

Dacian CIOLOȘ

Member of the European Commission

Brussels, 11th of June 2010

Dear Conference participant,

May I take this opportunity to welcome you to this Conference on the future of Europe's Common Agriculture Policy organised by the Ministry of Agriculture. Unfortunately, an alternative commitment with the Court of Auditors in Luxembourg means that I cannot be with you today, but I certainly hope to come to Malta in the course of the CAP reform talks and witness Maltese agriculture first hand.

I'm delighted to hear that you are coming together today to discuss the future of the CAP. It is a particularly important subject, and this is a particularly important time to discuss it because we in the Commission will shortly be drawing up our blueprint, which I intended to publish in November. Let me just add that legislative proposals will then be published in the middle of next year, and we hope to conclude the negotiating process (involving full co-decision with the European Parliament for the first time) by the end of 2012, so that implementing rules and national options can be fixed in 2013 and the new rules can enter into force from January 2014.

Before coming forward with our blueprint, however, I am doing my best to listen to as many different views as possible. Back in mid-April I opened a public debate on the future of the CAP, which asked 4 simple questions - *Why do we need a European common agricultural policy? What do citizens expect from agriculture? Why reform the CAP? And what tools do we need for the CAP of tomorrow?* These are very basic questions, but I believe it is absolutely vital to clarify our objectives before we start this exercise. And I must underline that it is only once we have defined our objectives that we can start to discuss the level of public finance for the future CAP, i.e. the budget question. Otherwise we would risk putting the cart before the horse.

The level of interest in the public debate has been very encouraging. It seems that we have had more than 5 000 contributions – including 20 from Malta – not only from farmers and stakeholders, but also from NGOs and Think Tanks representing wider society.

This aspect is particularly important for me – we must reach out to as broad a public as possible in order to underline that the CAP is not just a policy for farmers. It is a policy for all citizens – as taxpayers and consumers. My hope is also to stimulate society into realizing that agriculture policy is more than "just" producing food, and to accept that agricultural activity has a broader function, in terms of the wider rural economy and addressing a range of very serious global challenges - the sustainable management of water, soil, energy and other natural resources; biodiversity loss, and global food security. There's also the issue of climate change, where I see the potential for agriculture to provide a significant contribution to reducing Greenhouse Gas emissions.

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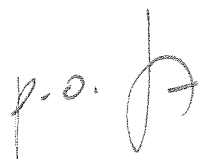
In short, we must make people aware of the public goods that agriculture already delivers and look at ways to encourage further improvement – and adapt our support systems to reflect more objective criteria that taxpayers can better understand. For example, I can't see any justification after 2013 in basing direct aids on production more than 10 years earlier! At the same stage, farmers must realise that they have to improve their competitiveness, and policy must not prevent the market from playing its role. In this sense, farmers will have to learn not only to produce better, but also to be better at selling their products (and highlighting the way in which they are produced) and to be more in touch with consumers.

Having said that, there remains an important role for policy to provide a safety net when the market fails. We must look at how the various instruments can be made more efficient, and consider new tools, for example for risk management. Last year's experience in the dairy sector led us to establish a High Level Group on the dairy sector. Their conclusions will only be finalised tomorrow, but it is already clear that they are recommending that more can be done to strengthen the farmers' negotiating position in the food supply chain.

But I don't want to say any more at this stage, because I'm in listening mode. As you see, there are a number of serious issues for you to discuss. And I look forward to getting some feedback on your discussions.

Enjoy the conference

Best regards,

A handwritten signature in black ink, appearing to be 'D. Cioloș', written in a cursive style.

Dacian Cioloș