

## **ELO Perspectives on the Czech Presidency's Priorities and Challenges in the Area of Agriculture.**

The European Landowners' Organization represents the voices of a large number of rural businesses and individuals across the EU-27. We bring together rural actors, NGOs and political decision makers at the local, regional, national and European levels thus providing a platform for analysis of current and proposed EU legislation.

In this context we are looking with great interest at upcoming challenges and priorities concerning agriculture for the Czech Presidency.

The ELO's view is that Europe must firstly agree on the upcoming challenges faced by European agriculture, farmers, land managers and the rural environment, and the tools necessary to meet those challenges, only then should the size and distribution of the Budget be decided. Whilst we welcome strong regional funds where they fulfil the objective of balancing rich and Less Favoured Areas (we realise that evolution of this Scheme is necessary to deliver public goods where farming is difficult), it cannot be denied that in order to achieve food and environmental security – arguably the most important challenge faced by Europe and the world - there is a significant cost attached. Europe has a moral responsibility to contribute to these challenges, commensurate with its ability to do so.

The likely trend of transferring CAP funds from Pillar I to II is not contrary to these priorities, as long as those funds are accessible to individuals, and not just for improving public delivery. However, an overall cut to the CAP budget before any discussion of the policy objectives and purpose of these payments, is deeply misguided, especially against a background of stricter environmental considerations for land managers, biodiversity conservation goals and continuing expectations for the provision of public goods. In addition to secure food and feed, the Energy Package places a further challenge at the door of agriculture and forestry, for which access to the appropriate technology is essential. Policies within Budget Heading 2 offer the essential vehicles through which the Union can address food and environmental challenges. At present this averages €53 billion p.a. or less than 0.5% of current EU GDP (3% comes from agriculture). But it deals with 80% of EU territory and 40% of its population. In addressing these concerns, we call for an appropriate restructuring of the budget.

The Commission's Green Paper on agricultural product quality also calls for a response. European agricultural policy must support farmers to deliver the highest quality products without creating additional costs or burdens. Baseline measures reassure consumers, quality and certification schemes offer transparent choices, meeting consumer demands. However, not only do these measures need to be communicated efficiently, allowing consumers to recognise the stringent standards adhered to in the production of the food (not always the case for imported food), but also – critically - producers must still be able to deliver that food at competitive prices, otherwise quality guarantees become meaningless.

To sum up, we call for new policy objectives and actions allowing for safe, affordable food supply and environmental improvements. Widening expectations cannot be met with shrinking budgetary means and burdensome regulation. We will be addressing these issues at our 2<sup>nd</sup> Forum for the Future of Agriculture on the 18<sup>th</sup> March 2009 at the Bibliothèque Solvay, Brussels.