

Agenda 2000: financing of the common agricultural policy

1998/0112(CNS) - 24/11/1998

The report by Jan MULDER (ELDR, NL) on the financing of the CAP was adopted by the Committee. In the process, the committee looked at the issue of "co-financing" of EAGGF-Guarantee expenditure. Although it did not agree that the principle of co-financing should be included in the body of the regulation, it clearly envisaged co-financing (subject to certain conditions) in the introductory "recitals" to its resolution. The committee argued that this principle should be part of "a reform of the CAP which makes the latter more equitable and ensures that it contributes to a greater extent to the social and economic cohesion of the rural areas of Europe". Following the vote, the rapporteur spelt out what he believed to be the conditions needed if co-financing were to be introduced: the needs of the regions must be taken into account; co-financing by the Member States must be compulsory (i.e. no "renationalisation" of the CAP); sanctions must be imposed if Member States fail to pay their share.