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of the Regions**

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DRAFT OPINION

The Future of the Common Agricultural Policy

Rapporteurs: **Isilda Gomes (PT/PES), Mayor of Portimão, and Piotr Calbecki (PL/EPP),
President of the Kujawsko-Pomorskie Region**

Deadline for tabling amendments:

15:00 (Brussels time) on 4 June 2024. Amendments must be submitted using the online tool for tabling amendments (available through the Members' Portal at <https://mempportal.cor.europa.eu/>).

Number of signatures required: 6

Draft opinion of the European Committee of the Regions– The Future of the Common Agricultural Policy

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1) *Objectives of the Common Agricultural Policy after 2027*

1. points out that the Common Agricultural Policy (CAP) which, according to the TFEU, aims at guaranteeing the functioning and development of the internal market for agricultural products, is also a partnership between society and agriculture, ensuring a sufficient and stable supply of quality food, guaranteeing decent incomes for farmers, maintaining a sufficient agricultural labour force across the EU, protecting the environment, combating climate change and keeping up the dynamic development of rural areas. Acknowledges that these goals are interconnected, and one cannot be achieved in isolation;
2. endorses that agricultural biodiversity aligns with the CAP's objective of environmental protection and climate change mitigation. Agricultural biodiversity, encompassing the variety of plant and animal species within farming ecosystems, contributes to resilience against pests, diseases, and climate extremes, further reinforcing the interconnected goals of the CAP; affirms that resilience in agriculture pertains to the system's ability to adapt and recover in the face of challenges, such as climate variability or market fluctuations;
3. considers that food production and management will become increasingly important and strategic in the coming years in both economic terms (turnover value) social terms (impact on the quality of life of EU residents), environmental terms (sustainability and ecological impact) and in light of the changed geopolitical context;
4. in this regard, the new CAP should be designed , based on the best available knowledge and on fundamental principles relating to the preservation and innovation of the agricultural and agri-food production structure in Europe, regional particularities, the development of identity-based food products and traditions that are also improved through advanced technology geared towards productivity and sustainability;
5. points out that farms must be able to reconcile production aspects with environmental, economic and social aspects, which are the three prongs of sustainability. In this regard, the role of micro, small and medium-sized farms, which are, often family farms and produce on a small or medium scale, which best represent the traditional European model of agriculture and are inextricably linked to the development of rural areas, should not be overlooked. whereas farms with a larger-scale production level can deliver a valuable contribution to food security. With regard to the obligation to comply with existing regulations on workers' rights in the agricultural sector, the Commission is invited to assess the effects of this social dimension of the CAP by the end of 2026, and to propose ways to improve its effectiveness, including through new measures aimed at improving agricultural working conditions;;

6. feels strongly that the current discussion requires dialogue and trust, and so the European Commission should listen to farmers who deserve fair income but also take into account consumer demands for healthy products and citizens' demand to improve animal welfare, protect the environment and combat climate change; Rural policy, and the problem of depopulation and desertification, must also be addressed in order to avoid an increase in dissatisfaction with the European project;
7. points out that the current CAP has benefited from the insertion, for the first time since its establishment in 1962, of a European mechanism to enforce compliance with the rules in force on the rights of workers in the agricultural sector, without creating any additional administrative burden. Thus calls on the Commission to assess before the end of 2026 the impact of this social dimension to the CAP and to propose ways to improve its efficiency, including through new measures to enhance conditions for farm workers, particularly those in the wine and fruit and vegetables sectors
8. notes that the existing CAP has failed to meet its goals and overlooks critical factors such as the war in Ukraine, declining profitability in agriculture, market instability, the increase in production costs, including energy costs and the unmet expectations of farmers whose average income level remains below the average level of the economic sectors, rural inhabitants and consumers.
9. regrets that the current CAP is not fully consistent with the objectives of the EU Action Plan for Organic Farming, the Green Deal and the EU's Farm to Fork and biodiversity strategies and cannot sufficiently reward farmers who make an extra effort to implement the green transition on their farm, for example by using their land for organic farming;
10. emphasises that the CAP 2027+ should abide by the following objectives:
 - a) Build a resilient and sustainable food system which delivers food security and nutrition for all. Food security should be based on food produced in Europe and closest as economically, environmentally and socially appropriate to consumers' place of residence;
 - b) Safeguard the economic, social, and environmental foundations to generate long-term food security and nutrition, also for future generations;
 - c) Insure the stability in food product markets;
 - d) Guarantee fair economic returns to of all stakeholders involved in food production, processing, distribution and consumption, guaranteeing an adequate distribution of value throughout the chain in particular for primary producers;
 - e) Food for EU consumers must have high health benefits and be produced ethically while ensuring that supplies reach consumers at reasonable prices. The same should be required for products imported from third countries;
 - f) Food production must take into account environmental requirements and enhance the biological properties of resources available to agriculture (soil, landscape, water, air, fallow land, meadows, biological enclaves), strive to restore closed-loop production cycles, and enrich the biological resources for renewable energy and the same should be required for products imported from third countries;

- g) Food production should target a maximum of output and quality at the lowest input of resources, lowest environmental pressure and lowest supply chain footprint possible, which can be achieved by a variety of local and regional food production systems depending on circumstances, including organic farming systems and controlled environment agriculture systems;
- h) The EU's agricultural policy must take into account the sustainability of natural resources and protects biodiversity and animal habitats
- i) CAP should encourage generational renewal in agriculture to give a sustainable and innovative future to the agricultural system;
- j) EU agricultural policy must promote innovation and knowledge transfer in all areas in order to provide the agricultural production system with the appropriate tools to face the new production and environmental challenges;
- k) Farmers must be supported in mitigating the risks arising from climate change, including through the enhancement of infrastructure investments;
- l) Rural areas should guarantee a high quality of life and serve as a sanctuary for local and regional identity, cultural heritage and nature;
- m) Food waste must be reduced throughout the value chain – from field to retail; Also, EU residents should be conscious and responsible consumers striving to drastically reduce food waste and to make sustainable purchasing choices;

2) *Ensuring food security and market stability*

- 11. emphasises the critical importance of prioritising long term food security within the CAP 2027+. Food security can only be ensured by farmers whether working in agri- and/or horticulture and must be defined in terms of quantity, quality and the economy, with a primary focus on ensuring that EU citizens have access to safe and ample food supplies at reasonable prices while safeguarding production capacity and consumer markets;
- 12. recognises the strategic importance of sustainable food production given climate change and geopolitical instability. Autonomy with regard to food security and production must therefore be a strategic goal for the EU in its future policies;
- 13. regrets that the European Commission did not put forward the sustainable food systems proposal in the current mandate. In this regard, calls for any future climate-, agricultural-, or food-related proposals to not promote lab-grown products to safeguard the cultural heritage of the Member States and protect traditionally prepared food;
- 14. considers that it is unacceptable that the EU become even more dependent on external suppliers in terms of acquiring or producing food. Points out that this would lead to excessive risk of political or economic blackmail, blockades preventing physical access, excessive price fluctuations and socio-economic destabilisation;
- 15. believes that food security comprises sufficient quantity and quality of food, as well as affordability for consumers and price stability, as laid down in EU agricultural legislation. It should guarantee that agricultural products are healthy for humans and minimise the negative environmental impact during production, processing, transportation and storage;

16. believes it is essential that the future CAP be capable of supporting farmers towards increasingly competitive and sustainable production systems by re-establishing the link with rural areas and promoting their development; welcomes the recent adoption of a single European text on quality production (Regulation on geographical indications) that ensures better alignment between all sectors while safeguarding the specificities of the various branches;
17. points out that the main tool for implementing the CAP should be the protection and regulation of the EU's common agricultural and food market. This should entail the application of new principles of importing and exporting agricultural and food products that do not create extra bureaucracy for our farmers, but create a level-playing field, like the implementation of 'mirror clauses' in current and future European trade agreements and a new international trade framework based on food sovereignty. Moreover, it is necessary to reinforce controls at the front to avoid the entry of pest and diseases.
18. demands that the new CAP should help to tackle unfair trade practices and avoid behaviour that is harmful to vulnerable actors in the agri-food chain, in particular farmers. The European Commission is therefore asked to strengthen EU rules on unfair trading practices in the agri-food supply chain, also considering the possibility of concretely supporting the bargaining power of the weakest components of the supply chain;
19. calls on the EU to redefine its agriculture export policy, without damaging agricultural communities of third countries, giving priority to EU internal trade and reducing EU agricultural imports;
20. points out that the future reform of the CAP 2027+ should lay the groundwork for Ukraine's and other candidate countries' accession to the EU, with due regard for the well-being of EU farmers as well as for the necessity to increase funding; Considering the importance of Food Stability, Security, Sustainability and Solidarity, points out that any CAP 2027+ should be executed in the perspective of a long term EU Food Strategy, that looks into angles such as product choices, food volumes, suitable key production areas, linkages between consumer concentrations and secure supply chains;
21. calls on the European Commission to develop instruments for supply management of agricultural production in the European Union. This should involve public stocks to avoid speculation and stabilise market prices, common export policy for agricultural products and humanitarian support, in order to mitigate social unrest in areas affected by crop failure or threatened by hunger due to climate change or wars, quotas of production, price tunnels defining the minimum and maximum limits between which the agreed price can vary, to take into account production costs; Moreover, to avoid high food inflation, agriculture must take precedence over other uses. This includes the production of biofuels which should be partially or totally suspended in order to lower agricultural prices;
22. emphasises that the CAP must meet the food needs of the EU population and strike a balance between exports and imports , while ensuring that food production should primarily serve human consumption rather than animal feed;

23. stresses the importance of stabilising food markets by avoiding significant fluctuations, which have a very strong impact on both consumers and farmers;
24. agricultural and livestock imports into the EU must meet equivalent environmental and public health standards as EU products, so the EU must ensure that these standards are enforced and complied with in trade agreements with non-EU countries;
- 3) ***Simplifying the CAP and ensuring a fair distribution of resources to support future farming***
25. strongly supports the calls to simplify procedures for carrying out agricultural activities supported under the CAP after 2027+. Cutting red tape for farmers will make their activities more efficient by reducing unnecessary procedures, enabling them to focus on production, innovation and investment, and making the agricultural sector more resilient and sustainable;
26. stresses that no time can be lost in rolling out new regulation to make European agriculture profitable once again. This will require new principles for granting direct payments. This includes capping payments to avoid further weakening the competitive position of smaller and medium-sized enterprises. The compliance with requirements arising from the Green Deal must be timely. In doing so, particular attention must also be paid to avoiding additional bureaucracy. Measures for the transit and import of food third countries must be improved in this regard. It is unacceptable that European farmers have to cope with the shortcomings of existing regulation. Aid for Ukraine, as it struggles to survive, should be coordinated so as not to harm the EU's agricultural. European agriculture must also be safeguarded to prevent any loss of European solidarity when it comes to continuing to support Ukraine as it fights for its right to freedom and European values;
27. calls for a comprehensive impact assessment that the implementation of the Green Deal will have on agriculture and on food security that addresses the concerns of the farming community. The Green Deal lacked assessment and was a top-down initiative. All policies related to the agricultural sector should be accompanied by feasibility studies;
28. emphasises how important it is for the EU to help Ukraine position the Ukrainian products on EU markets in non-EU countries, thereby preventing these products from staying in the EU, which affects the competitiveness of the market, and helping to ensure food security in countries that are more in need;
29. points out that the CAP should support agricultural advice education and training, include tools that would support farmers with innovative solutions for improving sustainability, as well as environmentally-friendly and appropriate consumer behaviour. It should also promote gender equality in farming professions, create the conditions for the development of family farms, and safeguard the cultural aspects of rural areas;
30. calls on the European Commission to plan a 'fair guaranteed income' instrument for farms that do not earn a satisfactory level of income from their agricultural activities. This instrument should complement agricultural income, provide a social security guarantee and which helps to

make agricultural income comparable to other sectors. The instrument could be applied for farms that play an important role in maintaining multipurpose agricultural land such as High Nature Farming area, or farms that are needed in order to prevent the abandonment of agricultural activities and the depopulation of rural areas;

31. believes that, through an improved system of subsidies and loans, the CAP should continue to facilitate a transition towards targeted support. This policy should ensure a fair income for agricultural producers, covering fair remuneration for agricultural workers and encourage green farming and enforce environmental goals; It is also important to guarantee relative stability of rules and incentives;
32. considers that social conditionality should be extend to all farm workers and that Member States should reinforce their inspection capacity; in this regard, asks the European Commission to assess by the end of 2026 the effects of this social dimension of the CAP and to propose ways to improve its effectiveness, including through new measures to improve the conditions of agricultural workers;
33. considers that in order to cope with the issue of an ageing population of farmers, support for young farmers is needed for example for business takeovers and the transfer of knowledge. Young farmers after all keep the culture alive, contribute to the socio-economic cohesion of rural areas, and are open to innovative solutions; in this regard, asks the European Commission to promote and facilitate the activation of an extraordinary plan for generational renewal, which favours access to land for young people, the dissemination of innovation and services for agricultural businesses to make them more efficient, vital and sustainable; Support should also be extended beyond the first five years since the opening of their farm for young farmers implementing agroecological methods, in order to support its growth and competitiveness in a stable way;
34. highlights that agriculture is often seen as an undesirable profession and that the challenges facing rural areas make this problem even more challenging. The establishment of young people in rural areas with access to services and leisure and employment opportunities is key to preserving agriculture across the EU;
35. calls on the European Commission to change the methods for direct payments, in order to reflect the circumstances in which agricultural activities are carried out and to redistribute payments across the various types and sizes of their farms, according to the needs determined in their territory. Specifically, it should introduce mandatory and increased redistributive payments (payments for small and medium-size farms), capping CAP subsidies for big agricultural businesses in order to increase the revenue of all farmers, particularly small and medium-size ones. Moreover, call on the European Commission to increase the use of financial instruments to enable farmers to access credit;
36. calls on the Commission to promote and facilitate the launch of an extraordinary plan for generational renewal that fosters access to the land for young people, the spread of innovation and services for farms to make them more efficient, vital and sustainable;

37. advices to continue the current CAP possibilities for Member States to balance Pillar One to Pillar Two payments and interventions, and recommends that direct payments shift from a surface-based approach to a system combining multiple factors: labour intensity, farm size, agricultural added value, area in which climate change adaptation measures are carried out, area in which sustainable agriculture is practiced and the degree of utilisation of environmental resources (impact of activities on the environment). This shift must be gradual, so that farmers can adapt to the new rules;
38. considers it necessary to promote and incentivise the role of supply chain contracts, in order to ensure the stability of the system and allow farmers to plan in the medium-term;
39. recommends not including agriculture in the certificate trading of the ETS but rather, among other measures, strengthening climate-friendly land management and food chains through the means of the Common Agricultural Policy;

4) *Developing rural areas*

40. points out the importance of supporting the development of rural areas to ensure a high quality, pleasant living environment for the people living there, as well as ensuring that both farming and the natural environment are sustainable. Calls for a European Rural Agenda and the consolidation of the work achieved by the Rural Pact and based on the Long Term Vision for Rural Areas;
41. points out that rural areas should strive to provide a high quality of life and serve as havens for local and regional identity and cultural heritage. Therefore, it emphasises that the CAP 2027+ must contribute to shaping the development of agricultural activity and additionally, by taking a comprehensive approach together with other EU funds, the development of rural areas; these should be seen as spaces where agricultural activities are carried out, alongside other activities, and as spaces providing direct support services and the infrastructure necessary to create the conditions for agricultural competitiveness. Rural areas are also a place where people live, so they must meet social, welfare and recreational needs, directly influencing the quality of life of rural populations. For robust rural development, access to high-speed internet is of paramount importance, alongside a well-established infrastructure in education, culture, medicine, and healthcare;
42. calls for LEADER, the community-led local development instrument which allows small territories to propose their own local development strategies, to be bolstered and simplified. Emphasises that cohesion policy, alongside all other EU policies and funds, should support and complement CAP action, with a minimum of 5% of cohesion policy funds earmarked for rural non-agricultural development;
43. stresses that the economic and social development of rural areas should be agreed on in a holistic manner, considering other funds, such as regional policy funds. The CAP should focus on the agri-food sector;

44. recommends the active participation of rural regions and their residents in the prompt implementation of renewable energy systems, technologies, and infrastructure, fostering a sustainable, cost-effective, and energy-independent supply that concurrently enhances these regions competitiveness in the EU;
45. considers it necessary to increase research and innovation when it comes to mobility solutions in order to improve transport and communication networks in rural areas and thereby increase quality of life;
- 5) ***Accelerating the transition to sustainable agriculture***
46. points out that the CAP should support the mitigation and adaptation to climate change and the fight against the sources of environmental pollution, as well as ensuring proper welfare of livestock and therefore, the budget of the CAP post 2027 should match the needs of the sector and the level of ambition with the primary aim of guaranteeing food security;
47. considers that the application of sustainable development principles, including the European Green Deal and the Farm to Fork strategy, must rely primarily on incentives rather than coercion, and be based on thorough scientific analysis and social consultations regarding the real environmental impact. For this reason, a CAP budget in accordance with the challenges to be faced is considered essential; It is also considered necessary to promote and incentivise the role of supply chain contracts, in order to give stability to the system and allow farmers to plan in the medium term;
48. insists that farmers must be supported in the transition to sustainable farming, which must reflect all three pillars of sustainability (economic, social and environmental aspects). In order to complement the CAP budget dedicated to eco-schemes and agro-environmental measures, recommends, as proposed in the CoR opinion on agroecology, that, in order to promote the agro-ecological transition, the Member States introduce a system of bonuses as part of the eco-schemes of the new common agricultural policy;
49. points out that the CAP should continue to strongly support interventions that help preventing damages and build resilience to climate change, including floods and droughts. It should do so by financing both sustainable water management, for example by improving existing or building new irrigation systems, and flood protection, as well as reinforcing EU solidarity funds for farmers experiencing losses due to disasters;
50. emphasises that the CAP must continue to strongly support interventions that help support sustainable forms of agricultural development, which reduce greenhouse gas emission, the use of environmentally harmful plant protection substances, synthetic fertilizers, water and energy consumption, and the use of chemicals hazardous to human health and animal welfare while contributing to food security across the world and in maintaining the external and internal competitiveness of the EU's farmers and agri-food sector; For this reason, it is essential to take into account the existing scientific and technological advances and to promote their implementation among farmers;

51. emphasises that the CAP should support the restoration of natural water cycles and scientific research seeking to enhance the resilience of plants and animals to climate change and reduce the effects of greenhouse gas emissions while increasing carbon storage and sequestration; and therefore, continue to interlink with the Horizon Europe Programme 2027+, which should once again contain a significant budget for Societal Challenge ‘Food, Bioeconomy, Natural Resources, Agriculture and Environment’;
 52. emphasises that food production should take into account climate change, recognising that water used for crop production should not harm groundwater sources, that its usage should be limited by optimisation of irrigation and that, when possible and relevant, water-intensive crops must be replaced by crops more adapted to the climate. It also highlights the need to preserve and strengthen the potential of forested areas and fallow land located near agricultural areas, as they serve as protective buffers and enhance biodiversity;
 53. calls for further reflection on how to support the viticulture sector considering the difficulties Europe’s wine-growers are facing including market regulation through management of production volumes and improvement of quality;
 54. points out that agricultural land is intended for agricultural production. A minimum percentage of agricultural land should be put on hold in order to improve the protection of biodiversity and crop efficiency. In addition to food or feed production, the use of agricultural land for biomass production for energy purposes should be promoted in carefully selected EU areas. ‘Conditionality’ should not exclude land from agricultural production, nor should it promote or require direct payments to be contingent on compulsory fallowing of any part of the area. Instead, conditionality should support land management practices, especially on low-quality soils, that improve profitability, contribute to soil enrichment with organic matter, enhance its sorption capacity and help protect biodiversity, groundwater and surface water sources; emphasises the importance of disconnecting farm food production from the one-sided production model based on fossil energy. It is regionally possible to accumulate surface area for renewable energy, for example, from annual fallow land;
 55. recognises the need to support the food processing sector, the development of local renewable energy and the reduction of the financial and environmental costs associated with sustainable transportation, storage and packaging systems;
- 6) ***Creating a food system for healthy people and a healthy planet***
56. emphasises that the CAP should promote producers of healthy, sustainably produced food, such as organic food, as well as production utilising circular systems;
 57. emphasises that food made available to EU residents must be good for their health. Therefore, the primary goal of improving food quality should be to strive for the highest health-promoting attributes, understood as characteristics contributing to consumers’ long and healthy lives. Believes that food products with proven negative effects on consumers’ health should be increasingly heavily taxed, depending on their composition, caloric value, nutritional value, degree of processing and addicting qualities. The funds yielded by this tax could help finance

the CAP 2027+. Additionally, it stresses that food on the EU market should not come from external suppliers unless it meets at least the same standards as food produced within the EU;

58. recommends that public procurement give preference to organic and plant-based food produced near the place where it is purchased. This should apply particularly to food served in schools, kindergartens, care institutions and healthcare facilities and at public sector events;
59. acknowledges that locally produced food must carry a visible label of origin and recommends that the CAP 2027+ continue to offer interventions that support promotion, marketing and local sale of locally produced food, also by promoting the building of market halls;
60. recognises that supply management tools should take into account the need for reterritorialisation of European agriculture. This would involve more appropriate territorial distribution of farming, particularly livestock farming, to avoid excessive concentration of farming activities in certain regions, leading to monoculture, and complete absence in other regions. Likewise, production of fruit and vegetables should be encouraged and organised in a more balanced way;
61. highlights the need to step up research and implementation and to continue to address the importance of the Agriculture Innovation and Knowledge Exchange System (AKIS), emphasising that food production is a field open to innovation;
62. regrets that the strategic dialogues on the future of EU agriculture launched by the European Commission do not include any local or regional authorities;

7) ***Strengthening the role of the regions in the governance of the CAP***

63. calls on the European Commission to include the European Committee of the Regions as a full-fledged advisory body in the formulation of the future CAP. Regional and local authorities represented at the CoR are inherently linked to rural areas and thus to agriculture. They also represent urban areas and consumers, and work for environmental protection and socio-economic order;
64. points out that representatives of European farmers must be involved at every stage and every level when creating the framework for the CAP 2027+ and recommends establishing, a temporary food council within the European Committee of the Regions involving all the representative of the stakeholders, in particular farmers representatives, at local and regional level as an advisory body for the elaboration of the CAP 2027+;
65. emphasises that the above-mentioned objectives of the CAP 2027+ can only be achieved with stronger multilevel governance and increased shared management and decentralisation of the policy as a result of which an area-specific approach becomes possible, fairer direct payments for farmers (particularly for small and medium-size businesses) and long-term planning;
66. believes firmly that many aspects crucial for the implementation of the CAP can best be carried out at regional level. Therefore calls on the European Commission to grant significantly greater

powers to regions (NUTS2) in the CAP after 2027, when the development of rural areas and agriculture should become an integral part of development policy. The CAP should be decentralised and implemented based on regional strategies for food security and rural development. Funding for rural development should come from Structural and national funds. Regional and local authorities should stipulate that agricultural production areas are protected from other forms of land use;

67. emphasises that the CAP needs to be restructured by transferring design and management to the regional level, while safeguarding the consistent adherence to the common European goals of the Common Agricultural Policy. Conditions for food security and rural development, conditions for food distribution under the 'farm to fork' strategy, and goals related to biodiversity conservation, landscape protection, protected areas, biocenotic enclaves, biological corridors, groundwater and surface water protection, creation of buffer zones, species and genus protection (such as pollinators) and standards for promoting regional products will all be determined within one strategy;
68. calls for the Strategic Dialogue on the Future of Agriculture to be closely monitored, in particular by highlighting the importance of regions, which have first-hand knowledge of the challenges and needs of agriculture at local level.

Brussels, ...

II. PROCEDURE

Title	The Future of the Common Agricultural Policy
Reference(s)	N/A
Legal basis	Own-initiative opinion (Rule 41(b)(ii) of the RP)
Procedural basis	Art. 307, 4ème al.
Date of Council/EP referral/Date of Commission letter	N/A
Date of Bureau/President's decision	N/A
Commission responsible	Commission for Natural Resources
Rapporteurs	Isilda Gomes (PT/PES), Mayor of Portimão, and Piotr Całbecki (PL/EPP), President of the Kujawsko-Pomorskie Region
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Previous Committee opinions	
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