

WRITTEN QUESTION E-3046/06
by Stéphane Le Foll (PSE) and Jean-Claude Fruteau (PSE)
to the Commission

Subject: Ceiling on direct aid under the common agricultural policy

The reforms of the common agricultural policy of 1992 and 1999 brought about a substantial change in the system of financial support for European farmers. We moved from a price support system to a system based on direct aid, which is now almost completely decoupled from production. This change has undeniably allowed greater clarity in terms of how agriculture subsidies are allocated. The question of the legitimacy of this financial support arose very early on. Our political family has consistently and for a number of years condemned the manner in which subsidies are currently allocated, which is socially unjust and often economically unjustified. The introduction of aid modulation, made compulsory with the most recent reform in 2003, is a welcome step in the right direction. However, more needs to be done to establish a better balance of public subsidies.

The current aid distribution system is based on historical references, which many countries have retained when applying the new common agricultural policy. We, in line with public opinion and a number of farmers, are opposed to this outdated system that is disconnected from reality. It represents a real source of unearned income for some farmers and owners.

In the current climate of budgetary restrictions, we no longer have sufficient room for manoeuvre to allow the common agricultural policy to evolve. Before the issue of funding as a whole is put on the negotiating table, as was proposed at last December's European Council, and following the long-awaited publication by the Commission of figures on the allocation of aid for agriculture, can the Commission indicate whether it envisages placing a ceiling on current direct aid? If so, when?