



EUROPEAN PARLIAMENT

2009 - 2014

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*Committee on Agriculture and Rural Development*

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**2011/2020(BUD)**

10.10.2011

## **OPINION**

of the Committee on Agriculture and Rural Development

for the Committee on Budgets

on Parliament's position on the 2012 Draft Budget as modified by the Council -  
all sections  
(2011/2020(BUD))

Rapporteur: Luis Manuel Capoulas Santos

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## SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Points out that agricultural expenditure in the Union budget is rather rigid, given its predictability and the fact that, where direct payments are concerned, full correspondence is mandatory between commitments and payments and that such payments account for at least 70 % of the CAP budget, so that any variations are mainly linked to market expenditure;
2. Notes that austerity measures are being implemented in many Member States in order to rebalance national budgets and reduce debts;
3. Rejects the Council's amendments to the 2012 Draft budget; considers that the Commission's estimates of budgetary needs are more realistic than the Council's proposals, in particular with regard to clearance of the accounts for previous years; insists, therefore, on reinstating the figures in the 2012 Draft budget, in particular against the current background of great economic uncertainty and of instability in the markets and in terms of farmers' incomes, which calls for a very careful approach to any important changes;
4. Expresses concern at the Commission's optimistic assumption that trends on agricultural markets will remain fairly stable and largely favourable, and at the consistent decrease in needs in terms of market-related expenditure; points out that the impact of improved market situations often varies from sector to sector; urges the Commission to monitor developments on agricultural markets carefully and to be prepared to react swiftly and effectively with the necessary mechanisms to counter adverse developments, such as the current situation in the olive oil and pigmeat sectors; stresses the need to adapt the logic of intervention and update threshold prices in the light of market trends;
5. Emphasises the key importance of the European farm prices and margins observatory as an essential instrument to improve transparency in the food supply chain; and stresses that its creation remains a priority for Parliament especially in view of the price volatility that has been witnessed in recent years;
6. Expresses concern about the consequences of the EHEC crisis that put numerous vegetable producers in the Union into an extremely difficult situation whereby from one day to another demand declined dramatically and producers were either not selling their products at all or were selling them at an extremely low price; calls for the establishment of an adequate special fund to cover the real loss of income of vegetable producers caused by the crisis and decent promotion measures to restore consumer confidence and to stimulate the consumption of vegetables in the Union;
7. Emphasises the importance of adequate financing for specific programmes such as the school fruit and school milk schemes; points out that these specific programmes not only benefit farmers, but also support vulnerable groups in society and promote a healthier diet;

asks, therefore, for the amounts which had been entered in the 2012 Draft budget for both programmes to be reinstated;

8. Points out that programmes for deprived persons must be implemented in the light of the proceedings before the General Court, as the Commission rightly points out in its statement of estimates; notes that, in its judgment in Case T-576/08 of 13 April 2011, the General Court stated that funding for the ‘Free Food for Europe’s Poor’ scheme should only cover the cost of taking food from intervention stocks, but not expenditure generated by the purchase of food supplies on the market; stresses, therefore, the urgent need – given that food poverty affects more than 43 million Union citizens – for a new legal basis in order to maintain the same level of financial support for food-aid programmes;
9. Notes the decreased financing for veterinary and phytosanitary measures which the Commission justifies by a generally improved disease situation, in particular the lower needs for the eradication of the bluetongue disease; however urges the Commission to maintain the means for a close monitoring of animal and plant health and ensure a high level of consumer protection;
10. Calls for the establishment of the pilot projects proposed, in particular the pilot project aimed at filling in existing data gaps to develop robust evidence-based instruments that reward producers who deliver extra-environmental public goods, the pilot project establishing a European coordinated network for animal welfare, and the pilot project to provide information to consumers, in schools, at points of sale and at other contact points, concerning the high quality, food safety, environmental and animal welfare standards that European farmers have to meet; calls for implementation of the pilot project on the creation of a European farm prices and margins observatory, which, given the price volatility of recent years, will be an important tool for improving transparency in the food supply chain; calls for the extension of the pilot project on an exchange programme for young farmers and for implementation of the pilot project to fine-tune technology for reading sheep’s electronic identification codes; calls on the Commission to implement all the proposed pilot projects.

## RESULT OF FINAL VOTE IN COMMITTEE

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| <b>Date adopted</b>   | 6.10.2011   |
| <b>Result of final vote</b>                                       | +: 31<br>-: 3<br>0: 0   |
| <b>Members present for the final vote</b>                         | John Stuart Agnew, Richard Ashworth, Liam Aylward, José Bové, Michel Dantin, Paolo De Castro, Albert Deß, Herbert Dorfmann, Lorenzo Fontana, Iratxe García Pérez, Béla Glattfelder, Martin Häusling, Esther Herranz García, Peter Jahr, Elisabeth Jeggle, Jarosław Kalinowski, Elisabeth Köstinger, Agnès Le Brun, Mairead McGuinness, Mariya Nedelcheva, James Nicholson, Rareş-Lucian Niculescu, Georgios Papastamkos, Marit Paulsen, Ulrike Rodust, Alfreds Rubiks, Giancarlo Scottà, Marc Tarabella, Janusz Wojciechowski |
| <b>Substitute(s) present for the final vote</b>                   | Luís Paulo Alves, Spyros Danellis, Bas Eickhout, Ismail Ertug, Giovanni La Via, Astrid Lulling  |
| <b>Substitute(s) under Rule 187(2) present for the final vote</b> | George Sabin Cutaş, Pablo Zalba Bidegain  |