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DRAFT REPORT

on simplification of the CAP
(2009/2155(INI))

Committee on Agriculture and Rural Development

Rapporteur: Richard Ashworth

CONTENTS

	Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION	3
EXPLANATORY STATEMENT	7

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on simplification of the CAP (2009/2155(INI))

The European Parliament,

- having regard to the Commission Communication of 10 October 2005 - Simplification and Better Regulation for the Common Agricultural Policy (COM(2005)0509),
 - having regard to the Commission Communication of 18 March 2009 - A simplified CAP for Europe - a success for all (COM(2009)0128),
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development (A7-0000/2010),
- A. whereas all legislation must be proportionate to risk and should only be introduced after a full impact assessment analysing the financial burden which legislation would impose, and including a full cost benefit analysis, has been carried out,
- B. whereas simplification should be addressed to farmers at the point of delivery,
- C. whereas the objective should be to reduce the costs of the CAP, both direct and indirect,
- D. whereas it is necessary to ensure clear and understandable legislation, and to eliminate unnecessary legislation,
- E. whereas a functional legal framework is necessary to manage the important legal issues involved in the CAP,
- F. whereas a new CAP should be more market-oriented and focused on reducing the excessive protectionism that hinders competition,
- G. whereas legislation should be more flexible, in order to make the CAP adapt to recognise specific regions and territories,
- H. whereas the exchange of good practice should be promoted among Member States and local authorities,

General Principles

1. Emphasises that the CAP should seek to harmonise regulation by removing duplication;
2. Stresses that CAP measures should be proportionate to risk;
3. Calls for the CAP to be outcome-driven rather than focused on regulation, with Member States offering more help and advice to farmers, and believes that, to that end, a telephone helpline should be instituted in all Member States to assist farmers;

4. Believes that, where possible, Member States should allow self-certification;
5. Stresses that the principle of cross-compliance should be maintained as one of the key concepts of CAP direct payments, but that strong simplification is recommended;
6. Stresses the need for the CAP to be simpler, more transparent and more equitable; in this respect a single flat rate payment would be preferable;

Cross Compliance (CC)

7. Believes that the basic aim of inspections is to give advice to farmers and put them on the right track in order to better comply with the legislative requirements;
8. Calls in this respect for only continuous and repeated infringements indicating a reluctance to adhere to legislative requirements to be fined;
9. Considers that only statutory requirements should form the basis for CC control and should be easily understandable for farmers and control authorities;
10. Believes that yearly CC controls for statutory management requirements (SMR) should be reduced, or even abolished, if there have only been a few infringements in recent years;
11. Emphasises that the requirement for follow-up checks in relation to small infringements (triviality limit) should be abolished;
12. Considers that the use of statutory management requirements which cannot be simply controlled should be abolished or made optional;
13. Considers that Member States should be allowed to reduce the inspection quota to a specific lower limit if they have a risk analysis framework that complies with Community law requirements;
14. Considers that a telephone helpline for farmers, established by the Member States' departments of agriculture, would help prevent infringements and give Member States the means to steadily reduce their inspection quota;
15. Considers that the number of CC requirements should not steadily increase;

Single direct payments

16. Believes that, in order to simplify the rules for the single payment scheme, the provision of the same detailed information on an annual basis should be abolished;
17. Considers that the provision of information should be reduced, as the information needed can be found in the Board of Agriculture register;
18. Stresses that in the first year of application the farmer needs to state the codes for the land used; that if the application is for the whole area, no further information regarding area is required; if the application is for part of the area, the farmer needs to specify the area; and for the second and subsequent years the farmer need only specify changes in the use of his land;

19. Believes that the current definition of eligible land for the purposes of single payment is too strict and should be reviewed, and that, in particular, the provisions regarding hedges, ditches and some marginal land are inconsistent and should be reconsidered;
20. Considers that the future single payment should be based on a simplified flat rate basic support system based on uniform payments in order to make the CAP simpler, fairer and more transparent;

Rural development

21. Stresses that when payments are made due to an existing certification scheme (e.g. organic production and environment payment schemes), one audit only is sufficient;
22. Considers that legislation which presents a conflict with other legislation should be regularised before being imposed on the farmer (e.g. environment legislation and single payments scheme);
23. Believes that the lack of transparency regarding penalties and obligations on farmers should be eliminated, and that there is a need for more precise obligations for farmers;
24. Wishes to use a broader, long-term view of control of these schemes with more emphasis on the ultimate impact and outcome instead of focusing on specific error rates due to rural development/environmental measures;
25. Stresses that the current complex system of indicators needs to be reviewed and simplified, and that the existing ex-ante, mid-term and ex-post evaluations, in addition to the ongoing evaluation on an annual basis, have created an overly complex system of indicators;
26. Believes that requirements for clearance of the national aid schemes must be revised, and that, regarding measures included in the national rural development funds, the level of details required for the approval of the Commission should be harmonised, in line with the approach used in the Structural Funds programme;

Animal identification

27. Considers that the identification of animals should be done using the producer number instead of the holding number;
28. Believes that only one holding number should be issued per producer;
29. Stresses that the number of registers should be limited, with batch registration combined with holding number being sufficient, and that there is no benefit in adding an individual register for each holding;
30. Believes that double reporting on the movement of sheep and goats to the central data base should be abolished (slaughter report + holding registers);
31. Stresses that electronic identification of bovine animals should be voluntary and not compulsory;

32. Considers that the use of handwritten ear tags should be allowed for sheep in the same way as for bovines;
33. Believes that separate registers for cattle should no longer be required and that an extract from the CDB should suffice as documentation;
34. Instructs its President to forward this resolution to the Council and Commission.

Explanatory Statement

The administration of the Common Agricultural Policy is frequently far too complicated and it is therefore of vital importance to the entire agricultural sector that the policy is simplified and life is made easier for farmers at the point of delivery. The simplification process is essential in order to make our agricultural economy more competitive, to preserve and create jobs and to contribute to the sound development of our rural areas.

It is encouraging to see the target of a 25% reduction in the administrative burden is expected to be reached ahead of 2012, as proposed in the 2003 CAP Health Check. However, this is an absolute minimum and the EU must strive to reduce the burden on our hard pressed agricultural communities to a far greater extent in the coming years.

The Single CMO, while attempting to deliver technical simplification by combining a multitude of sector specific regulations into one, didn't deliver practical benefits to farmers, administrators or paying agencies.

Therefore, in the run up to CAP reform in 2013, CAP simplification should be at the heart of CAP reform proposals before and post 2013.

Cross Compliance rules are one of the key concepts of CAP direct payments and provide a justification for the payment of subsidies to farmers. They also play an essential role in ensuring that European agricultural products are of the highest standard possible. However, a strong simplification of the existing rules is recommended. We strongly support the principle of a uniform application of cross compliance rules across the union. It is understood that there will be some variation in application over 27 member states which encompass huge variations in climatic conditions, however wherever possible uniform application of cross compliance rules should be encouraged.

In particular Cross compliance controls should be made more "user friendly" for the farmers involved. For example, requirements for statutory management requirements should be significantly reduced if there have been only a few infringements in the previous year. The requirements should be "sleeping" and triggered for CC control only when a similar requirement in the specific sector regulation is being infringed, as is the case for animal diseases which are not encountered in certain member states.

Follow up to infringements must be proportionate to the offence. Currently, there is more persistent follow up on minor infringements to cross compliance rules than on ordinary infringements.

Member states should be allowed to use specific sector controls that stem from a different sector where the rules under CC originate in order to abolish the rules of specific CC when a specific sector already covers all relevant requirements.

There has been a tendency for the number of CC requirements to steadily increase, this has reduced the acceptance for the whole concept among farmers and has created considerable burdens for national administrations.

With regards to animal identification, this should in principle be done using the producer number as opposed to the holding number. Registration and identification are very burdensome for farmers, so it is therefore important to use all opportunities to simplify,

especially with the use of the new technologies. This is especially important for the identification of pigs in herds with integrated or externally integrated production. i.e. producers with piglets and pigs for slaughter at the same farm alternatively producers who cooperate. The use of producer number instead of holding number is just as safe a method as far as traceability is concerned and much simpler.

Legislation on animal identification should be revised to make it more flexible and less bureaucratic. Current legislation in this area is too rigid to serve its purpose and therefore causes not only unwarranted costs for the farming industry but may even be counterproductive in a disease outbreak situation. The legislation should be reviewed and rules made more flexible and less bureaucratic, without violating the purpose of the legislation. . Whilst new technology should be incorporated into animal identification schemes as soon as is possible, they should only be incorporated after a thorough impact assessment which includes a cost benefit analysis and assessment of how reliable the new technology is.

Separate registers for cattle should also no longer be required. An extract from the CDB should suffice as documentation. The keeper should however be able to account for actions at his holding until these are documented in the register. Thus, the keeper need not register in the way instructed by the authorities.

Similarly, the annual counting of sheep in December should be abolished. Every year, in December all animal keepers have to count their sheep and send the information in a special document to the Board of Agriculture. This requirement should be abolished since the information does not state the number of animals kept throughout the year. Neither does it help with traceability of animal diseases.)