Perspectives for the Common Agricultural Policy
Towards 2020

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Challenges and Opportunities

- Habitats
- Biodiversity
- Culture and Values
- Food
- Energy
- Fibre
- Climate Change
- Rural Economy
- Economic Viability
- Resource-management

European Commission
Agriculture and Rural Development
The Main „Construction Sites“ of the CAP

- Financial Perspective post-2013
- Greening of the 1st Pillar
- Market and Income Policy
- More Balanced Distribution
- Budget
- Rural Development Policy
- Market Intervention as Safety Net
- Horizontal Rules
- Simplification
- Streamlining “Cross-Compliance”

- Enhancing physical and human capital
- Provision of environmental public goods
- Mobilising local potentials
Perspectives for Europe 2020

• Green Growth
• Inclusive Growth
• Smart Growth
Perspectives for Europe 2020

- Green Growth
- Inclusive Growth
- Smart Growth
'Green' CAP Measures

First Pillar
- Cross compliance: linking direct payments to mandatory standards (sanctioning mechanism)
- New 'green' measures: permanent pasture, crop rotation, ecological priority areas, Natura 2000 support (eligibility criteria)

Second Pillar
- Investment into physical and human capital (resource efficiency)
- Agri-environment measures (paying for “public goods”)
- Support for Sustainable land management areas with natural disadvantages
- Support for implementing Natura 2000 and Water Framework Directive
Perspectives for Europe 2020

- Green Growth
- **Inclusive Growth**
- Smart Growth
Direct Payments as a Proportion of Farm Income

**EU-15**

**EU-12**

- 2004
- 2005
- 2006
- 2007
- 2008

**Direct Payments as a proportion of farm income**

**All CAP support as a proportion of farm income**

Source: European Commission – DG AGRI
Perspectives for Europe 2020

- Green Growth
- Inclusive Growth
- **Smart Growth**
Societal Challenge: “Achieving More from Less”

• Prospect:
  – Increasing food demand (FAO: 70% increase by 2050)
  – Increasing land use competition (bio-mass, bio-energy, nature conservation) and climate change

• Response:
  – Increasing productivity while ensuring sustainable resource management (focus on land) and preserving the environment
  – Substituting primary production through recycling, reduction of post-harvest loss, and new products

• Requirements:
  - Major investment into research and innovation
  – Faster transfer of knowledge from research to practical farming and ensuring feedback on practical needs to science
European Innovation Partnership
“Agricultural Productivity and Sustainability”

- **Context:**
  - Flagship initiative “Innovation Union” of Strategy “Europe 2020”
  - Integrating sciences and practice
  - Targeted towards multiple actors across the entire supply chain

- **Objectives:**
  - Facilitating exchange between farmers, advisors, agribusiness, and science
  - Faster transfer of innovation from science to practice
  - Feedback on practice needs to science

- **Means:**
  - Mobilising CAP measures for innovation
  - Creating “Operational Groups” and Network facilities
  - Link with actions of EU Research Policy
Sustainable Agriculture and Rural Development

Economic Viability

Social Acceptability

Environmental Integrity
Thank you for your attention!