



To the Ministers for Agriculture of the EU Member States and Candidate Countries

Brussels, March 18th, 2002

CONCERNING: ENLARGED AGRICULTURE COUNCIL MEETING, MARCH 19TH

Dear Minister,

I am writing you on behalf of the largest federation of environmental citizens' organisations in Europe, representing 133 member organisations with some 14 million members and supporters, including 19 members from nine Candidate Countries.

The European Environmental Bureau would like to take the opportunity of the meeting of Ministers for Agriculture of the EU and Candidate Countries on 19th March, to present you with its views on the issues at stake in the debate on CAP reform in the context of EU enlargement.

The EEB strongly believes that the following objectives should be followed in the discussions on the future of agricultural policy in an enlarged Europe:

Firstly, the need to promote a substantial shift to organic farming;
Secondly, to minimise the harmful effects of intensive agriculture on the environment;
Thirdly, to ensure that marginal land continues to be managed in a traditional way, in order to protect biodiversity and the landscape.

To this end, the EEB proposes:

1. To substantially increase the budget share for rural development in the national Rural Development Programmes of the Accession Countries, respecting the following rules:

- The largest share of the Rural Development budget should be earmarked for agri-environment. It must be ensured that its measures are environmentally effective and that also monitoring, control and reporting are effective [this is also being proposed by the EEB and other NGOs for the EU mid-term CAP review].
- Introduce, like in the EU, Less Favoured Areas (LFA) payments, as a potentially good instrument to keep farming in LFAs extensive and viable.

2. Sustainable rural development programmes can not be really realised without a "bottom-up" approach, with the strong involvement of local players. Observing the present situation in rural areas, it is necessary to support capacity building in local communities. Individual programmes should be developed in the framework of regional level programmes, which must have an integral approach.

3. Direct payments should also be made available to the farmers in Accession Countries. By 2004, there should be obligatory environmental conditions for all direct payments both for new and old Member States.

4. The addition of an ecological objective to the dairy quota should be considered.

The debate on EU-enlargement provides an excellent opportunity for also opening up the discussion on the future of the CAP, since the two issues are so clearly linked. Indeed, it makes little sense to separate the issue of enlargement from the debate on the future of the CAP. Therefore the EEB strongly advocates using the mid-term review as the starting point for further CAP reform.

The EEB believes that a sizeable budget for agriculture remains a necessity if we are to maintain agriculture-related biodiversity, cultural landscapes, viable rural communities and long-term food production. Member States and the EC should carefully investigate the impact on sustainability of any cut in the CAP budget, especially in an enlarged EU.

As far as 1st pillar payments are concerned, the EEB sees merit in the EC proposal for the phasing-in of payments for farmers in CEEC. The merit lies in the fact that these payments are not related to the commodities produced. As such, they can be the first step towards a system of decoupled area premiums.

A more contentious issue is the proposed phasing-in of the payments over a period of time. On one hand, this is unfair treatment of farmers in the new Member States. On the other hand, if the new Member States received full compensatory payments from the first year of accession, a subsequent phase-out of those payments would encounter much more resistance. Such a phase-out is necessary, as outlined above, in order to shift support from production to environmental services. The Fifteen can make the proposed phase-in much more acceptable to the Accession states, by committing themselves to a simultaneous phase-out of compensatory payments. This commitment does require a direct link between the debate on accession and the discussion on the future of the CAP. This inevitably means that the mid-term review should go further than mere adjustments to the Agenda 2000 regime. The debate on a further reform of the CAP should start in 2003.

In summary, the EEB believes that the next steps necessary to improve the proposed approach to EU accession are:

- ❑ starting the phase-out of compensatory payments in the current Member States;
- ❑ committing the money thus saved to rural development and agri-environment;
- ❑ establishing environmental conditions (at least at legal level as a starting point) to the area-payments in CEECs and direct payments in the old Member States; and
- ❑ continuing to use rural development in CEECs for targeted support to regional development, improved food quality and environmental measures.

It is also very important to take into account the differences between Candidate Countries (such as existing policy measures, including agri-environmental programmes and payments, farmers' incomes and the level of prices of agricultural products). Accession to the EU should by no means lower the existing agri-environmental endeavours in the new Member States, but should encourage them to develop suitable agri-environmental programmes, also by appropriate co-financing.

Yours sincerely,



John Hontelez
Secretary General EEB