

Opinion of the European Economic and Social Committee on the 'Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: The CAP towards 2020 — Meeting the food, natural resources and territorial challenges of the future'

COM(2010) 672 final

(2011/C 132/11)

Rapporteur: **Mr Franco CHIRIACO**

On 18 November 2010 the Commission decided to consult the European Economic and Social Committee, under Article 304 of the Treaty on the Functioning of the European Union, on the

Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions — The CAP towards 2020: Meeting the food, natural resources and territorial challenges of the future

COM(2010) 672 final.

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 28 February 2011.

At its 470th plenary session, held on 15 and 16 March 2011 (meeting of 16 March), the European Economic and Social Committee adopted the following opinion by 197 votes to 26 with 17 abstentions.

1. Conclusions and recommendations

1.1 The European Economic and Social Committee welcomes the Commission's proposals and notes that many recommendations set out in earlier EESC opinions have been reflected in the Communication. The EESC calls on the Commission to take steps to explain more clearly the existing links between the post-2013 CAP objectives, instruments and financial resources. The CAP reform must be implemented in a way which guarantees the profitability of agriculture and a fair income for farmers throughout the EU.

1.2 The main task of the CAP is to value the role of farmers as producers of daily foodstuffs and, increasingly, of sustainable green energy. Furthermore, agriculture and forestry must build on their significant contribution to the sustainable management of natural resources, offering concrete solutions to the key challenges of fighting climate change and the water crisis, and in the areas of environmental protection, biodiversity⁽¹⁾ and territorial development.

1.3 The EESC agrees with the proposal to stop using historical reference periods as the basis for determining the amount of support, and stresses the importance of direct payments under the CAP in preserving the European agricultural model. These payments are critical to offset the socially desirable high standards in the EU and as compensation

for services provided by agriculture that are not remunerated by the market. They also still serve to safeguard farmers' incomes and protect them from risks in increasingly volatile markets. According to the EESC, public goods and services delivered to the community concern sustainable development, environmental protection, rural vitality, poverty reduction, food security and employment and consumer protection.

1.4 The EESC also believes that the review process must not disrupt CAP objectives and functioning mechanisms to support operators along the agricultural, food and environmental supply chain in long and medium-term programming. The EESC sees the need here for an adequate transitional period that is consistent with the duration of the new programming period set to end in 2020, in order to give farmers - especially those who have already made investments under particular conditions - time to adapt to the discontinuation of the historical reference period as the means for quantifying the value of single payments. With regard to the new Member States, the Committee recalls that the period for moving away from the simplified Single Area Payment Scheme ends in 2013. The EESC calls for confirmation of a national and regional flexibility instrument, along the same lines as Article 68⁽²⁾ for granting specific support, and for complete consistency with measures under the second pillar, the common organisation of the market in fruits and vegetables and the promotion funds.

⁽¹⁾ COM(2010) 548 *The 2010 assessment of implementing the EU biodiversity action plan.*

⁽²⁾ Council Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003 (OJ L 30, 31.1.2009, p. 16).

1.5 The EESC agrees that CAP support should only be granted to active farmers and promote the European agricultural model through measures under the first and second pillar. All payments under the first and second pillar should aim to solve social, environmental and economic problems. As a result, the EESC asks the Commission to provide an EU-wide definition of 'active farmer'. The EESC suggests that the definition of an active farmer should include among its requirements the production and marketing of agricultural products, also through direct local marketing, and the creation of public goods and services of social interest.

1.6 The EESC takes it for granted that the European Council's political decision to guarantee the conditions for agriculture throughout the EU must continue to be an explicit goal of the reform. The EESC believes that it would be inadvisable to abolish second-pillar support for farmers operating in geographically and climatically disadvantaged areas. Additional area-based support for farmers operating in Less Favoured Areas could prevent farmers from giving up agricultural production in the EU and therefore contribute to achieving the security of food supply objective. The EESC calls on the Commission to publish its proposal on the review of criteria for identifying other Less Favoured Areas (i.e. intermediate areas) as soon as possible in order to allow for sufficient consultation of all stakeholders.

1.7 The EESC is in favour of capping direct payments on the basis of the country's and the specific region's agricultural structure. The EESC advocates capping in accordance with a farm's salaried and unsalaried labour intensity, also taking the farmer's work into consideration and thereby also providing social justification for economic resources spent on the functioning of the CAP. Furthermore, the EESC considers it necessary to take into account the specificities of businesses set up by cooperatives and farm producer associations, and to make the payment to all the partners.

1.8 The new CAP will have to make a priority of ensuring that the EU has a competitive and innovative agricultural and food sector, which can contribute to improving farm workers' socio-economic and employment conditions and their security by using full social cross-compliance as a reference, with special regard to labour law and contracts.

1.9 The Commission should clarify the application of the greening component to direct payments by presenting a final assessment of this proposal's impact on existing second-pillar environmental programmes. The EESC calls on the Commission to consider alternative solutions. One suggestion could be to make the greening component of direct payments conditional upon compulsory participation in specific agri-environmental measures with a real impact on the area of land in question, providing the financial incentives fully cover the higher costs

and that the bureaucratic processes are minimal. To this end, the Commission should draw up a list of corresponding measures from which farmers could select the ones best suited to their specific situation. The implementation of these measures would have to be structured at the regional level in order to have a positive impact on income.

1.10 The EESC considers an effective post-2013 CAP reform to be impossible without clear indications on decisions taken regarding the scale and make-up of the EU budget. The EESC nevertheless believes that it should at least be necessary to guarantee confirmation of the budget quota already allocated by the EU to the CAP at this stage.

1.11 The EESC points out that further opening up the EU's agriculture markets will lead to even greater competitive pressure and to producer prices being more and more heavily influenced by the volatility of the international markets. The EESC is concerned that existing instruments cannot ensure sufficient market stabilisation. This must be taken into account in the forthcoming reform, not only in the revamp of direct payments but also when amending the market stabilisation instruments.

2. Gist of the Communication

2.1 Objectives of the Common Agricultural Policy (CAP)

2.1.1 The European Commission believes that the post-2013 CAP should contribute to the following objectives⁽³⁾:

- viable food production;
- sustainable management of natural resources and climate action;
- maintaining the territorial balance and diversity of rural areas.

2.2 Future CAP instruments

2.2.1 According to the Commission, decoupled direct payments will remain the key instrument for supporting European agriculture (decoupled direct payments of equal amounts for all producers in a given region or Member State). In order to improve efficiency and fairness, it is

⁽³⁾ European Commission press release IP/10/1527, 18 November 2010.

proposed to switch from historical payments to a fixed and uniform area-based payment (basic payment). Nevertheless, the varying economic and natural conditions facing farmers in different regions in the EU call for an equitable distribution of direct payments. This payment will be based on transferable entitlements to be activated by matching them with agricultural land, subject to cross-compliance requirements, which should be simplified and aligned with the objectives of the Water Framework Directive. The EESC advocates considering an upper ceiling for direct payments received by farms ('capping'), the impact of which could be mitigated on the basis of employment levels.

2.2.2 The Commission considers that the post-2013 CAP should include two other types of direct payments to promote greener farming (the greening of direct payments): 1) per-hectare payments applicable across the whole of the EU rewarding farmers for adopting agri-environmental practices that go beyond basic cross-compliance (e.g. permanent pasture, crop rotation and ecological set-aside 2) an additional area-based payment for farmers operating in disadvantaged areas and/or areas with specific natural constraints as a complement to the support given under the second pillar of the CAP.

2.2.3 A number of exceptions to decoupling are foreseen. In some regions and in order to take account of specific types of farming, coupled support may be granted within clearly defined financial limits. A simple and specific support scheme will be introduced for small farmers to avoid loss of rural employment. In order to respond to the criticism of the European Court of Auditors regarding the functioning of direct payment mechanisms, support should be targeted to active farmers only.

2.2.4 The Commission believes that a number of market measures need to be maintained. It must be possible to activate these measures in times of crisis as precautions against emergency situations. In particular, the extension of the intervention period, the application of the disturbance clause and private storage to other products, and lastly the improvement of controls are being proposed. In this context, the Commission has announced the publication of proposals aimed at stabilising the milk market and has stressed the need to discuss the future of the sugar sector. The post-2013 CAP will also provide for the adoption of specific measures on the functioning of the food supply chain and for improving the bargaining power of farmers.

2.2.5 According to the Commission, the overall architecture of the CAP will continue to be structured around two pillars. Rural development support is to focus more on competitiveness and innovation, climate change mitigation and the environment, in line with the Europe 2020 Strategy. With this in mind, a risk

management toolkit is to be introduced under the second pillar, which Member States could use as a production and agricultural income stabilisation tool.

3. General comments

3.1 The EESC notes that the Communication reflects the following recommendations from earlier EESC opinions (4):

— the need for fair distribution of resources among Member States;

— the need to abandon the use of historical reference periods for quantifying the value of single payment entitlements;

— the greening of single payments to tackle new challenges, especially climate change, renewable energy, water resource management and biodiversity (5), to bring the amount of support received by farmers more into line with the level of public goods and services that agriculture delivers to the community and which are not normally remunerated by the market and to compensate farmers operating under adverse climatic and natural conditions for their higher costs;

— the need to restrict direct payments to active farmers only, and under arrangements that take account of existing and generated employment in each farm and, in particular, taking into account salaried and unsalaried labour intensity, including agricultural and forestry contractor work.

3.2 In its opinion on reform of the common agricultural policy in 2013 (NAT/449), the EESC urged 'the Commission, the Council and the European Parliament to start by setting out in unequivocal terms the precise aim of the CAP, followed by an indication of the tools needed to achieve it and the requisite cost involved'. The EESC points out that the Commission does not follow the same logical sequence in its Communication. As a result, the EESC calls on the Commission to provide clearer indications of the links between the post-2013 CAP objectives, instruments and financial resources.

(4) EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p.35, point 5.6.11).

(5) Council Decision of 19 January 2009 amending Decision 2006/144/EC on the Community strategic guidelines for rural development (programming period 2007 to 2013) (OJ L 30, 31.1.2009, p. 112).

3.3 Objectives

3.3.1 In opinion NAT/449, the EESC recalled that the post-2013 CAP must be driven 'by the European agricultural model, which must be based on the principles of food sovereignty, sustainability and the real needs of farmers and consumers'. The EESC aims to draw attention to what the key objectives of the CAP should be:

- to contribute to the quantitative and qualitative security of food supplies in Europe and the world ⁽⁶⁾;
- to contribute to market stabilisation ⁽⁷⁾, mainly by limiting fluctuations in the prices of agricultural products;
- to support the incomes of European farmers, which are below those of operators in other European economic sectors ⁽⁸⁾;
- to work together to create a system of trade rules that preserves the European agri-food model and avoids competition distortions;
- to allow farmers to win back market power from retailers, especially large-scale commercial chains ⁽⁹⁾;
- to promote the sustainable use of resources and the conservation of natural habitats and biodiversity, thereby giving agriculture and forestry a more active role in fighting climate change ⁽¹⁰⁾;
- to support the production and marketing of quality local products in rural areas by promoting alternative retail channels ⁽¹¹⁾;
- to create the legal conditions for management by farmers of short and transparent supply chains;

⁽⁶⁾ EESC Opinion on *The future of the Common Agricultural Policy after 2013*, (OJ C 318, 23.12.2009, p. 66, point 2.3).

⁽⁷⁾ EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p. 35, point 5.2); and EESC Opinion on the *Health check of the CAP and its future after 2013* (OJ C 44, 16.2.2008, p. 60, point 7.4.2).

⁽⁸⁾ EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p. 35, point 3.7).

⁽⁹⁾ EESC Opinion on *A better functioning food supply chain in Europe* (OJ C 48, 15.2.2011, p. 145, point 3.6).

⁽¹⁰⁾ EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p. 35, point 4.7).

⁽¹¹⁾ EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p. 35, point 5.5.15).

- to promote, with reference to the Europe 2020 strategy, education and innovation (smart growth), the development of renewable energy (sustainable growth), and the strengthening of rural employment potential (inclusive growth), in compliance with good employment practices in contracts and EU and non-EU seasonal farm work, with reference to the Europe 2020 strategy.

3.3.2 Food security at reasonable prices remains a priority objective for EU agriculture in a global context of demographic pressure and growing consumption that require a political and strategic response based on development and global food security.

3.3.3 The EESC points out that European farmers expect 'to secure a fair income from the sale of their products on the market and as remuneration for the services they provide to society under the European agricultural model' ⁽¹²⁾. As a result, the CAP cannot restrict itself to distributing funding. The EESC therefore asks the Commission to clarify how the new CAP will respond to the issue of market stabilisation, and how more specifically it will propose to solve the problem of prices and farm incomes.

3.3.4 European agricultural policy and rural development policies should be geared to innovation and competitiveness. The EESC believes that EU rural development and forestry policies should make a stronger contribution to the conservation of biodiversity, carbon sequestration, energy production and savings, and the development and promotion of food products and balanced territorial development. Rural development can create new business opportunities and jobs in rural areas, promoting opportunities for agricultural income diversification. Finally, we need to remember that food processing is a key economic activity in rural areas. This is why rural development should not neglect to support rural agri-food businesses engaged, in conjunction with farmers, in research and development, training, innovation, export promotion and business cooperation initiatives (e.g. joint ventures) in order to improve their competitiveness on the market.

3.3.5 The EESC recalls that agricultural market price volatility, albeit endemic in the sector, has been aggravated in recent years as a consequence of various factors including extreme meteorological conditions, energy prices, speculation and increased world demand caused by demographic growth. In this context, the EESC recalls that the price of agricultural products, which rose sharply during the 2006-2008 period and then fell back substantially, have started to rise again in recent

⁽¹²⁾ EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p. 35, point 5.3).

months. The EESC considers these extreme price fluctuations in agricultural prices to have a negative impact on producers and consumers. The EESC is also concerned that, in the EU too, non-agricultural investors are increasingly engaged in buying up land for investment and speculative purposes, which is certainly not consistent with the European model of agriculture.

3.3.6 Finally, the new CAP should promote and support new holdings, especially in order to attract young people into the sector, not least in order to ensure a future for European agriculture. Generational renewal in agriculture is necessary considering that only 7 % of European farmers are under 35. Moreover, in some Member States, the situation is even more critical. At present, one in three farmers in EU27 is over 65 and many are due to retire in the next few years. The CAP therefore must contribute to developing an EU-wide policy to set up farmers, in parallel with an ambitious and synergetic agricultural employment policy.

3.4 Instruments

3.4.1 The EESC stresses that direct payments are important in order to safeguard the European agricultural model. Indeed direct payments support European farmers that offer public goods and services of high value to society, which, however, are not adequately remunerated by prices formed on the agri-food markets.

3.4.2 There is a need to simplify functioning arrangements for the new CAP instruments and, in particular, for single payments. The EESC agrees that there is a need to simplify environmental cross-compliance requirements, which calls for the system of controls and procedures for reducing payments to be rationalised. The EESC points out that the arrangements for access to the greening of direct payments should facilitate and promote the access of farms to CAP support. In this regard, and with a view to the possible imposition of new conditions (e.g. the Water Framework Directive), the EESC asks the Commission to carefully assess the impact of this measure and identify implementation procedures that will not involve further complications for farmers.

3.4.3 The EESC agrees with the principle whereby basic payments to be differentiated at the regional level must necessarily be linked to specific environmental services. Ongoing discussions indicate that it may potentially prove difficult to separate the first-pillar environmental component (the greening of direct payments) from second-pillar agri-environmental measures.

3.4.4 The EESC agrees that a new criterion for defining the amount of direct payments should be introduced. In this context, the EESC advocates holding discussions to identify the reference territory for determining the basic component of direct payments (European, national or regional). Furthermore, the EESC recommends studying the possibility of making one component of direct payments conditional upon the level of labour intensity and other good practices in the areas of competitiveness, labour and innovation.

3.4.5 The EESC is in favour of introducing a simple and specific support system for small farm holders. The EESC asks the Commission to clarify the requirements that will be adopted to identify small farm holdings. In particular, the EESC calls for account to be taken of the structural differences that characterise farming in different Member States.

3.4.6 The EESC is uncertain about the repercussions of the process for adapting current market instruments (guaranteed prices, duties, export subsidies, public storage, quotas, set-aside, etc.). For this reason, the EESC emphasises that safety nets alone cannot ensure agricultural product market stabilisation or solve, in particular, the dairy sector's problems⁽¹³⁾. In order to strengthen the position of agricultural producers in the added value chain and to counter price volatility and the disproportionate power of retail supermarket chains, the EESC believes that the post-2013 CAP should include specific instruments to be directly managed by farmers or their representatives in order to group supply and improve trade relations through measures and instruments that have already been tested in some common market organisations.

3.4.7 The EESC calls for stronger CAP measures aimed at enhancing and promoting local and quality agri-food products on EU and third country markets, also in order to improve the functioning of the agri-food sector, raise awareness of the range of EU food products, meet consumer demands and open new external markets. For the same reasons, the EESC would be in favour of introducing good labelling practices for agricultural products, in part to respond to the growing public demand for information and transparency.

3.4.8 The EESC would like to recall that the number of people in need in the EU who do not have enough to eat stands at 40 million. For this reason, the EESC also calls for the Commission to strengthen CAP measures aimed at distributing food supplies to most deprived people in the EU.

⁽¹³⁾ EESC Opinion on the *Health check of the CAP and its future after 2013* (OJ C 44, 16.2.2008, p. 60, points 7.4.13 to 7.4.15; and EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p. 35, point 5.5.9).

3.4.9 Rural development can contribute to the needs of sectors and rural areas. The EESC is in favour of keeping the current CAP structure, which distinguishes between two pillars, but recommends the redistribution of measures under each of the two pillars as well as greater complementarity of the measures being promoted ⁽¹⁴⁾.

3.4.10 As part of the European agricultural model, maintaining agricultural production in all parts of the EU is an essential task of the CAP. In this connection, the EESC stresses the special importance of measures for less favoured regions carried out in the framework of rural development. Tried and tested measures, in particular those intended to compensate for natural or climatic disadvantages, should at all events be retained in the interests of the greatest possible continuity.

3.5 The EU Budget and financial resources for the CAP

3.5.1 The EESC believes that the objectives set by modern society for European agriculture are extremely ambitious and difficult. These require a lasting future CAP that is effectively tooled to deliver the set objectives through efficient applications systems and adequate financial resources ⁽¹⁵⁾. Moreover, it is absolutely necessary to integrate the CAP into all other EU policies (business, climate action, intersectoral, economic, finance and tax, employment and social rights, energy and natural resources, environment, consumer and health, external relations and foreign affairs, regional policy and local development, science and technology).

3.5.2 The EESC believes that the 'CAP towards 2020' debate should take account of the fact that, in the light of the financial perspectives and in the absence of budgetary adjustments, it will be difficult to achieve the Communication's objectives for the CAP and to defend the European agricultural model.

3.5.3 The EESC believes that the post-2013 CAP reform is the right time to address the discussion on the redistribution of financial resources under both the first and second pillars. In particular, it is necessary to resolve the issue of imbalances in the distribution of CAP resources at the national level, which are particularly unfavourable to new Member States. In this context, the abandonment of the historical reference period makes it necessary to identify a new criterion for defining the national ceiling for direct payments for each Member State. The EESC therefore urges – in a spirit of pragmatism and bearing in mind the diversity of situations in the Member States – that other criteria should be considered in addition to national agricultural land use. In particular, adopting criteria relating to cost

of living, employment, added value, and to differences in agro-climatic conditions and in production costs could enhance agriculture's contribution to territorial development ⁽¹⁶⁾.

3.5.4 The EESC endorses the Commission's decision not to introduce forms of national co-financing for first-pillar measures. For the second pillar, the EESC considers that national co-financing for implementing rural development measures should be confirmed. The EESC also considers it necessary to promote a discussion on the decisions taken so far with regard to the level of national co-financing for rural development, in order to take into account the budgetary difficulties of many Member States and to promote better spending performance for investment at the national level ⁽¹⁷⁾.

4. Specific comments

4.1 The EESC calls for discussions to be held on a possible review of the EU competition rules applied to the agri-food sector with a view to improving the agri-food sectors' functioning mechanisms and re-balancing the market power of operators in the food supply chain, especially with respect to retailers.

4.2 The EESC agrees to the reinforcement of the risk management tools implemented under the CAP. The EESC believes that these instruments must contribute to reducing income fluctuations and market instability. Strengthening insurance instruments and creating mutual funds should help farmers to cope with health and weather risks, which are set to rise in the near future. The EESC recalls the grave crisis that has struck international financial institutions and asks the Commission to clarify the operational arrangements to be adopted for the implementation of these instruments as soon as possible. The EESC has doubts about the advisability of including risk management actions in the second pillar and would point out that the national co-financing obligation could create a disincentive for Member States to implement these new instruments.

4.3 The EESC is following closely the Commission's proposal to promote alternative retail channels aimed at enhancing local resources through second-pillar measures for spreading and consolidating direct sale practices and local markets. The EESC believes that these alternative marketing practices should receive support, even by establishing an ad hoc EU legislative framework.

⁽¹⁴⁾ EESC Opinion on *The future of the Common Agricultural Policy after 2013* (OJ C 318, 23.12.2009, p. 66, point 4.3).

⁽¹⁵⁾ EESC Opinion on *The future of the Common Agricultural Policy after 2013* (OJ C 318, 23.12.2009, p. 66, point 2.5).

⁽¹⁶⁾ EESC Opinion on the *Reform of the common agricultural policy in 2013* (OJ C 354, 28.12.2010, p. 35, points 5.7.4, 5.8.4 and 5.8.5).

⁽¹⁷⁾ EESC Opinion on the *Health check of the CAP and its future after 2013* (OJ C 44, 16.2.2008, p. 60, point 7.6.11).

4.4 The EESC hopes that WTO trade negotiations will be resumed and have a positive outcome. It recalls the impact - in terms of further opening agricultural markets - that trade negotiations, especially with Mercosur, can have on the efficient functioning of the CAP⁽¹⁸⁾. The EESC intends to show how this will intensify competition and agricultural price volatility on international markets, which the CAP reform process must take into consideration when amending market stabilisation instruments and re-orienting the direct payment instrument. Furthermore, international trade can contribute substantially to food availability by increasing the quantity and range of food products on the market⁽¹⁹⁾. The EESC recalls that mandatory EU production standards put European farmers at a disadvantage to non-European farmers. The EESC calls for stronger monitoring of imported raw

materials. These products must be subject to the same requirements as European products, not only in order to avoid unfair competition and social dumping, but also serious repercussions on the quality of agricultural production and food processing.

4.5 The EESC calls on the Commission to adopt the necessary provisions to address the shortfall in protein fodder crop production that typifies European agriculture and which limits the development of some EU production segments. In this context, the EESC is paying close attention to the implementation of actions to create synergies between agri-energy programmes and actions to promote protein crop production in Europe.

Brussels, 16 March 2011.

The President
of the European Economic and Social Committee
Staffan NILSSON

⁽¹⁸⁾ EESC Opinion on the *Health check of the CAP and its future after 2013* (OJ C 44, 16.2.2008, p. 60, point 7.4.9).

⁽¹⁹⁾ COM(2010) 127 Communication on *An EU policy framework to assist developing countries in addressing food security challenges*.

APPENDIX

to the Committee opinion

The following amendments, which received at least a quarter of the votes cast, were rejected during the discussion:

Point 1.5 Delete the last sentence:

The EESC agrees that CAP support should only be granted to active farmers and promote the European agricultural model through measures under the first and second pillar. All payments under the first and second pillar should aim to solve social, environmental and economic problems. As a result, the EESC asks the Commission to provide an EU-wide definition of "active farmer". The EESC suggests that the definition of an active farmer should include among its requirements the production and marketing of agricultural products, the creation of public goods and services of social interest, and direct local marketing.'

Result of the vote

For:	74
Against:	125
Abstentions:	29

Point 1.7 Delete and replace by the following text:

The EESC is in favour of capping direct payments on the basis of the country's and the specific region's agricultural structure. The EESC advocates capping in accordance with a farm's salaried and unsalaried labour intensity, also taking the farmer's work into consideration and thereby also providing social justification for economic resources spent on the functioning of the CAP. Furthermore, the EESC considers it necessary to take into account the specificities of businesses that are jointly owned or set up by cooperatives and farm producer associations, and to make the payment to all the partners. The EESC cannot accept the introduction of a cap on aid. All farmers must be treated equally, regardless of the size of their farm or its legal form. The EESC will therefore consider any aid cap as contrary to the principle of equal treatment, since there can be no objective basis for any capping of aid.'

Result of the vote

For:	62
Against:	155
Abstentions:	20
