

The Common Agricultural Policy after **2013**
Your ideas matter

The Common Agricultural Policy after 2013
Public debate
Summary Report



European Commission
Agriculture and
Rural Development



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1. Introduction

Dacian Cioloş

Commissioner for Agriculture and Rural Development



The year 2013 will be a new milestone in the history of the CAP. For 50 years, the European agriculture policy has fed the European project. This policy is not only tailored for farmers but for all European citizens. It concerns all of us.

The CAP is your policy. European agriculture is about food security for citizens and a decent living for farmers. We have to keep in mind that feeding Europe's citizens is still a great challenge. But that is not all. The CAP is also about landscapes, employment, environment, climate change and biodiversity.

The time has come for our generation to rewrite this project with our own words and our own objectives. It will be the most important issue of my mandate as Commissioner. Today, European society is facing new economic, social and environmental challenges, which the European Commission aims to tackle with the Europe 2020 strategy. Agriculture will be in the front line for many of these challenges. We have to mobilise all our energy to get around obstacles placed on the road of sustainable farming and food producing. I am convinced that the CAP is a relevant tool for Europe on the road to green, sustainable, smart and inclusive growth.

The CAP needs to connect more with European society. I want the widest possible participation in the CAP decision-making process. I am determined that we all prepare carefully and in a very open manner for CAP reform. I don't want the CAP to be only for experts. The doors have to be opened wide. The CAP must be discussed and debated.

This is why on 12 April I launched a public debate, inviting the general public, EU stakeholders and think tanks, research institutes and others to send comments in response to four key questions. *Why do we need a European common agricultural policy? What do citizens expect from agriculture? Why reform the CAP? What tools do we need for the CAP of tomorrow?*

The number of contributions to this public debate, from all quarters, has greatly exceeded my expectations. I am told that this has been the biggest response to any exercise of this kind conducted by the Commission – by far.

But it's not just the quantity of responses that has been astonishing. We have received thoughtful and obviously heartfelt views from all around the EU. Most support the current direction of the CAP; others urge us to take the CAP down a different route. And the comments made are not all general in nature; many are very detailed.

Of course I didn't expect everyone to agree on one common view. I wouldn't want that. But the responses from the people and organisations who took part show some clear themes. I realise that

this cross-section is not a scientific sample of EU society. Nonetheless the debate has given me an important window into feelings held by many people.

On 19-20 July I will host a summing up conference on the public debate. We will discuss the main ideas to have emerged from this process. There will be a formal public consultation on the CAP post-2013 later this year when the Commission publishes a Communication setting out different options for the future CAP. For now I am very grateful for the views that have been sent in, in such huge numbers. This has given my colleagues in DG AGRI and me personally much food for thought - your views will become part of our deliberations.

A handwritten signature in black ink, appearing to read 'Dacian Cioloș', with a large, stylized initial 'D'.

Dacian Cioloș

2. Executive Summary

The Common Agricultural Policy is due to be reformed by 2013. A formal public consultation on the CAP post-2013 will be undertaken later this year when the Commission publishes a policy paper setting out different options for the future CAP.

On 12 April 2010 the Commissioner invited all interested EU citizens and organisations - whether or not they work in the area of agriculture - to join the debate on the future of the Common Agricultural Policy, its principles and objectives. This on-line debate stayed open till 11 June 2010. The intention was to give as many EU citizens, stakeholders, and think tanks, research institutes and others, as possible the opportunity to have their say early on in the reflection process about the future of the CAP. Their responses will provide input to the policymakers; a formal consultation procedure will be launched once the Commission issues a Communication on the subject later in the year.

Methodology

A special site was created on the website of DG Agriculture where respondents could post their views, structured around four key questions. Responses were invited from three broad categories:

- General public
- Stakeholders
- Think tanks, research institutes and others

The public were asked to respond, on-line, with their answers to the questions. The Commission invited certain stakeholders and think tanks, research institutes and others to submit more detailed papers, also centred on the four questions, providing in addition shorter summaries of their positions on the topics.

During the same period the Commission invited the national rural networks and other members of the European Network for Rural Development (EN RD) to launch discussions in their respective countries/organisations and to provide contributions to the public debate through the EN RD.

An independent group of experts and writers summarised the contributions received. This report is their summary of respondents' views. It is not an analysis of those views, and it does not comment on their value. It should be stressed that the responses do not represent a survey of a cross-section of society. They reflect the views of those with sufficient interest in the subject to make statements, and of bodies encouraged by the Commission to take part in this debate.

Some 5700 submissions were published. The response of, in particular, the general public greatly exceeded expectations.

The answers to four key questions

The four questions were broad. Answers to different questions sometimes overlapped. Others lacked focus. Nevertheless, some major themes emerged.

Question 1 - Why do we need a European common agricultural policy?

Most stakeholders and think tanks, research institutes and others believe that a common agricultural policy at EU level is more desirable than a series of national/regional policies, or no agricultural policies at all. Many, but not all, argue that several reforms of the CAP in recent years

have taken agricultural policy in the right direction. There is widespread agreement that a common EU policy is the key to ensure a level playing field within the EU, guaranteeing fair competition conditions. The general public too stressed the need for fairness throughout the agri-food chain and among member states. Many respondents underlined that the CAP is essential for EU food security – this was the first comment made by many respondents, from all of the groups making submissions.

Many respondents, from all sections of society, argue that a CAP should aim to maintain diversified farming systems across Europe, particularly in remote areas, and to ensure delivery of multiple public goods. However there are divergent views about how the CAP should achieve this. Some believe that the CAP is essential in order to allow farmers to continue in business in circumstances where markets cannot provide the right economic returns, and where they face high costs of production often associated with providing public goods. Such respondents argue that farmers should therefore be supported for being farmers and rewarded for additional public goods they may provide. Other respondents believe that the main focus of the CAP should be on public good provision, with farmers only being supported where these goods are delivered, and on contributing to territorial cohesion, maintaining and enhancing the vitality of rural areas.

Question 2 – What do citizens expect from agriculture?

There are consistent views from all strands of society that the main purposes of EU agriculture should be:

- Provision of a safe, healthy choice of food, at transparent and affordable prices;
- Ensuring sustainable use of the land;
- Activities that sustain rural communities and the countryside;
- Security of food supply.

Many respondents argue that citizens want EU agriculture to respect the environment, decrease its impact on global warming and maintain biodiversity, water resources etc. Many feel that sustainable family farming produces a wide range of benefits and is recognised for that by European citizens. A significant number of respondents stressed the importance of the agriculture sector in providing employment in rural areas. This view was particularly prominent in a number of member states.

There is a widespread view that citizens want high quality food products. Most argue that these should be provided at reasonable prices to consumers. Many others say farmers too need fair prices for food products. For the general public food should be healthy, natural (many say specifically that this means no GMOs or pesticides should be used) and produced in an environmentally friendly manner (concerning water, soil and air quality) and traceable. Many say that imported foods should meet the EU's high standards.

Question 3 – Why reform the CAP?

The main arguments put forward for further CAP reform are to:

- Enable farmers, the food chain and consumers to deal with the increased instability/volatility of agricultural raw material and food prices;
- Address increasing global demand (and the general trend towards increasingly open global markets);
- Restructure payments within the CAP, and simplify administrative procedures;
- Give greater importance to non-market items, such as environment, quality and health standards, sustainability;

- Respond to the effects of climate change;
- Take into account the various higher expectations from consumers, for example with regard to the origin of foodstuffs, guarantees of quality etc;
- Strengthen the competitiveness of European agriculture;
- Ensure better coordination with other EU policies applying to rural areas.

Other issues raised include: a lack of equity in applying the CAP across the 27 member states; the functioning of the food chain; the need for market management tools; the small farmer versus large farmer debate; the impact of the CAP on the developing world.

Question 4 – What tools do we need for the CAP of tomorrow?

A large number of respondents argue for the current direction of the CAP to be maintained with relatively minor alterations. However, another significant proportion of respondents favours re-focusing the CAP to link agricultural production, and farmers' compensation, more closely to the delivery of public goods such as environmental services. Responses from the general public indicate that there would be widespread support for this. There are varying views between these two poles. There are calls for greater citizen involvement in the devising and implementing of future policy.

A wide variety of tools were suggested under various scenarios, including new market stabilisation instruments, training programmes, local strategies, producer groups, food promotion and improved market and other data/information sources. A strongly held view, particularly among the general public is that 'industrial' agriculture should have little place in the CAP, its support being more appropriately directed to more deserving recipients (in disadvantaged areas, mountain zones, organic farmers or one of several other categories mentioned).

Conclusions

It is hard to draw conclusions from the array of views received. However a number of themes emerged which have considerable support from the wide range of contributors. These themes represent the middle ground among respondents. Some would want to go further; others less far. From the submissions, we have identified 12 directions to be followed. The EU should:

- Take a strategic approach to CAP reform. Go for total, not partial, solutions taking account of CAP challenges on the one hand and the interplay between the CAP and other internal and external EU policies on the other hand;
- Ensure that the CAP guarantees food security for the EU, using a number of tools to achieve this aim;
- Continue to push the competitive and potentially competitive sectors of European agriculture towards operating in a market context, giving more importance to innovation and dissemination of research;
- Transform market intervention into a modern risk- and crisis-management tool;
- Recognise that the market cannot (or will not) pay for the provision of public goods and benefits. This is where public action has to offset market failure;
- Bear in mind that the correct payment to farmers for the delivery of public goods and services will be a key element in a reformed CAP;
- Protect the environment and biodiversity, conserve the countryside, sustain the rural economy and preserve/create rural jobs, mitigate climate change;

- Rethink the structure of the two support pillars and clarify the relationship between them; make adequate resources available for successful rural development;
- Implement a fairer CAP – fairer to small farmers, to less-favoured regions, to new member states;
- Introduce transparency along the food chain, with a greater say for producers;
- Create fair competition conditions between domestic and imported products;
- Avoid damaging the economies or food production capacities of developing countries; help in the fight against world hunger.

3. Background, methodology and general response

Background

The CAP has been the centre-piece of European integration and remains the EU's strongest common policy. The CAP is dynamic; it has moved forward. The time has come to assess the results of previous CAP reforms and take account of the present and future challenges it faces.

There is a clear link between agriculture, the environment, biodiversity, climate change and the sustainable management of our natural resources such as water and land. Agriculture is also important for the positive economic and social development of the EU's rural areas. Europe's farmers deliver public goods which benefit society as a whole. And, farming is the source of the food on our plates.

This is why the Commission launched a broad public debate on the future CAP, open from 12 April to 11 June (initially 3 June), to everyone who cares about food, farming and the countryside. The Commissioner announced the debate in appearances before several EU bodies, advisory groups and stakeholders as well as via the media across the EU and in speeches in a number of member states.

A website <http://ec.europa.eu/cap-debate> was set up for contributions from all who wished to make them. Three strands of society were encouraged to take part:

- The general public;
- Stakeholders (e.g. farmers' organisations and professional bodies, environmental protection associations, consumers, animal welfare groups, other interested non-governmental organisations - NGOs);
- Think tanks, research institutes and others;
- Stakeholders and citizens were also approached through the European Network for Rural Development (EN RD) which brings together national rural networks, European organisations and national authorities involved in rural development programmes. Many of the national networks organised discussions with rural stakeholders in their respective countries.

In launching the debate, the Commission underlined the need for the CAP to take into account the diversity of EU agriculture and its different levels of competitiveness (global, regional, local) among the 27 member states. The Commission believes it is also vital to focus on the future economic, social and environmental challenges of the CAP, and on innovation, thus contributing to the objectives of Europe 2020, the Union's strategy for smart, sustainable and inclusive growth.

The Commission positioned the debate around four key questions, and invited participants to respond to each:

- Why do we need a European common agricultural policy?
- What do citizens expect from agriculture?
- Why reform the CAP?
- What tools do we need for the CAP of tomorrow?

This debate is an informal precursor to the formal consultation process that will follow the presentation of a Commission Communication (policy paper) on the CAP later in 2010.

Methodology

The same four questions were put to all categories of participants. For the participants of the EN RD, three additional questions relating to rural development aspects were included. All were free to respond in any EU language. Stakeholders and think tanks, research institutes and others were asked to provide a two-page summary in English or French along with their main submission. The contributions of the general public, stakeholders and think tanks, research institutes and others have been published on the dedicated website, and the contributions through the EN RD on its web site: http://enrd.ec.europa.eu/cap-consultation-process_home_en/en/debate-contributions_en.cfm

An independent body was engaged to produce a summary of these contributions – the present report. The authors were assisted in reviewing and summarising the contributions by:

- A panel of experts from several member states with experience and knowledge across the agri-food sector, and with a range of language skills;
- An additional group of EU practitioners who were capable of summarising contributions in a number of languages;
- Support from the European Commission to translate some non-core EU languages.

As contributions from the general public came in they were summarised by one of the above, with the essential arguments put into a separate summary document for each contribution. Assessments were then prepared on a country basis for each member state where more than 50 responses had been submitted. The summary report synthesises these individual and country-level documents.

The authors themselves assessed and summarised the papers and other contributions sent by stakeholders and think tanks, research institutes and others, using a matrix to log the main opinions voiced. The EN RD contributions were analysed in a similar way.

General response

There was a strong response to the invitation for comments, in particular from the general public. The full figures are given at Annex I to this present report. The headlines are:

- 5 473 contributions were sent to the website open to the general public;
- 93 stakeholders replied to the Commission's invitation to take part;
- 80 think tanks, research institutes and others sent their views
- 24 submissions were received from national rural networks and 12 from EU organisations participating in the EN RD. The national rural networks summarised the discussions with their network participants.

The strength of the response prompted an extension of the closure date of the debate, from 3 June 2010 to 11 June.

The Commission also widened its original invitation made to EU-level stakeholder associations only. The Commission decided to accept contributions from national and regional organisations as well. The views of a number of think tanks, research institutes and others which had not been approached at the start of the debate were also included in the process.

Three quarters of the submissions from the general public came from just six countries: Germany, followed by Poland, France, Latvia, Spain and Austria. Then came Belgium, the UK, Ireland, Italy and the Netherlands. The full figures for numbers and origin of contributions can be found in the Annex to this report. Papers sent by stakeholders and think tanks, research institutes and others have been published on the website.

Cautionary notes

This report is a summary of contributions, not an analysis. However, there are some important points to note so that this report and its context are clearly understood. The main points are:

The debate exercise was not conducted like a market survey or a public opinion poll. Those who responded were not selected or solicited on the basis of any scientific or random criteria as being representative of a wider community or section of the population. A set of four general questions about the CAP were posted on the Commission website. Anyone interested was free to respond or not.

The process was therefore driven by participants. The high number of responses from the general public is testimony to its great success. But one reason for the high numbers is that, in several countries, agricultural interest groups mobilised their members to take part. The evidence of concerted action is clear, particularly in the countries with most submissions – Germany, Poland, France, Latvia, Spain and Austria. The extent of this mobilisation clearly affected overall results.

Given the subject of the debate, it was to be expected that farmers would want to participate as individuals, even if the professional body they belonged to was also taking part as a stakeholder. The number of general public responses from participants, who identified themselves as farmers or as directly linked to farming, varied between 20% and 40% per member state. There was another group of submissions from individuals who did not identify themselves as farmers but who exhibited a knowledge of the CAP beyond the level of most interested laypeople. Those with a farming interest thus form a significant proportion of general public respondents. Another feature of the results is that the number of men respondents outnumbered women by a factor of more than 2:1.

There is also clear evidence of mobilisation on a lesser scale in submissions from individuals belonging to environmental, or animal welfare organisations. The most obvious cases were those of animal welfare sympathisers in Germany and the Netherlands. Some NGOs coordinated their actions across borders.

In some cases it was hard to decide whether to classify an organisation as stakeholder or think tank as there are grey areas in between. In addition, a number of think tanks, research institutes and others which participated have particular (and stated) interests in agriculture, rural development or the environment.

In addition, the Commission's decision to accept national as well as EU-level organisations led to instances of overlap and duplication, where organisations and individuals appeared twice with the same views.

The net result of these factors is that agricultural interests played a major role in the debate, among the general public and think tanks, research institutes and others as well as among stakeholders.

These notes do not detract from the undisputed success of the debate and the record level of responses received. But they indicate that the results of the exercise should not be over-interpreted.

4. Responses to Question 1 – “Why do we need a European common agricultural policy?”

4.1 Presentation by group

Comment: in their answers to each question, there were as many differences within the groups as there were between them.

4.1.1 Stakeholders

Stakeholder organisations obviously reflected the specific positions of their members: farmers, food processors, environmentalists, NGOs, consumers, etc. But despite the differences, there was some common ground.

a/ Overall position on the importance of EU agriculture/need for agricultural policy

Many responses stressed that a thriving agricultural sector is important to the EU, for the following main reasons:

- So that all citizens have access to secure and stable supplies of food, that is safe to eat and of good quality;
- To ensure that food is produced in a way which protects the countryside, the environment and wildlife;
- To sustain rural communities and rural jobs, and to ensure farming activity across the EU’s territory;
- To ensure fair treatment of farmers in the different member states;
- To tackle the new challenges of: unstable global markets; widespread economic crisis and concerns over sustainability and climate change.

Most stakeholders argue that the market alone will not achieve these objectives, and agree that the Common Agricultural Policy (CAP) is the best instrument we have to help achieve them.

b/ A common agricultural policy

Most stakeholders believe that a common agricultural policy at EU level is more desirable than a series of national/regional policies, or no agricultural policies at all. Many, but not all, argue that several reforms of the CAP in recent years have taken agricultural policy in the right direction. These reforms have made farming more market orientated and farmers have been encouraged to provide additional services in their role as land managers, as well as to improve food quality and safety and other practices such as animal welfare.

There is widespread agreement that a common EU policy is the key to ensure a level playing field within the EU, guaranteeing fair competition conditions. Stakeholders argue that a single market for agricultural products must remain the guiding principle for the future.

Most respondents argue in favour of an EU-level agricultural policy. There are very few advocates of further ‘renationalisation’ of the CAP (allowing member states greater flexibility in the operation of CAP instruments). Indeed some argue that national flexibilities and exemptions should be kept to a minimum and closely monitored so as not to create competitive distortions that would undermine the single market. Opinions are more divided on the issue of introducing a greater element of national co-financing of CAP measures.

c/ Food security

There is general agreement that the CAP is essential for EU food security. The way this is expressed varies between those who argue that the EU must be self-sufficient in food that its climate allows it to produce, and those who accept that some food imports should be allowed (some say in a controlled manner, e.g. using tariff quotas). Others argue that the EU should play a leading role in ensuring global food security. The view that the right to food is a 'universal human right', which must be recognised and supported by the CAP, is supported by many stakeholders. Some, notably among the non-professional organisations, believe that the EU should not seek to feed the developing world, but rather should assist developing countries to feed their populations themselves.

d/ Provision of public goods

This emerges as a strong theme in all stakeholder categories. It is already important, and will become more so in the future CAP. Many say that farming already provides a variety of public goods. The CAP plays a role since direct payments to farmers and other incentives encourage them to farm in ways that protect the environment, tend the countryside and keep water and soil clean. Other stakeholders say farmers should provide such goods as a matter of course and should be rewarded only when they go beyond the legally specified level of requirements.

e/ Management of natural resources

All stakeholders accept that agricultural policy, and preferably a CAP at EU-level, is essential to ensure that natural resources are managed properly, and that the key environmental challenges are addressed. These challenges include climate change-related issues. Sustainability is the key word for the future.

f/ Quality products

Certain stakeholders emphasise the positive impact of the CAP in encouraging the production of higher quality food. The CAP, via its quality policy element, also helps to preserve traditional production systems, animal breeds and plants. Many respondents argue that the EU should ensure that rules on the origin of food are made clear and that food is clearly marked as to its provenance and other quality characteristics.

g/ Supplying the EU food and feed chain

Some stakeholders say a common agricultural policy is needed as a framework for the supply of sufficient raw materials. Not to have the CAP could result in uneven production and supply across the EU, thus causing difficulties for the food and feed industries. These stakeholders seek a balance between reliable EU-produced raw materials and the ability to import materials that cannot be sourced within the EU.

4.1.2 Think tanks, research institutes and others

The think tanks, research institutes and others presented a wider variety of viewpoints than stakeholders. It is among a small minority of think tanks, research institutes and others that opposition to the CAP is most clearly articulated.

a/ Supporting farmers/providing public goods

Some contributors argue, like stakeholders, that the CAP has made significant achievements, and that it has fulfilled its stated objectives and EU Treaty obligations. The main benefits listed are: contributing to EU food security; maintaining diversified farming systems across Europe, particularly in marginal areas; delivery of multiple environmental and social public goods. Supporters of this view argue that, without the CAP, it would be difficult to ask farmers to continue to face the big challenges ahead of delivering environmental public goods, food security and rural activity. Those

holding this view say that, where the market cannot deliver, the EU needs to intervene to support the provision of public goods, in response to strong public demand and to ensure that collective political targets are met. Some add that the CAP is a means of increasing employment in the agricultural and related sectors.

For others, the CAP is “socially unfair” as poorer, smaller farmers benefit little, in their view, from the CAP. Several point out that 20% of recipients receive roughly 80% of the direct income support. Furthermore, many farmers are rich in assets: they own machinery, farm buildings and land.

Another thesis is that the objectives of CAP Pillar 1 are no longer aligned with society’s expectations and they do not provide a legitimate basis for public expenditure in a market-oriented sector. There thus needs to be a change in the rationale of the policy, its objectives and measures to reflect societal demands for the provision of public goods.

b/ Food security

Several think tanks, research institutes and others argue that a CAP is necessary in order to provide food security, in both senses - sufficient food to feed the European population, but also safe food.

c/ Facing new challenges together – a common policy

A number of think tanks, research institutes and others share the stakeholder view that a strong CAP is required to face the challenges of tomorrow, which can only be met by adopting a common policy approach across agriculture and the rural sector. Additional arguments are offered: a common policy ensures coherence with other policies so that common objectives can be met; and that there is greater efficiency in expenditure and accountability.

d/ Sustainability

It is argued by several that sustainable land management is central to meeting many of the challenges now facing Europe - climate change adaptation and mitigation, water management, natural resource protection, landscape maintenance, soil functionality, air quality, resilience to flooding and fire, and reversing biodiversity loss.

e/ Cultural heritage

A number of think tanks, research institutes and others stress that European cultures are closely connected with farming traditions. Protection of European agriculture is thus also protection of Europe’s cultural heritage.

4.1.3 General Public

Given their large number of responses, the general public provided a rainbow of reasons for supporting a common agricultural policy:

- The CAP is the only common policy the EU has. The EU needs to make it work better. It has a significant role to play in the European integration process;
- Because farming is a strategic industry: Europe must be self-sufficient (some argue that the EU needs security of supply while others argue for full self-sufficiency). Most respondents who commented on this issue - and many did - argue that the CAP contributes to better food security;
- To guarantee food security in both quantity and quality (management of the quality of our food);
- The need to maintain strategic stocks of food was specifically mentioned by a few respondents;

- To ensure fair treatment of farmers (within the food chain – vis-à-vis other elements such as retailers);
- Because the EU needs to create equal conditions for farmers across Europe;
- The CAP is the corollary of a single market/single economic area;
- To maintain rural communities (especially farmers, who can best look after the countryside and protect the environment);
- A common policy is needed to provide a revenue to farmers across a variety of regions/sectors;
- To protect farmers from speculators and avoid dependence on imports;
- To equip EU farmers to compete with imported products.

There is general support for an agricultural policy. A common policy is favoured over 'renationalisation' by a large number of respondents. There is a little support for having more national co-funding, in CAP pillar 1, but apparently within a common framework of rules. Only a small number of respondents favour scrapping the CAP (and some of those recognise something else would be needed in its place).

Support for a CAP does not necessarily mean support for the CAP along current lines. There are many shades of opinion. A considerable number of respondents argue in favour of more emphasis on encouraging sustainable agriculture. For a minority the point of CAP reform would be to change the whole emphasis in favour of organic farming and a reduction of meat products in our diet.

A substantial number of respondents in many countries say that the main purpose of CAP payments is to compensate EU farmers for their higher production costs, for example in social security contributions, for complying with higher EU standards and requirements in several sectors and wages. In many instances, these costs cannot be covered by market prices. This is why public intervention is needed to offset market failure. The view is widespread that EU farmers bear additional costs which many non-EU competitors do not have, in terms of quality standards, health and hygiene compliance, traceability and origin requirements, as well as environment protection, preservation of biodiversity, countryside management etc.

For participants in several countries, but expressed most strongly in France, agriculture is at the heart of our culture, economy, society, food and environment. This echoes the cultural value mentioned by some think tanks, research institutes and others.

4.1.4 Contributions through the EN RD

The widely-held view among EN RD contributions is that a strong rural development component in the CAP is needed to address the challenges facing both agriculture and rural areas.

Many of these challenges (relating to food security and territorial, social and environmental issues) are common to all member states. There are differences between the contributions of the stakeholders reflecting the positions of their members.

There is widespread agreement among the ER ND stakeholders on the importance of protection of the environment (soil, water, biodiversity), sustainable management of natural resources and the need to contribute to climate change mitigation and adaptation.

As far as territorial challenges are concerned, many believe that rural/urban differences should be addressed and that the economic sustainability and quality of life of rural areas be assured. In many rural areas social structures are not resilient and it is important to sustain communities and local economies. This is a particular challenge for remote areas and those suffering from a lack of human

capital. The provision of public goods in disadvantaged areas is seen as a serious problem.

Important challenges for farming communities to address are:

- Maintaining farmers' and rural income;
- Reinforcing the economic position of farmers within the food chain; fostering vitality and productivity in the farm and other sectors, in the context of an ageing rural and farm population.

4.2 General public views by country and/or region where relevant

The above-mentioned opinions of the general public were widely expressed, across most member states. Participants from the new member states strongly believe the CAP should bring their levels of support closer to those in old EU countries.

5. Responses to Question 2 – “What do citizens expect from agriculture?”

5.1 Presentation by group

5.1.1 Stakeholders

a/ Overall

A generally held view among stakeholders is that citizens expect agriculture to meet the following requirements:

- Security of food supply;
- Provision of a safe, healthy choice of food, at transparent and affordable prices;
- Ensuring sustainable use of the land;
- Activities that sustain rural communities and the countryside

b/ Food security

Some say citizens' priority is food security and that therefore agriculture's main role should be to provide it. The priority of EU farmers should, in their view, be to feed Europe's population, not to be the world's largest importer/exporter. They argue that food is too important to be dependent on a deregulated market. A strong agricultural policy which regulates production and markets and which makes agricultural practices answer environmental and health challenges is required. A number of stakeholders argue that citizens do not believe the objective of agriculture should be to “feed the world” but to ensure secure food supply for Europe as set out in the EU treaties.

c/ Environment

Many stakeholders argue that citizens want EU agriculture to respect the environment, decrease its impact on global warming, protect biodiversity and manage water resources carefully. They feel that sustainable family farming produces positive externalities and is recognised for that by European citizens.

d/ Developing countries

A significant number of stakeholders take the view that European agricultural policy should not harm the agricultural economies of developing countries. As a corollary they add that the EU and third countries should have the right to protect themselves from imports at too low a price. Some add that it is more desirable for the EU to help poorer countries outside the EU to feed themselves, rather than to export food to them.

e/ Animal welfare

A number of stakeholders believe tough standards to protect farm animals are high on the agenda of European citizens and consumers and should be seen as an important driver of farmers' activities and CAP reform. These stakeholders cite two Eurobarometer surveys from 2005 and 2007 that revealed that EU citizens give considerable importance to the protection of farmed animals. However, this was not an issue that received much attention among the majority of stakeholders.

f/ Employment

According to most stakeholders, citizens want farming to safeguard and increase jobs in rural areas, and to reverse the trend of the disappearance of farms - and to encourage new entrants to farming, especially the younger generation.

5.1.2 Think tanks, research institutes and others

With minor variations, virtually all think tanks, research institutes and others coalesce around a set of perceptions about European agriculture and the CAP which they attribute to EU citizens. In their view, what the general public wants agriculture to provide is

- Food security and a fair income for farmers;
- Management and protection of the environment;
- Balanced development of rural areas;
- Delivery by farmers of public goods;
- A contribution to mitigating climate change.

But there are differences among the think tanks, research institutes and others about how to deliver these results, with a number who question the ability of the current CAP model to do so.

a/ Food security

think tanks, research institutes and others state that society expects from agriculture: secure sources of food supplies, and food which is safe, and which reflects the diversity of the European territories.

b/ Environmental sustainability

European citizens, it is argued, demand from farmers that they manage the land and other natural resources in ways that deliver high levels of environmental and social public goods and services, such as water, biodiversity, carbon sequestration, fire and flood prevention, scenic settings for recreation and residence, vigorous rural communities etc. Many of these goods and services (which go beyond just food production), they say, are threatened by the abandonment of farming, agro-forestry and forestry systems.

c/ Food quality

The general view is that citizens want high quality food products at reasonable prices. Often there are no subsidiary arguments. Nor is the concept of 'quality' defined. Others say farmers too need fair prices for food products.

d/ Heritage and lifestyle

Some think tanks, research institutes and others cite the importance citizens place on basic values, such as: strong family; diverse local traditions; creative and dynamic rural communities; a sustainable local environment. The provision of natural, high quality and safe food is cited as a response to citizens' demands. Together these factors contribute to sustainable local communities that are self-regenerative.

5.1.3 General Public

There were many strong statements on the following themes:

- Food security, food safety and food quality: many respondents mention this - all want safer food; some argue that food should also be more affordable, i.e. cheaper, at the same time. Others argue for a fair (or reasonable) price for food or for there to be a fair price paid to farmers for their products. Opinions are divided as to whether consumers are prepared to pay the higher food price this implies;
- Citizens want high quality, authentic, diverse food, which is produced locally/regionally;
- Food produced in a sustainable way, maintaining biodiversity, and managing the countryside, etc was often mentioned;

- Care for the environment and help meet environmental challenges. Many different specific arguments were made under this general heading; there was strong demand for more environmentally-sensitive farming and a farm policy that promotes this;
- Food should be healthy, natural (many say specifically that this means no GMOs or pesticides should be used) and produced in an environmentally-friendly manner (concerning water, soil and air quality) and traceable;
- Farmers have an increasing role to play in producing renewable energy and in mitigating climate change;
- Safeguarding the prosperity of rural areas through helping to maintain farmers and jobs. The majority of those who comment on this theme consider that farmers are the key base for rural prosperity. For example 'rural jobs' and 'vibrant rural communities' are common phrases; so is the 'European model' of family farm;
- Many say that imported foods should meet the EU's high standards (or that EU agriculture must be protected from unfair competition from third countries);
- Preservation of mountain pastoral farming, and the feeling that this is not adequately done at present, is a frequent theme along with the need to preserve the landscape for rural tourism;
- A number of respondents emphasise quality over quantity and a fair price-quality ratio;
- Another group call for more/clearer labelling, particularly in order to emphasise regional origins or organic farming.
- Many respondents are concerned that the CAP continues to be the source of surpluses to the detriment of developing countries;
- A handful of submissions raise issues of ethics and fair trade.

It is clear from the responses that different citizens expect different things! While there are many who proclaim that the needs of wildlife, public access, or visual attractiveness, are paramount, others argue that in the end feeding people is the most important requirement. Many submissions advocate a holistic policy, which integrates farming, preservation of the environment and the countryside, climate change, biodiversity and protection of natural resources, i.e. a 'multifunctional' approach.

5.1.4 Contributions through the EN RD

A significant number of EN RD stakeholders take the view that sustainable food production should be maintained in Europe based on:

- Improvement of the position of farmers within the food chain;
- Food security and quality at affordable prices;
- Better connection at local and regional level between producers and consumers (local food systems);
- Preservation of the diversity of farm production systems and farm structures including smaller and disadvantaged farms;
- Increased support for organic production;
- The need to attract new people and rejuvenate the farming and whole rural economy, bearing in mind the EU's demographic challenge to ensure viability for future generations.

A widespread view among stakeholders is that European agriculture's contribution to public goods

should be recognised and, in particular, rewarded for:

- Preservation of natural resources and protection of ecosystems (environmental security);
- Climate change adaptation and mitigation;
- Contributions to rural vitality in areas highly dependent on agriculture;
- Preservation of cultural landscape and rural heritage rich in aesthetic, cultural diversity or historical value;
- Diversifying energy production and producing renewable energy.

The forestry sector is also recognised as contributing to these public goods.

According to most EN RD stakeholders, the strengths and weaknesses of rural areas should be recognised, in particular:

- The rural exodus occurring in many member states
- Dependence on neighbouring urban areas to achieve local development and the resulting need to reinforce urban-rural linkages

5.2 *Presentation by country and/or region where relevant*

Responses from the general public often favoured special attention being given to farming in mountainous and other less favoured regions. In Germany, there was concerted action by animal rights supporters who provided more than 15% of all German responses (more than 150), submitted mainly in two distinct waves. Nearly half of them could be considered 'single issue' submissions. Citizens favouring better treatment of animals also stood out in contributions from the Netherlands and Austria. The issue was regularly referred to by a smaller group in other countries, but in the broader context of a number of desirable changes.

Anti GMO or anti-pesticide sentiment was more evenly spread across the EU. There were a few calls, particularly in France, for a less ideological debate about GMOs.

6. Responses to Question 3 – “Why reform the CAP?”

6.1 Presentation by group

6.1.1 Stakeholders

a/ Overall

Among stakeholders the new challenges the EU faces, and which are likely to become more intense, are the main reason for further CAP reform, for example:

- Increased instability/volatility of agricultural raw material prices;
- Increasing global demand (general trend towards increasingly open global markets);
- Greater importance of non-market items, such as environment, quality and health standards, sustainability;
- Effects of climate change;
- Higher expectations from consumers.

Most farmers’ organisations do not see an overriding need for more CAP reform. They see rather a need for a “stronger” agricultural policy, for instance with regard to money spent under Pillar One. (There are many calls for an end to the modulation mechanism).

b/ Coherence among EU policies

Stakeholders believe that the future CAP should address some, but not all, of the needs to sustain the agriculture sector. There are an increasing number of other policies impacting farming activities and the supply of raw materials. Absolute coherence, they argue, is needed between policies driving supply including food safety, new technologies, trade, development, environment, training for farmers, animal welfare, consumer and social policies.

c/ Imbalances in support payments between member states

A considerable number of stakeholders want to see a more balanced distribution of support money among farmers, both within and between member states.

d/ Environmental sustainability

A number of participants say EU agriculture needs a better coordinated set of policies covering farming, food, environment and agriculturally-related rural development with increased focus on support for environmentally sensitive production. Environmentalist NGOs argue that the CAP budget supports, directly and indirectly, unsustainable forms of farming which are harmful to wildlife and to the natural resource base upon which long-term food security depends.

Others argue that increasing efficiency in agriculture is the most effective and environmentally friendly way to meet sustainability challenges, and modern production systems have achieved substantial progress in reducing their environmental impact.

e/ Working conditions/modernisation

Some NGOs point to an apparent CAP contradiction. They say that on the one hand the CAP perpetuates a traditional form of agriculture, which is inefficient and whose long-term future is ultimately threatened, while on the other hand today’s CAP favours over-dependence on the market leading to the abandonment/absorption of smaller, less-efficient farms.

f/ Reliance on the market

Here, stakeholders are split. Some want the CAP to continue to provide a strong element of market regulation, with direct aid payments as a basic income support. Among this group there are organisations that wish to see a return to earlier levels of price support through common market organisations (CMOs), some adding that some coupled payments should be maintained. For others it is important that farmers should earn their living primarily from market prices, with regulation used essentially as a safety net to deal with price volatility. Still others say public money must not be used to support cheap, low quality products, but only to reward farmers for the provision of public goods.

g/ Functioning of the food chain

Many stakeholders identified problems related to the functioning of the food supply chain, in particular imbalances of power, at various points in the food supply chain.

h/ The CAP is being inadequately implemented

Many stakeholders representing farmers and farmers' organisations mention the inadequate implementation of CAP rules, though this is not put forward as a fundamental reason for further reforms. They call for better monitoring and control.

6.1.2 Think tanks, research institutes and others

a/ Environmental sustainability and other public goods

For many, the CAP needs to redirect spending to target those areas, systems and practices which provide public goods. This would include changes to the allocation criteria for the distribution of the budget between member states, and in the eligibility criteria for support payments, resulting in a fundamental redistribution of support. For other think tanks, the CAP has a weak environmental record. Only a small fraction of its budget is spent on efficient agri-environmental payments, while environmentally harmful farming practices, such as drainage of wetlands and inappropriate irrigation, may be subsidised. Furthermore, some say that even what works now, on the ground and in the soil, may not be sustainable in 20 or 50 years due (*inter alia*) to climate change.

b/ Economic efficiency

Those think tanks, research institutes and others that are focused on broader economic issues say that the CAP wastes resources that could, if employed more wisely, convince European citizens of the benefits of integration. They argue that the CAP distorts decision-making on EU expenditures and budget financing. They call for more targeted instruments. A number call for priority to be given to fixing long-term perspectives, providing farmers with the necessary predictability for investment projects. They detect widespread reform-fatigue following the successive changes over the past 20 years. Others add that more simplification and transparency in the CAP is required.

c/ Market management

In contrast to the economists mentioned above, some think tanks, research institutes and others take positions closer to some stakeholders, arguing that more attention should be given to managing agricultural markets. They believe the concept of free trade has failed in food supply and agriculture, and that the 'free market' is not able to guarantee enough food for all worldwide, or for the achievement of all the objectives which are linked with agriculture ("a farmer's economy is not a shareholder's economy" is one quote that captures this point of view).

d/ Global competition

Several think tanks, research institutes and others say compliance by EU farmers with environmental, food safety and animal welfare rules puts them at a competitive disadvantage compared to farmers in third countries who are not subject to these requirements. For these

think tanks, research institutes and others, this justifies either some border protection and/or direct payments, which are *de facto* a form of payment for public goods that citizens require from farmers. They say that those who currently provide public goods are not adequately compensated for what they do. Another important issue for some think tanks, research institutes and others is to establish fair-trade conditions on the international food market.

e/ Impact of the CAP on the developing world

Some think tanks, research institutes and others believe that the CAP undermines global food security and the fight against poverty. European tariffs and export subsidies, in particular, lower world food prices. This damages farmers and depresses wages for less-skilled labour in developing countries. EU money could be spent on agricultural research and development adapted to developing country needs instead.

f/ Equity

There are arguments that small- and medium-sized farms should be prioritised under a reformed CAP, along with farmers in disadvantaged areas.

6.1.3 General Public

A host of reasons for reforming the CAP come from all regions of the EU. A number are not clear about whether previous reforms have been successful, partly successful or not at all. Others seem happy with the current system of market support and direct payments and are not seeking additional reforms. There are also those who want change but through evolution and not revolution.

Among their reasons for reform, citizens want the CAP to:

At the operational level

- Strengthen food security;
- Guarantee a certain level of income for farmers and to stem the influence of multinationals;
- Limit the influence of speculators on agricultural commodity prices;
- Take action at the EU's external borders to protect food produced to high EU standards against non-compliant imports. Some concern is expressed about dumped surpluses upsetting developing economies;
- Some respondents argue for a return of the CAP to its original base/aims;
- Provide a fairer share out of aid within and between member states (there are many mentions of the need to abandon the historic reference point for the single farm payment);
- Slow the rural exodus;
- Make European farming more competitive;
- Help smaller/family farmers and artisans;
- Encourage organic/more extensive food production;
- Establish a new contract between farmers and society, to guarantee farm revenues in exchange for services to local communities;
- Encourage the production of new non-food products;
- Achieve more uniform (high) standards across the EU, with uniform levels of controls and compliance (there is a distinct feeling in several member states that their farmers have to comply with higher standards than in other EU countries).

At the implementation level

- Have a simpler CAP, especially in its day-to-day administration and its burden of paperwork, which is hard for small farmers to handle. There is a consistent feeling running through the general public submissions that the 'little guy' is worst off under the CAP;
- Some submissions called for stricter controls to monitor the application of CAP rules and standards;
- Give better value for money. Several respondents argue that the current CAP provides very poor value-for-money because the majority of the payments (Pillar 1) are not targeted to any outcomes;
- Improve the transparency of the CAP;
- Stop farmers chasing aid payments instead of farming properly ('bounty-hunters', one Belgian respondent called them).

Participants were not asked to comment specifically on the cost of the CAP. However, a number did. A range of views was expressed, with most respondents who raised the issue, saying the budget should be maintained at present levels or increased. Many were aware that the CAP will have to compete hard for EU budget money in the coming financing period post-2013. Respondents in the new member states wanted more funding for agriculture and rural development in their countries to make up the wide gap between them and the rest of the EU.

A small number of respondents called for deep cuts of 50% or more over time in the CAP budget, or for the elimination of market subsidies and direct payments to refocus the CAP on paying for the supply of public goods and services only.

An even smaller number of respondents wanted the CAP to be scrapped. There was a large body of opinion arguing that, for various reasons, an EU-level agricultural policy is vital, and that reversion to national/regional policy approaches would be damaging.

6.1.4 Contributions through the EN RD

There is a general call to improve the CAP but not to radically reform it. Among EN RD stakeholders the reasons invoked are linked to:

- The need to redirect spending to the delivery of public goods ;
- The need to recognize other public goods beyond environment (social sustainability, landscape, heritage and culture);
- Climate change;
- Higher expectations from consumers;
- Reducing excessive bureaucracy and providing easier access for beneficiaries;
- Insufficient coordination with other EU policies applying to rural areas;
- Weak governance (lack of transparency and absence of citizen involvement).

6.2 Presentation by country and/or region where relevant

The feeling that direct payments to farmers are unfairly shared among EU countries is prevalent in the new member states, where calls for discontinuing historic references for direct payments were strong, particularly in Poland. However, the sentiment is also expressed in the EU-15 and among stakeholders (especially those representing smaller farmers, and NGOs) that question the basis of direct payments more generally.

Arguments in favour of organic farming were evenly spread across EU countries except for Austria and Germany where a bundle of similar contributions towards the end of the debate period indicated concerted action on this issue. Support for organic farming was fairly frequently expressed by respondents in the new member states.

7. Responses to Question 4 – “What tools do we need for the CAP of tomorrow?”

7.1 Presentation by group

There were a very large number of ideas for future CAP tools, from all three participating groups. Many felt the basic CAP structure, with necessary and sometimes significant modifications, should be kept. Others backed more radical changes. Some would even reverse the CAP reform process of the last 20 years.

7.1.1 Stakeholders

a/ Overall

Taken together, stakeholder submissions represent a broad array of possible tools. Evolution, not revolution, is the watchword.

b/ Environmental sustainability

Most environmental (and some other) stakeholders favour a fundamental re-direction of agricultural policy. Some have set out detailed alternative policy structures involving changes to the two-pillar structure of the CAP, more targeting of direct aids to farmers (in return for the provision of specific environmental goods and services). Member states would be allowed more flexibility in how these measures are defined and implemented, though within EU guidelines and subject to Commission approval. Ideas also include novel financial tools to complement the CAP budget. There would be regular assessments of the success of the chosen measures. There is strong support for high nature value farming, pasture maintenance and for livestock farming generally.

Other stakeholders would like to see a link made to the Millennium Development Goals to reduce, *inter alia*, world hunger, to cut greenhouse-gas emissions from agriculture, to conserve biodiversity, maintain functioning ecosystems, improve water supplies by 2015, improve animal welfare and maintain jobs in Europe. Many argue that new societal demands such as climate protection must now be fully included in the CAP.

Another way in which citizens could feel more part of the CAP process would be, it is argued, if public interest goals are put at the heart of the policy priorities for the CAP post-2013.

c/ Rural development

A large number of comments made about rural development specifically centred on the need for better coordination between the various EU programmes and funds that cover rural regions, involving education, health, social services, transport etc (e.g. ERDF, Cohesion Fund, ESF). Some want a clear separation of the two pillars. A few propose a new third pillar for non-agricultural rural development.

d/ Investment/new technology

There are widespread calls for the CAP after 2013 to support the increasing use of modern technologies in agriculture (e.g. R&D, infrastructure development and knowledge transfer to farmers). Investments could be aimed at improving good agricultural practices, resource efficiency, increased yields and even better safety, quality and environmental performance of agricultural raw materials.

e/ Young farmers/new entrants

A number of stakeholders argue that specific measures to promote the transfer of farms are needed, particularly for new entrants to farming.

f/ Direct payments to farmers

i. The principle

There is little dissent from the view that the direct payments seen in the current CAP are, in principle, justified (especially given the current low level of average farm incomes). Direct payments are seen as income support and vital to the competitiveness of EU farming and should remain an essential element;

ii. The details

Views differ when it comes to how the direct aids should be calculated. Many argue that in future they should go to active farmers, whether part-time or full-time, rather than to non-farming landowners. Others say that, in order to ensure fair and equal treatment of farmers throughout the EU, consideration should be given to setting direct payments on the basis of common objective criteria, like the number of jobs per farm. The criteria should allow member states the possibility to take into account different conditions within their country while respecting the need to avoid a burdensome and complex system of payment.

Others again argue for there to be a flat-rate payment (usually per hectare) across the 27 EU member states. But some organisations reject this. However, in the view of most stakeholders, the historic payment basis is now redundant and should be reviewed.

Some say that an element of coupled payments should remain. Others argue the contrary or are silent on the issue.

There are also stakeholders who favour putting a limit on CAP support that can be paid to farmers in any one year. Others want payment limits per hectare, per labour unit, or per farm.

There is widespread support for the continuation of payments to farmers in less-favoured areas, though the form this could take varies.

g/ The two pillars of the CAP

Many stakeholders are in favour of a CAP organised in two pillars. They argue that the current two-pillar architecture of the CAP is logical. However, the funding of the two pillars needs to be addressed, especially in terms of pillar two. Modulation is not popular and, in the view of most stakeholders, should be abolished and replaced by a permanent funding allocation that is adequate for both pillars. For some, there may be a case for examining whether a third pillar would be appropriate. Others question whether the pillar structure should be kept or not.

h/ Equal treatment

Some stakeholders called for all member states to be treated equally under the CAP. Here again the 'second-class' status of farmers in new member states was criticised.

i/ Market support

Some maintain that a strong element of market support (e.g. intervention buying and export subsidies) should remain. Others argue that the market should be de-regulated completely (though gradually). But most who mentioned market support took a more inclusive line, saying support mechanisms were necessary as a safety net, incorporating climate and natural disaster mechanisms. For some, the safety net could also take the form of an insurance scheme, or reserve fund.

Better futures markets within the EU, managed by participants not government-level officials, could be a key instrument to manage price volatility, some say. For many, the CAP must be able to address extreme price volatility without losing market orientation. Therefore, CAP tools should act as a

safety net.

j/ Price stability

Most stakeholders agree that market management tools remain essential to control extreme price fluctuations. The situation may require establishing security stocks of essential products and new mechanisms facilitating imports of raw materials. Several bodies argue that the Commission should at least keep crisis management tools such as safety nets or safeguards that could be triggered without having to reinstall complex pieces of legislation.

k/ Promotion

There is widespread support for the idea of boosting the role of the CAP in supporting the promotion of the reputation of European agri-food products, both in the EU and in third countries. Stakeholders call for a fundamental review of current EU-level promotion practices.

l/ Agricultural workers rights

There is a call for a European employment observatory to be set up within the Sectoral Social Dialogue Committee for Agriculture, together with demands for measures covering basic and further vocational training for workers be incorporated, enabling the CAP to better achieve its objectives.

m/ Supply chain issues

Some stakeholders argue that there is currently a serious imbalance between the bargaining power of major retailers and the remainder of the agri-food chain. A variety of possible solutions is put forward, for example to remove monopolies, derogate from EU competition rules and ensure diversity in food retailing; to ensure consumer awareness and ability to choose healthy, sustainable and quality food, including with new food labelling.

n/ Self-sufficiency in raw materials

Several organisations call for measures to encourage the production of vegetable proteins (for animal feed) in order to reduce the EU's dependency on protein production systems in third countries. For some, maintenance of sufficient regional and sub-regional food stocks is necessary. Such stocks could be supervised by governments with the participation of all actors.

o/ Citizen involvement

There are various calls for citizens to be more involved in the design of agricultural policy. Some argue for more engagement of local communities and stakeholders in the process. Networks of LEADER Local Action Groups are one conduit for dialogue supported by a number of stakeholders.

7.1.2 Think tanks, research institutes and others

a/ Overall

Think tanks, research institutes and others put forward a number of different models for the future CAP. At one end of the range, they involve phasing out the first pillar of the CAP, abolition of all tariffs, quotas and other trade barriers etc. Some say that the CAP budget should be significantly reduced. The first pillar of the CAP could be progressively abolished and many policies under the second pillar could be removed. On the other side were proposals for managed markets with upper and lower price limits set by producer organisations. The EU should, they say, agree in advance on the level of self-sufficiency it wanted.

b/ Environment

Some think that the forthcoming 2013 reform is an opportunity to improve environmental integration into the CAP, including on the issue of water protection according to some. Current agri-environment measures are seen as valuable.

c/ Local involvement and rural development priorities

Some think tanks, research institutes and others advocate more application of the LEADER approach (bottom up ideas from local practitioners). Specific additional ideas include:

- Supporting research that promotes competitiveness and justifies advantages of local development;
- Supporting production of organic food;
- Promoting the competitiveness of local production in local retail trade;
- Providing opportunities for diverse economic activities based on local resources (environment, infrastructure and knowledge).

d/ Direct aids

A trend towards a flatter single payment rate per hectare of farmland would be a welcome move in the view of some think tanks, research institutes and others. But, in the view of many, a flatter single payment rate across European regions and farming systems would still have to take account of the need to compensate farmers in less-favoured areas for the natural handicaps they face.

e/ The CAP pillars

Some advocate remodelling of the CAP to have three pillars, two of which would be farmer and family-farm focused and one of which would be focused on the general rural community.

7.1.3 General Public

The general public offered many ideas for tools to make the CAP more effective in the coming EU budget period. To assist the reader, these random submissions have been grouped by theme by the authors of this report.

Payments to farmers

- Limits should be imposed on aids to larger farmers (even if it is realised they may get around this), and there should be an end to aids going to 'sofa farmers', who are not (or no longer) active;
- Large agro-industry groups and large farms/large landowners are benefiting excessively from the CAP. Some submissions argue for a cap being put on eligible farm areas - though a smaller number say the differentiation between different farm sizes is unjustified;
- The practice of leasehold poses particular problems because the benefits of direct payments do not necessarily flow to the leaseholder (or are clawed back in higher lease payments);
- A better balance of funding between CAP Pillars 1 and 2 should be found;
- Support should be targeted at those who need it: middle sized and small farms and disadvantaged hill and mountain regions. Others argue strongly for the end of modulation;
- The single farm payment system has broad support, but many submissions want to see greater progressivity of modulation in order to benefit smaller/mountain farms.

Market mechanisms

- Some respondents advocate a support safety net for market crises, including a rapid response capability in case of natural disasters; others want tools to regulate supply and demand;
- Many expressed preference for some sort of insurance scheme, or mutual funding system, or reserve fund to deal with price volatility;

- Price guarantees could be introduced for a limited quantity of production only, less than domestic demand, thus allowing markets to perform a marginal adjustment, as well as not 'distorting' foreign markets. The price guarantee would be paid subject to a code of 'good practice' in production, including environmental management;
- Stronger 'community preference' is needed for all agricultural products (some contributors mentioned the need for carbon taxes on certain imported products);
- Tax rebates for consumers should be introduced, to encourage them to buy local/EU foods, while allowing farmers to receive higher prices that reflect their costs of production;
- There was strong support from respondents across the EU for more local and regional products to be sold in local and regional markets. Transport costs and CO2 emissions were often cited as subsidiary factors;
- There should be guarantees that profit margins will be shared across the food chain, reducing the influence of 'middlemen' and of the retail sector.

Environment protection and public goods

- Although the CAP is still largely a farm-support policy, a considerable number of respondents see environmental protection, tending the landscape, supporting rural communities and protecting biodiversity and natural resources (water and soil) as central future activities;
- There should be closer links between aid payments to farmers and provision of environmental services;
- In addition, there was a wide recognition that farmers needed to be compensated for providing public goods and benefits because these are not covered via market prices;
- Actions to mitigate climate change and to provide new sources of renewable energy are also seen by many as essential future tasks for farmers;
- Emphasis should be placed on sub-sectors such as: biomass; the use of residues; the development of forest-based industries; the promotion of aquaculture.

Support functions

- Training and R&D for agriculture should give farmers the tools, equipment and skills they need to contribute to European and global food security, and to European global agricultural competitiveness, while remaining competitive and responsible for the environmental impact of their activities;
- Targeted education and training is necessary to help young farmers to get started in farming;
- Better data on the EU's food needs for the next 20 years is required (e.g. via indicators of price evaluation; regular reporting by producer organisations);
- The administrative burden on farmers should be reduced;
- Communication tools should be devised to provide more transparency and better accountability of CAP spending for European taxpayers;
- Information campaigns on the wider aspects of the CAP in Europe should also be expanded and/or reinforced;
- Following the present debates on the CAP post-2013, citizens and other stakeholders, consumer bodies, and NGOs, should be involved in the next stages of the reform process.

7.1.4 Contributions through the EN RD

a/ Overall

Most EN RD contributors say that the '2nd – rural development - pillar' of the CAP should be maintained or enhanced. A small number of contributions question the efficacy of the current 'axis-based' architecture.

b/ Flexibility

There is a widespread view that the CAP should be more flexible, meaning less prescribed rules for defining eligible actions, which would allow more emphasis on linking support to policy outcomes and more room for innovative projects.

c) Targeting

Linked to this, there is significant demand for the CAP to be better targeted, particularly to facilitate more regional differentiation in interventions with a strong wish to make policies more regionally based (territorial targeting). Some European organisations advocate further territorial targeting by differentiating peri-urban areas and isolated rural areas.

There should be more recognition of, and emphasis on, the role that actors other than farmers can play in implementing rural development interventions. Consequently access to funding should be less restrictive in term of categories of eligible beneficiary.

d/ Environmental protection measures

There is a fairly widely held view that the tools to maintain and enhance the environment should be more clearly results orientated (also that forestry should be included in such measures).

e/ Leader and local development

There are many who say that Leader is a vital element of the CAP. Some contributions call for its role to be enhanced across economic sectors and in specific connection with the CAP's 'new challenges'. The approaches of participatory decision making and integrated area based strategies should be strengthened beyond Leader (for example strategies to develop local food systems).

f/ Rural vitality

Many EN RD contributions flagged the need to enhance a variety of tools designed to provide rural services, support economic diversity, SMEs, training, family farms and specific measures to counter the demographic challenges evident in many rural areas.

g/ Farm to fork concept

A large number of EN RD contributions also propose the maintenance of current, or the introduction of new or strengthened measures, to: support cooperation in general and marketing skills of producer groups in particular, developing direct links - particularly at regional and sub-regional level - between producers and consumers.

h) Coordination with other policies

A better coordination has to be achieved between the EU funds applying to rural areas, by creating linkages, leading to comprehensive integrated local and regional strategies.

i) Innovation

Some organisations propose more support towards innovation and encouraging research and development for that purpose; implementation of the policy, and the tools available, should be flexible enough to not obstruct innovative actions.

7.2 Presentation by country and/or region where relevant

Not surprisingly, respondents often reflected regional and/or local, and not necessarily national, interests on issues like less-favoured areas, pastoral vs. arable tensions, regions affected by flooding or drought and irrigated vs. non-irrigated land, etc.

Calls for the development of forest-based activities, including forest management and afforestation, came from a number of EU countries, with a greater concentration in new member states like Latvia and Romania.

8. Additional responses

Although not an integral part of the CAP, a number of related issues featured in the debate process. This resulted partly from the fact that some respondents submitted their general positions on the CAP/all agricultural issues, without adapting these to the specific questions of the debate.

8.1 Stakeholders and think tanks, research institutes and others

a/ Raw material supply

A number of stakeholders raised the need for the EU to review the legislative framework for GM products, for example zero tolerance for the import of feed materials from GM events not yet approved in the EU, and the EU feed ban on processed animal proteins, to bolster the competitive position of the EU livestock sector in the global market.

However, other stakeholders called on the Commission to “listen to consumers’ concerns regarding the cultivation of GMO crops in Europe and their presence on the market”. They stated the need, in their view, to investigate the medium- to long-term effects that the use of GMOs could have on human health and the environment. They added that GMOs are not the solution to the EU’s potential future food security problems. They stressed consumers’ right to choose between GM and non-GM food. Their views go beyond the scope of the CAP, cross-contamination being just one of the major concerns for consumers.

b/ Pesticide use

Some stakeholders pointed out the potential negative impact of the recently revised legislation on authorisation of Plant Protection Products. They emphasised that the new rules could result in difficulties in managing the risks of pest and disease resistance as fewer active substances would remain available to farmers. This could, they argue, mean that some crops become impossible to grow in some EU countries (at a time when, as a result of climate change, pest presence in grains, for example, is expected to rise).

c/ Food safety

The need for EU consumers to be provided with safe and healthy food, preferably from EU sources, was raised by a large number of stakeholders. One called for the European Food Safety Authority to be reformed to give it more independence. Others advocated simpler safety rules for direct selling at the farm. The question of food safety does not fall directly into the CAP’s remit, even though the CAP has some influence of compliance with food standards, and food safety was not a specific question for discussion in the CAP debate. Nevertheless, it is clearly a subject of great importance to stakeholders.

8.2 General Public

a/ Animal welfare

Animal welfare issues were raised by few stakeholders/think tanks, research institutes and others. However, there were numerous responses from the general public arguing that EU welfare standards should be improved (and the same standards applied to animal products imported from third countries). This was particularly the case in Germany, where there was clear collusion among animal rights groups resulting in a large number of submissions. Even without these, animal welfare appears to be a bigger concern in Germany than in most other member states.

b/ Genetically-modified organisms

Many respondents mentioned that the CAP should not favour GM crops/products. Opposition to GMOs was evenly spread across the EU member states.

c/ *Pesticide use*

There was also a strong sentiment among a proportion of respondents against the prevalence of pesticide use in EU agriculture. This undercurrent was just as strong in the new member states as in the old ones.

d/ *'Industrial farming'*

There was a significant amount of antipathy to 'industrial farming' among respondents from a range of member states, though the term was not always clearly defined. This expressed itself in various ways, for example: the feeling that 'industrial farming' is bad for the environment; the accusation that too much of the CAP budget is paid to larger farmers, and that smaller farmers are neglected.

e/ *Miscellaneous comments*

Below are some additional comments received. Contributors did not always use the same terminology but expressed similar sentiments:

- The agricultural profession is often under-valued by the rest of society. There is a need to give the agricultural profession more respect. This sentiment was echoed in different ways by many people;
- There is a need for better labelling of EU products (for various reasons: to protect EU producers, to give better information to consumers, for food safety reasons, better nutrition etc). Tougher rules of origin were part of this theme;
- Moves such as the 'Everything but Arms' initiative should help to improve the living conditions of workers in developing countries;
- Several respondents mentioned imports of palm oil, with some suggesting the product should be banned from the EU market completely.

9. Main themes to emerge from the debate

Participants in this debate on the future of the CAP came from all parts of all countries of the European Union. The debate included submissions by stakeholders, particularly farmers' organisations, NGOs interested in environment protection and other social or developmental issues, consumer organisations and citizens, as well as national rural networks, summarising debates in their countries, in particular on rural development aspects.

It also involved think tanks, research institutes and others, who – less committed to the CAP than many stakeholders – presented a range of views favourable or critical of the CAP and its future development beyond 2013.

There were too many responses for a clear pattern of differences to emerge, and too wide a range of responses within each category. The main difference lies in the depth of argument used by the general public vis-à-vis stakeholders and think tanks, research institutes and others. Most submissions from the general public were relatively short and did not always provide the full argumentation behind the views expressed.

The greatest divergence was between those who argued that the current CAP is basically structured correctly but needs to be refined (the view of the majority of stakeholders and general public respondents), and those who believe a more fundamental re-think of the objectives, and of the means to reach them, is required (this was the view of many think tanks, research institutes and others, some stakeholders and a significant minority of the general public respondents).

The surprising aspect of the debate was the sheer number of submissions from the general public, which far outstrips responses in exercises of this kind carried out previously by DG Agriculture. It is true that a large minority of general public submissions came from farmers, who identified themselves as such, or from individuals who displayed a knowledge of things agricultural well beyond the limit of an informed layperson. As the debate was open to anyone interested in agriculture, their large presence was perhaps not totally unexpected.

There were more than 5600 submissions received from the general public. These responses are important for policymakers in understanding people's perception of the CAP, what its problems are, and the general direction in which it is or should be moving.

A very small minority advocates scrapping the CAP, mostly on the grounds that limited EU funds would be better spent in other ways. Many more mention the obligation to respect the EU's treaty obligations setting out the basic objectives of the CAP i.e. stabilisation of markets, assuring the availability of supplies and a decent living for farmers, etc.

There is explicit support for a CAP and rejection of renationalisation. The main reasons given are the need to maintain the single market and to ensure that equivalence and fair competition are safeguarded.

Some respondents clearly believe that the CAP already delivers public goods in the form of care for the environment. Others think that the CAP should be better targeted in order that such aims - currently not met - are achieved.

There is widespread agreement that the CAP needs to be implemented better (though few ideas, either of the perceived problems or the solutions, are offered).

Many participants refer to budget pressures and the challenges of climate change, although the economic crisis was not raised often. On the non-food uses for agricultural products, the main comments focus on the possibilities for the development of renewable energy linked to the agricultural sector.

The specific CAP budget was not raised often. Relatively few respondents addressed the question of

the future size or use of the CAP budget. Of those who did comment, the majority favoured maintaining broadly the current level of the CAP budget. Most who commented argued in favour of the CAP's aims being established prior to the future budget being set, rather than the other way round which would force it into an unnatural financial straightjacket.

International trade policy in agriculture was not a big issue among the general public, though 'Community preference' and the need to favour EU, regional or local food was a strong theme. However, some criticised the CAP for still producing surpluses, which are 'dumped' on developing countries with the help of export subsidies. This was often combined with the view that the EU imports soya as feed (produced on land previously forested) and then exports the meat to the detriment of developing country farmers. The need for EU farmers to have the means to be competitive globally was also mentioned, particularly by stakeholders.

There were relatively few references to the phrases 'European model of agriculture' and 'multifunctionality' as such. However, the sentiments behind those terms were enunciated often even if the precise terms were not used.

After summarising the input from the groups, a number of common themes emerge which would command considerable support, at least on the basis of the submissions received. The debate was not a scientific survey. And, as this document shows, some participants would have gone further; others less far. We have listed 12 of these themes.

- Take a strategic approach to CAP reform. Go for total, not partial, solutions taking account of CAP challenges on the one hand and the interplay between the CAP and other internal and external EU policies on the other hand;
- Ensure that the CAP guarantees food security for the EU, using a number of tools to achieve this aim. This could involve a number of policy tools;
- Continue to push the competitive and potentially competitive sectors of European agriculture towards operating in a market context, giving more importance to innovation and dissemination of research;
- Transform market intervention into a modern risk- and crisis-management tool;
- Recognise that the market cannot (or will not) pay for the provision of public goods and benefits. This is where public action has to offset market failure;
- Bear in mind that the correct payment to farmers for the delivery of public goods and services will be a key element in a reformed CAP;
- Protect the environment and biodiversity, conserve the countryside, sustain the rural economy and preserve/create rural jobs, mitigate climate change;
- Rethink the structure of the two support pillars and clarify the relationship between them; make adequate resources available for successful rural development;
- Implement a fairer CAP – fairer to small farmers, to less-favoured regions, to new member states;
- Introduce transparency along the food chain, with a greater say for producers;
- Create fair competition conditions between domestic and imported products;
- Avoid damaging the economies or food production capacities of developing countries; help in the fight against world hunger.

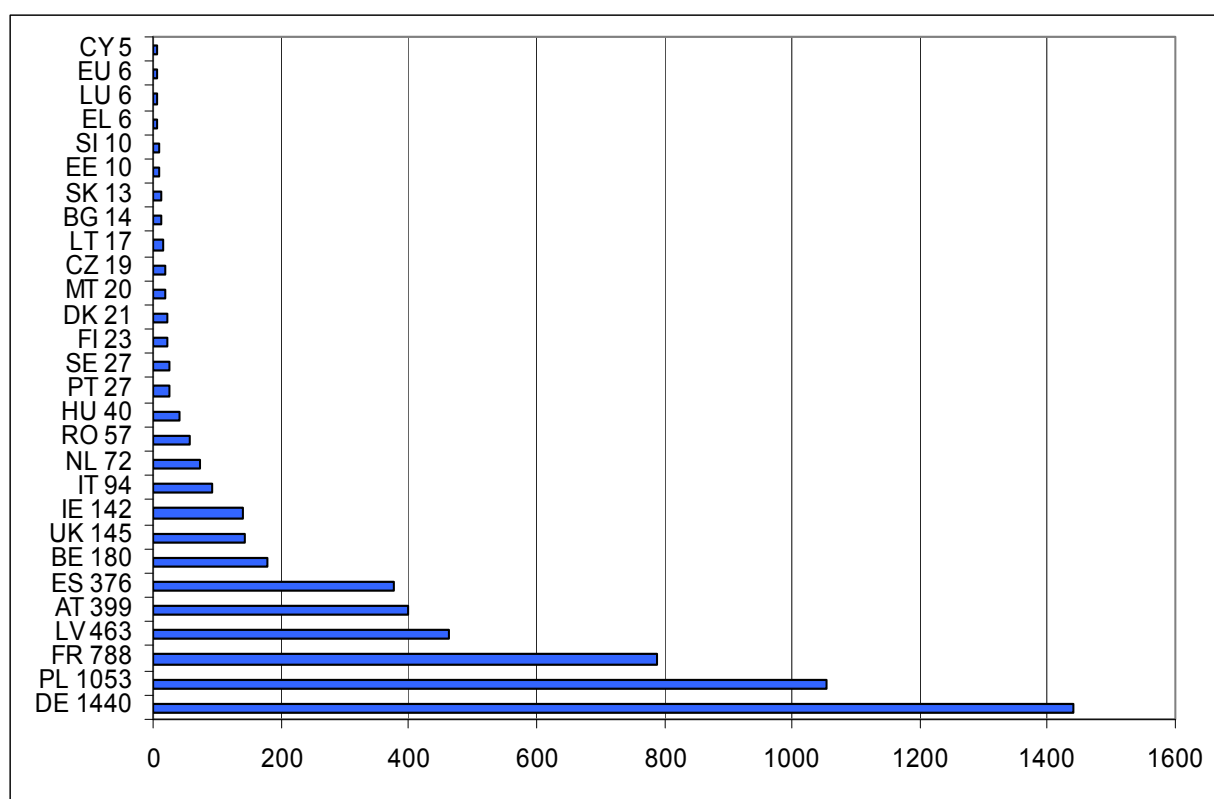
Annex – Statistics about contributions

You can find all contributions on the website www.ec.europa.eu/cap-debate

Type of contribution

Type of contribution	Number of contributions
General public	5473
Stakeholders	93
Think tanks, research institutes and other contributions	80
European Network for Rural Development (ENRD) ¹	36

Contributions from general public published on the Website (by country of origin)



¹ Contributions available on http://enrd.ec.europa.eu/cap-consultation-process_home_en/en/debate-contributions_en.cfm