# Future of food and farming

2018/2037(INI) - 30/05/2018 - Text adopted by Parliament, single reading

The European Parliament adopted by 468 votes to 123 with 89 abstentions, a resolution on the future of food and farming.

**Priorities of the Common Agricultural Policy (CAP) reform**: while welcoming the intention to simplify and modernise the CAP, Parliament stressed that the overriding priorities of reform must be the integrity of the single market and a truly common policy, adequately financed by the EU, that is modern and result-orientated, supporting sustainable agriculture, and ensuring safe, high-quality and varied food production and employment in rural areas. It rejected any possibility of renationalisation the CAP.

Members called for the CAP budget to be increased or maintained in constant euros in the next MFF, so that it is adapted to future needs and challenges, such as those arising from the consequences of the UK's exit from the EU and the EU's free trade agreements with its main trading partners.

They rejected the 25% reduction in the rural development budget for 2021-2027 as proposed by the European Commission on 2 May 2018.

**Increased flexibility**: Parliament has called for the CAP proposal for 2021-2028 to set out the general common objectives, basic standards, measures and financial allocations, and **determine the appropriate level of flexibility** needed to enable the Member States and their regions to cope with their specificities and needs in line with the single market so as to avoid distortions of competition deriving from national choices.

**A smart, efficient, sustainable and fair CAP**: Members considered it necessary to **maintain the current two-pillared architecture**, with Pillar I financed entirely through EU funding and constituting an efficient means of support for income, for baseline environmental measures and for the continuation of existing market measures, and Pillar II (rural development) meeting the specific needs of the Member States.

The transition of all European farms towards sustainability, and for all European farms to be fully integrated into the circular economy, combining economic with environmental performance standards and with no reduction in social or employment standards, is to be a top priority.

Parliament made the following recommendations:

- support the potential of technological innovations for a smart and efficient sector which delivers on sustainability, particularly as regards the efficient use of resources, and the monitoring of crop and animal health and the environment;
- more targeted support for diverse agricultural systems, in particular for **small and medium-sized family farms** and young farmers, and degressive support for large farms, with a mandatory capping to be decided at European level;
- ensure that support is targeted at real farmers;
- define a system of sanctions and incentives that is balanced, transparent, simple and objective, and results-oriented shifting the focus from compliance to **actual performance;**
- introduce a **new EU method for calculating direct payments**, in order to phase out the historical references for support, and to provide more support to those delivering public goods;

- **maintaining payments linked to voluntary coupled support** (VCS), which can only be activated following an assessment by the Commission; Members stressed the importance of VCS payments

maintaining the EU's diversity of agricultural production, agricultural employment and sustainable production systems;

- **strengthen Pillar II financially**, thus increasing the potential to generate income, to help tackle depopulation, unemployment, poverty and to promote social inclusion, the provision of social services and the strengthening of the socioeconomic fabric in rural areas;
- present a **multi-funded investment approach** for the post-2020 legislative period to ensure the smooth functioning of integrated rural development tools, such as the Smart Villages Initiative;
- maintain specific **compensatory support** for farms in less-favoured areas according to conditions defined by the Member States according to their local specificities;
- introduce a new, coherent, reinforced and simplified **conditionality regime** in Pillar I, so as to ensure a level playing field, while ensuring minimum bureaucracy at farm level and, taking into account local conditions, adequate control by the Member States;
- establish a new simple scheme which should be mandatory for Member States and optional for farms, in order to provide incentives to farmers who adopt sustainable **climate and environmental techniques and practices**. A minimum amount of the total budget available under Pillar II should be allocated to agri-environmental and climate measures (AECMs);
- encourage innovation, research and modernisation in the agricultural, agro-forestry and food sectors;
- ensure that legislative proposals for CAP reform include measures to integrate protein crop production into improved crop rotation systems so as to overcome the current plant **protein** deficit.

The Commission also stressed the need to:

- provide faster, more efficient and fairer support to farmers to cope with price and income instability due to climate, adverse weather conditions and health and market risks, by creating additional incentives and market conditions that stimulate the development and voluntary use of risk management and stabilisation tools;
- promotion of local markets and short food supply chain;
- examine in depth the current crisis reserve mechanism in order to create a functional and independent **EU fund** for agricultural crises, while maintaining the crisis reserve at a constant level throughout the MFF period, thereby enabling quicker, more coherent and effective prevention actions and responses.

Lastly, Parliament stressed that, while it is important to continue to work for increased market access for European agricultural products, adequate measures for the **protection of European agriculture**, which take into account sector-specific concerns, are necessary, such as safeguarding mechanisms to avoid negative socio-economic impacts on small- and medium-scale farmers in the EU and in third countries, or the potential exclusion from negotiations of the most sensitive sectors.