Basic information

2018/2037(INI) INI - Own-initiative procedure	Procedure completed
Future of food and farming **Subject** 3.10.01 Agricultural structures and holdings, farmers	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	DORFMANN Herbert (PPE)	13/12/2017
	Shadow rapporteur AGUILERA Clara (S&D) NICHOLSON James (ECR) MÜLLER Ulrike (ALDE) SENRA RODRÍGUEZ Maria Lidia (GUE/NGL) WAITZ Thomas (Verts/ALE) ZULLO Marco (EFDD) LOISEAU Philippe (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
DEVE Development	NOICHL Maria (S&D)	08/03/2018
INTA International Trade	KELLY Seán (PPE)	19/02/2018
BUDG Budgets	ALI Nedzhmi (ALDE)	13/03/2018
CONT Budgetary Control	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	DELAHAYE Angélique (PPE)	01/03/2018

	ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
	REGI Regional Development	The committee decided not to give an opinion.	

European Commission	Commission DG	Commissioner
	Agriculture and Rural Development	HOGAN Phil

Key events

Date	Event	Reference	Summary
29/11/2017	Non-legislative basic document published	COM(2017)0713	Summary
15/03/2018	Committee referral announced in Parliament		
16/05/2018	Vote in committee		
22/05/2018	Committee report tabled for plenary	A8-0178/2018	Summary
28/05/2018	Debate in Parliament		
30/05/2018	Decision by Parliament	T8-0224/2018	Summary
30/05/2018	Results of vote in Parliament		
30/05/2018	End of procedure in Parliament		

Technical information

Procedure reference	2018/2037(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Strategic initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/8/12236

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE618.154	20/02/2018	

Amendments tabled in committee		PE619.267	22/03/2018	
Amendments tabled in committee		PE619.297	22/03/2018	
Amendments tabled in committee		PE619.298	23/03/2018	
Amendments tabled in committee		PE619.299	23/03/2018	
Committee opinion	BUDG	PE619.266	25/04/2018	
Committee opinion	INTA	PE618.230	26/04/2018	
Committee opinion	DEVE	PE619.225	26/04/2018	
Committee opinion	ENVI	PE618.229	30/04/2018	
Amendments tabled in committee		PE622.077	08/05/2018	
Committee report tabled for plenary, single reading		A8-0178/2018	22/05/2018	Summary
Text adopted by Parliament, single reading		T8-0224/2018	30/05/2018	Summary

European Commission

Document type	Reference	Date	Summary
Commission document (COM)	COM(2017)0713	29/11/2017	Summary
Commission response to text adopted in plenary	SP(2018)515	16/11/2018	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	RO_CHAMBER	COM(2017)0713	01/03/2018	

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.

Future of food and farming

2018/2037(INI) - 22/05/2018 - Committee report tabled for plenary, single reading

The Committee on Agriculture and Rural Development adopted an own-initiative report by Herbert DORFMANN (EPP, IT) on the future of food and farming.

Reform of the Common Agricultural Policy (CAP): recognising the strategic importance of the CAP, Members supported a truly common policy, adequately financed by the EU, that is modern and results-oriented, that supports sustainable agriculture and ensures safe, high-quality and varied food production and employment in rural areas. They rejected any possibility of renationalisation the CAP.

adequately financed by the EU, that is modern and result-orientated, supports sustainable agriculture, and ensures safe, high-quality and varied food, employment and development in rural areas;

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.

Flexibility: Member States should enjoy a reasonable level of flexibility within a strong common framework of EU rules, basic standards, intervention tools, controls and financial allocations agreed at EU level by the co-legislator, in order to guarantee a level playing field for farmers. They should design their own coherent, evidence-based national strategies with due respect for the rules and principles of the single market.

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.

The report made the following recommendations:

- 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**;
- modernise the current system for calculating direct payments under Pillar I and replace it with a European payment calculation method whose basic component would be income support for farmers and which could increase in step with the contribution to 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;
- 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.

Lastly, compliance with European sanitary, phytosanitary, animal welfare, environmental and social standards requires consistency between trade policy. The objectives of the CAP must not lead to the weakening of Europe’s high standards or put at risk its rural territories.

Future of food and farming

2018/2037(INI) - 29/11/2017 - Non-legislative basic document

PURPOSE: to set out the means to be implemented to ensure the future of food and the common agricultural policy (CAP).

BACKGROUND: EU agriculture is **one of the world's leading producers of food**, and guarantees food security for over 500 million European citizens. The EU's farmers are also the **first stewards of the natural environment**, as they care for the natural resources of soil, water, air and biodiversity on 48% of the EU's land and provide essential carbon sinks and the supply of renewable resources for industry and energy.

The CAP enabled the development of the most integrated single market. It is thanks to the CAP that the EU farm sector is able to respond to citizens' demands regarding food security, safety, quality and sustainability.

Farming is strongly affected by the **weather**; it is also frequently tested by volatile prices, natural disasters, pests and diseases. At the same time pressure on natural resources is still clearly present partly as a result of some farming activities. Climate change threatens to make all of the above-mentioned problems weigh more heavily.

There are lessons to be learned from the public consultation carried out in the first half of 2017 on "modernising and simplifying the CAP" which confirmed a **widespread consensus** that the current CAP tools successfully addresses current challenges to some extent only and that it needed to be simpler and more flexible, and more focused on meeting the key challenges of ensuring a fair standard of living for farmers, preserving the environment and tackling climate change.

CONTENT: the Commission's Communication stresses that the CAP should continue to play a key role in implementing the priorities set by the Commission in line with other policies. A modernised CAP should enhance its EU added value by reflecting a **higher level of environmental and climate ambition, and address citizens' concerns regarding sustainable agricultural production**.

1) A new delivery model and a simplified CAP: the current CAP delivery system relies on detailed requirements at EU level, and features tight controls, penalties and audit arrangements. These rules are often very prescriptive, down to farm level.

In the delivery model of the future CAP, the Union should set the basic policy parameters (objectives of the CAP, broad types of intervention, basic requirements), while Member States should bear greater responsibility and be more accountable as to how they meet the objectives and achieve agreed targets. A future delivery system should focus more on results, pursue realistic objectives and help to reduce the EU's administrative burden for beneficiaries;

2) A smarter, more modern, more sustainable CAP: European citizens should continue to have access to safe, high quality, affordable, nutritious and diverse food. In order to achieving these goals, the Commission proposes to:

- **use research and innovation to better link knowledge and production**: the needs and contributions of rural areas should be clearly reflected in the EU research agenda and the future CAP should further promote synergies with research and innovation policy to promote it. It is also important to ensure the **full connection** of farmers and the countryside to the digital economy;
- **provide a fair income support to help farmers to make a living from their production**: farmers will continue to receive support through the direct payments system. Although the role of direct payments in stabilising farm income is generally welcomed, the fact that 20% of farmers receive 80% of the payments sometimes prompts accusations of "unfairness". Without being exhaustive, the Commission is examining **several solutions** to offer farmers the guarantee of fair and better targeted support for their income;
- **invest to improve farmers' market reward**: the CAP should play a larger role in helping farmers make more money from the market. The Commission considers that there is a clear need to **boost investments** into farm restructuring, modernisation, innovation, diversification and uptake of new technologies and digital based opportunities such as precision agriculture, the use of big data, and clean energy in order to improve individual farm sustainability;
- **foster a smart and resilient agricultural sector to effectively prevent or respond to risks and crises related to price volatility, climate change and sanitary and phytosanitary crises**. A **permanent EU-level platform** on risk management will be created to provide farmers with a forum to share their experiences and best practices, with the aim of improving the application of current tools and guiding future policies. Other complementary measures to the current risk management toolkit, such as support for reinsurance of mutual funds or incentives for precautionary savings, may also be envisaged;
- **bolster environmental protection and climate action**: the future CAP should make the best use of research results, ensure that knowledge is shared and implemented and support proliferation of modern technologies to maximise the contribution of agriculture to the EU and global objectives;
- **strengthen the socio-economic fabric of rural areas**: new rural value chains, such as **clean energy, emerging bio-economy, the circular economy and ecotourism**, can offer strong growth and employment potential for rural areas. In addition, generational renewal should be the priority in the new framework for action. The CAP should provide a tailor made delivery system to facilitate Member States' actions to assist EU young farmers;
- **address citizens' concerns regarding sustainable agricultural production, including health, nutrition, food waste and animal welfare**: the CAP should for example modernise the rules of organic farming, make geographical indications (GIs) more attractive to farmers and consumers, support the objectives of the Sustainable Use of **Pesticides** Directive and better address critical health issues such as those related to **antimicrobial resistance**.

3) Global dimension of the CAP: the CAP is and will continue to be coherent with the EU development policy, which recognises the important role sustainable agriculture plays for poverty eradication and sustainable development in developing countries. It will also take into account, in trade negotiations, the fact that some agricultural sectors are not in a position to face full trade liberalisation and unfettered competition with imports.

Lastly, the future CAP must play a larger role in implementing the outcome of the Valetta Summit, **addressing the root causes of migration**.

The relevant legislative proposals giving effect to the goals outlined in the Communication will be tabled by the Commission before the summer 2018, following the proposal for a multiannual financial framework (MFF).