

Common agricultural policy (CAP) 2021–2027

2018/0218(COD) - 01/06/2018 - Legislative proposal

PURPOSE: to modernise and simplify the common agricultural policy (CAP) beyond 2020 (regulation on the common organisation of the markets in agricultural products).

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the context in which the last CAP reform was decided in 2013 has shifted considerably. More specifically: (i) agricultural prices have fallen sharply as a result of macroeconomic factors and geopolitical tensions; (ii) the EU has become more open to global markets; (iii) the EU has made new commitments at international level, for example on climate change mitigation (through COP 21).

On the basis of the Commission [proposal](#) for the multiannual financial framework (MFF) 2021-2027, the Commission is presenting a set of regulations which define the legislative framework of the CAP for the period 2021-2027, namely:

- a [regulation](#) defining the objectives of the CAP as well as rules on support for strategic plans to be developed by Member States in the framework of the CAP;
- a horizontal [regulation](#) on the financing, management and monitoring of the CAP;
- and a **common organisation of the markets (CMO) Regulation**.

These proposals give shape to the reflections on the future of the CAP presented in the Commission [Communication](#) on the future of food and agriculture in November 2017, which highlighted the challenges, objectives and possible avenues for **a 'future-proof' CAP, that needs to be simpler, smarter and more modern, leading to the transition to a more sustainable agriculture**.

The CAP general objectives shall focus on the economic viability, the resilience and income of farms, on an enhanced environmental and climate performance, and on the strengthened socio-economic fabric of rural areas. Moreover, fostering knowledge, innovation and digitalisation in agriculture and rural areas is a cross-cutting objective.

CONTENT: this proposal for a Regulation seeks to maintain the architecture and main features of [Regulation \(EU\) No 1308/2013](#) on the common organisation of the market in agricultural products while amending a **limited number of provisions in view of the new challenges relating to environmental sustainability and climate change and to citizens' expectations regarding food**.

The proposal seeks, *inter alia*:

- to **delete provisions related to sectorial interventions** as these interventions of the future CAP will be regulated under the CAP strategic plan Regulation and be part of Member States' strategic plans, to ensure a better coherence of CAP interventions;
- to amend current rules on **geographical indications (GIs)** aiming at a simpler GI system, faster registration of geographical indications and more efficient approval of amendments to product specifications. The objective is to make the GI system more understandable for consumers, easier to promote, and to reduce the administrative costs associated with managing the system;

- to simplify some specific procedures with regard to the **rules on GIs for wine** to make the approval process more efficient;
- to clarify the definition of '**Protected Designation of Origin**' for wines to enable producer groups to use new varieties, also needed in response to climate change;
- to strengthen the protection of GIs against counterfeiting of GIs on the internet and on goods in transit;
- to apply the proposed simplification for wine GIs has to be applied also to **agricultural products and foodstuffs**;
- to include provisions that merely translate into internal legislation commitments taken by the EU and its Member States in the context of recent World Trade Organization Ministerial Decisions, notably on export subsidies;
- to delete a number of obsolete provisions, inter alia the system of production regulation and requirements applying to the **sugar sector** that expired at the end of the 2016/2017 marketing year.

AVAILABLE BUDGET: the Commission proposal on the multiannual financial framework for 2021-2027 provides that a significant part of the EU budget should continue to be dedicated to agriculture, which is a common policy of strategic importance. Thus, in current prices, it is proposed that the CAP should focus on its core activities with **EUR 286.2 billion** allocated to the EAGF and **EUR 78.8 billion** for the EAFRD.

These agricultural funds are complemented by **additional funding** from Horizon Europe, as the proposed envelope for this programme includes **EUR 10 billion** to support research and innovation in food, agriculture, rural development and the bioeconomy.