Towards the CAP after 2020:
The Future of Food and Farming
Inter-parliamentary committee meeting - Brussels, 24 April 2018

Purpose
The European Parliament’s Committee on Agriculture and Rural Development is holding an inter-parliamentary committee meeting on 24 April 2018, to look into the CAP after 2020, and the future of food and farming.
Representatives of national parliaments have been invited to participate in discussions on a future agriculture policy as a modernised, results based policy for sustainable growth, environmental protection, quality food, health and jobs, and on improving synergies in a multi-level governance process with strengthened subsidiarity.

Inside
This publication contains supporting analyses provided by the European Parliament’s Policy Departments to support committees in their work related to the issues that are being dealt with by this meeting. Scan the QR codes or click on the titles for access.

Publications
Fact Sheet: Towards a post-2020 Common Agricultural Policy
The fifth reform of the Common Agricultural Policy (CAP) entered into force in 2015. Currently, the European Institutions are committed to adopting a new reform before the 2019 European elections. This Fact Sheet goes over recent developments by looking at, amongst others, 2014 as a transitional year, the EU’s 2018 budget, the implementation of the new CAP, post-2020 preparations, the Commission’s Communication of November 2017, and Parliament’s role.

Fact Sheet: Food safety
This Fact Sheet looks into European food safety policy, the aims of which are twofold: to protect human health and consumers’ interests, and to foster the smooth operation of the single European market. The EU ensures that control standards are established and adhered to in the areas of feed and food-product hygiene, animal health, plant health and the prevention of food contamination from external substances. It regulates labelling for food and feed products.

The impact of the Common Agricultural Policy on developing countries - February 2018
Being the biggest world agri-food importer and exporter, the EU plays an important role in international agricultural markets. This report reviews the impact of the CAP on developing countries, recommends a range of options for future CAP reforms and suggests some alternatives for monitoring and evaluation of progress towards Policy Coherence for Development - which is considered a fundamental part of the EU’s contribution to the Sustainable Development Goals.
Towards the CAP after 2020: the Future of Food and Farming

**Young farmers: policy implementation after the 2013 CAP reform** - October 2017

This study looks into the state of implementation of the current CAP young farmers’ mechanism. The different implementation styles of the Members States are described and the currently implemented policy tools are evaluated. Based on the secondary analysis and case studies, several policy recommendations are formulated, aimed at improving the existing support scheme and assisting young farmers to deal with the major barriers to entering agriculture.

**Possible impact of Brexit on the EU budget and, in particular, CAP funding** - October 2017

This paper assesses possible consequences of Brexit for the EU budget, and in particular, the Common Agricultural Policy. It discusses the importance of the ‘Brexit bill’ and the loss of the British net contribution. Furthermore, it describes how the EU budget and spending on the Common Agricultural Policy can be adjusted to the new situation. It also estimates how the different options would affect EU Member States and their net balances.

**EU–UK agricultural trade: state of play and possible impacts of Brexit** - October 2017

This report analyses UK-EU27 agri-food trade and quantifies the impacts of a return to WTO rules after Brexit. Agri-food trade is likely to decrease steeply, especially for meat and dairy. There might be an opportunity for an increase in production in a reduced number of European sectors, such as red meat, cattle or wheat, to replace imports from the UK. Ireland is likely to be the most negatively impacted country and deserves particular attention.

**Possible transitional agriculture arrangements in the light of the future EU–UK relationship: institutional issues** - October 2017

There is the potential for severe disruption of agri-food trade between the UK and the EU27 as the UK prepares to leave the EU. This study reviews the additional trade costs that might arise and how they might be avoided under alternative future trade arrangements. The role of a transitional period in order to avoid a ‘cliff-edge’ for trade is examined. CAP options to address the negative consequences of Brexit for agricultural markets are discussed.

**The consequences of climate change for EU agriculture: follow-up to the COP21 conference** - February 2017

This study reviews and discusses the implications for the agriculture sector of the COP21 UN Paris climate change conference and the recent EU climate policy proposals for 2030. It looks specifically at the role that the Common Agricultural Policy (CAP) plays in supporting climate action within the agriculture sector and considers how the CAP might evolve post-2020 to support the agricultural sector in reducing GHG emissions and adapting to climate change.

**The EU cattle sector: challenges and opportunities – meat and milk. Annexes** - February 2017

This study seeks to: analyse the situation of the EU cattle sector focusing on its characteristics, the interlinkages between the meat and dairy sectors, the challenges and opportunities it is facing; and propose specific policy options for CAP measures for supporting the EU cattle sector by focusing on an assessment of the role of current measures for farmers’ incomes and discussing potential alternative measures of support in the sector.

**Policy support for productivity vs. sustainability in EU agriculture: towards viable farming and green growth** - January 2017

This study presents the main trends in total factor and resource productivity in recent decades. The main pathways for sustainable intensification are explored through case studies and policy analysis. The paper presents a normative analysis of policy tools able to reconcile productivity and sustainability requirements and provides policy recommendations to promote a resource-efficient, productive, climate-friendly and resilient EU agricultural sector.


This document was prepared for the workshop entitled “Reflections on the agricultural challenges post-2020 in the EU: preparing the next CAP reform”. Organised for the European Parliament’s Committee on Agriculture and Rural Development, the workshop was held in November 2016. The document contains three studies, namely on the future of direct payments, on the future of market measures and risk management schemes, and on the future of rural development.
Programmes implementing the 2015-2020 rural development policy - May 2016

This report examines the choices made by EU Member States in preparing their Rural Development Programmes for the 2015-2020 period. It finds much continuity compared to the previous period, although with some notable changes. These include more funding for knowledge and co-operation and a greater focus on the goals of environmental management and investments for primary sector competitiveness. This is less so for rural diversification.

Competition in the food retail sector: workshop proceedings - May 2016

Competition in the food retail sector is of high importance. Its rules are enforced jointly by the European Commission and by the national competition authorities. A workshop held in May 2016 gave an overview of the current state of play, and specific trends and challenges, whilst looking into questions regarding the effectiveness of competition, market structure, price development, and the consequences of further concentration by mergers of supermarkets.

The role of the EU’s common agricultural policy in creating rural jobs - April 2016

This study analyses the CAP’s role in creating rural jobs. It concludes that the CAP supports the survival of small-scale farms and contributes to sustain and develop rural economies. Pillar I payments have contradictory effects on employment and its ability in creating jobs appears to be limited. Pillar II is effective in supporting diversification, but concrete evidence of direct effects on employment are difficult to assess due to missing systematic reporting.

Structural change in EU farming: how can the CAP support a 21st century European model of agriculture? - March 2016

This document, prepared for the workshop of March 2016 on the effects of structural changes on EU farming and how to better support the European model of agriculture of the 21st century with the CAP, deals with the following: farm structural change in Western Europe and the CAP; farm structural change in Central and Eastern Europe and the CAP; food value chain in the EU - How to improve it and strengthen the bargaining power of farmers.

State of play of risk management tools implemented by Member States during the period 2014-2020 - March 2016

This study looks at the implementing arrangements adopted by the Member States with regard to the risk management provisions in the agricultural sector. Amongst other things, it examines similarities and differences in risk management tools to better understand their scope, design, limits and potential efficiency. It also suggests future CAP developments related to risk management to deal more effectively with income uncertainties and market volatility.


This study classifies Member States according to typologies of behaviour to draw a political geography of the new CAP and shed light on future steps of the CAP reform process. The 2014-2020 reform introduced many relevant changes. Within Pillar I, direct payments became more targeted at specific goals. Member States had a role in tailoring the new CAP according to their primary sector needs. This resulted in a multifaceted form of support under a common framework.

Overview of the agricultural inputs sector in the EU - July 2015

The development of input markets has always been an important issue for the agricultural sector. This study analyses the seed, feed, energy, fertilizer, and plant protection agents farm input sectors from the demand and the supply side. Average input shares in the EU-27 for seeds and fertilizers declined while they increased for feeds. Market concentration is the largest in the plant protection agents sector followed by the energy sector, and lowest in the feed sector.

Comparison of farmers’ incomes in the EU Member States - June 2015

This study makes comparisons on the incomes of farmers. EU official data sources are used to describe income differences between holdings of different sizes and types and between Member States. Comparisons between the incomes of farmer household and other groups in society rely on ad hoc information. Recommendations relate to the support of small farms, actions to mitigate instability and to fill the important gap in farm household income information.
The first CAP reform under the Ordinary Legislative Procedure: a political economy perspective - December 2014

This study evaluates how the most recent CAP reform was affected by the enhanced role of the European Parliament in the EU decision-making procedure. It is the first one to evaluate the political process which unfolded between 2010 and 2013. It assesses the extent to which maximum influence was exercised by Parliament’s negotiators and provides insights to assist the institution in its approach to future reform negotiations.

Comparative analysis of risk management tools supported by the 2014 US Farm Bill and the CAP 2014-2020 - December 2014

The 2014 Farm Bill includes risk management tools as an integral component of national agricultural policy whereas the CAP 2014-2020 seems to include them as an afterthought. While EU principles are sound, policies remain in limbo. They suffer from a double dichotomy: two CAP pillars and two administrative levels for implementation. This study gives recommendations for transforming EU agricultural risk management policy into a coherent CAP linked to world markets.

Family farming in Europe: challenges and prospects - April 2014

This note looks into the definitions, challenges and future prospects of family farming in the EU. Family farming is a key element of the European Model of Agriculture. Often by pluriactive and/or diversified households – it is likely to continue to dominate EU farm structure in the near future, despite trends towards larger family and non-family farms. Action at both EU and national levels could help towards a more sustainable and resilient family farm sector.

CAP 2014-2020 tools to enhance family farming: opportunities and limits - April 2014

This note looks into the key challenges faced by family farms and the effectiveness of policy measures in the EU. The main conclusions are that Pillar I policies have transferred substantial funds to family farms and have ensured the survival of many farms that would have otherwise gone out of business. However, the more targeted policies contained in Pillar II are more effective in addressing the specific challenges facing Europe’s family farms.

Precision agriculture: an opportunity for EU-Farmers - potential support with the CAP 2014-2020 - March 2014

Precision Agriculture (PA) is a whole-farm management approach using information technology, satellite positioning (GNSS) data, remote sensing and proximal data gathering. This note goes over the state-of-the-art of PA on arable land, permanent crops and within dairy farming, together with some economic aspects of the adoption of PA. Options to address PA adoption are discussed, including measures within the CAP 2014-2020 legislation.

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Fact Sheets on the EU

Available in 23 languages, the Fact Sheets give an overview of European integration and of Parliament’s contribution to the process. They cover five overarching themes: How the European Union works; Economy, science and quality of life; Cohesion, growth and jobs; Citizens - fundamental rights, security and justice; and the EU’s external relations.

www.europarl.europa.eu/factsheets

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