EUROPEAN PARLIAMENT

2004 **** 2009

Committee on Agriculture and Rural Development

2008/2026(BUD)

14.10.2008

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on Budgets

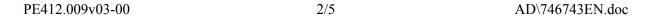
on the draft general budget of the European Union for the financial year 2009 (2008/2026(BUD))

Section III - Commission

Rapporteur: Kyösti Virrankoski

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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. Notes that by far the largest portion of the overall margin of EUR 2 638 000 000 in the Preliminary Draft Budget, i.e. an amount of EUR 2 027 000 000, stems from the margin of market-related expenditure and direct payments under heading 2 (first Common Agricultural Policy (PAC) pillar);
- 2. Is concerned about the difference in commitment and payment levels for Rural Development which was 25% for 2007, 30% for 2008 and a proposed 30% for 2009; requests, therefore, from the Commission a forecast for decommitments for 2009 and for the whole financial period for 2007-2013 and a forecast for the problems with clearing the build-up of overstatements still to be settled (currently the level of RAL□ under Rural Development is nearly EUR 9 000 000 000) at the end of the financial period 2007-2013 since maximum payment levels under Annex I of the aforementioned Interinstitutional Agreement between the European Parliament, the Council and the Commission fall from 1.06% Gross National Income in 2007 to 0.94% Gross National Income in 2013;
- 3. Calls, therefore, on the Commission to ensure swift management and a more rapid and efficient timeframe for modifying and updating the rural development programmes following the possible modifications to the regulation provided for in the framework of the Cap Health Check";
- 4. Recalls that the primary goal of the CAP is to guarantee market stabilisation, supply security and reasonable prices for consumers and therefore calls on the Council and the Commission to foresee for budget 2009 the necessary means to face the new needs arising from the current food crisis, especially an improvement of access to food for the most deprived people who are suffering the most from this crisis;
- 5. Points to the importance of setting up and strengthening European programmes directed towards good nutrition, such as the school milk and school fruit scheme;
- 6. Recalls its resolution of 19 June 2008 on the future of the sheep/lamb and goat sector in Europe¹, in which it calls on the Council and the Commission to direct additional financial support as a matter of urgency to EU sheep and goat meat and milk producers in order to develop a vibrant, self-sufficient, market-led and consumer-orientated sheep and goat sector in the EU;
- 7. Considers that the abovementioned Interinstitutional Agreement (IIA) must be respected when creating a rapid response facility for responding to soaring food prices in developing countries; insists that the establishment of such facility necessitates amendment of the abovementioned Interinstitutional Agreement, transferring unspent amounts from Heading 2 to Heading 4; underlines that such amendment of the IIA can be achieved in a timely

¹ Texts adopted of that date: P6 TA(2008)0310.

- manner if there is a consensus between the institutions; is concerned about the significant price increase for fertilisers and expects that the planned purchase of fertilisers using funds from the above-mentioned facility will amplify this trend;
- 8. Stresses the importance of transparency in production and distribution chains in the agriculture and food sectors, and calls on the Commission to set up a monitoring system for these;
- 9. Points out that a threatening further modulation foreseen in the context of the CAP Health Check, which transfers funds from the European Agricultural Guarantee Fund (EAGF) to the European Agricultural Fund for Rural Development (EAFRD), would increase the amount needed for national co-financing; calls on the Commission to monitor carefully the possible programming of this money in the Member States and underlines that increased EU funds entail co-financing by the Members States and warns that it should not lead to a reduction of co-financing in the existing operational programmes;
- 10. Encourages the Commission to establish, within the framework of the EAFRD and in accordance with the Union commitments under the International Treaty on Plant Genetic Resources for Food and Agriculture, a European open data and pooling bank for traditional plant varieties which will enable non-governmental organisations and private and public-sector bodies to set up, alongside Member States' national gene banks, a seed pool for traditional plant varieties which are particularly valuable for preserving biodiversity in agriculture and for producing quality foodstuffs;
- 11. Points once again to its position in favour of creating a restructuring fund for milk, with the aim of enabling the sector to adjust to the new situation, against the background of the possible abolition of the quota system particularly in disadvantaged and sensitive regions;
- 12. Urges the Council and Commission to increase the budget for young farmers as this group is facing considerable new challenges (for example combating climate change and maintaining food production in the Union) and has been diminishing for years, for example by strengthening the means for education, training networks and exchange programmes for young farmers or by strengthening the policy tools for young farmers in the Rural Development programme;
- 13. Calls for a pilot project for assessing the costs borne by farmers as a result of their compliance with Union standards in the fields of the environment, animal welfare and food safety, as well as the costs for farmers associated with the provision of public goods such as landscape preservation through farming activities;
- 14. Calls for a significant increase in appropriations for the school fruit scheme.

RESULT OF FINAL VOTE IN COMMITTEE

Date of adoption	7.10.2008
Result of final vote	+: 32 -: 0 0: 1
Members present for the final vote	Vincenzo Aita, Peter Baco, Niels Busk, Luis Manuel Capoulas Santos, Giovanna Corda, Albert Deß, Gintaras Didžiokas, Konstantinos Droutsas, Constantin Dumitriu, Michl Ebner, Ioannis Gklavakis, Lutz Goepel, Friedrich-Wilhelm Graefe zu Baringdorf, Esther Herranz García, Elisabeth Jeggle, Heinz Kindermann, Stéphane Le Foll, Véronique Mathieu, Mairead McGuinness, Neil Parish, María Isabel Salinas García, Agnes Schierhuber, Czesław Adam Siekierski, Alyn Smith, Petya Stavreva, Donato Tommaso Veraldi
Substitutes present for the final vote	Katerina Batzeli, Esther De Lange, Astrid Lulling, Maria Petre, Struan Stevenson, Kyösti Virrankoski
Substitutes under Rule 178(2) present for the final vote	Vicente Miguel Garcés Ramón, Bernard Wojciechowski