CAP, including rural development, and IPARD post-2013

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Presentation covers

1. Commission proposal on the CAP post-2013
2. More details on the proposed changes in rural development policy
3. Discussion on the future of IPARD
1. Commission proposal on the CAP post-2013
### Where are we with the CAP reform process?

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>12 April – 11 June 2010</td>
<td>Public debate (EU citizens and organisations)</td>
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<tr>
<td>19-20 July 2010</td>
<td>Public conference</td>
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<td><strong>18 November 2010</strong></td>
<td>Commission Communication ‘The CAP towards 2020’</td>
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<tr>
<td>23 November 2010 – 25 January 2011</td>
<td>Consultation on Impact assessment (stakeholders)</td>
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<td><strong>29 June 2011</strong></td>
<td>Commission proposals on the EU budget 2014-2020</td>
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<td><strong>12 October 2011</strong></td>
<td>Commission legal proposals on the CAP</td>
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<td></td>
<td>The legal proposals are accompanied by an impact assessment that evaluates</td>
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<td>alternative scenarios for the evolution of the policy on the basis of extensive</td>
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<td>quantitative and qualitative analysis</td>
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<td><strong>2011-2013</strong></td>
<td><strong>Debate in the European Parliament and the Council</strong></td>
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<td><strong>Approval of Regulations and implementing acts</strong></td>
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What are the challenges for agriculture...

Commission Communication ‘The CAP towards 2020’

- Economic challenges
  - Food security
  - Price variability
  - Economic crisis

- Environmental challenges
  - GHG emissions
  - Soil depletion
  - Water/air quality
  - Habitats and biodiversity

- Territorial challenges
  - Vitality of rural areas
  - Diversity of EU agriculture
... and how will the CAP address them?

Commission Communication ‘The CAP towards 2020’

Challenges

Policy objectives

Reform objectives

Viable food production

Sustainable management of natural resources and climate action

Balanced territorial development

Enhanced competitiveness

Improved sustainability

Greater effectiveness

Europe 2020

Simplification

Economic

Environmental

Territorial

Reform objectives

Legal proposals
What CAP instruments to meet the reform objectives?

**Enhanced competitiveness**
- Improved economic tools to address market developments
- Crises reserve / Risk management toolkit
- Improved position of farmers in the food supply chain
- Research, innovation and knowledge transfer and an improved Farm Advisory System

**Improved sustainability**
- New ‘green’ payment in Pillar I
- Enhanced cross compliance for climate change
- Two environmental priorities for rural development
- Research, innovation and knowledge transfer and an improved Farm Advisory System

**Greater effectiveness**
- Redesign of direct payments
- Common strategic framework for EU funds
- Redistribution of direct payments across and within Member States
- Allocation of rural development envelopes
- Simplification of the policy

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**Pillar I**
- Flexibility

**Pillar II**
New design of direct payments

- In 2014, EU farmers would have access to:

<table>
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<tr>
<th>Compulsory schemes (all MS):</th>
<th>(+)</th>
<th>Voluntary schemes (MS choice):</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Basic payment scheme</td>
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<td>- Coupled support</td>
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<tr>
<td>- ‘Green’ payment*</td>
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<td>- Support in natural constraint areas</td>
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<tr>
<td>- Young farmers scheme</td>
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All payments subject to cross compliance

All farmers will have access to the Farm Advisory System

OR

A simplified scheme for small farmers (compulsory for MS, choice for farmer)

* Payment for agricultural practices beneficial to climate change and the environment
2. More details on the proposed changes in rural development policy
Rural development in a new framework (1)

Europe 2020 strategy

Common Strategic Framework (CSF)
– covering the EAFRD, ERDF, ESF, Cohesion Fund and EMFF, and reflecting EU2020 through common thematic objectives to be addressed by key actions for each of the funds

Partnership Contract
– national document outlining the intended use of the funds in the pursuit of EU2020 objectives

Rural development policy: EAFRD

Other CSF funds (ERDF, ESF, CF, EMFF)

Innovation, Environment and Climate Change as cross-cutting objectives

Priorities

- Fostering knowledge transfer and innovation in agriculture, forestry and rural areas
- Enhancing competitiveness of all types of agriculture and farm viability
- Promoting food chain organisation and risk management in agriculture
- Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry
- Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors
- Promoting social inclusion, poverty reduction and economic development in rural areas

Rural Development Programme(s)
Rural development in a new framework (2)

• **Single framework for EU funds** - simplification and harmonisation of rules
  – Common Strategic Framework and Partnership Contract
  – Performance review based on milestones and **ex ante conditionalities**

• **Reinforced strategic approach**: Member States responsible for
  – Translating **EU2020** and rural development priorities into action…
  – …by taking into account **specific needs** at local/regional/national level

• **Programming at national or regional level with**
  – Setting **quantified targets** at programme level linked to priorities
  – Using **streamlined tool-kit of measures** to be combined in relevant packages to address priorities and achieve targets
  – Possibility of **thematic sub-programmes**

• **Financing**
  – Allocation of national envelopes to be based on objective criteria and current allocation
  – Co-financing

• **Common Monitoring and Evaluation System**

• **European Innovation Partnership ‘Agricultural productivity and sustainability’**
Rural development in a new framework (3)

Key measures

• Knowledge transfer, information actions and advisory services

• Investments in physical assets:
  – higher support rates for young farmers, collective investments and integrated projects

• Farm and business development
  – extended support for small farmers, young farmers and small businesses

• Support for setting up of producer groups in all EU Member States

• Agri-environment-climate payments and organic farming: more flexibility and reinforced support for joint actions

• Significantly reinforced co-operation measure including pilot projects, short supply chain, local promotion

• New risk management toolkit

• Leader approach strengthened across EU funds

• European Innovation Partnership and Prize for innovative, local cooperation
3. Discussion on the future of IPARD
Steps towards accession

• Pre-candidate period
  ▶ prepare to implement pre-accession instruments

• Pre-accession period
  ▶ prepare to implement CAP upon accession to the EU

• Membership
  ▶ start implementing CAP
Pre-accession assistance

• IPA - Instrument for Pre-Accession assistance for candidate and potential candidate countries
• Financial envelope allocated for the period 2007–2013 – EUR 11.5 billion
• Has five components:
  – Component I. Transition and institution building
  – Component V. Rural development
IPA Rural Development - Main objectives

Support countries in:

• policy development
• preparation for the implementation and management of the CAP
• sustainable adaptation of the agricultural sector and rural areas
Consultation

• Mid-term evaluation of IPA, February 2011
• Ex-ante evaluation
  – “to support the preparation of pre-accession financial instrument post 2013”, report June 2011
• Stakeholder consultation
  – online survey, focus groups, consultations with senior officials and NGOs
• Public consultation on all external action instruments
• Workshop "IPARD: lessons learned and prospects for IPA/IPARD post 2013", April 2011
Process

• COM Communication “A Budget for Europe 2020”, June 2011
  – Heading 4 Global Europe, includes IPA, EUR 12.5 billion
• Proposal for a Regulation of the EP and the Council on IPA, accompanied by an Impact Assessment, expected in December 2011
• Implementing rules – Commission Regulation, probably early 2013
• Take into consideration changes in the EU rural development policy framework
Consultation – key words

- Tailor assistance according to the needs, allow access to the various types of assistance irrespective of country status
- Reward good performance, but use conditionalities in a more strict and systematic way
- Strengthen coordination between components/policy areas, allow flexibility
- Streamline accreditation processes
Consultation – specific to IPARD

- Continue with pre-accession assistance
- Do not significantly change IPARD – ensure effective transition and continuity
- Streamline accreditation process
- Focus on "Technical Assistance“ early in the process
- Have wider choice of measures (access to credit, forestry, renewable energy, land consolidation?)
By way of conclusion

• Preparation for implementation and management of the CAP and making your agro-food sector competitive on the EU market is not easy, but…

• We are here to help you

• The rest is in your hands – participate in shaping the policy, build your capacities, share experiences in the region!