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The Policy Framework of Agricultural Sustainability in the EU

Annette Hurrelmann
European Commission
Directorate General for Agriculture and Rural Development

Sustainability



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- **“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland Commission 1987)**
- **Gothenburg European Council 2001: European Union Strategy for Sustainable Development**
- **Sustainable development has economic, social and environmental components**
- **CAP and sustainable development: where does CAP come from, where is it now, what are the perspectives?**

Evolution of the CAP in the Course of Time



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Productivity →

Competitiveness →

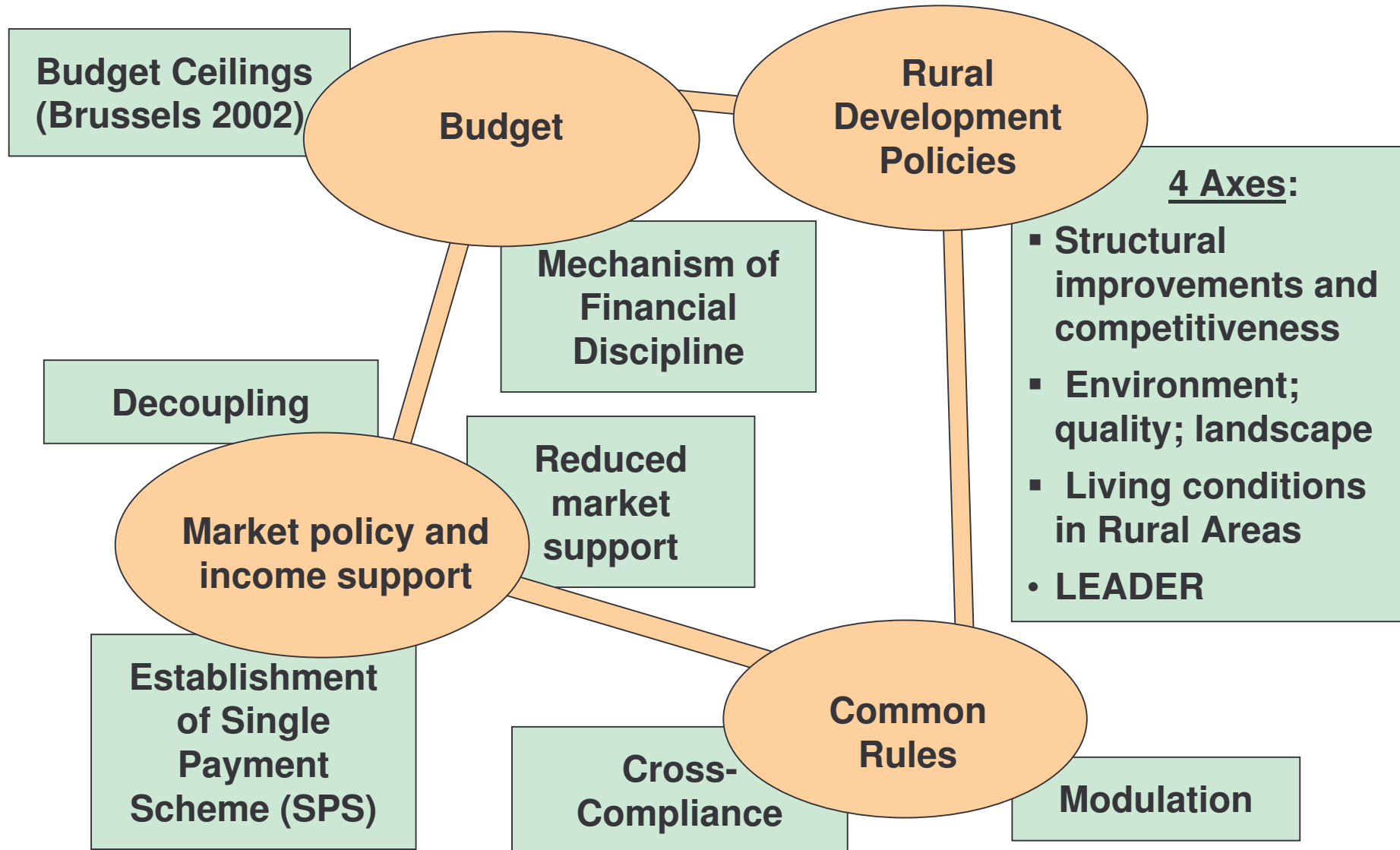
Sustainability →

The Early Years	The Crisis Years	The 1992 Reform	Agenda 2000	Cap Reform 2003
<p>Food security</p> <p>Improving productivity</p> <p>Market-stabilisation</p> <p>Income support</p>	<p>Over production</p> <p>Exploding expenditure</p> <p>International friction</p> <p>Structural measures</p>	<p>Reduced surpluses</p> <p>Environment</p> <p>Income stabilisation</p> <p>Budget stabilisation</p>	<p>Deepening the reform process</p> <p>Competitiveness</p> <p>Rural Development</p>	<p>Market orientation</p> <p>Consumer Concerns</p> <p>Farm income</p> <p>Rural development</p> <p>Environment</p>

CAP Reform 2003



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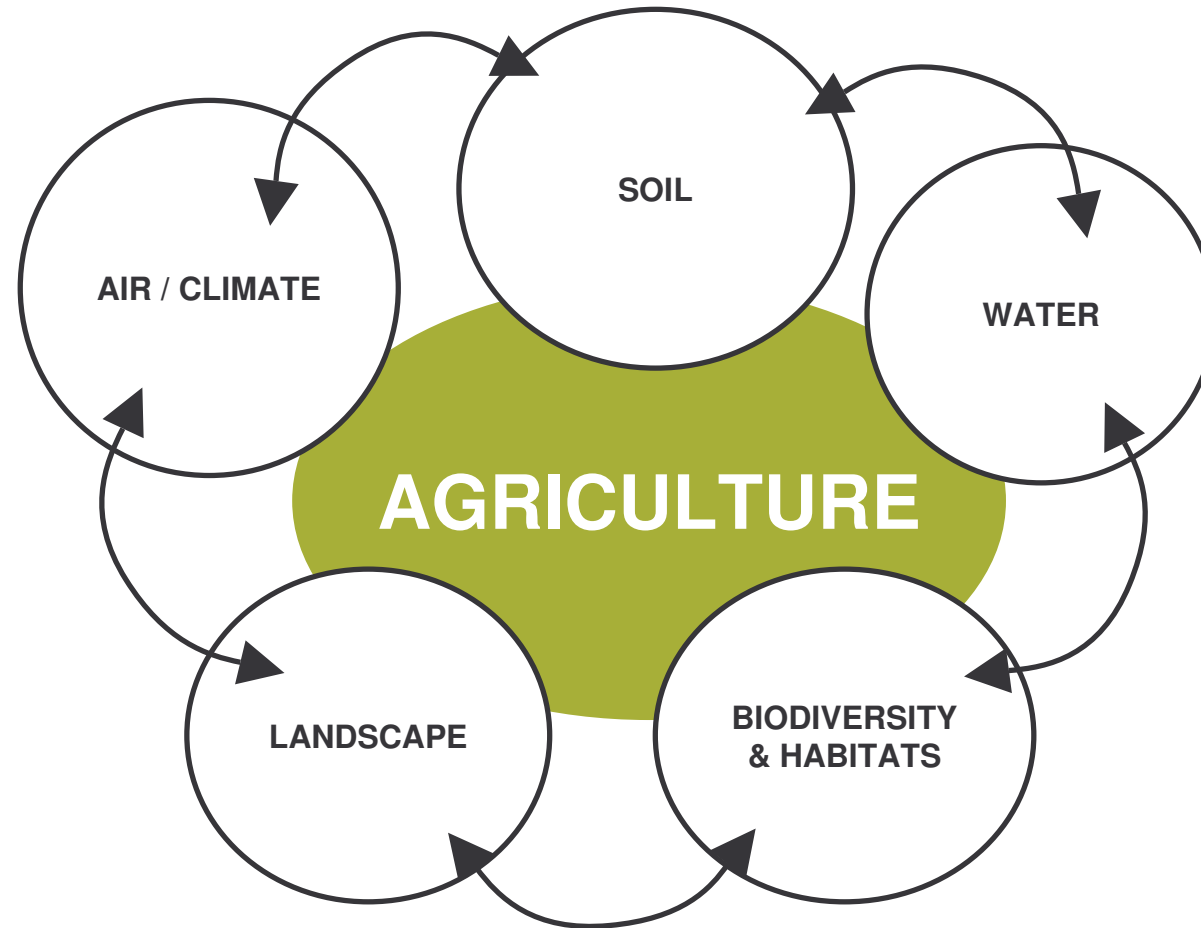


CAP Reform 2003: Integrating the Environment



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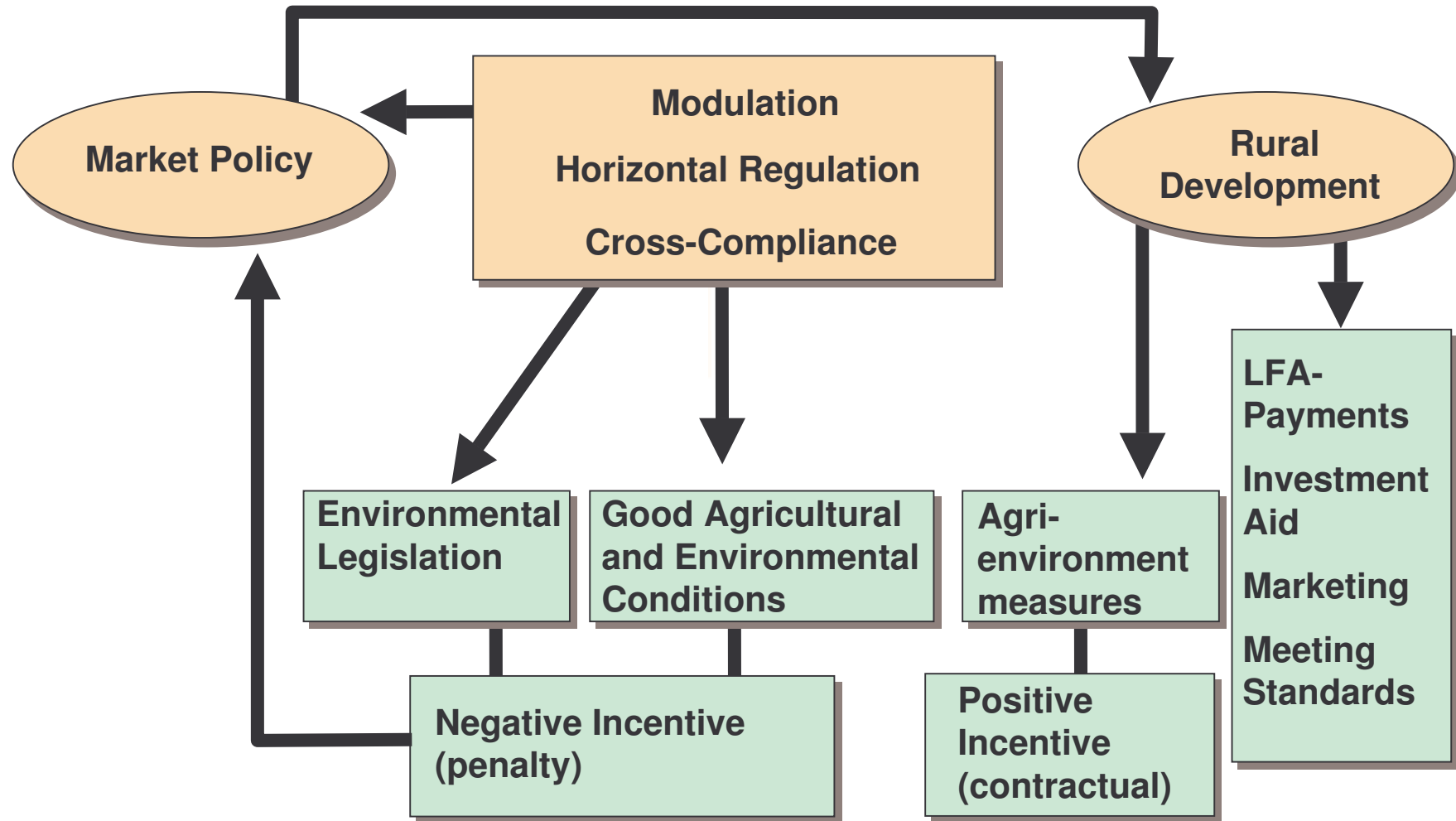




CAP Reform 2003: Integrating the Environment



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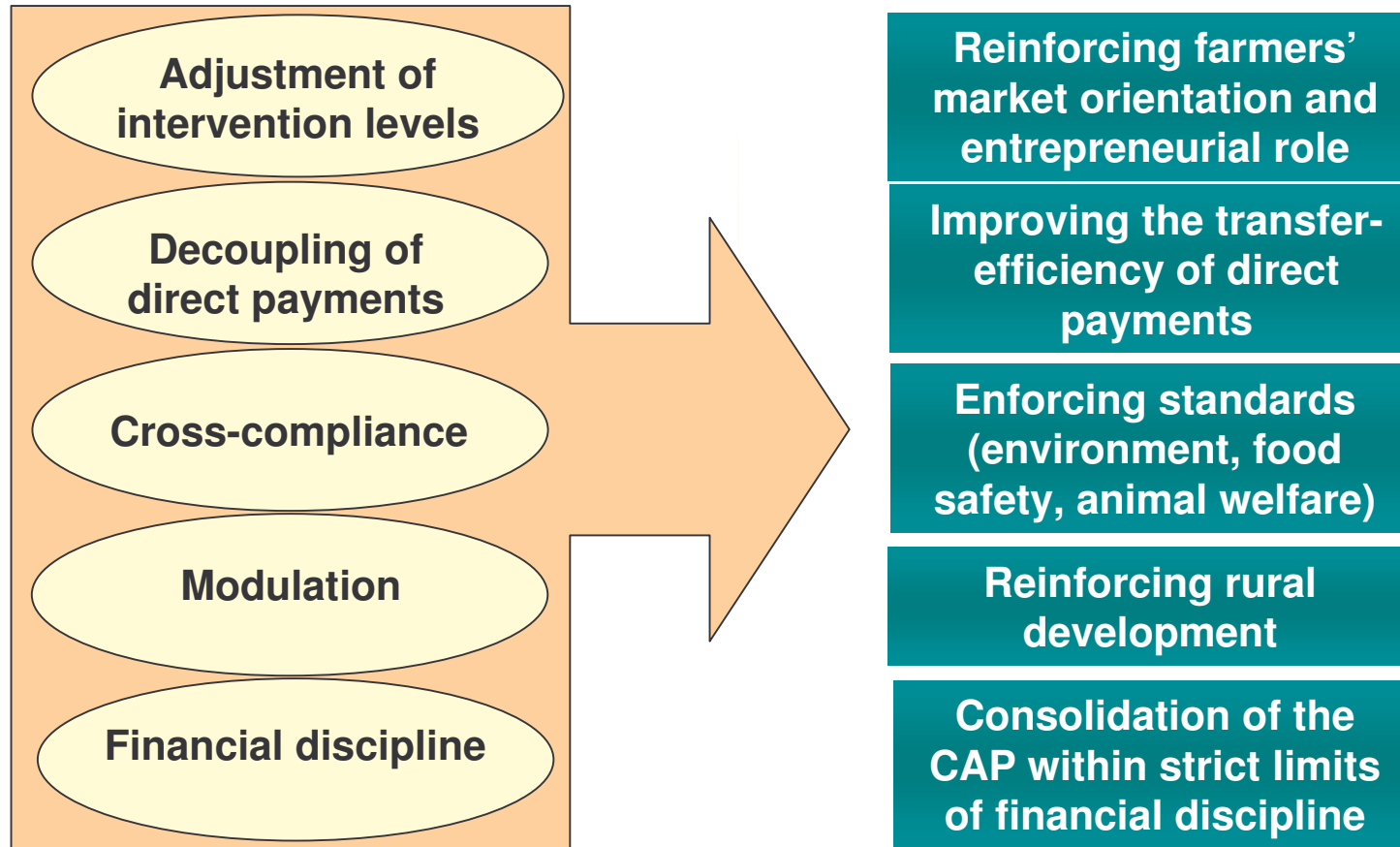




CAP reform 2003



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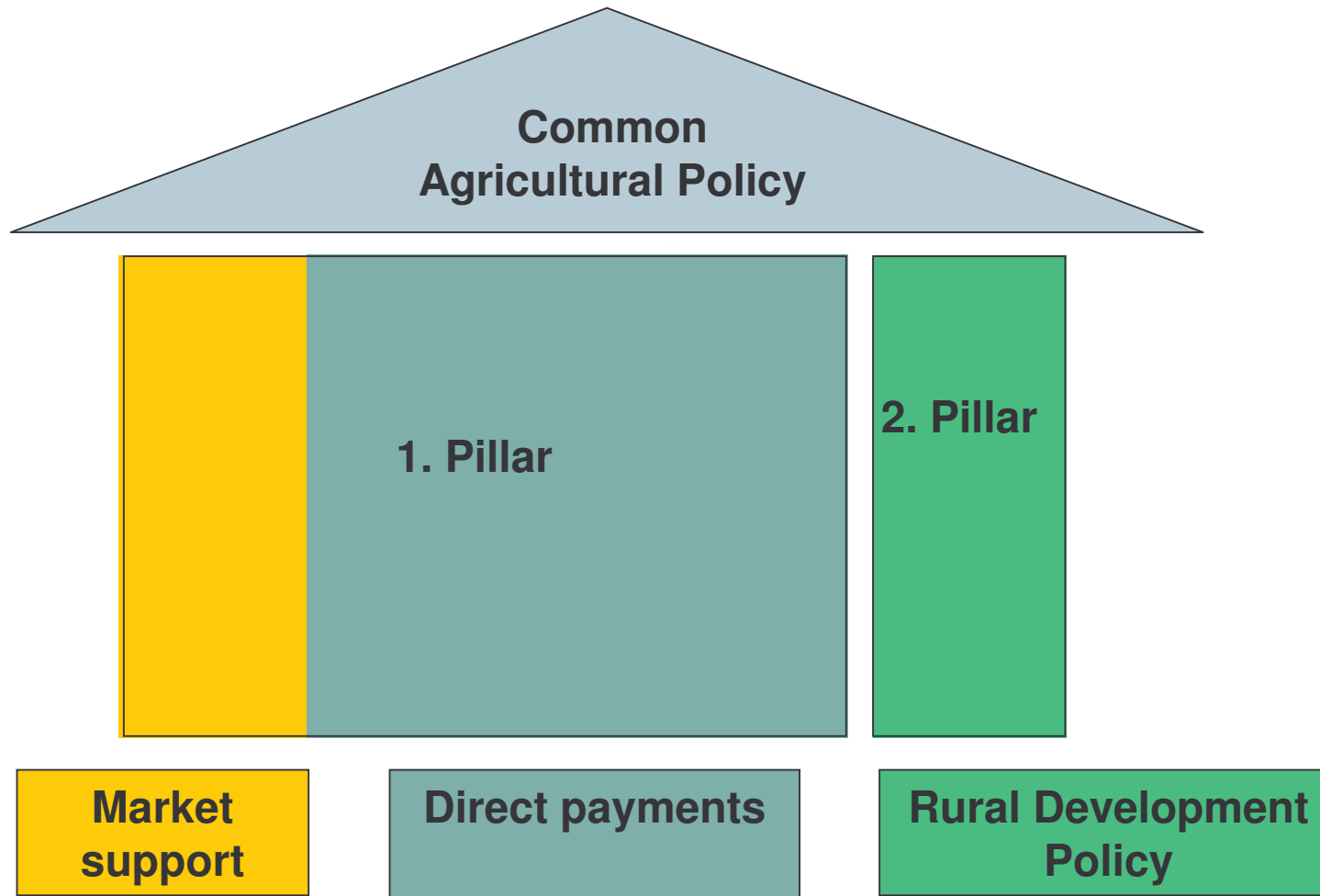




Two pillars of the CAP



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Rural Development Policy 2007-2013



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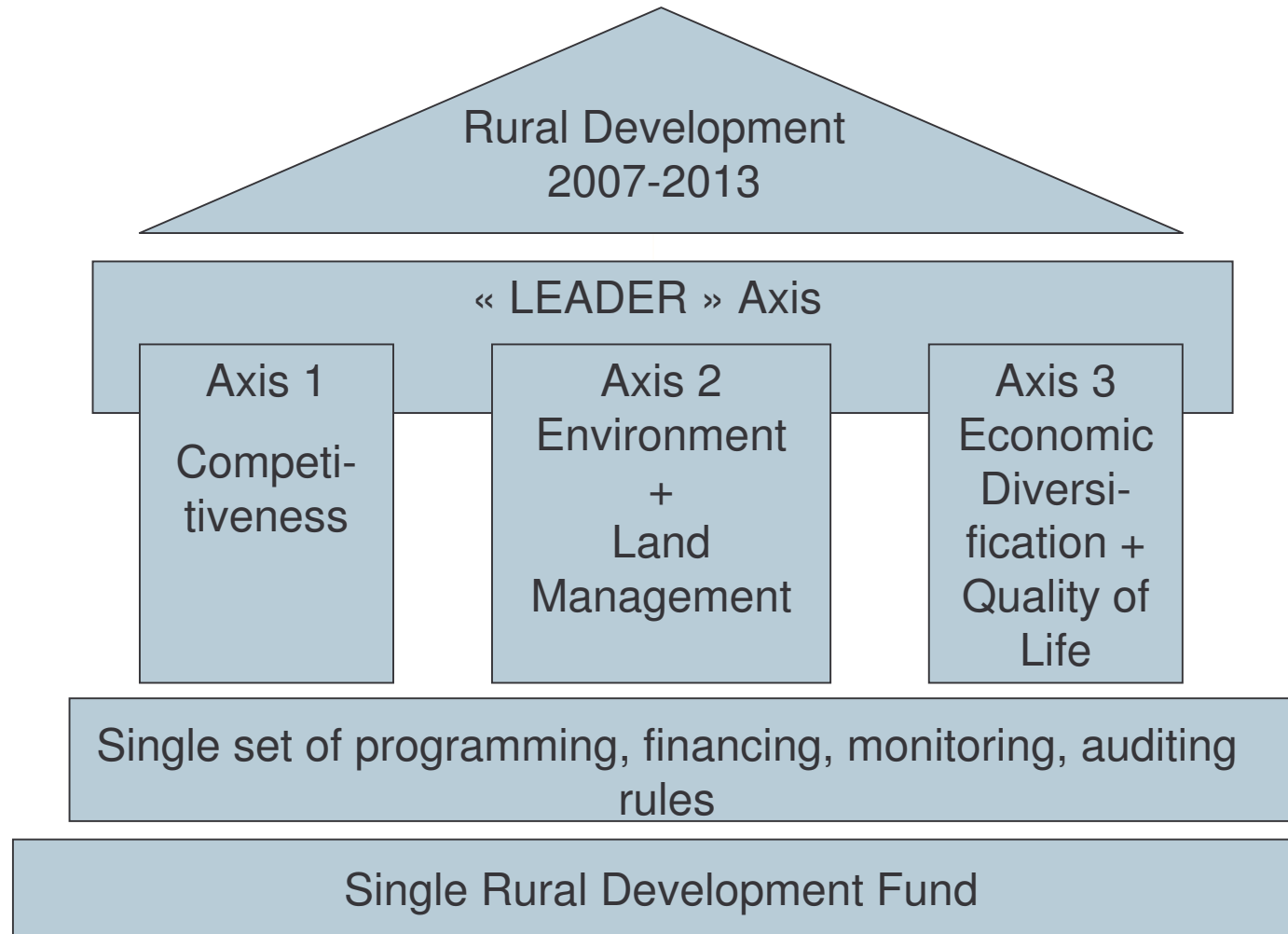
Three core objectives:

- Improving the competitiveness of the farm and forestry sector through support for restructuring, development and innovation
- Improving the environment and the countryside through support for land management
- Improving the quality of life in rural areas and encouraging diversification of economic activity

Rural Development Policy 2007-2013



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Challenges and Perspectives



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“Health Check“:

- At the time of 2003, 2004 and sugar reforms, a series of “health check” clauses introduced in final agreements
- Over period 2007-2009 Commission must report on:
 - Cross-compliance
 - Partial decoupling
 - Choice of implementation model for SPS
 - Certain markets (e.g. milk)
- “Political reality check” – not planned as major reform
- Opportunity to reflect longer-term vision of the CAP (post-2013)



Challenges and Perspectives



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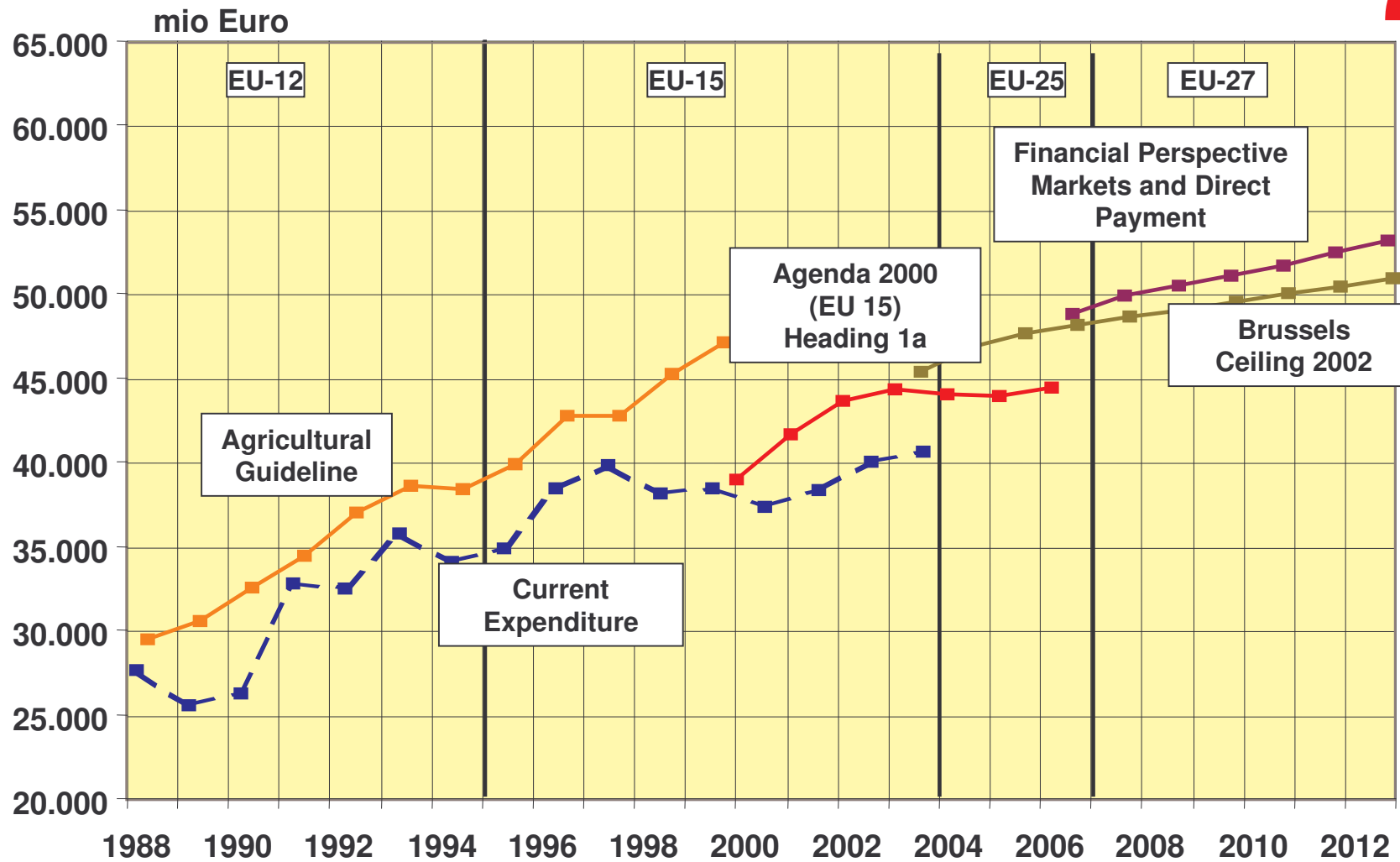
Budget Review:

- Invitation by December 2005 European Council to the Commission to make a full wide-ranging review in the context of the Financial Perspectives
- Covering all aspects of the EU budget, including the CAP, and resources, including the UK rebate
- Juxtaposition with the “health check”: 2008/2009
- CAP budget secured until 2013 (?)
- CAP budget post-2013 ?

Challenges and Perspectives



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Challenges and Perspectives



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WTO negotiations:

- Uncertainty over Doha Round

Scenarios:

- What are the policy options?
- What is the effect of the policy options?



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Thank you !