

Amendment 11**Peter Jahr, Rareș-Lucian Niculescu, Britta Reimers, James Nicholson, Pavel Poc****Report****A7-0202/2011****Albert Dess**

The CAP towards 2020: meeting the food, natural resources and territorial challenges of the future

2011/2051(INI)

Motion for a resolution**Paragraph 25***Motion for a resolution*

25. Observes that, for historical reasons, **farms** in the European Union **have** very diverse **structures** in **terms of** size, employment arrangements, labour productivity and legal form; is aware that direct payments are being allocated in a way which **has called** their legitimacy **into question**; takes note of the Commission's proposal to introduce an upper ceiling for direct payments **and welcomes this attempt to address the issue of the CAP's legitimacy and public acceptance; asks the Commission to consider the introduction of similar mechanisms that contribute to these, such as a system of degressivity of direct payments in the light of the size of agricultural holdings that takes into account the objective criteria of employment and sustainable practices;**

Amendment

25. Observes that, for historical reasons, **farming** in the European Union **has a** very diverse **structure** in **regard to** size, employment arrangements, labour productivity and legal form; is aware that direct payments are being allocated in a way which **questions** their legitimacy; takes note of the Commission's proposal to introduce an upper ceiling for direct payments; **meanwhile, criticises the proposal to introduce an upper ceiling for direct payments, as such measures would not be efficient and could put at risk the competitiveness of European agriculture; states that any introduction of an upper ceiling or degressivity of direct payments can only be acceptable if it does not discriminate against certain farm sizes in terms of competitiveness and does not lead to a reduction in the workforce in rural areas, and only if it became possible for account to be taken of the total labour cost covered by social security or the diverse farm structure in the EU, with a view to degressivity being reduced; believes that the introduction of an upper ceiling or degressivity of direct payments would result in the splitting of farms purely for support-related reasons, which would cause structural fracturing in some regions of Europe; calls on the Commission to bear in mind that smaller**

*farms forming a union under a single
legal personality in order to create
economies of scale and become more
competitive should not be disadvantaged;*

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