



Brussels, 14<sup>th</sup> November 2001

Dear Mr Fischler

The implementing regulation for the Small Farmers' Scheme (SFS) will be finalised by the end of November, potentially allowing millions of EU farmers to receive, in future, a single annual payment, and relief from heavy administrative burdens.

Although the scheme seems to have clear advantages on the administrative side, BirdLife International, the EEB and WWF are concerned that the Regulation does not mention any obligation for farmers to maintain agricultural land and those activities supporting environmental needs. The Regulation only refers to the maintenance of "land in good agricultural condition" with no further specification of what land management practices this might entail. Farmers might be therefore entitled to receive payments even if they abandoned or intensify their agricultural activities. This might be the case particularly for payments that are not linked directly to any area of land, but to quotas of produce, as in the case of the Sheep Annual Premium. In addition, the Regulation fails to set provisions for monitoring the outcomes of the SFS in future.

BirdLife International, the EEB and WWF therefore urge you to make sure that the implementing Regulation for the Small Farmers' Scheme:

- Requires the continuation of agricultural activities according to GAP, to maintain the positive environmental outcomes derived from such activities, as a criterion for payment eligibility.
- Includes in its provision a monitoring phase to assess the impact of such scheme on the rural economy, on farmers and the environment of the EU, in particular in Southern Countries and in Less-Favoured Areas.
- Clarifies that the scheme constitutes a direct payment from pillar one and therefore that the Common Rules Regulation should apply to it, as to any other direct payments. Compulsory codes of GAP should be defined within the remit of the scheme's application, as cross-compliance is still voluntary for MSs.

BirdLife International, the EEB and WWF fully supports the effort made to relieve the administrative burden on Member States resulting from the high number of farmers claiming small amounts of compensatory payments, as well as relieving the burden on claimants themselves. However, reducing administrative burdens cannot be the only indicator of success; the environmental impacts of such a scheme must also be taken account of. If the SFS leads to the abandonment of agricultural practices that are essential for the maintenance of habitats and traditional landscapes in the EU, we consider the scheme will be an unmitigated disaster and could not, in any way, be seen as a model for future CAP payment regimes.

We believe it is in the Commission's interest to ensure this pilot scheme not only helps small farmers but also safeguards the natural environment which wildlife depends on.

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