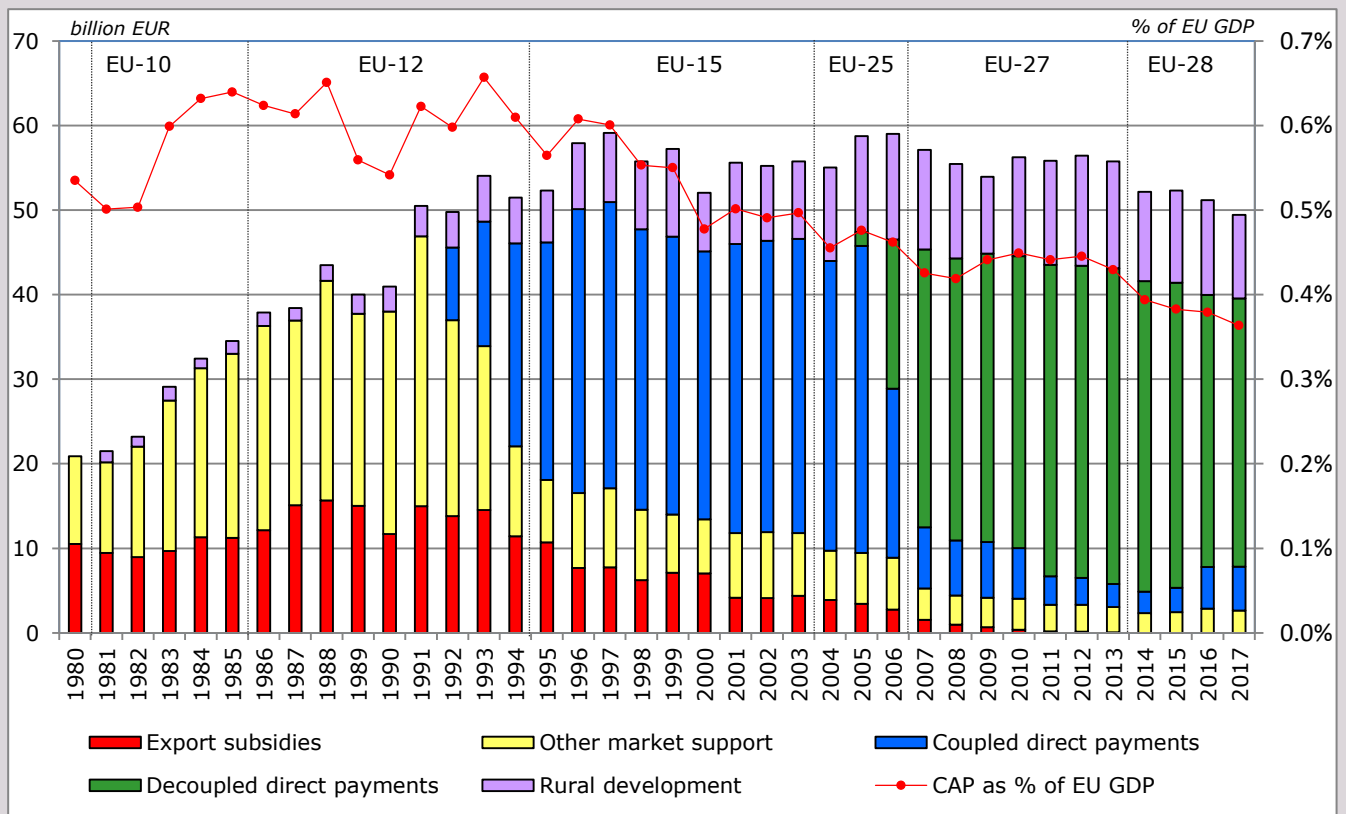
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CAP expenditure and CAP reform path

This graph shows **the evolution of CAP expenditure** in line with policy change.

- In the **80s** CAP spending was mainly on price support through market mechanisms (intervention and export subsidies) which rose by the end of the decade due to agricultural surpluses.
- Due to the **1992 CAP reform** market price support was reduced and replaced by producer support in the form of direct payments. Spending on rural development measures also increased.
- **Agenda 2000** continued the reform process. Rural development policy was introduced as a second pillar.
- With the **2003 reform** most direct payments were decoupled from current production as they were based on the farmer's historical receipts. Rural development expenditure continued to increase.
- The **2008 Health Check** continued on the path of CAP reform, further reducing market support. CAP expenditure has been stabilized and despite successive enlargements overall CAP spending as a share of GDP has actually decreased from 0.66% in the 90s to 0.36% in 2017.

CAP expenditure and CAP Reform path (2011 constant prices)



Sources: CAP expenditure: European Commission, DG Agriculture and Rural Development (Financial Report). GDP: Eurostat. Annual expenditure in 2011 constant prices by applying a 2% yearly constant deflator/inflator.