



Institute ^{for}
European
Environmental
Policy

The CAP Old and New

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**“Visions and Design”
Securing a CAP for the Future**

The CAP Evolves



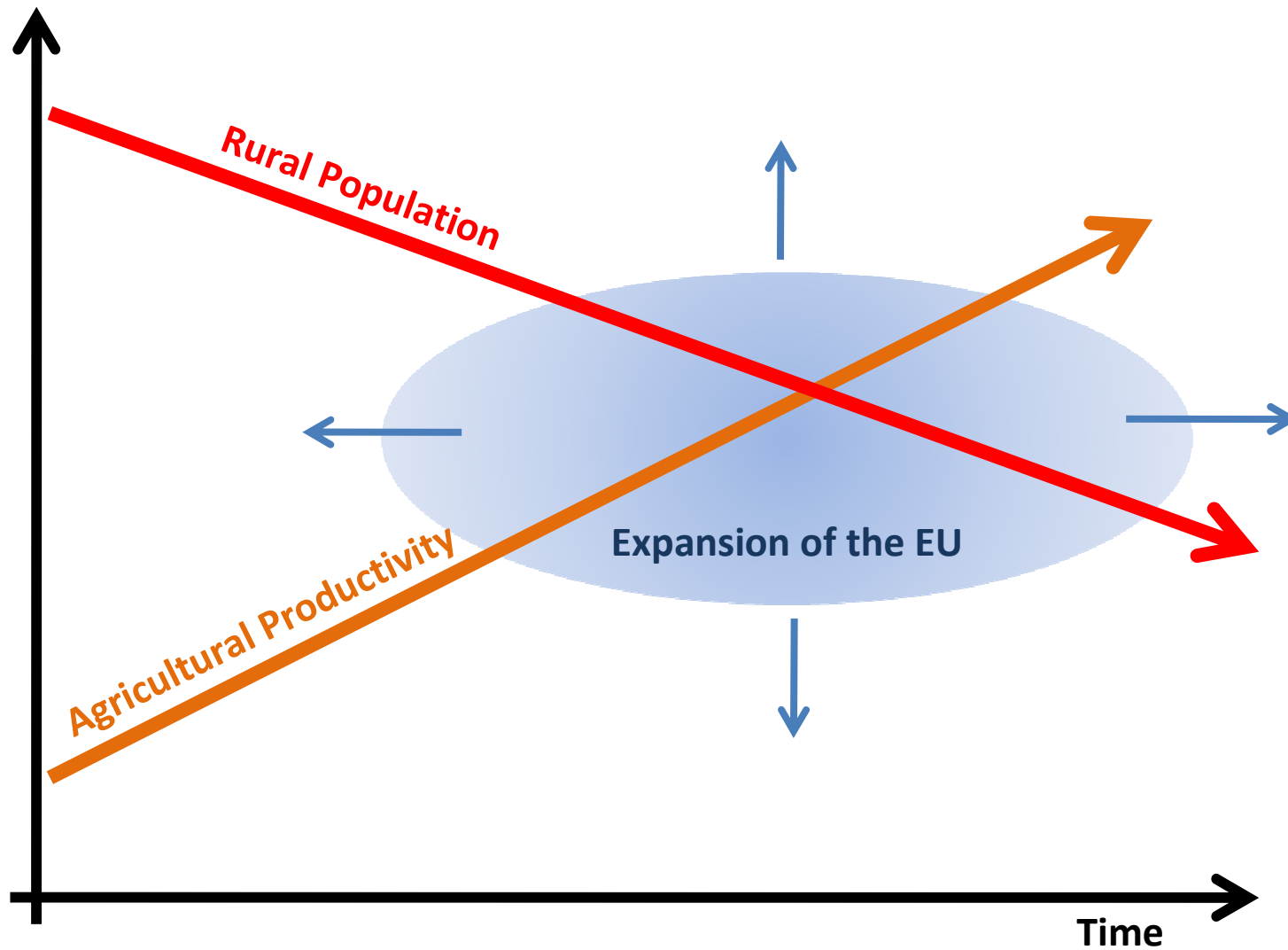
- From an early preoccupation with production and farm incomes
- As well as structures
- Through an era of price support
- To supply control and budgetary preoccupations
- And then to direct payments and decoupling
- Now arranged in two Pillars.

In a Changing World



- From **6** to **27** Member States
- In which farming accounts for a smaller share of employment and GDP
- European output has become relatively stable and less policy sensitive
- European policy has had to become more accountable to global partners
- And subsidy is out of fashion.

Managing Change



New Expectations of Agriculture and European Policy



- Greater food safety and food chain accountability
- Enhanced food quality; in policy terms organics, PDOs, value added etc.
- Improved farm animal welfare
- Higher environmental standards
- More positive management of biodiversity and landscape
- More diverse role in rural society
- Multiple challenges of climate change (mitigation, adaptation, climate policy).

An Expansion of:



- Issues to address
- Territory and perspectives
- Objectives
- International exposure and sensitivity

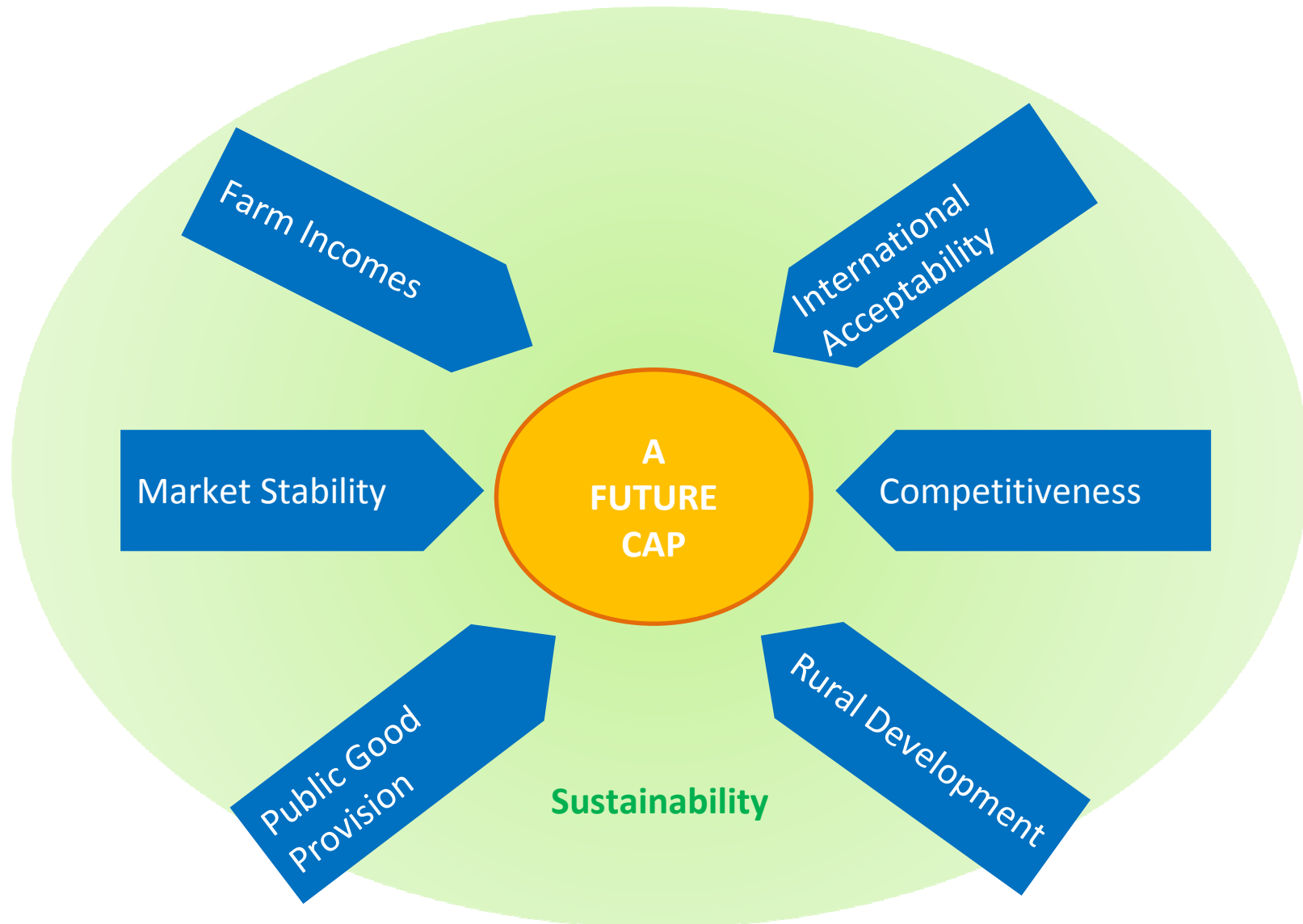
BUT not of funding!

Initial Responses



- Changes in the second Pillar – and in regulations
- The Sustainable Development Strategy 2001 - CAP to encourage:
 - high quality products
 - sustainable production methods
 - renewable raw materials
 - protection of biodiversity
- Progressive revision of the CAP:
 - 2003 – Mid Term Review
 - 2004 – The great enlargement
 - 2008 – The Health Check

Extended Objectives



Looking Beyond 2013



- Making the new Agenda more central to the CAP
- In an era of “smart, sustainable and inclusive growth”
- And greater emphasis on both resource efficiency and competitiveness
- Implying policy instruments that are well founded, well targeted and efficient
- A policy focus on market failure
- And a willingness to overcome historic attachments to current distributional patterns within the CAP.

A New Alignment of Actors



- Stronger representation of the European Parliament
- Large group of Member States looking for a “fair” outcome
- Support from most environmental interests for a CAP that addresses sustainable land management
- Concern from farming and landowning organisations to arrive at a more durable foundation for future policy.