

Priorities of Latvia of the Common Agricultural Policy (CAP) after 2020

- Regardless of possible changes in the structure or amount of the next MFF, **CAP must remain a strong policy.**

- If in the light of **Brexit decision** to decrease the overall MFF amounts would be made, the **expected allocation reduction to the CAP should be proportionate to the overall decrease of the EU budget.**

- **EU must finally ensure that conditions for all the farmers within the EU are fair and equal.** Therefore the convergence process of direct payments that has been lasting for 16 years already – must be concluded as soon as possible in next period.

- **The EU average level of direct payments must be guaranteed for Latvian farmers.** 281 EUR/ha is 100% of the average level of direct payments that must be guaranteed to Latvian farmers as soon as possible in next period.

The allocation of direct payments must be based on the volume of declared areas of agricultural land in each country. In Latvia the volume of declared areas of agricultural land is constantly rising. By the rise of the declared agricultural land in Latvia – in 2020 the average level of direct payments will decrease from the initially envisaged 196 EUR/ha (75% of the EU average level) to even lower level of 185 (66% of the EU average level) EUR/ha (based on agricultural land volume in 2014). Therefore it is essential that the very latest reference data on the agricultural land in each MS are taken into account.

- Beyond 2020, MS have to be given the **opportunity to continue the single area payment scheme (SAPS) scheme**, given that it is simple to administer, understandable for farmers and provides basic income support.

- **The financial envelope for rural development for Latvia must be returned to the level of 2007-2013** as for the present period the envelope was hit by a sharp reduction of 9% but the need to solve economic and social problems in rural areas and to release the potential of our rural areas is still there.

- The distribution of the EU funding for rural development **must be based on the conditions and criteria that encourage the development of those EU's rural areas that are significantly lagging behind the average level of the EU's rural areas.** Latvia must attain the average development level of EU's rural areas.

- Recent market crises and events in the global markets have proved that the **current market measures and risk management instruments need to be improved.** We should aim for measures that are capable for timely reaction and provide necessary support for farmers in situation of market crises and instabilities.

- **It is crucial to strengthen the farmers' position in the food supply chain** as farmers are left with the lowest bargaining power.

- **Persistent work on simplification process** must be carried out to reduce administrative burden.

- **Latvia acknowledges the new challenges Europe is facing but the main aim of CAP to provide EU citizens with high quality and safe food has to be maintained.**

Table 1
Level of direct payments in 2017 and in 2020 (EUR/ha of 2014)

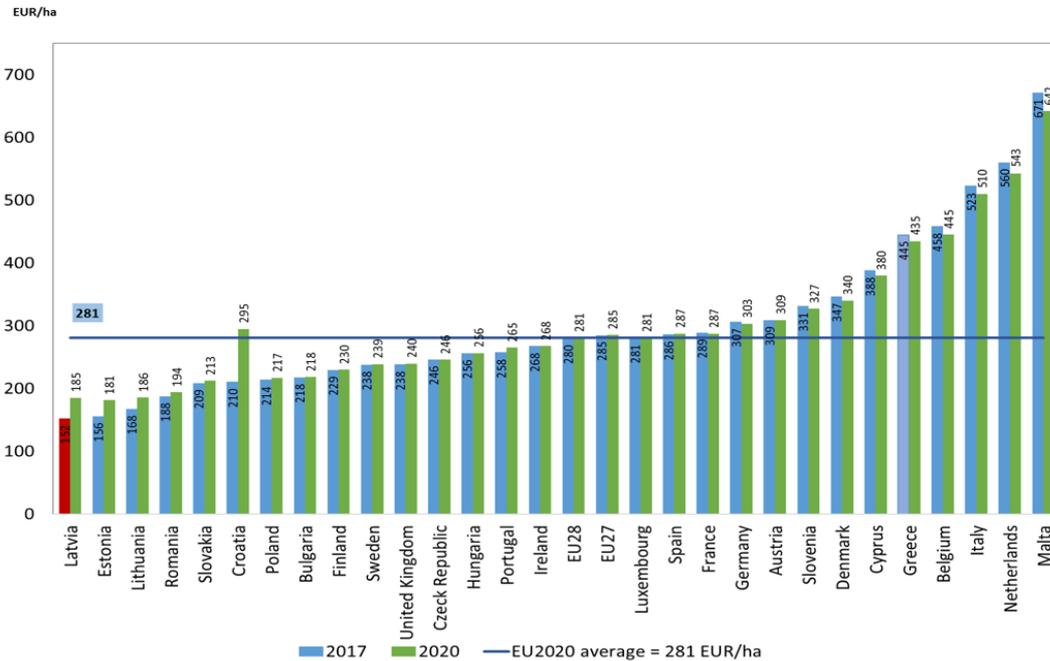


Table 2
Level of direct payments and RDP in 2017 and in 2020 (EUR/ha of 2014)

