



landbouw, natuur
en voedselkwaliteit



EUROPEAN AGRICULTURAL POLICY 2020

THE OUTLOOK OF THE NETHERLANDS

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WARSAW, 24 OCTOBER 2008



EUROPEAN AGRICULTURAL POLICY 2020

**PRESENTATION IS BASED ON THE
GOVERNMENTAL VISION**

**“EUROPEAN AGRICULTURAL POLICY
2020:
THE DUTCH OUTLOOK”**

SEPTEMBER 2008



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**“ IT IS ALWAYS WISE TO LOOK AHEAD,
BUT DIFFICULT TO LOOK FURTHER THAN YOU
CAN SEE”**

Sir Winston Churchill



EUROPEAN AGRICULTURAL POLICY 2020

- INTRODUCTION
- GLOBAL DEVELOPMENTS
- POLICY FRAMEWORK FOR 2020
- THE OUTLOOK OF THE NETHERLANDS



EUROPEAN AGRICULTURAL POLICY 2020

INTRODUCTION

POSITION OF DUTCH AGRICULTURE

- KNOWLEDGE INTENSIVE AND INNOVATIVE
- HIGH QUALITATIVE PRODUCTS
- STRONG COMPETITIVE AND WELL ORGANISED
- SECOND EXPORTER OF AGRICULTURAL PRODUCTS



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INTRODUCTION:

- CAP FOUNDED 1957: STIMULATE PRODUCTION
- FROM SHORTAGE TO OVER SUPPLY
- FROM NET IMPORTER TO NET EXPORTER
- CHANGES IN POLICY SINCE 1984
 - MILK QUTA 1984
 - MACSHARRY: REDUCTION LEVEL GARANTEE PRICES CEREALS, MEAT AND INTRODUCTION HA-PREMIUM
 - AGENDA 2000: FROM PRICE SUPPORT TO INCOME SUPPORT AND INTRODUCTION RURAL DEVELOPMENT POLICY
 - 2003: MARKETCONFORMITY, STRENGTHENING COMPETITION, SUSTAINABLE AGRICULTURE
- TODAY: DISCUSSION ON HEALTH CHECK
- NEXT YEAR DISCUSSION ABOUT BUDGET



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TRENDS AND DEVELOPMENTS:

1. SHARP INCREASE DEMAND OF FOOD AND OF HIGH QUALITY FOOD DUE TO:
 - GROWTH WORLD POPULATION
 - EMERGENCE OF NEW ECONOMIES(India, China)
 - FIGHT AGAINST HUNGRY (800 MLN ARE STILL HUNGRY)
 - EU HAS TO TAKE ITS RESPONSIBILITY IN IMPROVING PRODUCTIVITY



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TRENDS AND DEVELOPMENTS

2. GROWING DEMAND FOR SUSTAINABLE ENERGY AND THE CLIMATE CHANGE FORECASTS:

- SOUTHERN EUROPE BECOMES WARMER AND DRIER. NORTHERN EUROPE WARMER AND WETTER
- BIO-ENERGY CROPS



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TRENDS AND DEVELOPMENTS

3. INCREASING TRADE LIBERALISATION (WTO)

- BETTER MARKET ACCES ALL
OVER THE WORLD
- GLOBAL LEVEL PLAYING FIELD



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TRENDS AND DEVELOPMENTS

4. EUROPEAN AND INTERNATIONAL CONCERN ON QYALITY OF FOOD
 - SAFE
 - HOW IS IT PRODUCED:
 - BIO
 - ANIMAL-FRIENDLY
 - NATURE; ENVIRONMENT



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BASIC PRINCIPLES FUTURE CAP

- **FOOD SECURITY, SAFETY AND QUALITY**
- **LANDSCAPE, NATURE AND ENVIRONMENT**
- **ANIMAL HEALTH AND WELFARE**



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POLICY FRAMEWORK 2020

- **EU POLICY FOR AGRICULTURE AND RURAL DEVELOPMENT WILL BE NECESSARY**
- **AGRICULTURAL PRODUCTION MUST BE COMPETITIVE AND SUSTAINABLE**
- **AGRICULTURE WILL REMAIN THE DETERMINING FACTOR FOR THE COUNTRYSIDE**
- **CHANGE IN BALANCE BETWEEN EU AND NATIONAL POLICY**



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• POLICY FRAMEWORK 2020

- FINANCING CAP WITHIN EU FRAMEWORK
- THE QUESTION IS: MUST FUTURE CAP BE FINANCED ENTIRELY BY THE COMMUNITY?
- NATIONAL AND REGIONAL AUTHORITIES SHARE FINANCIAL RESPONSIBILITY



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POLICY FRAMEWORK 2020

- IN THE LONG TERM NO GENERIC FINANCIAL SUPPORT
- PAYMENTS MUST BE TARGETED TO COMPETITIVENESS , SUSTAINABILITY AND SOCIAL DESIRABLE DEMANDS



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DUTCH OUTLOOK 2020

FOUR CLUSTERS OF ENTERPRISES:

1. PRODUCE IN AREAS NOT SUBJECT TO RESTRICTIONS AND PRODUCE ONLY FOOD
2. PRODUCE IN AREAS SUBJECT TO RESTRICTIONS AND ONLY PRODUCE FOOD
3. PRODUCE FOOD IN AREAS NOT SUBJECT TO RESTRICTIONS AND ALSO “GREEN” AND “BLUE” SERVICES
4. PRODUCE IN AREAS SUBJECT TO RESTRICTIONS AND ALSO PRODUCE “GREEN” AND “BLUE” SERVICES

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| | | Areas with restrictions (natural or administrative) ? | |
|-----------------------------------|-----|--|--|
| | | no | yes |
| Provision of collective services? | no | <p>1</p> <p>Enterprises that produce in areas not subject to restrictions and only produce "food"</p> | <p>2</p> <p>Enterprises that produce in areas subject to restrictions and only produce "food"</p> |
| | yes | <p>3</p> <p>Enterprises that produce in areas not subject to restrictions and also provide other ("green" or "blue") services</p> | <p>4</p> <p>Enterprises that produce in areas subject to restrictions and also provide other ("green" or "blue") services</p> |



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DUTCH OUTLOOK 2020

- THE 4 CLUSTER MODEL WILL BE THE BASIS FOR FINANCIAL SUPPORT
- TRANSITION PERIOD FROM GENERIC TO TARGETED REMUNERATION:
 - COMPLETE DECOUPLING INCOME SUPPORT
 - PHASING OUT DECOUPLED INCOME SUPPORT
 - ENCOURAGEMENT FOR COMPETITIVENESS BY PROMOTING KNOWLEDGE AND INNOVATION AND IMPLEMENTING RISK AND CRISIS MANAGEMENT
 - REMUNERATION FOR SOCIALLY DESIRABLE PERFORMANCES (GREEN AND BLUE SERVICES)
 - INTRODUCTION OF TARGETED REMUNERATION IN SOCIALLY VALUABLE AREAS



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DUTCH OUTLOOK 2020

- **NOWADAYS INCOME SUPPORT IS BASED ON HISTORICAL REFERENCE..... AND.....**
- **PAST RECEIPTS ARE THE BASIS FOR FUTURE PAYMENTS!**
 - **NO LINK TO SOCIALLY DESIRABLE VALUES**
 - **CURRENT POLICY FREEZES FLOWS OF SUBSIDIES AND MAKE INCOME SUPPORT INDEPENDENT OF ENTERPRISE DEVELOPMENTS**
- **THIS IS NOT IN CONFORMITY WITH THE DYNAMISM OF AGRICULTURE AND RURAL DEVELOPMENT IN EU THAT'S WHY A CHANGE IS NEEDED!**



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**THANK YOU FOR YOUR
ATTENTION**



