

The Future of the CAP

Comments on Emil Erjavec presentation

Hervé Guyomard
INRA

One Day Conference on the Future of the CAP
Montpellier - June 22, 2018



- Legislative proposals for the CAP after 2020 presented by the EC on June 1st, 2018
- According to Emil Ervajec (EE), main novelty and crucial element of these proposals: New delivery mechanism through national strategic plans / planning
 - “A new page on CAP history” (EE)
- Many uncertainties (parameters) make that it is (very) difficult to provide a robust assessment of the proposals: speculation based on assumptions
 - It is easy to criticize, it is more difficult to provide and implement a construction alternative
- Strategic planning as the main novelty: Really?
 - Many parameters are still defined at the EU level: Are margins of manoeuvre of MS so important?
 - In a context of reduced budget favourable to the status quo (conservatism): Less environmental ambition?
 - Importance of the eco-scheme (budget, parameters): Possibly a second crucial element of the proposals?



- “Definition needs is the policy weakest link” (EE)
 - Is increased subsidiarity the adapted response to environmental issues and challenges, notably for the environment?
 - To a large extent, yes for local public goods (water, soil, air, landscapes)
 - But no for global public goods (climate change and biodiversity): budget and governance at the EU level
 - In a more general way, the proposals do not appear to be sufficient for addressing challenges in terms of climate change (mitigation and adaptation) and biodiversity protection
 - After the Omnibus Regulation (2017), no new developments in terms of risk and risk management
 - The risk management toolbox is rich and logic (crisis, average and small risks)
 - The toolbox is clearly under-used: Why?
 - Pressure of agricultural stakeholders on MS governments to intervene (ad-hoc intervention): brake on development of public and/or private risk management instruments
 - Crisis reserve: What have we learnt from the dairy crisis?
 - Ex-ante management risks: Defining sustainable and resilient farming systems



- **Simplification: Really?**
 - **Probably reduced public transaction cost at the EU level**
 - **However definition, monitoring and control of national strategic plans**
 - **Very likely at the expense of increased transaction costs à MS level: transfer from the EU to the MS**

- **Some additional comments**
 - **“There is a lack of precise information regarding the economic and income status of rural households”**
 - **I fully agree**
 - **True for the two other dimensions of sustainability (environment and social)**
 - **Data ! (cf. presentation of F. Savini yesterday)**
 - **From means (practices) to results (impacts)**
 - **“We may expect the new approach to widen the East(South)/West(North) divide”**
 - **Not really a problem of the new approach**
 - **“National and regional bureaucracies are living in fear of audits and low absorption of funds”**
 - **Yes for low absorption of funds, but fear of audits?**





Thank you for your attention

