



## **Horizon 2020: preserving the CAP while refocusing it towards a diversified and employment-friendly agriculture**

While discussions on post 2020 CAP reform have just started, UNITAB (the association of European tobacco producers), which gathers more than 65 000 farmers and 350 000 jobs in Europe, recalls its commitment to a European diversified agriculture, as a source of employment and as a guardian of our territories' vitality.

### **Stay in line with the CAP's original objectives**

The environmental and social impacts of agriculture are at the heart of the discussions. The current overall tendency is to include agricultural policies within comprehensive policies that prioritize environmental issues over agricultural specificities. Although being aware of the need to take up environmental challenges, Tobacco producers warn lawmakers and regulators about a dilution that would likely detract the CAP from its historical objectives.

Beyond the objectives of food safety and environmental excellence, the social and economic stakes of the agricultural sector must be taken into account. While the agricultural crisis affects many exploitations, the CAP must primarily focus on employment, decent living for farmers and regional development.

### **Restore the employment criterion to its rightful place**

For many years, rural areas have been drained of their inhabitants and unemployment has been rising dramatically. Excessive specialization and over-intensification of large farms have led to the collapse of thousands of smallholder farms in Europe.

Still, the EU has given priority to employment. The CAP appears as a legitimate and relevant tool in rural areas, where agriculture is the main economic activity and where family farms appear to be the main employment providers. Therefore, it is essential that the next CAP is adapted to a human-sized and family agriculture, such as the tobacco agriculture, that is likely to support regional development and strengthen our territories' vitality.

Moreover, training boosts the competitiveness of small and medium exploitations, allowing farmers to address economic, administrative and digital issues more efficiently. The training of young farmers is crucial for generational renewal and for the attractiveness of agriculture. Investments in trainings in agricultural jobs must be a priority of the CAP.

### **Ensure tools for income stabilization**

In order to protect European farmers from price and income volatility, the CAP must have adequate financial resources: coupled payments and specific aids allow for the maintenance of exploitations in some deprived and vulnerable areas. UNITAB is firmly opposed to a budget cut of the CAP, which must remain at the same level, and calls for the continuation of direct aids.

It is imperative that the tools for crisis management and insurance systems are reinforced so they can protect European farmers from bankruptcy in case of natural disaster or market deregulations. Tobacco cultivation, as one form of agriculture, could be taken into account by those tools and not be marginalized as was the case with the suppression of recoupling aids in 2010.



### **Implement further simplification of administrative procedures**

European farmers face administrative and regulatory constraints that weigh heavily on their work and undermine the CAP objectives. As these administrative barriers could be detrimental to the proper management of exploitations, the CAP could become more effective in simplifying the formalities and requirements that farmers have to fulfil.

Nevertheless, simplification must not generate a standardization of the CAP tools given the diversity of European agriculture and the need for specific sectoral measures.

### **Support the development of Interbranch organizations**

Considering this marginalization from the European institutions and realizing their common interests, the European tobacco producers and transformers decided to join forces. On May 22, 2017, the European Leaf Tobacco Interbranch organization (ELTI) held its first General Assembly in Rome.

By bringing together the European producers (UNITAB) and transformers (Fédération Européenne des Transformateurs de Tabac/FETRATAB), ELTI is the first European Interbranch organization amongst all agricultural productions. The European tobacco sector leads the way and proves that it is in frontline to defend the European agriculture interests.

This experience can be extended to other sectors. Therefore, UNITAB suggests that the next CAP supports the setup of Interbranch organizations at EU and national levels in order to strengthen the weight of farmers in the value chain.

#### **About European raw tobacco cultivation:**

Being one of the most labour-intensive form of agriculture, European tobacco cultivation gathers many smallholder family exploitations, with about 65.000 families being dependent on the incomes triggered this activity. These tobacco-growing farms are often located in vulnerable areas so they have a crucial importance in terms of social cohesion, as they maintain employment and occupy the lands.

Nevertheless, European agriculture is suffering and its sustainability is dangerously challenged by the European reforms and regulations: suppression of the Common Organization of Markets and financial aids, application of the Tobacco Products Directive etc. These regulatory drawbacks lead to a price war between manufacturers, who reduce raw material prices and thus the incomes of tobacco growers.

European growers distinguish themselves from producers in other countries thanks to their know-how and the environmental and social responsibility they abide to. The European tobacco cultivation gives quality and traceability guarantees which contribute to the sanitary impact of smoking products. Moreover, being produced mainly on small surfaces, tobacco growing contributes to the diversity of landscapes with a very low environmental footprint thanks to its rusticity.

The next CAP must be innovative so the labour-intensive productions, as raw tobacco, can live up and support regional development and diversity.