Agricultural production compatible with environmental requirements and countryside (implem. Regul. 2078/92/EEC)

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The committee adopted the report by M.John IVERSEN (PSE,DK) on agricultural production methods compatible with the environment and the countryside. (Hughes procedure). The committee considered that, because the Commisssion's report wasn't an evaluation of the regulation's enforcement, but merely a statement of activity, it was impossible to draw from it a comprehensive and definitive judgement on the effectiveness of the scheme. It was not possible to verify if its objectives(ie. the reduction production, produced environmental benefits, or provided income to farmers as a replacement for losses incurred) had been attained . Considering the high cost of the scheme (3.8 billion ECU from EAGGF expenditure - 6.2 billion ECU including Member States' contributions), the rapporteur deemed it "a surprising state of affairs". The committee took note that in many Member States the scheme had been implemented very late and, in some cases, inadequately, despite the fact that it was a mandatory and integral part of the 1992 agricultural reform. By the mid of the 1997 financial year, 1.35 million agreements had been signed (=17% of farmers and holdings in the Union) relating to 127 zonal programmes. This represents almost 3.8 billion ECU in Community financing at the end of 1997 (estimates for that year) and 6.2 billion ECU in total (including funding from the Member States). The Commission stresses that these figures are much lower than the initial estimates and that the programmes have been applied very differently depending on the country. Five Member States - namely Austria, Germany, France, Finland and Italy - accounted for 86% of the expenditure. In terms of utilised agricultural area (UAA) the most widespread programmes were in Austria, Luxembourg and Finland, with over 70% UAA, and coverage of over 30% in Sweden and Germany. In France, Ireland and Portugal coverage was around 10-15%, in the UK it was less than 10% while in Italy[], Denmark, Spain, Netherlands, Belgium and Greece it was extremely low (around or under 5%). The Commission report did not clearly name the reasons for this uneven application.The rapporteur believes that where intensive farming is produced, it is simply not worth reducing intensive practices in order to take advantage of the agri-environmental measures. Agri-environment programmes are part-financed by the Community (EAGGF Guarantee Section) at the rate of 75% in Objective 1 regions or 50% in other regions. The balance of the co-financial programme is paid by the Member State or region. The committee was of the opinion that farmers should receive agri-environmental payments in proportion to the efforts they have undertaken to protect or enhance the environment and the loss of yields and production involved, taking into account the diversity of prevailing circumstances (soil, climate, etc). In this connection the levels of premia should be re-examined in order to better target them, and to encourage cross-compliance. It considered necessary to widen the scope of the scheme to help with local planning, provision of advice, access to information, dissemination of research results, amend regulatory measures including local planning laws, and with the use of new technology . It believed in fact that a wide array of approaches was likely to be more successful than agricultural policy reform alone, or just the application of the present agri-environmental scheme. In conclusion, the rapporteur said that the present regulation needed: - clearer defined objectives (including a statement of the quantitative improvements which farmers must achieve in applying the programme.); - improved evaluation (this should be done by the Member States, with regular monitoring and evaluation submitted to the Commission. If Member States do not provide evaluation with proper justification or do not apply the regulation, sanctions should be used); - more specific targeting; - different classification of expenditure to give the EP considerably more say in the application of these funds. The agriculture committee called on the Commission to publish an evaluation report as soon as possible, giving precise details of the application and impact of the programme and pointed out that this will require improvements to the methodology of evaluation, to comparability between the Member States, and a better scientific monitoring. It asked for better co-operation between Members States and the Commission, and the

provision of additional finance towards the costs of evaluation and follow-up; believed that such an evaluation is essential before the scheme is extended in the context of Agenda 2000.