



## OPINION

on the new Common Agricultural Policy  
[COM(2019) 581 final/31.10.2019, COM(2018) 392/1.6.2018,  
COM(2018) 393 final/1.6.2018, COM(2018) 394 final/1.6.2018]

(article 41B of the Standing Orders of the Hellenic Parliament,  
Principle of proportionality - political dialogue)

The members of the Special Standing Committee on  
European Affairs and of the Standing Committee for Production  
and Trade in a joint meeting (17-2-2020)

Considering:

- the Treaty on the Functioning of the European Union, and in particular Articles 38 to 44 thereof
- The Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down certain transitional provisions for the support by the European Agricultural Fund for Rural Development (EAFRD) and by the European Agricultural Guarantee Fund (EAGF) in the year 2021 and amending Regulations (EU) No 228/2013, (EU) No 229/2013 and (EU) No 1308/2013 as regards resources and their distribution in respect of the year 2021 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards their resources and application in the year 2021[COM(2019) 581 final/31.10.2019]

- The Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council, [COM(2018) 392 final/1.6.2018],
- The Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013[COM(2018) 393 final/1.6.2018],
- The Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products, (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, (EU) No 228/2013 laying down specific measures for agriculture in the outermost regions of the Union and (EU) No 229/2013 laying down specific measures for agriculture in favour of the smaller Aegean islands[COM(2018) 394final/1.6.2018],
- The COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS: “A Modern Budget for a Union that Protects, Empowers and

Defends its citizens: The Multiannual Financial Framework for 2021-2027” [COM(2018) 321 final/2.5.2018],

- The Proposal for a COUNCIL REGULATION laying down the multiannual financial framework for the years 2021 to 2027[COM(2018) 322 final/2/15.5.2018],
- the European Parliament Reports of 23.5.2019 and 15.5.2019 on Proposals for Regulations COM (2018) 392 and COM (2018) 393, respectively
- The 7/2018 Opinion of the European Court of Auditors (EU Official Journal 2019 / C 41 / 1.2.2019) on Proposals for Regulations COM (2018) 392, COM (2018) 393 and COM (2018) 394,
- The EU Council Document 14983 / 10.12.2019 on the progress of the Finnish Presidency's work on CAP reform package,
- the European Commission communication titled 'The European Green Agreement', [COM (2019) 640 final / 11.12.2019],
- The 2019/2956 (RSP) /10.1.2020 European Parliament resolution on the European Green Agreement,
- The 7.2.2020 Information Note of the SG Rural Policy and Management of Community Resources of the Ministry of Rural Development: "Proposal for a Regulation on CAP Strategic Plans 2021-2027 and small Aegean Islands budget / Horizontal Regulation-II. IP-Direct Payments' External Convergence»

Whereas:

- The Common Agricultural Policy (CAP) has been a strategic priority and flagship policy of the European Union since 1962, and must therefore continue to play an important role in the further course of European integration, -regardless of United Kingdom's withdrawal-, in order to achieve food security for Union citizens and residents, also tackling market volatility and

speculative price fluctuations, avoiding structural inequalities among the Union's various agricultural regions , ensuring fair living standards for the agricultural population, specifically by increasing the individual income of agricultural workers, and strengthening socio-economic fabric in rural areas, taking into account increased environmental and climate requirements,

- the CAP must continue to guarantee food security as constant access to adequate, safe and nutritious food, something that requires tackling climate change and environmental challenges, especially by developing sustainable production methods, reducing food wastage and loss, also protecting natural resources and biodiversity, in the context of the United Nations and the Paris Agreement on Sustainable Development objectives,
- CAP proposed revision does not sufficiently take into account the agricultural sector's special nature , namely structural, physical and economic disparities between various agricultural areas, thus creating conditions for further distortion of competition between countries with different levels of agricultural sector development and structures , in addition to imported foodstuffs not complying with European Union production standards, in breach of the principle of reciprocity, and for which a special "green" fee could be introduced,
- the gradual and increasing transfer of powers from the EU to Member States, coupled with the proposed CAP budget reduction, implies CAP renationalisation trends,
- balancing possible reduction in CAP/ rural development pillar resources (second pillar) by increasing co-financing by Member

States or transfers of resources from the direct aid/payments pillar (first pillar) contradicts CAP principles as enshrined in CAP Articles 38 and 39 TFEU,

- the new CAP is a shift from compliance to performance, ie monitoring both rural development, direct payments and sectoral interventions, and performance evaluation on basis of a set of common indicators together with linkage to achievement of objectives , results and outputs,
- EU agricultural employment rates are steadily decreasing and a large number of farmers have a comparatively very low income, thus undermining provision of fair living standards -under Article 39 TFEU and via CAP-, for agricultural population, and especially young farmers,
- under CAP current legal framework , smallholders, as well as small and very small farms, which are the majority in Greece, are exempt from cross-compliance administrative penalties and "green aid" obligations, while mandatory rules and new CAP enhanced conditionality requirements on environment and climate, public health, animal and plant health, animal welfare and food safety concern all farmers, with no exceptions whatsoever, thus including small farmers, as well as smallholdings and small smallholdings,
- CAP contributes most to the rural development of all areas, including mountainous, less-favored and island regions, with a positive environmental impact due to mild traditional low-input and density farming practices, with emphasis on local plant varieties and animal breeds,

- Important country-specific aid linked to natural or other area-specific restrictions proposed to be covered by the rural development pillar should be transferred to the direct aid/payments pillar, guaranteeing availability of related resources ,
- It is imperative to maintain the special arrangements for small Aegean islands' supply and agricultural production and to offset extra costs incurred by insularity condition, also ensuring adequate levels of funding to cope with pressures caused by the surge in migration and refugee flows and tourism increase.

Deem by a large cross-party majority that:

- CAP budget, within the 2021-27 multiannual financial framework (MFF), should be maintained at least at current EU-27 level to ensure achievement of CAP's multiple objectives, namely food security, sustainable and fair agricultural revenues, environmental care and enhanced climate action, consumer protection, attraction of young farmers and promotion of agricultural employment, but also protection of European producers against third country- producers ,
- external convergence between Member States, in its current form, does not contribute to CAP objectives, since using surface area as a sole criterion overlooks agricultural activity special nature, as well as structural, physical and economic disparities between agricultural areas, moreover disregarding impact on employment, overall economic activity and the viability of farms; by transferring resources from small family farms to larger ones with high average incomes it increases inequalities, and applying the sole criterion of surface area will make a large number of farms unsustainable (mainly small and multifunctional in Greece, but also in other Member States), as

they will be facing significant income reductions, farming will be at risk of being abandoned, which shall have grave impact on economy, social cohesion and the environment; external convergence implementation should, therefore, be linked to CAP budget increase in the frame of 2021-2027 MFF currently under negotiation.,

- the new CAP must link agriculture's economic, social and environmental sustainability with the preservation of resources earmarked for direct payments,

- any reduction of resources earmarked for direct payments (capping) should concern only basic aid/support and, exclude- in order of priority- aid for eco-schemes, supplementary aid for young farmers and associated production sector-specific aid.,

- conditions for receiving aid (conditionality), in form of administrative burdens involving environmental protection, public health, animal and plant health, animal welfare and food security relating to the environment and climate , as well as the introduction of a relevant Agricultural Advice System, must obey the one-in, one-out principle, that is, any proposal for introducing new burdens should alleviate citizens and businesses from existing burdens at the EU level, within the same policy area,

- it is imperative to increase resources which can be allocated for coupled support, and to provide more flexibility in implementation of the measure in order to cover more agricultural production sectors,

- the performance framework design for the proposed new CAP needs to be further improved in order to reduce administrative burden and cost, to avoid diverging action plans and, consequently decrease the risk of reductions and suspensions of payments; output and impact indicators should be delimited,

realistic, simple and verifiable and, therefore, fit-for purpose pursued; moreover existing ones should not be modified and new, burdensome ones should not be added via delegated Commission acts, because this would negatively affect the pursued stable environment for CAP strategic plans' evaluation and monitoring,

- any reduction of funds/resources directed to small Aegean islands is to be averted, in the context of the fundamental principle of EU territorial, economic and social cohesion, moreover given the minimal contribution of resources concerned to CAP budget,

- a longer transitional period is required until the new CAP enters into force.

They call on the Government to promote these positions in the ongoing negotiations within the Council of the European Union.

They call upon the European Union institutions, each within its own sphere of competence, to take account of these positions, in particular those relating to respect for European Union fundamental principles and objectives, including Common Agricultural Policy objectives, goals and achievements.