



EUROPEAN COMMISSION

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Dear Presidents,

The Commission would like to thank the Cortes Generales for their Opinion on the proposals on the future Common Agricultural Policy after 2020: proposal for a Regulation establishing rules on support for strategic plans to be drawn under the Common Agricultural Policy {COM(2018) 392 final}, proposal for a Regulation on the financing, management and monitoring of the common agricultural policy {COM(2018) 393 final} and proposal for a Regulation establishing a common organization of the markets {COM(2018) 394 final}.

The Commission is pleased that the Cortes Generales shares the view that the allocation of responsibilities between the European Union and the Member States envisaged in the proposal follows the principle of subsidiarity.

The Commission considers that Europe needs a resilient, sustainable and competitive agricultural sector in order to ensure the production of high-quality, safe and affordable food for its citizens, as well as solid socio-economic conditions in the rural areas. The context of the challenges of globalisation for the agricultural sector and the rural areas of the Union requires the maintenance of a strong, modernised and common agricultural policy, as confirmed in the legislative proposals presented by the Commission on 1 June 2018.

The Commission presented in May 2018 reasonable and balanced proposals for the Union's next Multiannual Financial Framework despite the very challenging overall context including the forthcoming withdrawal of the United Kingdom from the European Union and the need to address existing and new political priorities.

In this challenging budgetary context, the Multiannual Financial Framework proposals allocate EUR 365 billion for the Common Agricultural Policy for the period 2021-2027, which is a strong signal of continued support for the future of European Union farming and rural areas. While direct payments would be cut only moderately, for rural development a rebalancing of support between the European Union and the Member States is proposed, including the possibility for increased national contributions in order to keep an adequate level of support to rural areas.

*Ms Ana PASTOR
President of the
Congreso de los Diputados
Floridablanca s/n
E – 28071 MADRID*

*Mr Pio GARCÍA-ESCUADERO MÁRQUEZ
President of the Senado
Plaza de la Marina Española, 8
E – 28071 MADRID*

The Commission proposals would simplify and modernise the Common Agricultural Policy. They foresee a new allocation of responsibilities between the Union and the Member States whereby more flexibility would be given to the Member States to set out the details of interventions according to their needs, thus offering them an increased potential for better targeting and simplification.

Member States will have the flexibility to delegate part of the design and implementation of the Strategic Plan to the regional level. Whenever elements of the Plan are established at regional level, the Member State shall ensure the coherence and the consistency with the elements of the Strategic Plan established at national level.

Member States will be supported by the European Commission in the preparation of the Common Agricultural Policy plans. The approval process itself is an essential safeguard, as it consists of a thorough assessment of the completeness, consistency, coherence and effective contribution of the national strategy to the Common Agricultural Policy objectives.

The common market organisation instruments will remain mostly unchanged in the new Common Agricultural Policy. Nevertheless, the sectoral interventions will be integrated in the Strategic Plans. Member States will also have the option to set up schemes for the support of specific sectors that will be implemented via operational programmes prepared by producer organisations or associations with the aim to optimise production costs, develop sustainable production methods or crisis prevention and risk management tools, among others. This will help improve the farmers' positions in the food chain as well as their resilience to economic and environmental challenges.

Discussions between the Commission and the co-legislators concerning the proposal are now underway and the Commission remains hopeful that an agreement will be reached in the near future.

The Commission hopes that these clarifications address the issues raised by the Cortes Generales and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Phil Hogan
Member of the Commission*