

Factsheet 7

The Rural Network for Northern Ireland

January 2011



Sharing & Exchanging Information

Sharing and exchanging information is key to the work of the Rural Network for Northern Ireland. We will share and exchange information in a number of ways.

These include:-

- A dedicated website www.ruralnetworkni.org.uk
- Newsletters, publications and fact sheets
- Events, meetings and visits

This Factsheet entitled 'The Common Agricultural Policy (CAP) - Past, Present and Future' provides background information on the CAP and how to respond to the current DARD consultation.

Please Note: The information contained within this Factsheet is for information only.

Common Agricultural Policy (CAP) Past, Present and Future

The EU Commission published a Communication on 18th November 2010 which sets out the Commission's initial thoughts on the future of the Common Agricultural Policy (CAP) and paves the way for formal legislative proposals which are expected to be published around July 2011.

DARD is currently seeking views on this Communication in order to inform its own position and response. Views are requested by 31st January 2011.

What is the CAP?

The CAP is a form of protectionism designed to defend European producers from cheaper products outside the EU. This was once done by subsidising agricultural produce but is now achieved by the EU deterring imports from outside the EU with a system of import tariffs and simultaneously subsidising farmers through the Single Farm Payment.

What is the CAP budget?

The CAP costs about EUR 55 billion per year. This represents some 44% of the total EU budget and about 1% of total European public spending.

The History of CAP?

The CAP has its roots in 1950s western Europe, where societies were damaged by years of war, agriculture was crippled and food supplies not guaranteed. CAP began operating in 1962.

Early CAP encouraged better agricultural productivity so consumers had stable supply of food and ensure EU had a viable agricultural sector.

CAP offered subsidies and systems guaranteeing high prices for farmers, providing incentives to produce more. CAP was successful on meeting objectives of moving EU towards self-sufficiency from 1980s onward. However, had to contend with almost permanent surpluses of major farm commodities which had to be exported or disposed of.

Early Reforms of CAP?

Important changes occurred 1980s/early 1990s where production limits helped reduce surpluses and there was a new emphasis on environmentally sound farming.

Agenda 2000 reform promoted the competitiveness of European agriculture and had a major new element – Rural Development policy.

This policy encouraged many rural initiatives while helping farmers to re-structure their farms, diversify and improve their product marketing.

2003 witnessed further reform where farmers were no longer paid just to produce food. Farmers still receive aid but face reductions in direct payments if new standards are not met. Since 2005 farmers are no longer subsidised, but instead receive a lump-sum called the Single Farm Payment (SFP) and are encouraged to produce in response to consumer demand.

The current debate on the CAP?

The European Commissioner for Agriculture and Rural Development, Dacian Cioloş launched a debate on the future of the CAP in the European Union on 12th April 2010. The debate relates to CAP's future objectives after 2013 when new CAP rules will be enforced.

The debate concluded with a conference in July 2010 where over 600 participants attended. 5600 contributions were received in the public debate.

Following this, the European Commission has prepared a communication: ***The CAP towards 2020: Meeting the food, natural resources and territorial challenges of the future*** which sets out the Commission's initial thoughts on the future of the CAP.

DARD consultation on the CAP?

DARD is currently seeking views on the EC Communication and request submissions by 31st January 2011.

How to respond to the DARD consultation?

The key issues from the EC Communication are identified in a series of questions which cover the following areas:

- Strategic Positioning of CAP
- The CAP Budget
- Direct Farmer Support
- Market Measures
- Rural Development
- Simplification
- Equality

Where to find out more?

A copy of the EC Communication and the detailed questions can be found on the DARD website at the following link: <http://www.dardni.gov.uk/index/consultations.htm> and follow through to 'active consultations' list.

Written responses are requested by 31st January 2011. The above link also provides contact details for the return of responses.

News You Can Use

Do you have information worth sharing? Help us to contribute to the transfer of information sharing practice within and across the Northern Ireland Rural Development Programme.

Contact the Rural Network for Northern Ireland:-

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Web: www.ruralnetworkni.org.uk

The Rural Network for Northern Ireland is a member of:

UK National Rural Network:
www.ruralcommunities.gov.uk/uknationalruralnetwork

And European Network for Rural Development: www.ec.europa.eu

The Rural Network for Northern Ireland has also established links with the **National Rural Network for Ireland:** www.rdsu.ie



The Rural Network for Northern Ireland is managed by the Northern Ireland Rural Development Council (RDC) through the Agri Rural Form as part of the Northern Ireland Rural Development Programme co-financed by the European Agricultural Fund for Rural Development on behalf of the Department of Agriculture and Rural Development (DARD).

References and links to any external websites or publications shall not be taken as an endorsement by the Rural Network for Northern Ireland of the opinions expressed or services provided by those sites and publications.