

Dacian Ciolo □

Member of the European Commission Responsible for Agriculture
and Rural Development

The future of European agricultural policy - Call for a public debate

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

Speech to the European Parliament's Agriculture Committee

Brussels, 12 April 2010

Mr Chairman, dear Paolo, Mr Rapporteur, dear George, Honourable Members,

I'm pleased to be here with you today to continue the dialogue which we began during the hearing.

That was already three months ago!

It was, I remember, a constructive and fruitful exchange of views. I recall our shared passion for agriculture and the Common Agricultural Policy. I would like to thank you for that warm welcome.

I would also like to thank Paolo de Castro for his invitation to speak to you today and to thank George Lyon for the work he has been doing.

As you know, we must turn over a new leaf for the Common Agricultural Policy for the period after 2013 and we must do this together.

It must be entirely in keeping with the Commission's 'EU 2020' strategy. In a few moments I will tell you how agriculture can make a major contribution to intelligent, inclusive and sustainable growth. I will also tell you how the approach proposed in the 'EU 2020' strategy can bring the CAP more into line with our objectives for the European economy and society by 2020.

Turning over this new leaf in EU agricultural policy is the main priority of my term of office.

That is why I am addressing you today.

But before going any further, I would like to talk about someone who is very important to me. I would like to talk to you about my grandfather.

My grandfather was a small farmer. He lives in Pericei, a village in the west of Romania. He's a man who filled my childhood and my youth with his rural wisdom. He knows how to work the land and he passed on that knowledge to me. He taught me a lot about farming and about life.

From time to time, my grandfather would repeat an old saying: *cateodata, nu vezi padurea de copaci* – sometimes you can't see the wood for the trees.

When we speak of the CAP today, I am reminded of that saying. I see that some people have started to cut down trees. A bit further away, others are planting trees. Each doing their own thing.

The discussions on the future of the Common Agricultural Policy began in the same way. That is a good thing! It's further proof that the CAP still generates a lot of interest.

But there's a catch.

Some people are already focusing on very technical details: the trunk, the roots, the leaves of the tree. I've always been close to agriculture and I understand this passion for details.

But, as my grandfather said, 'sometimes you can't see the wood for the trees'. Before cutting, clearing and replanting, we must think. We must ask ourselves what we want to do with our wood later on.

We must look at the big picture.

How are we using and how could we use this lovely wood that is our Common Agricultural Policy?

That's the question I want to ask you. That's the question I want us all to ask ourselves. Citizens, taxpayers, consumers, farmers, scientists, manufacturers, tradespeople. All of us Europeans should take the time to think.

We have a shared responsibility.

The EU has a responsibility to guarantee its citizens' food supply. The recently adopted Lisbon Treaty entrusts it with this task via the Common Agricultural Policy. European agricultural policy dates back to July 1958. The foundation of the Common Agricultural Policy was laid in Stresa in Italy.

Europe still had a lot of weapons but not enough agricultural machinery. It dreamed of being self-sufficient in terms of food. The fear of rationing had to be eliminated once and for all.

Fortunately, that era is over. But the stakes are as high as ever with regard to food security. The events that the world has experienced in the last two years serve as a reminder of this.

I think we can be proud of what has been achieved. But we must also have the strength and the wisdom to move forward, in an EU of 27 which is itself an actor on the world stage.

Ladies and Gentlemen,

We have a responsibility to our citizens. Our decisions will have consequences. Consequences that will affect the daily lives of millions of people in Europe and beyond.

Our decisions involve the future of the European project.

As you are all well aware: the citizens can be sceptical about this project. The level of participation in the recent European elections shows just how important this task is. And at the same time, we need to work on the construction, coherence and perception of Europe.

Sometimes the citizens express concerns, questions, legitimate expectations. They have to be taken into account. The citizens must be involved in the decision-making process.

The citizens must understand what is happening here. They must realise that they are involved - that their opinion counts in the decisions taken here. As you are also aware: my commitment to and my ambitions for the Common Agricultural Policy are unequivocal. The CAP is one of the key policies of the European project and European integration. Today the CAP is one of the most integrated European policies.

Certainly, there are criticisms. There are imperfections. There are hopes for reform. All of these must be taken into account.

We have to take these into account not to weaken or dismantle the CAP, but to ensure it continues to be a powerful instrument for the farmers of the EU of today.

For it to be an instrument of the future, not of the past.

Ladies and Gentlemen,

I am in favour of a CAP reform for 2013.

I am in favour of a Common Agricultural Policy which is attuned to the expectations of European citizens. Attuned to their expectations for Europe's future.

Firstly, the European Union's 'EU 2020' strategy offers a coherent and collective response.

This is a strategy to deal with the economic and financial crisis, to confront the problem of climate change and the loss of competitiveness.

The Common Agricultural Policy contributes to this strategy. The CAP plays a key part in the development of rural areas. It promotes the vitality of the countryside.

And has done for a long time. And, I believe, will continue to do so for a long time.

Agriculture can contribute significantly to growth. It has a part to play in intelligent, sustainable and inclusive growth. European agriculture has a lot to offer. This is not the time to give up.

- The CAP is indispensable for sustainable growth.

We cannot speak of a rational and efficient use of natural resources without considering agriculture and the way in which it is practised.

- The CAP is indispensable for employment.

It enables rural areas to fully exploit their potential. Agricultural jobs often form the basis of rural economic activity. In a lot of areas, without agriculture and the agri-food sector there wouldn't be any economic activity. Or any work.

- The CAP is indispensable for green growth.

Well-balanced, based on innovation and research, the CAP provides the right responses to the challenges of green growth. It offers appropriate responses for confronting climate change. Agricultural activity is itself a source of renewable energies.

- The CAP is indispensable for intelligent growth.

In the future, agricultural techniques must adapt to the effects of climate change. More must be produced, with less. The scarcity of natural resources must be managed. Natural disasters must be dealt with. Carbon sequestering capacities must be enhanced. Greenhouse gas emissions must be reduced. Consumers must also be offered ever safer, healthier and more varied products. And for that, production techniques must be adapted. To deal with these challenges, we must mobilise our capacities for research and development.

European agriculture is a key sector of our economy. The CAP is one of our major policies. It can make a significant contribution to the EU's agenda as proposed by the Commission in its 'Europe 2020' Communication.

To maximise its contribution to the European project, the Common Agricultural Policy needs further reform.

The CAP has been reformed continually since its creation. It has been adapted to respond to the challenges of its time. Today's CAP follows on from the 2003 reform, following on from Agenda 2000. That was ten years ago now.

Major new changes are needed. This is my second point.

Today the EU has 27 Member States. Each Member State has diverse regions, cultures, types of agriculture.

This is a major asset, which we also want to maintain! We must make this diversity work.

We must strengthen the links between farming and consumers' expectations. Strengthen the links between farm production and local, regional and international markets.

We must face facts: we are facing a NEW reality in Europe. We can no longer speak of a 'single European model' in agriculture. We do not have a homogenous kind of agriculture, but a multifaceted kind of agriculture. We do not have ONE kind of agriculture in the European Union, but MANY kinds of agriculture.

We should take this diversity into account and the WEALTH that it represents. We should ensure that it is preserved and used for the benefit of our entire society.

Let us not be mistaken. Preserving this diversity does NOT mean reactivating national policies at the expense of a Community policy.

When we do not LOOK AT THE WHOLE, it is more difficult - if not impossible - to manage the PARTS.

Nothing can replace an OVERVIEW. Only a Community policy can allow us to preserve the diversity of our agriculture. This diversity to which we are all very much attached.

Thirdly, changes are necessary to prepare for the future.

We have to make agriculture able to respond to the challenges from society. Challenges such as food security, protection of soil and natural resources, economic growth of rural areas, climate change.

In this way, citizens and taxpayers will better understand that the Common Agricultural Policy is their policy. It is a policy that is made for them.

European agricultural policy is not the exclusive preserve of farmers. All of society benefits from the CAP through food, land-use management, the environment.

But are Europeans aware of this?

The answer is no, or in any case, not enough.

The Common Agricultural Policy suffers from a lack of exchange with European society.

A couple of weeks ago, a Eurobarometer survey showed that over 90% of European citizens consider that agriculture is important for the future. Over 90% of Europeans expect agriculture to provide them with safe, healthy, good-quality food. They expect it to protect the countryside. To develop the economy. They agree!

However, the survey also showed that most Europeans do not really know what the CAP is.

These figures speak for themselves, more than any speech could.

Little by little, the Common Agricultural Policy has partly become a thing for experts. This trend must be reversed. The doors have to be opened wide. The CAP must be discussed and debated.

Before we draft reforms, we must re-establish the connection with society.

Before we formulate responses on the CAP's future, we must ask the right questions. We must debate them.

We must involve citizens and civil society. We must give them the opportunity, time and space to make their voices heard so that then – in our future initiatives – we can take their opinions into account in a coherent fashion.

Ladies and Gentlemen,

I want to launch a public debate on the role of agriculture in European society. On the role of agriculture today and tomorrow. On the objectives which the CAP should meet.

We must do this. Before discussing the instruments needed. Before talking about the budget, the programmes, or this and that measure.

If we don't take the time for debate and reflection, we run the risk of discussing the means of a policy that we haven't defined – or that we think we have defined amongst specialists. But will we be sure to meet the expectations of our fellow citizens?

For this reason, we need to have a very wide and free debate of these questions:

- Why do we need agriculture in Europe?
- Why do we need a European common agricultural policy?

During this debate, we will obtain the positions and the comments of all stakeholders. The ideas of all those who want to be involved - individually, via associations, NGOs, think tanks or constituted bodies.

I want the reactions and thoughts of farmers and professional bodies and also of environmental protection associations, consumers, and animal welfare groups. The reactions of all those who are working in the food-security sector, on sustainable development, on rural development – on all the issues relating to agriculture.

We must open this debate up as much as possible.

Ladies and Gentlemen,

The questions on the future that we want for our agriculture and for our society are manifold. There are many aspects to analyse. I see this debate revolving around four strategic questions.

1. Why do we need a European Common Agricultural Policy?
2. What are society's objectives for agriculture in all its diversity?
3. Why should we reform the current CAP and how can we make it meet society's expectations?
4. What tools do we need for tomorrow's CAP?

Each of these strategic questions raises others:

- What tools would allow the European Union to respond to the challenges of the future given that the markets are more and more unstable and that expectations are growing?
- How can we make the European Union respond to the challenge of food security? In the coming decades, we will be facing changing and accelerated demand worldwide caused by growing populations, changing diets in emerging countries and risks caused by climate change.
- How can we ensure that consumers get safe, quality food at affordable prices? How can we maintain the quality and diversity of European products while responding to the expectations of the agri-food sector and regional and local markets?
- How can we ensure economic growth and green growth in rural areas? These regions can play an economic role and a role in terms of employment and the environment. We must free up this potential and find the appropriate tools for each of these regions – whether they are peri-urban, have a lot of productive potential, are disadvantaged, fragile or mountainous. Without a solid agricultural sector in these regions, the risk of the economic and social fabric breaking down is enormous. How can we stimulate the rural economy? How could the CAP have an even greater impact on the Europe of 2020?

- What legacy do we want to leave future generations in terms of the environment – air, soil and water quality? Let us not forget that farmers — less than 5% of the EU's population — exploit 80% of its territory. How can we better manage natural resources while continuing production? How can we preserve and restore biodiversity in Europe?
- Climate change is no longer a theoretical issue. Society expects solutions from the agricultural sector. Agriculture has already proved its ability to contribute significantly to the reduction of greenhouse gases, through a reduction of 20% between 1990 and 2007 as opposed to a reduction of 8% in other sectors. It can do even more. We must help it. We must rethink the link between research and agriculture.
- What future does Europe have on international markets? What are our strong points? How can we manage our competitive and offensive advantages better? How can we manage our qualitative requirements in a Community market that is increasingly opening up to imports from third countries and in the absence of international agreements on these matters? For example in the area of animal welfare.

Of course there are other challenges for the Europe of tomorrow. Many others! European agriculture can provide answers to all these challenges. We must also discuss them.

We should use these challenges to define objectives and tools for a common, balanced and sustainable agricultural policy. This would be our road map. We must also try to answer the following questions:

- How can we create more straightforward instruments so that taxpayers understand the link between support for agriculture, market supply and remuneration for public goods provided by agriculture?
- What instruments can ensure a minimum level of stability for agricultural incomes? What direct aid should be available to farmers? And in return for what? What elements are essential to ensuring that this aid is distributed fairly between Member States, between farmers, between the different types of farming, between economically comparable areas?
- How can we respond to growing market volatility? How can we ensure that an economic crisis does not destroy an entire sector? How can we balance relations between the economic actors in the agri-food sectors? How can we ensure that consumers pay a reasonable price - and that farmers also earn a reasonable income?
- How can we ensure the diversity of our farming in Europe in the future? How can we take better account of the particular problems of small farmers and local market opportunities?
- What reforms are necessary to better support competitiveness in European agriculture; what areas or sectors need modernisation or restructuring? What is the most efficient way to support this restructuring or modernisation?
- How can we improve the links between the agricultural economy, the economy and territory management? What tools can we use?
- What responses would be appropriate for the problems relating to the second pillar of the CAP? How can we develop the agricultural and agri-food sectors at local level? How can we make green growth a stimulus for the rural economy? How can we sustainably develop the natural and human resources of rural regions? What can we do to stop the desertification of certain rural areas?

And there are still other questions:

- What incentives or perhaps what obligations should be provided in terms of environment and quality? Should we have Community objectives that apply to all Member States? What role should subsidiarity play?
- How should we respond to climate change?
- And lastly, what sort of agricultural legacy do we want to leave our children?

Now I know I've asked a lot of questions. But you have a few months to answer them. I'm not expecting all the answers today!

It will take time - time to listen to the expectations and ideas of the actors across European society.

The public debate that I am asking you to join me in launching, here today, will last until June 2010.

This period should allow us to clarify Europe's expectations in terms of its agriculture. I will try to take part, to advance this debate in the Member States, in the networks and platforms of civil society.

The public debate will allow new ideas to emerge. They will inform the decision-making process on the future of the CAP beyond 2013.

- A website <http://ec.europa.eu/agriculture/cap-debate> has already been set up for contributions from all those who wish to make them. An independent body will then produce a summary of these contributions in June.
- In mid-July I plan to organise a conclusive conference on the public debate. We will debate the main ideas to have emerged from this process. Consider yourselves already invited. I am convinced that we will find strong and innovative ideas.
- These ideas will help shape the European Commission's thoughts regarding the Communication on the CAP after 2013. This Communication, which is planned for the end of 2010, will propose different options for the future of European agriculture and its common agricultural policy.

It is also up to you – the elected representatives of EU citizens – to seize this and push it forward in society. I am counting on your support.

I will also be addressing the European Economic and Social Committee and the Committee of the Regions in the near future.

By working together and by listening, we can achieve a common vision of the future of this European policy. Not only a common vision of the Member States and the European Parliament, but also a vision for all of civil society and for all EU citizens.

We have a shared obligation to obtain results. We must improve the efficiency and the perception of the CAP.

Then we will all be in the same wood, in the wood we dreamed of and designed.

Thank you for your attention.