



## MEPs and MPs debate CAP's future and world food security role

The world food price crisis and the climate change debate have put the EU's common agricultural policy (CAP) back in the news spotlight. MEPs and MPs in Brussels on 3 and 4 November for an inter-parliamentary meeting on the future of European agriculture and its global role began reflecting on the CAP's future shape in the context of food and energy challenges.

"Our aim must be a productive, high-performance, future-oriented agriculture, which preserves rural areas", said European Parliament President Hans-Gert Pöttering, opening the meeting. In 2013, the EU will have a new budgetary framework, and if the Lisbon Treaty is in force, "the EP will have acquired co-decision experience in the agricultural field. Be sure we shall use our power to intervene along with national parliaments, whose powers will also be strengthened", he stressed.

### Retain a genuine CAP after 2013, but with new criteria for granting aid

Introducing the first day's debate on the CAP's health check and prospects after 2013, EP Agriculture Committee Chairman Neil Parish (EPP-ED, UK) regretted that the European Commission's proposal "does not consider how the CAP should tackle the global food crisis and increased energy demand. It doesn't say a word either on how the CAP should look after 2013".

"It takes time to turn a supertanker around", replied Agriculture Commissioner Mariann Fischer Boel, justifying her approach of first refining the 2003 reform. After 2013, we shall have to "leave more room for the market to work", retaining safety nets only for genuine crises, and justifying agricultural spending to citizens by developing rural development policy and taking more account of the environment", she said.

### Agriculture has a future

"Agriculture is a good investment sector for the future if Europe wants to continue producing quality food at acceptable prices", said EP rapporteur on the CAP health check Luis Manuel Capoulas Santos (PES, PT). But for citizens to go on defending the CAP, "more objectivity and transparency will be needed in the support criteria", he added, with reference to factors such as jobs and the environment.

"Agriculture is not yesterday's business. It's a modern one, with a great future, as important as industry and services", pursued French National Assembly rapporteur and former agriculture minister Hervé Gaymard. "Market signals must not be an absolute doctrine", he stressed, observing that a consensus could be built around a CAP capable of feeding the continent, leaving more room for "eco-conditionality" and addressing climate and health risks.

### No return to pre-92 CAP

In the debate, most speakers called, albeit with certain qualifications, for markets to be regulated and a strong agricultural policy sustained, without however returning to pre-1992 CAP management systems. The need to simplify the rules and provide more predictability for farmers were also recurrent themes. Many speakers also voiced concerns about the future of the dairy sector, given that quotas are to be eliminated in 2014, particularly in regions where producers find it hard to compete, because milk is difficult to produce (e.g. in mountainous areas).

Concluding this discussion, French Senator Jean Bizet considered that there was a "consensus" on the need for a "sufficiently ambitious common agricultural policy", meeting society's expectations, fitting into the world food order and more responsive to climate change. MEP Lutz Goepel (EPP-ED, DE) was more circumspect, stressing the difficulty of summarizing the variety of positions stated and regretting the absence of debate on how the CAP would be funded after 2013.

## **Expanding agriculture, a worldwide priority**

"Yesterday, we turned the page of the old CAP", and notably export subsidies. "Today, we must prepare a reformed CAP", said chairman of the French National Assembly's Economic Affairs Committee Patrick Ollier, opening the second day's debate, which was devoted to the role of European agriculture in world food security. "Whilst markets remain the keystone, they must also be subject to regulatory requirements", he said, adding that "more of the CAP, not less, is needed worldwide".

"We must learn the lessons of the financial crisis and act together with the rest of the world to meet the food challenge", said EU Agriculture Council President and French agriculture minister Michel Barnier. Mr Barnier advocated creating a worldwide partnership for food and agriculture. This would include officials from the FAO, the World Bank, the IMF and the WTO, involve setting up a technical group like the Intergovernmental Panel on Climate Change and require an "international financial mobilisation in keeping with what is at stake to expand agriculture in the developing countries".

## **One billion people face famine**

"Today we face a situation in which 923 million people suffer from hunger - a figure that could rise by another 100 million in a year if we do nothing", stressed FAO Director-General Jacques Diouf. Since prices soared in 2007, developed countries have upped their cereal production by 11%, whilst developing countries have managed only a 0.9% increase, due to lack of funds for fertiliser and seeds, he noted. "We need 30 billion dollars a year to invest in agriculture in the developing countries. OECD subsidies amount to 372 billion, and we managed to mobilise 4,000 billion to deal with the financial crisis. In what kind of a world do we live? asked Mr Diouf.

The FAO representative was backed inter alia by Christopher Delgado, of the World Bank, who stressed that no country in the world had developed without first developing its agriculture and advocated building up sufficient food stocks (without returning to the surpluses of past decades) to reduce price volatility.

## **Redefine development aid policies**

In the debate, the majority of MPs and MEPs observed that development aid policies should be refocused on agriculture, that farmers worldwide need decent incomes to enable them to continue producing enough, and that international trade negotiations need to produce a more balanced agreement for developing countries. Several speakers advocated an "agricultural waiver" at the WTO, whilst others stressed the importance of backing new technology research to boost productivity. Biofuels of agricultural origin, and particularly second-generation ones, must not be made scapegoats for the crisis, event though absolute priority must go to food production, said participants.

## **Pre-eminent role for Europe**

"Agriculture will be at the heart of tomorrow's food challenges, because by the end of this century we shall have to feed no fewer than 9 billion people from the same land area, concluded French Senate Economic

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Affairs Committee chairman Jean-Paul Emorine. In meeting this challenge, "Europe will play a pre-eminent part, in production, regulation and co-operation with developing countries", he said.

"The CAP's future is in food quality and safety, safe production, protecting the diversity of landscapes and better use of water resources" said Neil Parish. "Regulation must not be too strict, as this destroys markets, and agricultural policy must be fairer to developing countries, so as not to destabilise their markets", he said.

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