



SECTORAL CONFERENCE FOR AGRICULTURE AND RURAL DEVELOPMENT

Common position on the European Commission's initiative on "Modernisation and simplification of the Common Agricultural Policy"

HORIZONTAL TYPE

1. The CAP has played, and must continue to play, a key role in European integration. The objectives set out in Article 39 of the Treaty on the Functioning of the European Union remain fully in force within the framework of the review process currently being carried out. Particularly, the CAP should contribute to enabling the alignment of the level of agricultural income with that of other productive sectors in the EU.
2. There is a wide degree of international consensus on the challenges that agriculture shall face in the coming decades, especially the one stemming from food security, due to the foreseeable increase in world population and consumption, which will entail, in turn, facing the challenge of preserving the environment and combating climate change while producing more food with fewer resources. In addition to the aforementioned, there is another challenge stemming from the depopulation and aging of large rural areas, which are the result of the lack of livelihood and employment opportunities, especially for young people and women.
3. Farmers and livestock breeders are the main protagonists and beneficiaries of the CAP. Without their participation, it would not be possible to implement the measures intended to achieve the desired objectives. The CAP must be aware of its role and involvement, in particular of the need for economically sustainable agricultural and livestock holdings, so that they can provide a decent standard of living, keeping a lively rural environment with an adequate level of employment.



4. The CAP objectives should be aligned with the international commitments and priorities of the European agenda for growth and employment, consolidation of the internal market, fight against climate change, and sustainable development, so that this policy continues to hold its rightful place within the European integration project.
5. Within Europe, due to its agro-climatic diversity, there are a wide range of agricultural and livestock production models. Spain, likewise, is one of the Member States of the EU that presents a wide variety of agriculture and stockbreeding throughout its territory. The CAP must be a faithful reflection of this diversity, and should include the necessary flexibility to account for these diverse realities, in particular agriculture with natural handicaps such as mountain farming, Mediterranean agriculture and the agriculture of outermost regions. In the latter it is necessary to maintain their specific schemes.
6. It is necessary to have a clear and stable legislative framework, which provides farmers and stockbreeders with the necessary legal protection to be able to make medium- and long-term business decisions.
7. The Spanish agro-food sector clearly shows signs of international projection, as evidenced by the positive evolution of our export figures and the diversification of destinations. The internationalization and opening of markets are key; trade agreements must take into account the standards required from community producers. Trade agreement negotiations with third countries shall be complemented by the corresponding individual and cumulative studies about the impact on affected sectors.
8. European consumers must be taken into account in the drafting of the future CAP. Public awareness of all the benefits generated by the CAP and the connection of consumers with the rest of the chain is a pending issue that must be undertaken in order for citizens to improve their perception of this policy and its suitability to face the challenges of food security and preservation of the environment, while dignifying the image of farmers and livestock holders.



9. Simplification has become, to a large extent, a recurrent element in the CAP. The efforts of all the participants, the European Commission and the Member States, do not always make things easier for farmers and stockbreeders, who still perceive this policy as too complex. New technologies and a solid commitment towards simplification constitute a great opportunity to divert to knowledge and information a large part of the resources currently devoted to administrative procedures. An actual simplification of regulations and procedures is needed, which must go hand-in-hand with an efficient use of resources.

CAP FUNDING

10. The challenges facing by the CAP over the next decade require funding to match its ambition. The uncertainties that the European project is going through, as a consequence, above all, of Brexit, must have as a response more Europe. The CAP was the first Community policy and has actively contributed to the European construction project, therefore requires an adequate budget for it to remain a key tool for the European unity.

DIRECT PAYMENTS AND AIDS FOR FARMERS AND LIVESTOCK BREEDERS

11. The direct CAP payments received by farmers and stockbreeders shall continue to play a very important role in the future CAP, since they are an indispensable element in stabilizing their incomes and at the same time provide the necessary support for the preservation of the agricultural production of certain vulnerable sectors and also contribute to the protection of the environment and the climate. Direct aid must also address and respond to the diversity of production systems in the EU that generate employment, investment and wealth.
12. Direct payments are essential tools to meet the new challenges that society demands from the CAP, and therefore they bring actual European added value to the Community expenditure, so that the European Union budget shall maintain funding at 100%.



13. The new CAP should allow direct payments to be focused on farmers and livestock holders who carry out real agricultural activities, thus providing society with the service expected from them.
14. Decoupled production payments must preserve and play a very important role in the stability and maintenance of the farmers and stockbreeders income. On the other hand, coupled payments are crucial for the preservation of certain vulnerable sectors, especially in less-favoured areas or areas subject to natural constraints.
15. Agriculture must be part of the solution to climate change and environmental preservation. The climatic and environmental benefits of direct payments can be improved by providing farmers and stockbreeders with incentives to adopt better practices and production models.

SPECIFIC SUPPORT PROGRAMMES

16. Specific support programs for wine, fruit and vegetables and beekeeping play a very important role in those sectors that are closely linked to the Mediterranean agriculture. The new CAP must preserve the maintenance of these programs, reinforcing its commitment to the quality and the added value for productions.

SECURITY NETWORK AND INSTRUMENTS FOR RISK MANAGEMENT

17. The security network, in particular public and private storage mechanisms, have proved to be essential in order to restore the balance between supply and demand, especially in situations of persistent falls in producer prices. The new CAP must maintain this network, however new mechanisms and instruments shall be introduced and its operations and execution must be updated so that its activation can be of pre-emptive nature, by employing indicators developed within the framework of specific price observatories. Market crises must be tackled with a common European perspective.
18. In order to cope with increasing volatility in agricultural markets, farmers and stockbreeders need to be better informed about how



to manage all kinds of risks that may affect their holdings. The CAP shall enhance the acquisition of the necessary knowledge among farmers for the adoption of strategies which enable them to be better prepared for dealing with the risks arising from market volatility and for assessing the different proposals on income stabilization instruments.

CHAIN APPROACH

19. Task Force recommendations on Agro-food Markets reflect in a very detailed way the enhancements that Community legislation shall incorporate to improve the relationships between the different participants in the food chain. The CAP shall incorporate these recommendations, in particular those to combat unfair trade practices at EU level, including the appointment of independent supervisory authorities acting with a common European perspective, as our production competes at a Community level in single market.
20. Producer and inter-branch organisations are the best support instruments in the agricultural sector, not only to increase the competitiveness of the production and agro-industrial sector, but also to deal more effectively with crises situations. Therefore, the CAP shall vigorously promote these types of organizations. At the same time, it is necessary to establish more clearly how competition rules shall be adapted to the agricultural sector, particularly, to producer and inter-branch organizations.
21. Price formation along the chain is one of the issues of greatest concern to the agro-food sector as a whole. Value chains are increasingly complex, so without sufficient information and transparency, it is very difficult for all participants to act on equal terms. The CAP has been a formidable instrument for providing all kinds of information on the first step of the chain, the production sector; however, it must improve in order to be able to provide better information on the rest of the links in the chain, especially via the price observatories.

RURAL DEVELOPMENT



22. The aging of the rural population and, in many areas, depopulation are the major problems affecting rural areas. In large areas of our territory population densities are among the lowest in Europe. In addition, 30% of Spanish farmers are over 65 and only 4% under 35. Although this is a problem that goes beyond the scope of the CAP, it is necessary to seek synergies with the actions carried out through other structural funds and instruments, in particular ERDF, ESF and Horizon 2020.
23. The lack of opportunities for young people and women is at the root of the aging and depopulation problems in rural areas, together with the lack of generational replacement in agriculture and livestock farming. The current CAP includes support and promotion tools for women and young people, but they are still not enough. The new CAP shall be an opportunity to make a qualitative and quantitative leap forward in this regard. The objective of incorporation shall not be conditioned by administrative constraints.
24. The aid to areas with natural restrictions has played and shall continue to play a very important role in the maintenance of farming and livestock farming in areas where there is no other alternative to these activities, and the new CAP must preserve this aid.
25. The agricultural sector is an engine of Spanish economy and, in particular, of the rural economy. Therefore, rural development policy instruments aimed at modernization and improvement of agricultural structures shall remain the central axis of such policies.
26. The objectives for adaptation to climate change and mitigation of its effects, including the foreseeable scenario of occasional and irregular rainfall, as well as the preservation and improvement of the environment, can best be achieved by encouraging agricultural, livestock and forestry farm investment aid. This will result in tangible progress concerning reduction of greenhouse gas emissions or carbon sequestration in agricultural soils and forest masses, as well as efficient use of water and energy, while promoting the competitiveness of holdings.
27. The application of circular economy and bio-economy principles are going to be an essential opportunity for the rural environment, allowing the development of economically



profitable activities, by making use of agricultural, livestock, forestry or agro-food resources. The CAP shall seek with its measures synergies with Community policies on circular economy and bio-economy, sharing at the same time the objectives.

28. Knowledge and innovation are the main instruments with which the agro-food sector can meet next decade's challenges. These will enable industry players to facilitate the transition to more sustainable production models, using fewer resources. The CAP shall therefore also make more emphasis on knowledge and innovation and their transmission through training. The CAP shall also foster and take on the principles of knowledge-based society and smart agriculture, and enable farmers to benefit from the potential information generated by their activity through new technologies, digitization and Big Data.

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