Perspectives of the rural development policy post 2020

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Our starting point
Funding of the Common Agricultural Policy 2014-2020

<table>
<thead>
<tr>
<th>Multiannual Financial Framework (MFF) 2014-2020</th>
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<tbody>
<tr>
<td>(in million EURO – current prices)</td>
<td></td>
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<tr>
<td>1. Pillar: Market Measures and Direct Payments</td>
<td>312.740</td>
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<tr>
<td>➢ of which Direct Payments</td>
<td>252.238</td>
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<tr>
<td>2. Pillar: Rural Development</td>
<td>95.577</td>
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<tr>
<td>Total</td>
<td>408.317</td>
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(38% of MFF)
Allocation of the EAFRD Budget by Priority

- Knowledge Transfer and Innovation (cross cutting)
- Farm viability, competitiveness, sustainable forests
- Food chain, animal welfare, risk management
- Ecosystems in agriculture and forestry
- Resource efficiency, low carbon and climate resilience
- Social inclusion, poverty reduction, local development

- Ecosystems: 44%
- Social inclusion: 15%
- Ressource efficiency and climate: 8%
- Farm viability: 20%
- Technical Assistance: 3%
- Food chain & risk management: 10%
How is the policy perceived?
The Ongoing Discourse on the CAP

- Criticism of the distribution of direct payments
- Criticism of complexity and lacking effectiveness of "greening"
- Need for increasing resilience of farms
- Need for enabling conditions for young farmers
- Improvement of basic infrastructure (including broadband)
- Need for taking into account structural diversity
- More attention to societal expectations (habitat, landscape amenities)
- Need for climate action (mitigation and adaptation)
- Improved resource management (soil, water, genetic resources)
- Complexity of administration and control
- Requirement of result-based assurance
- Need for coalitions for agriculture and rural areas (Cork)
Identified challenges ahead

1. Fair standard of living for farmers
2. The pressures on the environment
3. Climate change adaptation and mitigation

Contrasting views on

1. Contribution of farmers to our society
2. Objectives of the CAP
3. Role of the CAP vis-à-vis the 10 Commission Priorities
Public Consultation II: Effectiveness

The majority of all stakeholders agree that the current CAP addresses the challenges "to some extent only".

Is the CAP addressing the environmental challenges?

- **"No"**
  - 59%
  - 80%
  - 78%

- **"Yes"**
  - 38%
  - 40%
  - 6%
  - 18%

Source: ECORYS
Would the CAP be simpler if...

- agree on a reduction of overlaps between RD and other CAP measures* 
- agree on a more extensive use of e-government services, a better use of databases & technologies to reduce farm inspections* 
- agree on giving more choice to farmers when it comes to environmental measures* 
- stakeholders showed no consistent agreement or disagreement on lump sum approaches

Source: ECORYS
The task
Commission is to work and consult widely on simplification and modernisation of the CAP:

1. Contribution to the Commission's ten priorities and to the Sustainable Development Goals.

2. Without prejudice to the Commission proposal to revise the MFF.

3. Performance of the current policy

4. Broad consultation and impact assessment
The context
Overall Context of Discussions on the Future of the CAP

- EU Priorities, Sustainability Goals, and Coherency
- Subsidiarity and EU Value Added
- Result-based Budgeting
- Simplification and Modernisation
The Priorities of the European Union

1. Jobs, Growth and Investment
2. Digital Single Market
3. Energy and Climate
4. Single Market
5. Economic and Monetary Union
6. Free Trade with US
7. Justice and Fundamental Rights
8. Migration
9. EU as a stronger global Actor
10. Democratic Change
Sustainable Development Goals

1. No Poverty
2. Zero Hunger
3. Clean Water and Sanitation
4. Affordable and Clean Energy
5. Decent Work and Economic Growth
6. Industry, Innovation and Infrastructure
7. Sustainable Cities and Communities
8. Responsible Consumption and Production
9. Climate Action
10. Land-based ecosystems
Policy Orientations

1. Promoting rural prosperity
2. Strengthening rural value chains
3. Investing in rural viability and vitality
4. Preserving the rural environment
5. Managing natural resources
6. Encouraging climate action
7. Boosting knowledge and innovation
8. Enhancing rural governance
9. Advancing policy delivery and simplification
10. Improving performance and accountability
Next steps

1. Communication on Modernising and Simplifying the CAP


3. Legislative proposals
Thank you for your attention!