



Leader in the Commission proposal on the future **COMMON AGRICULTURAL POLICY**

ENRD Leader seminar
in Rust/Austria, 17 October 2018

#FutureofCA

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Agenda

1. Future CAP: Objectives, *CAP Strategic Plan*, building blocs
2. *The role of Leader in the future CAP*
 - *Main provisions in the legal proposal*
 - *Continue the success story: effective implementation mode and contribution to strategic objectives*



DELIVERING BENEFITS FOR EU CITIZENS

**EU
Agriculture**

**CLIMATE & CLEAN ENERGY
AND ENVIRONMENT**



STEWARD
48 % OF EU LAND



**BIO & CIRCULAR
ECONOMY**



44 MILLION JOBS
IN THE FOOD CHAIN



FOOD SECURITY
FOR 500 MILLION CONSUMERS



SINGLE MARKET



EU AGRI-FOOD EXPORTS
NEARLY € 138 BN

The CAP

*Is a common policy
framework at EU level
allowing for adaptation
to local conditions*

*Provides support for
farm income and
competitiveness, while
fostering a sustainable
agriculture*

*Supports the
development of rural
areas throughout the
EU*

*Enables the
functioning of the
single market and to
speak with one voice
internationally*



**European
Commission**



OBJECTIVES

Treaty - Commission priorities – UN SDG – COP21

General Objectives

- Smart, resilient and diversified agriculture
- Environmental care and climate action
- Socio-economic fabric of rural areas

Specific Objectives

Farm Economic

- Support viable farm income and resilience across the Union to enhance food security
- Enhance market orientation and increase competitiveness, including greater focus on research, technology and digitalisation
- Improve the farmers' position in the value chain

Environment & Climate

- Contribute to climate change mitigation and adaptation, as well as sustainable energy
- Foster sustainable development and efficient management of natural resources e.g. water/soil/air
- Contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes

Socio-Economic

- Attract young farmers and facilitate business development in rural areas;
- Promote employment, growth, social inclusion and local development in rural areas, including bio-economy and sustainable forestry;
- Improve the response of EU agriculture to societal demands on food and health, including safe, nutritious and sustainable food, food waste, as well as animal welfare

Cross-Cutting Objectives

- Foster knowledge, innovation, digitalisation in agriculture and rural areas



CAP 2021-2027

- 10 bn. € from „Horizon Europe“ for R&I food, agriculture, rural development and bio-economy

(million € current prices)	CAP amounts	Comments
CAP (Total)	365 006	<ul style="list-style-type: none"> ▪ % of EU budget 2021-2027: 28.5%
Pillar 1 (EAGF) of which <ul style="list-style-type: none"> ▪ <i>direct payments (including POSEI)</i> ▪ <i>market measures</i> 	286 195 267 485 19 870	<ul style="list-style-type: none"> ▪ In general fully EU financed ▪ Cut on direct payments less than 4% ▪ Further convergence of direct payment aid levels between MS ▪ Less than 4% cut for all market schemes with envelopes (except school schemes and beekeeping)
Pillar 2 (EAFRD)	78 811	<ul style="list-style-type: none"> ▪ Rebalance financing between EU and MS: lower EU co-financing (similar for other European Structural & Investment funds)

Possibility of transfers between pillars

15% between both funds

+

15% from 1st to 2nd for resp. environment/ climate

New implementation method



CAP Strategic Plan

- Less compliance, more results based implementation
- More flexibility/subsidiarity
- **National CAP Strategic Plan will cover the entire CAP** (pillar 1 and pillar 2) for the entire period: SWOT-Analysis, needs assessment, priorities
- Explain how the nine specific objectives are addressed, which interventions? **What role will Leader play?**
- What are the **quantitative targets for the nine specific objectives, common indicators? What should Leader achieve?**
- Commission will have to approve each national plan

OVERVIEW OF THE NEW DIRECT PAYMENTS

Reduction of all direct payments
Above EUR 60 000 and capping at 100 000

Definitions (specified by MS): Genuine farmers, young farmers, agricultural activity, eligible hectare, agricultural area

Conditionality rules

- Enhanced with regard to environment and climate

Coupled support

Complementary income support for young farmers

Eco-schemes

Complementary redistributive income support for sustainability

Basic Income support for sustainability (BISS)

Round-sum payment for small farmers



European
Commission



CMO: WHAT WILL CHANGE?

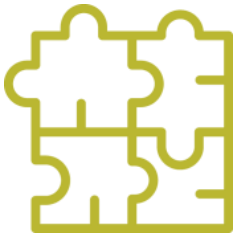
**LARGELY
UNCHANGED...**

CMO instruments remain largely unchanged

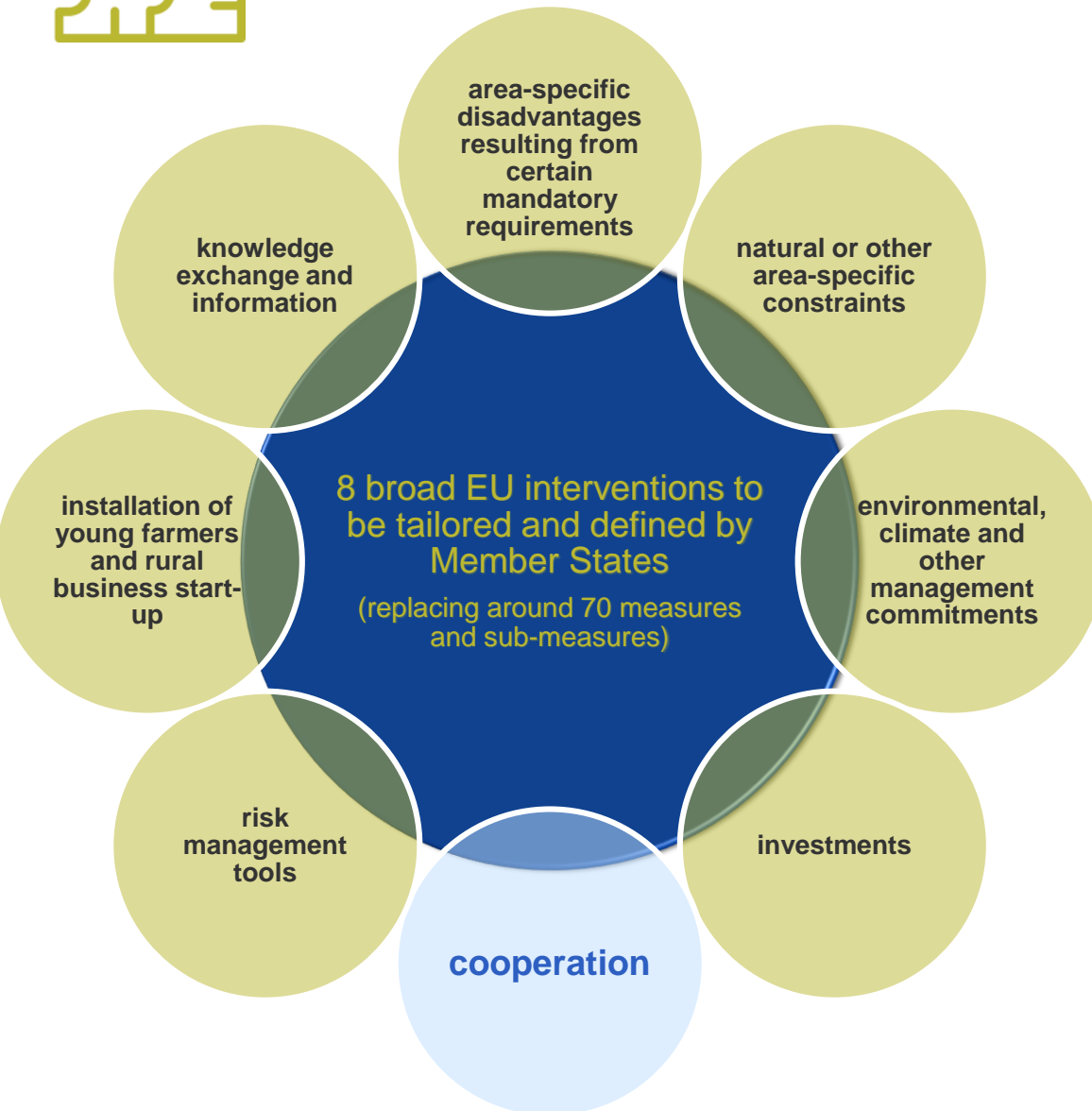
(safety net composed of public intervention and private storage aid and exceptional measures, but also marketing standards, rules on farmers' cooperation, etc.)

**...BUT A FEW
IMPORTANT
POINTS FOR
MORE
EFFECTIVENESS
AND
SIMPLIFICATION**

- **Integration of sectoral interventions in the CAP plan Regulation** (for fruit and vegetables, wine, olive oil, hops and apiculture)
- **Extension of the possibility to initiate sectorial interventions to other agricultural sectors**
- Amendments to rules on **geographical indications to make them more attractive and easier to manage**
- Adjustment of allocations following the MFF proposal
- Delete a number of obsolete provisions



RURAL DEVELOPMENT



KEY FEATURES

Ring-fencing of **total EAFRD** contribution:

- **30%** for interventions addressing the 3 environmental/ climate objectives
- **5% for LEADER**

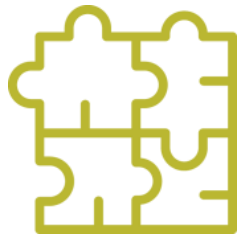
Mandatory risk management tools and Risk Management Strategy

Digital strategy to be included in CAP Strategic Plans

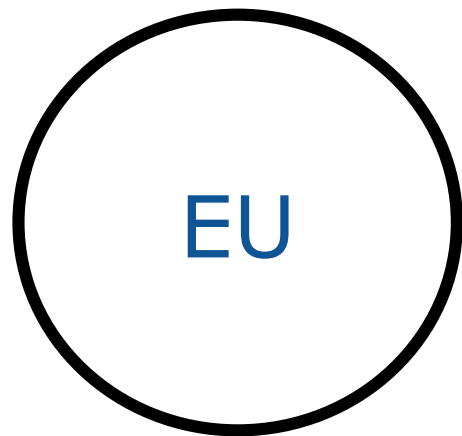
Possibilities for combining **Financial Instruments** and grants

Higher **maximum amount of aid for the installation of young farmers** (up to EUR 100.000)

Simpler way of ensuring coherence with other EU funds:
CAP Plan instead of Partnership Agreement



A NEW CAP DELIVERY MODEL



CAP Plans: targets, interventions and allocation of financial resources

Basic framework with definitions and rules (interventions, funding, control and reporting)

Detailed rules and criteria

Member States

Detailed rules and specifications

Beneficiaries



Key elements of the post-2020 CAP:

- ✓ More flexibility while at the same time maintaining the "common" elements of the policy
- ✓ Common objectives, strategic planning of the policy, results-based
- ✓ Simplification and modernisation
- ✓ Fairer distribution of Direct Payments
- ✓ Enhancing environmental and climate ambition
- ✓ Improvement of the socio-economic fabric in rural areas through young farmers, business start-ups, digitisation
- ✓ Better utilisation of innovation, research and technology

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LEADER – What stays?

- ✓ Leader: Compulsory part of the CAP Strategic Plan, can address all three (nine specific) objectives of the CAP
- ✓ Min. 5% EAFRD allocation to LEADER
- ✓ Higher EAFRD co-financing (80%)
- ✓ Common CLLD provisions on the method and coordination for the 4 Funds (CPR) apply
- ✓ Multi-funded approach and strategies as outlined in CPR applies
- ✓ Cooperation between all CLLD LAGs
- ✓ Possibility for 1 Fund to support all preparatory, management and animation costs [new: and up to MS to choose leading fund (CPR Art. 25, 4-6) for the implementation (incl. control) of the strategies]

Strengthening the role of LEADER 202

1) Keep the proven strengths of Leader:

- ✓ Mobilise local potential in different sectors
- ✓ Take into account local needs, assets, relevant socio-cultural features
- ✓ Build community capacity and social capital
- ✓ Stimulate innovation and change maker to
- ✓ Provide for structural changes and to
- ✓ Promote employment, growth, social inclusion and local development

2) Leader under the CAP strategic plan:

- ✓ Specific objective (h) "local development in rural areas"
- ✓ Strengthen the strategic role of Leader in view of socio-economic gains and show more what the specific results are in view of the nine objectives of the future CAP at the level of each LAG and the Member State

3) Implementation of Leader:

- ✓ Keep the system open and flexible, but yet ensure high levels of accountability



COMMON CAP OBJECTIVES

Increase
Competitiveness



Rebalance
Power in Food Chain

Ensure
Viable Income



**Climate Change
Actions**

- Precision farming and digitisation

- Reconcile mitigation and adaptation

9 specific
CAP
OBJECTIVES

Sustainable
**Resource
Management**

- Sustainable development Goals

Improve
**Food and Health,
Animal welfare**



Preserve
**Landscapes &
Biodiversity**

- Wild Pollinators, insects

- Bioeconomy



Vibrant
Rural Areas



Support
Generational Renewal

- Smart Villages

- Social inclusion



LEADER in the future CAP

- ✓ Leader continues to be an important and relevant building bloc within the future CAP architecture to support innovation and socio-economic development in rural areas
- ✓ Key features + favorable conditions for Leader are preserved
- ✓ The new delivery model of the CAP offers MS the opportunity to better adapt the delivery system for Leader to national conditions: simplification matters!
- ✓ Sustain the success story of Leader by strengthening the value-added of the approach, show tangible results and the contributions to strategic EU priorities

LEADER – Main changes

Now

- Payments based on eligibility
- Detailed EU rules on control and penalties
- No reference to the role of CLLD
- General requirement for coordination between Funds
- First selection round within 2 years after approval of Partnership Agreement
- Projects following the rules of the supporting Fund
- Cooperation projects can be selected by MA, limitations concerning partners
- Advances for investments and RC & animation

Post-2020

- Payments based on results
- MS in charge of designing control and penalties system adapted to the type of intervention
- Objective of CLLD clearly spelled out
- Obligatory joint call for LDS selection; joint committee to monitor LDS
- First selection and LAGs operational within 1 year from adoption of the last programme concerned
- Lead Fund option for management and control of all projects in a multi-funded LDS
- All projects to be selected by LAGs, freedom in choice of partners
- Advances for all types of support

Thank you!

All legal texts:

https://ec.europa.eu/commission/publications/natural-resources-and-environment_en

Q & A on the CAP:

[http://europa.eu/rapid/press-release MEMO-18-3974_en.htm](http://europa.eu/rapid/press-release_MEMO-18-3974_en.htm)

Further Info:

http://ec.europa.eu/dgs/agriculture/index_en.htm

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